11/20/75

MONSANTO PCB POSITION PAPER

1. The Problem

The possible, but as yet unproven, toxic - carcinogenic effects of PCB's is perceived as so great by segments of the government, environmentalists and the public that Monsanto, as the sole US supplier, must choose an alternative to its current posture of continued production with limited distribution.

2. Background

a. Monsanto is the only known US producer of polychlorinated biphenyls (PCB's) which we have supplied to the domestic market place for some 45 years.

b. We are one of several European producers.

c. Our world-wide sales peaked at over 90M pounds in 1970 and today are roughly half that volume after our voluntary withdrawal in 1972-73 from all but sealed electrical equipment applications in transformers and capacitors.

d. Additionally, we introduced lower chlorinated homologs which are more rapidly biodegradable plus an incineration service for liquid PCB wastes.

e. Since the late 1960's, PCB's have been the subject of mounting scientific and governmental attention and concern due to their continued presence in the environment and reports of toxicity effects in test animals including interruptions in their reproductive system.

f. Monsanto initiated feeding studies with Industrial Bio-Test which have concluded PCB's to be non-carcinogenic.

g. A feeding study recently concluded by a government researcher claimed apparent liver cancer resulting from PCB's -- an opinion which is not agreed to by at least one other expert in the field observing the same results.

h. The EPA, several large midwestern states, plus New York State are most concerned about the relatively high PCB level observed in fish. Some informed observers also feel the EPA is attempting to use the PCB issue as an example to illustrate their stated need for a strong toxic substances control act.

3. Potential Impact on Monsanto

a. Image

b. Financial

c. Customer Relations

4. Potential Impact on our Customers

5. Major Alternatives Open to Monsanto

6. Specialty Chemicals Division Plans

We are proceeding to resolve the problem and recommend a PCB Program to the corporation by taking the following actions:

a.

7. Status of Monsanto's Alternate Products

Two replacement programs are under way.

a. Our major program is to successfully develop economical, non-PCB replacement fluids possessing

b. As an interim step, reduced chlorine containing PCB's which are more readily biodegradable

c. (This point is not nearly developed fully enough in the text.)