

REPORT OF THE PRESIDENT
TO THE EXECUTIVE COMMITTEE

November 15, 1954

INTRODUCTION

As I am delivering my Annual Report to the convention this afternoon, I do not plan to read it at this time. I would, however, like to briefly outline the important highlights of several matters which have occurred since our last meeting.

While the recent elections changed party control of Congress, the Democrats won a bare working majority in the House and require the vote of Independent Senator Morse for a majority in the Senate. President Eisenhower has lost no time in establishing working cooperation with the party in power. We can safely conclude, therefore, that the elections have not resulted in a major change threatening the business economy of the country.

The optimistic outlook is spotlighted by the activity of the stock market, but we cannot look forward to any business boom of such proportions. All indicators point to a steady, healthy, unspectacular business year ahead. It means still greater efforts are required of us and with which I confidently predict the best year in our history for 1955.

GENERAL

MEETINGS: Since the last Executive Committee meeting, I have had several conferences in Washington; attended the following meetings:

Nominating Committee, Washington, D. C.
Trade Sales Steering Convention Program Subcommittee, Washington, D. C.
Scientific Section Subcommittee on Moisture, Washington, D. C.
Industrial Product Finishes Steering Committee, Rye, N. Y.
Industrial Product Finishes Technical Subcommittee, Rye, N. Y.
Los Angeles Paint, Varnish and Lacquer Association, Los Angeles, Calif.
Golden Gate Paint, Varnish and Lacquer Association, San Francisco, Calif.
Utah Paint, Varnish and Lacquer Association, Salt Lake City, Utah
Colorado Paint, Varnish and Lacquer Association, Denver, Colorado
Kansas City Paint, Varnish and Lacquer Association, Kansas City, Mo.
Joint Committee, National Lumber Manufacturers Association and
National Paint, Varnish and Lacquer Association, Washington, D.C.
Keep America Beautiful Board of Directors, New York, N. Y.
New England Paint, Varnish and Lacquer Association, Boston, Mass.
Capital District Council, Painting and Decorating Contractors of
America Convention, Washington, D. C.
National Paint Salesmen's Association Convention, Washington, D. C.
Toxic Materials Committee, Washington, D. C.
Buffalo Paint, Varnish and Lacquer Association, Buffalo, N. Y.

Conferences continue with Chicago Health Department officials regarding a label in that city for paints containing lead.

Conferences are being held with New York City representatives to eliminate city paint manufacturing activities.

Unfair Competition - The Federal Trade Commission will call mastic coatings manufacturers and applicators to a trade practice conference on December 3 instead of handling complaints on an individual basis. This action was taken although we advised the Commission the real wrongdoers were the applicators and not the manufacturers. The cost of separate investigations was a controlling factor in the Commission's decision. We will again urge our contention at the hearing.

DIVISION ACTIVITIES

INDUSTRY RELATIONS DIVISION: Black and white prints of the "Here's How" film have been made in a quarter-hour version and as a series of five-minute films. Requests have been received from 172 stations for showing on television in practically every state. In the cities where these television stations are located there are 29 million sets and the viewers reached exceed ten million. "The House in the Middle" film has been produced in color and in black and white. Prints are being supplied to all American Legion State Adjutants for showing to local posts and more than sixty stations have shown the film on television.

PUBLIC INFORMATION DIVISION: Released first article on Health-Education Program. Published article on decorating in November issue of the American magazine. New booklet for radio, "Fraternalities Turn 'Hell' Into Help", helps to channel energies of college initiations into constructive projects, pledges painting charitable and civic institutions, refinishing furniture, etc. Booklet for Christmas season on painting children's toys and furniture now being completed.

STATISTICAL DIVISION: Credits and Collections - Credits and Collections survey report was tabulated and sent to members for August, September and October. A study to ascertain the accuracy of credits and collections reports was completed.

Color Survey - Completed the tabulation and sent to members the color survey, "Percentage by Color of Paint Sold by Paint Manufacturers" - 1953.

"National Consumer Survey of Painting Habits" - Completed and sent to members.

Gallonage Figures - Worked with Bureau of the Census on gallonage figures and secured their release.

TRAFFIC DIVISION: The Interstate Commerce Commission has not yet ruled on our argument that the \$1.50 surcharge on small shipments in Central States Territory is illegal. A decision is expected before the first of the year.

The Commission has agreed to investigate increases in motor carrier rates in Middle Atlantic Territory. A hearing, at which we will appear, is scheduled for January.

We have petitioned the New England Motor Freight Bureau to establish LTL rates below class rates on paint products moving into that area from the New York-New Jersey territory. Arguments on this proposal will be heard next month.