September 24, 1976

PCB Q & A

(To be used in answering continental press queries following the October 4 US announcement and prior to a Monsanto Europe statement before the month-end)

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Q: What is the situation in Europe following the announcement by your parent Monsanto Company to stop PCB production next year?

A: Our European PCB plant is in the UK and about half of our European PCB customers are there. We are in the final phase of discussions with the British government and the electrical industry regarding the effect of this decision. It is hoped to be able to make a further statement before the end of October and, obviously the decision made will also affect our continental customers. We intend to ensure that users will be given a reasonable period to ensure continuity of PCB supply from other producers or to enable plans to be implemented for conversion to non-PCB containing products.

Q: Why is Monsanto pulling out when the recent OECD directive approved the use of PCBs in certain applications?

A: The OECD directive basically follows the line adopted by Monsanto some six years ago when we voluntarily restricted sales to capacitor and transformer applications where no alternative products were available. However, whilst approving the use of PCBs in certain applications, the directive does not protect a manufacturer from any claims arising from misuse. It has been shown that PCBs persist and accumulate in the environment and Monsanto's policy is not to market products that present a hazard to the environment after disposal.

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Q: What is the position regarding available alternative products?

A: As you may know, Monsanto has been working on an alternative product. The one which until a few months ago was thought to be a viable alternative - called MCS 1238 - has proven uncompetitive on a price performance basis. However, we believe the development of alternative products by other manufacturers has now reached the stage where Monsanto can implement its decision announced in January: to voluntarily cease all PCB production, as soon as possible, consistent with the ability of transformer and capacitor manufacturers to convert to viable alternate dielectric fluids.

In the interim it is our understanding that PCBs are available from other European producers.

Q: How many of your customers will be effected by this decision

A: We have less than 10 major continental customers for our Aroclor and Pyroclor products and about the same number in the UK.

Q: Will there be any redundancies at your Newport plant as a result of this decision?

A: Monsanto's Newport PCB unit employs less than 10 people and there will be no redundancies since these men will redeployed elsewhere at the location.

Approved by:
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