



UNION CARBIDE CORPORATION  
Mining and Metals Division  
New York, N. Y.

MEMORANDUM

PLAINTIFF'S  
EXHIBIT

UC-158

To: Mr. J. C. Stephenson

October 10, 1969

cc: Messrs. R. W. Rebholz  
H. F. Reichard  
F. J. Shortsleeve

CONFIDENTIAL

Relative to our brief discussion on asbestos, the attached summary, prepared by Hal Reichard (on a confidential and discreet basis), offers a quick overlook at the asbestos market place and provides some commentary suggesting possible means of marketing the product line.

If and when warranted, we would obviously require analysis of greater depth, as suggested by some of the comments, including a determination of the product development and Research & Development backup necessary to support a marketing effort.

RLF:dk

R. L. Folkman

attach.

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OCT 10 1969

# UCC ASBESTOS MARKET PATTERNS

1969 Sales  
Projected  
from actual  
through Aug.  
1969  
Sales as  
% of 1968

| Market Area                                                                                                                                                                                                                                                                                      | Sold By                                                                                                                                                                                                        | 1969 Sales<br>Projected<br>from actual<br>through Aug. | 1969<br>Sales as<br>% of 1968 | Comments                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>I. FLOORING:</b><br/>Traditional asbestos use in vinyl-asbestos &amp; asphalt tile. We have improved product. Total available (non-integrated) customers about 3 large and about 2 small ones.</p>                                                                                         | <p>UCC Group I<br/>field staff in<br/>"calendar (plastic sheet) and flooring products" business area.</p>                                                                                                      | \$ 335,000                                             | 102. %                        | <p>This market uses our basic, low cost tonnage grade. Tends to be a "stay-sold" item. However, needs strong initial moves in pricing, availability, bulk handling &amp; freight options to establish \$1 mm + sales base. This tonnage load is key to economic operation of King City plant.</p> |
| <p><b>II. PAPER ADDITION:</b><br/>New, proprietary use for asbestos, generally at approx. 2-3% level of addition to all types paper &amp; board. In competition with talc, Hy-Sil silica, organic chemical additives. Calling on approx. 200 customers in 4 regions of U.S.A.</p>                | <p>UCC Group I<br/>field staff in paper chemicals business area.</p>                                                                                                                                           | \$ 530,000                                             | 56. %                         | <p>Does not "stay sold". This one product can't support the heavy calling level needed. Should hire aggressive agent with unfilled complementary product line, specifically suggesting R. T. Vanderhilt &amp; Co.<br/>(R. G. Wooleary suggestion)</p>                                             |
| <p><b>III. NEW APPLICATIONS:</b><br/>Plaster, spackle, joint cements, gun cements, roofing mix, automobile undercoat, caulking compounds, oil well drilling mud, forest fire-fighting mixes.<br/><br/>Premium-priced resin grade for polyester fiber glass trade and general thermoplastics.</p> | <p>UCC Group I<br/>Sales Dev. staff<br/>(King City &amp; Niagara)<br/>plus agents<br/><br/>(1) Western Chemical Co.<br/>(L.A. reseller)<br/><br/>(2) Harrison-Crossfield<br/>(L.A.-West Coast distributor)</p> | \$ 436,000                                             | 132. %                        | <p>High growth area, using high unit price (20¢ to 60¢/lb.) treated grade products. Strong growth potential based on inherent unique properties. Should keep present UCC sales group of about 4 people. They are doing well. Performance of agents should be reviewed in this area.</p>           |

UCC ASBESTOS MARKET PATTERNS (pg. 2)

| Market Area                                | Sold By                                                         | 1969 Sales<br>Projected<br>from actual<br>through Aug. | 1969<br>Sales as<br>% of 1968 | Comments                                                                                                                                |
|--------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| IV. EXPORT                                 |                                                                 |                                                        |                               |                                                                                                                                         |
| U.K.-Europe: paper and resin<br>grade      | UCC-Brussels sales<br>plus<br>DeGussa for resin-<br>grade sales | \$ 290,000                                             | 126. %                        | Generally getting "back burner<br>treatment. Except for:<br>(1) Japan-very aggressive,<br>successful treatment by<br>Tomoe Engineering. |
| Japan: paper and start of<br>resin-grade.  | Tomoe Engineering-<br>agent                                     |                                                        |                               | (2) Europe-very enthusiastic<br>push of resin-grade by<br>DeGussa.                                                                      |
| Latin America: paper at<br>very low level. | UCC Mexicana-<br>UC InterAmerica                                |                                                        |                               |                                                                                                                                         |
| TOTAL                                      |                                                                 | \$1,590,000                                            |                               |                                                                                                                                         |