AGENDA

DINNER MEETING OF THE BOARD OF DIRECTORS

6:00 p.m. (EDT), Wednesday, June 11, 1969
Tyler, Fillmore, and Van Buren Rooms, The Greenbrier
White Sulphur Springs, West Virginia

I. MINUTES OF MAY 13, 1969, MEETING.

II. REPORT OF THE SECRETARY-TREASURER.
- (a) Financial Report for Fiscal Year Ending May 31, 1969. (Enclosure)
- (b) Summary of Independent Audit.
- (c) Capital Account and Inventory.
- (d) Membership Fee Billings for Fiscal 1969-70.

III. BOARD OF DIRECTORS.
- (a) 97th Annual Meeting.
  - (1) Program and Registration.
  - (2) Future Annual Meeting Dates.
- (b) Request for Concurrence Regarding Publication of "Guide to Precautionary Labeling of Hazardous Chemicals" (Enclosure)
- (c) Proposed Voluntary Health Examination Program. (Enclosure)
- (d) Proposal to Discontinue Research Advisory Committee. (Enclosure)

IV. COMMITTEE APPOINTMENTS. (Enclosure)

V. STAFF REPORT.

VI. ADJOURNMENT.

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A brief organizational meeting of the newly constituted Board of Directors will be held immediately following the Annual Business Meeting on June 12, in the West Virginia Room (located on the second floor).

Note: Next Regular Directors' Meeting -- 11:00 a.m. (EDT), Tuesday, September 9, 1969, Union Club, Park Avenue and 69th Street, New York City.

MINUTES of the one hundred eighty-seventh meeting of the Directors of the Manufacturing Chemists' Association, Inc., held in the Fillmore and Van Buren Rooms, The Greenbrier, White Sulphur Springs, West Virginia, on Wednesday, June 11, 1969.

The meeting was preceded by a reception and dinner beginning at 6:00 p.m.

There were present:

Carl A. Gerstacker, Chairman
F. Leonard Bryant
Harry W. Buchanan
E. E. Chipman
George H. Decker
George S. Dillon
Earle S. Ebers
Louis K. Eilers
Raymond F. Evans
Irb H. Fooshee
Clifton C. Garvin, Jr.
John L. Gillis
Robert D. Goodall
Ralph K. Gottshall
Roger W. Gunder
Kenneth H. Hannan
Leonard Hynes
John O. Logan
Earl T. McBee
C. B. McCoy
W. Kenneth Menke
Charles S. Munson
Joseph A. Neubauer
L. J. Polite, Jr.
Jack M. Pope
E. R. Rowley
Charles H. Rybolt
J. B. St. Clair
Clifford D. Siverd
Charles W. Smith
Harold E. Thayer
Harry B. Warner
James R. Carnes

Alternates:

Stanley H. Anonsen (for Harold E. Thayer)
Louis Bay, 2nd (for L. J. Polite, Jr.)
Edward J. Bock (for John L. Gillis)
Chester M. Brown (for Irb H. Fooshee)
J. E. Burrell (for Joseph A. Neubauer)
John W. Clinton (for W. Kenneth Menke)
J. P. Cunningham (for J. B. St. Clair)
David H. Dawson (for C. B. McCoy)
Edward J. Goett (for Ralph K. Gottshall)
James A. Hughes (for Raymond F. Evans)
James W. Kettle (for Roger W. Gunder)
M. M. McGrew (for M. Roger Clapp)
John K. McKinley (for Maurice F. Granville)
Harry D. McNeeley (for Louis K. Eilers)
Thomas B. Nantz (for Harry B. Warner)
Donald C. Oskin (for Jack M. Pope)
D. C. Phinney (for E. E. Chipman)
Derek Richardson (for Charles W. Smith)
G. S. Roberts (for Leonard Hynes)
Kenneth Rush (for Kenneth H. Hannan)
R. C. Swain (for Clifford D. Siverd)
Donald O. Swan (for Clifton C. Garvin, Jr.)
Nels E. Sylvander (for Charles H. Rybolt)
Robert M. Thomas (for Earl T. McBee)
Henry J. Whitson (for Edward R. Rowley)

