MARKET Newsletter

First-quarter production of synthetic fibers was up 5.5% from last-quarter '67, setting a new record at 1.214 billion lbs. (excluding acetate staple and tow output), according to the Textile Economics Bureau. Noncellulosic fiber production was 9% above fourth-quarter '67 levels—and 42% over first-quarter '67 levels.

Imports of all synthetic fibers rose 65% in the first three months—to 84.5 million lbs.—compared with same-period '67 imports. And receipts of noncellulosics increased more than 70%. The surge in imports, according to one domestic fiber producer, is due in part to the "Kennedy Round" tariff reductions and to strong across-the-board domestic demand. In April noncellulosic production was 8.8 million lbs. above shipments—as new polyester plants were debugged—and producers increased inventories to 304.2 million lbs. by the end of the month.

Fibers are in generally tight supply. Prices are firm and delivery dates are being extended. In fact, mills that usually loom acetate are hard pressed to locate substitute fibers as the Celanese strike pushes into its fourth week (*CW, May 11, p. 20*).

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Proposed railroad freight rate hikes drew more than 300 protests before the Interstate Commerce Commission's May 20 deadline. The rails, which increased rates 3% in February, have petitioned for an additional 5% hike. The Manufacturing Chemists' Assn. claims that the proposal would cost its members an extra $39 million/year. (Chemical shippers' rail bill is now more than $700 million/year.) MCA says the industry pays a disproportionately high share of the total rail freight bill—it accounts for more than 8% of gross revenues but only 4.7% of carloadings and tonnage. The commission will hear oral arguments beginning June 13.

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Morpholine list prices were cut about 20% in mid-May. Dow said last week it had cut prices 10.75¢/lb., effective May 15. New price, tank-car and tank-truck quantities (4,000-gal. minimum): 42¢/lb., freight allowed. Truckload and carload quantities in 55-gal. drums carry a 3¢/lb. premium, and prices are 1¢/lb. higher west of the Rockies.

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Two new tetrachlorobenzene plants to supply the government with the 2,4,5-T precursor will at least triple U.S. capacity and could well result in surpluses when contracts expire in '72. Last week the Army handed out two three-year contracts to companies that are not now producing tetrachlorobenzene. Delaware Chlorine Products, a subsidiary of Standard Chlorine Chemical (Kearny, N.J.), was awarded a 30-million-lbs./year contract valued at $6,366,000 for the first year; and Sonford Chemical (Port Neches, Tex.) got a 10-million-lbs./year contract for $2,768,000 the first year. Both com-

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panies will start construction of new plants within the next few months. First year of the contract begins in summer '69. Product will presumably go to the government's 2,4,5-T plant (*CW Market Newsletter, May 25*), would mean about 40 million lbs./year of the herbicide production at Weldon Spring, Mo. Present U.S. 2,4,5-T output: 15 million lbs./year.

Tetrachlorobenzene producers have been strapped to meet demand because of defoliation operations in Vietnam. At the end of '67, Dover Chemical (Dover, O.) brought onstream a plant of more than 1-million-lbs./year capacity, joining Hooker and Dow in the business. Dover is quoting 20¢/lb., f.o.b. plant, for tank-car lots. Dow consumes all its tetrachlorobenzene it produces as an intermediate for 2,4,5-T and other products such as hexachlorophene. A 20% expansion of capacity at Midland, Mich., scheduled for '68 completion, has been set back by strikes in the building trades, probably won't be onstream before '69. Total industry capacity is probably no more than 20 million lbs./year.

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A major explosion at Union Carbide's Taft, La., plant knocked out peracctic acid derivatives units May 27. The explosion, which probably started in the reactor, killed one man and injured two, according to a Carbide spokesman. The company had not yet estimated damages to its 200-million-lbs./year derivatives unit, which came onstream only six weeks ago (*CW Market Newsletter, Apr. 27*). Major products include cyclohexanone (80 million lbs./year) and caprolactam (50 million lbs./year).

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Production of plastics in the first quarter was up from last year, reports the U.S. Tariff Commission. Polyester and high-density polyethylene output was up 19%; alkyds, coumarone-indene and petroleum polymers, epoxys, phenolics, urea and melamine resins and polypropylene all gained 6-10%. Styrene-type plastics and polyvinyl chloride output rose 4-5%; cellulosics and low-density polyethylene were off according to a *CW* tally.

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Synthetic fiber sandbag purchases are being stepped up by the military. In the first five months of '68 contracts have been awarded and bids sent out for 330 million polypropylene sandbags and 112 million acrylic bags. Of the 500 million ordered last year, 165 million were made of PP and the remainder were cotton and burlap. This is the first year acrylic bags are being bought; acrylics are more resistant to ultraviolet degradation than PP.

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Polyelectrolytes may find a new market in industrial cleaning, according to Abe Eldib, of Eldib Engineering and Research (Newark, N.J.). In a recent study he found that certain polymers of short-chain carboxylic acids are 4-10 times as efficient in sequestering iron as some of the well-established sequestrants. One potential market for these polyelectrolytes would be in textile dyeing and finishing.

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