

PVC Industry Would Collapse At Zero-VCM Work Standard, Study by Foster Snell Claims

A vinyl chloride monomer standard that sets the ceiling at a "no detectable" level for the workplace as proposed by Occupational Health & Safety Administration would mean a complete shut-down of the polyvinyl chloride industry and would take a heavy toll of the monomer producers as well.

This was reported to OSHA in an extensive study of the economic impact of proposed standards for VCM in the workplace made by Foster D. Snell, Inc., for the Department of Labor.

The study became available only last week (Wednesday, August 28) and interested parties have only until Friday (September 6) to file comments.

According to the report, there are nine companies operating fourteen VCM plants and employing about 940 workers that will produce about 5,225 million pounds of VCM for conversion into PVC in 1974 and 1975.

Twenty-one companies operate thirty-six

major PVC plants employing about 5,000 workers. These plants have a nameplate capacity of 5.4 billion pounds per year and over 1.9 billion pounds of new capacity is scheduled over the next two years. Fifty-eight percent of the PVC plants are ten years old or older.

IMPACT QUANTIFIED

The report shows that the estimated economic impact of standards for VCM for the monomer industry would range from 0.673 cents per pound to meet a fifty parts per million standard ceiling, to 0.42 cents per pound to meet a ceiling of less than ten ppm.

All nine producers of VCM can meet the current fifty-ppm standard, the report shows, but if the ceiling is reduced to twenty-five ppm, only 5 percent of the industry capacity could meet it this year, or one plant. It would take the other eight plants until 1976 to meet the twenty-five-

Continued on Page 15

HEW's Weinberger Orders Investigation Into FDA 'Policies'

A top level investigation of charges of harassment by FDA management of its medical officers making unfavorable reports on new drug applications has been ordered by Secretary of Health, Education & Welfare, Casper W. Weinberger.

Billed as a "full review of the procedures and practices by which the Food & Drug Administration evaluates the safety and effectiveness of new drugs," the investigation was requested by FDA Commissioner Alexander Schmidt.

The investigation will be made by a panel of six members - three from government outside the FDA, and three non-government experts. The inquiry is expected to take six months. Dr. Theodore Cooper, Deputy Assistant Secretary for Health, and former head of the National Heart & Lung Institute of the National Institutes of Health, will head the investigatory group.

Charges of industry favoritism, improper administrative practices, and harassment of employees were leveled at FDA management at recent hearings by the Kennedy Health Subcommittee of the Senate investigating the pharmaceutical industry.

"These are disturbing charges which

Continued on Page 13

Bayer's Chief Foresees World Economy Slowing

Dr. Herbert Grunewald, the newly appointed main board chairman of Farbenfabriken Bayer AG, Leverkusen, Germany, says the company expects to see a slight downturn in world economic activity in the fall of 1974, accompanied by increased competition from both US and Japanese industry.

He is concerned that balance of payments problems may lead to increasing

Continued on Page 23

SANDOZ EXECUTIVE VP: Fred Meyer, who has been appointed executive vice-president of finance and corporate operations at Sandoz, Inc.

UCC Liquid Gas Plant Set for North Carolina

Plans for the construction of a multi-million dollar air separation plant near Wilmington, N.C., are disclosed by Union Carbide Corporation. The highly automated plant will be operated by the firm's Linde Division.

The cryogenic air separation facility, reportedly the first such plant in North Carolina, is designed to produce 170 tons a day of high-purity liquid oxygen, nitrogen and argon, as well as gaseous oxygen and nitrogen.

The facility is expected to be in operation by the fourth quarter of 1975.

North and South Carolina are rapidly growing areas for oxygen, nitrogen and argon in such industries as chemicals, synthetic textiles, pharmaceuticals and food processing; carbide points out.

Isoprene Site Acquired By Goodyear, Michelin

Europe's DCPD Markets

Ethylidene norbornene (ENB) markets in European synthetic rubber production have a projected growth of about 30 percent annually through 1978, according to a multi-client survey of European dicyclopentadiene (DCPD) markets, by Eldib Engineering & Research, Inc.

Significant possibilities for synthetic wood rosin and changes in European pesticide markets are highlighted in a 240-page report, "European Market Survey on Dicyclopentadiene and Its Products" which includes directories of DCPD consumers and details on demand and consumption of DCPD in such apparently diverse industries as polyesters, flame retardants, hydrocarbon resins, varnishes, lacquers, pharmaceuticals and specialty chemicals.

Manufacturers of EPDM, the leading commercial rubber based on ENB or its

precursor DCPD, for the first time are seriously considering building European plants to produce ENB, the study says. The company, expects ENB consumption to increase 300 percent by 1978.

Although Europe has an increasing demand for pesticides, polychlorocyclopentadiene pesticides have come under environmentalist attack.

Italy, Europe's largest consumer of such pesticides, will phase them out by 1975. Consequently, Eldib sees DCPD use in the European pesticide industry dropping to less than 25 percent of the 1973 level.

