

ASBESTOS SPU

LRP GUIDELINES

1977 - 81

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2. Assume RG-600 production capability can be brought on stream as required based upon engineering studies already published.
3. RG-244/SX-24 circuit brought to capacity as soon as required by market demand (Capacity 2100 TPY).
4. Phase out of TJC business?
5. Base case - Assume 1976 prices.
6. Take most careful look at 1977.
7. Get 5 year up-dates from:

Montello

W. R. Grace

Tomoe - ASAP

8. Carefully analyze RG-600 assumptions.

WCThurber:jl

May 20, 1976



INTERNAL CORRESPONDENCE

METALS DIVISION

270 PARK AVENUE, NEW YORK, NEW YORK 10017

To (Name) Mr. J. D. Thacker
Division Metals
Location 38th Floor
Floor Number

Date May 19, 1976

Originating Dept.

Floor Number

Copy to

Answering letter date

Subject

What has been the average sales price per ton
for the Asbestos SPU?

1971

1972

1973

1974

1975

1976 Forecast II

Thanks.


W. C. Thurber

- Revised
8/12/75

CALIDRIA ROBERTS
FIVE-YEAR FORECAST
(ELM 8/8/75)

WCTHudson
NY-38

Product	1976	\$m	1977	\$m	1978	\$m	1979	\$m	1980	\$m
SG-100	12.0		11.0		-		-		-	
-101	-		-		-		-		-	
-102	-		-		-		-		-	
-104	12.0	768	11.0	704	-		-		-	
-130	-		-		-		-		-	
-200	-		-		-		-		-	
AS-200	1.1	110	1.5	150	2.0	200	2.0	200	2.0	200
-210	2.7	351	2.0	260	2.0	260	-		-	
-225	2.7	310	3.0	345	4.0	460	-		-	
HPP	-		-		-		-		-	
HPP-J	2.5	300	3.0	360	3.8	456	4.3	516	4.3	516
HPO	1.8	270	2.0	300	2.2	330	2.7	405	2.7	405
RG-110	1.1	165	1.5	225	2.0	300	1.2	180	-	
RG-144	0.5	150	1.0	300	2.0	600	2.0	600	2.0	600
CSV	5.4	486	5.5	495	6.0	540	6.0	540	6.0	540
S/MC	-		-		-		-		-	
V/5B	-		-		-		-		-	
T-135-P	0.4	184	0.6	276	0.4	274	0.6	276	0.6	276
T-135-O	0.3	144	0.4	192	0.4	192	0.4	192	0.4	192
CG-135-P	-		1.0	600	2.0	1200	2.5	1500	3.5	2100
RG-600	0.9	540	2.0	1200	3.0	1800	4.0	2400	5.0	3000
RG-244	1.0	1500	1.0	1500	1.5	2250	1.5	2250	2.0	3000
TOTAL	32.4	5278	34.5	6307	29.5	7664	24.7	7559	25.0	7889
			33.5	5707	28.5	7064	23.2	6659	23.0	7589

SALES LIMITED BY PRODUCTION STARTING 1977

PRICING 1975 Current \$

RECEIVED	SG-104	\$ 64/T	CSV	\$ 90/T
	AS-200	\$ 100/T	T-135-P	\$ 450/T
AUG 8 1975	SG-210	\$ 130/T	T-135-O	\$ 480/T
	SG-225	\$ 115/T	RG-600	\$ 600/T
	HPP-J	\$ 120/T	RG-244	\$ 1500/T
	HPO	\$ 130/T		
	RG-110	\$ 150/T		
	RG-144	\$ 300/T		

For RG 600 use 50% G.M.

For all others use 1975 Budget G.M.

CRITICAL ASSUMPTIONS

ASBESTOS - LRP 1976 - 1980

I. SALES

- A. RG-600 sales of 3000 Tons/Year will be achieved by 1980.
- B. RG-244 sales will grow from 750 tons in 1975 to 2000 tons in 1980.
- C. Sales prices can be escalated to maintain current margins.

II. PRODUCTION

- A. Production costs will grow at no greater rate than provided by the inflation factors used.

III. OTHER

- A. We and our customers will be able to cope with regulatory problems related to asbestos toxicity.
- B. Upgrading the business can be accomplished with limited annual expenditures for technology (i.e. on the order of \$100 M/Yr.).

Operating & Revenue Statement

	1976	77	78	79	80
Net Sales	5,806	6,677	8,724	9,819	11,815
Normal Product Cost	3,224	3,753	4,672	5,687	6,687
Plant Cost Variance					
813 Mine Development	85	94	84	77	75
815 Mine Development		3847	4786	4738	5402
Total Plant Mfg. Cost	3,309	3,847	4,756	5,765	6,762
Direct Margin	2,725	2,830	3,968	4,134	5,128
Inventory Reval.					
Other Home Office Additions	23				
Distribution Expense	371	2410	3524	439	4321
Gross Margin	2,103	2,617	3,444	3,744	4,697
Overhead	800				
Depreciation/Book Depreciation	400				
Other Income/(Charges)-Net	100				
Income Before Tax	1,031	1,010	2,024	3,711	4,697
Depletion Variance	558	552	1,054	1,394	1,301
Income Tax	211	203	448	613	564
Net Income	320	307	526	684	772
Net Income (Ex. Inv. Reval)					
% ROA					
% ROA (Ex. Inv. Reval)					
% ROI					
% ROI (Ex. Inv. Reval)					

2000-01 Budget
2000-01 Actuals Reflect 75 Annual

100% 1st Budget
N. 076 INCREASED REFLECT 75 PERCENT

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5-21-76

CAIELL I/SOARES/PELLEGRINO UC BRAZIL SAO PAULO

PLS PROVIDE BY MAY 27 YOUR BEST ESTIMATE OF RG-244 REQUIRE-
MENTS FOR EACH YEAR, 1977 TO 1981.

MATERIAL FOR RESANA AND CIBA/GEIGY SHOULD BE READY BY MAY 28
AND WE WILL BOOK ON FIRST AVAILABLE SHIP.

THANKS AND REGARDS

JOHN L MYERS CALIDRIA ASBESTOS

RECEIVED
MAY 28 1976

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WCThurber:jl

May 20, 1976

CC: ROB
WCT-
RLS

TECH METALS NF

UNI CARBIDE NY

NYTLX 5/24/76 212-867-4155

JL MYERS NIAGARA FALLS

RECEIVED
MAY 27 1976

GRADE	1977 QTY. MLBS	1978 QTY. MLBS	1979 QTY. MLBS	1980 QTY. MLBS	1981 QTY. MLBS
SG-100	3,000	3,500	4,000	4,500	5,000
AS-200	2,000	2,100	2,200	2,300	2,400
HPP-EX	3,900	4,400	4,800	5,200	5,600
HP0-EX	800	900	1,000	1,100	1,010
T-135\PA	770	830	890	950	320
RG--144	240	260	280	300	320
RG-244	180	200	220	240	260
SUPER					
VISBEST0S	220	260	300	340	380
TOTAL	11,110	12,450	13,690	14,930	16,170

IF DAIKEN G0GY0 SWITCHES OVER FROM AS-200 TO SG-100,
AS-200 QUANTITY WILL BE CONVERTED TO SG-100. RG-600 IS
NOT INCLUDED IN THIS FORECAST AS TECHNICAL PROBLEM
IS NOT YET SOLVED.
FUKUMA TOMOE
AE