

February 2, 1993

MEMO TO: Jerry Colbert
John Dirks
Wayne Sorenson

FROM: Ben Parr

SUBJECT: Taiwan Trip

During the planning process for the CAPA-sponsored meeting to Taiwan in late 1992, it was decided that State Farm executives would visit Taiwan in the March/April time frame in 1993. The purpose of the State Farm-only trip is to:

1. See first-hand the spectrum of parts and quality available and discuss ways to increase the volumes of the superior quality.
2. Observe the difference in quality when comparing those manufacturers supplying the OEM market vs. those supplying the economy parts market.
3. Observe the production of Taiwan-manufactured components of both plastic and metal material.
4. Observe and understand the role of the trading company and the U.S. importer regarding the quality of parts imported into U.S.A.
5. Meet with Taiwanese government officials to discuss any development or the possibility for the export of only quality (certified) parts to U.S. (Materials Research Lab (MRL) to be the interface with State Farm on this item.) How to restrict poor quality, as well as how to identify and assure only good quality parts from Taiwan.
6. Look at the radiator/AC condenser industry in Korea with objective of assuring adequate quantities of high quality components on our estimates for all of our policyholders' collision damage repair estimates.

7. Present and leave copies of insurance industry size using State Farm-generated reports showing the type and quantities of components to meet the demands of the insurance marketplace. Concentrate on market size, market location, market economics and market demand for quality. Market data and market details to be the subject of a detailed "Insurance Industry Needs" presentation to be made at each visited facility.
8. Meet with potential bumper reinforcement suppliers, both metal and plastic, showing insurance industry needs.

The proposed travel itinerary is as follows:

Drive to Peoria early AM April 15. Flights will be on United Airlines.

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Leave Peoria	6:00 am	Arrive Denver	8:05 am
Leave Denver	10:35 am	Arrive San Francisco	12:07 pm
Leave San Francisco	2:20 pm	Arrive Taipei (4/16)	6:20 pm

Lodging: Grand Hotel Taipei

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Leave Taipei	12:30 pm	Arrive Seoul, Korea	3:45 pm
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Lodging: Hotel Seoul

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Leave Seoul, Korea	2:35 pm	Arrive San Francisco	
Leave San Francisco		Arrive Chicago (O'Hare)	5:51 pm
Leave Chicago	6:44 pm	Arrive Peoria	7:39 pm

Drive to Bloomington late in the evening April 29.

If you have any questions, please allow me the opportunity to discuss them and the reasons for each of the proposed places to visit.

Paul

COMPANIES TO BE VISITED IN TAIWAN (TENTATIVE)

Lio Ho
Yung Shine
Haur Tay
3 Brothers
Tie Feng Industrial
Tong Yang
East Dragon Trading Co. (or alternate)
Taiwan Material Research Lab.

COMPANIES TO BE VISITED IN KOREA (TENTATIVE)

Lucky Goldstar
Daewo International
Kwang Woo Radiator
Sam Sung Radiator Industrial Co.
Yeonsan Machinery and Metal Co.