

LEAD INDUSTRIES ASSOCIATION, INC.

292 MADISON AVENUE

NEW YORK, N. Y. 10017

TELEPHONE - AREA CODE 212

OR 9-6020

November 9, 1965

SUBJECT: SUMMARY OF 1965 ACTIVITIES AND
1966 SUGGESTIONS

To the Industry Development Committee of
the Lead Industries Association, Inc.:

We are attaching herewith a summary of activities and budget data covering all activities of L.I.A. except research for 1965 and suggestions for 1966.

The following table gives the subscription rates per ton for both membership and industry development for the last six years, as well as figures on receipts and disbursements. The pension fund is not included.

GENERAL AND INDUSTRY DEVELOPMENT FUNDS

BUDGET RECAPITULATION

Rates per ton for Subscriptions

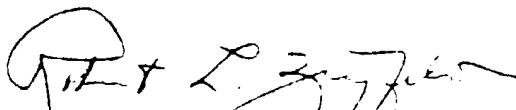
Year	Mining	Manuf. Smelt. & Refin.	Assem- bled Articles	Pig Lead Sales	Subscrip- tions Received	Other Misc. Receipts	Approved Budget	Expendi- tures	Cash on Hand Year End Genl. & I.D. Funds
1960	20¢	5¢	2½¢	42¢	371,963	3,818	374,450	332,944	154,385
1961	12	3	1½	52	340,545	4,460	369,350	319,624	179,766
1962	16	4	2	65	471,560	4,660	461,000	412,133	243,853
1963	16	4	2	54	391,248	6,000	483,125	459,477	181,765
1964	16	4	2	80	515,169	6,033	622,700	567,754	135,213
1965 Est.	16	4	2	1.05	642,000	6,000	699,000	709,000	86,000

At the membership rates listed above for 1965 it can be estimated that between \$90,000 and \$95,000 per year are derived from regular membership subscriptions paid by all members. It can further be estimated that for each 1 cent subscribed on pig lead sales for industry development about \$6,000 will be made available.

A further discussion of the rates required to meet the suggested budget will be found on the last page of the attached report.

Very truly yours,

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	Approved 1965	Estimated Actual 1965	Suggested 1966
<u>Administrative & Technical Service:</u>			
Salaries & Payroll Taxes	\$203,000	\$202,000	\$225,000
Insurance	2,000	2,000	2,000
Furniture, Fixtures & Equipment	2,000	2,000	2,000
Rent	20,000	19,500	20,000
Travel & Expenses	29,000	36,000	35,000
Meetings & Committee Luncheons	3,000	4,000	4,000
Printing & Office Supplies	5,000	5,500	6,000
Postage & Express	6,000	8,000	8,000
Telephone & Telegrams	4,000	4,600	5,000
Temporary Office Help	500	500	500
Legal & Consulting Fees	2,500	2,500	2,500
Accounting & Auditing Fees	1,000	1,150	1,200
Annual Statistical Review	600	650	650
Books & Periodicals	1,300	1,300	1,300
Pension Premiums	12,000	12,000	19,000
Technical Association Memberships	1,500	1,600	1,700
Office Services	8,500	7,000	7,000
Miscellaneous	1,500	2,000	2,000
	303,400	312,300	342,850
<u>Publications:</u>			
"Lead"	32,000	40,000	35,000
Abstracts	11,000	11,500	12,000
Reprints	5,000	5,500	5,000
Construction & Architectural Flyers	3,500	-	3,000
Ceramic Supplements	2,000	2,000	2,000
Sweet's Catalogs	13,000	13,000	13,000
Batteries	4,000	3,000	3,000
Monograph	1,500	-	3,000
Yellow Traffic Paint	3,000	3,400	-
Proceedings, International Conference	1,500	1,500	-
Hoffman Translation	1,000	1,000	-
Anti-Vibration Pads	4,000	1,800	-
Improved Sound Barriers (Reprint)	1,000	1,000	-
Sound Attenuation	5,000	5,700	-
Picture Book (Reprint)	2,000	2,000	-
Annual Review	1,000	800	1,000
Joint Proceedings	1,000	3,000	-
Roofing Handbook (Reprint)	-	1,200	1,500
Corrosion Handbook	-	-	5,000
Mailing List Conversion	-	-	8,000
	91,500	96,400	91,500
<u>Space Advertising:</u>			
Batteries	33,500	34,700	36,100
Architecture & Construction	23,200	24,400	27,700
Noise Control	14,800	14,800	32,900
Vibration Control	16,300	13,700	-
Solder	9,700	9,700	10,300
Cable	8,200	8,100	10,500
Ceramics	14,200	14,000	16,700
Pigments	15,400	15,200	19,200
Plumbing	6,200	6,200	6,300
Terne Plate	7,600	7,600	8,300
Design	5,900	5,900	7,700
Production	30,000	23,000	25,000
Miscellaneous	2,000	2,100	2,000
	187,000	179,400	202,700

