

Minutes
Meeting of Board of Directors
and Executive Committee
New York, New York

December 3, 1969

By direction of the President and in accordance with notice of meeting of November 14, 1969, a meeting of the Board of Directors and Executive Committee of Zinc Institute, Inc. was held on Wednesday, December 3, 1969. The meeting convened at 9:30 a. m. in the Institute offices at 292 Madison Avenue; New York, New York 10017.

Directors present were:

- | | |
|--|-------------------|
| * J. R. Englehorn, President and Chairman of meeting | |
| * J. R. Alexander | C. F. McGraw |
| C. O. Buchanan | Lawson Riggs, III |
| E. A. Custer | * S. D. Strauss |
| * R. C. Driver | W. J. Veenis |
| * W. G. Hewitt | H. M. Weed |
| * F. F. Jeffrey | * H. L. Young |
| I. G. McCullough | R. A. Young |

* Member, Executive Committee

also present were:

D. M. Bordin	Lead Industries Association
F. Gittelsohn	Chairman, Industry Development Committee
	Zinc Institute, Inc.
C. L. Kimberley	Zinc Institute, Inc. - Lead Industries Assoc.
R. J. O'Hara	Treasurer; Zinc Institute, Inc.
D. W. Pettigrew	Zinc Institute, Inc.
F. J. Truslow	Legal Counsel

J. R. Englehorn, President of Zinc Institute presided and D. W. Pettigrew, Secretary of Zinc Institute, functioned in that capacity.

(1) Call to Order: The meeting was called to order at 9:30 a.m. and with fifteen Directors present, it was declared that a quorum was present for the transaction of business

(2) Minutes: The minutes of the previous meeting held April 15, 1969, in Chicago, Illinois, were approved as distributed.

- (3) 1970 Proposed Budget: The Directors had received all material for budget consideration with their call to meeting, November 14, 1969. Messrs. Kimberley and Pettigrew reviewed the documents and discussed the programs and budgets, both Administrative and Promotion and Development, as recommended to the Board by the Industry Development Committee at its meeting November 12, 1969.

Following is an approximate breakdown of the proposed budget by market:

Die Casting	Galvanizing Sheet	General	Oxide	Rolled	Other	Total
						\$ 577,050
<u>Promotion and Development</u>						
\$ 257,800	\$ 55,050	\$ 181,600	\$ 32,600	\$ 20,400	\$ 29,600	\$ 608,000
<u>Administrative</u>						
\$ 275,000	\$ 57,200	\$ 192,000	\$ 34,000	\$ 20,000	\$ 29,800	
\$ 532,800	\$ 112,250	\$ 373,600	\$ 66,600	\$ 40,400	\$ 59,400	\$ 1,185,050
45%	9.5%	31.5%	5.7%	3.3%	5%	100%

During the discussion, the following comments were made and actions taken:

Schedule III A, Administrative Expenses

Item 1 -- The Board endorsed the actions suggested by the President and Executive Vice President relating to staff salary increases during 1970.

Item 8a - The Board approved action to retain Institute Headquarters at 292 Madison Avenue, with the incumbent increase in rental. A new 10-year lease will be signed to continue occupancy at the expiration of the current lease on April 30, 1970.

Schedule III B, Promotion and Development Expenses

Item 1 -- Publicity was approved at the level of \$ 125,000 to broaden this activity, in lieu of advertising which had been removed from the 1970 program by IDC recommendation.

Item 2 -- The joint program with AHDGA was reviewed with the recommendation that it be continued for 1970. There was discussion concerning whether this activity should remain at the \$ 85,000 level in coming years. Zinc Institute, in years past, has agreed to pay 40 per cent of the cost of the AHDGA field engineer activity. There was some definite feeling that this percentage should be significantly reduced, with dollar increases in Zinc Institute funds

to be considered only if AHDGA activities and internal financial support were to be increased. No vote was taken and the matter is to be discussed with AHDGA staff.

Item 3 -- The joint program with ADCI was reviewed. It was agreed that this item would be reviewed in detail for 1971, in view of the availability to and probability of affiliate membership in ADCI by zinc producers, at a maximum expenditure of \$ 5,000 for each company.

Item 7 -- Mr. Kimberley reported that ZALIS activities in South and Latin America were proceeding nicely. Details have been completed for an office in Mexico and are well along for similar operations in Brazil and Argentina. In each instance, the initial budget is \$ 25,000 each with \$ 10,000 each from ZALIS funds and the balance from local producers in each country. ZALIS will, in addition, furnish appropriate technical and promotional literature and service by correspondence and (from time to time) in person.

