MINUTES of the three hundred forty-third meeting of the Board of Directors of the Chemical Manufactures Association, Inc., held at The Four Season Hotel, Washington, D.C. on January 22, 1993. There were present:

Directors: Frank P. Popoff, Chairman
Craig R. Andersson
Thomas C. Bohrer
J.A. "Fred" Brothers
Robert N. Burt
Vincent A. Calarco
Lester E. Coleman
Ralph S. Cunningham
Earnest W. Deavenport, Jr.
James E. Fligg
Darryl D. Fry
Thomas J. Gossage
Bruce C. Gottwald
J. Roger Hirl
Alan R. Hirsig
Robert D. Kennedy
Thomas F. Kennedy
Conrad S. Kent
Truman L. Koehler
John N. Lauer
J. Robert Lovett
Robert v.d. Luft
James A. Mack
Philip W. Matos
Ray B. Nesbitt
Mack G. Nichols
John E. Peppercorn
Seymour S. Preston, III
Larry V. Rankin
Gary L. Rogers
Robert A. Roland
Jerry R. Satrum
Arthur R. Sigel
Frank P. Smith
S. Jay Stewart
William E. Toller
George A. Vincent
Helge H. Wehmeir

Secretary: Charles W. Van Vlack
Treasurer: Gary C. Herrman
General Counsel: David F. Zoll

By Invitation: David S. Alcorn, Crompton & Knowles Corporation
*Charles A. Aldag, CMA
R.M. Julie Archuleta, Occidental Chemical Corporation
*Tom B. Campbell, Jr., Exxon Chemical Company
W. H. Clark, Jr., Nalco Chemical Company
*John C. deRuyter, DuPont
J. Brian Ferguson, Eastman Chemical Company
*Tom Helscher, Monsanto Company
Jon C. Holtzman, CMA
*Paul M. King, PPG Industries
John A. Lamping, Amoco Chemical Company
Fred G. Marshall, Exxon Chemical Company
Frederick L. Moore, Union Carbide Corporation
James D. McIntire, CMA
Morton L. Mullins, CMA
Laurence O'Neill, Monsanto Chemical Company
Michael A. Pierle, Monsanto Chemical Company
Joseph C. Soviero, Union Carbide Corporation/SOCMA
William M. Stover, CMA
Gordon, D. Strickland, CMA
Donald J. Verrico, DuPont
A. Glen Weaver, Chevron Chemical Company
Frederick L. Webber, CMA
Ben Woodhouse, The Dow Chemical Company

* Part Time

1. MINUTES OF OCTOBER 19, 1992 MEETING

The meeting was called to order at 8:30 a.m. by Chairman Popoff and the minutes of the October 19, 1992 meetings were approved as distributed.

2. NOMINATING COMMITTEE

On behalf of the Nominating Committee, Mr. Popoff presented the following nominations to fill vacancies on the Board caused by the resignations of Mr. Reed and Mr. Huntsman.

ON MOTION, duly made and seconded, it was

VOTED: That Keith McKennon, Chairman and Chief Executive Officer of Dow Corning Corporation, be elected a Director and a member of the Employee Benefits Committee and ad hoc Board Advocacy Committee through May 31, 1993; and that E.J. "Jake" Garn, Vice Chairman of Huntsman Chemical Company, be elected a Director and a member of the Program Committee through May 31, 1993.

3. EXECUTIVE COMMITTEE

Mr. Hirl reported on the actions taken and items discussed at the previous afternoon's Executive Committee meeting as summarized in Exhibit A.

4. MEMBERSHIP COMMITTEE

On behalf of the Membership Committee, Mr. Stewart presented the following three companies for membership.

ON MOTION, duly made and seconded, it was

VOTED: That Avery Dennison, Chemical Division; Eaglebrook, Inc.; and Kemira, Inc. be elected members of the Association.

5. BOARD STATE INITIATIVES WORK GROUP

Mr. Peppercorn reported on the final outcome of the Ohio Prop 65 and Massachusetts first use tax ballot initiatives and recognized the leadership roles of Ashland, P&G and BFGoodrich in Ohio and Monsanto, Eastman, Olin and W.R. Grace in Massachusetts.

He indicated that 123 companies had pledged to the State Initiatives Contingency Fund in 1992 and that 115 companies had contributed $711,000 in Ohio and 83 companies had contributed $416,000 in Massachusetts. He also reported growing support by the CICs in providing local networking.

For 1993, Mr. Peppercorn reported that there was no ballot initiative proposals of major concern to the industry imminent, but that renewals of the pledges would be pursued in the months ahead. Chairman Popoff thanked Mr. Peppercorn and his committee for their successful leadership.

6. BOARD RISK COMMITTEE

Mr. Luft reported on the committee's activities since its inception in September. The early stages of briefings and data development were complete and the committee had identified two focus areas: policy issue of relative risk; and the oversight and coordinating function within CMA on all risk related activities. The committee was intending to develop beliefs and principles on risk issues and contemplated Board action as early as the June meeting. Following Mr. Luft's presentation, there was discussion of the relative roles of AIHC, CIIT and the National Science Advisory Board.

