MINUTES of the twelfth meeting of Directors of the Manufacturing Chemists' Association, Inc., held at The Uni n Club, Park Avenue and 69th Street, New York City, on October 9, 1951, at 11:00 a.m.

There were present:

Messrs.	Charles S. Munson	W. S. Landes
	W. H. Ward	John E. McKeen
	Geo. B. Beitzel	F. N. Williams
	D. S. Frederick	R. L. Taylor
	H.O.C. Ingraham	M. F. Crass, Jr.

Alternates:
H. W. Johnstone (for George W. Merck)
J. G. Park (for H. W. Fisher)
L. E. Erlandson (for J. W. McLaughlin)
John R. Hoover (for W. S. Richardson)
Ford Ballantyne, Jr. (for R. B. Semple)
E. V. Daveler (for H. I. Young)

Absent:
W. M. Billing
L. I. Doan
R. C. Gaugler
C. D. Marlatt
R. L. Murray
J. Oostermeyer
P. T. Sharples

Present by Invitation:
William M. Rand
Marx Leva, Fowler, Leva, Hawes & Symington
Lloyd Symington, Fowler, Leva, Hawes & Symington
John W. Hill, Hill and Knowlton, Inc.
Bert C. Goss, Hill and Knowlton, Inc.

I. ABSENCE OF QUORUM

Although a quorum was not represented, it was the sense of those present that the meeting proceed and that all business transacted be subject to consideration and vote of the members at the November 13, 1951, Board meeting.

II. MINUTES OF THE MEETING

The Minutes of the September 11, 1951, meeting were duly approved as sent to the members.

III. TREASURER'S REPORT

(a) The report of the Treasurer for the period September 1 to September 30, 1951, was reviewed, and

On Motion duly made and seconded, it was

VOTED: That the report be accepted and placed on file.

IV. SECRETARY'S REPORT

(a) Defense Advisory Committee. A memorandum was presented to each member outlining contacts made by the Committee in Washington with Government officials at policy making levels relative to allotments of controlled materials to the chemical industry for the first quarter of 1952. It now appears that our industry will receive a somewhat higher proportion of steel, copper and aluminum than was the case during the fourth quarter of 1951. The Committee believes that progress has been made in forcing a realization at top policy levels of Government that the chemical industry is a basic industry and that all other industrial programs can be jeopardized by failure to support the chemical industry.

(b) October 2-3 Traffic Committee Meeting. Among the developments of this meeting were (1) appointment of a joint MCA-American Petroleum Institute Committee to enter into immediately discussions with the Association of American Railroads concerning an increase in the tank car mileage allowance; (2) filing of protest with traffic executives of the Eastern and Southern Railroads concerning cancellation of exceptions ratings under which many chemicals move; and (3) ICC suspension of proposed increased rate schedules of the Middle Atlantic States Motor Carrier Conference, Inc., in order dated October 5. The Association with counsel had urged such suspension at a hearing in Washington on September 26.

V. BOARD OF DIRECTORS

(a) Report of Defense Personnel Committee. Mr. Williams described a brochure which the committee will shortly mail to Member Executives accompanied by a letter of transmittal signed by Chairman Munson. The brochure outlines, with the aid of charts and other descriptive matter, the organizational structure of the Chemical Divisions of OPS and NPA and emphasizes the need for the supplying of key personnel to these agencies from chemical firms for periods up to approximately nine months on a "Without Compensation" basis. The second mailing will classify and describe the positions that must be filled. Personal contacts will then be made. Mr. Ward then mentioned specific jobs for which replacement personnel must be supplied by our industry immediately. Because of the importance of this program, prompt implementation is necessary.

(b) Membership Committee. In the absence of Membership Committee personnel, Mr. L. E. Erlandson reported that an application had been received from Cincinnati Chemical Works, Inc., Cincinnati, Ohio, which had been duly sponsored and seconded by executives of member firms and that the applicant appeared to be qualified for membership under the Association's By-Laws.

On Motion duly made and seconded, it was

VOTED: That the application be approved subject to the 30 day notice to members provided under Article III, Section 4, of the By-Laws.

