August 28th, 1946

Mr. F. O. Case, Assistant to the President
Anaconda Copper Mining Company
Room 1860 - 25 Broadway
New York 4, New York

SUBJECT: Visit of the Eagle-Picher Representatives

Dear Mr. Case:

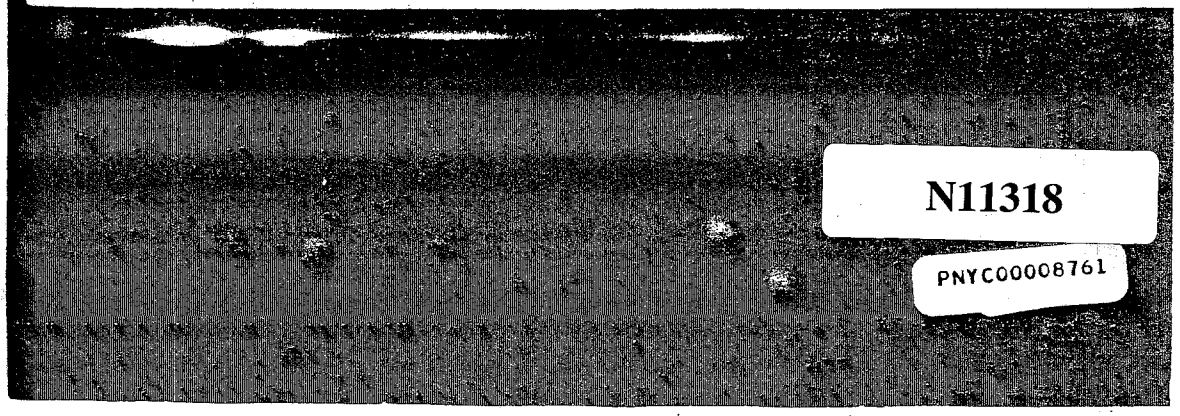
On Tuesday, August 27th, the following representatives of the Eagle-Picher Company visited the plant at East Chicago: Mr. Paul Hamilton, Manager of the Zinc Oxide Department at Hillsboro, Illinois; Mr. F. Clearman, Manager of the Galena, Kansas Lead Smelting Plant and Mr. H. F. Lambert, Manager of the Argo, Illinois Plant. These gentlemen were principally interested in seeing the plant, inspecting its condition and the equipment which it contains. They did not request any cost information or any appraisal figures with reference to the value of the plant. We spent the entire day with them.

Zinc Oxide Department

Mr. Hamilton was very much interested in our Zinc Oxide Department. He seemed particularly interested in the packing equipment and the fact that we had a new St. Regis Packer that had not been used. They have been developing this type of packer for their use at Hillsboro and they consider it very much superior to the mogul-type of packer which we use. We of course are much in accord with the opinion of Mr. Hamilton.

The Muffle Furnaces very much surprised Mr. Hamilton, if our judgment of his reaction is correct. With the furnaces in a shutdown condition, he was able to see the structural details which readily gave him an understanding of how they should be operated. He did not seem too confident about his knowledge of the scrap zinc business, which is understandable, because his raw material at Hillsboro has largely been ore. We pointed out to him that the Muffle Furnaces, as he saw them, had produced all grades of zinc oxide from Acicular Oxide to USP Oxide from various forms of scrap.

He was also interested in how we removed the residue from the furnace and the final disposition of the residue metal after the zinc content had been reduced to a minimum.



They admitted that Eagle-Picher had not been able to make much headway in selling their zinc oxide to the rubber trade. We pointed out to them that our Muffle Furnace development had produced a satisfactory oxide for the rubber trade since its original operation, and that the staff at East Chicago was familiar with the requirements of the rubber trade. They were also impressed with the Paint Laboratory equipment and the completeness of our facilities for test purposes, as well as the ceramic laboratory test equipment.

The French Furnace and the American Block of course we explained to them were, in our minds, obsolete equipment except for temporary use if desired.

