

MINUTES of the one hundred fifty-sixth meeting of the Directors of the Manufacturing Chemists' Association, Inc., held at The Madison, Washington, D. C., on Tuesday, April 19, 1966, at 9:00 a.m. (EST).

There were present:	Chester M. Brown	Donald D. Pascal
	Herschel H. Cudd	Joseph E. Rich
	George H. Decker	Joseph R. Stevens
	Harold W. Fisher	Harold E. Thayer
	J. Robert Fisher	Henry A. Thouron
	John L. Gillis	O. V. Tracy
	T. G. Hughes	Harry B. Warner
	Thomas C. Jones	G. L. Weissenburger
	Alexander Lewis, Jr.	Jesse Werner
	John O. Logan	John E. Wood, III
	W. P. Marsh, Jr.	M. F. Crass, Jr.
	A. R. Marusi	

Alternates:	S. H. Anonsen (for Harold E. Thayer)
	D. G. Braithwaite (for Thomas C. Jones)
	Bert Cremers (for Robert B. Semple)
	C. O. Davidson (for E. B. Brooks)
	David L. Eynon, Jr. (for F. L. Byrom)
	Harry S. Ferguson (for Chester M. Brown)
	Kenneth H. Hannan (for Kenneth Rush)
	Paul Mayfield (for Henry A. Thouron)

General Counsel: Lloyd Symington

Present by Invitation: Martin P. Hottel - National Lead Company
Carstens Slack - Phillips Petroleum Company
A. C. Welling - Wyandotte Chemicals Corporation

In the absence of Chairman Semple, C. M. Brown, Chairman, MCA Executive Committee, assumed the chair. Following breakfast, he called the meeting to order at 9:00 a.m.

I. MINUTES OF MARCH 9, 1966, MEETING.

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

II. REPORT OF THE SECRETARY-TREASURER.

(a) Financial Report -- June-March 1966. The financial report for the ten months ending March 31, 1966, was summarized by the Secretary-Treasurer.

ON MOTION duly made and seconded, it was

VOTED: That the report be accepted and placed on file.

(b) Employment of Auditors. On recommendation of the Secretary-Treasurer and

ON MOTION duly made and seconded, it was

VOTED: That the firm of Bond, Beebe, Bond & Bond, Certified Public Accountants, be appointed to conduct the annual audit of the Association's books prior to the expiration of the fiscal year.

Arrangements have been made by the staff to close the books on May 13 for audit beginning May 18.

III. BOARD OF DIRECTORS.

(a) Budget and Financing for Fiscal 1966-67. Preliminary Report.

Mr. Thayer stated that the Executive and Finance Committees had met in joint session the previous day and had agreed to present to the Board a staff-recommended budget totalling \$1,282,400, approximately 4.6% higher than the current budget of \$1,225,730. In addition, the Committees endorsed a proposed environmental health program which, for the first year's operation, may cost up to \$200,000. Details of the proposals and their method of financing, which will necessitate a dues increase of 10%, will be circulated to the Board of Directors promptly in order that members may have an opportunity to thoroughly consider the proposals preparatory to Board action at the May 10 meeting.

(b) Membership Committee. Mr. Cudd reported that an application had been received from

Merichem Company

and that, in the opinion of the Membership Committee, the applicant was qualified for membership under the Association's By-Laws.

ON MOTION duly made and seconded, it was

VOTED: That the applicant be approved, subject to the 30-day notification of members provided under Article III, Section 4, of the By-Laws.

Chairman Cudd stated that an application also had been received from Michigan Chemical Corporation, which was approved by the Membership Committee. In this case, the action constituted a reinstatement since the firm had been a member of the Association at an earlier date.

ON MOTION duly made and seconded, it was

VOTED: That the application be approved.

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(c) 94th Annual Meeting of the Association. Mr. Fisher reported that Paul L. Davies, Chairman of the Board, FMC Corporation, had agreed to speak at the Annual Business Session on the morning of June 9. Arrangements to secure a guest speaker for the Banquet the following day are actively going forward, and a further report will be made on this at the next meeting.

Mr. Crass stated that registration for the meeting had been virtually completed with approximately 900 reservations on hand. He expressed the Association's appreciation to those firms which had voluntarily reduced the size of their respective contingents.

