

COLORED PIGMENTS - 1982 BUSINESS PLAN REVIEW

R&D IMPLEMENTATION PLAN - SEPTEMBER 16 1981

INTRODUCTION - (CHART 1)

THE PURPOSE OF MY PRESENTATION WILL BE TO REVIEW THE
R&D IMPLEMENTATION PLAN IN SUPPORT OF THE COLORED PIGMENTS
1982 BUSINESS PLAN

I PLAN TO DISCUSS OUR 5-YEAR MANPOWER AND EXPENSE
FORECASTS THEN PRESENT THE IMPLEMENTATION PLANS FOR OUR
THREE SITES NEWARK, NEWPORT AND JACKSON LABORATORY THE
INITIAL FIVE TOPICS IN MY PRESENTATION WILL EMPHASIZE OUR COST
REDUCTION PROGRAMS

THE LAST TOPIC WILL BE AN OVERVIEW OF OUR NEW
DEVELOPMENTAL PRODUCTS WHICH ARE INCLUDED IN THE LONG-RANGE
SALES FORECAST

MANPOWER FORECAST (CHART 2)

OUR R&D MANPOWER PROJECTIONS ARE SUMMARIZED ON THIS
NEXT CHART ON JANUARY 1, 1981 WE HAD A TOTAL OF 139 PEOPLE
INVOLVED IN R&D ACTIVITIES AT THE THREE SITES WE HAD ROUGHLY
50 AT EACH PLANT SITE AND 40 AT JACKSON LABORATORY

DURING 1981 WE EXPECT TO REDUCE OUR HEADCOUNT BY 14
OR 10% AS YOU CAN SEE, MOST OF THE REDUCTION WILL BE FROM THE
EXEMPT RANKS THIS 11 MAN DECREASE WAS ACCOMPLISHED AS FOLLOWS
WE CONSOLIDATED THE NEWARK PROJECT ENGINEERING GROUP AT GRASSELLI
FOR A REDUCTION OF 4 WE ELIMINATED A SENIOR SUPERVISOR -
TECHNICAL POSITION AT NEWARK AND EXPECT THE SAME AT NEWPORT
WE TRANSFERRED TWO CHEMISTS FROM JACKSON LABORATORY TO BIOCHEMI-
CALS DEPARTMENT WE HAD TWO RETIREMENTS AND WE DID NOT REPLACE
AN ESD FIELD ENGINEER AT NEWPORT

N37111

DURING THE YEAR'S 1982 AND 1983 WE EXPECT TO MANAGE FURTHER PERSONNEL REDUCTIONS PRIMARILY THROUGH NORMAL ATTRITION AND TRANSFERS OF SOME PROFESSIONAL PERSONNEL TO BIOCHEMICALS AND PHOTO PRODUCTS DEPARTMENTS

BY JANUARY 1, 1985, WE PLAN TO DROP OUR TOTAL HEAD COUNT TO 78 OR A REDUCTION OF 44% THIS IS THE MINIMUM LEVEL WE BELIEVE THAT WILL BE REQUIRED TO SUPPORT PLANT OPERATIONS AND CONDUCT A MODEST NEW PRODUCT DEVELOPMENT EFFORT PRIMARILY IN QUINACRIDONES AS YOU CAN SEE, THE SHARPEST CUT IN PERSONNEL WILL BE IN THE EXEMPT RANKS, WHERE WE ARE PROJECTING A 55% DECREASE

EXPENSE FORECAST (CHART 3)

OUR EXPENSE FORECAST IS SHOWN ON THIS NEXT CHART FOR EACH SITE THE EXPENSES FOR NEWARK AND NEWPORT COVER ALL R&D FUNCTIONS AT THE SITE INCLUDING MTE, CONTROL LAB, AND PROJECT ENGINEERING THE JACKSON LAB EXPENSE IS TOTALLY IEB WORK

FOR 1981, WE ARE PROJECTING A TOTAL EXPENSE OF \$9 6MM THIS WILL BE \$1 2MM OR ABOUT 11% BELOW OUR 1981 BUDGET

OVER THE NEXT FOUR YEARS WE ANTICIPATE THAT TOTAL R&D EXPENSE WILL RANGE BETWEEN \$9 TO 10MM THE SUBSTANTIAL PERSONNEL REDUCTION WE ARE NOW PLANNING VERSUS THE EXTENDED NO 2-1981 FORECAST SHOULD RESULT IN A COST SAVINGS OF \$3 4MM IN 1985

NEWARK PLAN (CHART 4)

