Monsanto

FROM (NAME & LOCATION) L. O. Raether - General Offices

DATE November 3, 1972 CC:

SUBJECT Monthly Summary
October, 1972

REFERENCE

TO : R. W. Bucknell

Phosgard 2XC-20

Sales 410,042 Budget 75,000

Sales appear to be settling down in the 350-400 M lbs./month range. Although we missed a General Tire 40 drum order this month we picked up an extra truck load order from Bernel. Rumors continue to fly that Ford is considering banning FR-2 because of some undefined toxicity problem. Although we have had several inquiries from FR-2 users about availability of 2XC-20, we see no new orders. In the meantime, we have heard about some T-23-P prices in the 65¢/lb. range. These T-23-P price reductions appear to be spearheaded by Michigan who want to hold their market share in light of Tenneco's entry into T-23-P manufacture. The strategy appears foolhardy since no greater market penetration by T-23-P is evident at this juncture. For the first time in this product's life, we have a large 15,000 gallon storage tank which we hope will go a long way to level out lot to lot variation in physical properties. We are still at a standoff at key accounts like United Foam, Uniroyal, Carpenter in displacing FR-2 because of our price differential. We are counting on Phosgard 1227 and/or 2XC-20--S-140 blends to allow us increased market share without a price cut on 2XC-20 per se. Current plans still call for transfer of the product to Marketing by year's end.

Phosgard 1227

Activity on this product continues at our two cooperators, Mobay and MOCAN. Although Mobay's early results indicate f.r. equivalency of 1227 with 2XC-20, a recent lot showed less of an advantage. MOCAN has not completed testing of 1227 on the production slab foam line but do promise results mid-week 6 November. In the meantime, Standard T Chemicals in New York has a non-urethane use for 1227 with a projected 50 M lbs./yr. requirement. We have discontinued all additional sampling of

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the product until we can resolve the supply situation for interim quantities as well as a supply of subsequent commercial quantities. We have completed a hi/lo 3 year sales forecast for the product as a co-product with Phosgard 2XC-20 in order to better define future manufacturing requirements and profitability projections.

Phosgards 1025 and 925

As a means of potentially increasing our market share without a decrease on the 2XC-20 list price, we have identified two 2XC-20 blends based on extensive laboratory evaluation. One blend (Phosgard 1025) contains 70% 2XC-20 and 30% S-140; the second (Phosgard 925) contains the same ratio but with S-141. We will submit drum quantities of these materials to Mobay and MOCAN for evaluation on their large scale foam machines.

HOE

Sales 7,700 Budget 183,000

We have a signed contract with Reilly-Whiteman Company for a quantity of HOE up to 5 M pounds over two years. The application is in an undisclosed process as a textile processing aid. Southeast Region field sales feels there is additional potential to replace existing purchases of a Heavy Oxo End product from another alcohol producer.

LOR

Louis O. Raether

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