(d) Threshold Limit Values. Those present considered a statement on threshold limit values prepared by the MCA Medical Advisory Committee and suggested by that body for transmittal to all member firms with Board endorsement and a recommendation that they be guided by it. Briefly, the statement, previously endorsed by the Executive Committee, urged that member firms give serious consideration to establishing or expanding in-plant surveillance of environmental contamination by chemicals and that this be combined with an appropriate medical program to define the impact of the environment on the workmen. The data derived from such studies should then be considered for scientific publication or submitted to the Committee on Threshold Limits of the American Conference of Governmental Industrial Hygienists to establish, support, or refute the value for any specific material.

Following discussion,

ON MOTION duly made and seconded, it was

VOTED: That the proposal of the Medical Advisory Committee be accepted and that the statement, with Board endorsement, be transmitted to the Executive Contacts of member firms.

(e) Transportation of Hazardous Chemicals By Barge. Organization of a standing Subcommittee on Barges, together with proposed terms of reference outlining purpose, scope, and membership, was considered at the request of the MCA Transportation Equipment Committee. This was considered favorably by the Executive Committee the preceding day.

ON MOTION duly made and seconded, it was

VOTED: That the above proposal be approved.

IV. COMMITTEE APPOINTMENTS.

The following committee appointments were approved:

(a) Air Quality Committee.

Jerome Wilkenfeld, Hooker Chemical Corporation, as Chairman.
M. V. Anthony, Stauffer Chemical Company, as Vice Chairman.

- (b) Chemical Industry Council Advisory Committee.
E. N. Brandt, The Dow Chemical Company.
E. E. Fogle, Union Carbide Corporation.
Robert L. Skov, Hercules Powder Company, Inc., replacing
G. S. Williamson, Shell Chemical Company.
- (c) Environmental Health Advisory Committee.
J. H. Sterner, M. D., Eastman Kodak Company, as Chairman.
E. J. Bock, Monsanto Company, as Vice Chairman.
- (d) Legal Advisory Committee.
John M. Gaston, Jr., Allied Chemical Corporation, replacing
L. A. Coleman.
- (e) Transportation and Distribution Committee.
George A. Falconer, Gulf Oil Corporation, as Chairman.
George L. Wilson, Rohm and Haas Company, as Vice Chairman.
Harold D. Cunningham, The Goodyear Tire and Rubber Company.
Edward F. Lodge, Jr., Atlas Chemical Industries, Inc.
George Sampson, Geigy Chemical Corporation.
Thomas A. Wilker, Union Carbide Corporation, replacing
L. S. Truslow.

V. STAFF REPORT.

General Decker presented a report of developments in the Association's program of projects and activities since the last meeting. Copy of this report is appended to these Minutes as Exhibit A.

VI. COMMITTEE REPORTS.

(a) Government Liaison Technical Committee. Martin P. Hottel, Chairman, reported on projects and activities of this Committee. Copy of this report is appended to these Minutes as Exhibit B.

(b) Washington Advisory Committee. Carstens Slack, Chairman, reported on projects and activities of this Committee. Copy of this report is appended to these Minutes as Exhibit C.

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

M. F. Crass, Jr.
Secretary-Treasurer

MINUTES SUBJECT TO APPROVAL
Attachments

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STAFF REPORT
April 19, 1966

Presented by General G. H. Decker

Federal Matters

Both Senate and House Government Operations Committees have held hearings this month on Reorganization Plan No. 2 which would transfer Federal water pollution control activities from the Department of Health, Education, and Welfare to the Department of the Interior. While Members of Congress most familiar with water pollution control matters voiced concern at the hearings that the transfer would slow down progress in pollution abatement, it is generally believed the transfer will become effective on April 30 without formal objection by either the Senate or the House of Representatives.

Preparation of MCA testimony is under way for a May 4 appearance at hearings of the Senate Subcommittee on Air and Water Pollution on S. 2947, S. 2987, and other pending bills concerning water pollution control. The Association's witness will be A. J. vonFrank, Chairman of the MCA Water Resources Committee, accompanied by W. J. Conner, Chairman of the Legislation Subcommittee.

On April 1, the Association addressed a letter to Chairman Wilbur D. Mills and the other members of the House Ways and Means Committee setting forth the Association's views on H. R. 8282, the Unemployment Compensation Bill now being considered in Executive Session by the Committee.

