AGENDA
MEETING OF THE MCA BOARD OF DIRECTORS
11:00 a.m. (EDT), Tuesday, May 14, 1963
Union Club, New York City

I. MINUTES OF APRIL 9, 1963, MEETING.

II. REPORT OF THE TREASURER.
(a) Financial Report for Eleven Months Ending April 30, 1963. (Enclosure)
(b) Employment of Auditors.

III. BOARD OF DIRECTORS.
(a) Program Committee -- 91st Annual Meeting.
(b) Budget and Financing for 1963-64.
(c) Nominating Committee -- Officers and Directors for Fiscal 1963-64.
(d) Annual Report for 1962-63.
(e) Reactive Metals Steering Committee -- Status.
(f) Change of Committee Name -- Water Resources Committee.
(g) Rules of Organization & Procedure and/or Terms of Reference --
1. Government Liaison Technical Committee (Ad Hoc). (Enclosure)
2. Legal Advisory Committee. (Enclosure)
3. Tax Policy Committee. (Enclosure)
4. Technical Committee on Rocket Propellant Safety (Ad Hoc). (Enclosure)
(h) Physical Properties Research Project. (Enclosure)

IV. TECHNICAL AND FUNCTIONAL COMMITTEE APPOINTMENTS. (Enclosure)

V. STAFF REPORT AND MISCELLANEOUS ITEMS.
(a) Legislative Developments.
(b) Policy Study Committee Report -- Summarization of Progress. (Enclosure)
(c) Management Services Report -- Summarization of Progress. (Enclosure)

NEXT MEETING: The Directors will meet for cocktails and dinner at The Greenbrier, White Sulphur Springs, W. Va., at 6:00 p.m. (EDT), on Wednesday Evening, June 5.

MINUTES of the one hundred twenty-eighth meeting of the Directors of the Manufacturing Chemists' Association, Inc., held at the Union Club, New York City, on May 14, 1963, at 11:00 a.m. (EDT).

There were present:	Chester M. Brown	H. E. Martin
	F. L. Bryant	R. C. McCurdy
	Bennett S. Chapple, Jr.	W. Kenneth Menk
	David H. Dawson	Warren H. Moyer
	Leland I. Doan	Charles S. Munson
	Raymond F. Evans	J. A. Neubauer
	D. S. Frederick	Robinson Ord
	Ralph K. Gottshall	G. L. Parkhurst
	William B. Graham	Charles H. Sommer
	Kenneth H. Hannan	G. L. Weissenburger
	John A. Hill	W. N. Williams
	John E. Hull	R. I. Wishnick
	Richard W. KixMiller	John E. Wood, III
	Harry B. Marshall	M. F. Crass, Jr.

Alternates:	Henry Avery (for W. Kenneth Menke)
	J. E. Burrell (for J. A. Neubauer)
	J. D. Gunther (for John A. Hill)
	William M. Haile (for Kenneth H. Hannan)
	George E. Holbrook (for David H. Dawson)
	John O. Logan (for Thomas S. Nichols)
	Max A. Minnig (for R. I. Wishnick)
	W. T. D. Ross (for Robinson Ord)
	W. Cooper Willits (for William P. Drake)
	James H. Worth (for Richard W. KixMiller)
General Counsel:	Alexander B. Hawes) Fowler, Leva, Hawes &
	Lloyd Symington) Symington
Present by Invitation:	L. G. Bliss, Foote Mineral Company
	H. S. Bunn, Union Carbide Corporation
	G. H. Decker, MCA
	J. T. Garrett, Monsanto Chemical Company
	A. J. von Frank, Allied Chemical Corporation

The meeting was called to order at 11:00 a.m. by Chairman Dawson.

I. MINUTES OF APRIL 9, 1963, MEETING.

The Minutes of this meeting were duly approved as submitted to the members.

II. REPORT OF THE TREASURER.

(a) Financial Report -- June 1, 1962 - April 30, 1963. The financial report for the eleven months ending April 30, 1963, was summarized by the Treasurer.

(b) Budget and Financing for Fiscal 1963-64. Following presentation of a recommended requirements budget and method of financing for fiscal 1963-64 by Mr. Hannan in behalf of the Executive and Finance Committees at the April 9, 1963, meeting, the Secretary on April 16 transmitted to the Directors a detailed documentation of both budget and financing for advance study, preparatory to the May 14 meeting. Mr. Dawson commented briefly on consideration given the matter by the Executive Committee at its earlier meeting that day. Following a presentation made by the Water Resources Committee, the Executive Committee had agreed to recommend, for Board consideration, an additional $10,000 for the Water Pollution Research Project at Franklin Institute, thereby bringing the over-all recommended budget figure to $1,156,990.

