

January 15, 1981

FOR DU PONT USE ONLY

Attached is the December Newsletter. 1980 revenue declined 7% from 1979 with domestic sales and transfers off 13% and ex U.S. unchanged.

Our business had several real bright spots considering the poor domestic economic conditions that existed most of the year:

Average selling prices were increased 11%, ranging from 5% for quinacridone to 21% for molybdate orange.

Sales contracts, covering approximately 20% of our total domestic business, were increased from 8 to 30.

Cash flow was increased \$750M through the sale of off-quality and RECO products.

Progress was made in defining our opportunity for increasing QA and Krolor® sales ex U.S.

Your effort to improve our position in these important areas is appreciated.

A 29% increase in revenue is forecast for 1981. Domestic sales and transfers are expected to increase 26% and ex U.S. 37% versus 1980.

A handy pocket product guide for our organic yellows is enclosed. This can be used as a reference for the different product forms we offer.

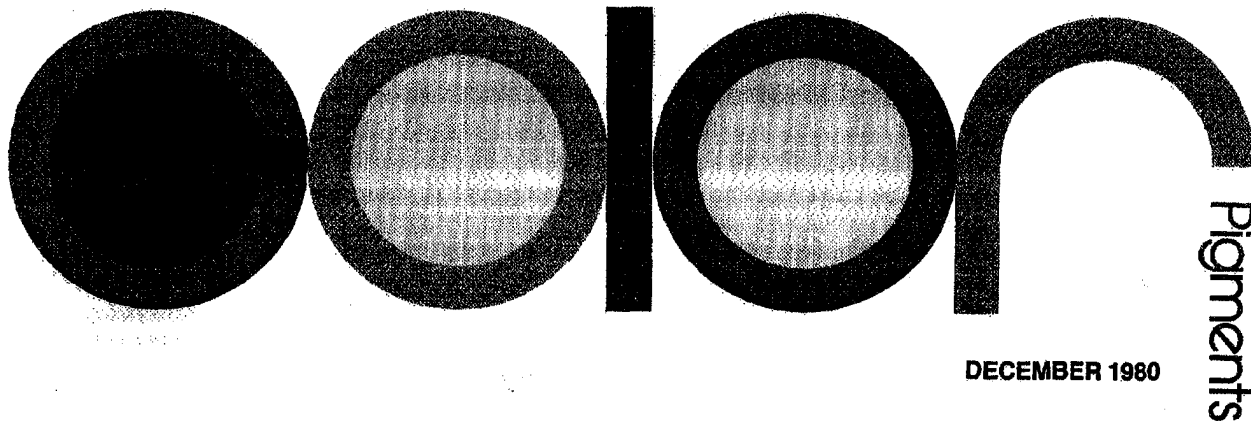
Your continued suggestions for how we can improve this Newsletter are appreciated.

John
J. S. THACKRAH

Atts.
JST:k



PIGMENTS



DECEMBER 1980

COLORED PIGMENT PRODUCTS NEWSLETTER

BUSINESS STATUS

Our worldwide sales and transfers in pounds have leveled since August at a rate 25% above our low point of May and June but still 20% below 1979 levels. Dollar sales are 11% below #1-1981 forecast and 6% behind the same period last year. Projections are to continue at this rate December through February, with increases in March, assuming that recent increases in interest rates do not throw the economy into a deeper recession.

ANNOUNCING THE RELEASE OF TWO NEW MONASTRAL® QUINACRIDONES

- **Transparent Red B RT-273-D**
RT-273-D was developed for high strength and transparency for use in systems other than lacquer. This product will allow the same type of automotive styling that is now possible with RT-233-D in lacquer systems. Price is equal to RT-233-D.

- **Monastral® Red Y RT-959-D**
RT-959-D is more intense and slightly blue versus RT-759-D and should be promoted in situations where slightly more intensity is needed in leadfree blends. This product is a good match for Hoechst's "Hostaperm" Red E-3B and superior strength and intensity compared to Harmon's R-6719. RT-959-D is priced equal to RT-759-D and should be actively promoted against the competitive products worldwide.

Shipping quantities of both products are available. Sales aids will be issued early in 1981.

AMERICAN CYANAMID— CPC BLUE WITHDRAWAL

American Cyanamid has withdrawn from the copper phthalocyanine business, selling its customers' list and technology to Sun Chemical. This development

should offer us significant opportunities, particularly in the area of red shade flocculation resistant products. Last year we released a new product, BT-498-D, that has outstanding properties and should be successfully promoted against American Cyanamid's red shade flocculation resistant codes. A new lab note with exhibits has just been released by Chestnut Run to help you sell this product.

**USE THIS LAB NOTE
TO GET NEW BUSINESS!!!**

COMPETITIVE PRICING

While a number of producers have announced new prices, some have not. Please be alert and communicate developments promptly.

1981 CAR COLORS

The following automotive colors contain significant amounts of our pigment. We hope you will consider one of these colors when you order your next new car.

G.M.

