FILE NAME: Cape Asbestos (CAPE)

DATE: 1958

DOC#: CAPE014

DOCUMENT DESCRIPTION: List of Crocidolite Fiber Users, Fiber Analysis, Memo RE Asbestolux Sales Promotion, Directors Meeting Minutes of North American Asbestos Corp. & Cape Memo to NAAC RE Hydraulic Cement Content in Asbelstolux

CROCIDOLITE FIBER USERS

Mr. D. H. Lyons, Vice Pres.
Johns-Manville Corporation
22 East Fortieth Street
New York, New York 10016

Mr. K. H. Phillips, Purchasing Agent
The Budd Company
115 Howland
Adams, Massachusetts

Mr. S. D. Weaver,
Cement Asbestos Products Company
Division of Woodward Iron Company
Woodward, Alabama

Mr. J. J. Durkin, Purchasing Agent
Certain-Teed Products Corporation
Maple & Wissachicken Avenue
Ambler, Pennsylvania

Mr. E. L. Sargent, Agent
The Dow Chemical Company
P. O. Drawer "K"
Freeport, Texas

Mr. F. MacDonnell,
Div. Purchasing Agent,
Orangeburg Manufacturing Co.
Division of the Flintkote Company
Orangeburg, New York

Mr. Vincent Long, Vice President
Hollingsworth & Vose Company Inc.
Greenwich, New York

Mr. Robert J. Baker,
Durez Plastics Division
Hooker Chemical Corporation
North Tonawanda, New York 14121

Mr. Maurice E. Larrivee,
Purchasing Agent
Hurlbut Papers
South Lee, Massachusetts

Mr. F. Bodin,
Morton Chemical Company
Weeks Island, Louisiana

Mr. A. R. Schillinger,
Director of Purchases
Rogers Corporation
Rogers, Connecticut

NAAC gen.

TYPICAL ANALYSIS / AMOSITE & BLUE

GRADE	AVERAGE FIBRE LENGTH	BAUER MCNETT +4	+14	+35	+100	-100	RIGDEN S.A. cm^2/g
S11/65 Amosite	½ - 1½"	48	8	8	8	28	7,000
S11 Amosite	½ - 1½"	50	14	7	6	23	4,700
S33/85 Amosite	1/8-1/2"	15	20	14	15	38	8,500
S Blue	1/4-3/4"	54	10	4	4	28	8,500
SS Blue	1/4-3/4"	43	15	6	4	32	7,000
H Blue	1/8-1/2"	32	18	8	6	36	8,700

All Figures Subject Tolerance ± 10%

Certainteed/Nov.1977

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MEMORANDUM

Mr. Cryor discussed in detail the activities of the Corporation in developing the use of asbestos fibers as a reinforcing material in plastics. He pointed out that there was a plastic industry convention in Chicago last week and that a great deal of interest was shown in the new Noramite products based on Amosite and Crocidolite asbestos fibers. He further states that an agreement had been entered into with Product Techniques, Inc., a technical sales organization well known to, and active with, most of the larger companies producing reinforced plastic products. Because Product Techniques, Inc. are well established in this field where our products must be introduced, it is believed that sales can be developed more quickly and at lower cost by working with them than to have North American Asbestos Corporation develop its own sales organization sufficiently to be able to broadly cover the industry. The contract calls for the payment by North American Asbestos Corporation to Product Techniques, Inc. of $1,000. per month for six months commencing January 1, 1958, as compensation for research, development, and exploration work in the plastic reinforcing field, and in addition, a 10% commission will be paid Product Techniques, Inc. on sales of Noramite products.

