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DATE: 1975 Mar 28

DOC#: KM021

DOCUMENT DESCRIPTION: Meeting Minutes - Paco Production Meeting



PACO PRODUCTION MEETING
March 28, 1975

PRESENT: John Brown, Don Marquardt, Doug Merrill, Bob Miller, Bill Moore, Wes Wessel, John Winslow

1. The revised 4151 Topping appears to be the best product we have made and John Brown reports that it stands well, has minimum shrinkage and works well. The only problem he has encountered is that it could need more open time in warm weather. This can be corrected, but would raise our cost slightly.

2. Doug Merrill has attempted to revise our 4051 All-Purpose similar to the 4051 Topping; however, the first experimental batch of this did not work too well in the field tests. The biggest problem was that it was sensitive in thinning down and could be over-thinned quite easily. Also, the customer reported that it worked harder. Doug will do some additional work on this to see if we can get a satisfactory 4051 at a lower cost.

3. We have decided to put more effort into promoting our 5525 Dry Powder Taping Compound, since this represents a good savings to the customer, and according to Don Marquardt also works well. If we can do this, particularly with small users, we think it will put us in a better competitive position, since our competition does not have a product this good. In order to promote this, it will be necessary for the customer to have a half-inch drill with an extension shaft and blade for mixing. We will try to purchase these through our HIC's so that they can be sold to our customers at a savings We will also buy one for each of our salesmen to use for demonstration purposes.

4. We are still getting reports in the Northwest and from the Bay Area that our 5565 Wall Texture is thinning down in the tanks and is soft when applied to the wall, which makes it difficult to obtain a good paint job over the texture. However, Wes Wessel and Don Marquardt both say they are getting excellent results with it. Doug has been unable to duplicate this problem in the lab; therefore, it will be necessary for us to get samples from the customer who is having a problem and see if we can determine what it is from tests on the field product.

5. We have not completed the tests on painting over Quik-Set to see if it can be done without putting on a sealer coat; however, preliminary tests made by Doug show that it should not be much of a problem. Bob Miller will have the lab make these tests within the next week and put out a bulletin on the results. At this time, we have decided not to try to make Quik-Set in California, since the heavy season for it is almos over. We will reconsider this next fall.

6. The State of California regulations on use of asbestos in Paco-type products reduces it to a maximum of 1/2 of 1% effective July 1, 1975, and there is a further reduction to zero on July 1, 1976. This is more strict that the current EPA regulations

which apply to the rest of the country. Our 5565-B Wall Texture is asbestos free and our best selling product; therefore, we can promote this without any problem. We will need to get our 6373-L Acoustic down to this by July 1. Doug feels that it may be impossible to do this with the 6374-type product; however, work will be done on both of them. As soon as he has samples, he will try to get them tested so that we have some knowledge as to where we stand prior to the July 1 deadline. This California regulation only applies to spray-type products, so it does not affect our joint cement at this time. Since this product cannot be sold through our stores after July 1, we will have to set up a program whereby we have the new product available and distributed, and all the old product either sold or brought in for sale outside the State of California. John Winslow and Doug Merrill will coordinate a program to take care of this. It appears that we will need to have this new product not later than May 1.

7. Don Marquardt reports that Hamilton is now selling an asbestos-free acoust in a 50 lb. bag, which one customer has reported he likes and has gone to this product. The cost on this is $6.21, less 14½%. Don will get a sample bag for Doug to use as a comparison in making our asbestos-free type.

8. The next meeting will be held on Friday, May 2, at 8:30 A.M.

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cc: Gene Biddle
Peter deVries
Jack Fuhrman
Bill Harrison
Chuck Hogue
Al Holland
Dick Nesmith
Frank Skaggs