

INTERNATIONAL SMELTING AND REFINING COMPANY

East Chicago, Indiana



Pigment Division

May 31, 1945

Mr. R. E. Dwyer,
Executive Vice President,
Anaconda Copper Mining Company,
25 Broadway,
New York 4, N. Y.

Dear Mr. Dwyer:

This is a summary of the sales position of zinc oxide and white lead for the month of April, 1945.

Table No. 1 gives a comparison of zinc oxide sales for March and April of 1945 and the corresponding months of 1944.

TABLE NO. 1

	<u>1945</u>	<u>1944</u>
April	1,182,050 Lbs.	1,185,550 Lbs.
March	1,164,450 Lbs.	1,191,464 Lbs.

Sales for March and April of 1945 were about equal. While sales for April of 1945 were almost the same as sales for April of 1944, in the latter figure are included 600,000 pounds of zinc oxide sold to C.W.S. We did not sell anything to C.W.S. in April of 1945 which means that our sales to regular customers in April of 1945 were about double those in April of 1944.

In March of 1945 the sale of muffle furnace zinc oxide reached a peak. It was off considerably in April and the downward trend has continued through May and very likely will continue through June. It is quite possible that conditions in Europe have been responsible. According to confidential information I have received from W.P.B., the sale of lead-free zinc oxide to the rubber industry has gone down in each of the past two months despite the shortage of carbon black and the expected substitution of zinc oxide for it.

In April the Victory leaded line of zinc oxides accounted for 134 tons of our total sales. This development, together with slight increases in the sales of American process lead-free and 35% leaded offset the lower sales volume of the muffle furnace and French furnace grades of zinc oxide.

Sales for May will be approximately 1,920,000 pounds of which 1,020,000 pounds will be to regular customers and 900,000 pounds to C.W.S. Sales through April, 1945 are 4,063,710 pounds as compared with 4,496,418 pounds. 1,000,000 pounds sold to C.W.S. are contained in

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the latter figure which means that our sales to regular customers for the first four months of this year are considerably ahead of the same period last year.

Table No. 2 gives a breakdown according to paint, rubber, and miscellaneous industries.

TABLE NO. 2

	<u>Pounds</u>	<u>1945</u>		<u>APRIL</u>		<u>1944</u>	
		<u>Value</u>		<u>Pounds</u>		<u>Value</u>	
Paint	530,850	\$	39,665.62	272,350	\$	20,947.78	
Rubber	340,100		33,059.75	109,250		10,463.13	
Miscellaneous	311,100		31,129.50	203,950		19,024.75	
C.W.S.	-		-	600,000		57,000.00	
	1,182,050	\$	103,854.87	1,185,550	\$	107,435.66	

	<u>Pounds</u>	<u>1945</u>		<u>MARCH</u>		<u>1944</u>	
		<u>Value</u>		<u>Pounds</u>		<u>Value</u>	
Paint	189,350	\$	14,797.26	265,764	\$	21,336.50	
Rubber	669,500		64,253.75	720,300		68,600.50	
Miscellaneous	305,600		30,918.23	205,400		20,452.39	
	1,164,450	\$	109,969.24	1,191,464	\$	110,389.39	

The substantial increase in sales to the paint industry was mainly accounted for by the Victory line of leaded zinc oxides, although the sales of American process lead-free and leaded were up slightly. In connection with the outlook for the paint industry, Mr. E. T. Trigg, president of the National Paint, Varnish and Lacquer Association at a meeting of the Chicago Paint, Varnish and Lacquer Association stated that in his opinion the paint and varnish industry had reached its all-time low point, with possibly the second and third quarters to be the lowest in production. He stated that the picture he was about to paint was not very encouraging in regards to the raw material situation. It was further indicated that there was expectation of relaxation of some of the various restrictions, but of course this is very uncertain.

It will be noted that in April there was a substantial falling off in the volume of sales to the rubber industry. This has previously been commented upon. Sales to the miscellaneous industries were about the same for March and April of 1945.

Table No. 3 gives a breakdown of zinc oxide sales for April according to the three classifications.

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TABLE NO. 3

U.S.P. Quality	255,000 Lbs.
Seal	23,450 Lbs.
Other Lead Free and Loaded	<u>903,600 Lbs.</u>
	1,182,050 Lbs.

Table No. 4 gives the average sales price per pound for the past three months.

TABLE NO. 4

	<u>April</u>	<u>March</u>	<u>February</u>
Average Sales Price - Per Pound	8.786¢	9.444¢	9.297¢

Because of a falling off in sales of the higher-priced muffle and French furnace zinc oxides, and a substantial increase in the sale of the lower priced American process lead-free and loaded zinc oxides, the average sales price per pound was down substantially in April. Because of the sale of 900,000 pounds of muffle furnace zinc oxide to C.W.S. in May, the average sales price per pound should be considerably higher and will probably be about 9¢ per pound.

Table No. 5 gives a comparison of white lead sales for March and April of 1945 and the corresponding months of 1944.

TABLE NO. 5

	<u>1945</u>	<u>1944</u>
April	349,565 Lbs.	489,078 Lbs.
March	259,211 Lbs.	1,694,289 Lbs.

It is expected that the sale of dry white lead will continue at the volume it has been at for the past several months. There is no likelihood of an increase in sales until the present restrictions are either eased or eliminated. Sales through April of 1945 were 3,308,676 pounds as compared with 3,592,626 pounds for the same period last year. Due to very substantial sales in January of 1945 our sales for this year are almost equal to those for last year.

Table No. 6 gives the average sales price per pound for dry white lead for the past three months.

TABLE NO. 6

	<u>April</u>	<u>March</u>	<u>February</u>
Average Sales Price - Per Pound	8.595¢	8.654¢	8.499¢

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Mr. E. E. Dwyer

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To summarize, our sales of zinc oxide in May should be at about the 2,000,000 pound level and should remain at this level for the months of June and July, due principally to the sale of 900,000 pounds of muffle furnace zinc oxide each month to C.W.S. Sales of dry white lead will continue at the present very low level until present restrictions on the production and use of white lead are either eased or eliminated.

Very truly yours,

F.H. Murlless
Sales Manager

F.H.Murlless:ho

cc: Mr. Frederick Laist
Mr. G. E. Johnson

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