Mr. Cryor then discussed in detail the Asbestolux sales promotion program, stating that to date approximately $35,000. had been spent by the company in this connection. He stated further that a decision will soon be reached as to whether United States Plywood Corporation will continue their activity in marketing Asbestolux. It is expected that U. S. Plywood Corporation will want to continue their activity, but on a basis of exclusive national distribution. Mr. Cryor is hopeful he can reach an arrangement where U. S. Plywood will be active with Asbestolux, but on a non-exclusive basis, thus making it possible for NAAC to continue with at least limited distribution of its own to retain identity and direct contact with the market. As a result of the sales promotional work to date, no single large market areas have been revealed for Asbestolux board; rather the interest in the product has been widespread in a broad range of applications. The response to the introduction of Asbestolux thus far does confirm that the potential for Asbestolux in the U. S. market should be very good and justifies continuation of the sales promotional activity.

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MINUTES OF REGULAR MEETING OF DIRECTORS OF NORTH AMERICAN ASBESTOS CORPORATION, HELD AT THE OFFICES OF THE CORPORATION, 141 W. JACKSON BLVD., CHICAGO, ILLINOIS, FEBRUARY 11, 1958, AT 11:00 O'CLOCK, A. M.

L. W. Dennis, Robert E. Cryor, Brainerd Chapman and Max E. Meyer, constituting a quorum of Directors, were present in person.

Mr. Dennis acted as Chairman and Mr. Meyer acted as Secretary of the meeting. The Chairman stated that this is the regular quarterly meeting of Directors adjourned from the second Tuesday in January.

Minutes of the last meeting were read and approved. The Chairman stated that the first order of business is to ratify the payment of year-end bonuses to employees in December of last year.

After a discussion, on motion duly made and seconded, Mr. Cryor not voting, it was otherwise unanimously

RESOLVED that the payment of bonuses to each person employed by the corporation at the end of 1957 in an amount equal to 5% of the compensation earned by each of them during the year is hereby ratified and approved.

Mr. Cryor, President, then presented the financial report as of November 30, 1957, and his management report. He stated that the annual audit will be available for the next meeting of Directors, that due to expenses in connection with the Asbestolux promotion the month of December showed a loss, and that the profit for the entire calendar year of 1957 will be somewhat less than for the prior year.

Mr. Cryor discussed in detail the activities of the corporation in developing the use of asbestos fibers as a reinforcing material in plastics. He pointed out that there was a plastic industry convention in Chicago last week and that a great deal of interest was shown in the new Noramite products based on Amosite and Crocidolite asbestos fibers. He further stated that an agreement had been entered into with Product Techniques, Inc., a technical sales organization well known to, and active with, most of the larger companies producing reinforced plastic products. Because Product Techniques, Inc. are well established in this field where our products must be introduced, it is believed that sales can be developed more quickly and at lower cost by working with them than to have North American

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Asbestos Corporation develop its own sales organization sufficiently to be able to broadly cover the industry. The contract calls for the payment by North American Asbestos Corporation to Product Techniques, Inc. of $1,000 per month for six months commencing January 1, 1958, as compensation for research, development, and exploration work in the plastic reinforcing field, and in addition, a 10% commission will be paid Product Techniques, Inc. on sales of Noramite products.

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After a discussion, on motion duly made and seconded, it was unanimously

> RESOLVED that the November 30, 1957, financial statement and the management report presented to the Directors by Mr. Robert E. Cryor, President, are hereby approved.
>
> FURTHER RESOLVED that the six-months agreement with Product Techniques, Inc. and the action of the officers in executing said agreement for this corporation are hereby ratified and approved.

The Chairman stated that the next order of business is to consider an employment agreement between the corporation and Mr. Cryor as President. A draft of such an agreement for a five-year period from January 1, 1958, was presented to the meeting, and after discussion, upon motion duly made and seconded, Mr. Cryor not voting, it was otherwise unanimously

RESOLVED that the employment contract between Robert E. Cryor and this corporation presented to this meeting is hereby approved, and the Vice-President and Secretary of this corporation are hereby directed to execute said agreement on behalf of this corporation.