Item 15 - It was reported that the Zn 75 sportscar promotion was proceeding on schedule. Of the \$ 80,000 approved for the promotion, \$ 70,000 will have been spent in 1969. Approval was given to carry \$ 10,000 over into 1970 to complete the show schedule, and an additional \$ 4,000 was approved for exhibit refurbishing.

Item 19 - The Canadian members reported favorably on the activities of the Zinc Institute office in Toronto.

Item 21 - The need for a new motion picture on die casting was discussed and the activity was approved. It was explained that the proposed \$ 60,000 might be exceeded by as much as 10% in view of the need to document new technology being developed in the die casting technique. An Advisory Committee will be appointed by the President to advise and work with the staff on all phases of this project.

Item 25 - It was explained that the New Jersey Zinc Company had offered their Annual Die Casting of the Year Competition to Zinc Institute to be operated on behalf of the entire industry. It was agreed that this project should be included in the 1970 program.

The discussions having been completed, on motion of Mr. J. R. Alexander, seconded by Mr. H. L. Young, the proposed programs and budget for 1970 were unanimously approved. Revised documents are attached hereto.

- (4) Authorization of 1970 Assessment: As part of the motion approving the 1970 programs and budget, the 1970 rate of assessment for slab zinc is at 84½ cents per short ton. It was agreed that the cash reserve situation should remain as proposed. All other assessment rates will be maintained at the 1969 level.

Following are the assessment rates for 1970:

Slab Zinc	84 1/2	cents	per	short	ton
Zinc Oxide	27 1/2	"	"	"	"
Concentrates	16	"	"	"	"
Rolled Zinc	33 3/5	"	"	"	"
Zinc Dust	13	"	"	"	"

(Sold domestically in Canada or the United States; also imported to and sold in the United States.)

- (5) C. A. Matthews pension supplement: The Board unanimously approved continuation of the pension supplement to Mr. C. A. Matthews, retired; amount of \$ 84.50 per month (\$ 1,014.00 per year). As in 1969, this will be taken in 1970 from Pension Reserve Fund interest.
- (6) Approval of Auditors: By unanimous action, the Directors approved Peat, Marwick, Mitchell and Company as the auditors for the Institute for review of 1969 accounts.
- (7) Report of Executive Committee: The Chairman reported briefly on the deliberations held by the Executive Committee on December 1, 1969, relating to possible changes in Zinc Institute's membership and a new influence on attendance at Annual Meetings. The Board accepted the report and heard Mr. Truslow of Debevoise, Plimpton, Lyons & Gates (Zinc Institute's legal counsel) explain the potential difficulties of dissolution and re-incorporation of Zinc Institute as a membership corporation in New York State. After discussion, on motion duly made by Mr. S. D. Strauss, seconded by Mr. H. L. Young, the Board unanimously adopted the following resolution:

RESOLVED, that the Executive Committee be and the same is, hereby authorized to set policies for attendance at the Institute's Annual Meeting of members and to adjust the yearly dues for the active and associate members of the Institute in such manner as it may feel appropriate and necessary to assure that members and their employer companies and other firms benefiting from participation in the Institute's activities are bearing, where appropriate, a fair and reasonable share of the operating costs of the Institute; and

FURTHER RESOLVED, that action taken by the Executive Committee under the foregoing resolution shall be binding on the Institute and its members, subject to ratification and approval by the Board of Directors at its next meeting.

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For the guidance of the Executive Committee the following suggestions of possible action were made:

- a. That companies participating in Institute programs pay a minimum assessment of \$ 5,000 per year.

- b. That minimum dues for active and associate members be established at \$ 5,000 per year, with dues being waived for members who are employees of companies supporting the Institute through assessment.
- c. That attendance at the Annual Meeting by non-members shall be by invitation only, with invitations to go automatically to employees of companies supporting the Institute by assessment, and persons affiliated with related associations including LIA, ILZRO, Galvanizers Committee, American Die Casting Institute, and American Hot Dip Galvanizers Association, and that other invitees should be approved by the Executive Vice President of the Institute.

Recognizing that these actions could not be accomplished by normal dues invoicing time, January 1, 1970, the Directors agreed that invoices for Annual dues would be deferred until Executive Committee action could be accomplished.

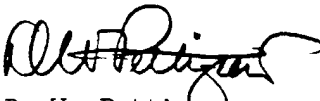
(8) Miscellaneous:

- a. It was suggested that Texas Gulf Sulfur Company has again expressed an interest in participating financially in the Zinc Institute operations. Mr. Kimberley was asked to investigate this matter further.
- b. Mr. Kimberley reported that American Metal Market had suggested a one-day Metal Forum on Lead and Zinc. In view of the forthcoming International Lead-Zinc Meeting in London in May, 1970, and a second one in St. Louis in November, 1970, Mr. Kimberley was asked to discourage this activity.
- c. Mr. Kimberley reported on the Canadian zinc statistics from 1969 which have been made available by the Canadian producers. He commented that they followed the same format as those reported on U. S. production. The Board requested that these Canadian statistics be distributed to those producers contributing statistics to the U. S. operation. They desire no further publication of the statistics at this time.

