

Monsanto

FROM (NAME & LOCATION)

C. Paton - St. Louis - B2SC

DATE July 3, 1973

cc W. B. Papageorge - B2NA

SUBJECT OECD/PCBs

REFERENCE JHN memo of June 5

TO : T.L. Gossage
B2SL

My comments are:

1. Amounts of PCBs

(a) I am in general agreement with John that we disclose for Newport and Sauget the amount of PCB manufactured by PCB type provided our competition does the same. (I would put sold rather than manufactured.) I have not seen evidence that competition so far has disclosed this data in such detail. Our competition only have one plant each. It would be valuable competitive information for them to know how we continue to split our production. Can we consolidate the production from both plants? OK HSB

(b) I am also in agreement with John that we should not disclose exports by country but rather give an OECD total and a non-OECD total. I think U.K. and U.S. authorities would buy this, but will individual OECD countries? MOCAN has given the Canadian government our sales in Canada by PCB type for OECD use. I suspect Australia will soon seek the same information. I think we will be under pressure to divulge OECD data on a country by country basis, but I suggest we do not break out the origin of the product. For non-OECD countries I think we should have a single total which would be the total of Newport and Sauget exports to those countries. OK HSB

(c) I disagree with John on divulging amounts consumed. We have no real way of knowing what is consumed in any given time period by our customers. We can come close to what any customer used for capacitors and transformers but we cannot be certain if he put Aroclor 1254 into a capacitor or a transformer for example. (Itel in Brazil is a real example.) Also, do we want competition to know what the ongoing capacitor/transformer break-down is, in view of capacitor fluid competition. I agree with Paton HSB

(d) I agree with John that imports and incineration matters are for the government to get elsewhere. OK HSB

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2. PCB Replacements

OK
HSS

I agree with John. I think we should keep our input on replacements as brief as possible.

3. Disposal of Surplus PCBs by Incineration

This is not a matter for Monsanto or other PCB producers alone.

Other comments are:

- (a) Statistics will be sought at the beginning of 1974, 1975 and 1976. Will these be statistics for the previous year and/or an estimate for that year? This needs clarification.

(b) Dichlorobiphenyls

I understand that the Swiss are prepared to allow dichlorobiphenyls for any use. Is this official OECD policy? Was this a move sponsored by Progil to corner a market in dielectrics and other discontinued uses? Or was the Swiss decision based on long-term feeding studies, toxicity, biodegradation, etc.? I doubt if dichlorobiphenyls can be made free from any tri- and higher homologs - so have the Swiss set a specification for dichlorobiphenyl composition? In view of MICC/Dow discussions such a move by the Swiss would be welcomed. On the other hand, it could be used by competitors as a loop-hole to reactivate discontinued uses. How would corporate Monsanto view such a move? In other words, should we be discussing the ramifications of the Swiss move with our UK/US OECD contacts?

I think we should hold to our policy on this and try to persuade OECD countries that we are right.
HSS

4. Intermediates

OK - but mostly monochlorobiphenyl
HSS

monochlorobiphenyl - not PCB - I don't think we can win that one either!
It is in our interest to get PCB as an intermediate "blessed" by OECD. This would cover monochlorobiphenyl for Dow but could, of course, lead Bayer to use that route to phenyl phenols (Dow, I understand, may try to shut Bayer down on phenyl phenols which is to our advantage). On the other hand, DuPont is presumably still importing decachlorobiphenyl from Caffaro for polymer production. This is business we would like to get if it is sizable.

5. Heat Transfer Fluids/Mining Fluids

we should consider to influence OECD to ban PCB's in heat transfer.
HSS

In view of the furor in the U.K. over PCBs in Maendy quarry, the retention by OECD of PCBs in heat transfer and mining fluids is too much of a loop-hole, I believe. In particular, the

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heat transfer exemption is a wide one; paper packaging, resins, and coatings are presumably OK for PCB use (see Page 6 of OECD Appendix) but what of indirect food contamination?

6. Uniform Labelling/Containers, Etc.

OK H412 / I think Monsanto should take the lead here so that the labels, drums, containers, etc. we have gone to in U.K. and U.S. should become the industry standards.

7. Non-OECD Countries

we should strive to enforce a policy of what is right for OECD countries is also right for non-OECD countries.
Progil is still selling PCB in Argentina for carbonless paper production on the grounds that non-OECD countries are not concerned with the PCB problem. I personally think this is shortsighted as an incident could soon change the climate and jeopardize the dielectric industry as well as cast doubts on the credibility of PCB producers. It does, however, point up the question as to why OECD countries need non-OECD statistics. *2 April H412*

8. Samples

for non-OECD countries.
I note no mention of whether or not the U.K. authorities have accepted Monsanto's policy on PCB 'samples' to companies who wanted to use PCB for testing components.

We all live in the same world!

C. Paton
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