To Be Made Effective IMMEDIATELY

Manager's Notice

MAY 13, 1983

TO: ALL SALES REPS, CENTRAL DISTRICT

CC: A. A. VERPLOEGH, STOCKTON
ANDREW YU, STOCKTON
W. C. BURNETT, DENISON
CSC, DENISON

RE: PVC VS A/C SUBSTITUTION

AS ALL OF YOU KNOW, PRACTICALLY EVERY PVC PIPE ITEM MANUFACTURED AT DENISON IS IN SHORT SUPPLY - EITHER TOTALLY NOT AVAILABLE OR AVAILABLE WITH LONG DELIVERY PROMISES. THIS IS ESPECIALLY TRUE FOR "BLUE BRUTE" IN ALL DIAMETERS 4" - 12". FURTHERMORE, THE PRICE OF "BLUE BRUTE" HAS INCREASED RADICALLY AND WILL CONTINUE TO DO SO. ON THE OTHER HAND, A/C INVENTORY - WHILE NOT EXCESSIVE - IS IN MUCH BETTER SHAPE. DELIVERY IS IMMEDIATE FOR ALL SIZES OF PRESSURE PIPE 4" - 16". IN ADDITION, PRICES ARE STABLE AND HIGHLY COMPETITIVE WITH PVC. A COMPARISON IS AS FOLLOWS:

DIAMETER	MAY 23RD DISTRIBUTOR COST C-900 DR-18 CLASS 150	CURRENT A/C DISTRIBUTOR COST CLASS 150
4"	$ 2.13/FT.	$ 2.09/FT.
6" (13")	2.82	2.35
8"	4.88	3.61
10"	7.73	6.00
12"	10.76	7.17

THERE CAN BE NO QUESTION THAT A/C - AT THIS TIME - COULD OFFER EXTRAORDINARY COST SAVINGS TO THE CONTRACTOR - MORE THAN $3.00/FT., IN THE 12" SIZE. EVEN WITH A LAYING DISADVANTAGE OF $.50/FT., "TRANSITE" COMES OUT WAY, WAY AHEAD. SIMULTANEOUSLY, YOU CAN OFFER SUPERIOR SERVICE WITH IMMEDIATE DELIVERY.

PLEASE MAKE EVERY EFFORT TO SUBSTITUTE A/C FOR PVC - ALL OF US WIN!!!

E. H. PRONSKE

Form 50-4A PRINTED IN U.S.A.

PLAINTIFF'S EXHIBIT NO. 3 FOR IDENTIFICATION
DATE: 8-30-13 RPTR: mng
PENGAD 800-631-6989