

C O P Y

July 23, 1968

To: W. D. Neathery

From: R. M. Burns

On this date we held a meeting with Mr. DiSalvo and P. Diebold of Phillip Carey, J. A. Johnson and R. M. Burns at Linden, New Jersey Smith & Kanzler Plant followed by meeting in Howard Johnson Motel in Woodbridge, New Jersey.

Conducted a full tour of all facilities and answered all questions regarding equipment, buildings, land, etc.

We discussed various methods of agreement to enable S & K to furnish Carey products and satisfy their demands for security of capacity.

We resolved that the only logical approach was for Dana to sell S & K to Carey with following provisions:

1. Carey to agree to furnish present Victor products for a minimum of 3 years at present price plus direct labor and material additions.
2. Carey to furnish technical assistance to Victor to design, cost and start-up new facility in midwest area. This would include on spot (at S & K) training of personnel.
3. Victor to relinquish claims on VanSebastian (chemist) for as long as Carey furnishes Victor products. Other personnel subject to further discussions.
4. SprayCraft is being considered as a part of the total sale package unless otherwise advised by Carey.

I am to call DiSalvo on July 26 to confirm or deny our considerations and set up schedule of negotiations.

In general discussion we disclosed the following information:

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