FILE NAME: Mannington Mills (MM)

DATE: 1982 July 14

DOC#: MM016

DOCUMENT DESCRIPTION: Letter from Mannington Mills to Tarkett

RECEIVED
JUL 19 1982
W.H. PAGE

MANNINGTON MILLS, INC., SALEM, NEW JERSEY 08079
TEL. 609-935-3000

July 14, 1982

Mr. Vincent Ujcic
Tarkett, Inc.
1119 Lehigh Avenue
Whitehall, PA 18052

Dear Vince:

As you know, and as stated in our June 9th letter to you regarding felt requirements for the second half of 1982, it was, and is our intent, to take our minimums for 1982. I tried to catch you today to review this situation with you but was unsuccessful. I did call Wayne Page to alert him to the situation and told him I would review same with you some other time. Thus, the reason for this letter.

In order for Mannington to meet the minimum tonnage for 1982, it will be necessary for us to bring in to Mannington more tonnage then indicated in our June 9th letter for the months of October, November and December. Listed below are the requirements we gave you in our June 9th letter and the requirements that we are now forecasting.

	Letter of June 9, 1982	Estimated as of July 14, 1982
October	1,262	1,373
November	1,262	2,077
December	1,577	2,596

Please understand that the actual numbers may vary based upon more pertinent information at the time of ordering. However, the information given above is our best guess at this point in time of our requirements. Again, what we are trying to do is prepare ourselves to take delivery for the tonnage in the contract minimum. I'm sure you, as well

as, Wayne are totally aware that Mannington really does not need that tonnage in 1982. However, to remain faithful to the contract it is our intent to take the materials as indicated in the contract. If there is some other alternative to this, please let us know.

In lieu of an alternative, then we intend to bring in materials in October, November and December within the confines of the contract as we understand it. Please advise if you cannot supply the material or if there are other considerations that should or need be addressed.

Vince, please let us know of your determinations as soon as possible so we can begin developing plans here for the storage, etc. of the materials. Thank you for your attention to this matter.

Sincerely,

MANNINGTON MILLS, INC.

Jay D. Tuthill
Senior Vice President

JDT/bmb
cc: Clayton H. Shoemaker
Nicholas Kulka
Frank Prince
Wayne Page ✓

P.S. Vince, after dictating the above, and giving further consideration to the total situation, please be advised that if Mannington brings in these excess materials in 1982 in order to meet the obligations of the contract that it will certainly have a significant impact on Tarkett's production requirements in the early part of 1983. As you know, there are no specific minimums for 1983. As such, the inventory that Mannington builds in late 1982 will be worked off in early 1983 and your production requirements on Mannington's behalf will be nil. It would seem desirable on Tarkett's part to want to level out their production in the latter half of 1982 and the beginning of 1983. However, this is certainly Tarkett's decision to make. In any event, whichever decision is made it is Mannington's intent not to pay a penalty for not meeting the minimums in 1982.