UNION CARBIDE

INTERNAL CORRESPONDENCE

PLAINTIFF'S EXHIBIT UC-1028

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Location 38th Floor
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Date October 5, 1973

Originating Dept. "Calidria" Asbestos

Answering letter date

Copy to Messrs. J. L. Myers
H. B. Rhodes
File ✓

Subject RG-244 Sales Growth

Attached are two tables and a graph which outline the size and growth of our RG-244 business, the total thixotrope market and a breakdown of current RG-244 sales by application.

Table I shows RG-244 sales growth through 1973 and estimates through 1982. The estimated total thixotrope market in 1972 is estimated at about 5000 tons; this, I believe, is a very conservative number. It was arrived at by the series of approximations shown in Appendix I. The total market seems to warrant a 7% annual growth to about 10,000 tons by 1982. At that time, we should enjoy about 40% of the market.

The rate of growth of RG-244 sales has been considerably higher than that of the market in general. We have adjusted our 1974 estimates to 1113 tons, but this number probably should be more like 1250 tons (22% of total market). The attached curve indicates a gradually decreasing growth rate to about 11% in 1982 with a total sales of 4000 tons in that year. Even at current prices this represents over $5MM in NIFS. If these estimates are correct, our current RG-244 plant expansion should be adequate through 1977.

Our current RG-244 sales fall into the four general applications areas shown in Table II. Polyester users consume about 1/2 of the total. Within rather wide ranges, this breakdown has not changed too much in the last four years. Polyester uses seem to have grown a little and the miscellaneous has decreased as we are better able to identify particular applications.

I will be glad to discuss with you the derivation of any of these numbers at your convenience.

R. E. Byrne, Jr.

REB:cjb
Attachments

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TABLE I

RG-244 SALES GROWTH

Year	RG-244 Tons Sold	RG-244 % Growth	Estimated Total Thixotrope Tons Sold	Estimated Total Thixotrope % Growth
1968	22	--	3000	--
1969	36	64	3500	17
1970	220	600	4000	14
1971	435	97	4500	12
1972	650	49	5000	7
1973	950	46	5400	7
1974	1113*	17*	5700	7
1975	1500	35	6100	7
1976	1800	20	6600	7
1977	2100	17	7000	7
1978	2400	14	7500	7
1979	2800	16	8000	7
1980	3200	14	8600	7
1981	3600	13	9200	7
1982	4000	11	9800	7

* Adjusted to 1113T to reflect production capabilities. This number should be about 12-1300T if we can produce it.

TABLE II

RG-244 MARKET BREAKDOWN

Market	1970		1971		1972		1973 (Fcst.3)	
	T	%	T	%	T	%	T	%
Polyester(1)	36.5	32	118	47	323	59	437	46
Sealants(2)	30.3	27	46	19	102	19	267	28
Epoxies(3)	2.1	2	7	3	11	2	91	10
Misc.(4)	43.2	39	78	31	111	20	158	16
Total	112		249		547		953	