	Approved 1965	Estimated Actual 1965	Suggested 1966
<u>Miscellaneous Promotion:</u>			
Health & Safety Information	\$ 31,500	\$ 31,500	\$ 31,500
Conventions & Exhibits	17,000	17,000	17,000
Test Programs	4,000	4,000	4,000
Apprentice Contest	1,000	1,400	1,500
Seminars	4,000	-	4,000
National Shooting Sports Foundation	500	650	650
Illustrations & Publicity	-	-	5,000
Motion Picture	29,262	25,630	-
Motion Picture Distribution & Prints	-	3,600	15,000
Contingencies	5,000	-	15,000
	<u>92,262</u>	<u>83,780</u>	<u>93,650</u>
 <u>From Reserves:</u>			
Pension Premiums	12,250	12,250	6,000
Motion Picture	25,000	25,000	-
	<u>37,250</u>	<u>37,250</u>	<u>6,000</u>
 <u>Special Programs:</u>			
Public Relations	-	-	100,000
Ferrite Development	-	-	28,000
	<u>-</u>	<u>-</u>	<u>128,000</u>

RECAPITULATION

Administrative & Technical Service	303,400	312,300	342,850
Publications	91,500	96,400	91,500
Space Advertising	187,000	179,400	202,700
Miscellaneous Promotion	92,262	83,780	93,650
	<u>674,162</u>	<u>671,880</u>	<u>730,700</u>
From Reserves	37,250	37,250	6,000
	<u>711,412</u>	<u>709,130</u>	<u>736,700</u>
Special Programs	-	-	128,000
	<u>711,412</u>	<u>709,130</u>	<u>864,700</u>

PROJECTED INCOME AND DISBURSEMENTS

Operating Fund, Jan. 1, 1965	\$110,000	
Pension Reserve " " "	18,000	
Motion Picture Reserve "	25,000	
	<u>153,000</u>	
Income, 1965	648,000	
	<u>801,000</u>	
Disbursements, 1965	709,000	
Pension Reserve, Jan. 1, 1966	6,000	
Operating Fund " " "	86,000	
	<u>92,000</u>	92,000
Income, 1966	745,000	873,000
	<u>837,000</u>	<u>965,000</u>
Disbursements, 1966	737,000	865,000
Operating Fund, Jan. 1, 1967	100,000	100,000

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Administrative and Technical Service. In 1965 we actually spent approximately \$9,000 more than had been budgeted for this part of our activities. This was largely accounted for by unusually heavy travel expenses which resulted from several things. We had one more man traveling than had been originally anticipated, two of the trade shows at which we exhibited were in the far west and involved unusually high travel expense to transport the personnel to man our booths, and the executive vice president made an unprecedented trip to Australia and Japan. Most other changes were relatively minor.

The 1966 suggested budget increase is largely accounted for by two items, salaries and pension premiums. The salary item results principally from provision for an assistant to the health and safety director in view of the mounting pressure against lead from air pollution sources and the need for greatly intensified efforts to keep all key people honestly and reliably informed. The increase in pension premiums comes mainly from the fact that in recent years about half this expense or \$12,000 came from reserves in the pension fund which are now reduced to only \$6,000 available for use next year.