Following discussion,

ON MOTION duly made and seconded, it was

VOTED: That a budget for the 1963-64 fiscal year in the amount of $1,156,990, be approved for presentation to the membership -- such funds to be raised by an increase of basic membership fees of 5%, plus a one-time assessment of 5%, both applicable to the entire membership on an across-the-board basis.

In increasing the recommended budget by $10,000 to provide additional funds for the Franklin Institute Project, the Directors, nevertheless, requested the staff to study the budget for possible economies totalling this amount. Particularly recommended for scrutiny and possible elimination was the Teacher Awards Program.

(c) Nominating Committee. Speaking for the Nominating Committee, Mr. Parkhurst presented the following slate of Officers and Directors for submittal to, and action by, the membership at the 91st Annual Business Meeting on June 6:

Chairman of the Board -- David H. Dawson, Vice President, E. I. du Pont de Nemours & Co., Inc.

Chairman of the Executive Committee -- Kenneth H. Klipstein, President, American Cyanamid Company

President -- George H. Decker

Vice Presidents -- John A. Hill, President, Air Reduction Company, Inc.
W. Kenneth Menke, President, Pittsburgh Chemical Company

Secretary-Treasurer -- M. F. Crass, Jr.

Directors --

(Term Expires May 31, 1966)

Chester M. Brown, President, Allied Chemical Corporation
George H. Decker
Carl A. Gerstacker, Chairman, The Dow Chemical Company
John L. Gillis, Vice President, Monsanto Chemical Company

Directors --

(Term Expires May 31, 1966)

Thomas C. Jones, Chairman, Nalco Chemical Company
Hugo Riemer, President, United States Borax & Chemical Corporation
Robert B. Semple, President, Wyandotte Chemicals Corporation
Harold E. Thayer, President, Mallinckrodt Chemical Works
O. V. Tracy, Executive Vice President, W. R. Grace & Co.
G. L. Weissenburger, President, Vanadium Corporation of America

(Term Expires May 31, 1964)

R. W. Thomas, Vice President, Phillips Petroleum Company

(d) Annual Report for 1962-63. Copies of the Annual Report in draft form were sent to the Directors by the Secretary on April 26. Comments received have been incorporated in the draft, which will be submitted to the printer on May 17. Copies of the printed report will be mailed to all Executive Contacts and members of the technical and functional committees on June 6 -- the day of the Annual Meeting.

(e) Status of Reactive Metals Steering Committee. The current two-year term of this Ad Hoc Committee expires on May 31, 1963. Mr. Dawson reviewed the history of the metals activity and asked Mr. Sommer to report to the Directors on discussions which had taken place that morning at the Executive Committee meeting. At that meeting, Messrs. Bliss and Weissenburger, in behalf of member metals producers, recommended that the Committee be continued for a two-year period on an ad hoc basis, in order to complete work on basic problems having to do with proposed applications to the Office of Emergency Planning with respect to imported ferro-alloys and metals; the effect of related international trade and tariff policies on the industry; regulations and barter activities of the Department of Agriculture; and Government stockpiles of strategic and critical materials.

Following discussion, it was the consensus of those present that, while activities of this Committee should continue to be absorbed into existing functional committees of MCA as rapidly as circumstances permit, nevertheless, the staff be instructed to report to the Directors at the June 5 meeting with reference to (1) an extension of tenure of one year; (2) a change in name of the Committee to reflect its current activities, such as "Reactive Metals Advisory Committee on International Trade (Ad Hoc)"; and (3) revised Terms of Reference compatible with the foregoing. All present agreed that, should the pending problems be solved prior to the end of such extended tenure, the Committee would be dissolved and any remaining metals activities absorbed into the MCA functional organization. The staff was asked to consider also how best problems such as those which have made this special Committee necessary might be handled within MCA's basic organizational structure.

It was agreed further that the May 31, 1963, deadline on current Committee tenure should be extended until June 5 -- date of the next Directors' meeting.

(f) Change of Committee Name -- Water Resources Committee. On recommendation of the Water Pollution Abatement Committee and staff it was

ON MOTION duly made and seconded,

VOTED: That the name of the present Committee be changed to Water Resources Committee.

