

MR. R. K. JOHNSON

Firestone
INTEROFFICE

DATE JULY 25, 1977

TO MR. T. C. WALKER
POTTSTOWN

FROM W. P. BRAY

REFERENCE

SUBJECT

SHELL VCM PROPOSAL

RECEIVED

JUL 28 1977

R. K. JOHNSON

Reference your memo of July 22, it is too early in the Shell negotiations for Firestone to indicate they are willing to accept any kind of penalty clause for underlift of specified annual quantities. Akron Purchasing is not giving any indication that we will accept such a clause or some variation of it. In the end we may have to do so but I hope no one is trying to work with Shell compromise language at this point.

It appears to me Shell is trying to use "divide and conquer" approach by carrying on such discussions at Pottstown as well as in Akron. They will put together the most favorable statements they can gather at the two locations. This will be at the expense of Firestone. It is not clear to me from J. T. Leonard's July 21 memo to you what Pottstown has proposed to Shell.

W. P. BRAY

WPB:mm

CC: Mr. R. J. Klein
Mr. R. H. Schake
Mr. S. W. String
Mr. H. I. Oberlander

Mr. R. K. Johnson ✓
Mr. J. T. Leonard

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MR. R. K. JOHNSON

Firestone
INTEROFFICE

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TO MR. W. P. BRAY
AKRON

DATE July 22, 1977

FROM T. C. WALKER
POTTSTOWN

REFERENCE

SUBJECT SHELL VCM PROPOSAL

I have attached hereto a copy of Mr. J. T. Leonard's July 21 memo regarding the Shell visit of the 20th.

As I understand it, the Shell penalty would only take place if we chose not to risk an underlift.

As Mr. Leonard stated, if we could convince Shell to establish a fair underlift policy and to give us an additional parameter of industry performance, I think we should pursue the Shell contract.

May I have your comments please.



T. C. Walker

TCW:md

Att.

cc: Messrs. R. J. Klein
R. H. Schake
S. W. String
H. I. Oberlander
R. K. Johnson
J. T. Leonard

OCC 017738