

TABLE I

R&D AND TECHNICAL DATA

BUSINESS NAME COLORED PIGMENTS

DOLLARS & MANPOWER

	1977	1978	ACTUAL			FORECAST			
			1979	1980	1981	1982	1983	1984	
R&D Expense, \$M			2769	3416	3406	2350	2880	2455	2
R&D Exempt Manpower (Year End)			19	20	19	10	11	7	
Manufacturing Technical Expense, \$M *			2884	3453	3355	4200	3830	3920	3
Manufacturing Technical Exempt Manpower (Year End) *			27	27	23	26	18	14	
Sales Technical Expense, \$M			1600	2200	2600	2700	N/A	—	
Sales Technical Exempt Manpower (Year End)			17	18	19	19	N/A	—	
<u>R&D Objectives</u> (Distribution)									
<u>Cost Reduction</u>									
Existing Process			35%	36%	10%	6%	17%	14%	
New Process			—	—	—	—	—	—	
Existing Product Improvement			4%	50%	53%	82%	83%	86%	
New Products			22%	14%	32%	12%	—	—	
Regulation			1%	—	—	—	—	—	

*Indicate Non-ATO Manufacturing
Technical Data Parenthetically (See Exhibit III For Definition)