

JOHNS-MANVILLE

CALL REPORT

ASBESTOS FIBER DIVISION

Date of Call June 16, 1976

Territory MTRCO

Date of Report July 1, 1976

Account

Names

Persons Interviewed

Title

Name Dana Corporation
Dept. Victor Products Division
Address Robinson, Illinois

Bob DeFilippis
Steve Cerve
Darlene Hanson

Plant Manager
Plant Supt.
Plant Purchasing Agent

Subject of Call Show environmental film and to discuss fiber usage for 1977.

Customer's Product Sheet Gasket Material

J.M. Product & Grades SK02, 4K04, 7M05

J.M. Action Requested

Competitive Situation and/or Sales Resistance

Pertinent Data

Showed them the environmental film and they were very impressed with the presentation. I will send them my copy to show to their people who handle asbestos, and will be sending them brochures on handling asbestos. They are set pretty well environmentally and I will get them to provide their dust count figures. OSHA has been in to inspect them and they seem to be in pretty good shape. Their only concern is the people that cut the gaskets in the plant may have to get medical exams as the people who handle asbestos before it is bound in are required to have medical exams. It could be very expensive but I indicated to Steve Cerve that it may be an opportunity for them to insure the health of their employees and catch any problems health-wise before they start.

Should be for 1976 that they use about 2600 tons of SK02, about 550 tons of 4K04 and about 80 tons of 7M05. I expect them to use about 80 tons of 7M05 next year and about 500 tons of 4K04, and I figure in 1977 they should be using 3,000 tons of SK02 since they have replaced some 4K04 business with SK02 material and they are using approximately 3 cars a month of SK02 and 1 car a month roughly of 4K04. They don't expect their business to change in 1977, but it will be a good year for them. They are not going to expand beyond their present situation labor-wise and they would expect only to work Saturdays to make up lags in production. Right now Bob DeFilippis plans to keep production capacity at a set level and supplement their business needs from production in Yugoslavia and by working Saturdays and overtime to make up the short fallen material. Also, they seem to indicate they may not have needed as much material as anticipated with the two new mills placed in production because they have gone to a plan called the Scanlin Plan where their rejected materials, which were once somewhere in the area as 19% have been reduced to 1 or 4% and this has reduced their consumption of fiber and all other materials because they are getting better quality of material out the door. This should help stabilize some of their fiber usage and that is why I anticipate that their usage should

PLAINTIFF'S
EXHIBIT

Signed

MT-000698

70450.00

JOHNS-MANVILLE

CALL REPORT

ASBESTOS FIBRE DIVISION

Date of Call	Territory	Date of Report	July 1, 1976
Account	Name	Persons Interviewed	Title
Name			
Dept.			
Address			
Subject of Call			
Customer's Product			
J.M. Product & Grades			
J.M. Action Requested			
Competitive Situation and/or Sales Resistance			

Pertinent Data Page 2

not be too dramatically increased over this year's production.

They seemed very worried about the single source of material and after the problems we have had at the mine I cannot blame them for having this feeling. It is very difficult to find a substitute for the SK02 that provides the nice uniform sheet that they obtain with our material. Essentially Bob DeFilippis believes that we designed our product to meet their needs and he is a little concerned that maybe their specs are a little too tight as far as using other types of materials. They are not worried to the point of finding another source or giving someone else 50% of the business, but they are worried about things like a slide or a fire or other catastrophes that might leave them without any source of asbestos approved and right now they are having a very difficult time finding anybody to even spec for a second source. Right now the only ones that look like they have any possibilities are Huxley Corporation and Russian fiber and they have obtained some samples of this material to see if it might work out. They also went to China about six months ago and ordered a ton of material. They received a metric ton of Chinese fiber in for tests which was in 120 lb. burlap bags. They are not too happy about using that type of material and from what I understand the Russian material came in 75 or 80 lb. bags of material. The Russian fiber looks like it might be a source of material and I indicated to them they ought to make sure the Russian fiber is going to be available on a regular basis since Russia does sell fiber outside of Russia for hard currency and depending upon Russian needs for currency, they might only sell a certain amount of fiber sporadically. They indicated that Huxley has Russian fiber in Houston and in Pennsylvania in a warehouse and so they are hoping that if they approve the material they could get back up supplies of asbestos from these warehouses if we had any problems. It is kind of an interesting situation. I have indicated to them that we are also looking for new sources and supplies of asbestos and that we've made major efforts

Signed

MT-000699

JOHN MANVILLE

CALL REPORT

ARMISTED CORP DIVISION

Date of Call

Territory

Date of Report

July 1, 1976

Account

Name

Persons Interviewed

Title

Name

Dept

Address

Subject of Call

Customer's Product

J.M. Product & Grades

J.M. Action Requested

Competitive Situation and/or Sales Resistance

Portion Date

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in this area, but any new production coming on will be very expensive and take a number of years to start so they are presently committed to our production facilities.

Dana is currently working on trying to sell their sheet material on the outside and get away from supplying the entire needs of Dana Corporation internally. Hopefully they can become a profit center rather than a cost center as they are now getting transfer prices for their material. They are looking to hopefully increase their business in the next couple of years to a million to two million a year and make a profit on their materials. This is where they are planning to farm out some of their internal business with outside customers and internal usages. They are set up with price lists and a small group of representatives handling their material and it should be interesting to see how well they come along in their development work since they just started a couple months ago. Right now they are not too optimistic for these outside sales, but we never know how well they will penetrate the market.

I think they are pretty well set environmentally and I will obtain the cost quotes from them in the near future. Looks good for Dana in the rest of 1976 and for 1977.

cc.

MT-000700

Signed