January 23, 1997



Means Great Development

1600 N. E. Old Salem Road P. O. Box 460 Albany, Oregon 97321-0460 (541) 926-4211 FAX (541) 967-6994

H Tracey Hall Hall 1711 N Lambert Lane Provo, UT 84604-1858

Dear Mr. Hall:

In November, 1996, Wah Chang reorganized to improve its focus on supplying zirconium alloys for the Chemical Processing Industry (CPI). **Parry Walborn** became Manager, Chemical Process Industry Products.

For nearly 20 years, Wah Chang has served the Chemical Processing Industry supplying it with zirconium and its alloys for corrosion-resistance in plant equipment. This business has been an adjunct to our nuclear metals business, but with Parry's assignment to the product line, Wah Chang moves chemical process customers to the core of our company.

Parry now has all of the functions - technical support, service center, marketing, sales, and R&D - reporting directly to him for this product line.

Our revitalized commitment to these customers during 1997 includes:

- a new stocking program for common shapes and sizes, which will boost inventories and dramatically reduce leadtimes;
- a new order fulfillment program, which will sharply improve our on-time delivery performance;
- additional conversion personnel, who will improve the quality and timeliness
 of our support at outside converters of our zirconium plate;
- a new customer information system, which will improve our responsiveness and service, especially on delivery status and technical questions;

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> improved credit terms, which will reflect the real payment situations of our fabricating customers;

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- additional technical personnel, who will improve our field and applications support to customers;
- a revitalized R&D effort to identify new applications for zirconium alloys, and new alloys that can solve corrosion and purity problems for our customers.

Wah Chang will continue to operate the service center and will continue to offer its acclaimed welding classes for the personnel of customers. If you have questions about Wah Chang's new commitment to chemical industry customers, please call Parry Walborn at (541) 926-4211.

Sincerely,

Ralph Nauman, President

Pary Wallion Parry Walborn, Manager CPI Products