Monsanto

FROM (NAME & LOCATION) W. A. Kuhn

DATE : January 21, 1969

SUBJECT : AROCLOR SOURCE OF SUPPLY

REFERENCE :

TO : D. A. Olson

cc: H. D. Harmon HHARM
[redacted] HBERG
P. G. Benignus PBENI

Attached is a copy of the information which I have sent to Howard Harmon for his profit analysis.

If the Japanese sales volume were to increase in advance of the prediction, the cost differential between MCL and Japan would narrow. Remember, however, that we own only 50% of the Japanese venture and 66.6% of MCL.

I have assumed that the preliminary freight rates supplied by you will not change. I have not added any possible import or other costs.

W. A. Kuhn

DSW 200072

IN-10 REV. 11-65

STLCOPCB4058136

1969

Aroclor 1242

	MCL		JAPAN
	Before June	After June	
Scheduled Bulk Cost	$9.178/100	8.455	13.93

Packaged cost will be $1.44 higher for both locations or:

10.588	9.865	15.34

As sales volume in Europe increases to maximum capacity (20M #/yr) MCL cost should drop to about:

9.160

Japanese cost is projected as follows:

	Bulk	Packaged
1969	13.93	15.43
1970	11.90	13.40
1971	9.93	11.43
1972	8.93	10.43
1973	8.15	9.65

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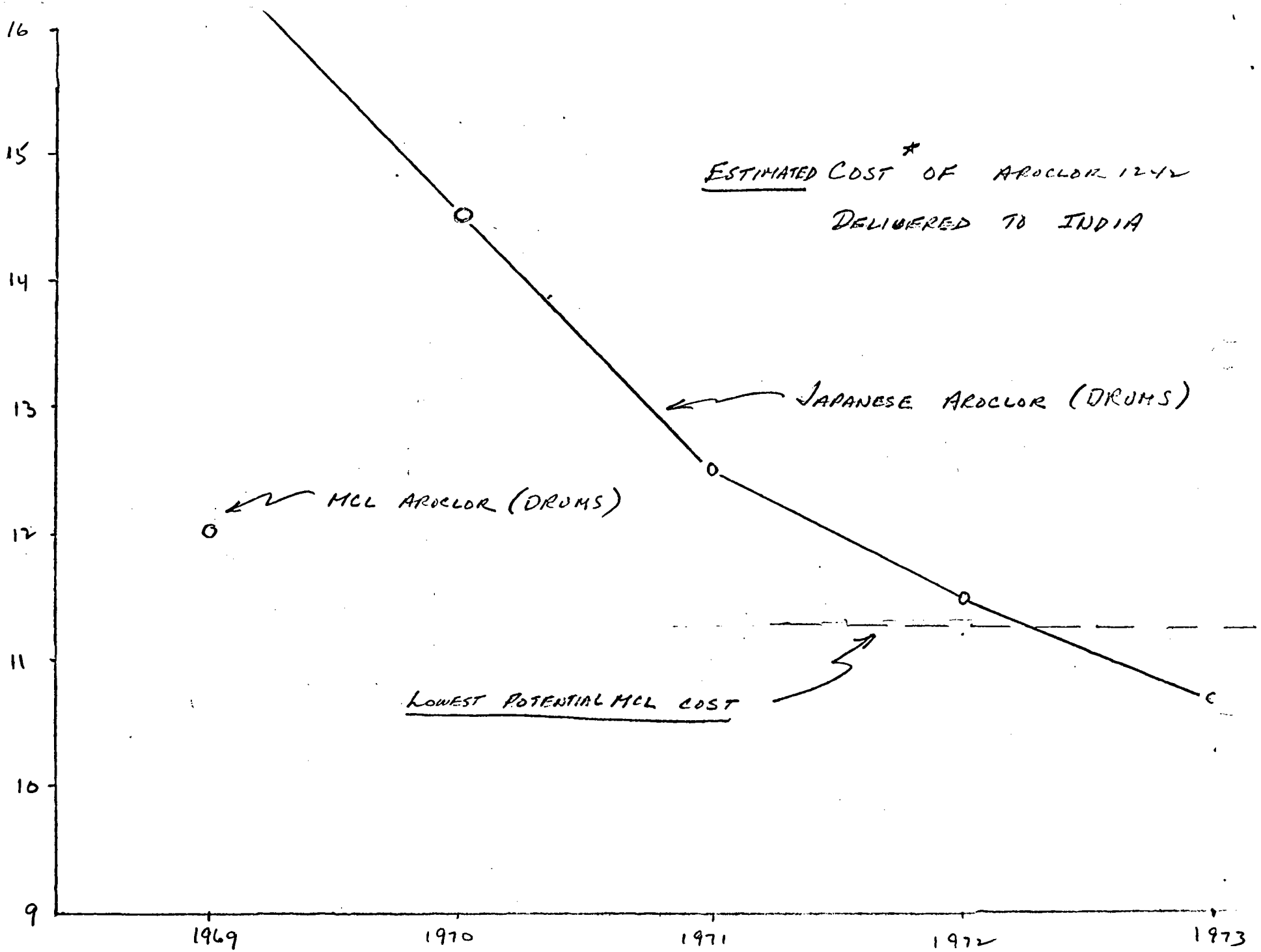

* Assuming freight from Japan is $1.11/ton, from MCL $2.16/ton

1/6/69

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