TURNING NOW TO THE NEWARK PLAN, WE EXPECT TO REDUCE TOTAL MANPOWER FROM 52 ON JANUARY 1, 1981 TO 32 ON JANUARY 1, 1985, WHICH IS OUR GOAL MINIMUM SUPPORT LEVEL

IN THE EXEMPT CATEGORY WE PLAN TO REDUCE OUR MTE SUPPORT FROM 10 TO 6 THE PROJECT ENGINEERING MANPOWER REDUCTION OCCURRED EARLY THIS YEAR WITH CONSOLIDATION AT GRASSELLI CONTROL LAB SUPERVISION WILL BE REDUCED BY 2 AND OVERALL SUPERVISION WILL BE REDUCED FROM 1 TECHNICAL SUPERINTENDENT AND 2 SENIOR SUPERVISORS - TECHNICAL TO JUST 1 SENIOR SUPERVISOR

THE NON-EXEMPT/WAGEROLL REDUCTIONS ARE DUE TO INCREASED PRODUCTIVITY IN THE CONTROL LAB AND TO REDUCTION IN TECHNICIAN WORKLOAD WITH FEWER PROCESS CHEMISTS

OUR MAJOR TASKS FOR NEWARK ARE SUMMARIZED ON THE BOTTOM OF THE CHART WE CONSOLIDATED THE PROJECT ENGINEERING FUNCTION AT GRASSELLI IN FEBRUARY 1981 THIS CHANGE, ALTHOUGH THE LINES OF COMMUNICATION HAVE INCREASED ABOUT 15 MILES, APPEARS TO BE A SATISFACTORY ARRANGEMENT

TO ACCOMPLISH THE TECHNICAL TASKS REQUIRED TO IMPLEMENT THE PRODUCTIVITY IMPROVEMENT PROGRAMS THAT VIRG AND DWIGHT HAVE DESCRIBED EARLIER, WE PLAN TO ESTABLISH A TASK FORCE AT EACH SITE BY THE END OF SEPTEMBER

OUR PROPOSED NEWARK TASK FORCE IS SHOWN ON THIS NEXT CHART (CHART 5) THE TASK FORCE WOULD BE HEADED BY THE TECHNICAL SUPERINTENDENT WHO IS CURRENTLY DON GRAY A SMALL PLANT ASSISTANCE GROUP UNDER THE SUPERVISION OF THE SENIOR SUPERVISOR -

TECHNICAL, WHO IS CURRENTLY DICK PEAVY, WOULD PROVIDE DAILY PLANT SUPPORT TO SOLVE QUALITY AND TECHNICAL PROBLEMS THE CONTROL LAB WOULD REPORT TO THE SENIOR SUPERVISOR - TECHNICAL THIS ARRANGEMENT WOULD ALLOW US TO TEST THE SMALL GROUP CONCEPT FOR PLANT ASSISTANCE

THE REMAINDER OF THE PRESENT TECHNICAL ORGANIZATION WILL BE ASSIGNED TO THE TASK FORCE AND WILL REPORT DIRECTLY TO THE TECHNICAL SUPERINTENDENT THE TASK FORCE PERSONNEL WILL BE DIVORCED FROM DAY-TO-DAY PROBLEMS AND WILL FOCUS ON PROGRAMS TO IMPROVE OPERATING EFFICIENCY THESE INCLUDE DEVELOPMENT OF RAW MATERIAL SPECIFICATIONS, DEFINITION OF CRITICAL PROCESS VARIABLES, DOCUMENTATION OF PROCESS TECHNOLOGY, DEVELOPMENT OF FACILITIES FOR IMPROVED PROCESS REPRODUCIBILITY AND DEVELOPMENT OF FACILITIES FOR IMPROVED PRODUCTIVITY

TO MEET A DEADLINE FOR COMPLETION OF PROCESS DOCUMENTATION BY THE END OF 1982, WE MUST SUPPLEMENT THE NEWARK FORCE WITH 2 CHEMISTS FROM JACKSON LAB

A SIMILAR R&D ORGANIZATIONAL CHANGE IS PLANNED FOR NEWPORT THESE R&D REORGANIZATIONS WILL BE THE FIRST STRUCTURAL CHANGES AT EACH SITE THEY WILL BE FOLLOWED OVER THE NEXT 3 TO 6 MONTHS BY ORGANIZATIONAL CHANGES IN THE OTHER FUNCTIONAL GROUPS ON THE PLANTS AS DESCRIBED BY VIRG AND DWIGHT EARLIER AS A RESULT, WE ARE PREPARING A COMMUNICATIONS PACKET THAT WILL BE USED BY THE THREE SITES ON SEPTEMBER 30 TO CONVEY THE REASONS FOR THE R&D REORGANIZATION AND TO SET THE STAGE FOR FUTURE CONSOLIDATIONS WE BELIEVE THE R&D CHANGES WILL BE A VISIBLE SIGNAL TO THE ENTIRE ORGANIZATION THAT WE HAVE A STRONG COMMITMENT TO IMPROVE THE COLORED PIGMENTS BUSINESS