7. CHEMSTAR POLICY COMMITTEE

Mr. Preston referenced the revised annual report of the committee which had been distributed and highlighted the following: the activities of the Total Quality Council and its recently approved guidelines; encouraging the use of CHEMSTAR panels and councils for consortia activities; and the special hydrogen fluoride standards activity. It was noted that a special presentation on CHEMSTAR might be helpful at a future Board meeting. With respect to the special hydrogen fluoride standards activity, the Board discussed the unique circumstances that drove its creation and there was general consensus that standard setting was not an area which the Association should be reentering except in this limited situation involving hydrogen fluoride. The Board accepted the committee's report.

8. FINANCE COMMITTEE

Mr. Calarco reported on the 1993/94 budget process and the likelihood of a dues increase being considered.

9. RESPONSIBLE CARE®

a. Program Report. Mr. Aldag provided an update on the following program elements and issues:

- Multiple year analysis is complete on 3 of the 6 codes.
- These results are being shared in ELG meetings.
- First year results are available for the other three codes.
- Product Stewardship Code is the biggest challenge.
- Interest in the Responsible Care® Partnership program continues to grow.
- A national conference for Responsible Care® coordinators is scheduled for March 16-18 in Atlanta.

The issue of "mixed reporting" was raised by several members who have applied Responsible Care® to their nonchemical as well as their chemical operations.

b. Board Responsible Care® Committee (BRCC). Mr. Deavenport reviewed the charter and key results areas that the BRCC was addressing as it targeted completion of its project by June. Five policy papers are being developed: philosophy of Responsible Care®; enhancement of ELGs and senior executive leadership; improving mutual assistance; congruence of advocacy and Responsible Care®; and strategic communications. He indicated that the Board would preview the recommendations in April, they would be discussed with the full membership at three regional ELG meetings in April (22, 23 and 29), with final Board action expected in June.

10. PUBLIC PERCEPTION COMMITTEE

On behalf of the committee and its Chairman Mr. Potter, Mr. Calarco reviewed the program to renew the public outreach advertising program, including the selection of Ogilvy and Mather as the new agency and Richard Wirthlin to do values research and to create an outreach communications strategy.

Mr. Wirthlin then presented the results of his values research and the resulting strategic communications framework. Following the presentation and discussion, it was agreed that the Public Perception Committee would bring the proposed advertising strategy and program to the Executive Committee and Board in April for approval before renewing the program.

11. SUPERFUND

Messrs. King and Helscher presented the background and proposed Superfund reauthorization policy and strategy. There were several amendments by Messrs. Burt and Nesbitt which were accepted and there was discussion of: carveout legislation pending in Pennsylvania, broad based funding, public works concepts, and remedy selection improvement. The importance of creating a groundswell for Superfund reform and the need for a broad based Superfund coalition were stressed.

ON MOTION, duly made and seconded, it was

VOTED: To approve the Superfund policy position, with several clarifying amendments, a set forth in Exhibit A.

12. VOLUNTARY ENERGY EFFICIENCY IMPROVEMENT PROGRAM

Mr. deRuyter presented the voluntary energy efficiency improvement program for approval. There was discussions of the desirability of regaining the double investment tax credit for energy efficiency investments and of the relationship of the program to advocacy on energy taxes. There was also discussion of adding this program as a seventh Responsible Care® code, but it was agreed that any such proposal would be brought back to the Board for approval before proceeding.

ON MOTION, duly made and seconded, it was

VOTED: To approve the Voluntary Energy Efficiency Program as described in Exhibit B.

13. MARINE EMERGENCY RESPONSE CONTINGENCY PLAN PROGRAM

Mr. Campbell presented the Marine Emergency Response Contingency Plan Program for approval.

ON MOTION, duly made and seconded, it was

VOTED: To approve the Marine Emergency Response Contingency Plan Program as set forth in Exhibit C.

14. TRADE ISSUES

Mr. Clark in his role as the Chemical Industry Trade Advisor reviewed the strategy for seeking approval of the NAFTA agreement and the outlook for the GATT negotiations with the new Administration and Congress.

15. TOXIC USE REDUCTION

Mr. Popoff circulated some preliminary thoughts on the toxic use reduction issue to assist the Board in preparing for policy development and review at the April meeting.

16. LEGISLATIVE AND REGULATORY UPDATES

Due to a lack of time, the reports from Messrs. Stover, McIntire and Mullins were cancelled.

17. PRESIDENT'S REPORT

Mr. Roland referenced his written report and highlighted the following issues. He introduced Mr. Webber, his designated successor, who also participated in the discussion and presentation of several of these items.

- Request for a loaned executive to help lead an advocacy effort on environmental, health and safety management systems.
- Update on CMA/AAR discussions on rail tank cars.
- Concepts for a senior management education and training program.
- Observations from a recent briefing by Governor Sununu.
- Plans for a joint dinner on March 1 for Executive and Finance Committee members.

18. TREASURER'S REPORT

Mr. Herrman requested that 1992 chemical sales reports be returned by the January 31 due date. The remainder of his regular report was deferred because of the hour.

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The meeting was adjourned at 12:35 p.m.

Charles W. Van Vlack
Senior Vice President-Secretary