General Counsel: Marx Leva

Present by invitation:
Bruce M. Barackman, MCA
E. B. Brooks, Columbian Carbon Company
F. H. Carman, MCA
John T. Connor, Allied Chemical Corporation
M. F. Crass, Jr., MCA
T. L. Cubbage, Phillips Petroleum Company
Lee V. Dauler, Neville Chemical Company
William C. Douce, Phillips Petroleum Company
William J. Driver, MCA
William B. Graham, Baxter Laboratories, Inc.
E. Bruce Harrison, MCA
T. G. Hughes, Chevron Chemical Company
Robert F. Huntley, Stauffer Chemical Company
A. Lewis, Jr., Gulf Oil Corporation
Richard C. McCurdy, Shell Oil Company
Max A. Minnig, Witco Chemical Corporation
James G. Morton, MCA
Donald D. Pascal, National Starch and Chemical Corp.
Joseph E. Rich, Morton International, Inc.
Peter C. Reilly, Reilly Tar & Chemical Corporation
H. I. Romnes, American Telephone & Telegraph Company
W. T. D. Ross, Canadian Industries Limited
Robert B. Semple, Wyandotte Chemicals Corporation
Henry A. Thouron, Hercules Incorporated
Jesse Werner, GAF Corporation
Robert J. Whitesell, Rohm and Haas Company
Roy E. Wood, Nalco Chemical Company
John E. Wood, III, Vulcan Materials Company

Following conclusion of dinner, the meeting was called to order by Chairman Gerstacker at approximately 8:15 p.m.

I. MINUTES OF MAY 13, 1969, MEETING.

The Minutes of the previous meeting of the Board of Directors were duly approved as submitted to the members.

II. REPORT OF THE SECRETARY-TREASURER.

(a) Financial Report for Fiscal Year Ending May 31, 1969. The report of income and expense of the Association for the period June 1, 1968, to May 31, 1969, was summarized as follows:

General Program

Income	Actual	Budget
Membership & Entrance Fees	$1,436,224	$1,430,000
Interest on Investments	89,024	75,000
Sale of Publications	49,931	50,000
Special Funds & Meetings	67,956	65,000
Total	$1,643,135	$1,620,000
Expenses		
Management	$ 291,890	$ 266,735
Technical	429,698	538,499
Public Relations	340,964	379,735
Information Service	100,993	127,030
Government Relations	181,570	182,995
Office Administration	120,051	125,740
Education	59,914	69,390
Subtotal	$1,525,080	$1,690,124

Excess of Income over Budgeted Program Expenses	$ 118,055
Less Expenditures from Restricted Funds -- Freight Rate Hearings	64,489
Net Excess of Income over Expenses	$ 53,206

Note: See Summary of Independent Audit below for Statement of Assets Liabilities & Fund Balances.

(b) Summary of Independent Audit. Mr. Carnes reported that the firm of Bond, Beebe, Bond and Bond, Certified Public Accountants, had submitted its report of the independent audit of the Association's accounts as of May 31, 1969, which would be summarized at the Annual Business Meeting on the following day and the summary included in the published Proceedings of that meeting to be distributed to the membership early in July. Copies of the audit report are furnished to the officers of the Association and the Chairman of the Finance Committee and are available for examination by other interested Directors upon request.

