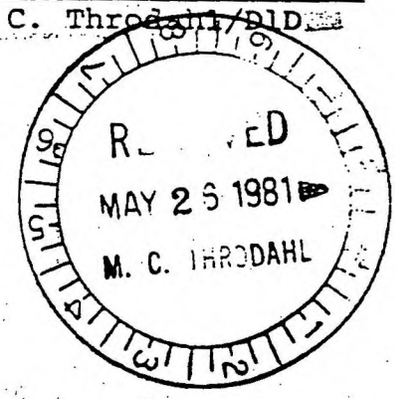
File - PCB Misc.

MONSANTO RESEARCH CORPORATION

Inter-Office Correspondence

From LOCATION : Dayton Laboratory

cc: M. C. Throdahl/DID



DATE : 22 May 1981

SUBJECT : Conflict of Interest -
Dayton Laboratory/Monsanto Company

REFERENCE :

ADMINISTRATIVELY CONFIDENTIAL

TO : Richard K. Flitcraft
Dayton Laboratory

As we have discussed, I have concern about the conflict of interest which I see between Dayton Laboratory and Monsanto Company and I seek guidance from you and others related to this concern.

Dayton Laboratory is in the business of providing environmental analytical services to Monsanto, to the Government, and to commercial clients but must be extremely careful in the latter two cases to avoid a conflict. Examples of my concern are as follows:

(1) Routine PCB Analysis

Dayton Lab receives business opportunities from the reference of John Craddock (MIC). We are finding, however, John is very selective of the work he refers to Dayton because of his concern related to potential problems where (a) Monsanto (MRC) ends up in a conflict between the Government and a commercial client, or (b) Monsanto (MRC) ends up providing data which is used against Monsanto in a future litigation.

(2) Dioxin Analysis

Dayton Lab was asked to not bid on a contract where the data might have been used in litigation against Monsanto. The Tyndall Air Force contract bid is a specific example here.

(3) RCRA/Super Fund Work

It has been recommended that Dayton Lab not bid on certain contracts related to present or abandoned waste disposal sites because of concern over possible past site use by Monsanto and potential future litigation problems. Remedial analysis on the Kin Buc site at Edison, New Jersey, is an example here.

(4) Application of Technology

Dayton Lab receives samples of many types with specific customer requests for analysis, i.e., PCB sample for dioxin analysis. We recognize that dioxins are not likely to be present, but

dibenzofurans are. The concern here relates to what obligation we have to our customer to inform them of potential concerns other than the specific analysis requested and not risk putting Monsanto in a sensitive position at a later time.

Dayton Laboratory, as a principal environmental analysis resource to Monsanto, is charged with developing quality analytical data which may mean, at times, developing data that may place Monsanto in a position of concern related to potential future litigation. At the same time, Dayton Lab is charged with the need to produce a positive performance income, and the high technology areas involved in ultratrace analysis represent a maximum profitability opportunity.

With the above background, I would like to discuss this "conflict of interest" concern with you, with the goal of achieving a workable approach allowing Dayton Lab to participate where possible while still protecting Monsanto's best interests.

R M Scott

R. M. Scott

RMS:tsw