St. Louis - General Offices

September 14, 1970

PCB'S REVIEW WITH CMC

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9/16/70

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Performance against the PCB plan was reviewed with the CMC today. Overall the committee was satisfied with the progress which has been made and complimented the various departments in the Division who have been involved in the action. However, it was emphasized that we must continue to emphasize to all remaining users of PCB's the importance of preventing escape to the environment and we must ensure that these warnings are fully documented so that they will support the action we have taken in this area should we become involved in legal actions.

Two variances from the original plan were requested and approved:

1. NCR - As the customer has proved unwilling to commit himself to a take or pay contract, it was agreed that we can go ahead on the basis of producing MIPB in existing equipment or using toll manufacturing facilities ensuring that a satisfactory level of profitability is maintained. The emphasis here was to phase 1242 out of NCR formulations as soon as possible.

2. It was recognized that good progress is being made in reformulating industrial/hydraulic fluids and that it was not easy to completely replace PCB's with alternate material. In view of the progress made, an extension of a further three months (i.e. end first quarter 1971) was granted to enable us to reformulate those products still containing Aroclor 1242. It was emphasized, however, that this would be the last extension granted and if we are not successful in reformulating, it will be necessary to discontinue the business inspite of the significant gross profit involved.

John Mason

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