RETURNING TO THE NEWARK CHART, ANOTHER TASK WHICH WE HAVE JUST STARTED AND EXPECT TO COMPLETE BY YEAR-END IS A THOROUGH REVIEW OF OUR U S TOSCA INVENTORY TO DETERMINE IF ANY OF OUR FINISHED PRODUCTS OR ISOLATED INTERMEDIATES HAVE BEEN OMITTED FROM THE LIST THIS UPDATED LIST WILL THEN BE USED TO FULFILL REQUIREMENTS FOR THE NEW EUROPEAN TOSCA INVENTORY

THE TASK FORCE HAS A FORMIDABLE JOB IN COMPLETING PROCESS DOCUMENTATION BY THE END OF 1982 NEWARK CURRENTLY HAS 120 PROCESSES UNFORTUNATELY ONLY 64 OF THESE HAVE ADEQUATE DOCUMENTATION

WE EXPECT TO COMPLETE INSTALLATION OF THE PRODUCTIVITY IMPROVEMENT FACILITIES WHICH DWIGHT DESCRIBED BY MID-1984

NEWPORT PLAN (CHART 6)

TURNING NOW TO THE NEWPORT PLAN, WE EXPECT TO REDUCE TOTAL MANPOWER FROM 49 ON JANUARY 1, 1981 TO 32 ON JANUARY 1, 1985 WHICH IS OUR GOAL MINIMUM SUPPORT LEVEL

IN THE EXEMPT CATEGORY, WE PLAN TO REDUCE OUR MTE SUPPORT FROM 11 TO 6 PROJECT ENGINEERING MANPOWER SHOULD BE REDUCED BY 2 AND THE CONTROL LAB BY 1 SUPERVISION WILL BE DROPPED FROM 1 TECHNICAL SUPERINTENDENT AND 2 SENIOR SUPERVISORS - TECHNICAL TO JUST 1 SENIOR SUPERVISOR

THE NON-EXEMPT/WAGEROLL REDUCTIONS ARE DUE TO INCREASED PRODUCTIVITY IN THE CONTROL LAB AND TO REDUCTION IN TECHNICIAN WORKLOAD WITH FEWER PROCESS CHEMISTS

OUR MAJOR TASKS FOR NEWPORT ARE SUMMARIZED AT THE BOTTOM OF THIS CHART AS AT NEWARK, WE PLAN TO ANNOUNCE ESTABLISHMENT OF A PRODUCTIVITY IMPROVEMENT TASK FORCE ON SEPTEMBER 30

AS PART OF THIS R&D REORGANIZATION WE WILL ELIMINATE ONE OF THE SENIOR SUPERVISOR - TECHNICAL POSITIONS AND REASSIGN THREE PROJECT ENGINEERS TO THE PRODUCTION DIVISION JACKSON LAB PERSONNEL WILL ALSO COMPLEMENT THE NEWPORT ORGANIZATION

AGAIN WE HAVE A FORMIDABLE PROCESS DOCUMENTATION JOB TO COMPLETE BY THE END OF 1982 NEWPORT CURRENTLY HAS 48 PROCESSES AND ONLY 22 ARE ADEQUATELY DOCUMENTED WE HAVE A GOAL OF COMPLETING INSTALLATION OF THE PRODUCTIVITY IMPROVEMENT FACILITIES SUMMARIZED BY VIRG BY MID-1984

JACKSON LABORATORY PLAN (CHART 7)

TURNING NOW TO THE JACKSON LAB PLAN, WE EXPECT TO REDUCE TOTAL MANPOWER FROM 38 IN JANUARY OF THIS YEAR TO 14 IN JANUARY 1985

IN THE EXEMPT CATEGORY, WE PLAN TO REDUCE OUR DIRECT CHEMIST MANPOWER FROM 15 TO 6 AT THAT LEVEL, WE WILL ONLY BE DOING NEW PRODUCT DEVELOPMENT WORK ON QUINACRIDONES

CURRENTLY WE HAVE TWO SUPPORT PERSONNEL ONE AN ENGINEER DOING ECONOMIC EVALUATIONS AND FACILITIES STUDIES AND A TECHNOLOGIST WHO RUNS THE SEMI-WORKS THESE POSITIONS WILL BE ELIMINATED AT THE MINIMUM SUPPORT LEVEL IN 1985