Dr. I. A. Eldib, president of the company, says "aldrin and dieldrin are not the only pesticides using DCPD, and I expect non-persistent DCPD-pesticides to recover most of this market."

Continued on Page 14

PVC Industry Standard

Continued from Page 5

ppm standard. At ten ppm, only five plants could meet the standard by 1977.

Based on a sample survey, the report said, 42 percent of the industry capacity would be endangered at a ceiling of ten ppm.

The impact on the PVC plants range

from 0.72 cents a pound to meet the fifty-ppm ceiling to 2.73 cents a pound to meet a ceiling of twenty-five ppm of VCM. The report added that increasingly strict VCM compliance requirements would be expected to result in significantly greater price escalation for PVC than for VCM.

However, it was added, PVC prices are estimated to be reasonable through a twenty-five-ppm ceiling since only 9 percent of the supplies would be affected; that

is, a 9 percent expected reduction in supply is claimed in the industry sample.

An 8-cents-per-pound price for PVC with the ceiling at less than ten ppm was viewed as being on the low side since the industry claimed that 42 percent of the capacity would possibly be lost as a result of this standard. A ceiling of twenty-five ppm would endanger 31 percent to 100 percent of industry capacity, it was stated.

Carbide Awards Contract For Taft Expansion Job

Fluor Corporation will be the overall engineering coordinator for a \$270 million expansion of Union Carbide Corporation's Taft, La., chemical complex (CMR, 8-19-74, Pg. 3).

The expansion will more than double ethylene capacity at the site to 1 billion pounds.

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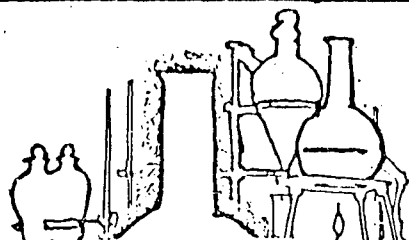
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Advertiser's Index

A-1 Equipment & Chemical Co.	39
A.I.D. Chemical Co., Inc.	42
Aaron Equipment Company Division, Arco, Inc.	46
Ajinomoto Company of New York, Inc.	20
American Bio-Synthetic	20
American Tartars Corporation	15
Arapahoe Chemicals Division, Syntex Corporation	11
Arma Chemicals Division	2
Arnold-Howman Co.	36
Ashland Chemical Company	10, 12
Basic Chemicals	21
Bayside Research Corp.	44
Bethlehem Steel Corporation	13
Stanley Blackman Labs. Inc.	19
Borg-Warner Corp.	25
Brill Equipment Company	43
CPS Chemical Co.	46
Chemicals Division, Diamond Shamrock Chemical Co.	15
Chemelcon Inorganic Division, Chemelcon Corporation	47
Chemical & Process Machinery Corp.	42
Chem-Oil Equipment Corp.	39
Concord Chemical Company, Inc.	48
Darling & Company	22
Davies Nitrite Co., Incorporated	15
Dow Chemical USA	6
EM Laboratories, Inc.	18
Energia & Industrias Anagonesos, SA	13
Equipment Equities Corp.	35
Essex Chemical Corporation	12
Exxon Chemical Co., U.S.A.	19, 23, 24
Federal Machinery & Equipment Co.	41
Filo Color & Chem	10
Fine Organics, Inc.	20
Footle Mineral Co.	14
Gallard-Schlesinger Chemical Mfg. Corp.	19
Gelb, R., & Sons, Inc.	43
Glidden Organics International Division, SCM Corporation	27
Glyco Chemicals, Inc.	22
H & P Equipment Co., Inc.	39
Harshaw Chemical Company Division, The Kewanee Oil Company	15
Heico Inc.	10
Hercules Incorporated	1
A.F. Holman Boiler Wks.	39
Humko Chemical Division	23
Independence Chemical Co.	45
International Casein Corp.	24
Jones Chemicals, Inc.	15
Knoll Fine Chemicals, Inc.	19
Kuehne Chemical Company	48
Lawler Company	39
Lindau Chemicals Inc.	24
Machinery & Equipment Corp.	41
Machinery Reserve of Denver	39
McKesson Chemical Company	1
Mallinckrodt Chemical Works	29
Mayco Oil and Chemical Co., Inc.	23
Meer Corporation	48
Hugh J. Meitner & Associates, Inc.	20
Missouri Pacific RR	26
Montedison Sales	24
Morgan Chemicals Inc.	24
Napp Chemicals, Inc.	21
Nepco Chemical Company, Inc.	17
Old Bridge Chemicals, Inc.	45
P.S.B.F. Industries, Inc.	45
PPG Industries, Inc., Chemical Division	12
Penick, S.B., & Company Division of CPC International, Inc.	1
Perry Equipment Corporation	42
Phelps Dodge Refining Corp.	13
Philipp Brothers Chemicals	43
Pilot Laboratories Inc.	11