

Monsanto

FROM

R. L. Bourget

cc:

DATE

October 23, 1973

SUBJECT

VINYL NEWSLETTER

REFERENCE

TO

Department 80 Personnel

File PVC

The demand for PVC resin, both Suspension and Paste, is at an all-time high. As you have read in the newspapers, many marginal users of plastic resins have been forced to shut down for lack of resin. The shortage of resin is expected to continue as far into the future as anyone cares to project—at least through 1974.

Our Borden agreement so far is working smoothly. Since the agreement became effective in February, our performance on goods delivery versus our commitment has been as follows:

	<u>Commitment</u>	<u>Actual</u>	<u>Difference</u>
Paste, pounds	17,500,000	17,504,374	+4,374
Suspension, pounds	25,083,334	23,419,280	-1,664,054

Paste is right on target but Suspension is behind by over one million pounds! Borden has, at least up to the present, not complained seriously about this shortfall but we must try to improve suspension output particularly. No inventories are available—as it is made, it is sold.

The current raw material shortages plaguing the nation's industry have not left PVC untouched. While we are fortunate to have sufficient monomer, several other items in short supply are causing us some concern. The items are THF, lauric acid (Neofat) and paste resin bags.

DuPont, our THF supplier, has advised us that only two trucks between now and the end of the year will be available. At our current usage rate this is not enough and we must do everything possible to conserve this material. An alternate approach to solvent flushing is being developed. We plan to evaluate some off-grade lauric acid before the month is over since this is all that is claimed available before January. If it doesn't work, Opalon 440 and R-1069 production will be delayed. Bags for paste resin are tight but we do have a large inventory of smaller paste bags that, hopefully, we can use on some products to relieve this shortage. We will keep you posted.

RLB

R. L. Bourget

/m

RSV0024917

Monsanto

FROM C. D. Riggs
DATE October 24, 1973
SUBJECT
REFERENCE
TO 88 Bldg. Personnel

CC: D. Hite
R. Jeannotte
P. Kittridge
D. Moorhouse
J. Taylor
S. Zaleski

As you know, we have been running short on THF for quite some time. Because of a supply shortage, combined with high demand there just simply is very little THF available. For this reason we do not have enough THF to continue solvent flushing.

As an alternate to solvent flushing, we will be water hosing after each batch and hand cleaning kettles more frequently. This approach should give us resin with low enough fisheyes to meet customer requirements. We will not consistently be making 0 to 5 fisheye resin as we have been accustomed, but we still should be able to make acceptable material.

The key to being able to keep the fisheyes down is going to be how thoroughly we can hose down and dump out each kettle. Every bit of loose resin must be washed out of the kettle if we are going to make good product. I know that you AKO's especially will do the best job possible.

Currently, plans are to continue this procedure for approximately 2 weeks. We may or may not solvent flush after that time, depending on when and how much solvent is available.

After a period of time when quality was so good that we were taking it for granted, we are back to a situation where it is of prime concern. Our ability to make acceptable product will directly affect our relations with Borden. Let's do our best to give them product which will keep them satisfied with our business.


C. D. Riggs

/m