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INTERNAL CORRESPONDENCE

UNION CARBIDE CORPORATION

270 PARK AVENUE, NEW YORK, NEW YORK 10017

To (Name) Mr. J. B. Hollingsworth
 Division Chemicals and Plastics
 Location New York
 Floor Number 28th Floor

Date March 4, 1977

Originating Dept.

Floor Number

Copy to Mr. W. D. Bradbury, Jr.
 Mr. T. D. Epps
 Mr. W. R. Manning
 Mr. J. M. Sartorius
 Dr. D. I. J. Wang

Answering letter date

Subject

EPA (VCM) Compliance Projects -
 North Charleston Storage Area -
South Charleston Plant

Dear John,

This letter will confirm our recent discussion concerning support of the subject working budget projects sponsored by your Profit Center 280.

I understand that the Solvent Vinyl Resin Unit is the remaining consumer of vinyl chloride at the South Charleston Plant; consequently, your operation is providing direct support to the SVR Unit operation since vinyl chloride is a major raw material.

UCC is the only U. S. producer of Solvent Vinyl Resins and is the leader in this business worldwide. SVRs are premium products commanding premium prices. The business achieved excellent performances for many years until 1975 when a worldwide recession and new environmental regulations upset the PVC industry. A reluctance to raise sales prices and concurrent increases in manufacturing costs resulted in a deterioration in our business performance. However, in 1976, we were able to implement substantial price increases and have programmed future increases which are expected to fully restore this business to the previous profitability levels. Thus, we are planning to continue operation of the SVR Unit in South Charleston and are defining projects to bring the unit into VCM (EPA) compliance.

Please feel free to include appropriate words in your request for project funds concerning the need for and support of the SVR profit center for continued operation of the subject VCM receiving and storage area.

Very truly yours,

R. W. Annonio

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