

Notes of a Phone Call to Dan Zeraldo, April 1, 1981

I called him in response to a call he had made to me yesterday.


He wanted to report on his meeting with Dan Marion concerning the arsenic contract. Marion reports directly to Hite and will be the spokesman for Koppers on the contract. He is coming up to Giant to make sure that everything is going according to the contract.

At Toronto, he asked for further changes in the contract as they are very concerned about the effect of transportation costs on the price of the product. Zeraldo held firm with our revised as per letter he has rapifaxed to us. He told them that if transportation becomes a problem, then we'll talk. Marion reluctantly agreed to the compromise letter that we've written.

As a result of this change in the contract, new pricing will come into effect April 1, 1981. All previous shipments will be a seven cents a pound and subsequently at 10.8 cents a pound, although Zeraldo thinks there is a new price that may give us as much as 12 cents a pound.

Marion discussed demurrage charges that they've had at both ends. Zeraldo pointed out that the Giant staff were not getting their 24 hour advance notice as required in the contract, and if this was adhered to there probably would be no problems at our end. I briefly discussed the complaints of W. A. Moore concerning them arriving at any time of day or night and any day of the week. Zeraldo felt that we should be able to solve this problem with Marion and that to let him know our concerns. Unfortunately, the contract permits them to pick up arsenic on weekends.

He discussed break-up. He emphasized that it was important to keep the silo as empty as possible so that we will have a full month's storage as soon as break-up commences. This will avoid having to put arsenic underground.

  
D. J. Emery

/kas  
April 1/81