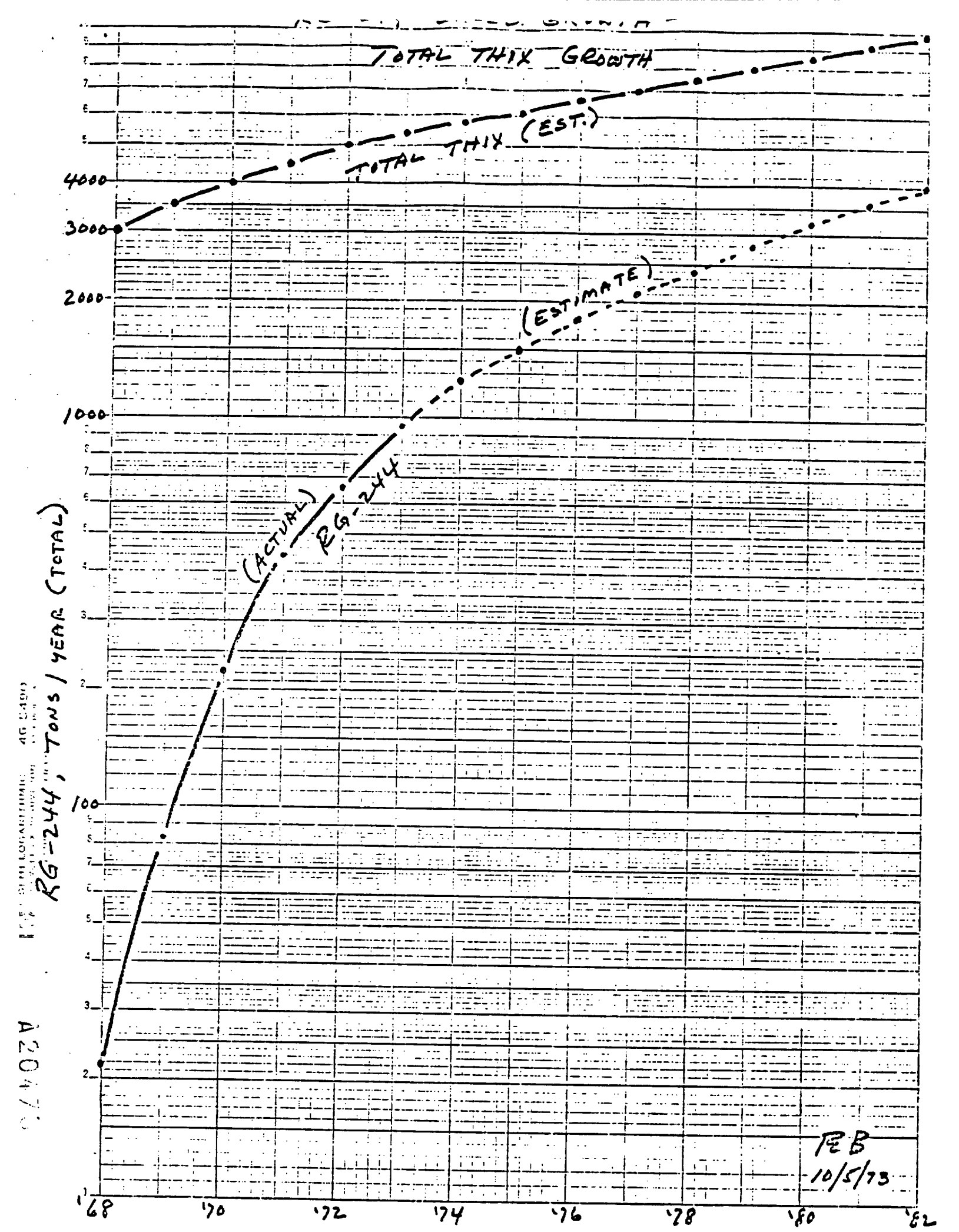
(1) Polyester market includes laminating resins, putties, patching compounds, gel coats, adhesives and coatings.

(2) Sealants include caulks, sealants, plastisol coatings, mastics, etc., based for the most part on vinyl polymers, acrylics and butyl rubber compounds.

(3) Epoxies are two-component adhesives and coatings.

(4) Miscellaneous includes mostly unidentified applications.

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TOTAL THIX GROWTH
TOTAL THIX (EST.)
(ESTIMATE)
(ACTUAL)
RG-244
RG-244, TONS / YEAR (TOTAL)
4000
3000
2000
1000
100
'68
'70
'72
'74
'76
'78
'80
'82
FB
10/5/73

APPENDIX I

ESTIMATED 1972 TOTAL THIXOTROPE MARKET*

	Tons Thix.
Polyester	
FRP(1) - 326,000 tons, 1% of total =	3260
Other - 82,000 tons, 1/2% of total =	410
Sealants	
PVC plastisols - 50,000 tons - 2% of 1/2 of market =	500
Protective coatings & adhesives - 31,000 tons - 2% of 1/2 of market =	310
Epoxy	
Adhesives - 5500 tons - 2% of 1/2 of market =	55
Tooling - 8000 tons - 2% of 1/2 of market =	80
Miscellaneous	385
	5000T

(1) FRP - includes sheet, boats, automotive and sanitary ware.
Other - includes putties, buttons and furniture.

* Modern Plastics - January 1973.

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