(c) Association Organization. Pursuant to action taken at the September 11, 1951, meeting of the Board of Directors, Counsel presented the following resolution which was unanimously approved by the Board members present:

"Whereas, It is the desire of the membership and the Board of Directors of the Manufacturing Chemists' Association, Inc., that the Association undertake an aggressive program whereby the Association can discharge its proper function as the spokesman for one of the country's largest and most dynamic industries; and

"Whereas, such a program has in fact been undertaken and is underway at the present time; and

"Whereas, in connection with such program the Board of Directors has sought and obtained the advice of Counsel with respect to the form of internal organization which the Association should utilize, with particular reference to Committee structure; and

"Whereas, the study undertaken by Counsel preliminary to the submission of the advice referred to above included a detailed study of the Committee structure of the Association, including the Plastics Committee which was established pursuant to written assurances given by the Chairman of the predecessor Manufacturing Chemists' Association at the time of the merger of the Plastic Materials Manufacturers Association and the predecessor Manufacturing Chemists' Association;and

"Whereas, the Board of Directors of the Manufacturing Chemists' Association, Inc., at its meeting on September 11, 1951, considered and approved the conclusions and recommendations submitted by Counsel;

"Now Therefore the Board of Directors of the Manufacturing Chemists' Association, Inc. hereby Resolves:

"1) That, subject to the continuation of the Plastics Committee pursuant to paragraph 2 below and subject to the establishment of such special committees as the Board of Directors may authorize pursuant to paragraph 3 below, there is hereby affirmed the traditional policy of the Association and its predecessor organizations to rely primarily on functional committees and to avoid, wherever practicable, the creation and operation of vertical committees composed of members producing a given product or class of products.

"2) That, pursuant to Section 8 of Article V of the By-Laws of the Manufacturing Chemists' Association, Inc., the Plastics Committee shall be continued by that name within the purview of the general policy set forth in this Resolution. Written terms of reference, in the form of a Resolution of the Board of Directors which will be submitted to the Plastics Committee for concurrence prior to issuance, will be issued to the Plastics Committee.

"3) That, in addition to the need for continuation of the Plastics Committee, it is hereby recognized that there may be from time to time a need for special committees in cases where manufacturers of a particular product or class of products have a special problem that is peculiar to that segment of the industry and which cannot by its very nature be effectively handled at the outset through the existing functional committee structure. In such event, the Board of Directors may, pursuant to Section 8 of Article V of the By-Laws, establish a special committee to consider the particular problem under the following conditions:

"(a) The Board of Directors may take up such a matter on its own motion, or upon a written request from any member or group of members of the Association.

"(b) Before agreeing to the establishment of any such special committee, the Board of Directors will determine whether or not the existing functional committees are adequate to handle the problem, and if not, whether the problem is of such general concern as to call for a new functional committee.

"(c) If, as a result of such preliminary determination, the Board decides to establish a special committee, the Board will prescribe by resolution the duties and functions of such special committee, which shall be limited to specified problems, and, whenever practicable, to a stated duration."

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(d) <u>Mobilization Committee</u>. Mr. Leva outlined and recommended for Board consideration the organization and functions of a Defense Mobilization Committee to consist for the time being of Executive Committee personnel, with possible ultimate replacements to be at the top executive level. Such committee would include among its activities close liaison with the defense agencies on such problems as replacement personnel, controlled materials, price regulations, etc., and in so doing will centralize such activities and function closely with MCA staff personnel. It was agreed that the Executive Committee would meet as the Defense Mobilization Committee in November.

*subpars. (d) thru (g) inadvertently omitted from minutes. See attachment to page (66).

(e) Registration under Lobbying Act. On Motion duly made and seconded, it was

VOTED: That the Association register under the Lobbying Act. This is in accordance with recommendation of Counsel which will proceed with the necessary steps.

(f) Additional Report on Alternates. The Chairman advised that the following Board members had requested appointments of alternates as follows:

Member	Alternate, Company and Position
R. B. Semple	Ford Ballantyne, Jr., Vice Pres. Wyandotte Chemicals Corporation
John E. McKeen	John L. Davenport, Exec. Vice Pres., Chas. Pfizer & Co., Inc.

On Motion duly made and seconded, it was

VOTED: That the appointments be approved.

(g) Resignation of Clyde D. Marlatt. Members were requested to consider for discussion at the November 13, 1951, meeting, a replacement for Mr. Clyde D. Marlatt who has resigned as a member of the Board of Directors. Also to be considered will be a replacement of Mr. Marlatt as Trustee of the Pension Plan. It has been suggested that our Counsel function as Trustee, and this will be held under advisement until the November meeting.