IN THE SUPERVISORY RANKS WE PRESENTLY HAVE A RESEARCH MANAGER AND TWO RESEARCH SUPERVISORS LONG-TERM WE SEE THIS DROPPING TO ONE RESEARCH SUPERVISOR

THE NON-EXEMPT TECHNICIAN REDUCTION FOLLOWS THE
DECREASE IN CHEMISTS

THE BOTTOM OF THIS CHART SUMMARIZES OUR MANPOWER EFFORT
BY PRODUCT FOR 1981, 1982, AND 1985 THIS YEAR WE WILL AVERAGE
14 DIRECT CHEMISTS AND OUR PRELIMINARY BUDGET FOR 1982 IS 12

WE ARE FORECASTING A MAJOR SHIFT IN OUR MANPOWER
DEPLOYMENT NEXT YEAR WE PLAN TO PHASEDOWN OUR WORK ON NEW
CHEMISTRY FROM 4 4 TO 1 5 OUR PROGRAM FOR DEVELOPING A UV
STABILIZER FOR THE GROWING AUTOMOTIVE CLEAR COAT FINISHES MARKET
WILL BE DISCONTINUED OUR PROGRAM TO DEVELOP NEW ORGANIC YELLOW/
ORANGE PIGMENTS TO REPLACE LEAD CHROMATES WILL BE CURTAILED

AS DISCUSSED PREVIOUSLY, WE WILL MAKE A SIGNIFICANT
CONTRIBUTION TO THE PLANT TASK FORCE WORK ON PROCESS DOCUMENTA-
TION ABOUT 40% OF OUR MANPOWER EQUIVALENT TO 4 5 MEN WILL BE
INVOLVED WITH DEFINITION OF CRITICAL PROCESS VARIABLES AND
DOCUMENTATION OF PROCESS TECHNOLOGY

IN 1985 WHEN OUR DIRECT MANPOWER IS REDUCED TO 6, WE
WILL ONLY BE ABLE TO WORK ON NEW PRODUCT DEVELOPMENTS FOR
QUINACRIDONES JUST MINIMAL EFFORT WILL BE POSSIBLE ON CPC,
OTHER ORGANICS, AND INORGANICS

NEW PRODUCT DEVELOPMENT ACTIVITIES (CHART 8)

FINALLY TURNING TO OUR NEW PRODUCT DEVELOPMENT ACTIVITIES,
THIS CHART HIGHLIGHTS THREE OF OUR MAJOR PROGRAMS THE LONG-RANGE
SALES FORECAST ASSUMES WE WILL BE SUCCESSFUL IN ALL THREE
PROGRAMS

THE OBJECTIVE OF THE FIRST PROGRAM IS TO DEVELOP NEW QA PRODUCTS THAT HAVE THE RHEOLOGICAL AND TINCTORIAL PROPERTIES REQUIRED BY NEW HIGH SOLIDS ENAMEL SYSTEMS WE HAVE DEVELOPED A NEW PROPRIETARY PROCESS WHICH INVOLVES ACETONE MILLING OF QA PIGMENT TO ACHIEVE ACCEPTABLE RHEOLOGY

THE INCENTIVE FOR THIS PROGRAM IS HIGH BECAUSE WE ARE PROTECTING EXISTING BUSINESS WHICH IS INCLUDED IN THE LONG-RANGE SALES FORECAST THAT COULD BE LOST DUE TO RHEOLOGICAL DEFICIENCIES OF OUR PRESENT PRODUCT LINE

WE ARE PLANNING TO SUBMIT A \$600M PROJECT FOR ACETONE MILLING FACILITIES AT NEWPORT IN 1Q82 WITH START-UP IN 4Q82 WE ARE FORECASTING A 2-MAN CONTINUING EFFORT ON THIS PROGRAM WE RATE OUR PROBABILITY OF SUCCESS AS HIGH F&F ARE EVALUATING MATERIAL WE HAVE PRODUCED IN THE SEMI-WORKS THEY ARE ENCOURAGED AND WE EXPECT FAVORABLE RESULTS BEFORE YEAR-END

THE OBJECTIVE OF THE SECOND PROGRAM IS TO DEVELOP IMPROVED VALUE-IN-USE PRODUCTS TO INCREASE OUR CPC SALES TO THE PLASTICS INDUSTRY WE HAVE DEVELOPED A PROPRIETARY PROCESS USING EXCESS SOLVENT MILLING CAPACITY AT NEWPORT TO PRODUCE A RESIN EXTENDED CPC PRODUCT WITH IMPROVED DISPERSION PROPERTIES IN PLASTICS SYSTEMS

