Monsanto

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October 17, 1975

Mr. Jeffrey A. Tannenbaum
Staff Reporter
The Wall Street Journal
22 Cortlandt Street
New York, New York 10007

Dear Mr. Tannenbaum:

We wish to comment on a misleading aspect of your article on the polychlorinated biphenyl dilemma as it appeared in the October 10 edition of The Wall Street Journal.

Under the sub-heading, Many Buyers Eliminated, you stated, "The controls were instituted in the wake of a 1972 report by a federal government task force that urged that PCBs should be restricted to essential or non-replaceable uses which involve minimum direct human exposure, since they can have adverse effects on human health. The sole U.S. producer, Monsanto Co., voluntarily stopped selling the chemicals to 'several thousand' customers -- all except users with 'closed system' electrical applications."

This paragraph is misleading in that it infers that Monsanto took no action with regard to PCBs until 1972 and then only "in the wake of a report by a federal government task force." We can only speculate that you were probably misled by conflicting (and inaccurate) information you subsequently received from the U.S. Environmental Protection Agency. We have reviewed a copy of the EPA's Environmental News Release on PCBs, dated October 8, 1975, which reads in part, "Monsanto Industrial Chemicals Company, the sole U.S. producer of PCBs, agreed in 1972 to limit its PCB sales to manufacturers of these 'closed' electrical systems."

DSW 011902

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This is simply not true. As we discussed with you during the telephone interview on August 14, 1975, and further documented in the literature we supplied at your request, Monsanto began its program of withdrawing, voluntarily and unilaterally, from "open system" markets in 1970 (see attached Monsanto News Release dated July 15, 1970). Furthermore, by December 31, 1971, this program was fully implemented and Monsanto was selling PCBs only to the electrical industry where they were (and still are) used as dielectric fluid in "closed systems" such as transformers and capacitors where there are no known, acceptable alternate fluids available.

As further documentation, we have enclosed a copy of a May 3, 1971 editorial from Chemical & Engineering News Magazine that discusses Monsanto's then ongoing and voluntary curb of sales of PCBs. Another reference is contained, interestingly enough, in the 1972 federal task force report to which both you and the EPA have referred. On page 2 of that report, under the heading, Findings, Conclusions and Recommendations, the report credits Monsanto with taking voluntary action in 1971 to reduce volume and limit distribution. You should also know that the federal task force not only reviewed and approved Monsanto's program but firmly endorsed the continued use of PCBs in closed system electrical applications, as well.

Given these facts, we really do not understand why the Environmental Protection Agency has failed to give Monsanto proper credit for what has been otherwise and universally regarded as a unilateral, voluntary and highly responsible action but that is not the issue here.

We hasten to add that we do not believe that you or The Wall Street Journal deliberately attempted to leave a false impression in this matter. We simply believe that, given conflicting information by the EPA, Monsanto should have been given the opportunity to refute it as we have clearly done here, unfortunately after the fact.

DSW 011903

The attached "Letter to the Editor of The Wall Street Journal" addresses itself to this point.

We welcome further discussion on this subject and would appreciate any effort on your part to set the record straight.

Sincerely,

D. R. Bishop
Director, Public Relations
MICC

/cv

Attachments

cc: Honorable Russell E. Train
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U.S. Environmental Protection Agency
401 "M" Street S.W.
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Mr. Glenn E. Schweitzer
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U.S. Environmental Protection Agency
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DSW 011904

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A white hat for industry

Industry has so often been pictured a black-hatted villain (sometimes rightly, often unfairly) that it's pleasant to take note of a white hat for a change. We take this opportunity to doff our hat to Monsanto and symbolically to all those other members of the chemical industry that have moved to set their environmental house in order before being forced to do so. What we're talking about is Monsanto's voluntary curb of sale of polychlorinated biphenyl compounds (PCB's), both in the U.S. and, more recently, in the U.K., for noncontrollable uses.

A bit of background might be in order. PCB's, discovered late in the last century, have proved useful as plasticizers in adhesives and paints and as components in electrical and hydraulic fluids, where they lend fire resistance. In Britain and North America, Monsanto has been sole producer. Several years ago the company became aware that these compounds are toxic and quite persistent. PCB residues have been found in British fresh-water, fish-eating birds, and in feathers collected as long ago as 1940.

Confronted with initial evidence and gathering data of its own, Monsanto became convinced of the ecological danger and accordingly banned sales for noncontrollable uses (plasticizer) while continuing sale for controllable uses (heat-transfer medium in closed systems). Total sales involved could be on the order of $25 million.

Our basic information, which we have confirmed, comes from an article by Jon Tinker in the April 1 issue of *New Scientist and Science*. He notes:

"Such action, taken without any overt government pressure, is almost certainly unique. In one sense, Monsanto's move may be seen as a desperate throw to retain at least part of a lucrative market which might otherwise be entirely lost. Indeed, the company makes no effort to deny that it believes the partial PCB ban to be in its own long-term interests. But this cannot be allowed to obscure the unprecedented nature of [acceptance of charges before guilt has been scientifically proved]."

