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IP Restructures

International Paper Co. announces a major reorganization, directed toward giving greater responsibility to its vice presidents with clearer lines of authority, increased emphasis on international developments, and improved development of diversified businesses. The company now is divided into three groups: forest products, international, and diversified business—and two service units: manufacturing and engineering services, concerned with quality control, and marketing services, concerned with pricing policies. The international group comprises Canadian International Paper Co., International Pulp Sales Co., and a newly organized staff for development of worldwide resources and markets. The diversified business group includes the Davol Realty division, General Crude Oil Co., IP Credit Corp., and the Nonwovens Division. These two groups report to J. P. Monge, vice chairman.

Forest products, major part of IP's business, will report to chairman J. Stanford Smith, as will corporate staff organizations including finance. The forest products group is made up of five businesses, each with a vice president/general manager having full profit responsibilities. Officers and groups are: James B. Malloy for industrial packaging, Rayford K. Williamson for specialty packaging, K. Linn MacDonald for consumer packaging, William Dodendorf for white papers, and John J. Stephens for wood products and resources.

Eastern Market Trends

New York, Jan. 20—**PCBs Worry Recyclers.** As reported a week ago, Bergstrom's administrative vice president, Richard W. Wand, views the climb back to more efficient and profitable operational levels as an "agonizingly slow process" for the recycling mills and for their suppliers. "The vitality and growth of paper recycling has not been lost," he said in his year-end report, "only temporarily impeded. But we have much left to accomplish if resource recovery through recycling is ever to achieve its potential." Wand said in his capacity as president of the Consumers' Division of the National Assn. of Recycling Industries (N.A.R.I.)

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discriminatory' with the burden of proof placed on the rail carriers. The ICC would then be required, whenever discrimination or unreasonableness was found, to issue orders removing the unfair rates."

As of January 16, the President has taken no action on this legislation, N.A.R.I. advises. M. J. Mighdoll, executive vice president of N.A.R.I., said it is urgent that President Ford sign the measure into law. Such legislation is especially needed at this time in view of the drastic downturn in recycling levels for all materials in 1975 and the importance of improving recycling economics to sustain ongoing resource recovery plans throughout the U.S., Mighdoll states.—*E. P. N.*

A portion of that which remains to be accomplished is in the resolution of PCB limitations. PCBs are the polychlorinated biphenyls which are used primarily as the insulating fluid in electrical and heat transfer equipment, Wand told the shareholders and employees in September-October issue of *Bergstrom Bulletin*, under the heading "PCB Chemicals Worry Paper Industry."

"Not until the late 1960's did PCBs become suspect to environmental pollution," he wrote. "Evidence of contamination now is being discovered far from industrial plants...even in rain and snow."

Monsanto is the only known domestic producer, the *Bulletin* noted, marketing their products under the name "Aroclor." The firm has limited its sale of PCBs to manufacturers of sealed electrical equipment since 1971, but there are several foreign nations which also manufacture PCBs. Trace amounts of the toxic chemical compounds recently have been found in paper mill effluent, Wand indicated. At Bergstrom, a discharge level of PCBs of .0186 parts per million was found at the main outfall.

It was assumed that the source of PCBs was carbonless wastepaper which was part of the Bergstrom raw material to be recycled into new paper. Also 14 wastepaper samples have been tested and showed detectable amounts of PCBs in seven, the article stated, adding that "The recycling segment of the paper industry does not use PCBs in the papermaking processes. It finds itself caught in the middle of this controversy only because some of the wastepapers which are recycled contain trace amounts of PCBs."

The Bergstrom spokesman noted that the Wisconsin Department of Natural Resources (DNR) had urged a total ban of the chemical, a decision which "very simply will put virtually all paper recyclers out of the recycling business" the *Bulletin* said. The Wisconsin Paper Council asked the DNR to refrain from taking any action on its proposed rules until the U.S. Environmental Agency (EPA) had promulgated its PCB effluent guidelines, a draft of which is expected in February. Meanwhile, the Wisconsin Paper Council urged all firms to cooperate fully with the DNR in its effluent testing. Bergstrom is monitoring its effluent discharge and conducting twice-weekly tests in cooperation with the DNR in compiling data for PCB control.

API Is Studying the PCB Discharge Limitations. In its January 14 API Report, the Institute noted that on December 18 the Wisconsin Department of Natural Resources had promulgated a rule requiring a PCB effluent discharge limitation of 10 parts per billion by January 1, 1977 and 5 ppb by February 2, 1979. "This rule applies to PCBs either in pure form or in substances, mixtures, products or compounds discharged into the water," API Report said, adding that "API is studying the various implications of this policy."

Deplore Federal Government Inaction. Continuing inaction on the part of the Federal government to provide incentives appropriate to the encouragement of further recycling was named by Mr. Wand and other representatives of the various divisions of N.A.R.I. as a sharp blow to the recycling of paper stock, "one from which it will not easily recover."

Our late information is that the Senate Finance Tax Committee have tentatively approved a 10% tax incentive for paper recycling but are studying the effects of similar incentives as they would apply to metals and other commodities. Further, it was announced by N.A.R.I. that legislation which would require the Interstate Commerce Committee (ICC) to investigate the inequitable base rate structure on recycled materials has been approved by the Congress and was awaiting the President's signature. As set forth by N.A.R.I. on December 19

"The legislation which now goes to President Ford for his signature requires the ICC to show that the rate structure and freight rate increases on recyclables are 'just, reasonable and non-

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