CONFIDENTIAL

PCB Plan - Total Europe

1969 Net Sales	$ 3658 M
1970 Target	$ 3952 M
1971 Tentative Budget (excluding NCR)	$ 3805 M
1971 Tentative Budget (excluding NCR, other Plasticizer & Non-Electrical Fluids)	$ 3080 M
Current Average Gross Profit	50 %

The overall objective is to implement the basic plan approved by the Corporate Management Committee on the 11th May in total Europe, taking account of the competitive situation and introducing whatever changes are required in such a manner to enhance our competitive position. Objectives supporting the overall objective are:-

1. Develop, if possible, a common approach by all West European PCB manufacturers (Bayer, Caffaro, Progil/Kuhlmann/Prodelec). ~~If this cannot be achieved,~~ then we shall act unilaterally. No - why?

2. Inform all our PCB customers of the need to prevent environmental pollution, and encourage them to act responsibly by offering assistance on control measures, disposal, reclamation and alternative products.

3. Secure special terms of those applications where the introduction of substitute products may necessitate greater than normal delays due, for example, to re-qualification or legal requirements. what does this mean?

The non-biodegradable PCB's are Aroclor 1232, 1242, 1248, 1254, 1260, 1262, 1268 and 4465. The uncontrollable end uses are all applications except for transformers, capacitors and non-food/pharmaceutical [redacted] heat transfer. Hydraulics?

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ANALYSIS OF TOTAL AROCLOR SALES 1969

	M lbs.	%
Electrical Aroclor	4910	34.0
NCR	4450	31.0
Other Plasticizer	2290	16.0
Pyroclor (+)	1625	11.5
Non-Electrical Fluids	620	4.5
Santotherm FR	445	3.0
	14,340	100.0

(+) As Pyroclor - not Aroclor content.

Electricals and Santotherm FR account for: 48.5 %

NCR accounts for: 31.0 %

Non-Electrical Fluids and Other Plasticizers account for: 20.5 %

Geographical distribution of other plasticizer and non-electrical fluids sales:

	M lbs	%
UK	1355	47.0
Scandinavia	435	15.0
Benelux	300	10.0
Germany	235	8.0
Switzerland	205	7.0
Italy	180	6.0
Med./Mid East	125	4.0
France	75	3.0
	2910	100.0

Excluding electricals, NCR and Santotherm FR, about 11 % of total business is outside UK.

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BREAK-DOWN OF PLASTICIZER SALES

	M lbs	%
NCR, UK	4450	66.0
UK (other plasticizer)	1030	16.0
Scandinavia	435	6.5
Germany	215	3.0
Switzerland	205	3.0
Med/Mid East	125	2.0
Benelux	120	1.5
Italy	85	1.0
France	75	1.0
	6740	100.0

BREAK-DOWN OF FLUIDS SALES

	M lbs	%
Electrical Aroclor	4910	65.0
Pyroclor	1625	21.0
Non-Electrical Aroclor	620	8.0
Santotherm FR	445	6.0
	7600	100.0

GEOGRAPHICAL DISTRIBUTION OF NON-ELECTRICAL AROCLOR

	M lbs	%
UK	325	53.0
Benelux	180	29.0
Italy	95	15.0
Germany	20	3.0
	620	100.0

MONS 034237

ACTION POINTS COMMON TO ALL MARKETS

Responsibility:	Action:	Review/Target Date:
HMD/DSC	Arrange final discussions with other West-European manufacturers to secure their agreement on a common posture.	15th July
DSC	Drum labels to be reworded in conformity with St. Louis for those products still sold containing non-biodegradable PCB's.	1st July
DSC	Text of standard paragraph on pollution to be finalized for inclusion on new literature.	1st August
GDI/DSC	European PR activity to be coordinated with St. Louis. Clarify how and when we should publisize our decisions with government departments, the popular and technical press and with the other European producers.	15th July
DSC	Immediately notify all DSO managers of basic plan and warn they must not accept orders for plasticizer, non-electrical fluids or food/pharmaceutical heat transfer applications from new customers without reference to the product group.	5th June

