

MITSUBISHI MONSANTO CHEMICAL COMPANY

FROM LOCATION : Tokyo

DATE : February 19, 1970

SUBJECT : AROCLOR EXPORT

REFERENCE : Your Memo February 9, 1970

TO : Mr. H. S. Bergen
St. Louis, Mo.

cc: Messrs.
P. G. Benignus
P. Marsh - Brussels
D. A. Olson
T. Katayama

MMK appreciates the action already underway which may lead to exports to India. We are hopeful that other business can also be obtained.

Mr. Katayama of MMK has written to Mr. Benignus about the communications on price quotations. In this initial quote to Monsanto India, we had copied St. Louis when we sent the price quotation. With the delays in airmail, this meant that Mindia had the quotation before St. Louis and began to react. We have now agreed that quotations will be checked with St. Louis first and then forwarded on.

MMK's policy on Aroclor pricing is very firm. We intend to get the maximum price that we can in every piece of business; also, there are "floor prices", below which we will not go. It is our precept also that we will not quote competitively against Monsanto and special circumstances must exist whenever these quotations are lower than the Monsanto U. S. A. price in the same area; for example, a need to quote competitively against another Japanese company, which we will do with St. Louis approval in order to obtain business.

Just to reiterate, the sale of Aroclor outside Japan is a responsibility of the Monsanto worldwide organization. The MMK export and sales people are ready to help in every way in order to move goods at the best price possible. Thus our sales in India go through Monsanto India. Also to pick up the point in page 2 of your letter, any sales from MMK in Australia are made through Monsanto marketing people in Australia. MMK's selling agent there is the same as Monsanto, Monsanto Australia Limited.

agreed / Sales to Mainland China are in a different category, since this may depend on doing business through Japanese trading companies who can represent MMK but cannot represent Monsanto U. S. A. in Mainland China. According to the Monsanto Law Department and recent U. S. A.

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Mr. H. S. Bergen

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government regulations, MMK can ship Aroclor but it must be derived from biphenyl or non-U.S.A. source, such as from Japan or MCL.

I trust that this explanation will clearly show our policy on exports and reassure you about how we will handle pricing. Our proposal for 200 tons for export was a good starting target, but we can ship substantially more than this if needed.

Best regards,

John
J. R. Durland

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