UC 149-L

UNION CARBIDE INTERNAL CORRESPONDENCE

MINING AND METALS DIVISION

P. O. BOX 579, NIAGARA FALLS, NEW YORK 14302

To (Name) Mr. J. L. Myers
Division UCC Metals
Location Niagara Falls, NY 14302

Date May 22, 1975

Originating Dept. "Calidria" Asbestos

Answering letter date

Copy to Messrs. T. P. Norris
W. C. Thurber
File

Subject

Attached are listings of our sales performance in the western states for 1972-1974, key prospects for the future, and comments on the prospects. These were submitted by Tom Norris in support of his conclusion that we would benefit substantially from having a full-time salesman, namely Tom Norris, in residence.

As you know, our three distributors in the area do a reasonable job of servicing existing business, but seem to lack the capability to generate new business. Tom would be better motivated and equipped to spend most of his time in developing new accounts and would be better able to oversee and coordinate the efforts of the distributors.

Our 1975 plan for that area is an ambitious one which has already benefited from Tom's focused attention and will, undoubtedly, progress even more rapidly as the location question is resolved.

Tom and I agree that optimism and prudence have been balanced in the list of prospects. We will probably not sell them all, but, by the same token, we probably have not uncovered them all. As new prospects are uncovered, our own man in the west would be situated to prosecute them with vigor. Our considered opinion is that we can anticipate an annual growth rate of about 11% with sales in 1980 of about $880M on the west coast.

I agree with Tom that we should strive to complete his move as rapidly as practicable. I recommend that he be established in the UCC office in either Los Angeles or San Francisco, with a slight preference for Los Angeles. If you concur, please take the necessary steps to implement his move.

R. E. Byrne, Jr.

REB:cjb
Attachments

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MAY 27 1975

PLAINTIFF'S EXHIBIT
UC-4463

SALES PERFORMANCE

CUSTOMER	1972 TONS	1972 $M	1973 TONS	1973 $M	1974 TONS	1974 $M	1975 TONS	1975 $M	REMAR
West Chemical	158	10.0	265	18.1	185	13.0	200	18	
Peck Mfg.	0	0	0	0	0	0	60	6	
H&C	0	0	0	0	36	3.0	450	36	
Asphalt Maint.	2	0.2	2	0.2	0	0	0	0	
Beadex	12	1.1	2	0.2	4	0.6	0	0	
Chemware	0	0	1	0.1	0	0	0	0	
Custom Coating	10	1.1	1	0.1	0	0	0	0	H&C
Gilsonite	0	0	20	2.1	0	0	0	0	H&C
H&C	0	0	282	27.3	878	92.0	1,000	131	
Intercoastal	73	6.6	84	8.2	0	0	0	0	H&C
James Lee	0	0	8	0.9	0	0	0	0	Close
Kaiser Gypsum	21	2.1	26	2.6	11	1.0	10	1	Disc.
" "	6	0.6	9	1.0	7	1.0	0	0	"
" "	36	3.2	58	5.5	0	0	0	0	"
M&B Products	3	0.3	0	0	0	0	0	0	Close
National Gyp.	109	9.8	54	5.5	0	0	0	0	H&C
Norris P&V	21	2.1	15	1.4	13	1.0	10	1	
Paco	87	7.8	42	4.0	0	0	0	0	H&C
Mud Corporation	0	0	0	0	11	1.0	0	0	Close
Rich Tex	68	6.8	73	7.2	21	2.0	20	2	
U.S. Gypsum	563	50.7	330	30.9	0	0	0	0	H&C
H&C	3	0.3	8	1.4	13	2.0	100	13	
H&C	0	0	30	3.7	25	3.0	150	22	
Republic	0	0	0	0	32	5.0	27	4	
H&C	0	0	2	0.5	0	0	0	0	
H&C	0	0	30	9.3	18	7.0	275	139	
U.S. Gypsum	35	10.0	6	1.6	0	0	0	0	
H&C	0	0	0	0	169	75.0	0	0	
Major Paint	40	16.0	13	5.2	87	38.0	75	30	
Daubert-Dock	206	25.0	127	15.3	0	0	0	0	
Daubert, CA	0	0	8	1.1	0	0	0	0	
H&C	26	2.7	37	4.0	32	4.0	70	10	
Phil Dostal	2	0.8	3	1.3	0	0	4	2	
H&C	26	5.7	39	8.5	32	8.0	42	18	
Steele & Son	1	0.8	4	1.6	0	0	0	0	
West Chemical	0	0.2	1	0.3	5	1.0	0	0	
Broadway Metal	0	0	1	1.1	0	0	0	0	
H&C	71	75.0	24	26.0	29	31.0	60	75	
Hastings	2	3.5	6	10.6	4	9.0	4	9	
West Chemical	0	0.4	1	1.7	1	1.0	0	0	
Kinetics	0	0	0	0	3	2.0	3	4	
H&C, Vancouver	0	0	0	0	3	3.0	0	0	
	1,581	242.8	1,612	208.5	1,619	303.6	2,560	521	

