

October 9, 1973

Dr. R. Gaze
The Cape Asbestos Co. Ltd.
114 Park Street
London W1Y 4AB, England

Dear Dr. Gaze,

During our recent visit in Denver you will recall we discussed the fact that I had met socially with Wes Gatewood, Vice President of Certainteed, while in Montreal and he had intimated there would possibly be some changes in their 1974 purchasing policies. He also indicated it would be advisable for us to stay in touch with him.

I believe you stated you would make contact with Turner Newall to ascertain what course of action we should take.

This week I again had occasion to meet socially with Wes Gatewood, and although he was not totally conversand regarding Blue Asbestos, he did suggest that I come in and meet with him and Bill Miltz, of purchasing, to discuss their 1974 requirements. Apparently they have been advised that Turner Newall will not be in position to supply their total requirements for '74. They normally use between 3,000 and 4,000 metric tons of Blue per year and have tried some GSA material in their Hillsboro plant but found it to be unsatisfactory because of dust.

We also understood that their price from Turner Newall was in Rands, and that they had incurred increased costs this year because of the dollar devaluation and the Rand revaluation. Under the circumstances it seems I should honor their request to meet with them prior to November 1st. The question is how shall we handle this situation? Have you talked to your contact at Turner Newall and do you have any information you could offer us? Would you prefer to handle all pricing and negotiations through Turner Newall or should NAAC consider selling them direct or on a contract basis as with JM?

If we are to negotiate with them we will need 1974 prices and inasmuch as they appear to be using several grades of Turner Newall fibres we would need a comparison chart of Turner Newall grades versus Cape grades.

If we are to contact Certainteed prior to November 1st, as they have requested, there is some urgency in receiving your reply to this letter.

Best personal regards.

Sincerely,

CGMorgan/jc