CUSTOMER CALL REPORT

CUSTOMER & LOCATION: Grace GmbH, In der Hollerhecke 1, D 6520 Worms, Germany

INDUSTRY CLASSIFICATION: Calidria ~~Asbestos~~ Distributor

SALESMAN: Gordon L. Dickson & R. E. Byrne, Jr. REGION: ~~Export~~ DATE OF CALL: ~~3/24/83~~

ASBESTOS HEALTH & REGULATORY DOCUMENTS PROVIDED:

- ☐ MSDS
- ☐ Health & OSHA Information Blue Book
- ☐ Dust Count Report
- ☐ Other, specify below

PLAINTIFF'S EXHIBIT UC-556

PERSONS INTERVIEWED:

Dr. Hans Villiger	-	Product Line Manager
Dr. Salvatore Algieri	-	Manager, Development & Applications
Richard Sobottka	-	Technical Service Supervisor
Sune Hansson	-	Marketing Manager (Scandinavia)
Giorgio Monico	-	Marketing Manager (Italy)
Michel Claude	-	Marketing Manager (France)
H. L. (Herb) Brooking	-	Product Line Manager (U.K.)
Dr. Gert Teska	-	Marketing Manager (Germany)
Dieter Stabb	-	Order Handling

CALL OBJECTIVE:

Conduct Seminar on "Calidria" Asbestos

RESULTS OF CALL:

The all-afternoon meeting with the above Grace personnel covered just about all facets concerning asbestos marketing. The most salient topics discussed are summarized as follows:

1- PACKAGING

Apparently everyone is satisfied with the way our products are packaged. Generally arrive in very good condition. The U.K. intends to continue receiving SX-14 & SX-24 palletized and shrinkwrapped. Italy also intends to order this way in the future. More expensive, as they are charged for the pallets,shrinkwrap, etc., (surcharge on last shipment was 1.6¢/lb.) and less material can be loaded into a container. But their feeling is that it saves a lot of hassle from the unloading people. Shipments to Worms will probably continue to be hand loaded in containers as they do not want to accept the increased cost and most of their customers order in less than pallet quantities. This also applies to Scandinavia and France who get their material from Worms.

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2- LEAD TIME

Lately it has been taking 8-9 weeks from the time Worms enters an order to when it is delivered to the port of entry. In the past it was about 4 weeks. No feel where the hold up occurs. We will be notified by Dieter Stabb the next time he places an order with the W. R. Grace office in Cambridge, MA, and we will follow it thru the various stages.

3- SAMPLES

In the past most of their lab samples have been prepared by their people in Worms. In the future they will be ordered from King City, as the U.K. has done in the past, and billed by King City at a mutually acceptable rate. They will require our analytical data, i.e., viscosity, moisture (as shipped), +200 mesh and pH on SX-24, and moisture (as shipped) on SX-14. Unlabelled boxes, i.e., no UCC identification to be used. The U.K. was charged $2.75/box on their last shipment.

4- ASBESTOS REGULATIONS

This subject was well covered earlier in the day in a meeting with Sobottka and Kunze. Some disagreement among the various marketing people present. Dr. Teska feels that the impact of proposed regulations will not be as great as Mr. Kunze outlined. However, Sune Hansson expressed his opinion that for all practical purposes the use of asbestos will be banned in Denmark, Sweden, and Norway. But again, it was stated that Grace will continue to market our products aggressively as long as any market exists.

Dr. Villiger feels that we should meet with W. R. Grace people in New York City to discuss the above subject. He feels there is serious concern by some of the people there on whether they should be involved with selling asbestos. To this end he will set up a meeting which will include John Myers.

5- PRICING

In depth review which really amounted to one conclusion - we should stop raising prices so often.

6- PRODUCT SPECIFICATIONS

SX-14: No apparent problem with raising our magnetite typical property value from 0.75% to 1.0%. However, no SX-14 with more than 0.75% to be shipped until we have received their formal agreement (a letter to Dr. Teska was sent on 3/29/83 requesting his response).

SX-24: We requested that we be allowed to ship material with a viscosity up to 60M centipoises. Richard Sobottka will investigate and report to Dr. Teska. Only a small amount of material is involved and agreement to our request is expected.

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PERSONS INTERVIEWED:

Richard Sobottka - Technical Service Supervisor
Siegfried Kunze - Director of Quality Control, Regulations & Patents

CALL OBJECTIVE:

1) Discuss customer complaints
2) Discuss regulations controlling asbestos usage

RESULTS OF CALL: The only good news to come out of this meeting was that they have not had a customer complaint on SX-14 or SX-24 in two years. Discussed briefly that we would like to raise the magnetite spec on SX-14 from 0.75% to 1.00%, which is presently the plant guideline or typical value for RG-144. Neither Richard nor Siegfried felt this would be a problem with any of their customers.

The in-depth discussion on the present regulations and the ones that could go into effect next year was a totally different ballgame. The feeling is that unless the atmosphere changes it will be very difficult to use asbestos in Germany after April 1, 1984, except in certain applications. Not only would this have a drastic effect on Grace's sales in Germany, where they now have about 200 asbestos customers, but they feel that the rest of the EEC will soon adopt regulations similar to the German ones. In the meantime they plan to continue selling our products as usual. There is some optimism on their part, however, in that this situation has existed for years in Europe but no legislation has been enacted yet that has forced them to discontinue the use of asbestos. However, pressure is being placed on their customers by not only the government but also by the unions and the users of the final end-products. There is some hope that the newly elected government will hold off on the proposed regulatory changes, or at least modify them, but in general both Siegfried and Richard feel that the asbestos users in Germany are too weak politically to fight this issue. Other materials, such as cadmium, are also under the gun, but to date the industries involved have been unified enough so that severely restrictive legislation has never been developed.

FOLLOW-UP ACTION REQUIRED:

Send Richard Sobottka the new test method for determining RG-244 viscosity (Marsh Funnel Test).

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