In addition to verifying the income received and expenses paid as reported by the Secretary-Treasurer, the independent auditors verified the assets, liabilities and fund balances as follows:

ASSETS

Cash in Bank and on Hand		
Commercial Checking Account	$ 45,890	
Payroll Checking Account	6,000	
Petty Cash Fund	500	
Chemical Forum Change Fund	250	$ 52,640

Investments		
Certificate of Deposit	$ 100,000	
Government Securities - General Fund	1,047,652	
Government Securities - Retirement Fund	161,962	$1,309,614
Accounts Receivable		
Meeting Advances	1,048	
Travel Advances	330	1,378
Deposits		725
		$1,364,357

Liabilities and Fund Balances

Liabilities		
Payroll Withholdings	$ 2,316	
Use Tax	370	2,686
Liability for Special Retirement Agreements		162,030
Restricted Funds		164,349
Fund Balances		
Restricted	104,790	
Unrestricted	930,502	1,035,292
Total Liabilities and Fund Balances		$1,364,357

The auditors reported that the accounting records were well kept, supporting evidence readily available, and the Association's personnel most cooperative.

(c) Capital Account and Inventory. The Secretary-Treasurer reported that fixed assets were not reflected in the auditors' Statement of Assets, Liabilities and Fund Balances because acquisitions of furniture and equipment are charged to expense when purchased. The auditors, however, had determined that the depreciated cost of fixed assets on hand as of May 31, 1969, was $61,646.

An inventory by the staff of MCA publications held for sale as of May 31, 1969, was $70,707 at cost value. These assets were not shown in the auditors' Statement of Assets, Liabilities and Fund Balances since the cost of publication is charged to expense when printed.

(d) Membership Fee Billing for Fiscal 1969-70. Mr. Carnes reported that, subject to approval of the budget and method of financing at the Annual Business Session on the following day, membership fee invoices for fiscal 1969-70 would be mailed to Executive Contacts on June 16. It was requested that those present facilitate prompt payment by their companies.

III(e) Ad Hoc Committee on Economic Assistance to Industry for Pollution Control
MCA Position Concerning Economic Incentives to Industry and Discharge of Committee 1218
See Executive Committee Minutes for September 1969 meeting. (Also see Exhibit E.)

III. BOARD OF DIRECTORS.

(a) 97th Annual Meeting.

(1) Program and Registration. The Secretary-Treasurer invited the attention of those present to the copies of the program and attendance list for the meeting which had been placed at each table in advance of the meeting. Total registration for the Annual Meeting was reported at 947 representing 163 member firms, all of whom would be quartered in The Greenbrier except five at motels and hotels in the vicinity.

(2) Future Annual Meeting Dates. The Secretary-Treasurer announced that The Greenbrier management had confirmed the following meeting dates covering the next five years:

June 4-6, 1970
June 10-12, 1971
June 8-10, 1972
June 7-9, 1973
June 6-8, 1974

(b) Request for Concurrence Regarding Publication of "Guide to the Precautionary Labeling of Hazardous Chemicals." Furnished to Directors in advance of the meeting was a request of the Labels and Precautionary Information Committee, copy appended as Exhibit A, for concurrence in the Committee's plan to publish the Seventh Edition of "Guide to the Precautionary Labeling of Hazardous Chemicals" without illustrative labels for specific chemicals. Chairman Gerstacker summarized the request and advised that the Executive Committee had favorably endorsed the request at its meeting earlier in the day.

ON MOTION, duly made and seconded, it was,

VOTED: That the request of the Labels and Precautionary Information Committee to publish the "Guide to the Precautionary Labeling of Hazardous Chemicals" without illustrative labels for specific chemicals be approved.

(c) Proposed Voluntary Health Examination Program. Furnished to Directors in advance of the meeting was a proposal for a voluntary health examination program for members of the MCA staff who are officers, department directors, technical specialists, and key supervisory personnel, copy appended as Exhibit B. Chairman Gerstacker briefly summarized the proposal and reported that the Executive Committee had endorsed it favorably at the Committee's meeting earlier in the day.

In the discussion which followed, Mr. Eb rs recommended that, following adoption of the plan as presented, consideration be given to the desirability of liberalizing it to provide more frequent examinations for a participant under 55 years of age whose physical condition warrants such examinations.

ON MOTION, duly made and seconded, it was,

VOTED: That the voluntary health examination program for certain members of the MCA staff, as set forth in Exhibit B, be approved.

