

INTER-OFFICE COMMUNICATION
TENNECO HYDROCARBON CHEMICALS DIVISION
(RES-183-71CD)

TO: MANAGEMENT
FOR: MR. R. M. PATE✓
FROM: MR. R. E. SIMMONS
RE: VCM--GULF OIL

DATE APRIL 27, 1971

CC: MR. GORDON ROZAND
DR. H. E. O'CONNELL
MR. D. R. KECK

On April 23, Mr. George Hale with Gulf Oil Company in Montreal, Canada (514/879-5086), called concerning the availability of vinyl chloride monomer. Mr. Hale had talked with Mr. Rozand concerning the shipment of monomer to Canada, and Mr. Rozand advised Mr. Hale to contact us.

Gulf Oil has been experiencing some minor difficulties with their VCM Plant in Canada, and there is a possibility that they would want some VCM shipped to them during the week of April 26 from a coproducer. To save transit time, Mr. Rozand suggested that cars be shipped to Canada from New Jersey. We are agreeable to this since Mr. Hale is only talking about a potential requirement of 0.5 MM lbs.

We advised Mr. Hale that the current spot monomer price is 4.5¢/lb f.o.b. our plant and that the freight rate from Houston to New Jersey would be an additional 0.84¢/lb or 1.05¢/lb, depending on the size of car used. We will certainly want to ship the smaller cars to Gulf Oil and utilize the jumbo cars for Tenneco Plastics.

There is a good chance that Gulf Oil will not require us to ship monomer during April, 1971. Nevertheless, a good contact has been made for future sales possibilities.



R. E. SIMMONS

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