AMPACET HAS APPROVED THE QUALITY OF OUR NEW PRODUCT WHICH IS 60% TONER AND 40% RESIN WE EXPECT TO START SUPPLYING AMPACET AT THE RATE OF 90M LBS /YR LATE THIS YEAR AND DEVELOP ADDITIONAL BUSINESS AT OTHER PLASTICS ACCOUNTS TOTALING ANOTHER 100M LBS /YR THE EARNINGS CONTRIBUTION TO THE CPC LINE WILL BE SIGNIFICANT WE PROJECT ABOUT 0.5 MAN EFFORT REQUIRED NEXT YEAR WE RATE OUR PROBABILITY OF SUCCESS AS HIGH SINCE AMPACET HAS ALREADY APPROVED THE QUALITY OF PLANT PRODUCED MATERIAL

THE OBJECTIVE OF THE THIRD AND FINAL PROGRAM IS TO DEVELOP HIGH SOLID DISPERSIONS TO MEET THE INCREASING DEMAND IN THE TRADE SALES PAINT INDUSTRY FOR PREDISPERSED VERSUS DRY PIGMENT PRODUCTS WE HAVE DEVELOPED A PROCESS THAT UTILIZES SAND MILLING DISPERSION TO FORMULATE AQUEOUS PRODUCTS CONTAINING GREATER THAN 40% SOLIDS THAT CAN BE USED IN UNIVERSAL COLORANT AND IN-PLANT TINTING SYSTEMS

WE HAVE COMMERCIALIZED 4 NEW DALAMAR[®] AND 1 CPC-GREEN PRODUCT THIS YEAR DE SOTO HAS APPROVED OUR MATERIAL MARKET-ING HAS NOW STARTED TO SAMPLE THESE PRODUCTS TO PPG AND GENERAL PAINT TO EXPAND OUR VOLUME

THESE PRODUCTS ARE EXPECTED TO REPRESENT A SIGNIFICANT PORTION OF DALAMAR[®] EARNINGS CONTRIBUTION OVER THE NEXT 5 YEARS

WE CURRENTLY ARE MAKING THESE PRODUCTS IN SAND MILLING FACILITIES IN THE GENERAL PRODUCTS BUILDING AT THE CHAMBERS WORKS SHOULD THAT BUILDING BE DISMANTLED, WE WOULD FACE A \$200M EXPENDITURE TO INSTALL SAND MILLING FACILITIES AT NEWARK WE RATE OUR PROBABILITY OF SUCCESS AS HIGH

THAT CONCLUDES MY PRESENTATION ARE THERE ANY QUESTIONS?

R. S Weis/gmd
9-15-81

BACK-UP CHARTS

CHART 9 PRODUCTIVITY IMPROVEMENT TASK FORCE

CHART 10 PROCESS DOCUMENTATION

CHART 11 PRODUCTIVITY IMPROVEMENT FACILITIES

CHART 12 NEWPORT TASK FORCE

CHART 13 R&D ASSUMPTIONS FOR 1985 MINIMUM STAFFING

CHART 14 REASONS FOR IMPROVED PRODUCTIVITY

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COLORED PIGMENT

1982 BUSINESS PLAN REVIEW

R&D IMPLEMENTATION PLAN

SEPTEMBER 16, 1981

R. S WEIS

R&D IMPLEMENTATION PLAN

- MANPOWER FORECAST
- EXPENSE FORECAST
- NEWARK PLAN
- NEWPORT PLAN
- JACKSON LABORATORY PLAN
- NEW PRODUCT DEVELOPMENT ACTIVITIES

RSW-1

N37141.02

DUP050146633

R&D MANPOWER FORECAST

	<u>1/1/81</u>	<u>1/1/82</u>	<u>1/1/83</u>	<u>1/1/84</u>	<u>1/1/85</u>
<u>PERSONNEL</u>					
EXEMPT	63	52	46	38	28
NON-EXEMPT	57	57	50	41	35
WAGEROLL	<u>19</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>15</u>
TOTAL	139	125	112	95	78
<u>CUMULATIVE REDUCTION</u>	-	10%	19%	32%	44%

RSW-2

R&D EXPENSE FORECAST
(\$ MM)

	<u>1981*</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
<u>SITE</u>					
NEWARK	3 2	3 5	3 7	3 3	3 6
NEWPORT	2 8	3 1	3 2	3 3	3 5
JACKSON LAB	<u>3 6</u>	<u>3 4</u>	<u>2 9</u>	<u>2 4</u>	<u>2 0</u>
TOTAL	9 6	10 0	9 8	9 0	9 1
<u>COST REDUCTION**</u>	1 2	1 3	1 4	2 3	3 4