PLASTICIZER AROCLOR

1969 Net Sales	$ 1226 M
1970 Target	$ 927 M
1971 Tentative Budget (excluding NCR)	$ 525

Responsibility:	Action:	Review/Target Date:
DSC/VJH	Switch NCR to HB 40 by 1st July	1st July
HND/DSC	Review and renegotiate NCR contract to secure long-term commitment to HB 40 for total Europe	1st August
DSO	Advise all distributors by letter or personal visit no later than 1st July that we shall discontinue sales after the 30th September	1st July
DSO	Advise all non-contract customers and agents by letter or personal visit no later than the 15th July that we shall discontinue sales after the 30th Sept.	15th July
VJH/RAO	Liaise with St. Louis on renaming Aroclor 5460/5442	1st July
DSO	Where possible, secure release from contracts without penalty by 30th Sept. Otherwise secure letter of indemnity from customer and continue supplying until contract expires.	15th July
DSO/VJH	Identify and reconsider any difficult conversion problems (e.g. Pertec) by 31st July to see if any special arrangements or help are needed.	1st August
VJH/Salesmen	Take back unopened Aroclor drums for full credit less 20 % handling charge and return freight.	1st Sept.
VJH/JNG	French and German language versions of the general plasticizers bulletin to be withdrawn (the English language version is out of print).	15th June
VJH	Offer other plasticizers from the Monsanto range to replace Aroclor 1232/42/48/54/60/62/68 and 4465.	15th July
RAO/DSO	Advise Thiokol UK and Germany immediately of our intentions and suggest they should follow up personally with their customers to ensure smooth conversion.	1st July

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CAPACITOR AROCLOR

1969 Net Sales . . . . . $ 950 M
1970 Target . . . . . $ 1260 M
1971 Tentative Budget . . . . . $ 1340 M

Responsibility:	Action:	Review/Target Date:
DSC	Close loop as far as possible by 31st Dec.	31st De.
AEM	Establish returnable drums system in UK.	1st Oct.
DSO	Send letter to all customers, accompanied by personal visit where necessary, explaining actions to be taken, seeking their cooperation, and giving advice on handling and disposal.	15th Aug.
PJAM/AA	Take over management of reclamation service from Daltons and, if necessary, establish new pricing.	1st Nov.
AA/DSO	Accept return of unreclaimable material for disposal at a charge of 3¢/lb plus return freight.	1st Aug.
FM	Secure manufacturing data on Aroclor 1242 B to confirm Newport capability to produce.	15th Aug.
FM	Establish timing of Newport availability.	15th Sept.
AA	Sample customers with Aroclor 1242 B from St. Louis immediately material becomes available.	When Product Available!
AA/DSO	Try to convert the remaining 1254/48 users to 1242/1242 B .	31st Dec.

PYROCLOR

1969 Net Sales . . . . . $ 306 M
1970 Target . . . . . $ 520 M
1971 Tentative Budget . . . . . $ 590 M

DSC	Close loop by 31st December	31st Dec.
CRC/PGB	Seek to incorporate recommended control procedures in the UK code of practice and in the IEC proposals for Askarel maintenance.	31st Dec.
AA	Provide metal tag which all manufacturers can fix to new transformers giving advice on fluid disposal in event of failure. Same advice to be included in acceptance test details supplied with each new transformer.	1st Sept.

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PYROCLOR cont'd.

Responsibility:	Action:	Review/Target Date:
PJAM/AA	Agree (internationally, if possible) relaxed specifications for reclaimable and reclaimed Pyroclor.	1st Nov.
PJAM/AA	Take over Management of reclamation service from Daltons and, if necessary, establish new pricing.	1st Nov.
AA/DSO	Accept return of unreclaimable material for disposal at a charge of 3¢/lb plus freight.	1st Aug.
PJAM	Encourage bulk deliveries with bigger differentials, or engineering and financing of customers bulk storage facilities.	1st Sept.
AEM	Establish returnable drum system in UK.	1st Oct.
AA/DSO	Send letter to all Pyroclor customers, accompanied by a personal visit where necessary, explaining actions taken and seeking their cooperation.	1st Nov.

PYDRAUL

1969 Net Sales . . . . . $ 951 M
1970 Target . . . . . $ 935 M
1971 Tentative Budget . . . . . $ 1000 M
(1000 tons Aroclor)

PJAM	Continue selling existing formulations until new ones are available from St. Louis.	1st Nov.
JNH	Do not embark on any major new trial programs with existing formulations	continuing
JNH	Continue with Pydraul 281 test program in Germany until replacement formulation available.	1st Nov.
JNH/JNG	Shelve preparation of new literature dealing with present formulations.	1st July
JNH/DSO	Introduce new formulations immediately they become available to customers/ distributors, and advise them by letter or visit that sales of existing formulations will be discontinued no later than 90 days thereafter, except as in item 6.	1st Nov.

