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P.O. Box 34 1066 Epalinges Switzerland

WG/M/vt

Lausanne, September 29, 1977.

Mr. John L. Myers
Marketing Manager
UNION CARBIDE CORPORATION
Metals Division
P.O.Box 579

NIAGARA FALLS, N.Y. 14302

USA

Dear John,

Grace have now introduced me to their two customers for HPP asbestos in Switzerland. It turns out that both of them have large quantities in inventory. Filtrox actually have more in inventory than they received with their last shipment in April 1977. At the present consumption rate the inventories will last till May (Tschudi) and June (Filtrox) 1978. Tschudi are making constant losses and may not survive as a producing plant that long, unless they find a way to increase production. My forecast for 1978 for delivery to Tschudi and Filtrox is a total of 17 metric tons of HPP, i.e. one container for them to share.

By the end of next week we shall visit one of the paper mills in Switzerland with a usage potential of 300-400 tons. Following that I shall decide how to proceed with them and the larger mill with a usage potential of 1000 tons or more. For these two prospects I count on getting the HPP on an f.a.s. basis at ex works prices, i.e. UCC pay the US inland costs as we discussed in New York.

Yours sincerely,

Willy Gertsen

Information:

A. Filtrox is a large manufacturer of filter equipment producing also filter sheets and filter aids. They export to all countries. They are specialized in the food industry, beer, wine and other beverages. They also use almost 1000 tons of grade 3 and 4 asbestos low in Iron and

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Calcium from Canada and South Africa.

B. Tschudi produce specialty cardboards. One grade, containing HPP, is used for embossed printing plates. Their US competition is Wood and Burgers (3M). This is a declining market as the method loses out to offset and gravure printing. They mainly export to Africa. Tschudi are owned by a well consolidated and profitable paper manufacturer.