Minutes of the 1965 Budget Meeting
Lead Industry Development Committee
International Lead Zinc Research Organization
December 8, 1964, New York, New York

I. INTRODUCTION

The Lead Industry Development Committee (IDC) met on December 8, 1964, at 292 Madison Avenue, New York, New York to consider the International Lead Zinc Research Organization (ILZRO) lead research budget for 1965. The primary purpose of the meeting was to consider the economic and marketing aspects of the research projects approved by ILZRO technical committees in order to make subsequent recommendations to the Board of Directors.

Prior to the meeting ILZRO had distributed to the IDC members a document entitled "Lead Industry Development Committee Budget Meeting, December 8, 1964" which contained a summary of research projects recommended by ILZRO Subcommittees and statements on economic and market potential of the projects. At the meeting on December 8, ILZRO distributed a document entitled "Lead Industry Development Committee Budget Meeting, December 8, 1964 (Financial Data)" which contained a summary of research projects recommended by the Subcommittees and subsequently approved by the Lead Technical Steering Committee. This document also contained statements of estimated financial performance of ILZRO for calendar years 1964 and 1965.

These documents provided the basis for project and financial consideration of the 1965 research budget during the meeting.

II. ATTENDANCE

Those in attendance were:

Members and Designated Alternates

J.R. Engleborn, Chairman	St. Joseph Lead Company
J.S. Smart, Jr.	American Smelting & Refining Co.
D.J. Rowland	Anaconda Sales Company
R.J. Hopkins	The Broken Hill Associated Smelters, Pty., Ltd.
G.A. Larson	The Bunker Hill Company
I. Thompson	Cerro Sales Corporation
L.L. Taylor	Cia Minera Asarco, S.A.
E.E. Gautschi	The Consolidated Mining & Smelting Co. of Canada, Limited
K. Kuwahara	Mitsui Mining & Smelting Co. Ltd.
G. Scacciati	Montepomi & Montevecchio Societa per Azioni
D.J. Harte	United States Smelting, Refining & Mining Company

Guests

S.D. Strauss	American Smelting and Refining Co.
R.D. Taylor	American Smelting and Refining Co.
K.W. Walton	The Broken Hill Associated Smelters Pty., Ltd. (C. Tennant, Sons & Co. of N.Y.)
A. Maruyama	Mitsui Mining & Smelting Co., Ltd.
A. Faina	Monteponi & Montevecchio
R.J. Searls	Newmont Mining Company
D.S. Burwood	The Rio Tinto-Zinc Corp., Ltd.
F.W. Robinson	The Rio Tinto-Zinc Corp., Ltd.
G.M. Levyne	Societe Miniere et Metallurgique de Penarroya (International Selling Corp.)
F. Higgins	O.S. Tyson and Co., Inc.

LIA Staff	ILZRO Staff	
R.L. Ziegfeld	S.F. Radtke	- Director
D.M. Borcina	S.E. Eck	- Acting Secretary
D.G. Fowler	G.A. Alexander	

III. CALL TO ORDER

The Chairman called the meeting to order at 9:30 A.M. and welcomed the members and guests to the meeting, particularly mentioning those from abroad who had travelled far to participate in the budget activities of ILZRO.

IV. APPROVAL OF MINUTES

On motion duly made, seconded, and unanimously approved, the minutes of the previous meeting of the Industry Development Committee held on April 19, 1964 were approved as circulated.

V. APPROVAL OF THE 1965 LEAD RESEARCH BUDGET

The Chairman pointed out that the lead research budget being presented to the Industry Development Committee had been considered twice previously by the Subcommittees and the Technical Steering Committee and mentioned that economic and market statements on each project had been previously circulated to the Committee members for review. In view of this prior screening and documentation, the Chairman suggested that the meeting be conducted by having ILZRO's Director briefly review each project and in the absence of comment, discussion or other indication of opposition to an individual project that the Secretary record the vote of the IDC as unanimously in favor of approval. This suggested procedure was adopted by the Committee.