(d) Proposal to Discontinue Research Advisory Committee. Furnished to Directors in advance of the meeting was a staff proposal to discontinue the Research Advisory Committee because of a lack of a current need for activity in the area for which the committee was responsible, copy appended as Exhibit C. Chairman Gerstacker briefly summarized the proposal and reported that the Executive Committee had favorably endorsed it at the Committee's meeting earlier in the day.

ON MOTION, duly made and seconded, it was,

VOTED: That the Research Advisory Committee be deactivated.

IV. COMMITTEE APPOINTMENTS.

The following committee appointments were approved:

(a) Education Activities Committee.
Herman S. Bloch, Universal Oil Products Company -- As Chairman
W. C. Fernelius, Koppers Company, Inc. -- As Vice Chairman
Burton C. Baker, Minnesota Mining and Manufacturing Company

(b) Government Liaison Technical Committee.
W. F. Luckenbach, Jr., Foote Mineral Company -- As Chairman

(c) International Trade Committee.
E. R. Kimmel, E. I. du Pont de Nemours & Company
George C. Wells, Union Carbide Corporation

(d) Occupational Health Committee.
K. S. Lane, M. D., Union Carbide Corporation

(e) Patent Committee.
J. Arthur Young, Phillips Petroleum Company -- As Chairman
Olin E. Williams, Koppers Company, Inc. -- As Vice Chairman
E. H. Beck, E. I. du Pont de Nemours & Company
Roy Davis, Diamond Shamrock Corporation
Roger Horton, Atlas Chemical Industries, Inc.

COMMITTEE APPOINTMENTS, Cont'd.

(f) Public Relations Committee.
Charles H. Zeanah, Ethyl Corporation

(g) Reactive Metals Subcommittee of the Air Quality Committee.
Robert R. Banks, Air Reduction Company, Inc.
George Fegan, Chromium Mining and Smelting Corporation
O. D. Jordan, Ohio Ferro-Alloys Corporation
F. G. Krikau, Interlake Steel Corporation
Ralph R. Person, Union Carbide Corporation
M. B. Powers, The Brush Beryllium Company
A. J. Primosic, Foote Mineral Company
R. H. Walsh, Kerr-McGee Corporation

(h) Reactive Metals Subcommittee of the Safety and Fire Protection Committee.
R. T. Gamble, Reactive Metals, Incorporated
Charles Gendron, Chromium Mining and Smelting Corporation
William Lynch, Air Reduction Company, Inc.
A. C. Lyon, Foote Mineral Company
R. L. Payne, Ohio Ferro-Alloys Corporation
E. A. Piersall, Union Carbide Corporation
C. C. Steorts, Interlake Steel Corporation
Carl Ware, Titanium Metals Corporation, Subsidiary of National Lead Company

V. STAFF REPORT.

General Decker presented a summary of developments in the Association's program of projects and activities since the last meeting, copy appended as Exhibit D.

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There being no further business to come before the meeting, it was unanimously resolved to adjourn.

J. R. Carnes
James R. Carnes
Secretary-Treasurer

Certified Correct:
Carl A. Gerstacker
Carl A. Gerstacker
Chairman of the Board

Request for Concurrence **EXHIBIT A**
in reference to the publication of
MCA "GUIDE TO THE PRECAUTIONARY LABELING OF HAZARDOUS CHEMICALS"
Manual L-1 Seventh Edition

Prior editions of the Manual have contained, in addition to detailed guidance for preparing warning labels on the basis of chemical characteristics, suggested text for certain chemicals to illustrate the system. For the following reasons, the Labels and Precautionary Information Committee proposes to eliminate illustrative labels from the Seventh Edition, now in the final stage of preparation for printing:

1. While the illustrations have promoted label uniformity for the chemicals so covered, extension to provide a compendium for all chemicals required to be so marked is impractical, hence such coverage would continue to be partial in relation to total needs.
2. MCA is not equipped with scientific data to support the choice of text for particular chemicals, and thus could be embarrassed in the event of a suggested label figuring in litigation. (Suggested labels will be continued in Chemical Safety Data Sheets, in which supporting information also appears.)
3. It is not feasible to inform, on a current basis, all recipients of the Manual (more than 5,000 to date) about changes that would apply to particular chemicals.
4. Illustrative labels for pesticides -- representing about half of the chemicals formerly covered -- are no longer needed because Federal regulations clearly define requirements.

