

MEMORANDUM

In Reply to _____ Date 4/28/71 From P.C. Johnson To A.K. Powers - MK
Subject QUALITY CONTROL

I have just finished reviewing the quality control for Charleston for the month of April and for the First Quarter.

As you know, we put Carroll Homan in charge of quality control two and a half years ago. The expectation was that he would bring together our quality standards at all our mills, with particular emphasis on getting all mills to conform to our quality standards in practice as well as theory. Since that time I have regularly reviewed the monthly reports and results. I have noticed that we now know just what our mills are doing. I also note that for the most part we aren't doing much to correct our quality deficiencies. In other words, the same faults show up month after month with little or no corrective effort being exhibited.

Now for instance, in the month of April we find that the average saturation was 168.4%. The UL minimum is 170%. What this means is that our product is not being saturated properly. This also means that we are running the risk of future customer complaints and poor performance in use. The same general situation was true two years ago. In other words, nothing has happened to improve our position. We keep talking about the same things month in and month out. Charleston is not alone in this situation. I find that all our mills generally are guilty of the same thing. That is, doing little or nothing to positively upgrade the quality of the product.

When we make Thick Butt Shingles we are making essentially a product sensitive in the manufacturing process. It requires close surveillance and close control over saturation, filler content of coatings, the amount of coating on the sheet, granule embedment, total weight. More than any other type shingle the Thick Butt requires balance. That is the reason we have a central quality control man and ask for monthly reports so that we can keep a check on the kind of product that we are making.

Our Plant Superintendents are responsible for the production quality. The Chemists can only advise and point the way. Superintendents and Production Foremen do the rest. I have often heard that it is impossible to saturate felt at certain speeds or felts of certain types. That is not quite the case. The proper answer should be that we will do whatever is necessary in order to properly saturate felt, but the Superintendent is the one who must tell us what is needed. There is no way for me to say what Charleston should do in order to achieve an average of 175% to 180%.

I know that the pressure for high production is tremendous and tends to make people overlook quality deficiencies. However, the real

PLAINTIFF'S EXHIBIT

BIR-203

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cc: C.A.Homan - BBQ

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answer is that we must find a way to make consistently good products conforming to our quality standards at high speeds as well as low speeds. There is no need of our having quality control people if the suggestions, directions and advice of those people are ignored.

I am writing to all of the Managers on this subject. This is a subject too that I expect to take up in considerable detail at our Management Meeting. However, that meeting is two months away, and I would like to see some effort made to upgrade our quality and controls in June and July. I would like to see at least 90% of all tests passing the Underwriters minimum. It is easy to say these things, but not so easy to do. I am sure that the results can only be gained by people being sympathetically aware of the need for consistent volume and those people of necessity have to be production people.

Last but not least, I find that our costs on settled complaints for the first quarter of this year were \$31,500. compared to \$14,700. a year ago. This is a tremendous increase and indicates that 1971 is going to cost us a lot of money. I am not sure of all of the reasons except that there are probably many of which I am not aware. The whole point is that at this rate Charleston conceivably would pay out over \$125,000. this year in complaint settlements. If these settlements are justifiable because of faulty materials then we have still another reason for tightening up our quality control. In any event, it looks as though we are heading for the all time high, and nothing will change this direction unless we take positive action now.

PCJ:F