In accordance with this procedure the IDC took the following action:

A. 31 projects were recommended with unanimous approval.

B. 4 projects were approved with some negative votes (none greater than 3).

These were ULZ-21 -	Decorative and Protective Finishes for Lead	- $ 5,000
ULM-25 -	Nucleation and Grain Growth Phenomena in Casting Lead Acid Battery Grids	$10,000
ULZ-24 -	Film Formation Under Anodic Conditions	$10,000
ULZ-26 -	Evolution and Recombination of Gases	$10,000

C. Project LH-94 - Biochemical Approach to Lead Toxicity, $34,280, was approved after a motion was defeated to initiate the project in 1965 at 1/2 the suggested rate of expenditure, the balance to be expended in 1966.

D. Project LC-59 - Ceramic Coatings for Cementitious and Metallic Surfaces, was approved at a rate of $10,000 instead of $20,000.

E. Project ULZ-19 - Lead Anodes for Cathodic Protection Underground, $5,000, was tabled pending additional economic justification.

F. Project ULZ-14 - Radiation Protection Effects of Inorganic Lead Compounds, $10,054, was defeated

G. An Undesignated Research Fund of $50,000 was approved.

(Note: A revised list of those research projects approved by the IDC is attached.)

The Chairman reported that the action of the Industry Development Committee reduced the lead research budget proposed by the Technical Steering Committee from $411,184 to $386,130.

(Note: This figure does not include proposed ILZRO administration budget of $153,950)

The Secretary reported that this action would reduce estimated 1965 expenditures by approximately $10,500 which would allow a reduction in the proposed 1965 assessment rate from $.49 per ton (2000 pounds) to $.48 per ton of pig lead.

The Industry Development Committee then agreed to recommend to the Board of Directors the revised research budget and an assessment rate of $.48/ton based on 1964 pig lead production of the sponsors of ILZRO.

(Note: The Executive Committee of ILZRO subsequently recommended to the Board of Directors that the 1964 assessment rate of $.45 per ton be approved for 1965; the net effect being that the cash available for operation at the end of 1965 would be reduced from an estimated level of approximately $100,000 to approximately $60,000.

The Board of Directors, at its meeting held on December 15, 1964, approved the research budget recommended by the IDC and the assessment rate of $.45 per ton recommended by the Executive Committee. A financial statement on the 1965 approved ILZRO Budget, totaling $540,080 is attached.)

VI. ILZRO LICENSING POLICY

The Director discussed difficulties arising from the previously established policy of the Industry Development Committee which stated that only non-exclusive licenses could be granted on ILZRO developments. He cited a current situation in which several large chemical producing companies had expressed commercial interest in the production and marketing of a lead compound for the production of polyurethane foam. Each company had indicated the need for an exclusive license in order to offset capital and marketing expenditures.

The Director reported that in view of this situation, legal counsel had indicated that an exclusive license could be granted in cases where it was needed to effect commercial development. Justification would depend on documenting the fact that commercialization would not be undertaken by interested firms without an exclusive license.

As a result of this legal opinion, the Director reported that negotiations were being undertaken to grant an exclusive license on the foaming agent and advised that the license agreement would be forwarded to the IDC for approval.

VII. NEXT MEETING

It was agreed that the next meeting of the Industry Development Committee on ILZRO matters would be held on April 27, 1965 at the Drake Hotel in Chicago, Illinois in conjunction with the AZI-LIA Annual Meeting. It was proposed that the meeting be jointly held with the Lead Technical Steering Committee and the Zinc Industry Development Committee and Technical Steering Committee.

VIII. ADJOURNMENT

There being no further business, the ILZRO portion of the Industry Development Committee meeting was adjourned at 12:00 noon.

Samuel E. Eck
Acting Secretary
Samuel E. Eck

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