* 7A + 5F

** VERSUS EXTENDED NO 2-1981 FORECAST

RSW-3

NEWARK R&D PLAN

PERSONNEL

	<u>1/1/81</u>	<u>1/1/85</u>
EXEMPT		
PROCESS	10	6
PROJ ENG	4	-
CONT LAB	6	4
SUPERVISION	3	1
TOTAL	<u>23</u>	<u>11</u>
NON-EXEMPT / WAGEROLL	29	21
TOTAL	<u>52</u>	<u>32</u>

TASKS

- CONSOLIDATE PROJECT ENGINEERING AT GRASSELLI 2/81
- ESTABLISH PRODUCTIVITY IMPROVEMENT TASK FORCE 9/81
- REVIEW TOSCA INVENTORY 12/81
- COMPLETE PROCESS DOCUMENTATION (64/120-) 12/82
- INSTALL PRODUCTIVITY IMPROVEMENT FACILITIES 6/84

RSW-4

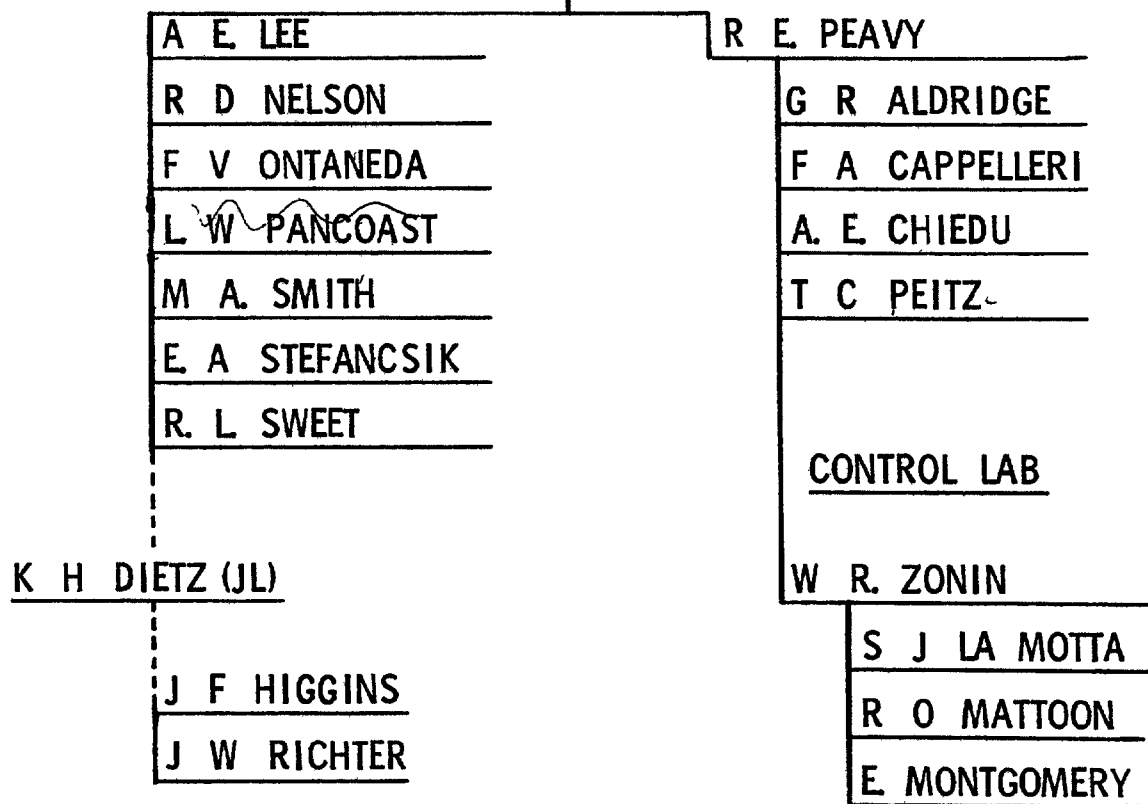
PRODUCTIVITY IMPROVEMENT TASK FORCE

NEWARK

D GRAY - TECHNICAL SUPERINTENDENT

TASK FORCE

PLANT ASSISTANCE



RSW-5

NEWARK R&D PLAN

PERSONNEL

	<u>1/1/81</u>	<u>1/1/85</u>
EXEMPT		
PROCESS	10	6
PROJ ENG	4	-
CONT LAB	6	4
SUPERVISION	3	1
TOTAL	<u>23</u>	<u>11</u>
NON-EXEMPT / WAGEROLL	29	21
TOTAL	<u>52</u>	<u>32</u>

