COLORED PIGMENTS

BUSINESS MISSION - HARVEST

IMPROVE CASH FLOW BY REDUCING COSTS AND MANAGING QUINACRIDONE IN A STRENGTHEN MODE AND THE REMAINING PRODUCTS IN A HARVEST MODE.

TECHNOLOGY ASSESSMENT - WEAK

- QUINACRIDONE HAS A STRONG UNIQUE COMPETITIVE POSITION. RAW MATERIAL COSTS ARE LOW. LARGE SCALE OPERATION SHOULD OFFSET DETERIORATING PATENT POSITION AND PERMIT MAINTENANCE OF OUR POSITION THROUGH THE MID-80'S.

- KROLOR® PRODUCTS ARE PROPRIETARY, BUT CHALLENGED BY COMPETITIVE PRODUCTS WHICH WE FEEL INFRINGE OUR TECHNOLOGY. PATENTS EXPIRE IN MID-1980'S.

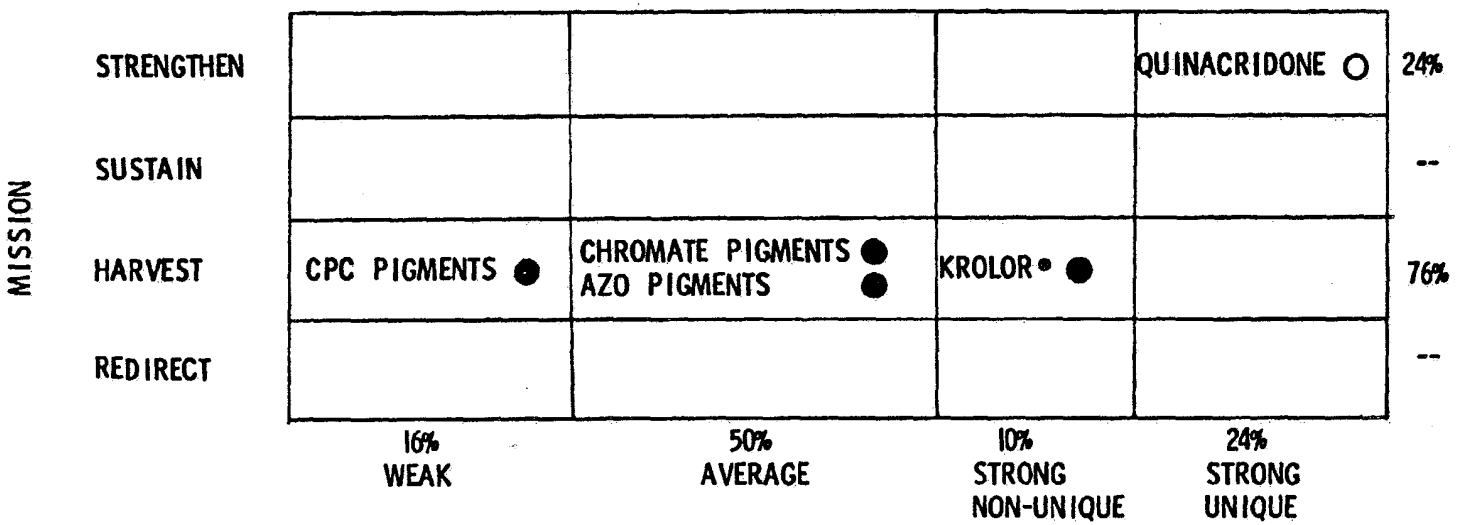
- COPPER PHTHALOCYANINE TECHNOLOGY IS SIMILAR TO COMPETITION BUT THE BUSINESS SUFFERS FROM HIGH FIXED COSTS DUE TO TWO PLANT OPERATIONS.

- AZO PIGMENT TECHNOLOGY IS EQUAL TO COMPETITION AND NO PARTICULAR ADVANTAGES EXIST.