Code	Color Name	Du Pont Code
75	Spectra Red	RT-759-D, RT-243-D
72	Lt. Maple	RT-218-D
77	Dark Maple	RT-233-D
	Autumn Maroon	
47	Dark Sandstone	GT-751-D, BT-425-D or BP-479-D
48	Dark Green	GT-751-D

FORD

Code	Color Name	Du Pont Code
2K	Candy Apple Red	RT-759-D
24	Medium Red	RT-887-D
27	Bright Red	RT-759-D
36	Dark Blue	BP-479-D
8N	Dark Cordoren	RT-243-D
2H	Med. Red	RT-243-D
2G	Bittersweet	RT-233-D, YT-815-D



PIGMENTS

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TOYOTA

Code	Color Name	Du Pont Code
378	Canterbury Red	RT-796-D
377	Highgrow Wine	RT-796-D
391	Red	RT-759-D

DATSUN

Code	Color Name	Du Pont Code
819U	Dark Red	RT-796-D

HONDA

Code	Color Name	Du Pont Code
R41M	Rhodes Red	RT-796-D

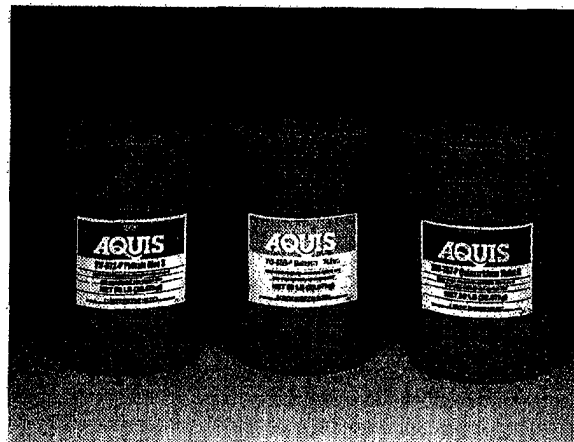
In addition to F&F, we have expanded our Air Pallet program to include Inmont. We now own 100-50 cu ft returnable pallets and are talking with other large lead and zinc chromate customers, ie: Sherwin-Williams and Dart Industries. If other large volume customers are interested in this low dust in-plant handling package, please let us know.

ORGANIC YELLOW PRODUCT GUIDE

Below is a handy guide which relates our dispersions and presscake offerings to their respective toners. If you find this helpful, let us know and we can provide them for other product lines. The attached card will help you remember these facts.

NEW CONTAINERS

Beginning in January, Newark will use our attractive new 6-gallon (50-lb) net pail for all Aquis® dispersions except GW-749-P. When old container supplies are exhausted, 749 will be converted. Customers should be told of the new container and alerted that the lid is more difficult to remove than previously, due to Department of Transportation requirements. If the lid instructions are followed, they should have no problems.



ORGANIC YELLOW PRODUCT GUIDE

Toluidine 10G (PY-3)				
	Toner	Quality	Presscake	Dispersion
	YT-828-D	E	YT-848-P	YW-928-P (Glycol-45% toner)
Dalamar PY-65 and PY-74				
	Toner			
Green Shade	YT-858-D	I	YT-839-P	YW-718-P (Aqueous 23% toner)
	Crystal Stable			YW-731-P (Aqueous 25% toner)
				YW-869-P (Glycol 45% toner)
Green Shade	YT-868-D	E	YT-840-P	YW-968-P (Glycol 50% toner)
	Crystal Stable			
Green Shade	YT-808-D	E	YT-810-P	YW-811-P (Aqueous 30% toner)
	Best Light-fastness			
Red Shade	YT-820-D (PY-65)	E		YW-822-P (Aqueous 32% toner)
Quality: I—Interior E—Exterior				

REGULATORY DEVELOPMENTS

EPA recently revised RCRA regulations governing the disposal of empty containers. As far as our color pigments are concerned:

- RCRA does not apply to "empty" containers or inner liners. This includes empty bags which contained lead chromates.
- An "empty" container or liner is one from which pigment was removed using normal procedures such that less than an inch of residue remains in the bottom.

Pending their decision to hear the case, the US Supreme Court granted a stay of certain requirements of OSHA's work place lead standard. Fortunately, the stayed sections are those marked stayed in our *Chromate Pigments—Compliance Manual* and apply to all industries. In general, the sections stayed were those requiring substantial investment in dust control equipment. For the present, respirators are allowed to achieve the $50\mu\text{g}/\text{m}^3$ standard as long as ambient Pb dust levels are below $200\mu\text{g}/\text{m}^3$.



KEEP ON "TRUCKIN" THOSE COLORS

Broader use of our trade names is underway with this eye catching display on a Transportation Division trailer. We are continuing to seek new ways to reinforce your sales efforts.

INK

Our Ink Industry held up better than most this year. We experienced a very slow summer but sales firmed in September, peaked in October and firmed again in December.

We worry about reformulation away from lead chromates but it really has not shown up in our sales pattern. We now have Y-469-D and YE-735-D available on advance orders in Air-Pallets® which helps your customers avoid in-plant dust problems. It's time to start discussing this Air-Pallet® concept with your large inorganic pigment consumers.

An RT-251-D sales aid has just been completed by our Chestnut Run laboratory and copies are on the way to your district. We are promoting this product specifically for water-based ink formulations as well as for general use in solvent flexographic and rotogravure inks.

CPC Blues—Stock Situation At A Glance

<u>Plentiful</u>	<u>Tight</u>
BL-282-D	BT-417-D
BL-426-D	BT-449-D
BP-479-D	BT-482-P
	BT-483-P
BT-391-D	BT-401-P
	BT-297-D
	BT-487-P

Other Codes have normal inventory.

The tight stock is a temporary situation. We are now gearing the plant up for full production and will have plenty of supply in the near future. We want new business. Call us if you have specific problems.



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