

PITTSBURGH CORNING CORPORATION

THREE GATEWAY CENTER

PITTSBURGH, PA. 15222

RICHARD W. GAENZLE
DIRECTOR OF MARKETING

November 9, 1971
November 9, 1971

TO: ALL FIELD SALES PERSONNEL

I want to take this opportunity to share with you a very difficult decision that was reached concerning the UNIBESTOS product line.

Effective December 6, 1971, we will not be accepting orders on new business. All firm orders now on hand and new business received before December 6, 1971 will be filled, if the items can be manufactured and shipped prior to December 31, 1971.

The UNIBESTOS business has been a high demand product throughout the 1971 selling season, but continues to have a less than satisfactory profit contribution.

Therefore, as of December 31, 1971, Pittsburgh Corning will not manufacture UNIBESTOS. Effective immediately, you should no longer spend your valuable selling time on the UNIBESTOS product line. Instead, you should take a new look at FOAMGLAS for increased sales and added profit to your territory, region and corporation.

Those of you heretofore charged with the promotion of UNIBESTOS should immediately contact, in person, those specifying influences or customers in your territory, and advise them of our decision to discontinue the manufacture of UNIBESTOS. May I suggest that this action be taken as soon as possible, and the reasons and thinking behind our decision are as set forth in the attached copy of a letter sent to our distributors today.

Please make sure that all customers are aware that Pittsburgh Corning is still in the insulation business and that we hope to continue our valued relationship.

Very truly,

Richard W. Gaenzle

RWG:jy

PLAINTIFF'S
EXHIBIT

0420200

PLAINTIFF'S
EXHIBIT

WV-009614

November 9, 1971

TO: FIELD SALES PERSONNEL

I want to take this opportunity to share with you a very difficult decision that was reached concerning the UNIBESTOS product line. In 1972, the product made only a very modest profit, however, we could develop new production methods. Effective December 6, 1971, we will not be accepting orders on new business. All firm orders now on hand and new business received before December 6, 1971 will be filled, if the items can be manufactured and shipped prior to December 31, 1971.

The UNIBESTOS business has been a high demand product throughout the 1971 selling season, but continues to have a less than satisfactory profit contribution.

Therefore, as of December 31, 1971, Pittsburgh Corning Corporation will no longer have a high temperature insulation product. Effective immediately, you should no longer spend your valuable selling time on the UNIBESTOS product line. Instead, you should take a new look at FOAMGLAS for increased sales and profit to your territory, region and corporation.

Attached are letters sent to major customers and specifying agencies.

November 9, 1971

TO: SPECIFYING AGENCIES

Pittsburgh Corning Corporation acquired the UNIBESTOS product line in 1962. At that time the product made only a very modest profit, however, we had great hopes that we could develop new production methods. Effective December 6, 1971, we will not be accepting orders for new business. Unfortunately, our production development efforts have not been successful, and the factory efficiency is about the same as in 1962. The costs for labor, freight, raw materials and selling have increased over the past nine years, while the market price for high temperature insulations have not changed significantly. The result is that Pittsburgh Corning can foresee only continued deterioration of the already small profit generated by UNIBESTOS. Under these circumstances, we cannot justify additional investments in needed new production equipment, nor in the manpower and resources for continued promotion and sale of UNIBESTOS. Therefore, we at Pittsburgh Corning Corporation have decided not to continue in the manufacturing and marketing of UNIBESTOS as of December 31, 1971.

We appreciate the specifications you have written for this product over the past few years, and we hope to continue working with you on the FOAMGLAS product line for your future projects.

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PITTSBURGH, PA. 15222

RICHARD W. GAENZLE

DIRECTOR OF MARKETING

November 9, 1971

TO: OUR UNIBESTOS CUSTOMERS

Pittsburgh Corning Corporation acquired the UNIBESTOS product line in 1962. At that time the product made only a very modest profit, however, we had great hopes that we could develop new production methods. Unfortunately, our production development efforts have not been successful, and the factory efficiency is about the same as in 1962.

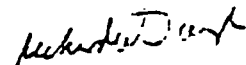
On the other hand, the costs for labor, freight, raw materials and selling cost have increased substantially over the past nine years, while the market prices for high temperature insulations have not changed significantly.

The result is that Pittsburgh Corning can foresee only continued deterioration of the already small profit generated by UNIBESTOS. Under these circumstances, we cannot justify additional investments in needed new production equipment, nor in the manpower and resources for continued promotion and sale of UNIBESTOS.

Therefore, Pittsburgh Corning has reluctantly decided to stop accepting orders for UNIBESTOS as of December 6, 1971. All firm orders now on hand and new orders received before December 6, will be filled if the items can be manufactured and shipped prior to December 31, 1971.

We thank you for the interest and confidence you have had in our UNIBESTOS product and for this opportunity to explain the background of our difficult decision to withdraw this product from the marketplace.

Very truly,



Richard W. Gaenzle

RWG:jy

November 9, 1971

TO: OUR UNIBESTOS CUSTOMERS

RICHARD W. GAFNEY

DIRECTOR OF MARKETING

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