MCA urged that the present system of state-developed and state-administered unemployment compensation programs be continued. Objections were specifically offered to the level of benefits under the bill; to the extension of benefits for a maximum of 52 weeks; to permitting states to adjust tax rates without regard to an employer's "experience rating"; and to the attempt to rule out certain legitimate disqualifications of employees.

MCA endorsed the idea that additional benefits be provided only in states suffering recession when unemployment is lower than normal, and also urged that favorable consideration be given to judicial review of the Secretary of Labor's conformity decisions. The letter concluded with the recommendation that, if additional funds are necessary, the tax rate, rather than the taxable wage base, be increased.

The Senate Judiciary Subcommittee on Patents, Trademarks, and Copyrights has reported to the full Committee a slightly revised version of S. 1809, Senator McClellan's proposed "Federal Inventions Act", to establish a uniform Government policy for determining patent rights under Government-sponsored research contracts. Last year MCA testified in general favor of the bill. The revised measure is being reviewed by the Association's Patent Committee which is considering a recommendation that MCA actively support the legislation, since it may be as satisfactory as any that can be expected.

On March 30 Mr. Edwin J. Putzell, Jr., member of the MCA Legal Advisory Committee, appeared before the Senate Antitrust and Monopoly Subcommittee to express the Association's opposition to enactment of S. 1842, S. 1843, and S. 1844. These bills were introduced by Senator Long of Louisiana as a possible solution to the complaints of small businessmen against dual distribution. Although the chemical industry has not been a target of these complaints, MCA's testimony pointed out that the effects of the legislation upon the industry would be far worse than the ills it proposes to cure.

On March 24 Mr. Michael S. Pansini, member of the Tax Policy Committee, appeared before the House Judiciary Subcommittee to present MCA's views on H. R. 11798 which would regulate state taxation of interstate commerce. Mr. Pansini emphasized that the Association favors minimum Federal intervention in administration of state and local taxes. He said MCA believed that the legislation should be confined to the jurisdictional question and that the bill, if found necessary, should be amended in several respects.

MCA's Tax Policy Committee has been cooperating with an inter-industry group which seeks to secure legislation providing for the deductibility, for income tax purposes, of certain moving expenses incurred by employees. Nine bills of this nature have recently been introduced in the House. Another has been introduced in the Senate by Senator McCarthy of Minnesota. Concern about loss of Federal revenue may hamper enactment this year but introduction of the legislation by so many Members of Congress indicates industry's efforts are beginning to bear fruit.

Foreign Trade

The Board will recall the request of the International Trade Committee Chairman, made at the Board's December meeting, that MCA initiate liaison with the Department of Commerce through contact with Secretary Connor. It was proposed that the Technical Specialists meet with the designated deputy to discuss trade matters such as those proposed by the Secretary at MCA's Semi-Annual Meeting. On March 29, the Technical Specialists and SOCMA counsel met with Mr. Robert L. McNeill, Deputy Assistant Secretary for Trade Policy. The main topic of discussion was ASP and the Tariff Commission's valuation study. Several of the Secretary's questions posed to the Association on trade matters were touched on very briefly.

A statement supporting a Joint Resolution which would require statistics on imports to include the landed value of the articles (CIF), was filed with the Senate Finance Committee and the Ways and Means Committee of the House. Reporting of landed values of imports would put U. S. statistics on the same basis as those of our major trading partners, give a truer picture of the competitiveness of our products in world markets, show a more accurate trade balance, and improve our position in negotiations on trade matters. This change in method of reporting, it should be noted, would not be the basis for calculating duties.

Transportation

Last October the Interstate Commerce Commission instituted a study for the purpose of formulating safety regulations governing the transportation of dangerous articles via pipelines. Since the Commission requested assistance in this undertaking, the Association filed a statement March 31. The suggestion was made that the high standards for pipelines issued under American Standards Association sponsorship (basic with certain modifications for petroleum industry pipelines) should also serve as an adequate basis to assure safety under any ICC Regulations that may be promulgated.

In an April 7 statement before the National Classification Board (Truck) a staff representative asked for deferral of the adoption of certain amendments to the National Motor Freight Classification Rules and Regulations. These would make obsolete many corrugated and solid fibreboard box designs now used for packaging and shipping synthetic resins and dry chemicals with net weights ranging from 800 to 3000 pounds. The Association reported on a sampling of the movement of a few materials, showing that shipments in these semi-bulk boxes during 1965 exceeded 450,000 tons with an estimated 75% of this volume moving by truck.

