PLAINTIFF'S EXHIBIT
UC-466

From
R. H. GREGORY, Jr.
551-6464

October 1, 1968

MR. F.D. DEXTER
29th Fl., Bldg.

Frank:-

I have redone your memorandum on asbestos. I hope you will find the enclosed to your taste.

DRAFT RHGJR:des 10/1/68

CALIDRIA POSITION

1. UCC is planning to dispose of its calidria asbestos assets by mid-1969. Until this disposition takes place, UCC will conduct this business as actively as it has in the past. There is no reason to believe that a company acquiring this business will not continue to operate it substantially in the same manner that UCC has.

2. The disposition of the calidria asbestos assets has been decided upon because:-

(a) Even though UCC's asbestos business has probable long-range financial returns that appear attractive, UCC has determined to concentrate its efforts in areas more directly served by UCC's special expertise and technology.

(b) The business of calidria asbestos is a clearly defined, separate activity of UCC. The disposition of these assets can, therefore, be easily accomplished and will not affect appreciably other UCC activities.

(c) UCC's calidria asbestos assets are tangible -- consisting of plant, reserves, patents, customers -- and have significant value.

Calidria Position

1. UCC is planning to divest itself of the Calidria Asbestos Business ~~with a completion goal of~~ by mid 1969. ~~In all respects~~, business will be ~~maintained~~ conducted as actively as it has been. ~~In the event a buyer is not found, or if for some reason the contracts are not honored by UCC.~~ ~~Contracts will be honored.~~

2. The divestment of Calidria Asbestos ~~is dictated~~ has been decided upon because:

   a. UCC ~~recognizes the necessity~~ has determined to concentrate its efforts on fewer programs.

   b. Calidria Asbestos, ~~while not necessarily first choice from a longer range financial standpoint~~, is a separate entity in itself ~~and can be sold in its entirety.~~ ~~It is impractical to divest a business which is part of a major plant and operational complex~~. The Calidria Asbestos transaction would be clean, concise and ~~total~~.

   c. Assets ~~of~~ Calidria Asbestos ~~business~~ are tangible -- plant, reserves, patents, customers -- and valuable.

   d. Other projects are more "akin" to UCC's main interests ~~-- chemicals, plastics~~ -- and more dependent on UCC strengths -- technology, chemical processing, etc.