

A G E N D A
MEETING OF THE MCA BOARD OF DIRECTORS
5:30 p.m., Wednesday, June 5, 1974
West Virginia Room, The Greenbrier
White Sulphur Springs, West Virginia

- I. Opening Remarks and Introduction of Guests
- II. Minutes of Meeting of May 14, 1974, