

Memorandum

FILE

To: All SPI Member Companies

From: SPI Board of Directors

**Subject: Public Issues and the Future
Growth of the Plastics Industry
-A Program for Action**

CONTENTS

- 4-Page Memo/Summary
From the Board
- Appendix A—Background
Information
- Appendix B—Details of
the New Program

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MEMORANDUM

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FROM: SPI BOARD OF DIRECTORS
**SUBJECT: PUBLIC ISSUES AND THE FUTURE GROWTH OF THE
PLASTICS INDUSTRY—A PROGRAM FOR ACTION**

Today the plastics industry—the *entire* industry—is under siege. This is not an exaggeration. Your Board members are not alarmists.

First, two years ago, the environmental aspects of plastics became a problem of major proportions to a large segment of our industry. A number of those companies most directly affected organized themselves within SPI to meet the crisis, and thus far have coped with it effectively. But the problem has not gone away.

One year ago, a new problem emerged with even greater potential for serious damage to the industry: fire. A special SPI group was formed to meet the crisis—and thus far has coped with it effectively. But the problem has not gone away.

Possibly neither of these problems has yet affected you directly—but now your turn has surely come. For even as the industry continues to battle on these two fronts, far more wide-ranging and ominous problems, overshadowing even solid waste and fire, have emerged: the energy crisis, mandatory allocations of resources and serious feedstock shortages.

Individually and collectively, we in the plastics industry have always attempted to carry out our activities in the public interest. We believe our record indicates that we have been successful in this area. Today, however, it appears that simply being a good citizen is no longer sufficient. Our latest crisis carries with it the very real threat that the entire plastics industry could be placed so far back on the waiting line that the resources cupboard may be bare before we ever reach it.

What can we do?

Threatening though this current development is, it is in a sense merely the latest example in a trend toward increasing impingement by public forces *outside our control*—which now affect every one of us in at least five fundamental areas. Today, those five—and tomorrow there may be six—are: (1) materials shortages and feedstock allocations, (2) combustibility, and other aspects of consumer safety and health, (3) the environmental impact of our products—in production, in use and in disposal, (4) worker health and safety—living with OSHA, (5) product performance and our related liabilities—living with the Consumer Product Safety Commission.

Recognizing this multiple trend and its potential impact on all of us, your SPI Board of Directors set out in early 1973 to do something about it.

We are convinced that if we neglect any of these crucial areas, we will be quickly penalized for our negligence by government, labor, consumerists, environmentalists or some combination of these. And if we try to handle their attacks one company at a

time, product by product or issue by issue, we can expect that they will be happy to play it that way, in hopes of making some companies or products into horrible examples.

Thus we must decide *now* to react *in unity* to the challenges we face—and, once decided, we must *act now*. If we let events continue as they are, we will be caught up in a vicious cycle. Unless the plastics industry attains recognition as a major industry, as a vital part of the American economy, it will be harassed—even hobbled—by its detractors.

Perhaps the principal adversary of our industry is neither an organization nor an individual, although it manifests itself through organizations and individuals. The enemy is *indifference*—the indifference of those within the industry to concerns which they believe have no direct and immediate impact on them, and the indifference of those responsible for public policy to the significance of plastics to our nation's economy and quality of life. It is likely that the first of these has contributed to the existence of the second.

This situation clearly cannot be allowed to continue.

Again, what can we do—we whose interests range from pipe to packages, from building materials to buttons? For openers, we can recognize that collectively we are a factor that cannot be ignored.

With a single, all-industry voice, we can seek to place ourselves among the major, vital industries. We can, for example, point out to government the special service we perform for the economy by converting feedstocks into plastic products whose added value exceeds that achieved in almost any other use of such resources. To a nation on wheels but anxious about the availability of energy to move its goods, we can emphasize that we are one industry whose products bear an unusually high ratio of utility to cargo weight. With one voice, we can remind the public that plastics, which have contributed so much to improving our overall quality of life, are also among the lowest consumers of energy in manufacturing. We can do all this and much more. We can, at one and the same time, build an equity for our industry's *future* and deal with issues of materials allocations, combustibility, solid waste, product safety and the myriad other problems facing us *today*.

