Monsanto

G. F. Barton - BlND

March 24, 1977

SUBJECT: LICENSING OF DIELECTRIC FLUID TECHNOLOGY

REFERENCE:

TO: F. J. Fitzgerald
L. A. Miller

cc: J. A. Alley
J. K. Clark
W. R. Corey
D. Danna
W. H. Duffey
R. C. Isham
E. T. Mollica
C. Paton
D. Wood

COMPANY CONFIDENTIAL

Attached is a proposed press release concerning the Electrical Utilities Co.'s (EUC) licensing of 1588 from Monsanto Co. EUC is seeking Monsanto's approval of the press release text. With your concurrence, the release would be issued by EUC upon the successful completion of a licensing agreement.

This draft has already been reviewed with D. Danna and [redacted] in the Patent Dept. and J. A. Alley and D. Wood in the product group.

Also attached is a draft preparedness Q&A relating to the EUC news release. The Q&A sheet will be retained by Monsanto and used only in response to possible press queries.

G. F. Barton

GFB:smt

Att.

0501593

EX P-3220
Page 1 of 4

FOR IMMEDIATE RELEASE

LASALLE, ILL. -- The Electrical Utilities Co., a manufacturer of oil-filled capacitors, has concluded a licensing agreement with Monsanto Company, St. Louis, Missouri, for a non-PCB capacitor impregnant. The license covers the technology and manufacturing processes necessary for the production of this fluid. This impregnant, which has the EUC tradename EUCANON-4™ is designed to replace PCB (polychlorinated biphenyl) impregnants whose use in the manufacture of capacitors will be totally banned in the U.S. by mid-1979.

According to Electrical Utilities' president, Richard L. Hauser, EUCANON-4 capacitor impregnant is the result of research by Monsanto and continued development by EUC. EUCANON-4 offers significant advantages in both capacitor case height and in higher temperature applications over the non-PCB impregnants being offered by the capacitor industry presently.

EUCANON-4 impregnated capacitors are expected to be suitable as replacements for PCB impregnated capacitors in all applications where PCB impregnated capacitors are presently in use. EUCANON-4 impregnated capacitors are available now in sample and field testing application quantities. Production quantities are expected to be available by mid-April, 1977.

-o0o-

DRAFT

PROPOSED RESPONSES TO POSSIBLE QUESTIONS ARISING
FROM ELECTRICAL UTILITIES COMPANY NEWS RELEASE ANNOUNCING
LICENSING OF MONSANTO'S TECHNOLOGY

Q: Is Monsanto actively seeking licencees for its non-PCB dielectric fluid technology?

A: No, Monsanto is not seeking licencees for its dielectric technology. The licensing agreement announcement by EUC was the result of an approach by that firm to Monsanto.

Q: Is the Monsanto/EUC agreement an exclusive license?

A: Monsanto's agreement with EUC is a non-exclusive, non-transferrable license for that firm to use Monsanto patents and technical knowhow to produce, use and market a product trademarked by EUC as EUCANON-4™.

Q: Monsanto had been working on at least two dielectric candidates to replace fluid containing chlorinated biphenyls -- MCS 1238 and MCS 1588. Does the technology agreement with EUC involve either of these fluids?

A: The technology involved in the agreement was developed as part of Monsanto's research work on MCS 1588.

Q: Does Monsanto have any plans to market a non-PCB dielectric fluid in the future?

A: Monsanto shelved its development work on environmentally compatible replacements for PCB dielectric materials in early 1976. This decision was based on the electrical industries apparent decision to adopt existing commodity-type compounds to their dielectric needs. There are currently no plans to reestablish development work in this area.

Q: What were the financial terms of the licensing agreement?

A: This information is considered proprietary.

Q: Can you tell me how effective EUCANON-4 is?

A: You should contact Electrical Utilities Company for information concerning capacitor performance.

Q: Does the Monsanto/EUC license agreement involve patented technology?

A: The agreement does include patented technology.

Q: Has safety testing been completed on this PCB replacement product?

A: The information which we developed has been shared with EUC. As we have indicated, EUC is continuing product development including any additional safety tests that may be required.

-o0o-