PLAINTIFF'S
EXHIBIT
CEL-763

CALIDRIA SOUTH

JULY 1, 1981

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THE GEOGRAPHY . . .

Alabama	Illinois (Southern portion)	Missouri	Tennessee
Arkansas	Kansas	North Carolina	Texas
Florida	Louisiana	Oklahoma	Virginia
Georgia	Mississippi	South Carolina	W. Virginia

WHERE THE BUSINESS IS COMING FROM . . .

Approximately 85% of the sales volume is coming from the following states ranked in order of contribution:

1) Texas
2) Oklahoma
3) Tennessee
4) Georgia
5) Missouri
6) Florida

ACCOUNT PACKAGE INCLUDES . . .

26 Budgeted Accounts 21 Non-budgeted accounts 31 Working Prospec

LOOKING BACK AT PAST SALES . . .

	YEAR	TONS	M$
	1977	9514	1289
	1978	8222	1227
	1979	6711	1033
	1980	9194	1521
Budget	1981	10450	2165
6%		9580 - 9600	2000

Canadian Strike

PRESENTLY. . .

PRODUCT	THRU MAY T	THRU MAY $M	BUDGET T	BUDGET $M	% BUDGET T	% BUDGET $M
SG103	68.6	9.3	60	8	272	274
SG104	1906.6	220.3	4600	533	99	98
SG210	16.1	5.8	25	9	154	153
HPO	401.8	98.5	330	85	290	276
RG100	256.0	166.6	570	399	107	99
RG110	27.3	11.1	35	8	186	326
RG144	60.9	44.2	130	94	112	112
RG244	26.0	79.5	60	194	103	98
CSV	996.0	177.2	3000	540	79	78
SHUR	180.0	32.4	1140	205	38	38
UNIVIS	32.0	5.8	500	90	15	15
TOTAL	3971.3	850.5	10450	2165	90	94

ACCOUNT PROFILE

Celanese Plastics

Bishop, Texas

Ken Wolf Assistant Plant Manager
Carl Almond Quality Control Engineer
Bettie Ficklin Purchasing Agent

Use of 144 is as a reinforcing agent in "Celvax" thermoplastic polyester resin developed and patented by their New Jersey R & D facility. First introduced in the market place in 1976. Their plant has been highly automated to handle asbestos and we provide additional packaging protection to keep dust at a minimum.

Product Sales

Product	Thru May '81		Budget		% Budget	
	T	M$	T	M$	T	M$
RG144	39.9	28.8	110	79	86	88

Strengths- 144 is locked into the formula by the patent and no present tests are going on the find a replacement for asbestos after failure of their past efforts. Large production capacity was installed to handle the future requirements of Celvax.

Weaknesses- Sales are limited to 144 in Celvax and will rise or fall with it. To date sales have been steady but have not resulted in volume levels anticipated.

ACCOUNT PROFILE

Colonial Rubber Works, Inc.

Dyersburg, Tennessee

Dan Hotaling Chairman of Board
Jim Carver VP Sales
Bill Heathcote President

Bob Kirk Safety Director
Sid Allen Purchasing Agent

Colonial is the largest rubber custom compounder in the Southeast. RG100 was first brought in to Colonial in 1977 as a reinforcing agent in a 3M patented highway marker product. Colonial ships the marker they produce in rolls to a 3M finishing plant where a backcoat adhesive and c ating are applied. Prior to this year the business was commissioned through Harwick Chemicals as this was their region's largest account and they were calling here more frequently. 1/8" pellets are shipped in 82 lb. bags to match their Banbay batch size which allows them to work with full bag multiples.

Product Sales

Product	Thru May '81		Budget		% Budget	
	T	M$	T	M$	T	M$
RG100	256.0	166.6	570.0	399.0	107	99

Strengths - The highway marker since its introduction has shown a steady growth with the exception of 1979, and '81 should see our RG100 sales grow by 40% over last year and go over the 1MM ft. mark for the first time.

Weaknesses - Requirements information from 3M is not easy to come by. Up until last year 3M had a full-time chemist working on finding a replacement for asbestos but they were unsuccessful. No known replacement work is active at present but they are open to evaluating any potential replacements for RG100.

