FILE NAME: Cape Asbestos (CAPE)

DATE: 1975 July 20

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DOCUMENT DESCRIPTION: Letter from Dr. Gaze sent to Mr. Morgan's home address RE changing NAAC identity to avoid liability [Legal - Tibbs Case Exhibit 56]

Cape Industries Limited

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911 11

JUN 30 1975

Mr. C.G. Morgan,
39 Croydon Lane,
York Woods,
Oakbrook,
Illinois 60521.

20th June, 1975

Dear Gerry,

I undertook to keep you in touch with our thoughts about the future operations of NAAC and thought I should send this to your home address so as to avoid unnecessary speculation in the office.

As I mentioned during my visit, it is possible that we may wish to do something to change the identity of NAAC in order to avoid exposing the company unnecessarily. At the same time, I am determined to do everything possible to maintain a successful selling operation in the United States.

I have asked Tony Penna to write to Max Meyer posing a number of questions in this connection and one thought that has occurred to me is that we should examine the possibility of using Cape Canada as the selling company. With the headquarters of this company established in Toronto or Montreal, it might be possible to maintain the operation in Chicago virtually unchanged (but perhaps at a different address).

The immediate purpose of my letter however, concerns inventory at your warehouse. In the present uncertainty, it is clearly desirable that we should operate with the minimum of assets of this type and I should therefore like you to take all possible steps to see that this stock is reduced to the lowest possible level.

I am aware that for some reason, a greater tonnage than you had actually requested, was shipped to you and I am therefore making a point of asking CASAP and CAF to ensure that no shipments are sent to you other than those specifically requested.

Yours sincerely,

Dr. R. Gaze

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RG/WFC