AGENDA
MEETING OF THE MCA EXECUTIVE COMMITTEE
9:00 a. m., Tuesday, January 9, 1973
The Links Club, New York City

1. Report of the Secretary-Treasurer for Seven Months Ended December 31, 1972.

2. Report of the Finance Committee on its Meeting of January 8, 1973.

3. Proposed Amendment to the Association's Bylaws to clarify the qualifications for membership.

4. Plastics Committee Recommendation for Allocation of Plastics Financial Package Funds.

5. Proposed Statement for Submission to the Subcommittee on International Trade of the Senate Finance Committee.

6. Discussion of November 30, 1972, Meeting with Deputy Assistant Secretary of Commerce Stanley Nehmer and Planned January 15, 1973, visit to Ambassador William Eberle, Special Representative for Trade Negotiations.

7. Administrative Matters.

MINUTES OF MEETING
MCA EXECUTIVE COMMITTEE
The Links Club, New York City
Tuesday, January 9, 1973

Following breakfast at 9:00 a.m., the meeting was called to order by Chairman Thayer.

There were present: Harold E. Thayer, Chairman
H. Harold Bible
Herschel H. Cudd
William J. Driver
Carl A. Gerstacker
Edward R. Kane
Max A. Minnig
Robert L. Mitchell (for John W. Brooks)
Charles S. Munson
George W. Russell
Jack B. St. Clair
F. Perry Wilson
James R. Carnes

General Counsel: Lloyd Symington

1. Financial Report for Seven Months Ended December 31, 1972. Mr. Carnes reported that income for the seven months ended December 31, 1972, was $1,778,291, or approximately 95 percent of the budget estimate of income for the fiscal year, with continuing indications that the budget income estimate will be reached. Expenses for the period were $963,254 or 86 percent of the prorated budget for the seven-month period. In addition, $9,617 in project funds brought forward from the previous fiscal year for completion of the Centennial History has been spent. All staff departments operated within their prorated budgets for the period.

2. Report of the Finance Committee on its Meeting of January 8, 1973. Chairman Cudd of the Finance Committee reported that the committee had met on the previous evening to review the Association's financial statement for the first seven months of the current fiscal year, its investment program, and related matters. This examination had indicated that the Association should finish the current fiscal year with no greater deficit than the $36,000 which had been budgeted and that the experience of recent years provides some basis

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for hope that at yearend total income will at least cover total expenses for the year. The Unrestricted Fund balance is $1,239,314, or approximately 65 percent of the current year's expense budget, and therefore well in excess of the minimum of six months operating expenses which it has been the Board's policy to maintain. The liberalized investment program, adopted in 1971, was found to be performing satisfactorily within the approved guidelines.

In order to provide for continuation of established financial procedures, the Finance Committee proposes to recommend to the Board of Directors at its meeting later in the day that the Secretary-Treasurer be authorized to circularize the membership for 1972 chemical sales data to be used in determining membership fees for the next fiscal year and to be based upon the Definition of Chemical Sales used for the preceding year and, further, that the Secretary-Treasurer be authorized to employ the firm of Bond, Beebe, Barton, & Muckelbauer, certified public accountants, to conduct the annual audit of the Association's books. The recommendations of the Finance Committee were concurred in for presentation to the Board of Directors.

3. Proposed Amendment to the Association's Bylaws to clarify the Qualifications for Membership. Furnished to those present and reviewed by Mr. Carnes was a proposed amendment of Article III, Section 2, of the Association's Bylaws which, by deleting the words "custom manufacturing, or" from that section would remove the present exclusion of custom manufacturing from the Bylaws definition of the term "manufacture of chemicals." It was pointed out that this would permit the election to membership of an otherwise qualified applicant which sells a substantial portion of the chemicals produced by it to others in the open market but whose primary business is custom manufacturing. Further, the amendment would correct an unintended effect of amendments adopted in 1968 prior to which an applicant engaged in custom manufacturing was not considered ineligible unless its activities were limited solely to custom manufacturing. Following discussion, it was agreed to recommend to the Board of Directors that it approve the proposed amendment for presentation to the membership at the next Annual Meeting.