It was explained that reason for recommending the change was to present a more positive indication of the Committee's functions, without in any way down-grading pollution abatement as a continuing principal activity of the Committee. No intent to broaden the Committee's present functions is intended, and no changes will be necessary in the Committee's existing Terms of Reference.

(g) Rules of Organization and Procedure. Sent to Directors in advance of the meeting were drafts of recommended Rules of Organization and Procedure and/or Terms of Reference for the following committees:

Government Liaison Technical Committee (Ad Hoc)
Legal Advisory Committee
Tax Policy Committee
Technical Committee on Rocket Propellant Safety (Ad Hoc)*

Following discussion,

ON MOTION duly made and seconded, it was

VOTED: That the proposals be adopted.

(h) Physical Properties Research Project. Sent to Directors in advance of the meeting was summary of the membership survey conducted by the staff in accordance with a Policy Study Committee recommendation with respect to member opinion on maintenance or termination of the Physical Properties Research Project at the A&M College of Texas. The report showed the number of member firms favoring (1) continued support; (2) a phasing-out to the Bureau of Standards; or (3) termination of the Project at the end of the present contract.

General Hull recommended that the staff be authorized, in view of the situation, to (1) advise Texas A&M promptly of proposed termination of the contract at the end of the 1963-64 fiscal year; and (2) continue to explore with officials of the Bureau of Standards a possible method of continuing the Project without committing future MCA financing.

It was the consensus of those present that the staff be so authorized.

(i) Retirement Plan. Mr. Wishnick reported that the Pension Committee had conducted a comprehensive review of the MCA Retirement Plan, with the assistance of the Trustee and an outside firm of consultants, purpose being to determine whether or not present benefits available under the Plan are the maximum possible with the amount of money now being spent. He stated that the report of the consultants had been received and that copies, with a summarization of recommendations and changes, would be sent to the Directors within the next two weeks in order that they might study the proposals and take final action thereon at the June 5 Directors' meeting.

*Formerly designated the Technical Subcommittee on Chemical Propellant Safety (of the Safety and Fire Protection Committee).

V. STAFF REPORT AND MISCELLANEOUS ITEMS.

(a) Legislative Developments. Included in the Directors' folders was a report covering recent Congressional developments of major concern to the chemical industry. Referred to were matters relating to the Report on Pesticides by the President's Science Advisory Committee and the beginning of the Ribicoff Subcommittee hearings; extensive hearings on water pollution by a Subcommittee of the House Government Operations Committee which are scheduled to begin May 21; the debate over Government patent policy regarding inventions growing out of Government-sponsored research conducted by private contractors, and others.

General Hull stated that the Report on Pesticides by the President's Science Advisory Committee was being released that day and that copies would be transmitted to member firms without delay. With respect to the Ribicoff Subcommittee hearings, it is expect that, after hearing from Dr. Wiesner and other Government witnesses, industry witnesses will be called around June 1. It is currently planned that MCA and National Agricultural Chemicals Association will utilize a joint witness -- George R. Ferguson, President, Geigy Agricultural Chemicals. There is a possibility of arranging for other industry presentations as well, and an ad hoc committee representing both Associations is giving the matter thorough consideration.

With respect to the Congressional investigatory hearings on water pollution being conducted by Representative Jones of the House Government Operations Committee, the Washington hearings will be supplemented by regional hearings held throughout the country. Mr. Dawson called on A. J. vonFrank, a representative of the MCA Water Resources Committee, to describe a course of action and outline a proposed MCA position, recommended to the Board for adoption by the MCA Committee.

Following discussion, it was agreed that the matter was highly important, and that MCA (and all members who are interested) should take an active part as outlined above.

(b) College Teacher Awards. General Hull read to those present the names and institutional connections of the six college chemistry teachers who had been selected by the judges to receive awards at the 91st Annual Meeting on June 6.

(c) MCA Petition Under Section 232 -- Trade Expansion Act of 1962. General Hull reported that, on the recommendation of the Reactive Metals Steering Committee, an application requesting an investigation of the effect of imports of manganese and chromium ferroalloys on national security had been filed with the Offic of Emergency Planning under Section 232 of the Trade Expansion Act of 1962.

(d) Implementation of Policy Study Committee Recommendations. Handed to those present were staff reports dealing with summaries of actions taken to implement the recommendations of the Policy Study Committee Report as well as Management Services recommendations with respect to operations of the MCA Washington Office.

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

M. F. Crass, Jr.
Secretary

APPROVED: David H. Dawson
Chairman