Exclusion of illustrative labels in the Manual has no direct bearing on whether labels in current use should be changed. During the eight years intervening since the last revision, there has been some evolution of labeling concepts and practice which will be reflected in the Seventh Edition, e.g., addition of fire extinguishing and spill or leak instructions introduced by MCA's Chem-Cards as a new standard of care. Generally, however, extensive substantive label changes do not appear to be indicated.

The decision to eliminate illustrative labels was arrived at after thorough consideration by the Labels and Precautionary Information Committee. Although unanimity of opinion is lacking, a strong consensus in favor is clear. There is no reason to believe that further consideration would alter the weight of opinion, and the Committee as a group is confident of the rightness of its decision.

Publication is long overdue; the Safety and Fire Protection Committee also is anxious that it be expedited; and the USA Standards Institute is concerned about the effect of delay on its standardization program in this area.

It is believed that polling the Association membership would be counterproductive as well as time-consuming. Accordingly, concurrence of the Board of Directors is requested in the plan to publish the Seventh Edition of Manual L-1 without including illustrative labels for specific chemicals.

EXHIBIT B

VOLUNTARY HEALTH EXAMINATION PROGRAM

The Voluntary Health Examination Program set forth herein is recommended for approval by the Board of Directors, MCA.

Eligibility: Personnel eligible for this program include those members of the paid MCA Staff who are Officers, Department Directors, technical specialists, and key Staff personnel who supervise important operations. Enclosure 1 lists staff positions eligible.

Participation: Participation of eligible personnel is authorized according to the following schedule by age:

30-44 years of age, examined every 3 years
45-54 years of age, examined every 2 years
55 years of age and older, examined every year.

Examining Clinic: The Washington Clinic, 5401 Western Avenue, N. W., Washington, D. C., is designated the examining clinic. This clinic, one of the finest in the Washington Metropolitan Area, is modeled on the Mayo Clinic. It is a group practice institution with a balanced staff of 19 doctors specializing in 15 fields of medicine and surgery with the necessary supporting facilities such as X-Ray, Laboratory, and Physical Therapy.

Scope of Examination: The programmed examination is a thorough standard executive examination which includes:

1. Complete history and medical examination
2. Electrocardiogram
3. Chest X-Ray -- heart and lungs
4. Sigmoidoscopic examination
5. Visual acuity and Tonometry (Glaucoma test)
6. Laboratory --
   a. Complete blood count
   b. Urine analysis
   c. Fasting blood sugar
   d. Serological blood test
   e. Cholesterol test
   f. Uric Acid
7. Other tests or studies if necessary, such as lung capacity, laboratory, or x-rays of stomach, colon or gall bladder.
8. Final consultation with examining physician.

Follow-up Medical Treatment: This program is only for health examinations. Any medical treatment indicated as a result of an examination remains, as in the past, an individual responsibility. The MCA Group Hospitalization coverage continues unchanged.

<u>Implementation:</u> It is proposed to implement the program as follows:

FY 1969-70 -- Examine those 55 years of age and older.
FY 1970-71 -- Examine those 55 years of age and older plus those 45-54 years of age.
FY 1971-72 -- Examine those 55 years of age and older plus those 30-44 years of age.

Thereafter the schedule will continue as indicated in paragraph entitled Participation.