- (9) Adjournment: There being no further business to come before the Board, the meeting adjourned at 11:45 a.m.

Respectfully submitted,

ZINC INSTITUTE, INC.



D. W. Pettigrew
Secretary

APPROVED:

J. R. Englehorn
President

DWP:hdj

REVISED

SCHEDULE II

1970 BUDGET PROPOSAL - SUMMARY

A. Required for 1970 Operations

1. Administrative (including Canada)	\$ 608,000.	
2. Promotion - continuing	445,000.	
New	132,050.	
3. Operating Reserve	100,000.	
Total		\$ 1,285,050.

B. Funding for above (Estimated)

1. Estimated Reserve 1/1/70	88,340.	
2. Dues	4,000.	
3. Interest earned)	1,500.	
4. Reimbursement for publications)		
5. Miscellaneous Assessments	5,500.	
6. Oxide	25,000.	
7. Slab U. S.) needed	1,160,710.	
Slab Canada)		
Total		\$ 1,285,050.

Estimated Slab Available for Assessment (Short Tons)

U. S. Prod. shipped U. S. 10/1/68 - 9/30/69	1,062,900.
Foreign Prod. shipped U. S.	200,000. (est.)
Canadian Prod. shipped Canada	114,000. (same as paid 1969)
Total	1,376,900
Proposed Assessment Rate - ¢ per short ton	84.5

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12/3/69

ZINC INSTITUTE, INC.
STATEMENT OF ADMINISTRATIVE EXPENSES

SCHEDULE III A (111 A-1)

DISBURSEMENTS - ADMINISTRATIVE

	Actual 1/1 - 9/30/69	Estimated 12/31/69	1969 Budget	Proposed 1970 Budget	Comments
1. Salaries					
a. Gross Payroll	\$ 221,200.	\$ 298,500.	\$ 316,600.	\$ 348,000.	
b. Temporary Help	1,788.	3,000.	--	1,000.	
c. Emp. Agency Fees	2,697.	3,800.	--	1,000.	
2. Payroll Taxes	8,514.	(11,000.	(9,000.	13,000.	
3. Business Taxes	668.			28,000.	
4. Pension Premium	27,366.	27,400.	24,000.	2,000.	
5. Business Insurance	1,724.	2,000.	1,000.	2,000.	
6. Group Insurance	3,513.	4,700.	5,000.	5,000.	
7. Retirement Allowance	760.	1,014.	1,014.	----	To be paid from interest on Pens. Reg. Fund
8. Office Rents:					
a. New York	13,500.	18,000.	18,000.	25,000.	New lease or moving expense if necessary
b. Lafayette	900.	1,200.	1,200.	1,200.	
c. Detroit	3,942.	5,300.	5,300.	5,300.	
d. Toronto	3,429.	4,600.	4,600.	4,600.	
9. Travel & Expenses	79,070.	106,000.	83,000.	110,000.	Underestimated in 1969-incl. all offices
10. Meeting Expenses					
a. Annual Meeting	1,144.	(2,000.	(4,000.	(3,000.	
b. All other Meetings	81.				
11. Professional Fees:					
a. Auditing	1,500.	(4,000.	(5,000.	(5,000.	Includes Audit & Traffic Comm. needs
b. Legal	1,745.				
c. Other	100.				
12. Printing & Office Supplies	7,330.	10,000.	8,000.	8,000.	
13. Telephone & Telegrams	5,922.	7,900.	8,072.	8,000.	
14. Postage & Express	5,394.	7,500.	7,000.	8,000.	
15. Subs. Books & Periodicals	601.	700.	700.	700.	
16. Furniture & Equipment	763.	5,500.	6,000.	4,000.	
17. Office Services	4,422.	5,900.	8,500.	5,000.	
18. Technical Assn. Membership	1,085.	1,100.	1,000.	1,200.	
19. Field Office Expense:					
a. Lafayette Office Exp.	2,437.	3,500.	4,000.	4,000.	
b. Detroit "	9,736.	12,500.	10,000.	10,000.	
c. Toronto "	----	----	----	4,000.	
20. Miscellaneous Expense	2,298.	3,000.	4,000.	3,000.	
Grand Total	\$ 413,622	\$ 550,114.	\$ 534,986.	\$ 608,000.	