Only distributor in JEW territory Houston / Dallas

VCC is #2 acct @ D & F.

ACCOUNT PROFILE

D & F Distributing, Inc.

HOUSTON

Wayland Dunlap President
Jack Framback Secretary
Phil Henry Vice President
Ava Dunlap Office Manager & Wife of President

DALLAS

Ross Frank Vice President
Steve Hightower
Technical Representative

D & F was incorporated in 1976 and oriented to redistributing chemical specialties to the coatings market. Initial CALIDRIA shipment was made in '78 and presently they are handling 3 (H, U, RG-144, RG-244) CALIDRIA products in the states of Arkansas, Kansas, Louisiana, Missouri, Oklahoma and Texas with the exception of a half dozen house accounts we kept. Sales offices are located in Houston and Dallas and warehouse stocks are maintained in Houston, Dallas and St. Louis. Presently calling on and servicing approximately 68 customers and 23 prospects.

Product Sales

Product	Thru May '81		Budget		% Budget	
	T	M$	T	M$	T	M$
HPO	95.5	21.2	175	40	130	126
RG144	13.3	8.0	12	7	266	267
RG244	21.6	59.6	49	150	105	95

Strengths - Since coming aboard two years ago they have grown to the point that they will finish 1981 as our second leading domestic distributor. Extremely aggressive and technically competent sales personell who have both the contacts and background to sell specialties to the coatings market and who are not turned off or intimidated by the regulatory-toxicology-publicity negatives of asbestos.

Weaknesses - Past experience has shown most of our distributors become disillusioned, discouraged and ineffective after a couple of years of fighting the intangible sales problems related to selling asbestos so a sharp watch must by maintained on them to insure that they don't become worn out by the negatives and continue to exhibit their present enthusiasm and aggressiveness.

ACCOUNT PROFILE

Great Gulf Chemicals

Houston, Texas

Ed Woods Plant Manager
Ron Owens Sales Manager

Great Gulf is a compounder of oil well drilling specialties and their largest account is Dresser Industries. A couple of Dresser employees are involved as silent partners and provide managerial guidance for them. Last year they began to manufacture Dresser's patented silane coated asbestos fiber and purchased supervisbestos through Montello. They encountered a number of production problems due to their low shear mixing equipment and when D & F introduced HPC to them it solved a lot of their difficulties and cost them less. Business is commissioned through D & F due to their present credit problems. Present production is limited to Dresser's requirements for the silanized additive which is one of 11 ingredients in a drilling fluid package for oil based muds. Great Gulf also holds the royalty rights for marketing silanized asbestos in the coatings, plastics, greases and lubricants market.

Product Sales

Product	Thru May '81		Budget		% Budget	
	T	M$	T	M$	T	M$
HPC	243.7	54.8	-	-	+	+

Strengths - The previous production problems have been ironed out and they now can produce a consistent product which is a new usage for asbestos in the drilling mud industry. They have just begun to sample customers in the areas where they have the royalty arrangements and expect to realize additional new business by years end.

Weaknesses - They are very shaky financially and UCC credit people will not handle them direct. The silanized product could be a threat to some of our RG244 business in coatings.

ACCOUNT PROFILE

Montello

Tulsa, Oklahoma

Ken Campbell President
Harry Wyatt Vice President
Allen Johnson Sales Manager

Chuck Petri Office Manager
Mike Miller Controller

Montello is our exclusive distributor to the oil well drilling industry. We presently supply them with three grades of material i.e. supervisbestos - a crushed standard grade product in their bags; Imcoshurelift - the same crushed standard grade product in an Imco Services bag who acts as their agent; Univis - the new 1/8" pellet which is being introduced as a less dustier replacement for supervisbestos. The asbestos is used in the sweep operation of drilling a well where it is mixed with water and pumped down the hole to absorb the debris that accumulates during drilling. The absorbed debris is then pumped back up and into a setting pond. Montello operates domestically through a network of warehouses, commissioned sales reps and distributors located mostly in the southwest portion of the U.S.. Overseas they have sold Supervisbestos both direct and through our distributor Tomoe. Early this year they hired a new salesman stationed in Singapore to push sales to mainland China.