TASKS

- CONSOLIDATE PROJECT ENGINEERING AT GRASSELLI 2/81
- ESTABLISH PRODUCTIVITY IMPROVEMENT TASK FORCE 9/81
- REVIEW TOSCA INVENTORY 12/81
- COMPLETE PROCESS DOCUMENTATION (64/12Q) 12/82
- INSTALL PRODUCTIVITY IMPROVEMENT FACILITIES 6/84

RSW-5A

NEWPORT R&D PLAN

PERSONNEL

	<u>1/1/81</u>	<u>1/1/85</u>
EXEMPT		
PROCESS	11	6
PROJ ENG	4	2*
CONT LAB	2	1
SUPERVISION	3	1
TOTAL	20	10
NON-EXEMPT / WAGEROLL	29	22
TOTAL	49	32

TASKS

- ESTABLISH PRODUCTIVITY IMPROVEMENT TASK FORCE 9/81
- REASSIGN PROJECT ENGINEERING TO PRODUCTION* 9/81
- COMPLETE PROCESS DOCUMENTATION (22/48) 12/82
- INSTALL PRODUCTIVITY IMPROVEMENT FACILITIES 6/84

RSW-6

JACKSON LABORATORY PLAN

PERSONNEL

	<u>1/1/81</u>	<u>1/1/85</u>
EXEMPT		
DIRECT	15	6
SUPPORT	2	0
SUPERVISION	3	1
TOTAL	20	7
NON-EXEMPT	18	7
TOTAL	38	14

TASK CHANGES

	<u>1981</u>	<u>1982</u>	<u>1985</u>
QA	4 1	3 0	4 5
CPC	2 0	1 0	0 5
OTHER ORGANICS	1 5	1 0	0 5
INORGANICS	1 3	1 0	0 5
NEW CHEMISTRY	4 4	1 5	0
DOCUMENTATION	<u>0 7</u>	<u>4 5</u>	<u>0</u>
	14 0	12 0	6 0

RSW-7

NEW PRODUCT DEVELOPMENT ACTIVITIES

<u>PROGRAM</u>	<u>EARNINGS</u>		<u>RESOURCES</u>		<u>PROBABILITY OF SUCCESS</u>
	<u>CONTRIBUTION 82-'86 (\$ MM)</u>	<u>TIMING</u>	<u>EFFORT (\$ MM)</u>	<u>INVEST (\$ MM)</u>	
● QA FOR HIGH SOLIDS ENAMELS	4 4	4Q82	0 8	0 6	HIGH - DEMON IN SEMI-WORKS
● EASY DISPERSING CPC FOR PLASTICS	2 0	1Q82	0 1	0	HIGH - AMPACET APPROVED QUALITY
● DALAMAR® HIGH SOLIDS DISPERSIONS FOR TRADE SALES PAINTS	2 4	2Q82	0 2	0 2	HIGH - COMMER- CIALIZED FIVE PRODUCTS

RSW-8

PRODUCTIVITY IMPROVEMENT TASK FORCE

- DEVELOP RAW MATERIAL SPECIFICATIONS
- DEFINE CRITICAL PROCESS VARIABLES
- DOCUMENT PROCESS TECHNOLOGY
- DEVELOP IMPROVED OPERATING FACILITIES
- FINALIZE INSTRUMENTAL COLOR CONTROL READING
- DEVELOP WASTE TREATMENT AND DUST CONTROL OPTIONS
- REVIEW U S / EUROPEAN TOSCA INVENTORY

RSW-9

PROCESS DOCUMENTATION

NEWARK

	<u>INORGANICS / OTHER ORGANICS</u>	<u>QA / CPC</u>	<u>TOTAL</u>
PROCESSES	61	59	120
WRITTEN	5	59	64
TO BE WRITTEN	56	0	56

NEWPORT

	<u>QA</u>	<u>CPC</u>	<u>TOTAL</u>
PROCESSES	30	18	48
WRITTEN	17	5	22
TO BE WRITTEN	13	13	26

RSW-10

PRODUCTIVITY IMPROVEMENT FACILITIES

OBJECTIVE

- ACHIEVE FORECAST MANPOWER REDUCTIONS
- INCREASE PROCESS REPRODUCIBILITY FROM 70% TO 90%

NEWARK

- ABOUT 40 PROGRAMS REQUIRING MAJOR R&D SUPPORT
- FORECAST AUTHORIZATIONS INCLUDED IN MCN CATEGORY OF NO 1-1982 CONSTRUCTION FORECAST

