UNION CARBIDE

INTERNAL CORRESPONDENCE

PLAINTIFF'S EXHIBIT
UC-992

METALS DIVISION

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To (Name) Mr. N. G. Browne
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Copy to Messrs. R. E. Byrne, Jr.
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File

Date September 29, 1978

Originating Dept. "Calidria" Asbestos

Answering letter date

Subject Information for China Trip

Enclosed is the RG-144 and RG-244 literature we discussed on 9/26/78 for your upcoming trip to the PRC.

Since I am sure that the PRC would have extensive chrysotile asbestos deposits for conventional asbestos applications, I would suggest that you promote only RG-144 and RG-244. These products are not designed to replace asbestos but are used in totally different applications as described in the literature.

Since we would limit production of other products to sell these high margin ones, availability is essentially unlimited. However, to give you some numbers to work with, we could supply the PRC with 1000 tons of RG-144 and 500 tons of RG-244 in 1979.

The attached sheet summarizes pricing (FAS Oakland) and packaging information which I use for UCC affiliate companies. Assuming full container shipments and $1000 per container for ocean freight from Oakland to China, following are 1979 preferred prices and minimum acceptable prices for the two products:

Product	Tons Available	Price, $/lb., C&F China		Potential NIFS, $M
		Preferred	Minimum	
RG-144	1000	0.45	0.40	800
RG-244	500	1.50	1.35	1350

In 1979 we have budgeted to export about 400 tons of RG-144 and 700 tons of RG-244, with most of the products going to Japan, Europe, and Australia, and smaller quantities to Taiwan and South America.

After you left our meeting, Bob Scheid and I discussed the oil-well drilling activity in China. We use Montello, Inc. of Tulsa as a world-wide exclusive distributor of our products used in drilling fluids; and our estimated sales for 1979 are 4000 tons, including domestic and export. They market our products

under their tradenames (Visbestos and Super Visbestos) through mudservice companies and reps. Some of our product shipped to Japan is probably ending up in China, at least in their off-shore rigs. Montello reports that they have an active rep covering PRC and feel this is the best way to go. I have included a piece of literature on this application for your information. If PRC is aware of these products and insists on buying directly from us, we could probably make some arrangements; but for now I suggest you not promote these products.

Good Luck on your trip and don't forget how to pronounce "Calidria".

John L. Myers

JLM:dal
Enclosures