In connection with the corporationb profit sharing trust, Mr. Meyer pointed out that the Internal Revenue Service has adopted a ruling to the effect that no greater benefits can be paid upon early retirement (other than for disability) than would be payable upon termination of employment for other reasons prior to retirement. This would have little effect on North American Asbestos Corporation's plan as an employee is fully vested after five years in any event and is then entitled to his entire credit whether he resigns, is discharged, or retires. Thus, it is recommended that the provision for early retirement be eliminated from the plan.

After a discussion, on motion duly made and seconded, it was unanimously

RESOLVED that the corporation in the exercise of its power reserved by the corporation in Section Twelve to amend the Trust Agreement between the corporation and Continental Illinois National Bank and Trust Company of Chicago, Trustee, dated December 23, 1954, and known as the "North American Asbestos Corporation Employees Profit Sharing Trust", hereby amends said Trust Agreement in the following respects, said amendments to be effective as of January 1, 1958.

(a) by deleting subparagraph 7.1 (b) of Section Seven in its entirety, and

(b) by redesignating the present subparagraph 7.1 (c) to be 7.1 (b).

There being no further business to come before it, the meeting was adjourned.

Approved:

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Secretary

CONTRACTORS TO THE BRITISH COLONIAL AND FOREIGN GOVERNMENTS, ON ADMIRALTY LIST

JUN 16 REC'D

THE CAPE ASBESTOS COMPANY LIMITED

HEAD OFFICE 114 & 116 PARK STREET · LONDON W·1

TELEPHONE: GROSVENOR 6022

TELEGRAMS: INCORRUPT LONDON

WORKS
BARKING · HEBDEN BRIDGE
KENTMERE · UXBRIDGE · STIRLING
BEDFORD · GLASGOW · TURIN · ITALY
BENONI - S. A. · SARNIA - CAN.

MINES
BLUE MINES · KOEGAS · CAPE PROVINCE
AMOSITE MINES · PENGE · EASTERN TRANSVAAL

BRANCHES ETC
MANCHESTER · BIRMINGHAM
GLASGOW · PARIS · ROUBAIX
JOHANNESBURG · TORONTO
CHICAGO · MILAN

WS/JEF. 12th June, 1958.

The North American Asbestos Corporation,
Board of Trade Building,
Chicago 4,
Illinois, U.S.A.

Dear Sirs,

Hydraulic Cement Content in Asbestolux.

We understand that you are interested in the hydraulic cement content of Asbestolux and information in connection with this is given below. You will appreciate that we do not want this information circulated outside of the Cape Group, although, if the information is required for Customs classification, we feel sure that Customs authorities would treat the information as confidential, and under these circumstances we have no objection to your releasing to them the information given.

Asbestolux cannot be manufactured without a small hydraulic cement content, as some hydraulic cement is necessary in order to provide a measure of preset in the boards before the bond itself is formed by steam induration. You will appreciate that the hydraulic cement is a necessity to the manufacturing process, and that therefore all our output of Asbestolux contains hydraulic cement.

There is no variation of manufacturing mixes for different markets. The raw materials and manufacturing process used are the same for supplies to our domestic market as for supplies to the United States, and indeed as for supplies to all other parts of the world to which we are currently exporting.

Although there is no variation with regard to different

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markets, you will appreciate that we must reserve the right to vary constituents and manufacturing processes to obtain economically the best end-product, and the percentage of hydraulic cement used in the manufacture of Asbestolux is subject to variation in the same way as the percentage of other constituents used in production. In other words, although we can categorically state that all supplies of Asbestolux contain hydraulic cement, we cannot guarantee a given percentage of hydraulic cement in the raw material constituents.

We believe that some time ago we advised you that there was about 8% of hydraulic cement in the then current production of Asbestolux. The percentage of hydraulic cement being used in present manufacture is, in fact, about 12½%.

Yours faithfully,
THE CAPE ASBESTOS COMPANY LTD.

MANAGER - EXPORT DEPARTMENT

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