4. Plastics Committee Recommendation for Allocation of Plastics Financial Package Funds. Furnished to those present and summarized by Mr. Driver was a recommendation of the Plastics Committee for allocation of $3,000 from its unallocated project funds as a contribution toward preparation of a report "The Role of Plastics in Materials Policy Development 1970-2000" for submission to the National Commission on Materials Policy. Following Mr. Driver's summary, it was agreed to recommend to the Board of Directors that the proposed allocation of funds be approved.

5. Proposed Statement for Submission to the Subcommittee on International Trade of the Senate Finance Committee. Chairman Thayer referred to the draft of a proposed statement by the Association concerning multinational corporations for submission to the Subcommittee on International Trade of the Senate Finance Committee, which had been forwarded to members of the Executive Committee in advance of the meeting, and requested Mr. Driver to speak concerning it. Mr. Driver stated that it was proposed to request written comment concerning the statement from members of the Executive Committee and their concurrence in sending it to the Board of Directors following which, in the absence of substantial objection, it would be forwarded to the Senate Subcommittee. The subsequent discussion disclosed a consensus that the draft statement was in need of extensive editing in the interest of a better organized and integrated presentation. Accordingly, Mr. Driver was requested to arrange for such a redraft and to submit it to the Executive Committee for telephonic comment if sufficient time were available; otherwise, to forward it to the Senate Subcommittee and distribute it concurrently to the Executive Committee and the other Directors.

6. Discussion of November 30, 1972, Meeting with Deputy Assistant Secretary of Commerce Stanley Nehmer and Planned January 15, 1973, Visit to Ambassador William Eberle, Special Representative for Trade Negotiations. Mr. Driver reviewed the background leading up to his meeting on November 30, 1972, with Deputy Assistant Secretary of Commerce Stanley Nehmer at which an Association position paper on chemical industry trade liaison, which had been revised following the meeting of members of the Executive Committee with Secretary of Commerce Peterson on August 29, was presented to Mr. Nehmer. During this discussion, Mr. Nehmer suggested that a presentation of the Association's position also be made to Ambassador William Eberle, Special Representative for Trade Negotiations. This suggestion was followed in arranging an appointment for a meeting of Executive Committee members with Ambassador Eberle on January 15. Furnished to those present was a discussion of four questions which Mr. Eberle is believed likely to ask the Association representatives during their visit on January 15. Mr. Driver pointed out that an answer to the question concerning the American Selling Price would be difficult inasmuch as an Association position had not been agreed upon. Following discussion of this question, it was agreed that the only appropriate response would be to the effect that nothing which provides a trade advantage to the U. S. chemical industry should be negotiated away without an equally or more valuable concession by the other side.

7. Administrative Matters.

(a) Appointment to National Study Commission under Federal Water Pollution Control Act Amendment of 1972. Mr. Driver reported regarding his discussion with Mr. Bert Cross, Chairman of the National Industrial Pollution Control Council, who reported that he had made representations to Mr. John L. Sullivan, Acting Executive Director of the Council, on behalf of the appointment of Dr. Gee to the National Study Commission and planned to make further representations to the new Secretary of Commerce. Mr. Driver further pointed out that it was believed that the most effective approach on behalf of Dr. Gee would be to the individual at the White House who would handle the appointment with the President, but who that individual will be is not known at this time.

(b) Board Liaison Committee Chairmen Reports to the Board. Mr. Driver noted that the report to be made by Dr. Roehm, Chairman of the Board Liaison Committee for Public Relations and Education, at the February Board meeting would be the last such report which has been provided for. Accordingly, in order to continue the reports, the following schedule of future reports was agreed upon:

March	Chairman St. Clair, Board Liaison Committee for Government Relations
April	Chairman Dauler, Board Liaison Committee for Other Technical Committees
May	Chairman Gerstacker, Board Liaison Committee for Environmental Quality and Control
June	Chairman Roehm, Board Liaison Committee for Public Relations and Education

(c) Proposal that MCA act as conduit for inquiries from the Environmental Protection Agency to major chemical producers and responses thereto. Mr. Driver reported that a member company had proposed that the Association act as the conduit through which inquiries by EPA concerning environmental data addressed to major chemical producers, and responses thereto on a consolidated or appropriately coded basis without identification of individual companies, would be channeled. It was the consensus that such an arrangement would be desirable if it could be worked out with EPA.

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

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

Certified correct:
Harold E. Thayer
Harold E. Thayer, Chairman