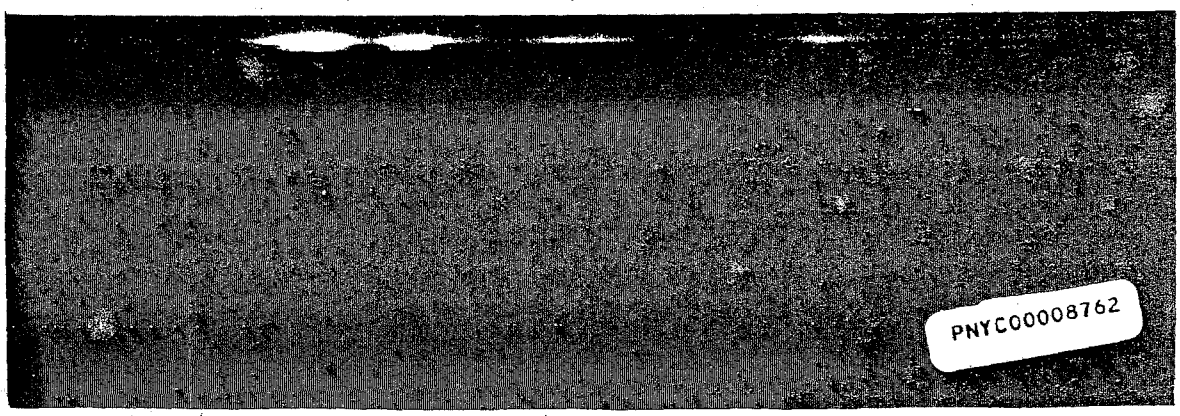
They did not seem too familiar with the operation and advantages of a monorail system for the purposes for which we use it. They did however see a chance for improvement in our baghouse for handling the zinc oxide from the hoppers to the monorail by the insertion of a large screw or re-arrangement of the bags so that screw conveyors would deliver the material from a group of hoppers to one central point.

Eagle-Picher is not interested in any of our carborundum retorts or carborundum that we have on hand. They apparently have developed quite an efficient rotary furnace for producing zinc oxide. They also use a rotary furnace for reheating some of their oxides. They were interested in why we reheated some of our French Furnace Oxides in past years.

American Block

Mr. Clearman was interested in the possibility of tearing out our American Block Furnaces and substituting a rotary furnace. He wondered if we had sufficient cooling capacity in our American Block flues to handle one of their rotary furnaces.

The use of the asbestos bag in our American Block rather interested them, though they knew that the American Zinc had used them for some time. Eagle-Picher has apparently had difficulty in getting cotton bags and their temperature for their baghouses at Hillsboro often reach 350°F. Mr. Hamilton indicated that he liked the wool bag except for its very high cost. The wool bag of course does give him a little more protection at higher temperatures but it is a very questionable economy. We indicated that the asbestos bag might help him in his situation.



White Lead Plant

All of the representatives were very much interested in the technical phases of the Sperry Process, particularly in the cell room and the cell operations. Mr. Clearman, who has charge of the operation of the lead sulphate plant of Eagle-Picher, smiled when we told him how we had produced lead sulphate from basic carbonate pulp. Mr. Clearman did indicate that if it were left to him he would leave the Sperry Cell Room intact because it is too valuable as a cell room to tear out and to place other equipment that might be necessary to use the Eagle-Picher Process for making white lead. He felt that if Eagle-Picher wished to use their process for making white lead the necessary tank equipment should be placed in a separate building rather than in the cell room building. It was suggested to Mr. Clearman that if there was any doubt about the economy of the Sperry Process as compared to the Eagle-Picher Process it would be relatively simple to prove the facts by making a test run of six months or a year of the Sperry Process, then if the results at the end of the year did not compare favorably with the Eagle-Picher Process the necessary changes could be made at that time.

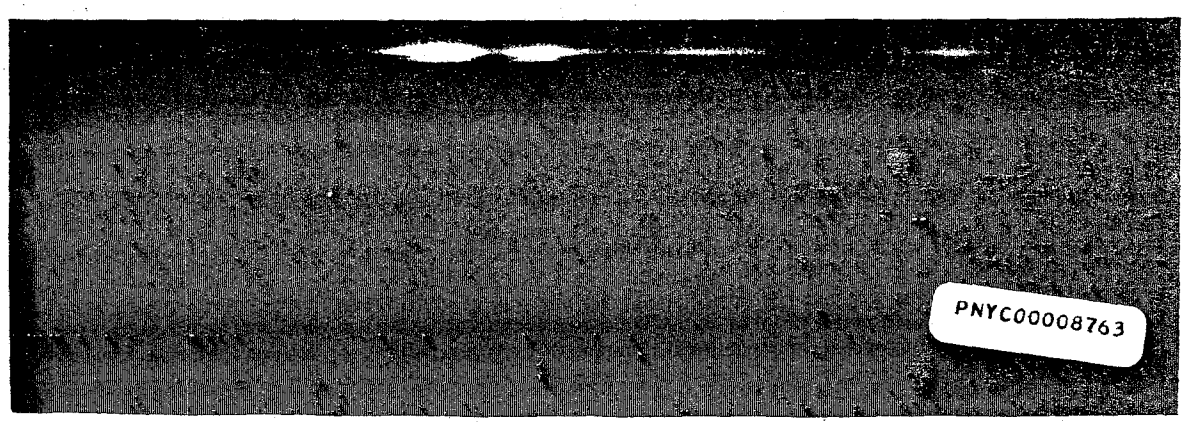
They were very favorably impressed with the Anode Washing Machine and also the Bismuth Plant and its operation. We impressed upon them the advantages of the Sperry Process for handling impure metals or recovering metals associated with lead that have high values.

