



FROM (NAME & LOCATION) Mr. J. R. Eck - World Headquarters

DATE February 5, 1973

CC

SUBJECT

REFERENCE

TO : MP&P Management

CONFIDENTIAL

Last Friday we notified U.S. customers of a change in our polyvinyl chloride strategy. Affected employees at Springfield were also contacted. I would like to give you a summary of this information. This is for your internal use only.

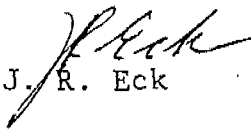
As part of its long-range planning, MP&P had decided to withdraw from the U.S. vinyl plastics business. Our participation in this market is increasingly small. Also, we ended our manufacture of vinyl chloride monomer, the raw material, several years ago.

On February 1, we signed an agreement with Borden, Inc., whereby they are licensing our polyvinyl chloride patents and technology. Borden also signed a sales agreement for the purchase of all PVC resins made at Springfield.

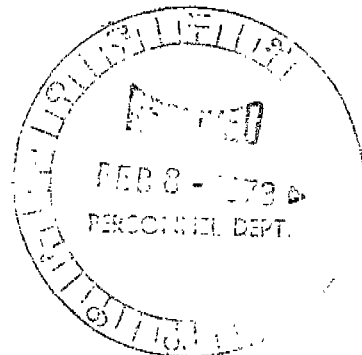
We are withdrawing from the PVC film and compound business around July 1. This means two production units at Springfield will be shut down.

These decisions have no effect on Monsanto's PVC operations outside the United States -- which are considerably larger.

Let me emphasize that MP&P is not withdrawing from the plastics business. We believe better opportunities exist in several other areas -- such as polystyrene and ABS. You will be reading more about our plans here during 1973.


J. R. Eck

JRE:mw



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*Article from Feb '72
Goodyear House Organ*

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*P.S. Bureau
J.B.*



Vinyl plant's problems discussed

Discussions on serious economic problems facing vinyl operations are being held between Goodyear Aerospace management and union officials.

The problems center on high costs caused by a combination of work practices, and relatively high wages and benefits that prevent the plant from being competitive, according to Thomas W. Leary, manager, vinyl factory operations, and Donald R. Ebner, GAC personnel manager.

Leary and Ebner are the chief spokesmen for GAC in the meetings that have been held to review the vinyl business since the current working agreement was signed in 1969 with Local 856, United Auto Workers. The agreement expires March 1.

Union officials at the meetings have been C. E. Allen, president of Local 853, United Auto Workers; Charles Warner, UAW international representative; and Roy Walker, chairman, union bargaining committee, and his committee members.

"Competition is the toughest it has ever been in the flooring, plastic sheeting and packaging film markets," Leary said. "We must make improvements in Plant B in order to assure any worthwhile degree of job security for our people." The plant has 466 employees.

The company has examined all elements of the business to seek ways of improving profitability, which has declined substantially.

Since 1964 when the first vinyl agreement was signed, more than \$6.9 million has been invested in modernization and new equipment at Plant B to increase productivity and improve product quality, Leary said. Of this sum, \$1.2 million has been spent in the past three years.

"The return on this investment has continued to decline," Leary said. "Since 1969 our costs have climbed tremendously. Our payroll has gone from \$4.4 million to \$5.2 million. Hourly wage rates have increased by 30 per cent and employee benefits are up nearly 50 per cent."

He said a recent survey showed that GAC pays 20 per cent higher wages than the average of its competitors.

"Our vinyl operations are part of the vinyl plastics industry even though the products are manufactured by aerospace employees," he noted. The products are marketed through Goodyear's Films and Flooring Division.

"Our wages, benefits and other costs must be competitive with those in the plastics industry and not in the aerospace, automotive or tire industry," Leary said.

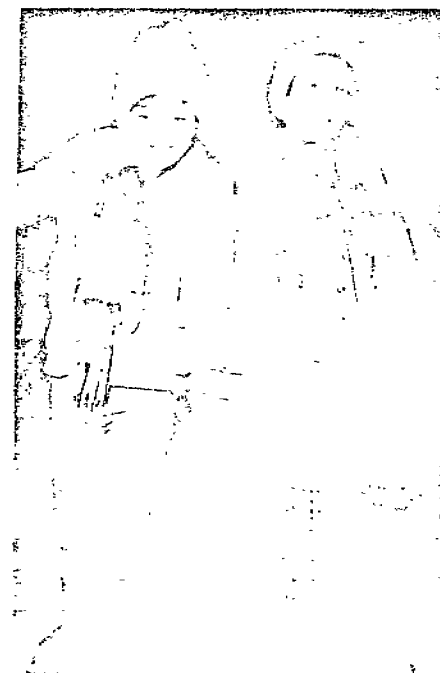
Squad Alumni slate membership drive

A membership drive for the Goodyear Squadron Alumni Club will start Feb. 18 at 7 p.m. with a smoker at the American Legion Post 209, 106 S. Arlington St.

"Our officers and trustees are looking for new members and former members who haven't renewed their memberships this year," commented Chuck Enix, club president.

"Members are eligible to participate in all of our annual events, which this year will include the alumni smoker this month, an election dinner in April, a family picnic in August, a fall reunion in September and a Christmas dinner-dance in December," he explained.

