ORGANIC CHEMICALS DIVISION
SALES BULLETIN

TO

NO. 72-21 DATE March 9, 1972

SUBJECT Dielectric Fluids Pricing
Effective April 1, 1972

Effective April 1, 1972 we are making the following changes in our dielectric fluids pricing.

1. The following fluids are discontinued:

   Capacitor fluids: Aroclor 1242*
   Aroclor 1248
   *Still available for export (except Canada)

   Transformer fluids: Aroclor 1260
   Inerteen PPO

   Our line will therefore consist of:

Capacitor Fluids	Transformer Fluids
✓ Aroclor 1016	✗ Aroclor 1254
✓ Capacitor 21 (Aroclor 1221)	✓ Pyranol A13B3B
✓ Aroclor 1232	✓ Inerteen 100-42
✗ Aroclor 1254	✓ Inerteen 70-30

(1)

   In addition the following fluids are sold only to the following:

   D50P508S-1 : G.E. (Rome, Ga. only) (3)
   Inerteen 54201CM: Westinghouse
   Inerteen 54201KA: Westinghouse (Sharon, S. Boston and Phoenix only)

2. All fluids will be sold F.O.B. Sauget, Illinois. (This marks a significant change in capacitor fluid pricing which was formerly freight allowed and prepaid.)

3. Trip-leases on railroad tank cars are eliminated.

4. New Prices F.O.B. Sauget, Illinois; Terms Net 30 days

   See attached

MONS 071425

X MARY
Pls copy ~~for B. Williams~~
A. Liesy
G. Rice
B. McCutcheon
E. Campbell

This pretty-well outlines our new sales strategy. We need to review again "what's obsolete". [illegible]

5. Reasons for Price Increase

a. Monsanto has voluntarily gotten out of much of its PCB business to protect the environment and to preserve the continued usage of these products in dielectrics. All of our efforts in PCBs have been made to enable us to continue to supply dielectrics to the electrical industry. As the attached Wall Street Journal article shows (March 6, 1972) the government may make our voluntary ban a permanent one.

b. Increased costs due to reduced plant productivity and severe curtailment of volume. As our published figures show, the withdrawal of PCBs from all except dielectric uses has cut our U.S. sales by over 30 million pounds per year or 44%. In addition, export sales which ran at over 10 million pounds per year and hence helped on volume have also been cut back.

U.S. Sales of PCBs

Monsanto Industrial Chemicals Company

(Million Pounds)

	Dielectric Fluids		All Other Uses Now Discontinued	
	M lb.	% Total Sales	M lb.	% Total Sales
1970	40	56	32	44
1969	37	55	30	45
1968	41	73	24	37
1967	41	65	22	35

c. Increased manufacturing costs due to pollution abatement facilities to prevent PCB escape into the environment.

d. Heavy expenses due to biodegradation/toxicity testing etc. related to the investigations touched off by the PCB situation.

e. Increased costs (in capacitors) due to the higher cost of manufacture of the more biodegradable Aroclor 1016.

f. Increased costs due to new style, stronger drums.

6. Customers

In U.S.A. and Canada, dielectric fluids will be sold only to approved capacitor and transformer manufacturers.

Guidelines for sales to approved customers outside U.S.A. and Canada are being prepared.

7. Export Pricing

Pricing for sales outside U.S.A. and Canada is being prepared. In the meantime these F.O.B. Sauget, Illinois prices will apply effective April 1, 1972.

Cumming Paton

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