

FROM (NAME & LOCATION) H. S. Bergen - St. Louis

DATE January 27, 1971

CC:

SUBJECT SPECIALTY PRODUCTS BUSINESS GROUP
1971 OBJECTIVES

REFERENCE

TO :

M. F. Baber	A. J. Lauck
E. P. Benzing	D. R. Miller
J. G. Bergomi	J. A. Mullendore
L. P. Bosanquet	R. H. Munch
C. L. Bradford	W. W. Overall
R. Davis	W. B. Papageorge
D. R. Dill	K. A. Pollart
J. R. Fallon	E. M. Potter
T. L. Gossage	W. R. Richard
J. F. Herber	J. R. Savage
N. T. Johnson	L. D. Shand
A. J. Koenig	D. L. Taylor
G. G. Kosup	Q. E. Thompson
R. M. Kountz	

Attached for your own personal file and guidance are the agreed to objectives for our 1971 objectives. These have now been reviewed with John Mason and he is in agreement with them. Your objectives should be supportive of these objectives.

There will be more specifics on this later, but we are working on a charter for the group and paramount among this is we will directly become a specialty chemical group and not just a conglomeration of fluids and paper chemicals. The Division is going to look greatly to our group for the big major new projects in the future for the Organic Division. This is Objective 2B under Growth. We obviously will continue our strengths and income from fluids and paper but the future projects need not be in these areas. This is the way H. Minckler and J. Mason want it, and I am sure your wishes as well. The other key point is that we must get the major job done and not spend time on small projects that will not pay off. Selectivity and priority of effort must constantly be watched by all of us.

Achieving these objectives will not be easy and will require combined team effort to do it. We have the people and ability and I know we can achieve these objectives.

You will want to review these with the people that report to you so they will have full knowledge of our business objectives.


HOWARD S. BERGEN

ms

Enclosure

DSW 333151

SPECIALTY PRODUCTS BUSINESS GROUP

1971 OBJECTIVES

I. PROFIT

- A. In spite of the continuing Aroclor and newly cited pentachlorophenol environmental threat to customer sales, achieve worldwide sales and operating income budget.
- B. Achieve the 1971 Monsanto-Emery budget as measured by the volume and net transfer cost of rosin to Monsanto.
- C. Improve total Aviation Products ROI to at least 5% and retain a Skydrol ROI of at least 8%.
- D. Achieve the start-up of E/VCl on time and for 15% less than the start-up budget.

II. GROWTH

- A. For short term growth, we will:
 - Sell E/VCl latices at the volume and price projected in the Project Appropriation Request.
 - Gain customer acceptance of new NC phosphate ester and sell or use in blends 200 M pounds.
 - Develop total product strategy for diphenyl oxide and obtain management appropriation request approval and begin plan construction.
 - Santomelt - gain customer acceptance, sell \$150 M, complete formamide manufacturing process study and develop total product strategy.
 - Synthetic Hydrocarbon - identify market opportunity affording viable business within maximum 3 years, complete product strategy, sell \$100 M/year rate in 4th quarter.
 - Encapsulants - Finalize 3-5 agreement with NCR for MIPB, complete and obtain approval on long term manufacturing strategy.
 - Finalize and gain customer acceptance for MCS 1016 and define and develop a new high DK material for future use.

DSW 333152

STLCOPCB4079729

B. For longer term growth and diversification identify, recommend and gain management acceptance for:

- Long range development activity in 2 new areas that offer minimum \$10 M sales each by 1980.
- A key diversification through external business arrangement, and complete steps required to allow implementation in 1972.

III. PEOPLE

All aspects of the Organic management system will continue to be implemented with specific emphasis on: performance vs. objectives; effective organization; and personnel development, motivation and training. A primary objective will be to learn to operate our business effectively under the recent reorganization.

IV. ORGANIZATION

- Organize to accomplish business group goals and objectives and optimize our ability to meet customer needs.
- Establish control system to manage distribution costs (6/71), inventories and account receivables of the business group (3/71).

V. IMAGE

Project an image of:

- Flexibility and capability to handle business situations effectively with urgency and "can do attitude".
- A growth oriented group worth investing further resources and with above average levels of profitability.

VI. ECOLOGY

1. Manage our PCB environmental program to minimize chances of further harmful contamination and to protect against exposure of Monsanto to major financial losses or deterioration of Corporate image.
2. Lead other PCB producers by maintaining a responsible PCB business posture worldwide.
3. Manage the pentachlorophenol environmental threat in a responsive manner with other co-producers and control or legislative groups.

DSW 333153