TO (NAME) J. L. Myers Asbestos Paint DATE 5/21/71 cc: RTL JWR

LOCATION Niagara Falls FROM R. W. Lasher

SUBJECT CG-35P at Standard Brands LOCATION Jennat Corp.

Arnie reports he will place a 40,000 pound order for CG-35P within two weeks. Usage rate is not known until sales volume established for the one coat line and can be projected. Wrote letter on the Calidria project at Standard Brands to give the prospective to their entire effort.

REPLY IN SPACE BELOW. DETACH AND RETURN TRIPLICATE. RETAIN THIS COPY.

Duck

RECEIVED
MAY 25 1971
UCC-CALIDRIA
NIAGARA FALLS, N.Y.

ORIGINAL

PLAINTIFF'S EXHIBIT
UC-386

JENNAT CORPORATION

A SUBSIDIARY OF UNION CARBIDE CORPORATION

Quality Emulsion Polymers

137 WEST 168TH STREET, GARDENA, CALIFORNIA 90247

213 321-5791

RECEIVED
MAY 25 1971
UCC-CALIDRIA
NIAGARA FALLS, N.Y.

To: Mr. J. L. Myers
Niagara Falls

Date: May 21, 1971

cc: Mr. R. E. Byrne Jr.
Mr. J. A. Cox
Mr. R. A. Daily
Mr. J. C. Flanders
Mr. R. D. James
Dr. R. J. Kerr
Dr. D. H. Klipstein
Mr. N. Lasher
Dr. W. P. Miller
Mr. J. J. Smith
Dr. R. Stickle
Mr. W. E. Whitehurst

Subject: CG-35P at
Standard Brands Paint

Dear John:

With the recent activity at Standard Brands Paint concerning Calidria Asbestos, I thought a summary of events would be in order. Milt Golden informed us he has successfully scaled up his A-1 Premium One-Coat Acrycite line and is advertising in the local press. Introduction was delayed for approximately one year due to production problems. Total R & D took approximately one year of laboratory development and 1.5 years of production trials, including 30,000 gallons of paint which was test marketed at a reduced price. Standard Brands' total investment in the project amounts to approximately $80,000. For their effort, Standard Brands has developed a paint which has complete one coat hide (the best in the industry), excellent application properties coupled with outstanding film properties, and sells for $5.49 per gallon. The one coat hide is achieved by using five pounds of titanium dioxide in the white paint and three pounds in the tint bases. To produce the paint, titanated (35% by weight) Calidria pellets are dispersed on a 100 horsepower

Hockmyer disperser to form an asbestos slurry of approximately 22 per cent solids. This slurry is then placed in a Cowles disperser to further improve the slurry's consistency. The other pigments are dispersed in a normal fashion and the Calidria slurry added just before incorporation of the latex.

It appears that Milt has added several extra production steps which are not normally required just to incorporate the Calidria into his paints. These steps are:

1. Preparation of a Calidria slurry on a high powered disperser.
2. Dispersing the Calidria slurry twice.
3. Storage of the Calidria slurry.
4. Filtering the paint through a Sweco strainer prior to canning.

Each of these steps raise the cost of production. I realize that other means, which do not require a slurry, may be used to incorporate Calidria Asbestos into latex paints, as demonstrated in our laboratory and documented in several technical service reports. We have presented these results to Standard Brands yet they persist in using the preslurry technique. A partial answer may be attributed to scale up problems. Evidently, laboratory results do not coincide with production results and, consequently, much of the development must be conducted on a production basis. Standard Brands is presently conducting plant trials on incorporating the CG-35P into their Cal-Tec and A-1 lines. In the case of the Cal-Tec line which sells for $1.99, Milt claims improved enamel holdout and scrub resistance while maintaining opacity as well as saving $0.06 per gallon in raw material cost. These claims substantiate our laboratory work which demonstrated that CG-35P (titanated pellets) and CG-40 (filtercake) could successfully be incorporated into latex paints resulting in a possible raw material cost savings up to $0.11 per gallon. Along with an opacity increase and partial replacement of thickener (5% to 20% depending on the formulation) a reduction in spattering upon roller application was also noticed.

If we assume that the above facts are valid, then in my opinion we are somewhat restricted in introducing Calidria to the paint industry. First, we must choose a company which has high power equipment capable of dispersing the Calidria pellets. Therefore, only the large paint companies can be considered. Secondly, the potential customer must be advised that laboratory results may not correlate with production results and, consequently, be prepared to undertake development in production equipment. Finally, the potential customer must be committed to the Calidria concept and willing to expend the necessary time and resources to implement the concept. Along these lines Joe Smith and Bill Whitehurst think that PPG would be interested in working with Calidria. This possibility was discussed with Milt Golden and he agreed to help PPG if their Eastern R & D people care to call him. Milt will not disclose the exact manufacturing procedure or formulation but will provide help of a general nature and substantiate our claims. Hopefully PPG will be interested in our offer and provide much needed feedback.

I hope this letter has put the events at Standard Brands Paint concerning Calidria Asbestos in the proper prospective.

Best regards,

Dick

Richard Lasher

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