Publications. In 1965 we spent about \$5,000 more than had been budgeted, the major difference being caused by "Lead" which went well over its budget. The reasons for this have been carefully examined and it is felt that substantial savings can be made in 1966. Partly responsible for the overage was large purchases of envelopes which will carry us through 1966 and photographic work which was charged to "Lead" but was also used in other publications.

For 1966 the principal publications planned are "Lead," "Lead Abstracts," Sweet's Catalogs and a new publication based on the ILZRO study of corrosion of lead made at Battelle Institute which we are considering publishing jointly with the L.D.A. of London. Reprints of some of our existing literature will be necessary to maintain adequate supplies and a renewed effort will be made to find an editor and complete the American Chemical Society Monograph on Lead. The total suggested budget for 1966 is the same as for 1965.

Space Advertising. Actual expenditures in 1965 were about \$7,000 under the approved budget, all of the savings being made in the production of advertising and virtually all attributable to the engagement of a full time advertising manager at the end of 1964. The suggested 1966 budget is only about \$15,000 higher than that approved for 1965, about \$10,000 of which results from space rate increases already announced by publications we are now using. Major changes suggested are temporary elimination of space advertising on anti-vibration pads until their performance and conditions of use can be more consistently evaluated, intensification of the program on noise control now that some commercial products are on the market, and intensification of the program on yellow traffic marking paint to anticipate new potential competition from sulphur compounds.

Miscellaneous Promotion. Two changes are suggested under this heading. One is to provide a new fund primarily for illustrations, many of which are used for a variety of purposes but which have been charged to "Lead," thus distorting the cost of that publication. The other is to provide for extra prints and distribution of the motion picture which was completed for about \$3,600 less than the appropriation. It is also proposed to use this \$3,600 for extra prints. Thus the total budget for Miscellaneous Promotion remains in 1966 about the same as in 1965.

Reserves. The \$25,000 reserve for a motion picture several years ago was completely used up and no reserves for this purpose remain. Also \$12,250 was used out of Pension Fund Reserves to pay 1965 pension premiums. This leaves about \$6,000 in this Reserve which will be completely used up in 1966.

Special Programs. Two special programs are offered for consideration. The first is a broad, basic public relations program with a double objective: (1) to establish lead in the public mind as a widely useful, even necessary, commodity in every day life that is constantly being used safely and beneficially, and (2) to combat the unfavorable publicity created by attacks like those of Dr. Clair Patterson, Dr. Warren and others and create a more favorable attitude for lead at public hearings, etc. This is intended to supplement and not replace the medical educational program started two years ago and budgeted elsewhere. A leading public relations firm has been consulted and they have estimated that an immediate program of \$80,000-\$100,000 a year could produce tangible results.

The other special program involves a proposal from Fair-Rite Products Corp. covering a 14-month program to determine the best lead ferrite composition for permanent ceramic magnets and produce a product in sufficient quantity for testing by other companies in their products. They are asking about \$28,000 from L.I.A. mainly for materials and equipment and will, on their part, contribute an equal amount in time of trained personnel to conduct the project.

Projected Income and Disbursements. For 1966 this information is presented in two columns, one without the two special projects mentioned and one with them. Both are designed to result in an operating fund of about \$100,000 on January 1, 1967, an amount which the Board has repeatedly indicated as desirable to have on hand. Of the income needed to achieve these results about \$90,000 to \$95,000 would come from regular membership subscriptions from all members at 1965 rates. Because of the substantial increase in industry development subscriptions in recent years without any increase in membership rates, consideration might well be given to increasing the latter by 25 percent, the level which prevailed in 1960. This should yield an additional \$20,000 or so. This would make the industry development rate somewhere in the range of \$1.10 to \$1.30 per ton, depending on the size of the budget finally established.

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