Monsanto

FROM (NAME & LOCATION) L. O. Raether - General Offices B3NB

DATE : September 5, 1972 CC:

SUBJECT : Monthly Summary
August, 1972.

REFERENCE

TO : R. W. Bucknell

Phosgard 2XC-20

	Shipments	Budget
Domestic	294,528	45,000
Export	106,210	1,000
Total	400,738	46,000

Customer order patterns are beginning to develop as auto assembly lines start up for the '73 models. In several cases, previous projected requirements have been decreased somewhat as foam suppliers jockey for their share of the market. In most cases, we have been able to place the "lost" volume at accounts where we have not been able to guarantee supply because of limited plant capacity. New "protected" customers include Sheller-Globe, International Foam and American Rubber and Plastics which account for about 380 M pounds of replaced volume.

A new and potentially serious competitive threat has arisen as several producers have announced a 10¢/lb. price decrease for T-23-P, a very efficient brominated phosphate. The previous delivered price of 85¢/lb. plus certain processing difficulties prevented wide acceptance of T-23-P in flexible urethanes. At the new price and with a reported 50-60% efficiency advantage for T-23-P, however, the threat is real and requires immediate attention on our part. We are in deepesttrouble right now with Allen Industries whose $560 M worth of flame retardant business in Compton, California is leaning strongly toward the T-23-P approach. Our first approach is to insure that the foam formulation is optimized for 2XC-20 which requires higher tin catalyst levels to achieve the best balance of properties along with highest flame retardant efficiency. Simultaneously, R&D will evaluate several additives which hopefully will serve to increase the flame retardant efficiency of 2XC-20.

Another new market appears to be developing in flame retardants for carburetor air filters. Higher under-hood temperatures along with unburned exhaust gas recycling dictates stringent non-flammability properties for the cellulosic dust filters. We are working with several accounts involved in this market with Phosgard/phosphate blends.

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Assessment of the European market potential for urethane flame retardants was conducted during the last two weeks. Demand in that world area along with projected market share will help dictate future actions in terms of additional production capacity.

Phosgard LSV

Two more favorable reports from initial sampling of this product are encouraging. UniRoyal reported LSV as the only smoke suppressant they have tested which caused anywhere near the effect they were looking for. In the meantime, Springfield is seriously considering a plant trial for a vinyl wall covering application as their customers interests in minimum smoke evolution becomes stronger.

A potential internal manufacturing capability has been uncovered in recently abandoned aspirin equipment at JFQ. A request for estimated manufacturing cost has been submitted.

Heavy Oxo Ends

All reports on this product are encouraging except the Booked Order Report. Reilly-Whimann a specialty surfactant manufacturer reports 1 of 4 customer approvals and is talking in terms of 4-6 $\overline{M}$ lbs./year of HOE in a textile finishing application. Another "serious interest" report has been received from a Florida specialty manufacturer who has a potential 3-4$\overline{M}$ lbs./year application in the phosphate mining industry.

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