



INTERNAL CORRESPONDENCE

METALS DIVISION

To (Name) Mr. R. E. Byrne, Jr.
 Division UCC - Metals Division
 Location Niagara Falls, NY

P.O. BOX 579 - 4625 ROYAL AVE., NIAGARA FALLS, NEW YORK 14302

Date June 18, 1976

Originating Dept. "Calidria" Asbestos

RECEIVED

JUN 21 1976

Answering letter date

Copy to Messrs. G. L. Dickson
 E. J. Kleber
 F. H. Larrison
 T. P. Norris
 H. B. Rhodes
 R. L. Schult
 W. C. Thurber
 J. E. Walsh

Subject Inventory

File

The attached sheets depict our inventory position with relation to sales and production for 1975 and 1976 to date. It is obvious that if we continue the trend which started in January we will very soon have a serious inventory problem.

We were instructed several months ago to put essentially 100% of our efforts on RG-244 and RG-600. It is obvious that we followed instructions very well, maybe too well except for RG-600, as RG-244 sales are taxing plant capacity and production of other products is exceeding sales by 300-400 TPM. The reason for most of this disparity is a large reduction in Montello purchases. It is very likely that the drilling mud business may be lost permanently at a very early date because of OSHA. The current low level is due to Flosal competition, reduced drilling activity, and increased OSHA activity.

We must make every effort to obtain additional volume business to keep the plant on a full production basis. A Canadian price increase, or cessation of discounts, to be effective July 1, 1976, gives us some chance of obtaining additional floor tile business. However, with Atlas still at \$72/T it's almost impossible to compete, except to go for business which they can't supply, which I am doing. I would appreciate having new Atlas and Canadian price schedules as soon as possible.

I personally feel that we will be "sold out" before the end of the year and a little extra inventory would be desirable. However, inventories are expensive and a reduction in plant operating shifts may soon be necessary. In the past this has had an adverse effect on RG-244 production and quality, which we certainly don't need now.

Get any additional business you can, even SG-130!

John L. Myers
 John L. Myers

JLM:dal

SALES/INVENTORY SUMMARY

PRODUCT	6/15/74 Suggested Invent.	Plant Inventory, Tons, Mo						Ending				
		1/31/75	2/28	3/31	4/30	5/31	6/30	7/31	8/31	9/30	10/31	11/30
SG-100	70	—	—	—	—	—	—	—	3	7	10	77
-101	0	73	136	76	116	85	6	24	18	18	18	18
-102	0	1203	1173	963	923	521	54	22	14	28	19	4
-103	150	—	—	36	64	64	14	—	—	—	—	—
-104	190	—	86	—	—	—	—	45	—	90	—	—
-130	30	12	17	48	28	34	16	2	1	1	9	3
-200	60	—	—	—	—	—	—	—	—	—	—	—
AS-200	100	295	311	159	74	74	3	—	—	10	104	58
SG-210	185	640	537	210	94	111	19	24	10	77	59	27
SG-225/310	—	—	—	—	—	—	59	27	11	1	1	1
HPP	30	407	404	404	384	356	52	1	32	—	10	35
HPP-EX	190	437	323	209	24	8	8	0	0	—	2	69
HPO	130	41	26	7	48	36	189	10	73	38	24	56
HPO-EX	40	53	53	53	53	21	0	0	0	1	26	1
T-135-P	40	2	2	2	2	30	0	1	86	11	11	11
T-135-O	10	43	43	29	105	84	50	0	42	27	5	5
CG-135-P70	—	1	1	1	1	1	1	1	1	1	1	1
RG-100	—	37	37	37	37	37	37	38	38	38	38	38
-110	60	115	92	58	51	39	18	28	0	2	8	1
-110EX	50	64	31	8	9	9	5	1	1	1	2	2
-144	50	21	89	89	77	53	20	15	35	16	42	—
SX-14	15	56	56	56	52	52	52	7	2	3	3	3
RG-244	60	120	138	138	152	126	94	75	49	33	24	56
SX-24	30	15	14	12	11	13	21	18	33	46	22	19
Visb.	30	121	122	112	62	62	62	16	—	0	—	—
CSV	300	774	778	536	463	218	35	43	53	21	41	208
smc/smr	50	315	386	483	483	336	220	89	39	39	29	9
Oilbush	—	30	30	30	30	30	30	30	30	30	30	30
Other	—	5	5	5	5	5	—	—	—	—	—	—
Plant Inv.	1870	4880	4890	3761	3348	2405	1065	517	573	539	538	733
Whse Inv.	230	477	456	501	438	356	345	265	149	93	147	131
Total Inv.	2100	5357	5346	4262	3786	2761	1410	782	722	632	685	864
Production	—	1616	1231	1270	1506	1682	2461	2553	2568	2813	2643	247
Plant Shpmt	—	1842	1234	2337	1966	2706	3817	3154	2504	2902	2574	229
Sales	—	1734	1349	2255	1622	2962	3887	3205	2571	2701	2641	255
Plant Inv., % Sales	—	281	362	167	206	81	27	16	22	20	20	29
Total Inv., % Sales	—	309	396	189	233	93	36	24	28	23	26	39

SALES/INVENTORY SUMMARY

PRODUCT	6/15/76 Suggested Invent.	12/31/75	Plant 1/31/76	Inventory, Tons, 2/29	3/31	4/30	Month Ending 5/31	6/30	7/31	8/31
SG-100	70	10	96	90	21	25	128			
-101	0	18	18	18	18	18	17			
-102	0	16	94	34	34	10	10			
-103	150	0	0	0	0	0	7			
-104	190	70	90	176	90	0	90			
-130	30	39	26	14	59	59	59			
-200	60	0	0	10	10	120	120			
AS-200	100	3	5	6	6	12	394			
SG-210	185	63	33	132	47	264	226			
SG-225/310	—	1	1	1	1	1	51			
HPP	30	35	32	32	20	18	44			
HPP-EX	190	56	74	92	80	184	104			
HPO	130	0	56	164	224	78	552			
HPO-EX	40	3	4	8	45	75	38			
T-135-P	40	11	11	55	0	75	19			
T-135-O	10	5	5	16	13	30	30			
CG-135-P to	—	2	2	2	2	2	2			
RG-100	—	38	34	34	34	31	19			
-110	60	18	4	8	32	127	98			
-110EX	50	4	7	3	46	13	57			
-144	50	28	24	12	87	84	166			
SX-14	15	6	21	5	18	42	38			
RG-244	60	50	58	42	34	42	40			
SX-24	30	27	48	34	26	27	34			
Visb.	30	0	1	1	14	10	10			
CSV	300	7	68	42	400	350	230			
Simc/SHUR	50	3	1	3	55	55	55			
Oil/bestus	—	30	30	30	30	30	30			
Other	—									
Plant Inv.	1870	543	842	1063	1412	1783	2668			
Whse Inv.	230	143	240	260	217	230	235			
Total Inv.	2100	686	1082	1323	1629	2013	2903			
Production	—	2659	2672	2689	2907	2493	2801			
Plant Shpmt	—	2848	2371	2467	2557	2122	1906			
Sales	—	2658	2286	2465	2416	2299	1790			
Plant Inv, % Sales		20	37	43	58	78	149			
Total Inv, % Sales		26	47	54	67	88	162			