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**The Goodyear Tire & Rubber Company**

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NUMBER OF PAGES: 4

ATTENTION: Mr E. Vizovisek

FROM: Ernie Hodson

MESSAGE: \_\_\_\_\_  
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# The Goodyear Tire & Rubber Company

Akron, Ohio 44316 - 0001

June 13, 1996

Mr E Vizovisek  
R&D Director  
SAVA

Dear Emil:

My thoughts on how the technical organization would be structured if SAVA and Goodyear formed a partnership are as follows:

1. The Goodyear primary plants in the USA for conveyor belting, air springs, power transmission belts and air conditioning hose would be the design centers supporting the SAVA facility.
2. The staff at SAVA for these products would support the day to day operations and visit customers as required.
3. Quality assurance and technical support (compounding and engineers) would be part of the same group.
4. In our facilities that are supported from a primary plant, we may describe these as satellite plants. The manning is kept at a minimum.
5. You have a central lab which also service the facility with incoming material release and any finished product testing. The number of staff in this facility which will be charged out to SAVA tech for this service is difficult to estimate.
6. The total technical support has to be commensurate with the initial sales and must be minimal at the outset and may have to be increased as the scope and sales increase.

I propose that the following numbers should suffice at the outset.

a) Conveyor Belting

- 1 - Compounder
- 1 - Engineer
- 1 - Quality Assurance Engineer

This is not a very big business and we can provide a great deal of support from the USA in the areas of:

- Compounding
- System engineering
- FEA work and thermal modeling for cures

b) Air Springs

- 1 - Compounder
- 1 - Engineer
- 1 - Quality Assurance Engineer

We have an operation in Brasil which is operating with a similar staff. All dynamic testing will be done in the USA.

c) Air Conditioning Hose

- 1 - Compounder
- 1 - Engineer
- 1 - Quality Assurance Engineer

This will start up on a small scale and all of the compounding work will come out of the USA plant. The engineer will mainly work with couplers and customers.

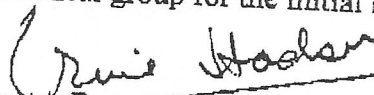
d) Power Transmission Belts

- 1 - Compounder
- 1 - Engineer
- 1 - Quality assurance Engineer

At this time the industrial belts remain as is and you already have cut edge and timing belts.

While I have designated numbers of Compounds and Engineers, etc., it may be that we choose for example to have the same compounder look after conveyor belt compounds and A/C hose compounds for example, and an extra engineer added. It may be that we do not need four Quality Assurance Engineers but two or three and an extra engineer be added.

The important point is total numbers of technical staff to be determined. It seems to me that no more than five staff from the central labs should be charged to SAVA technical. These numbers add up to a total of 17 for the new SAVA tech technical group for the initial scope of the plan. What are your views?



Director ~~Research & Development~~  
Engineered Products Division

E F Hodson

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