

Mr. F.K. Sweeney

October 1, 1965

Messrs. Henry - Hutton

NEW CUSTOMERS - NEW PRODUCTS - CUSTOMER INCREASES

1. H.H. Robertson

We can keep this business provided we can continue to meet their specifications. We presently supply about 50% of their business with the balance going to Carey and a small portion to Nicolet.

2. Grant Wilson, Inc.

The profitability of this business continues to be marginal. The new prices are now in effect. A study indicates that we average 20% Gross Profit on 70% of their volume and 5% on the remaining 30%. We did \$113,396 for the first eight months with this customer, an increase of \$21,168 over the same period in 1964.

3. Pipeline Felt

We are restricting our efforts on Pipeline Felt to a certain few accounts because our present selling price is below our cost (Selling Price \$1.75 delivered vs. \$1.7907 per C sq. ft. cost on cars). We will use 1100 tons of 10 lb. Dry Asbestos Paper in 1965 and this could be escalated to double this amount in the next five years if we aggressively solicited this business.

We do not recommend the spending of the money necessary for equipment to manufacture reinforced Pipeline Felt in view of our present high costs on the regular product.

4. Asbestos Paper

We have added 19 new customers in the last 12 months.

5. Growth Possibilities Asbestos Paper & Millboard

We believe this to be excellent and for the first eight months of 1965 we are \$300,276 over our 1964 record for the same period. We are working with the following concerns with new products and product progress:

Superior Gasket - Asbestos Millboard Gasketing
Felt Products - Gasketing - Asbestos Millboard
Gasketing
Detroit Gasketing - Asbestos Millboard Gasketing

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North American Asbestos Company - Amosite Paper
McCord Corporation - Product G-600 Asbestos Bituminous
Binder
Carlock Gasket - Blue Asbestos Millboard
B.F. Goodrich - Neoprene Asbestos Paper
Tracy Asbestos - Special Soft Hi-Temp Millboard.

6. Automotive Asbestos Business

We think we have most of this business. Crawford and Gardner will check all truck manufacturers to determine if any, other than Ford, are using Asbestos Millboard. Crawford has just obtained a new small Asbestos Millboard part from Ford that should amount to 66,000 pieces.

W.C. O'Brien

WCO'B/ln
Att.

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