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PYDRAUL cont'd.

Responsibility:	Action:	Review/Target Date:
JNH	Continue supplying existing formulations to those markets/customers that will need new approvals until the new formulations are approved or until the 1st May 1971, whichever is earlier. Such markets/ customers include the German and French mines, CEGB and Volkswagen, and should be notified of our intentions immediately upon introduction of new Pydraul formulations. 12/31/71	1st Nov.
JNH	Condone use of present formulations until customers/distributors stocks are exhausted - do not accept return for credit.	Continuing
PJAM/JNH	? / Establish reclamation capability on the Continent by 1st July 1971.	31st Dec.

NON-ELECTRICAL AROCLOR (FLUIDS)

1969	Net Sales	$ 134 M
1970	Target	$ 150 M
1971	Tentative Budget	$ 200 M

DSO	only in UK With the exceptions indicated below, notify all customers by personal visit or letter no later then 15th July that we shall discontinue sales after 30th September.	15th July
DSO	11 Where possible, secure release from contracts without penalty by 30th September. Otherwise secure letter of indemnity from customer and continue supplying until contract expires.	15th July
JFC/JNH	Determine minimum time needed by Castrol and Shell to reformulate and qualify new formulations of their turbo oils. Continue supplying Aroclor 1254 until new formulations approved or until 1st July 1971, whichever is earlier.	15th July
JNH	Idendify customers using Aroclor in hydraulic fluids. Continue supplying until introduction of new Pydraul formulation and then give customers 90 days notice that sales will be discontinued.	1st Aug.

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NON-ELECTRICAL AROCLOR (FLUIDS) cont'd.

Responsibility:	Action:	Review/Target Date:
PJAM	Review Walkers agreement and submit recommendation for modification or re-negotiation - timetable dependent upon availability of new Pydraul formulations.	1st Nov.
JNH	Offer Santotherm 66 as the replacement for Aroclor in expansion devices, instruments etc.	1st Aug.
JNH	If technically feasible, offer Aroclor 1221/5460/TCB blends as substitutes for Aroclor 1242/48/54/60 in hydraulic formulations.	1st Nov.
JNH	Take back unopened Aroclor drums for full credit less 20 % handling charge and return freight. Take back scrap Aroclor for disposal at charge of 3¢/lb plus return freight.	1st Oct.

SANTOTHERM FR

1969	Net Sales	$ 91 M
1970	Target	$ 160 M
1971	Tentative Budget	$ 150 M

JNH	Identify application in every FR installation to segregate food and pharmaceutical applications from other uses by 30th June.	30th June
JNH	Advise all food and pharmaceutical users by 15th July that we shall discontinue sales by 30th September.	15th July
JNH	Try to convert food and pharmaceutical users to a non-FR Santotherm - take back FR charge at no cost and offer free replacement charge of Santotherm 55. NO X	15th July
DSC	Close loop in remaining FR installations by 31st December.	31st Dec.
JNH/JRF	St. Louis to send clear design guidance instructions for FR systems by 15th July.	15th July.
JNH/JNG	Advice on fluid handling and disposal to be included in operating instructions and leak identification tags now under preparation.	MONS 034243 1st Nov.

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SANTOTHERM FR cont'd.

Responsibility:	Action:	Review/Target Date:
PJAM	Encourage bulk deliveries (rented mild steel tote bins?) by bigger differentials.	1st Sept.
PJAM/JNH	Take over management of reclamation service from Daltons and, if necessary, establish new pricing.	1st Nov.
JNH	Accept return of unreclaimable material for disposal at a charge of 3c//lb plus return freight.	continuing
AEM	Establish returnable drum system in the UK.	1st Oct.
JNH/MR ?	Continue with leasing study to improve control over fluid usage.	1st Nov.
DSO	Advise all remaining FR customers by letter or personal visit on requirements for continued controlled use of Santotherm FR.	1st Nov.

Brussels,
June 5th, 1970
DSC/ls

DISTRIBUTION:
HH Dahlström, Brussels
RA Onians, Brussels
WB Papageorge, St. Louis
RJA Marsh, Brussels

MONS 034244