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Not Issued

ST. LOUIS, Feb. 00 -- Monsanto Company has announced that effective March 1, 1976, it will increase prices of its polychlorinated biphenyl (PCB) dielectric insulating fluids from 30 to 40 per cent, across the board. Monsanto markets PCB dielectrics to the electrical power supply industry under the Aroclor brand name.

In announcing the price increases, E. H. Harbison Jr., general manager of Monsanto's Specialty Chemials Division, said the move is designed to restore an acceptable profit level to PCBs as the company begins implementing the actions necessary to accomplish an orderly production phaseout of this product line, hopefully within 36 months. The company announced, just last month, that because of environmental concerns, it would voluntarily shut down its PCB manufacturing unit as soon as environmentally acceptable alternate products are available.

The Monsanto executive continued, "based on very good developmental progress with our alternate candidate, especially in the past few months, we can now confidently predict a complete and successful changeover to a non-PCB dielectric fluid for the capacitor segment of the industry within 12 to 18 months." He added, "development work on Monsanto's transformer fluid candidate is also proceeding on a satisfactory basis but we are not nearly as far along." He estimated that an orderly phaseout of PCB transformer fluids is some 24 to 36 months away.

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Another major reason for the price increase, cited by Mr. Harbison, is the continuing and escalating costs associated with administering and maintaining the restrictive measures, controls and monitoring programs necessary to effectively limit the entry of PCBs in the environment.

"Since 1970, when Monsanto began restricting the use of PCBs solely to closed electrical systems, the company has invested millions of dollars and thousands of man-hours to implement and maintain this ongoing environmental protection program. (We have now reached the point where the mounting expenses required of the program, coupled with the substantial write-off involved in orderly exiting the business, make it no longer possible for Monsanto to continue absorbing these costs alone." — carefully recorded!

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