

advisory

VI REPORT CARD: A Solid Record of Accomplishment

"Passages" could well have been the theme as speaker after speaker reported on accomplishments and transitions in the life of the vinyl industry during the Vinyl Institute's fourth annual meeting held May 28 in Washington, D C

Chairman Steven Schaefer set the tone by noting that the Institute had turned many corners and achieved numerous milestones – including the victory of fact over emotion on the combustion toxicity front, widespread member participation in VI activities, three consecutive years of operating in the black, an orderly transition of elected leadership, the renewal of executive director Roy Gottesman's contract for another three years, the completion of significant new scientific research, the creation of a new market development committee and the selection of new public affairs counsel. (For more on Schaefer's thoughts, see "Vlewpoint" on page 3)

Major Study Underway

Communications committee chairman George Snider echoed this optimism and reported on a major new attitude survey of 550 key specifiers in the construction and furnishings market that will provide important guidance to both the communications and market development committees as they prepare proactive programs for 1986-87. Research results are expected in mid-July and among other uses will provide the cornerstone for a positive communications plan, which was outlined by Edward Howard & Co., the VI's new public affairs firm.

Technical Successes Summarized

Michael O'Mara, chairman of the technical committee, pointed with considerable pride to the successful subcommittee structure of his group and to several notable achievements of these subcommittees

In the area of combustion toxicity,

William Carroll reported that both animal experiments on tolerance to hydrogen chloride exposure and physical experiments on its transport through a fire environment are confirming that PVC is *not* an unusual fire hazard.

In the area of water quality, Donald Goodman summarized pioneering research studies on the permeation of plastic and other pipe walls and on the leaching of materials from both plastic and metal pipe. These studies confirm that PVC is at least the equal of traditional piping materials and in many situations the material of preference.

And in the area of incineration, John Pfeiffer reported that the Institute is helping sponsor an important study on incinerator operations which will provide definitive information as to whether PVC contributes to dioxin formation, an assertion made by opponents of PVC.

VI legal counsel Jerome Heckman and Peter de la Cruz pointed to yet another milestone – the publication by the Food & Drug Administration of proposed rules for the use of vinyl in food-contact applications, including

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Dow Chemical's Bill Shoun (l.) receives the Vinyl Institute's yearly safety award from VI chairman Steve Schaefer during the Institute's recent annual meeting. (See story, page 2.)

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bottles. With the expiration of the comment period June 4, de la Cruz said that final FDA action should occur by year's end.

Solid Waste Is Biggest Issue

Of course, not all issues are behind the vinyl industry, and both Schaefer and Gottesman singled out the disposal of solid waste as the most

critical issue facing the vinyl industry. "Nonetheless," said Dr. Gottesman, "we can now turn our attention to other matters as well, including the active promotion of PVC for both new and established markets. The new communications program, activities of the new market development committee and the Institute's participation in Uni-Bell's target cities program each will provide many opportunities in the months ahead."

Dow Takes Top VI Safety Honors

Dow Chemical's work in three areas has earned it this year's VI annual safety award. The award was presented May 27 to Institute board member William Shoun, Dow's vinyl industry marketing manager.

Dow received the award for a presentation made to the Vinyl Chloride Safety Association by Robert Oubre, technical manager of Dow's technology center in Texas. A key component was the survey of all association member VCM and PVC plants in order to gather data on VCM storage and loading facilities throughout the world. All members, in turn, were able to share specifics on safe handling procedures.

The survey also generated data on the distances between these plants and nearby residential areas to determine the potential risk posed by on-site storage facilities. Part of Oubre's presentation included dispersion models indicating downwind concentrations and distances in order to show how local communities could be affected by simulated emergencies.

Finally, Oubre presented a formula that can be used to determine the

risk presented by any chemical, at any plant, under any manufacturing condition. The index, which combines toxicity, concentration, distance and some physical factors, already has been used by the Environmental Protection Agency to develop its emergency preparedness program, and by Dow in its CMA-sponsored CAER program.

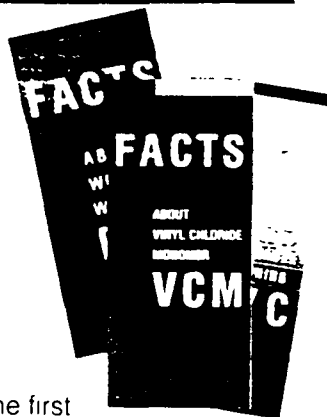
Dow was selected to receive the award from the VI's health, safety and environment committee, which annually solicits nominations for outstanding contributions by Institute members to the safe manufacture and processing of PVC and VCM.

