PLAINTIFF'S EXHIBIT
JM 877

DIVISION PIPE

PLANT DENISON

CONTROLLER OF ASBESTOS FIBRE DIVISION

INTER-DIVISION REDUCTION IN FIBRE PRICES

DURING THE MONTH OF MARCH, THE FOLLOWING CHARGES HAVE BEEN MADE TO ACCOUNT #6440, RESPONSIBILITY AO5009 OR AO5109

	FIBRE GRADE	TONS	# AMOUNT
CREDIT FOR WINTER FIBRE SHIPMENTS - HFO BULLETIN 53-48			
	JEFF 4T	300	1500
	JEFF 4H	110	550
TOTAL DISCOUNT			# 2050

PREPARED BY

MTC 013464

2 Copies

DIVISION P. PE

PLANT DENISON

CONTROLLER OF ASBESTOS FIBRE DIVISION

INTER-DIVISION REDUCTION IN FIBRE PRICES

DURING THE MONTH OF FEBRUARY, THE FOLLOWING CHARGES HAVE BEEN MADE TO ACCOUNT #6440, RESPONSIBILITY R05009 OR R05109

	FIBRE GRADE	TONS	@ AMOUNT
CREDIT FOR WINTER FIBRE SHIPMENTS - REF BULLETIN 5348			
	JEFF 4T	1200	6000
	JEFF 4H	110	550
TOTAL DISCOUNT			$ 6550

PREPARED BY

MTC 013465

M. Fedorak

cc

W. Lundell RHQ

Cost Per Ton Statement

After reviewing the Pipe Division's first quarter actual Cost per ton report, we note that we may be doing something opposite of what we should be doing.

(1) We have been taking the $5 per ton fibre storage credit out of fibre Costs and adding it back in on the other Costs not included above line.

(2) On this same line, we are adding the inbound freight, warehousing and price variation on finished goods for resale. For the first quarter these Costs were $6060 fibre storage credit, $349 inbound freight, $17888 warehousing and $3343 favorable price variation. This total of $20954 is the $124 per ton shown on the quarterly report and our Costs Per ton report.

MTC 013466

Since April was the last month for the fibre storage credit, may we suggest that this credit

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be taken out of the fire cost year to date and not show it any where else for the balance of the year. This would then show the actual cost per ton shipped for the year to date.

MTC 013467