Workshops and Seminars

In accordance with the Environmental Health Advisory Committee recommendation that additional workshops should be held, the Safety and Fire Protection Committee has tentatively scheduled three workshops on the West Coast during the last week of April 1967 in Los Angeles, San Francisco, and either Seattle or Portland. The Committee also plans to hold two training courses per year on Explosion Problems in the Chemical Industry instead of one as hitherto.

MCA's fourth Technical Seminar on Water Pollution Control, at Manhattan College in New York City, April 11-15, was fully subscribed. The next one in the series is scheduled for September 19-23 at The University of Texas.

The March 31 Delaware River Basin Water Quality Workshop, arranged jointly by MCA and the Chemical Industry Council of Eastern Pennsylvania, drew a record attendance of 275 in Philadelphia. Once again, media activity

reflected the interest of the general public in the subject of water pollution control. Participants in the workshop appeared on three television programs, and several articles were published in the two major daily newspapers.

Planning is now complete for the May 26 Connecticut Water Quality Workshop in Hartford, cooperatively arranged by MCA's Water Resources Committee and the Chemical Industry Council of Connecticut. The Manufacturers Association of Connecticut will be a co-sponsor.

The Intermountain Air Pollution Workshop, held in Denver on March 8, was well timed. A new Colorado air pollution law that had received much public attention during its consideration by the legislature was still awaiting the Governor's approval. Public agency officials from five of the eight Rocky Mountain states participated. Attendance - 120.

MCA has been invited to designate a representative to serve on the Steering Committee for a National Conference on Air Pollution, arranged by the Division of Air Pollution of the Public Health Service for December 1966.

Education

The first installment in a comprehensive paper dealing with the relationships currently prevailing between U. S. colleges and universities and the chemical industry has now been completed by the Education Activities Committee. It will be issued as an attachment to the next issue of the General Bulletin. The installment's theme is the relative financial support now contributed towards chemical research and graduate school education by the Federal Government and the chemical industry. The EAC concludes that the industry provides less than four per cent of the financial support for these purposes. The Federal Government appears to be supplying 55 per cent of the funds, with the schools themselves making up the difference. No attempt is made in the paper to formulate recommendations for industry action. The sole purpose is to present information.

Community Relations

Next week, Chemical Progress Week will be observed for the thirteenth successive year. Already, the Chemical Industry Councils have begun programs associated with the annual observance.

Yesterday (April 18) in Chicago, the CIC of the Midwest held its scholarship luncheon, presenting a \$1,000 scholarship to an outstanding high-school student, and hosting a large audience including numerous industry executives.

Other highlights in one of the most active CPWs in history:

April 25 - Chemical Caravan to Case Institute conducted by CIC of Ohio.

April 26 - High School Teacher Award Banquet held by CIC in Philadelphia; CPW speech to a Bay Area public relations society by an MCA Staff Member.

April 27 - Teacher-Industry Banquet staged by CIC of Maryland; Community-industry luncheon held by CIC of Northern California; Education awards presentations made by CIC of Eastern Costra County (California).

April 28 - State legislature hosted by CIC of Delaware.

April 29 - First education banquet tendered by CIC in Washington State.

Media Relations

As public interest increases in air and water pollution control, many chemical company representatives are taking advantage of the opportunity to present the industry's views on the relationships and responsibilities of the various segments of the economy. Recent examples include talks by Jerome Wilkenfeld, Manager of Environmental Health of Hooker Chemical Corporation, before the Chemical Public Relations Association in New York City on "Industrial Support of Air Pollution Control Programs"; and by Carl Gerstacker, Dow Board Chairman, before a water pollution technical conference of the Michigan State Chamber of Commerce on "Management's Role in Pollution Control." Copies are available on request.

Report to the Board of Directors
of the Manufacturing Chemists' Association, Inc.
By Carstens Slack, Chairman
Washington Advisory Committee
April 19, 1966

Some weeks ago, Maurice Crass called to invite me to attend the meeting this morning and promised a free breakfast. I accepted readily, after which he advised me that I would have to talk 6 to 8 minutes for the breakfast. I asked him how long I would have to talk for a free lunch. He told me there was going to be no lunch. This will be a 6-minute speech.