The health, safety and environment committee also has voted to establish annual awards based on OSHA recordable incidence data (on-the-job accidents resulting in lost man hours). Recognized for achievements in worker safety during 1985 were:

PVC category – first place:
Air Products & Chemicals,
second place: Georgia Gulf.
VCM/EDC category –
first place: Dow Chemical;
second place: BFGoodrich

Getting "The Facts"...

This new brochure from the Vinyl Institute, "Facts About VCM," provides general information about vinyl chloride monomer plus workplace exposure guidelines, handling and storage procedures, spill and leak containment, transportation requirements, process venting and disposal. PVC processing plants may find it especially useful in new employee orientation and for briefing plant community emergency service personnel. The entire series of VI "Facts" booklets may be ordered from the SPI Literature Sales Dept., 1025 Connecticut Avenue, N.W., Washington, D.C. 20036. The first 200 copies are free to VI members, with additional copies available at 25 cents each for VI members, 50 cents each for other SPI members and \$1.00 each for nonmembers.



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viewpoint

Steven Schaefer assumed leadership of the Vinyl Institute in March, becoming the association's second chairman. Schaefer brings with him nearly 30 years' experience in the plastics marketplace, with extensive knowledge of the PVC industry. Currently, he serves as senior vice president — polymers and plastics for Occidental Chemical Corporation, where he has responsibility for the company's vinyl resin, compound and fabricated products businesses, as well as its phenolic molding materials and resins. In this interview with *AdVisory*, he presents his views on some of the challenges and opportunities facing both the Vinyl Institute and the PVC industry.

AdVisory: Now that many of the urgent issues facing the industry three years ago have been addressed, what do you see as the future role of the Vinyl Institute?

Schaefer: I do think we've reached a position where we can be more proactive than reactive. I'd like to see us take the offensive in developing and opening up new markets for vinyl products. We need to devote a higher proportion of our resources to finding ways to increase the growth rate of the business.

AdVisory: What are some of the growth opportunities you see for vinyl?

Schaefer: Of course, the major opportunities continue to be in construction-related markets; even in the pipe market, there are many opportunities that we have not been able to take advantage of. As you know, the Institute currently is conducting some very extensive market research with the building industry, and we expect this to be of great help as we begin developing some of these proactive programs. In other areas, the liquor bottle seems to be coming over the horizon, which will have significant implications for other packaging applications.

AdVisory: What are your top three objectives for the Institute during your tenure as chairman?

Schaefer: First, if you look at what's happened to the Vinyl Institute over the past year, you'll see a lot of changes — we've had one member resign, we've had another join, we've had two members merge, and we've had changes in the company representatives. One of my goals, therefore, is to see that the VI comes through this time of transition in a way that ensures we remain a strong, productive organization.

Second, as I mentioned, I'd like to



see us shift from a reactive to a proactive stance.

Finally, a year from now, I'd like to look back and be able to say that we've made a contribution to bringing some understanding to the whole issue of solid waste management.

AdVisory: What specific contributions do you see the Institute making?

Schaefer: As with many complex issues, there's a tendency on the part of many people to simplify the solid waste problem. But, as in the area of fire safety, that's not very realistic. Regarding solid waste management, there are some specific items that the VI can address: mainly in the area of incineration and what happens when PVC is incinerated, and the whole topic of resource recovery.

Already, the Institute has some very significant accomplishments to point to. We're sponsoring work with New York State to study incineration and we're part of the new Council on Plastics and Packaging in the Environment. Also, we're working with SPI to

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New Jersey^{co} Highlights Need for Solid Waste Education

The plastics industry can expect legislative threats against plastic packaging to continue, warns SPI's state government affairs office, the result of growing concerns about litter, diminishing landfill space and emissions from waste-to-energy plants.

Recent activity in New Jersey highlights the scope of this issue, states Vinyl Institute assistant director Meredith Scheck, who has been active in the plastics industry's effort to modify legislation proposed by the state senate's Energy and Environment Committee (SB1478).

"New Jersey is considered to be on the forefront of this type of legislation," she says, "because of its landfill crisis and relatively dense population. As originally proposed, SB1478 contained a number of provisions that were particularly onerous, especially to the vinyl industry."

The original bill called for a 55 percent recycling requirement for all plastic containers or the imposition of mandatory deposits. (In the case of PVC packaging, failure to meet the 55 percent recycle level would result in a ban of the product throughout the state.) The bill also banned PVC packaging from incineration, provided a sales tax exemption for products made from 50 percent recycled material and required mandatory labeling of all plastic containers as to type of packaging material.

The Society of the Plastics Industry, with help from local representatives of VI members BFGoodrich and Occidental, was one of many groups testifying in mid-April before

the New Jersey legislature about the bill. It has since been redrafted, and the new version eliminates many of the anti-plastics provisions. A senate vote was pending as of press time.

