



DOW CHEMICAL U.S.A.

BARSTOW BUILDING
2020 DOW CENTER
MIDLAND, MICHIGAN 48640

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Mr. Marc J. Thomaes
Product Manager
Conoco Chemicals
Continental Oil Company
Park-Eighty Plaza East
SaddleBrook, New Jersey 07662

Subject: Heel Allowance on VCM Cars

Dear Marc:

Thank you for your letter of April 14. I agree with you that it would be convenient for several reasons if all suppliers used one understandable system for handling heel allowances in vinyl cars. It may be too presumptuous to assume this can happen. I have been aware for some long time that there are differences from producer to producer as you suggest. I remember at one time discussing this at length with Ernie Segundo, and planning at that time to attack the problem in a very similar nature to what you are doing now. I wish you luck and will try to cooperate.

Marc, our system is, to the best of my knowledge, very similar to yours in that we calculate vapor pressure and round to the nearest 50 pounds. Our differences are that we calculate at 5 psig rather than 12, though I think the 60° F. is probably standard. We are using basically four types of vinyl cars. Our 38,000 gallon cars are essentially identical to yours. I believe they are actually 38,400 gallons. Our system results in a 1150 lb. heel allowance. Our 30,000 gallon cars are actually 31,400 and identical to yours. Our heel allowance is 900. We also use 20,000 gallon cars to some degree. They probably range from 20,000 to 22,000 gallons. Our heel allowance is a standard 600 pounds. We are not involved with many of these cars. We also have some very minor use of 10,000 gallon cars which I believe are really 11,000 and use a heel allowance of 300 lbs.

We have done a lot of arguing over the years on this subject. I think, Marc, though I am not positive, that if you could go back to the beginning of the vinyl industry you would find that when cars were small--of the 10,000 and finally 20,000 gallon type--300 and 600 lbs. were very standard heel allowances

throughout the industry. As new producers became involved, and cars became larger, which makes the heel allowance more argumentative, various techniques began to be employed.

While in a general way, it is easy for Dow or someone who has been in the business as long as we have to say "We establish the precedent. We wish others would conform to our method," I am not sure our method is the best to use. I know it causes us problems, like for instance: Frequently cars do come back from customer locations with no heel, or no detectable heel, and with a high oxygen content. In those cases, we dump whatever heel is remaining, purge the car with nitrogen before loading again. The customer, if he feels he is sending back more heel than the allowed quantity, will take the attitude that we, the producer, should pay him for the actual amount of heel returned since it accrues to our system, while in actual practice in many cases, we are losing the heel completely because of oxygen contamination. We then must discard it to assure product quality. We might be better off to go to a higher heel allowance system if maintaining higher pressure in the car would alleviate the oxygen problem. We are going thru some trials and tribulations at the moment which could lead us to that conclusion.

I would very much like to stay abreast of what you are finding in this survey. We would be willing to cooperate with any reasonable change that brings uniformity to the industry. I just wish to mention that a couple of problems we are facing at the moment might preclude us from being able to make fast agreement. I might be more sure of myself a month from now.

Thanks again for your letter.

Very truly yours,



L. L. Rice
Group Product Sales Manager
Electrochemicals
Inorganic Chemicals Department

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