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REPORT ON VISIT TO CERTAIN TEED PRODUCTS CORP. / PIPE &
PLASTICS DIVISION/OLD ROUTE 202 & EAGLE SCHOOL ROAD/
VALLEY FORGE, PENN. 19481

Wes Gatewood, V. P. & Division Mgr.
Bill Miltz, V. P. & Mat'ls Mgt.
Bob Hartman, Traffic

We have not previously called on this company inasmuch as Cape had requested that we refrain from contacting them considering their ties with Turner Newall.

We had met Wes Gatewood at various social functions and this year he specifically requested that we come in and talk with them regarding their requirements of Blue asbestos. Considering this situation, we talked to Walter Scott, by telephone; directed a letter to Dr. Gaze and personally talked with Mr. Dent about this during his visit to the United States the first week of November.

We arranged an appointment with Wes Gatewood for Monday, November 5th. Our opening approach was that we were aware of their affiliation with Turner Newall and that it was not our desire to pressure them into using Cape fibre. We stated that we merely wished to meet with them to acquaint them with NAAC and that if at some future date they should wish a second source of supply we would be in position to offer them Cape fibre.

The following facts were developed during our meeting:

1. Wes Gatewood stated in effect that they were no longer too concerned with Turner Newall's recommendations and that they reserved the right to purchase any fibre from any supplier at whatever price they were able to obtain.
2. They are concerned that Turner Newall will not be able to supply them all of their 1974 requirements and feel that by 1975 it may be necessary to look for other sources of supply.
3. They will probably continue to purchase some portion of their Blue requirements from Turner Newall as long as it is available.
4. They are presently using a blend of T/N's grades BT-AD and TAK. They stated that their 1974 prices for grade TAK is \$282.70 f. o. b. South Africa.

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5. Their estimated yearly requirements for Blue asbestos are approximately 4,000 metric tons.
6. They are definitely buying price as evidenced by the fact that they are presently using GSA stockpile material at two of their plants. They are purchasing this material for \$210 per short ton.
7. They are testing Central's Grade ML6 in one of their California plants.
8. Inasmuch as their manufacturing process in all of their plants is a dry process, they are not interested in open grades of fibre and we would gather that they very definitely are interested in fibre shorter than our S. We understand that their largest pipe is 24" in diameter.

We quoted the following prices on a Cape Contract basis f.o.b. South Africa:

Grade S	\$283.50 per metric ton
Grade H	\$228.00 per metric ton
Grade H2	\$213.00 per metric ton

They were obviously disappointed about these prices. They hoped our prices would be somewhat less than Turner Newall. They also stated that these prices were considerably higher than those offered by Central. We reminded them that Central's grades are considerably shorter than our Grade S.

The final result of our meeting was that we accepted a 40 ton order for Blue at 1973 prices for immediate shipment to their Ambler plant for testing. Bob Hartman suggested they test 20 tons Grade S and 20 tons Grade H.

To summarize our meeting we feel that Certainteed will continue to use Turner Newall Blue in 1974 at some of their plants. We gather, however, that they will use as much GSA material as they possibly can. Whether or not we will receive any volume from this company in '74 will depend upon whether they encounter dust control problems at their plants. To cover themselves they will test Cape and Central material to determine production costs and should the dust problem prohibit them from using GSA material they will have two other sources of supply. I think they are very definitely looking to the future when perhaps no more GSA material will be available and their supply of Blue from Turner Newall has disappeared.

Their plant locations are as follows:

Hillsboro, Texas
St. Louis, Missouri
Ambler, Pennsylvania
Santa Clara, California
Riverside, California