"The New Jersey effort is very symptomatic of this entire issue," Scheck explains, "because it highlights many of the areas where our legislators and regulators need additional information, especially regarding PVC. There is great support for the concept of recycling yet very little appreciation for the complexities involved, such as source separation, the absence of recycled product markets and the punitive effects of deposit laws on both consumers and producers. Beyond that, phenomena like the growing trend towards composite packaging make recycling a short-term solution at best."

"The long-term solution to solid waste is resource recovery through incineration," Scheck states. "It makes the most sense for plastics and makes the fewest demands on consumers." The Vinyl Institute has taken a lead position on this issue, she adds, pointing to its support of the NYSERDA (New York State Energy Research and Development Authority) study on incineration, as well as the new Council on Plastics and Packaging in the Environment, an alliance of plastics producers, the packaging industry and several food and beverage manufacturers.

Related legislation has been introduced in a half-dozen other states, but final action this year is unlikely in most cases. SPI expects 1987 to be a watershed year for solid waste legislation across the U.S.

About Very Important People...

Executive board member Todd Walker of Borden has been elected Vinyl Institute treasurer.

Guy Disch of Occidental Chemical Corporation will head the Institute's new Market Development Committee. The committee, which replaces the Codes and Regulatory Committee, has been established to expand and develop promising markets for vinyl products.

The VI executive board welcomes

William Shoun, Dow Chemical USA, and Larry Hammit, PPG Industries, Inc. Hammit also will serve on the Market Development Committee.

Recent committee additions include Donald Knechtges, The BFGoodrich Company and John Nelson, Vista Chemicals (Market Development), Joy Hutchison, Dow Chemical (Communications) and Carol Niemi, Dow Chemical (Technical).

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take a very aggressive stance on anti-plastics legislation, such as what we recently saw in New Jersey.

AdVisory: *One of the first big challenges facing PVC – combustibility – seems to be fading. Can the PVC industry finally put that issue behind it?*

Schaefer: We've certainly come a long way from our early days, when we were fighting anti-PVC placards in the New York City subways. The main difference now is that we have some very solid scientific research on our side, thanks in large part to work we've done within the VI. Nevertheless, while we've made progress in restoring a rational perspective to the whole issue of fire safety, it's still with us. And, as long as you're successful – which the vinyl industry is – there will be individuals, competitors, looking for ways to sharp-shoot you and undermine that success. From that standpoint, we'll always have to have a reactive capability, especially as we penetrate more and more markets.

AdVisory: *What can the VI membership do to help in this area?*

Schaefer: By its nature, the VI membership base is very narrow. In the past, this was a strength because it enabled us to respond quickly and in a focused way to the challenges we were facing. But it also is a potential weakness.

In order to react effectively, every member has got to be an active and strong participant. We don't have the luxury of a big membership where 20 percent of the members do 80 percent of the work. Also, every member company has the opportunity to get our story out on its own. It's something we need to have a higher awareness of. We've got to constantly be looking for ways to communicate with all our publics – be it legislators, consumers, the fire service – as to what the facts are about how our products perform.

AdVisory: *Some members of the vinyl industry do not belong to the Institute, yet reap the benefits. What are your views on this?*

Schaefer: I don't think it's right. However, we continue to hope that the nonmembers will reconsider their position on this. The companies who are involved in the Institute have given a lot of time and money, and I

think the record shows that this has been a very effective organization. What it has accomplished has been of benefit to the entire industry. If the consuming public takes a look at who is really working to further the interests of this industry, they'll come to the same conclusion.

AdVisory: *At the end of your term, what do you hope to be able to say were your most noteworthy accomplishments?*

Schaefer: First, despite the amount of transition we've seen, I hope the Vinyl Institute will be as strong and effective an organization as it was when I inherited it from Bart DiLiddo. At the same time, I hope we will be able to say that we're spending a higher proportion of our dollars promoting our product than defending it.

in brief

✓ Legislation that could open a major new market for PVC pipe awaits action in the Chicago City Council. The ordinance, backed by Chicago Mayor Harold Washington, would permit the use of plastic plumbing pipe in both new construction and rehab work. Currently, Chicago is the only major city in the U.S. that does not allow plastic pipe, while lead pipe is still permitted by the city's building code.

✓ Occidental Chemical Corporation has completed its acquisition of the PVC resin manufacturing facilities owned by Tenneco Polymers, Inc., located in Burlington, New Jersey and Pasadena, Texas. With these facilities in place, Occidental's resin capacity will nearly double to about 1.35 billion pounds per year, making it the nation's second largest PVC resin producer, slightly behind BFGoodrich.

✓ According to the latest statistics from the Society of the Plastics Industry, PVC resin production reached 1.76 billion pounds during the 1st quarter of 1986. This is 3.9% ahead of 1985 figures and represents especially strong sales of flooring, bottle and siding products, states SPI's committee on resin statistics

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