<u>Costs of Program</u>: Assuming 100% voluntary participation, the costs of the program are estimated to be:

FY 1969-70	$1,200.00
FY 1970-71	$3,000.00
FY 1971-72	$2,700.00

Thereafter annual costs are estimated as approximately $4,000.00.

May 1969

1 Enclosure

Enclosure 1

Voluntary Health Examination Program

Eligible Participants

1. President
2. Secretary-Treasurer
3. Department Directors
4. Assistant Secretary-Treasurer
5. Staff Counsel
6. Staff Members serving as Staff Representative and Secretary to an MCA Technical or Functional Committee
7. Assistant or Deputy Department Directors
8. Manager, Environmental Health Information
9. Manager, Community Relations
10. Manager, Consumer Information
11. Director of Information Service
12. Assistant to the Treasurer
13. Media Relations Representative -- New York
14. Office Manager
15. Industrial Relations Editor
16. Mail Room Supervisor
17. Librarian

EXHIBIT C

PROPOSAL

concerning the

Research Advisory Committee

Background The Research Advisory Committee has held no meeting since March 15, 1966, with the next preceding meeting in 1964. There has been no Committee program since mid-1966 when MCA chose to become disassociated from the project on the thermodynamic properties of chemical compounds, then being carried on at Texas A&M. No need has arisen to stimulate Committee activity, and no interest in an appropriate new program has been expressed by MCA member companies.

Attrition has reduced the membership to one who, on being consulted recently, expressed the opinion that other MCA committees involved with research affairs appear to be adequately equipped with research-oriented members and recommended that the Research Advisory Committee be discontinued.

Proposal In view of these circumstances, it is proposed that the Research Advisory Committee be terminated, subject to future reconstitution if the need should arise.

EXHIBIT D

STAFF REPORT
June 11, 1969

Presented by General G. H. Decker

There are so many matters competing for your attention at this annual gathering that I am offering only a brief summary of our staff activities since our May meeting.

* * * * * *

Secretary of the Treasury David M. Kennedy headed Government witnesses who appeared before the House Ways and Means Committee May 20 to present details of the Administration's proposal to repeal the investment tax credit and to extend the income tax surcharge. The 10 percent surcharge would be extended through 1969 and then reduced to 5 percent for the first six months of 1970. Repeal of the 7 percent investment tax credit would be retroactive to April 21, 1969, but property on which construction had commenced or which had been contracted for prior to that date would be entitled to continued credit. Administration witnesses recommended against preserving the credit for particular kinds of assets "such as airplanes or railroad freight cars" and for special categories of investment "such as investment in anti-pollution equipment."

Although non-government witnesses were afforded no opportunity to testify at the hearing, interested parties were permitted to submit written statements. MCA sent letters to the Secretary of the Treasury and to Chairman Mills of the Ways and Means Committee opposing the repeal of the investment tax credit and recommending inclusion of liberal transition rules should repeal of this credit actually be enacted. On recommendation of our Executive Committee, a copy of the letter to Chairman Mills was also sent to each Member of Congress. In addition, a bulletin to all MCA members informed them of the Association's action and suggested that those especially interested in the subject make known their views to individual members of the House Ways and Means Committee and to those Members of Congress representing districts in which chemical plants are located.

We anticipate that investment credit repeal probably cannot be blocked in the House but a situation could develop which could improve the odds. There is mounting resistance on Capitol Hill to extension of the income tax surcharge. The longer the delay, the stronger it will become. The possibility of preserving the investment tax credit will be enhanced if interested industry leaders contact Members of Congress, especially those on the Ways and Means Committee. While we have been concentrating our efforts mainly on the House, a strong protest to the Senate is planned at the appropriate time.

* * * * * *

President Nixon has been urged to force other nations to bargain on a textile quota agreement by announcing U. S. intention to withdraw textile tariff concessions when they come up for review later this year. The proposal was made by Senator Earnest Hollings of South Carolina in addressing MCA's Chemical Forum Luncheon in Washington last week. The Senator's remarks were widely reported, including a long story in the June 6 New York Times. An Administration source said later the Hollings proposal was legal and workable under the General Agreement on Tariffs and Trade. Senator Hollings indicated he is making renewed efforts to include man-made fibers as well as finished textiles in the textile negotiations.

