ST. LOUIS - GENERAL OFFICES

JUNE 11, 1969

BUSINESS GROUP SEMI-ANNUAL
REVIEW - DIELECTRIC FLUIDS

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PERSONAL & CONFIDENTIAL

As I made comments to you on the previous review meeting of Industrial Fluids, I think it is also appropriate that I make comments on the Dielectric Review.

Paul Benignus and Ralph Munch are to be complemented on a very professional presentation and thorough review. At all times I had the feeling that here were a group of dedicated professionals who knew their business and where they were going.

The only area of improvement that I would like to again point out is the referencing to objectives of the Business Group and the Marketing and Research objectives to which they are performing against. While there was no doubt as to what they were addressing themselves to and what objectives they were answering, it would have made in some cases a little easier listening if these could have been highlighted before they got into each of the discussions on the respective objective. I believe only once in the whole session did I catch the word objective, and yet we all know they are all working toward these objectives and have them firmly in mind. My point is that since this is a performance against objectives meeting, they should state their objectives as they go through their review. The outline itself which they worked from read more like a text book approach or a classical "status" presentation.

Specific points of comment and action are as follows:

1. I asked Don Pogue to superimpose U.S. Industry business cycles on Paul Benignus' Aroclor Dielectric sales chart going back to 1955. I would like to show these charts to Minckler and I think they also would be of interest to us to see what the true correlation is between industry and our total dielectric Aroclor sales. (Don Pogue phoned me this morning and is already following up on this.)

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2. We should, as quickly as possible, talk to Westinghouse regarding their forecasting technique and future thinking on inertean transformers. If we can talk to the same people that made the forecast in 1966, this would be highly desirable. I am sure their Management is as concerned as we are, since they have a new plant in South Boston, as to why the business is off in 1969 vs. 1968.

3. Don Pogue's program on re-surveying the transformer askarel market is an excellent one and we look forward to its completion in September, 1969.

4. With regard to product quality, we agreed to finish up the Krummrich test and to finish up the Anniston measurement of aroclor quality in drums, but beyond that no more quality improvement work. I will follow through with Bill Kuhn to check the tank car loading procedures (covered dome) to assure the cleanliness aspect.

5. We asked Paul and Ralph to put down a business plan for marketing a black box system of porecel refining in-line cell measurement and scavenger reactivation to see if this could make a viable business. This can be done along with their thinking about expanding their business in the business plan they are preparing.

6. The criticalness of TCB and TTCB were again brought up and I will follow this with Bill Kuhn and Bob Kountz.

7. On the incineration of scrap askarel, I am meeting with Kountz and Kuhn on Friday the 13th to further discuss our status. Paul Benignus is working out our short-term problem with Art Pier of GE. If Paul cannot work this out, we will dispose of the GE material by dumping it at sea.

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8. Better merchandizing and utilization of our advertising campaign is a must and Don Olson is following this with Ken Schlegel. It seems to me that we have to get more of a commitment from the transformer manufacturers to following this up with their Marketing people, because we cannot do their job for them. If we cannot get them to respond, then I think we will have to consider reducing this advertising expenditure.

H. S. BERGEN

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