cc: C. E. Caspari-G.O.
S. Grubb-G.O.
A. P. Kroeger-G.O.
J. D. Wright/R. Groninger-Pitt
R. Davis-G.O.

May 8, 1958

Mr. G. L. Benjamin
Coordinator of Direct Sales
Gulf Oil Corporation
Gulf Building
Pittsburgh 30, Pennsylvania

PYDRAUL CONTRACT

Dear Gordon:

Thanks very much for your April 22, 1958, comments on the proposed Pydraul Contract. We appear very close to a complete understanding of all details of this arrangement and I hope we can shortly conclude this phase of our business.

Attached is our second suggested design for the drum head which is agreeable with our trademark people. You asked for another label for your further discussion.

"Gulf" and "Pydraul" cannot be run together on one line as you suggest according to our trademark people. The attached Esso label used for their distributorship of "Skydrol" illustrates the idea of word seperation. (Will you please return the Esso label to me when it has served its purpose.)

You will also note from our suggested design that we are perfectly willing to give high prominence to "Gulf" and the "Gulf Oil Corporation" in your package label. "Pydraul F-9" should also have significant stature since you will want to capitalize on this trademark.

When it comes to shortening the language of our first design suggestion, we offer: "Mfg. and TM Reg. by Monsanto Chemical Company". Our company name thus appears only once. The limitation here is that the lettering must be readily readable. Reference on this point is again made to the Esso-Skydrol label as illustrative of lettering proportions.

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With reference to the one point which your Legal people wanted us to clarify as found on Page 4, Item 7, I can say that the intent of this language was to tell you our Pydraul& perform satisfactorily when used as recommended. This gives you added assurance of performance which is implied but not so stated in Item 2, Page 1. We agree to supply you standard Pydraul products for your resale. Obviously, the primary obligation to the customer is yours. So if your customer uses Pydraul as recommended and still has trouble, Monsante's responsibility will not exceed the cost of replacement fluid and does not include loss of customer's income, equipment replacement, labor, etc., which exemplify some consequential damages.

If this cursory explanation answers the question raised by your Legal Department, the contract can be signed and returned. Otherwise, the following complete rewrite of Item 7, Page 4, may be preferred; and, if so, please sign and return to us, along with the signed contract, one copy of this letter:

"7. Seller warrants that all products delivered hereunder shall conform to Seller's specifications referred to in paragraph 2 hereof, and that such products will perform satisfactorily when used as recommended by Seller; provided, however, that Seller shall not be liable for any loss or damages resulting from the use of the products. Claims on account of weight, quality, and loss of or damage to the products themselves shall be made by Buyer in writing as promptly as possible and Seller's liability for damages shall in no event exceed the purchase price of the particular delivery with respect to which such damages are claimed."

Aside from the signed contract itself, we need an artist's sketch of your label for our records so that we can give you approval of it in writing.

Cordially yours,

J. W. Newcombe, Manager
PETROLEUM CHEMICALS SALES

JWN:vlw
Attach.
In duplicate

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