Who will do this for us unless our industry certifies one voice to speak for it—for *all of it*—consistently and constantly?

This memorandum, and the two unavoidably lengthy appendices which accompany it, are concerned with the establishment of such a single voice—why it is vital to the growth of our industry, what it can do, and what *you* must do to make it a reality.

In mid-November you will be asked to approve two important changes in the Bylaws of SPI: to add a Public Affairs Committee to the five existing permanent Committees of the Board of Directors and to increase the number of Directors At Large from 12 to 18. The answers to most of the questions you will have about the new Public Affairs Committee are spelled out in detail in Appendix B. Suffice it to say here that these

bylaw changes are *necessary first steps* toward the establishment of a single, all-industry voice, and *we urge you to approve both of them*.

As stated earlier, various ad hoc SPI groups are currently dealing with a number of key public issues with considerable effectiveness. But these activities are now being financed by voluntary contributions, by Board reserves—or even, in some instances, at the expense of other, lower-priority SPI activities.

An effective, overall public affairs effort, however, would require the financial support of the *entire* membership of SPI, including equitable sharing of costs through a revised dues structure. This means that if the bylaw change is approved and the new program is put into effect the Board will raise the basic dues rate *effective June 1, 1974*. Complete details on current financing of public affairs activities, proposed new financing and the proposed changes in dues structure can be found in Appendix B.

Obviously, none of us looks with favor on an increase in the cost of any aspect of doing business. But it is clear that such an increase is inescapable. In March, your sales information form pledging your 1974-75 dues at the new rate is the vital *second* step toward building a stronger, more unified SPI to deal with our urgent problems.

Meanwhile, we pledge to you that the regular ongoing programs of all our other operating units will continue as before. The various productive activities of our sections, divisions, groups and councils will, in fact, be strongly supported by the new public affairs program.

We expect that you will naturally have many questions about these proposed major changes within SPI. The two appendices accompanying this memorandum are an attempt on our part to answer most of those questions. For your assistance in learning all the “reasons why” behind these changes, or in simply locating those facts you need to know right now, here is a brief summary of the contents:

Appendix A

Background: The Problems and The Opportunities

	Page
• Current “public issues” problems confronting the industry	A-1
• Industry growth projections to the year 2000, with market breakdowns	A-3
• Projected significance of the industry to the national economy	A-4

Appendix B

A Program For Action

• Industry Action To Date	
—SPI's Public Affairs Council	B-1
—Combustibility Policy Committee	B-5
—Safety and Loss Prevention Committee	B-7
—Materials allocations	B-8

• Blueprint For The Future	
--The action of the Board of Directors	B-9
--What the new Public Affairs Committee would do	B-9
--Proposed timetable for the changes	B-10
--Bylaw changes to be voted upon	B-10
• What It Will Cost	
--Current methods of financing public affairs activities	B-11
--Proposed new method of financing	B-11
--New dues structure: effective date and breakdown by sales volume	B-12
--Comparison of fiscal year budgets: 1974-75 v. 1973-74	B-12
--Services to SPI member companies in fiscal 1974-75	B-12

This memorandum and its accompanying appendices have been bound together in a single document for your convenience. We believe that they spell out a clear-cut case for the actions we must take immediately. But if you still have questions, or want to discuss any aspect of the proposed changes, we'd like to know it. At the back of this document you will find the addresses and telephone numbers of all SPI officers, section and division directors and directors at large, along with the SPI office locations and numbers. Each of us stands ready to discuss these changes with you. If you have questions, please contact any one of us immediately. If you support our actions, we'd like to know that too. Above all, don't ignore these proposals. We cannot afford to be guilty of indifference. In our own self interest we must all join in and support this new program.

The Board of Directors
The Society of The Plastics Industry, Inc.