

September 29th, 1943

AIR MAIL

Mr. R. E. Dwyer, Executive Vice President,
Anasconda Copper Mining Company,
25 Broadway,
New York, (4) New York.

Dear Mr. Dwyer:

The following is a brief discussion of the August, 1943
operations at the East Chicago plant:-

LEAD REFINING DEPARTMENT

The income for the month:-

Lead Refining	\$11,192.33
Bismuth Refinery	194.65

Since no antimonial lead was produced in August, there is a
deferred income of \$4,450.00 which will be realized whenever the
antimony charged in August is produced.

Favorable factors which influenced the August profits are
shown below:

Adjustment covering accumulated transportation tax on East Helena bullion	\$ 3,129.75
Profit on treatment of battery plates for the Gardiner Metal Company	4,176.75
Portion of normal overhead expenses charged to the Gardiner Metal Co.	3,742.99

The September operations will be about normal.

ZINC OXIDE DEPARTMENT

Theuffle furnace operations consisted of 11 days operation
producing zinc oxide, and 24 days operation producing alab zinc. The
French furnace was operated for 16 days and the six-door American Block
operated for the entire month.

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The income for the month is shown as follows:

Zinc Oxide	\$ 12,090.79
Zinc Metal	5,514.18

The above figures are in line with the estimates made at the beginning of the year.

WHITE LEAD DEPARTMENT

The Profit and Loss Statement reveals the following:

Dry White Lead	\$ 725.16
Lead-in-Oil	2,542.86

The loss shown above for dry white lead includes \$2,741.54 shutdown expense charged to the white lead.

BETTS PLANT

The cost per ton of anodes corroded is shown as \$47.93. Since August was the first month of Betts operations since March, there were several unusual items which increased the costs. These items are shown in the following tabulation:

Low tonnage on account of delay due to cell lining repairs	\$ 7.89 per ton
Addition of extra hydrofluosulfic acid and white lead to bring up solution strength	5.38 per ton
Large proportions of vacations taken in August	1.24 per ton
Extra labor due to cleaning contact bars and using extra women making starting sheets	.85 per ton
Total unusual items	\$ 15.36 per ton

The cost after allowing for these unusual items is \$32.57 per ton. In July we estimated our costs would be \$34.33 per ton. This July estimate included \$4.20 per ton depreciation. Since no depreciation is charged to the Betts operations, the estimate would be reduced to \$30.13. We feel that the September costs will be more nearly in line with our estimated costs, as we have been corroding an average of about 19.5 tons per day for the past week, as compared to an average of 14.9 tons per day in August.

GARDINER METAL COMPANY CONTRACT

Smelting of battery plates for the Gardiner Metal Company was completed in August, except for small amounts of by-products. Arrangements are being completed for the final settlement of this account.

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3% TRANSPORTATION TAX

The adjustment covering the accumulated transportation tax on East Helena bullion was credited in the August accounts.

LABOR

A meeting was held with representatives of the Union on September 16th to discuss the overtime and double shift questions. We stated to them that we would reduce double shift work to a minimum. We advised them that we would accomplish this result by the following steps:

1. We would arrange to keep some extra labor available on each shift for reasonable emergencies that could not be anticipated.
2. If a man did not report for work and we had no other employee available, we would call out employees who had been scheduled for less than six days work in that week, except those employees who were absent without leave from duty.
3. If this did not provide sufficient help for the work to be performed, we would shut down the operations until sufficient help could be obtained.

After discussing this counter proposal, they apparently had no further protest to make. They agreed that our past practice in handling contract work and using some of the employees for contract work after they had completed a shift was not objectionable to the Union, and we will continue the practice.

The United States Conciliation Service has advised us that the Roma Smith case has been certified to the War Labor Board.

We received a corrected copy of the approval by the National War Labor Board granting increases in pay to our hourly employees, which established the effective date of the order as December 19th, 1942. We are arranging to distribute the retroactive pay by separate checks on October 1st.

GENERAL OUTLOOKChemical Warfare Service Interest in Zinc Oxide

The Chemical Warfare Service laboratories at Edgewood Arsenal reported that our 109 grade of zinc oxide met all the specifications except the test for retention of carbon tetrachloride. They have issued new instructions on the carbon tetrachloride test and we have arranged to obtain the new equipment specified. As soon as this new equipment is received we will send a representative to Edgewood in order to check with them as to the use of this equipment and the manner of conducting these tests.

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War Production Board Allocations

All lead-free grades of zinc oxide have been placed on allocation. This has created a situation rather embarrassing to us, as we do not have enough American Process oxide to meet all the demands. However, it is helping us to sell the higher priced grades of oxide at considerable advantage.

Very truly yours,

W. E. Dwyer

EWJ/fa

cc: Mr. Frederick Laist ✓

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