

Monsanto

2201

SHOWS MONSANTO
DECIDED NOT
TO USE DOW'S
LICENSED
METHOD

FROM (NAME & LOCATION) K. N. Kermes - B3SB

DATE March 8, 1976

SUBJECT DISCUSSIONS WITH DOW RE TECH.
FOR PURIFIED PENTACHLOROPHENOL

TO : H. H. Bible

We have reviewed the question raised by Dow with Mr. Hanley concerning licensing of Dow technology for purifying pentachlorophenol. We recommend that Monsanto does not contact Dow for discussions of a license for the following reasons:

1. The Medical Department has reaffirmed that they do not believe that the use of current penta phenol (Penta®) as a wood preservative constitutes an undue environmental risk. Monsanto presented this position at an industry meeting in December and recommended that sales be restricted to companies as adequate control due to the product.
2. Studies are incomplete of Penta and contained impurities. To date, impurities have not been shown to be carcinogenic. Tests are underway by contractors to the National Institute of Environmental Health Sciences. a. Dioxins are highly toxic, and this marked biological activity level makes them targets for critics of chemicals.

Medical is also not aware of any published reports indicating that Penta itself is carcinogenic. There has been one report of the occurrence of pentachlorophenol in human biological fluids and the author of that report has speculated that it may be carcinogenic.

3. Most important, we would not utilize a Dow license at this time, even if available on reasonable terms, because the Penta business can not support the added costs of additional processing. Any decision on redesigning our process and the viability of Penta to Monsanto long term will be made when the results of the cancer studies are available.
4. The EPA is fully aware of Dow's willingness to license their purification technology and of Monsanto's position that added investment cannot be economically justified. Producers, other than Dow, support our position. The EPA has submitted the question of toxicity to an advisory panel and no change in status quo is expected in the near future. An indication of Monsanto's interest in Dow's purification technology could conceivably be used by Dow to persuade EPA to adopt more rigid quality standards prior to completion of the cancer tests.

CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER.

0043405 PCP

C19459

Monsanto

2201

FROM (NAME & LOCATION) K. N. Kermes - B3SD

DATE March 8, 1976

CC: C. F. Callis
F. J. Fitzgerald
G. J. Levinskas

SUBJECT DISCUSSIONS WITH DOW RE TECHNOLOGY
FOR PURIFIED PENTACHLOROPHENOL

TO : H. H. Bible

We have reviewed the question raised by Dow with Mr. Hanley concerning licensing of Dow technology for purifying pentachlorophenol. We recommend that Monsanto does not contact Dow for discussions of a license for the following reasons:

1. The Medical Department has reaffirmed that they do not believe that the use of current pentachlorophenol (Penta®) as a wood preservative constitutes an undue environmental risk. Monsanto presented this position at an industry-EPA meeting last December and recommended sales be restricted to professional wood treating companies as adequate control due to the inherent toxicity of the product.
2. Studies are incomplete on the carcinogenicity of Penta and contained impurities. To date, the chlorinated dioxin impurities have not been shown to be carcinogenic. Tests on the dioxins are underway by contractors to the National Cancer Institute. Dioxins are highly toxic, and this marked biological activity at low level makes them targets for critics of chemicals.

Medical is also not aware of any published reports indicating that Penta itself is carcinogenic. There has been one report of the occurrence of pentachlorophenol in human biological fluids and the author of that report has speculated that it may be carcinogenic.

3. Most important, we would not utilize a Dow license at this time, even if available on reasonable terms, because the Penta business can not support the added costs of additional processing. Any decision on redesigning our process and the viability of Penta to Monsanto long term will be made when the results of the cancer studies are available.
4. The EPA is fully aware of Dow's willingness to license their purification technology and of Monsanto's position that added investment cannot be economically justified. Producers, other than Dow, support our position. The EPA has submitted the question of toxicity to an advisory panel and no change in status quo is expected in the near future. An indication of Monsanto's interest in Dow's purification technology could conceivably be used by Dow to persuade EPA to adopt more rigid quality standards prior to completion of the cancer tests.

CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER.

0043405 PCP

C19459

Although we do not recommend that Monsanto contact Dow at this time for discussions of a license of Dow technology for purification of penta-chlorophenol, it may be appropriate and constructive to explain our position to Dow management. I am not able to evaluate this approach since I am not fully aware of the nature of Mr. Hanley's discussions in which this subject arose. Dr. Callis or I would be happy to follow-through on this point with the appropriate people if that is deemed desirable.

KWK
K. W. Kermes

CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER.

0043406 PCP

C19460