

METALS DIVISION
MEMORANDUM

May 4, 1978

TO: Mr. F.C. Kroft, Jr.

CC: Mr. R.L. Folkman

This memorandum amplifies out discussion of May 1, 1978 on the RG-244 sales picture.

For the first four months of 1978, RG-244/SX-24 sales volume was 140% of that for the same period in 1977 due entirely to strong exports. While below budget, Forecast II sales for the full year 1978 are estimated to be about 4% ahead of 1977. The strong exports early in 1978 are not predicted to continue at current rates into the second half, since some of the buying has been a hedge against a possible West Coast dock strike in June. The attached Table summarizes sales of these products since 1972. While we have a technically superior product to Cab-o-sil and Aerosil, and one which is attractively priced, it is not obvious to me that sales volume will grow much above the 1,200 tons per year level first achieved in 1976 due to regulations and related health hysteria.



W.C. Thurber

WCT:gh
Attachment
bc: Mr. J.L. Myers

RG-244/SX-24 SALES HISTORY

	<u>Domestic</u>		<u>Export</u>		<u>Total</u>	
	<u>Tons</u>	<u>M\$</u>	<u>Tons</u>	<u>M\$</u>	<u>Tons</u>	<u>M\$</u>
1972	528	689	116	136	644	825
1973	602	795	324	370	926	1165
1974	511	712	486	552	997	1264
1975	474	788	240	308	714	1096
1976	547	965	681	917	1228	1882
1977	526	1059	623	1051	1149	1976
1978*	550	1122	650	973	1200	2095

* Forecast II