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C. H. Vescelius of Olin Mathieson testified for MCA on May 22 before the House Subcommittee on Transportation and Aeronautics in support of legislation (H. R. 8298 and similar bills) to legalize inclusion of unregulated bulk and regulated non-bulk commodities in a single barge tow on inland waterways. This long-established "mixed tow" practice was determined by the Supreme Court to be illegal under present laws.

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On May 29 I wrote to Congressman Edward L. Garmatz (D. -Md.), Chairman of the House Committee on Merchant Marine and Fisheries, and to Secretary of Transportation John A. Volpe to endorse a bill (H.R. 4154) that would require licensed personnel to be in charge of certain vessels operating on inland waterways. This measure would contribute to safety and to avoidance of water traffic disruption.

* * * * * *

At this week's public hearings on the rail Traffic Executive Association in St. Louis, T. C. Stewart of Monsanto and L. S. Truslow of Union Carbide appeared for MCA to oppose limitation of mileage compensation allowances in certain tariffs. Regardless of the ultimate outcome in the pending ICC proceeding on mileage compensation, the railroads' tactics in seeking an upper limit to mileage compensation allowances seems a direct affront to the Commission.

* * * * * *

A valuable addition to the Association's safety literature is the 174-page "Laboratory Waste Disposal Manual," produced as a project of the Safety and Fire Protection Committee. It contains directions on handling of spills and on safe disposal for small quantities of some 1200 chemicals.

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The fully subscribed Technical Seminar on Water Pollution for Chemical Wastes held this week at the University of Waterloo, Waterloo, Ontario, closes the fourth year of this highly successful program under the auspicies of the Water Resources Committee. Helpful cooperation in this instance was given by the Canadian Chemical Producers' Association. Continuation of this seminar series for next year is being planned.

* * * * * *

Several agreements have recently been negotiated by MCA to provide information useful for chemical industry participation in public hearings and related activities, specifically those bearing on adoption of air quality standards by the various states under provisions of Federal laws. These agreements are as follows:

With Louis C. McCabe -- Rationale for process weight basis for regulation of particulates emission in the Los Angeles District.

With Resources Research, Inc. -- Alternatives to process weight basis of such regulation.

With Joseph D. Coons -- Regulation of visual emissions.

With Stanford Research Institute -- Statistical relationships between average concentrations of air contaminants and sampling period durations.

With W. L. Faith, Jr. -- Consultation on MCA workbook on air pollution control regulations.

* * * * * *

A May 9 report, prepared by the Industrial Relations staff, deals with the prevalence and characteristics of pay differentials for evening and night work in 597 member firm collective bargaining agreements. Shift differentials varied widely in the nationwide survey, but the median cents-per-hour differential was 10¢ for the second shift and 20¢ for the third shift.

* * * * * *

A survey being conducted by the same staff concerns vacation leave practices for hourly-paid employees in member plant operations throughout the United States. Recent collective bargaining settlements indicate an upward trend in vacation benefits and this study seeks to determine the prevalence of new vacation provisions such as vacation leave bonus and extended vacations. The findings are scheduled for publication shortly.

* * * * * *

Just before the Annual Business Meeting tomorrow, there will be a press briefing. Board members participating are: Carl Gerstacker of Dow, C. B. McCoy of Du Pont, John Connor of Allied and Ken Rush of Union Carbide. In addition, Bill Driver and I will be on hand to help answer questions. The press representatives invited to attend this year's Annual Meeting are: Drew Fetherston, Wall Street Journal; Arthur Kavaler, Oil, Paint & Drug Reporter; Ralph

Schulz and Don Burke, Chemical Week; Al Wyss, Journal of Commerce; Pat McCurdy and Mel Josephs, Chemical & Engineering News; Gordon Weyermuller, Chemical Processing; Gerd Wilcke, New York Times, and Art Detman, Forbes.

