THE CABOT PROPOSAL

I. INTRODUCTION

A. The Market

1 Union Carbide's RG-244 is a highly refined asbestos fiber with a clear silicate coating which si sold as an additive to polyester resin, vinyl plastisol sealants, spoxy compounds, etc., to improve viscosity and thixatrophy. RG-244 is sold primarly in competition with high purity fumed silica. Other products such as hydrogenated castor oil and bentones play a relatively insignificant part in this market.

Fumed silica is marketed in the United States by Cabot Corporation under the trade name "CAB-O-SIL" and by Degussa under the trade name "AEROSIL". Cabot Corporation entered the fumed silica business 20 years ago as the sold United States licensee of Degussa. The Degussa patents expired several years ago and since then, Degussa has competed with Cabot in the U.S. market. The U.S. fumed silica market continues to be dominated by Cabot and Degussa probably is operating at a loss as it attempts to build a sufficient market to support construction of a production facility in the United States.

Fumed silica is sold for a number of applications in which 244 cannot compete, e.g., cosmetics, toothpaste, ice cream and other food products.

PLAINTIFF'S EXHIBIT
UC-4234

Union Carbide trial exhibit UC-4234: The Cabot Proposal, Introduction: Market for Union Carbide's RG-244 Asbesto... Published by AsbestosClaims.Law
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