VI. EXECUTIVE VICE PRESIDENT'S REPORT. PUBLIC RELATIONS.

Mr. Taylor reported that the immediate matter under consideration is the subject of chemicals in foods. Mr. Leva discussed legislative developments and outlined a legislative proposal which the Chemicals in Foods Committee has drafted as a possible substitute for the FDA-sponsored Miller bill. The latter bill would require pretest and certification of chemicals prior to use, whereas the MCA proposal, which has the support of the food industry, would require a 60-day pre-use notification to the Food and Drug Administration during which period FDA could institute injunction proceedings in case it did not favor the application. On the recommendation of Counsel it was the sense of those present that affirmative legislation of the type sponsored by our Committee was desirable.

Mr. Taylor then called upon Messrs. Hill and Goss to report on public relations developments in connection with the foregoing subject. Outline of a suggested program on chemicals in foods was discussed in detail by Mr. Goss, it being reported that this program had been approved by the Chemicals in Foods Committee.

Public Relations Counsel favors a financing program independent of the food industry. It was agreed that a method of financing on a voluntary basis, which will be handled apart from the regular Association budget, be handled and implemented by the Public Relations Policy Committee.

On Motion duly made and seconded, it was

VOTED: That the program be accepted as outlined.

Members were presented with copies of (1) Chronology of Chemicals in Foods Committee contacts and activities during recent months and (2) tentative program of a symposium which will be sponsored by our Committee in conjunction with food manufacturers to be held at the Statler Hotel, New York City, on January 15, 1952.

VII. COMMITTEES

(a) Legal Advisory Committee. A recommendation of the Legal Advisory Committee that this committee be dissolved was approved.

(b) Public Relations Advisory Committee. The following personnel for the Committee was approved:

Harold G. Brayman, Chairman
E. I. du Pont de Nemours & Co., Inc.

Ralph A. Clark,
J. T. Baker Chemical Co.

Emory N. Cleaves,
Celanese Corporation of America

Robert B. Coons,
American Potash & Chemical Corp.

John N. Cronk,
Commercial Solvents Corporation

H. S. Ferguson,
Allied Chemical & Dye Corp.

Geo. H. Freyermuth,
Standard Oil Company (N.J.)

Prescott Fuller,
American Cyanamid Co.

Edward J. Goett,
Chas. Pfizer & Co.

John H. Gray,
Lion Oil Company

Leland Hazard,
Columbia-Southern Chemical Corp.

Dr. Thomas Kennedy
Atlas Powder Company

Cleveland Lane,
Pennsylvania Salt Manufacturing Co.

William J. Long,
U. S. Steel Corporation

Theodore Marvin,
Hercules Powder Company

A. L. McNomee,
Naugatuck Chemical Division,
U. S. Rubber Company

Marcy Osborne,
B. F. Goodrich Chemical Company

Glen Perry,
E. I. du Pont de Nemours & Co., Inc.

T. C. Fetherston,
Union Carbide & Carbon Corp.

Howard C. Royce,
Royce Chemical Company

Arthur Smith,
The Dow Chemical Company

Ralph Winslow,
Koppers Company, Inc.

J. Handly Wright,
Monsanto Chemical Company

Henry Young,
Interchemical Corporation

(c) General Safety Committee. Appointment of Mr. N. V. Hendricks, Standard Oil Development Co., as a member of the Committee was approved.

(d) Patent Committee. Appointments of Messrs. Robert R. Hendricks, American Cyanamid Company, replacing R. B. Fiske; and Robert W. Ball, E. I. du Pont de Nemours & Co., Inc., replacing C. H. Biesterfleld, as members of the Committee were approved.

VIII. MISCELLANEOUS

(a) Mid-Year Meeting. Mr. McKeen reported on program developments in connection with the December 13, 1951, meeting of the Association in New York City. Progress is being made in lining up speakers for the luncheon and evening banquet. The panel discussion programs have been crystallized.

(b) Price Stabilization Developments. Copies of the Association statement presented by Mr. John A. Sargent before the Senate Banking and Currency Committee on September 17 relative to S. 2092 were mailed to Member Executives on September 17. Similar hearings before the House Committee were limited to Government witnesses. Hence, it was not possible for the Association to repeat its testimony before this group.

