

MINUTES OF THE MCA EXECUTIVE COMMITTEE

Allied Tower, New York City

Thursday, July 20, 1967

The meeting was called to order by Chairman Carl A. Gerstacker.

There were present: Carl A. Gerstacker, Chairman L. K. Eilers
F. Leonard Bryant Irb H. Fooshee
John L. Christian Kenneth H. Hannan
David H. Dawson John O. Logan
G. H. Decker John E. Wood, III
James R. Carnes

General Counsel: Lloyd Symington

Present by Invitation: Myron Foveaux*
John L. Gillis*

1. MCA Position Regarding Agreement in Kennedy Round of GATT Negotiations, Including Proposal to Eliminate ASP. Mr. Myron T. Foveaux, Chairman, International Trade Committee, reported on the July 19 meeting of that Committee, at which Messrs. Theodore R. Gates and Morton Pomeranz, of the Office of the Special Representative for Trade Negotiations, presented the views of that Office regarding the results of the Kennedy Round affecting the chemical industry. Thereafter, following thorough consideration, the Committee concluded that there would be little benefit to the U. S. chemical industry from the additional 30% reduction in foreign tariffs linked to repeal of ASP and, by a vote of 10-2, recommended that the following resolution be approved:

"WHEREAS, many members of the Manufacturing Chemists Association have indicated that the Kennedy Round of tariff negotiations will seriously and adversely affect the domestic industry; and

"WHEREAS, many members of the Manufacturing Chemists Association have indicated implementation of the agreement related principally to chemicals supplementary to the Geneva (1967) Protocol, including the repeal of the American Selling Price method of customs valuation, would have additional serious and adverse effect on the domestic industry; and

*Present for portion of meeting only.

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"WHEREAS, many members of the Manufacturing Chemists Association have indicated that the proposed foreign tariff reduction which would be gained as a result of implementation of that agreement related principally to chemicals supplementary to the Geneva (1967) Protocol, will have no significant effect upon their export sales:

"NOW, THEREFORE, BE IT RESOLVED,

That the President and the other authorized spokesmen for the Manufacturing Chemists Association are hereby empowered and directed to make appropriate representations in the name of the Association to such bodies and persons as they deem appropriate in opposition to implementation of the agreement relating principally to chemicals supplementary to the Geneva (1967) Protocol including the repeal of the American Selling Price method of customs valuation."

Mr. Foveaux also presented the Committee's recommendation that the MCA position not be publicized until an appropriate time, preferably in connection with congressional hearings, to be determined in the light of future developments. After answering questions by members of the Executive Committee concerning the deliberations and views of the International Trade Committee, Mr. Foveaux was excused from the meeting.

During the executive session which followed, the recommendation of the International Trade Committee was considered and the resolution recommended by it was approved after full discussion. It was agreed that the resolution, together with the Executive Committee's recommendations for implementing it, would be presented to the Board of Directors for consideration at a special dinner meeting to be called by the President at The Madison Hotel, Washington, D. C., at 7 P.M., on August 1, 1967. The resolution would be distributed to members of the Board of Directors with the notice of the meeting and a request that, if they or their alternates are unable to attend, their views be forwarded for consideration.

Discussion of implementation of the resolution, if ultimately approved, ensued and it was agreed:

(a) That a copy of the resolution be sent to all Executive Contacts following its adoption by the Board or by subsequent decision of the Executive Committee, in the event a quorum of the Board cannot be obtained for the August 1 special meeting. Staff to prepare a summary of reasons for MCA position to accompany the resolution when sent to Executive Contacts for their use in communicating with members of Congress; which General Decker is to urge them to do. Summary should also cover MCA position on anticipated aspects of proposed

legislation in addition to repeal of ASP and include any affirmative approaches available, such as alternatives to repeal of ASP.

(b) That press release regarding MCA position be issued seven to ten days after Executive Contacts are informed of position; there should be no publicity concerning position in the meantime.

(c) That Staff would coordinate its efforts with other associations and with labor unions, giving special attention to stimulating activity by the latter.

(d) That effort be made to stimulate broadest possible membership participation in MCA legislative activity, including small as well as large members.

(e) That, in developing MCA position, reference be made to government statistics subsequent to 1964 to demonstrate trends since then.

(f) That Staff and International Trade Committee should begin preparation of statement for presentation during hearings of appropriate congressional committees.

2. Status of Air and Water Pollution and Solid Waste Control Survey.

General Decker reported that the response by member companies to the questionnaire issued in January 1967 has not been good, that he recently sent a letter to Executive Contacts urging completion of the survey, and Staff would welcome any suggestion as to how the response may be improved. After discussion, it was agreed that, if General Decker's recent letter does not produce results, the matter would be brought to the attention of the Board of Directors at the September meeting so they may consider and reaffirm the importance of the survey.

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

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

MINUTES SUBJECT TO APPROVAL