Monsanto

FROM (NAME & LOCATION) F. J. Fitzgerald - B2SA

DATE September 27, 1976 CC

SUBJECT PCB PRICING

REFERENCE

TO : Mr. E. H. Harbison, Jr.
B3SA

A straight price increase on PCB's will meet much resistance.

Please consider some variation of a "phase-out" surcharge per pound to finance our staying in business to permit an orderly customer exit, beyond Monsanto's best interest in ceasing now.

Costs to be covered could include:

1. New manufacturing costs, including volume variances since we're remaining in for the smaller users' convenience.

2. Appropriate exit costs, e.g., decontamination, decommissioning expense, incineration cost of added volume.

I believe the public might approve -- not oppose -- a "phase-out" surcharge, especially since this would urge laggards along.

F. J. Fitzgerald

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P.S. - Related subject -- Newport PCB write-off should be provided for as we account for Krummrich exit.

FJF

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