Membership dues are \$2 and can be purchased or renewed by contacting any of the club officers or trustees. For further information, call Karlen Kasper at



skating twins

Most grown-ups react to a February cold wave by turning on the television and moving closer to the fire, but last week's cold snap only gave John and Jennifer Port extra energy for skating on Silver Lake. The nine-year-old twins are the children of Mr. and Mrs. Ernest Port of Silver Lake. Port is a group leader in manufacturing engine ring at

(EDITOR'S NOTE: This column is provided to answer your questions about the hospital-medical-surgical program, prescription drug plan, life insurance and other survivor benefits, retirement plans, Social Security, vacation pay and other benefits. Questions must be in writing, but it is not necessary to sign your name. However, it is advisable to provide a name and address or department number to insure an answer. If the question cannot be answered in print, it will be answered by a personal letter. All names will be kept confidential.)

Q. Next year, I'll be 62. If I retire then, how much will I collect from Social

5/1/72

Homopolymers is done
Route - ~~type~~
is old ~~ends~~ in changed selling pattern
and ~~new~~ pattern

For Company Plants in Akron

BFG Workers Okay Jobs-Saving Plan

AKRON—More evidence that unions and managements in the rubber industry here are beginning to cooperate in facing mutual problems emerged Sunday, April 9, when rubber workers in B.F. Goodrich Akron plants voted overwhelmingly in favor of a five-point jobs-saving program.

The BFG workers, members of Local 5 of the United Rubber Workers, voted 1117-277 to accept the five-point program which the company and Local 5 leaders hope will help BFG Akron plants become more competitive and thereby halt job losses here.

The vote by BFG workers was the second in Akron within a month in which a rubber company local balloted in favor of a "jobs-saving" program. Firestone workers last month also voted overwhelmingly for a similar program. Meanwhile, Goodyear and URW Local 2 are discussing a similar program.

Four of the points approved by BFG's workers are revisions within the Local's supplemental, in-plant working conditions and won't require further action. They are:

- That divisions within the plant, especially engineering, be streamlined by combining some job classifications, work areas and assignments within those areas. This will provide the company with greater flexibility in making job assignments and reduce lost time by minimizing workers' movements.

- Modification of some of the provisions in the seniority system.

- That any plant shutdown of not more than two weeks' length be counted as vacation time, if the shutdown occurs in June, July or August. This applies to shutdown down to the departmental level.

- Conversion from the current cash method of wage payment to check.

THE FIFTH proposal, which calls for a three-month period to review and revise

incentive labor standards, is a master contract item. It will require ratification of at least four of the URW's eight other locals even though the change will apply only to Local 5.

Harry B. Warner, BFG president, said his company was "pleased and encouraged by the responsible decision reached by members of Local 5. Their vote recognizes an urgent need to take new and unusual measures to improve the competitive position of BFG Akron plants."

"By its vote," Warner continued, "the membership endorsed a positive program proposed with the sole purpose of saving jobs in Akron. The company supports this goal and will cooperate to the fullest extent, consistent with economic realities, to work toward the same objective."

He went on to say that "We cannot expect that the result of the vote, of itself, will bring about conditions leading to an immediate correction of the decline in employment at the Akron facilities of BFG. There is no instant cure-all. We

can expect, however, that the attitude expressed in this vote will become a vital factor in slowing the decline, in turning the situation around and leading to eventual stabilization of job opportunities."

Warner added that "Today the future of Akron manufacturing operations of BFG can be viewed with more optimism than at any time in the recent past."

GEORGE CUNNINGHAM, president of Local 5, indicated he was pleased with the 5 to 1 margin of victory, adding that "If this doesn't make Akron competitive, nothing will. We've given them everything we could. They can't ask for more."

At the meeting, Cunningham expressed disappointment at the small turnout. The local has 3,600 members, but only 1,439 showed up for the balloting at Akron University.

"With all the publicity this has received and with all the talk that has been going on in the plant, I can't understand it," Cunningham said. "I can't believe so few

were concerned with decisions that had to be made today."

Cunningham also said that during the negotiations that led to the vote, the local had tried continually to get some type of a commitment or guarantee if it accepted the proposals.

"Finally, late Friday (April 7) we got something from the company which gives us a ray of hope," he said. "They say they are planning an expansion of the radial tire production and will include us, with a substantial investment being made in the Akron tire plant."

"It's a heckuva decision for us to stand up here and ask for these changes. But our situation is serious, and we're not kidding you."

According to the Area Progress Board here, Akron has been losing an average of 1,000 rubber-related jobs a year for more than a decade. In the last 13 months, Local 5's membership has dropped by 800, with an additional 450 workers laid off.

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A few minutes matching ideas with your Columbian Technical Services Representative can be worth many hours of independent work. Call him next time you're faced with questions involving carbon black applications. His insight is one more reason why you stay ahead when you deal with Cities Service.

They Nixed BFG Plan at Plant In Clarksville

AKRON—In pointing out the seriousness of the B.F. Goodrich jobs-saving program in Akron, George Cunningham, president of URW Local 5, compared the situation in Akron with that of BFG's shoe products plant in Clarksville, Tenn., which the company announced it would phase out by mid-1972 for economic reasons.

"We could have taken the position they (the workers) took in Clarksville," Cunningham said. "Goodrich let them know what was needed to save that plant, but the membership followed the recommendation of their officials and voted against such action."

"The very next day, the company withdrew their proposals and announced the plant would shut down. Then they realized BFG wasn't kidding and the people got concerned. They asked their leaders to go back to the company and plead for reconsideration."

"One of their officials (union) told me: 'We made the wrong decision,' but they realized it too late and now there's no hope for Clarksville."

"This is the type of decision facing us and what we do, it's for all of us," Cunningham told Local 5 members.

BFG has since agreed in principle to sell the assets of the Clarksville plant to Vulcan Corp. of Cincinnati.

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