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ZONOLITE DIVISION

SEP 5 - 1970

TO L. P. Hollis DATE September 3, 1970.

FROM Jim Cintani SUBJECT Monthly Situation Report August, 1970

CC: S. Titus

Dear Pete:

Northeast District Sales during August were most encouraging. Dollar Sales amounted to $258,600 an increase of 30% over last year's dollar sales. Bag sales in August were 123,700 bags an increase of 14%. We were however slightly behind our budgeted goals for August for both dollar and bag sales.

Tabulated is a comparison of sales during the first eight months of 1970 compared to similiar period in 1969.

Product	1970	1969	Difference
Attic (4 cu. ft.)	224,700	183,200	41,500
S.C.A.	167,500	182,400	(14,900)
PA	25,500	22,600	2,900
MF	149,800	148,273	1,500
Perlite	51,900	66,600	(14,700)
MK	191,200	85,200	106,000
Glass Fiber	2,176,000	4,177,000	(2,001,000)
Dyfoam	2,685,000	2,351,000	334,000
Vent Board	580,000	1,551,000	(971,000)
Total Bags	853,400	747,000	106,400
Total Dollars	$1,663,000	1,558,000	$105,000

Plans for Fall Insulation Campaign are progressing. Stan Titus advises that the men have most of their advertising promotions lined up. We are hopeful of having a successful insulation campaign this fall. Our Fall Campaign Meeting get together with Distributors will be a good start to our Fall Insulation Campaign.

Concrete Aggregate sales showed a marked improvement in August. Sales amounted to 35,000 bags for the Northeast. The Weedsport and Easthampton Districts had the best showing. The Trenton District has a number of roof deck jobs nearly ready to go. I am hopeful we can get the bulk of these before cold weather arrives.

We have had several meetings with General State Authority for State of Pennsylvania trying to get them to grant approval on use of Zonolite concrete roof decks on G. S. A. projects. We were able to prove to them that the so called problem wet fill roof decks were not

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even wet fills out rather rigid insulation. It is going to be a long difficult task to get them to reverse their decision but I feel we have taken positive steps to correct the situation. Now we will need a close follow up with G. S. A. to ensure a reversal of their decision.

The asbestos pollution problem is rapidly spreading throughout the Northeast. The City of Philadelphia will not issue any permits for spray fireproofing of any asbestos contained product. The trade councils in a number of cities in the Northeast are advising their members not to work in any area that asbestos spray fireproofing is being applied.

We have lost the two large fireproofing projects in Philadelphia. There are a number of other jobs which are being held up pending a decision. If we do not come up with a non-asbestos Monokote; I am afraid we will be forced out of the fireproofing market entirely.

Dri Pac sales are increasing and our four applicators in the Northeast are securing numerous contracts. Our chief competitor Skyway Roofing appears to be not going after the new work as aggressively as in the past. Rumors are circulating that Skyway Roofing is planning to discontinue operations within the next year. I have not been able to substantiate this report. On Dri Pac promotion we need additional data in our literature. Our applicators feel that all-weathercrete's Sweet Brochure is much better than anything we have published to date. I personally feel we could improve upon our Dri Pac literature, suggested application procedures, as well as recommended placement equipment for Dri Pac.

Our operating profit during August showed an improvement over previous months. The improvement was the result of better production costs at our Trenton operation. I feel we should continue to show improvement in this vital area.

Sales during the month of September should continue very strong. Bag sales should be approximately 135,000 bags with dollar sales in the $260,000 range.

Sincerely,

Jim

JC:ms

Jim Cintani