The Moore Filter was of interest to them with particular reference as to why we adopted the Moore Filter and why we continued to use it. We explained our reasons and they asked if we were rebuilding the Moore Filter what changes would we make. I indicated that we would make the filter baskets three or four times larger and arrange to have all of the filtering done on the day shift, thereby eliminating two out of the three filterman required for a 24-hour operation.

They were also much interested in our Moisture Tester for determining moisture in the white lead as barrelled.

They also liked very much the White Lead Plant Warehouse with the crane and method of pressing the bags and storing them.

They indicated that in their opinion the skid loading and delivery of the pigments is going to become a very important method of handling pigments. We indicated that we felt much the same as they did and realized that many people were developing new ideas that might make skid handling very much more attractive.



Lead Refinery

The principal interest was in the Lead Refinery Building and related facilities for the treatment of battery plates and secondary lead. They inspected the removal of the brick work from the residue furnace and the condition of the residue furnace water-jacketed pan. It is obvious that the pan is of little value. We explained to them that the buckstays and other equipment would be put aside and could be used for reconstruction of a furnace if it were desirable.

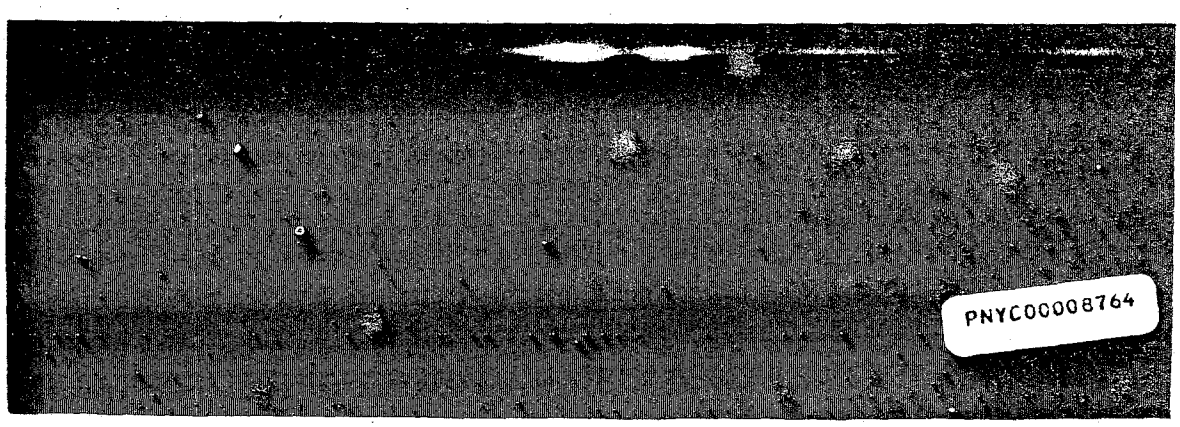
We also discussed the rotary furnace development, the removal of the brick lining from this furnace to recover the silver values, and a comparison of the rotary furnace vs blast furnace for treatment of battery plates. While inspecting the blast furnace Mr. Clearman was particularly interested about our foremen who had had blast furnace experience. I explained to him the situation as I had already given Mr. Hallows on the telephone.

Personnel

The above covers the visit through the plant. In addition to this information, I should confirm my brief conversation with you today relative to the telephone call of Mr. Hallows while these gentlemen visited the plant. Mr. Hallows telephoned to find out how many of our staff members were still on the payroll at East Chicago. I briefly gave him the answers to his questions about the following employees:

J. F. Clark	E. A. Mayhew
J. Klimek	W. VanTilburg
T. Halton	J. Rinn
W. Porter	Stanley Dudek
S. W. Stockdale	L. H. Cutler
P. S. Toney	Paul Calhoun
W. J. Knox	S. B. Posey
W. W. Shropshire	Paul Martens
F. E. Stolte	Walter Mack
E. F. Weaver	Charles Mainland

Mr. Hallows also inquired as to the possibility of hourly employees returning if Eagle-Picher should buy the plant. I told him that as far as I knew the Personnel Department felt that a number of our key hourly employees would be willing to return if the plant were taken over by some concern that would use essentially the same equipment as at present. However, I indicated that a number of our employees had left and some of them probably have better jobs and would be reluctant to return.



We made it a point to show these men around to our general plant facilities, storeroom. machine shop, change houses, offices, etc. They indicated that the plant was certainly well maintained and the office and buildings kept surprisingly clean.

I trust this information may be helpful and of interest to you.

Very truly yours,

GEJ/bm
cc: Mr.F.Laist