NEWPORT

- BUILDING CONSOLIDATION AND IMPROVED MATERIAL HANDLING PROJECTS REQUIRING MINOR R&D SUPPORT
- FORECAST AUTHORIZATIONS ADDED TO NO 1-1982 CONSTRUCTION FORECAST AS FOLLOWS

IMPROVEMENT FACILITIES \$1 7MM

DISMANTLEMENT COSTS $\frac{1\ 5}{\$3\ 2MM}$

RSW-11

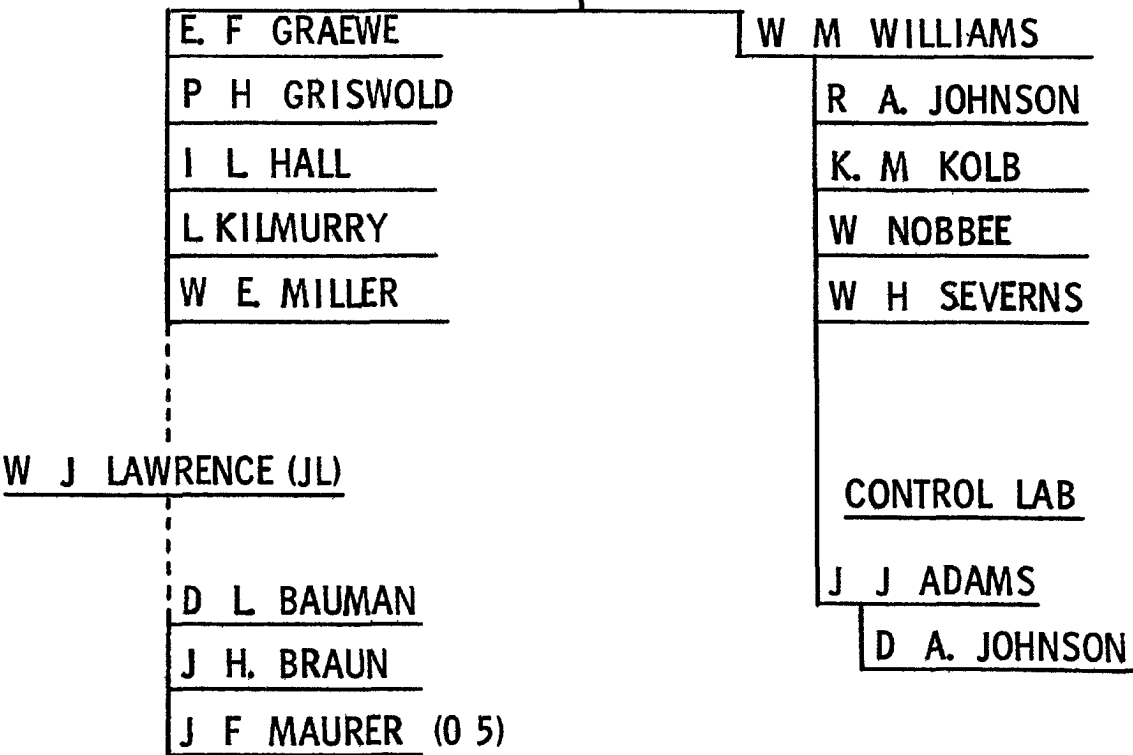
PRODUCTIVITY IMPROVEMENT TASK FORCE

NEWPORT

S A. DOMBCHIK - TECHNICAL SUPERINTENDENT

TASK FORCE

PLANT ASSISTANCE



RSW-12

R&D ASSUMPTIONS FOR 1985 MINIMUM STAFFING

- GROUPS STAFFED WITH COMPETENT, EXPERIENCED PERSONNEL
- NO RAPID TURNOVER (<2 YRS) IN PERSONNEL
- TIGHT PROGRAM PRIORITIZATION, INFREQUENT PROGRAM ADDITIONS / DELETIONS
- MINIMAL INVOLVEMENT IN NON-TECHNOLOGY PROCESS PROBLEMS GREATER EMPHASIS ON PRODUCTION SOLVING DAY-TO-DAY OPERATING PROBLEMS
- STAFF NOT OVERBURDENED WITH NON-TECHNICAL ACTIVITIES (COMMITTEES ETC)

RSW-13

REASONS FOR IMPROVED PRODUCTIVITY

- IMPROVED QUALITY OF TECHNICAL STAFF
- PROGRAM ACTIVITIES CONCENTRATED ON "CRITICAL FEW" HAVING BIGGEST IMPACT ON BUSINESS
- LESS INVOLVEMENT IN NON-TECHNICAL ACTIVITIES

RSW-14