AGENDA
MEETING OF THE MCA EXECUTIVE COMMITTEE
8:00 a. m. (PST), Wednesday, March 11, 1970
Del Monte Lodge, Pebble Beach, California

1. Finance Report for nine months ended February 28, 1970.

2. Safety and Fire Protection Committee proposal for amendment of Eligibility Rules for Lammot du Pont Safety Award.

3. Board Liaison Committee for Other Technical Committees -- Review of proposal for an Association position on OECD Chemical Industry Activities.

4. Transportation and Distribution Committee request for authorization to assess member companies an additional $1 per car to provide funds for completion of litigation concerning tank car mileage allowances.

5. Transportation and Distribution Committee recommendation concerning protest of the railroads' motion (ICC-Ex Parte 265) that an additional rate increase be made effective on March 11.

. International Trade Committee proposed testimony before the House Ways and Means Committee concerning the Trade Bill, H. R. 14870.

7. Administrative Matters.

CMA 061506

MINUTES OF MCA EXECUTIVE COMMITTEE
Del Monte Lodge, Pebble Beach, California
March 11, 1970

Following breakfast at 8:00 a.m., the meeting was called to order by Chairman Siverd.

There were present:	Clifford D. Siverd, Chairman	William J. Driver
	F. Leonard Bryant	Kenneth H. Hannan
	John T. Connor	Max A. Minnig
	David H. Dawson	Charles S. Munson
	George S. Dillon	Harry B. Warner
	Herbert D. Doan	James R. Carnes
General Counsel:	Lloyd Symington	

1. Financial Report for Nine Months Ended February 28, 1970. Mr. Carnes reported that income for the first nine months of the fiscal year was $1,742,521, approximately 5 percent more than the initial budget estimate, with an additional $25,000 expected by the end of the fiscal year. Overall expenses for the same period were $1,172,964 or 67 percent of the prorated budget. By the end of the fiscal year, project expenditures and carryovers for expenditure in future years are expected to bring the spending level considerably nearer that of the budget. Further, inasmuch as budget supplements approved during the year have kept pace with unanticipated income, no more than a modest surplus for the year is expected.

A joint meeting of the Executive and Finance Committees will be held in Washington, April 13, to consider the budget and financing proposals for fiscal year 1970-71 and committee members will be furnished the detailed proposals about April 1. The annual survey of the membership for chemical sales data upon which to compute membership fees brought responses from all but ten member companies. On the basis of the data received, income from membership fees during fiscal year 1970-71 should be in the neighborhood of $1,580,000, with combined income from all sources approximating $1,810,000, some $60,000 more than the budget for the current year. The requests for chemical sales data are believed to have prompted the resignations of two member companies, El Paso Products Company and Jefferson Lake Sulphur Company, bringing total resignations this fiscal year to four. These losses, however, were offset by an equal number of new members obtained during the same period.

2. Amendment of Eligibility Rules for Lammot du Pont Safety Award. Furnished to those present and summarized by Mr. Driver was a proposal of the Safety and Fire Protection Committee to amend the eligibility rules for the

Lammot du Pont Safety Award so as to limit eligibility to those companies whose injury frequency and severity rates for the award year do not exce d the average frequency and severity rates for the contest group concerned. Following discussion, it was agreed to recommend approval of the proposed amendment by the Board of Directors.

3. Board Liaison Committee for Other Technical Committees Review of Proposed Association Position on OECD Chemical Industry Activities. In the absence of Chairman Bock of the Board Liaison Committee for Other Technical Committees, Mr. Driver reported on that committee's review of the International Trade Committee recommendation that MCA endorse continuation of the OECD Special Committee on Chemical Products. The review had disclosed that the Secretary-General of the OECD had already recommended to the OECD Executive Committee, apparently following receipt of the U. S. Government position, that the Special Committee on Chemical Products be ended and its functions continued under the Industry Committee. The matter having thus become moot, it was agreed that no further action would be taken on the International Trade Committee proposal.

4. Authorization of Assessment to Provide Funds for Completion of Litigation Concerning Tank Car Mileage Allowances. Furnished to those present and summarized by Mr. Driver was a recommendation of the Transportation and Distribution Committee that the Board of Directors approve an additional assessment of member companies of $1.00 for each tank car in chemical service on January 1, 1970. The funds obtained would be used to continue litigation on tank car mileage allowances (ICC I&S 8406) and complete the related proceedings on charges for empty tank car movements (ICC 35130) begun in 1962 and financed by earlier assessments approved by the Board of Directors in October 1962 and June 1965. Following discussion, it was agreed to recommend to the Board of Directors that the proposed assessment be approved.

5. Protest of the Railroads' Request (ICC Ex Parte 265) for Freight Rate Increase Effective March 11, 1970. Furnished to those present and summarized by Mr. Driver was a recommendation of the Transportation and Distribution Committee that the Executive Committee give interim authorization to enter a protest before the ICC against an increase of six percent in freight rates on March 11 which had been requested by Eastern and Western railroads. Mr. Driver had sent a letter to the ICC requesting 30 days delay for study of the railroads' request and, if granted, authority was requested to commit $10,000 for legal expenses to oppose the increase, this authority to be confirmed by the Board of Directors at its April meeting by a supplemental budget appropriation. The ICC had subsequently denied the request of the Eastern and Western railroads and ordered an investigation of the need for an increase in the freight rates of all railroads in anticipation of a final order to be entered by the ICC on June 2, 1970.

In the discussion which followed, reference was made to the historical position of the Association of not opposing rate increases in the absence of special circumstances, the possible adverse effect of repeated MCA opposition to rate increases upon other shipper-railroad relationships, and to the probability that the railroads will be granted some rate increase due to economic conditions. Accordingly, Mr. Driver was requested to refer the recommendation back to the Transportation and Distribution Committee for further study as indicated by the Executive Committee discussion and report to the Executive Committee at the April meeting.

6. Proposed MCA Statement Before the House Ways and Means Committee on the Administration's Trade Bill, H. R. 14870. Furnished to those present was a proposed MCA statement prepared by the International Trade Committee for presentation before the House Ways and Means Committee on the Administration's Trade Bill, H. R. 14870. Mr. Driver reported that portions of the statement relating to oil import quotas had been separately attached for consideration regarding the desirability of including them. On this point, there was lack of agreement within the International Trade Committee due to the opposition of some MCA oil company members and the fact that this testimony would not be relevant to any present provisions of the proposed legislation. Following discussion, the Committee endorsed the proposed statement with the portions relating to oil import quotas removed.

7. Administrative Matters. Mr. Driver reported that beginning in 1971 it was planned to hold all functions in connection with April meetings of the Board of Directors in Washington at a suitable hotel, probably the Shoreham, rather than the Army and Navy Club, which proposal was concurred in by those present.

Mr. Driver also reported the resignation of Harry E. Robbins as staff water resources engineer and solicited any suggestions those present might have concerning a qualified and available replacement.

Members of the Executive Committee expressed concern regarding complaints of some member companies as to the inadequacy of the quotas assigned them for the Annual Meeting and the possible effect on full utilization of the space assigned by The Greenbrier if a significant number of companies choose to adhere strictly to their quotas. The view was expressed that a letter should be sent to Executive Contacts urging additional requests for accommodations in excess of the assigned quotas wherever desired.

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

Certified Correct:

C. D. Siverd
Clifford D. Siverd
Chairman, Executive Committee

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