The expression "Washington Advisory Committee" is not exactly a euphemism but it is misleading. One might readily infer that an "advisory committee" dispenses advice. The Washington Advisory Committee of the MCA, however, has as its prime function the seeking of advice. While a certain smugness may exist among the members of the Committee who are comfortably enveloped within such a high sounding designation, candor dictates my setting the record straight this morning. Who am I to kid the Board of Directors?

Actually, the Committee does have certain advisory functions but its prime activity consists of assisting in arrangements for the monthly luncheon meetings held October through May on the first Monday of each month. Attendance at these "Washington Representatives" luncheons usually runs from 60 to 100 people depending upon the interest in the speaker and his topic. I separate the two since a short social period (also a euphemism) precedes the luncheons during which members have ample opportunity to visit with the speaker whether or not they have any interest in what he is going to say later.

We close this year's series on Monday, May 2, when we will hear from J. Cordell Moore, Assistant Secretary of the Department of the Interior. Mr. Moore will discuss petrochemical oil import allocations. Since this subject is of more than passing interest to the members, we anticipate a fine turn out. Incidentally, in accepting the invitation to speak to us, Mr. Moore made the point that "inasmuch as I note there will be no reporters present, I will plan to speak off the record concerning the petrochemical oil import allocations and will be glad to participate in a question-and-answer period". This is a plug and I mention it unashamedly with the hope that some of you gentlemen or your associates who are near Washington on Monday, May 2, will join the group.

Speakers are invited to bring one of their associates which they usually do. In many instances the associate, who is also given head table treatment, plays an important part in fielding questions thrown at the speaker during the short question-and-answer session which follows each formal presentation. Except in rare instances, meetings conclude promptly at 2:00 P.M. In addition, in an effort to build bridges from our industry to other governments, we inaugurated the practice this year of inviting a foreign

guest to each of the luncheons. They are government people at the commercial or attache level and invitations have been extended thus far to the Embassies of Great Britain, Italy, Mexico, Japan, Argentina, Venezuela and Pakistan. The foreign representatives are placed at the head table and introduced by General Decker who chairs the luncheon meetings.

In addition to assisting in arranging the luncheons, the Committee has as a function the serving as a medium for discussion with the Association of information received regarding Government programs of significance to the industry. In this connection, the Committee meetings, which for the past several years have been held for convenience during the hour preceding the monthly luncheon, have included discussions of legislative prospects, manpower requirements, liaison to the Congress and various Government reorganization plans.

A final function is to make recommendations to the Association with respect to beneficial communications between Government and our industry. Here we have had discussions in our meetings and with representatives from BDSA on this subject which is constantly on the agenda in one form or another. The decision to extend invitations to the luncheons to foreign guests each month actually falls within this category.

Because the nature of Washington representatives' assignments is broad and varies from company to company, I believe one of the prime benefits to MCA in establishing a Washington Advisory Committee results from bringing together members with different backgrounds and modes of operation -- some follow legislation fairly closely and spend time with the legislators -- some are more at home within the agencies -- some bring inter-industry experience -- others add familiarity in depth in different subjects of chemical industry interest. This also provides members with additional information and knowledge outside their own individual sphere of activity.

Incidentally, the following companies are represented in Washington Advisory Committee membership this year: American Cyanamid, Celanese, FMC Corporation, Koppers, Monsanto, Olin Mathieson, Phillips Petroleum and Procter & Gamble. A system of rotation has been established which removes the two oldest members from point of service each year. I mention this this morning for I am convinced there are benefits to a company having its Washington representative on this Committee and I would hope when the day comes that your Washington representative, who has been asked to serve, requests clearance to do so, you will encourage his participation.

As Government reaches further and further, the interests of a Washington Advisory Committee are naturally broadened and become more and more involved with subjects assigned to other MCA committees. It takes restraint to forego recommending that our Committee be represented on many other committees of MCA. Of course, we are the first to resist such a tendency; however, we are represented on the Environmental Health Advisory Committee as that latter committee was established by the Board and, in addition, on an informal basis, have had liaison to the Chemical Industry Council Advisory Committee and the Public Relations Committee.

In closing, may I say that I have thoroughly enjoyed being active on the Washington Advisory Committee and in having had the privilege of being its Chairman this year. General Decker and his very able and cooperative staff are doing fine things for MCA and it has been a rewarding experience to work closely with them in this most interesting, and I would hope productive, activity.

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