

MINUTES OF MEETING
OF THE EXECUTIVE COMMITTEE
OF THE GLIDDEN COMPANY

Minutes of meeting of the Executive Committee of The Glidden Company held at the office of the Company, 1396 Union Commerce Building, Cleveland, Ohio, on Tuesday, January 3, 1956, at 10:00 A.M.

The following members of the Committee were present:

Dwight P. Joyce
Paul E. Sprague
John P. Ruth
B. W. Maxey
Robert D. Horner

Mr. Alexander D. Duncan was not present at the meeting.

Mr. Dwight P. Joyce, Chairman, presided and Mr. Robert D. Horner, Secretary, recorded the minutes.

The Committee carefully considered a proposal for a grant to Harvard University School of Public Health of \$15,000 per year for a three-year period to help finance an atherosclerosis research program. It was pointed out that, although under the terms of the grant the University would not be committed to use funds donated by the Company for any specific purpose other than a general study of atherosclerosis, it was contemplated by Mr. Willard C. Lighter, Vice President in charge of the Chemurgy Division, and the Company's medical consultant on RG Lecithin, Dr. Cortez F. Enloe, that such funds would be used in connection with the study of the effect of RG Lecithin in the treatment of this disease.

It was the consensus of the Committee, on the basis of the information concerning the research program submitted to the Chairman by Mr. Lighter and Dr. Enloe, that the requested grant should not be approved at the present

time. It was pointed out that substantial commitments had already been made for research projects in connection with the Company's RO Lecithin program and that it was anticipated that at least partial answers to questions which existed as to the therapeutic value of this product would be obtained before additional funds were expended on RO Lecithin research. In view of these previous commitments, the three-year period involved in the requested grant and the lack of assurance that any funds donated by the Company to the University would be used for study of the use of RO Lecithin in the treatment of atherosclerosis, it was decided that the grant should not be approved. The Committee, however, approved the Chairman's suggestion that, if Mr. Lighter and Dr. Enloe felt this matter should be reconsidered, arrangements be made for Mr. Lighter and Dr. Enloe to meet with the Committee on January 19 when they both planned to be in Cleveland in connection with business involving other matters pertaining to the RO Lecithin program.

The Secretary reported that the United States Court of Appeals for the Seventh Circuit had recently upheld a Federal Trade Commission order issued following a proceeding involving the Company and other defendants in which a cease and desist order had been issued by the Commission prohibiting manufacturers of lead pigments from conspiring to fix prices and from discriminating in prices through the use of zone pricing methods and discounts. The Commission's order, he said, had been appealed by the other defendants. The Court, he said, had generally upheld the administrative order, with the exception of a portion of the order which provided that "each of the respondents, its officers, agents, representatives, and employees, in or in connection with the offering for sale, sale or distribution of lead pigments in commerce.... cease and desist from quoting or selling lead pigments at prices calculated

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or determined in whole or in part pursuant to or in accordance with a zone delivered price system for the purpose or with the effect of systematically matching the delivered price quotations or delivered prices of other sellers of lead pigments and thereby preventing purchasers from finding any advantage in price in dealing with one or more sellers as against another," was set aside on the ground that it was beyond the power of the Commission. The Secretary stated that copies of the entire text of the opinion had not yet been received, but that as soon as such copies were available, a final memorandum would be prepared by the Legal Department on the effect of the order upon the Paint Division's and Chemicals-Pigments-Metals Division's current pricing practices.

The Committee, upon motion duly made and seconded, unanimously voted to extend the employment of Mr. E. L. Balston, Manager of the Company's Shasta County, California mining operations, for an indefinite period beyond his previously established retirement date, but not beyond December 31, 1956, subject to earlier termination of such employment by the Chairman or Mr. John P. Ruth.

There being no further business to come before the Committee, the meeting was adjourned.



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