PROSPECT LIST

PRODUCT	COMPETITION	APPLICATION	CUSTOMER	LOCATION	TONS	$M
HPO	7RF3	Polybutene Tapes	Mobil Trim	California	1,000	130.0
	7TF1		Elixir Industries	Georgia	1,000	130.0
	7TF1		Elixir Industries	Indiana	600	78.0
		Oil & Butyl Caulks	DAP	California	100	15.0
		Adhesives, Sealers, Roof Coatings	W. W. Henry Co.	California Ohio Illinois	400	60.0
HPO-HPP	7MF5	Asphaltic Emulsion Driveway Coatings	Sim J. Harris	California	100	15.0
HPO-RG-110		Roof Coatings	Gibson-Homans	California	360	54.0
	7M		Asphalt Products	California	100	15.0
HPP	7M	Driveway Coatings	Bay Slurry Seal	California	200	28.0
SG-130		Asphalt Topping	Santa Maria Public Airport	California	30	3.0
—	7R05	Driveway Coatings	Douglas Oil	California	100	9.0
SG-130 - HPO - SG-210		Adhesives, Roof Coatings	Flintkote Company plus various	California	600	70.0
RG-244	Cabot M 5	Polyesters	American Cyanamid	California	10	16.6
			Reichhold 3 plants	California	100	136.0
			Cargill	California	20	33.2
			Marco	California	20	33.2
			Ashland	California	20	33.2
			Silmar	California	20	33.2
			Alpha	California	20	33.2
					4,800	925.6

COMMENTS ON PROSPECT LIST

Gibson-Homans

They would like a local source on the west coast, and not be dependent on cross-country, 3,000-mile rail service. They have purchased pallet sample of HPO - RG-110 for evaluation. Provided we can replace their longer fiber and be competitive, we would expect to maintain this business.

DAP

HPO is going into a new revised line of caulks, both oil-base and butyl. They have made up samples which have passed their rigid quality control standards, with the exception of the butyl caulk. In this grade, the HPO shows poor slump and they are currently trying to overcome this problem. In the meantime, they have purchased 65 tons of HPO for extended production runs at their Baltimore and Dayton plants.

Sim J. Harris

If we can solve their mixing problems, the potential for 100 tons of HPP is realistic; if not, HPO samples have been sent as a means to overcome problems and same the business potential. In the meantime, they have gone back to the Canadian fiber.

Bay Slurry Seal

They have tested HPP, can disperse the pellets, and are now awaiting installation of a screw conveyer prior to ordering. Potential here is around 200 tons of HPP at a quoted price of $130 per ton, FOB King City.

Santa Maria

Their project is an asphalt topping compound for resurfacing existing asphalt roads or runways. A trial has indicated that SG-130 will work and this could open a new application field for our products. Bids have been let and we should know soon.

Asphalt Products

They have evaluated the HPO - RG-110 versus 7M and found it takes about 25% more of our grades than existing formulations now use. We would have to work closely here and offer them technical service to get this business.

Douglas Oil

They are attempting to equate SG-130 with 7R05 on a pound-for-pound basis. Their desire is to have us as a second source. To date, his tests indicate we are not a pound-for-pound replacement in all formulations. Testing will continue.

W. W. Henry

Although this represents a large potential, they are known in the trade as being extremely tough to sell. Close and continued follow-up is necessary.

Flintkote

We have just begun sampling them with SG-130, SG-210, and HPO. It is hoped that one or two of these grades will work in their varied applications. They do enjoy a 10% intermine discount with their various suppliers and so we must plan on being competitive as well as having success in their R&D labs. Continued follow-up is required.

Mobil Trim and Elixir Industries

They are strong potentials because of the strike, and the fact that we are quoting an off-schedule price of $130 per ton on HPO to get the business. The California location has ordered a T/L and is currently running various trials to perfect their formulation. Both the Indiana and Georgia locations have also received 800-pound samples for evaluation. On 5/14, the Indiana plant ordered 1,600 pounds for an extended run. Provided we remain competitive, and they can replace the longer Canadian fiber, we would expect to retain this business once the strike ends.

Polyester Producers

They all appear to be waiting for each other to make the first move using RG-244. They are really gun-shy. What is necessary is for one to break the ice and the others will slowly and perhaps reluctantly follow. Silmar has produced a few drums and has sampled several customers with five-gallon samples of a new resin containing RG-244. Cargill, since the recent faborable dust count, has also sampled various customers with five-gallon samples of resin containing RG-244. American Cyanamid appears to be hung up on toxicology at their eastern headquarters and are reluctant to authorize its use on the west coast.

Reichhold

Latest report from Reichhold indicates that to date nothing has been started. Bob Walker apologized for their slowness but claims more pressing problems have been occupying his time. He said his sales and marketing people do not want to push a resin containing RG-244, and that this is an internal bottleneck he must first address himself,too. He may just bypass the Seattle plant altogether and attempt to get something started at their Azusa plant, but he quickly pointed out it would not happen soon.

Marco Chemical

Had a pleasant luncheon with Cal Hall last week. He was greatly impressed with their potential savings of about 1¢/lb. on their resin cost, and promised to get back with their Linden people.

Alpha Chemical

They requested 70 pounds of RG-244 to run a trial. With the successful sales in their Florida location, it is hoped some of their goodwill will rub off at their Perris, CA plant.

Ashland

Progress at Ashland is dismal. Fred Fox, Technical Director, has retired. George Wolf appears negative to ever using RG-244. Joint sales calls are planned at their Columbus, OH headquarters to determine what, if anything, we are doing wrong.