

Did Olin Tell Whole Story?

I HAVE BEEN following the developments in the closing of Olin's soda ash plant in Saltville with interest. It is quite apparent that there is another side to the story that has not yet been told.

Such an old plant is outdated, inefficient, and caught in a profit squeeze that would have forced it out of business in a few years.

Almost all of the soda ash produced in the U.S. either comes from plants operating the Solvay process or is made from Trona ore. The Solvay process, used at Saltville, is the traditional method. Trona is a crude form of soda ash mined in large amounts since 1960 in Green River, Wyo.

Despite high shipping costs the soda ash from Wyoming is very competitive. For example, in 1968 an Allied Chemical Co. Solvay plant at Detroit, Mich., was closed "due to severe competitive disadvantages"; but Allied at the same time opened a new plant in Green River to process Trona. No new Solvay process plant has been built since 1934.

Other competition has come from caustic soda, which is making big inroads into soda ash's largest market-glass manufacturing.

FACED WITH THIS twin attack, all of the Solvay process producers are caught in an increasingly tight market position.

Last year Olin was the leader in the industry in announcing a \$3 per ton price hike, which was not followed by Trona. Olin later cut back to a \$2 per ton increase. Since 1960 Solvay process producers had made four prior unsuccessful attempts to raise the price, each time rolling back the increase when Trona process companies failed to follow suit. There is little question that the 75-year-old plant at Saltville could not withstand this fierce competition for long.

Thus, the dramatic announcement by Olin that it would close its soda ash plant because of its inability to meet state water quality standards did not reveal the whole truth. The citizens of Southwest Virginia should ask whether tightened pollution controls have not merely been used as a smoke screen to cover the closing of a decreasingly profitable plant.

Incidentally, the Saltville plant is using a caustic-chlorine process with mercury cells, and I am sure that it will not be very long before a serious mercury pollution problem in the river is documented.

JIM GLANVILLE