(c) Customs Simplification. The Secretary reported that H.R. 5505, a substitute for the originally introduced Customs Simplification Bill H.R. 1535, had been reported out of the House Ways and Means Committee on September 28 and will receive early action on the House floor. The reported bill is satisfactory to the chemical industry, inasmuch as it deletes Section 14 of the old bill which provided for abandonment of American selling price and removes legislative authorization for the General Agreement on Tariffs and Trade.

A recommendation that the Association pay half the sum of $1800 for expenses in connection with joint MCA-SOCMA witnesses at the hearings was approved -- such amount to be taken from the contingency fund.

(d) International Labor Organization - Employers Meeting. A meeting of the ILO manufacturers group will be held in Paris on October 19. Because Mr. Howard R. Huston, our representative in past years, will be unable to attend this meeting, it was suggested that Messrs. R. B. Semple, J. Oostermeyer, and W. S. Richardson, all of whom are now in Europe, be invited to represent the American chemical industry at the meeting. Cables were sent to each of these gentlemen, and the Secretary was requested to follow up on these contacts. (Later: Due to advanced sailing dates of the foregoing members, none of them could attend. Arrangements were made, however, for Mr. W. P. Gage, Vice President in Charge of Manufacturing, Shell Chemical Corporation, to attend the Paris meeting as the Association's representative).

(e) Scientific Manpower. Mr. Williams reported that in the face of a requirement of 50,000 technical college graduates annually, there will be only 30,000 this year and 17,000 two years hence. The situation is extremely serious and has been recently emphasized by the Joint Engineering Council. Those present agreed that a public relations job must be done on highschool graduates to persuade more of them to choose chemical and engineering careers, and collaboration in this respect with the American Chemical Society would be desirable. It was further agreed that the general problem should be presented to the Association's Manpower Committee, and that a joint subcommittee consisting of members of the Manpower and Public Relations Advisory Committees be appointed to consider the matter in detail and make recommendations to the Board.

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

M. F. Crass, Jr.
Secretary

Approved: Charles S. Munson
Chairman

Excerpt from Directors' minutes — Oct. 9, 1951 meeting

MANUFACTURING CHEMISTS' ASSOCIATION, INC.

Resolution of the Board of Directors

Whereas, It is the desire of the membership and the Board of Directors of the Manufacturing Chemists' Association, Inc. that the Association undertake an aggressive program whereby the Association can discharge its proper function as the spokesman for one of the country's largest and most dynamic industries; and

Whereas, such a program has in fact been undertaken and is underway at the present time; and

Whereas, in connection with such program the Board of Directors has sought and obtained the advice of Counsel with respect to the form of internal organization which the Association should utilize, with particular reference to Committee structure; and

Whereas, the study undertaken by Counsel preliminary to the submission of the advice referred to above included a detailed study of the Committee structure of the Association, including the Plastics Committee which was established pursuant to written assurances given by the Chairman of the predecessor Manufacturing Chemists' Association at the time of the merger of the Plastic Materials Manufacturers Association and the predecessor Manufacturing Chemists' Association; and

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b) Before agreeing to the establishment of any such special committee, the Board of Directors will determine whether or not the existing functional committees are adequate to handle the problem, and if not, whether the problem is of such general concern as to call for a new functional committee.

c) If, as a result of such preliminary determination, the Board decides to establish a special committee, the Board will prescribe by resolution the duties and functions of such special committee, which shall be limited to specified problems and, whenever practicable, to a stated duration.

The sub-paragraphs that follow should be incorporated in the terms of reference of each special committee that is established:

d) Any such resolution will direct the committee to make the maximum possible use of existing functional committees.

e) Any such resolution will direct the committee to keep, and file with the Board, adequate minutes and records of its proceedings.

f) Any such resolution will include a provision authorizing the committee to report orally to other members of the industry at the regular reporting sessions held in conjunction with the general or special meetings of the Association, and to report orally to the Board, but otherwise limiting the reports of the committee to reports submitted in writing.

g) In appointing members to any such committee, the Board will, to the maximum practicable extent, exercise care that the members do not, taken collectively, represent in numbers or volume of production a predominant position in the industry or industry segment that produces the product or class of products that gave rise to the establishment of the committe .