We think Tinker puts it very nicely. According to Tinker, Monsanto admits that altruism is not the sole basis for its decision, that other reasons also came into play. Thus, better voluntary action now than force later on; a partial ban on noncontrollable uses may preserve the market for controllable applications; for Monsanto, which wants to sell pollution control technology, better to have clean skirts; and finally, Monsanto, sole producer in the two largest PCB markets, needn't worry overmuch about loss of sales to competitors.

Like Tinker, though, we see no reason to downgrade Monsanto's overall motives. All in all, we'd say that the company has acted in an altogether enlightened way, nicely balancing questions of public and private (its own) good. And we think other firms would do well to study this case history. Too often, when accused of environmental wrongdoing, industry has dug its heels in, stubbornly denying any sin and then only belatedly to make amends. From either altruistic or cynical standpoint, it would seem better to take the high road, admit to any problems, and make corrections. Will other PCB makers—Bayer in Germany, Prodelec in France, Flix in Spain, others elsewhere—follow suit?

Patrick P. McCurdy

C&EN EDITORIALS REPRESENT ONLY THE VIEWS OF THE AUTHOR AND AIM AT TRIGGERING INTELLIGENT DISCUSSION.

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NEWS

Monsanto

FOR RELEASE IMMEDIATELY 1970

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MONSANTO CITES
ACTIONS TAKEN ON
ENVIRONMENTAL ISSUE

ST. LOUIS, July 16 -- Monsanto Company, sole U.S. producer of an industrial chemical called polychlorinated biphenyl (PCB), today said recent political charges and sensational headlines about the chemical causing "a major ecological crisis" completely ignore voluntary actions the company has taken to restrict use of the material.

"Our program began back in 1968 with the proper identification and measurement of PCB in the environment and will conclude this year by our unilateral action to restrict its use," Howard L. Minckler, company vice president and general manager of its Organic Chemicals Division, said.

He added that Monsanto had not been pressured into action by any legislation or organized group. "We have taken decisive action based on evidence that PCB is a persistent chemical which builds up in the environment."

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Commenting on a recent report that PCB can induce birth defects in animals, Minckler said, "Monsanto is not aware of any scientific data that indicates polychlorinated biphenyls may cause birth defects. The results of comprehensive toxicity studies, sponsored by Monsanto and using the usual species of laboratory animals, have failed to produce such effects.

"Scare tactics and sensational reporting do not serve the public interest nor solve ecological problems," he said. "Only a few reports have stated why PCBs were ever developed and why they are used today. Nor have the consequences of not using PCB been explained.

"What should be emphasized," Minckler continued, "is that PCB was developed over 40 years ago primarily for use as a coolant in electrical transformers and capacitors. It is also used in commercial heating and cooling systems. It is not a 'household' item.

"Anyone who lives in a large city is familiar with power failures. During periods of peak power needs, air conditioning and refrigeration fail, lights go out and commuters are stranded. If power companies were to remove PCB from equipment, we have been told that major blackouts would occur throughout the world.

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--3 MONSANTO: MINCKLER'S REPLY TO PCB CHARGES xxx world.

"PCB is used in electrical equipment as a safety fluid. It has replaced combustible oil products which have, on many occasions, exploded and burned, causing deaths and injury to human life. Today state and local laws all over the country require the use of non-flammable fluids in certain electrical equipment as a safety feature. At the moment, there are no substitutes available which equal the safety performance of PCB."

Monsanto said it intends to continue selling PCB for "closed-system" uses such as electrical components and heat-transfer systems. "With rigid control over where the product goes, how it is handled and disposed of, we believe the safety functions of the product can continue to serve society and the environment can be protected," Minckler said. "We are discontinuing sales into 'open systems' -- adhesives, sealants, chlorinated rubber, specialty paints, etc.

"For other uses, such as fire-resistant hydraulic fluids, where PCB cannot be strictly controlled, we have reformulated some fluids and they are on the market. The new products contain other fire-resistant ingredients. We will continue to develop alternate formulations which do not contain persistent PCB. We will not abandon hydraulic fluid users," Minckler commented, "as has been reported."

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Monsanto has also established a new system for disposal or recycle of spent PCB. A special high-temperature incinerator will break down PCB into harmless materials. The company also regenerates spent fluids for reuse. The incinerator will be offered to customers who cannot otherwise destroy or regenerate their old fluids.

"Although loss of PCB from our manufacturing plants has been negligible, we have further tightened up our production techniques and installed new pollution abatement devices," the Monsanto executive said.

"I repeat," Minckler concluded, "our program was initiated and conducted by Monsanto alone. It will be concluded this year. We believe it is a position any responsible company would take."

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