

NOV 5 REC'D

Monsanto

FROM (NAME & LOCATION)

D. R. Bishop - BLND

DATE November 4, 1976

CC: W. R. Corey
E. H. Harbison
J. E. McKee
J. T. Nolan
J. C. Weber

SUBJECT

REFERENCE

TO : F. J. Fitzgerald
L. A. Miller
~~R. G. Potter~~
R. A. Stohr

THL - your early comment
CONFIDENTIAL

Joe Nolan has suggested that I draft a "preparedness" news release covering our PCB price increase to be used only if and when this information becomes known to the news media and we are forced to confirm it.

Accordingly, I have prepared the attached draft and would appreciate your comments and/or approval on a "stand by basis." Please note that MIC PR will not issue this or any other written statement on this subject to anyone without the specific prior approval of Messrs. Fitzgerald and Nolan.

Thanks for your prompt attention.

DRB.
D. R. Bishop

DRB:smt

Att.

- ① ~~DRB~~ OK. 20
- ② ~~CP~~ - OK by me.
- ③ THL NOV 5 - 1976

Don:
Bob Potter returned this release with the product group OK's. Said it was exactly what they wanted.

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NEWS

FOR RELEASE

IMMEDIATELY 1976

MONSANTO RAISES PCB PRICES,
CITES PHASE OUT EXPENSES

ST. LOUIS, Nov. 00 -- Monsanto Company said today that effective Jan. 1, 1977 it will increase the price of all grades of its polychlorinated biphenyl (PCB) dielectric insulating fluids by about 24 per cent. Monsanto markets PCBs exclusively to the electrical power supply industry for use as fire resistant dielectric fluids in transformers and capacitors.

Monsanto announced last month its intentions to terminate the production, sale and distribution of its PCB product line by Oct. 31, 1977. At the same time, the company emphasized that it would have preferred to withdraw even sooner and that it was remaining in the business until next October only because a majority of its customers had indicated they would require at least that much lead time to complete field testing and convert to replacement candidates.

According to Monsanto, this protracted phase out program, as anticipated, has produced and will continue to produce certain unique and unavoidable production imbalances and manufacturing variances that make it impossible to operate efficiently. The company said the resulting higher unit costs, combined with many other phase-out-related expenses, were major reasons behind the price increase.

-o0o-

*THK 11/5/76
c.k.*

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