UCC 149-2

UNION CARBIDE

INTERNAL CORRESPONDENCE

cc Mike Elling

PLAINTIFF'S EXHIBIT

UC-3713

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**METALS DIVISION**

• P.O. BOX 579 - 4625 ROYAL AVE., NIAGARA FALLS, NEW YORK 14302

To (Name) Mr. W. C. Thurber
Division Metals Division
Location Union Carbide Corp.
270 Park Ave.
New York, NY 10017

Copy to

Date March 28, 1978

Originating Dept. Mineral Products Technology

Answering letter date

Subject Speculative Operating Cost Estimate
Silane Treated Asbestos
Dresser Process

Dear Bill:

I have estimated that the operating cost to produce a silane-treated leached asbestos product by a competitor would be in the $0.70 per pound order of magnitude. This cost does not include the price of the silane.

I made several assumptions in arriving at this figure which includes a production rate of 1000 lb. product per shift. I assumed three shifts per day and five days per week or a nominal capacity of 750,000 lb. product per year. It also assumes that the manufacturing would be associated with another facility rather than a "gross roots" operation. I have also neglected any allocated expenses or corporate overhead.

These costs are summarized as follows:

| Item | Cost - $/lb. Product |
|---|---|
| Direct Labor | 0.373 |
| Indirect Labor | 0.056 |
| Direct Materials (Ex. silane) | 0.2175 |
| Indirect Materials | 0.0435 |
| Total Operating Cost (Ex. silane) | 0.69 |

Very truly yours,

R. G. Woolery

RGW/bsn
Attach.

UCC 001682

# SPECULATIVE OPERATING COST ESTIMATE

## SILANE-TREATED ASBESTOS

## DRESSER PROCEDURE

| Item | Price | Quantity | Cost $/ton Product |
|---|---|---|---|
| **A. Direct Material** | | | |
| 1. Asbestos | $120/ton | | |
| Shipping | 70/ton | | |
| | $190/ton | 1.2 | $ 228.00 |
| 2. $H_2SO_4$ | 53/ton | | |
| Shipping | 15/ton | | |
| | $68/ton | 0.44 | 30.00 |
| 3. NaOH | $380/ton | 0.30 | 114.00 |
| 4. Methanol | | | 30.00 |
| 5. Fuel | | | 20.00 |
| 6. Bags + Pallets | | | 13.00 |
| 7. Silane | | | Not Included |
| Total Direct Materials (Exc. silane) | | | $435.00 |
| B. Indirect Materials including utilities @ 20% of A | | | 87.00 |

| C. Direct Labor | Per shift | Per day | @ | |
|---|---|---|---|---|
| 1. Operators - Dryer/Bagger | 1 | 3 | $9.00/hr. | 144.00 |
| Leach Circuit | 1 | 3 | 9.00/hr. | 144.00 |
| Filter | 1 | 3 | 9.00/hr. | 144.00 |
| Foreman | 1 | 1 | 10.00/hr. | 160.00 |
| Maint. | 1 | 1 | 9.50/hr. | 152.00 |
| | | 11 | | $746.00 |
| D. Indirect Labor @ 15% of Direct | | | | $112.00 |
| Total cost per ton of silane product (Exc. silane) | | | | $1,380/ton<br>$.69/lb. |



*Union Carbide trial exhibit UC-3713: R. G. Woolery to W. C. Thurber on Speculative Operating Cost Estimate for Sil...* Published by AsbestosClaims.Law
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