* * * * * *

In keeping with efforts to reduce public relations expenditures while at the same time increasing the efficiency of MCA's dealings with its outside publics, the environmental health publication CURRENTS is now being written, edited and produced by the staff. James P. Turner, a new member of our Public Relations staff, formerly with the National Association of Broadcasters, is handling this journal along with other duties.

* * * * * *

The Association's Consumer Information Program last month staged a breakfast and symposium at the Annual Meeting of the National Home Fashions League in New Orleans. Entitled "Chemistry Fashions the Home," the symposium acquainted 200 home fashion designers and editors with the important relationship between chemical company products and the American home. The event gained considerable attention for the industry among the designers and the press.

* * * * * *

A Chemical Information Center -- another use of the letters CIC -- has been established at the office of the public relations counsel retained by the Chemical Industry Council of Greater St. Louis. The press, regulatory agencies and civic groups have been alerted to the formation of the Center which is off to a fine start. Incoming phone calls and correspondence are referred to appropriate industry experts. In this manner, efficient service is provided and plants are spared the handling of inquiries unrelated to their operations. The Center also serves as a data-gathering source on the Greater St. Louis chemical industry.

* * * * * *

The three recipients of this year's College Chemistry Teacher Awards -- Dr. Anna Jane Harrison, Mount Holyoke College; Joseph B. Nordmann, Los Angeles Valley College; and Dr. Corwin Hansch, Pomona College -- also Mrs. Hansch, will be with us for the next day or two and I hope each of you will extend them a welcome.

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EXHIBIT E
6/11/69

Recommendation
of
Ad Hoc Committee on Economic Assistance
to Industry for Pollution Control
as to
MCA Position Concerning Economic Incentives
to Industry for Pollution Control
and
Discharge of Committee

At the May 29, 1969 meeting of the Ad Hoc Committee on Economic Assistance to Industry for Pollution Control, the secretary was requested to propose that it be discharged.

The Committee feels it has completed its assignment, summarized as follows:

> Five of the six members of the Ad Hoc Committee support recommending that MCA take a position in favor of governmental economic subsidy of industrial pollution control. No particular devices for this purpose are specifically endorsed, but investment credit and accelerated amortization are recognized as having received much consideration. Justification resides in the unusual burden on industry in responding to the discontinuous jump in control requirements called for by programs just now getting under way or initiated in the recent past. This subsidy should be available without special qualification, e.g., hardship conditions, and should not be restricted to pre-existing installations. It should not be continued indefinitely, but no specific term of duration is suggested.
>
> The Ad Hoc Committee believes that it would be preferable for this subject to receive independent legislative consideration based on its own merits, and recommends that announcement of any MCA position should be held for opportune release.

*

BACKGROUND

The Clean Water Act of 1966 (S. 2947) required the Secretary of the Interior to study methods for providing industry with incentives, including tax incentives, for constructing pollution abatement facilities. Anticipating that the chemical industry would be called upon to express its attitude on the subject, an Ad Hoc Committee was appointed to study the matter and the Board of Directors, on March 14, 1967, approved terms of reference for the Committee. Subsequently, the Ad Hoc Committee rendered a report which reflected a division of opinion within the Committee. Although earlier it was presumed MCA might be invited to express an opinion, it became increasingly clear that no such statement would be required so no action was taken on the report.

In January 1969 the subject was reopened with the Ad Hoc Committee since there was some pre-inauguration comment from the incoming Nixon Administration that indicated the subject might be revived. Consequently the Ad Hoc Committee was asked to reconsider its position. It has not changed.

RECOMMENDATION

At this time there is no indication that MCA will be called upon to express an opinion. Consequently, it is recommended that the Report of the Ad Hoc Committee be filed for possible future reference and that the Committee be disbanded.

June 11, 1969