RSW-I

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COLORED PIGMENTS - PORTFOLIO



STRATEGIC MANAGEMENT CATEGORIES

II - SELECTIVE SUPPORT ○
IV - MINIMAL SUPPORT ●

RSW-2

COLORED PIGMENTS - MAJOR PROGRAMS

	ANNUAL BENEFITS $M	ANNUAL BENEFITS YEAR	NEW INVESTMENT $M	NEW INVESTMENT YEAR
COST REDUCTION (55%)				
○ IMPROVE PROCESS DOCUMENTATION AND REPRODUCIBILITY (MTE)	1500	1985	800*	1983
CAPACITY INCREASE (0%)	NONE			
PRODUCT IMPROVEMENT (36%)				
○ QA - DEVELOP NEW PRODUCTS FOR HIGH SOLIDS ENAMELS (IEB)	2700	1985	600*	1982
● CPC - DEVELOP RESINATED PRODUCTS FOR PLASTICS (IEB)	1400	1982	-	-
● DALAMAR® - DEVELOP HIGH SOLIDS DISPERSIONS FOR TRADE SALES PAINTS (IEB)	800	1982	200*	1984
REGULATORY (9%)	800	1985	1200*	1984
● CHROMATE PIGMENTS - DEVELOP A LOW INVESTMENT ROUTE FOR HEAVY METALS CONTROL IN NEWARK WASTEWATER (MTE)				

*ON PRELIMINARY NO. 1-1982 CONSTRUCTION FORECAST

RSW-3

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COLORED PIGMENTS - COST REDUCTION SUMMARY

1981

FIRM	$1000M
GOAL	$1650M
TOTAL	$2650M (2.7% OF FACTORY COST)
ACTUAL EXPECTED	$2000M (2.0% OF FACTORY COST)

1982

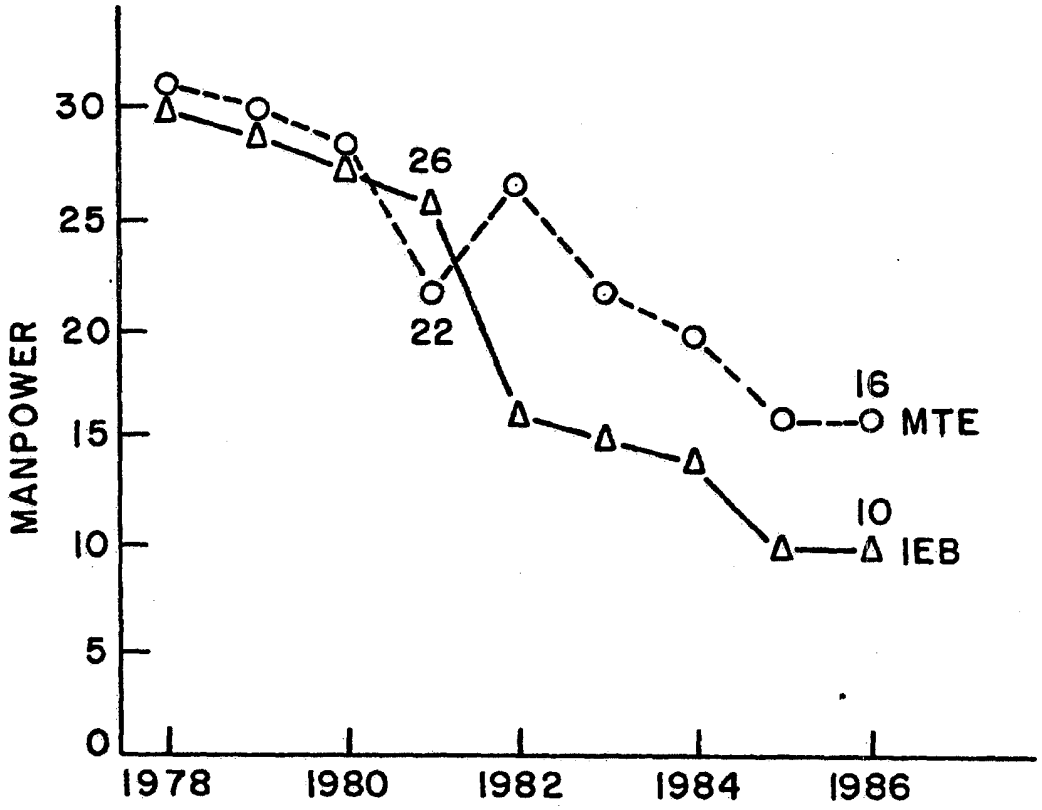
FIRM	$ 840M
GOAL	$ 590M
TOTAL	$1430M (1.2% OF FACTORY COST)

RSW-4

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COLORED PIGMENTS - EXPENSE AND MANPOWER TRENDS

	IEB		MTE		TOTAL	
	MP	$M	MP	$M	MP	$M
1981 BUDGET	27	3810	25	4240	52	8050
1981 ESTIMATE	26	3500	22	3560	48	7060
1982 BUDGET	15	2350	28	4750	43	7100



RSW-5

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