

# Monsanto

FROM (NAME & LOCATION)

R. Murph Jones - G-5-N

DATE

February 15, 1971

CC

Messrs.

SUBJECT

MCS 1016 (Aroclor) Distillation

R. C. Hollwig

J. K. Miller

REFERENCE

WGK Plant

D. E. Ralston

N. V. Wood

TO

Mr. J. R. Savage

**COMPANY CONFIDENTIAL**

Following are comments of the finance staff for inclusion in the referenced appropriation request:

"The present project provides distillation equipment to produce a new product (MCS 1016) designed to provide a composition giving a ten-fold reduction in potential for entry of polychlorinated biphenyls into the environment upon scrapping electrical capacitors. This project is a part of Monsanto's overall plan to reduce threats to the ecology from the Aroclors. The measures provided by this project are believed to be adequate for the present since biodegradation studies to date are reassuring. However, the request recognizes the possibility that these efforts may not be sufficient to allay the concerns of outside groups and agencies. The new system allows for this by providing design capability for a second generation product, further reducing environmental persistence, but such a product would require redesign of customer's capacitors.

"Consideration was given to abandoning the capacitor Aroclor business but that approach was rejected since the electrical industry has no viable alternative capacitor fluid. Monsanto's strategy is to show leadership in developing fluids free of ecological implications. The product line is budgeted for an ROI of 10.8% in 1971, which compares with 7.4% ROI in 1969, the last full year free of the impact of the PCB problem.

"There are no unusual Treasury, Accounting or Tax Department problems anticipated in connection with this project."

*R. Murph Jones*  
R. Murph Jones

RMJ/meb

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