Product Sales

Product	Thru May '81		Budget		% Budget	
	T	M$	T	M$	T	M$
Univis	32	5.8	500	90	15	15
CSV	996	177.8	3000	540	79	78
Imshft	180	32.4	1140	205	38	38

Strengths - Extremely competent and shrewd management with many high level contacts in both the drilling industry and with the oil companies. They have put a lot of effort into combating the regulatory-toxicology-health issues and in developing monitoring results in the field. The proposed switch to Univis hopefully will allow them to recapture some portion of business lost to J-M's pelletized Flowsall. The success of Univis will mean a further increase of business for us as drilling activity remains and is projected to remain for the next few years at a high level.

Weaknesses - We really know very little about the marketing of our product in this application, have few contacts in the industry and have no fall back position. While drilling activity and our sales have been on the up side in reality market share has been lost to Flowsall. It could be the nature of the application or Montello management or some combination of both, but it appears we are in a "tail wagging the dog" position here.

ACCOUNT PROFILE

Uvalde Rock Asphalt Company

SAN ANTONIO	HOUSTON
Bill Clark, President	Charles Allen Plant Manager
Robert Van Buren Vice President	Dick Zaruba Technical Director
	John Agnew Purchasing Agent

Headquartered in San Antonio with production facility in Houston, Texas. They were the first floor tile manufacturers to bulk handle our pellets. SG103 and 104 both provide reinforcement, dimensional stability and brightness to floor tile. SG104 is our grade designation for bulk floor tile material and 103 designates bags. 103 is only purchased when problems occur with their bulk handling system and bags are used to feed the banbury to continue production.

Product Sales

Product	Thru May '81		Budget		% Budget	
	T	M$	T	M$	T	M$
SG103	65.6	9.3	60	8	272	274
SG104	1936.7	220.3	4600	533	99	98

Strengths - Our sales volume should be helped by the closing of four of their competitor's plants in their marketing area in the past few years. Not a likely candidate to be the first to go asbestos-free in tile.

Weaknesses - An old line, conservative business philosophy from Clark on down has them operating on a "loose lips" policy with supplier loyalty a question. Have been producing a non-asbestos tile for about two years now.

OPPORTUNITIES AND VULNERABILITIES

Opportunities - We continue on into the second season of going after the pool plastering application developed last summer in the southwest. Already over a dozen and a half new HPO accounts have been developed and each major city seems to have at least a couple of pool plasterers to go after. New this year is the taxidermy application for HPO and 244 which seems from our initial contacts and development of business would be best pursued through the major distributors to the between 35-40,000 taxidermists in the country. Contacts have already been made at the major distriburors, samples and literature supplied and a descision on which ones will handle our products will be made by the fourth quarter of this year. The greases and lubricants application for 244 is continuing to move along and data has been collected from both our major working prospect and a testing lab. Work is going on to prepare a preliminary TIB to allow us to go out and introduce RG244 as a potential Bentone replacement to the grease and lubricant industry during the fourth quarter. The new Washington administration has seemed to affectively downplay the OSHA-regulatory issues to the point that generally customers and prospects do not seem as reluctant as in the past to evaluate asbestos for potential use in their products.

Vulnerabilities - The sword still swings over our head, albeit, a little higher than in the past, but any new regulatory action, a renewed negative media publicity or a union - insurance company campaigns against asbestos usage could fan the fires again and further erode our position. The two most vulnerable markets seem to be floor tile and oil well drilling. In floor tile, one of the majors could use asbestos as a marketing tool to go asbestos free and get a jump on the competition ala our past experience in joint cements. The drilling industry is shaky because of it's problems with movable outdoor work sites and the many concerns and uncertainties relative to a transient work force, medical exam requirements and potential liability to lawsuits. The balance of the business appears to be spread far and wide in the all encompassing "coatings" market and, if erosion were to occur, would probably do so a little at a time and not all at once.