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STATEMENT OF PROMOTION & DEVELOPMENT EXPENSES

SCHEDULE III-B

(III-B-1)

(Comments)

	Actual 2/3/69	Estimated 12/31/69	1969 Budget	Proposed 1970 Budget
I. Continuing Projects:				
1. Publicity (incl. Spotting)				
a. Advertising	\$ 64,442	\$ 104,000.	\$ 104,000.	\$ 125,000
2. Joint Program AIRRA	64,442	97,000.	110,000	-----
3. Joint Program AIRT	64,442	85,000	85,000	85,000
4. Zinc Oxide Promotion	14,410	15,000	15,000.	15,000
5. Zinc Casting Promotion	7,306	9,000	16,000	12,000
6. Literature Reprotting	3,200	3,200	3,200	-----
7. Zinc & Lead Int'l. Service	22,620	28,000.	28,000	27,500
8. Direct Mail	21,316	28,000.	28,000	15,900
9. Surveys	2,000	24,000.	15,000	35,000
10. Zinc Casting Seminars	2,000	400.	2,000	500
11. Zinc Abstracts	1,346	7,000.	7,500	7,500
12. Photo Expenses	10,110	14,000	14,000	16,000
13. Motion Pictures	1,424	1,700	1,000	1,500
a. Die Casting	2,000	7,000	7,000	6,000
b. Corrosion	4,415	7,000.	7,000	6,000
c. Extraordinary World	2,455.	12,000.	12,000	10,000
14. Industrial Shows	101	100.	1,200	1,200.
15. Zn-75 Promotion	56,499.	70,000	80,000	14,000.
16. Lafayette Activities				
a. Educational Programs:				
1. Zn-Ag	3,405	10,000.	-----	-----
2. Science	1,014.	1,500.	-----	-----
3. Industrial Arts	-----	300	17,000	17,000
4. Miscellaneous	16.	-----	-----	-----
b. Exhibits	1,737	2,200	-----	-----
17. Contributions				
a. Steel Struct. Building	1,200	1,500	1,500	1,500
b. Amer. Elect. Platers Soc.	200.	200	200	200.
c. Golv. Wire Mfgs. Council	4,200	4,200	4,200	3,000.
18. Publicity & Promotion II-ZRO				
a. Zinc Corrosion Manual	-----	-----	10,000	15,000
b. Zinc Chemistry Manual	5,449	14,000	-----	16,000
c. Feat. Inquiry for II-ZRO	-----	-----	-----	7,000
19. Toronto Activities				
a. Highway Consultant	410.	500.	1,200.	1,200.
b. Bi-Lingual Translation	46	200	5,000	1,000.

(Revised 12/3/69)

Removed on IDC recommendation previously agreed

Rebuilding from discussion with Zima. (Zima) No further action suggested with Bantelle

ZDA active 10/69 - 35% of 1969 quarter

Increased - more material becoming available

Usually assigned to specific item

Established pattern

Increased production cost by ZIA

Toronto costs included for 1970

(Replacement prints purchased in 1969 (few anticipated in 1970

Primarily storage

Established pattern

" "

" "

(Material has been turned over by II-ZRO and work is proceeding toward publication in 1970.

Should be available January, 1970. Bi-lingual literature incl. in item 27c

ZINC INSTITUTE, INC.
STATEMENT OF PROMOTION & DEVELOPMENT EXPENSES

SCHEDULE III B (III B-2)

	Actual 9/30/69	Estimated 12/31/69	1969 Budget	Proposed 1970 Budget	Comments
I. Continuing Projects:					
19 Toronto Activities (continued)					
c. Light Pole Program	---	---	1,000	---	Pending further study
d. Zinc Ident Mark	---	---	2,000	500	Still being studied
20 Miscellaneous	1,220.	1,300.	1,000	5,000	
Sub-Total Items 1-20:	\$ 388,518.	\$ 546,400	\$ 579,000	\$ 445,000	
II New Projects:					
21 Die Casting Film				60,000	
22 New Publications				8,000	
a. Die Casting Case History				5,000	A complete rewrite of existing publica- tion
c. Envelope Stuffers				12,000.	2 planned - similar to 1969 projects
c. New Die Casting booklet				1,500	
23 U. S. Representative to ISO				750.	
24 New Contributions				300	
a. U. S. A. Standards Inst				15,000.	proposed by The New Jersey Zinc Co.
b. Indus. Designers Soc. of America				6,000	
25 1970 Die Casting Competition				10,000	
26 New Toronto Activities:				5,000	Not budgeted to Toronto in 1969
a. Seminar				5,000	" " " "
b. Educational Program				3,000	" " " "
c. Printing & Literature				1,32,000	Nothing over \$ 100 without N.Y. approval
d. Direct Mail					
e. Miscellaneous					
Sub-Total Items 21-26:	-0-	-0-	-0-	\$ 132,000	
Grand Total Prom. & Devel. Expenses	\$ 388,518	\$ 546,400	\$ 579,000.	\$ 577,050	

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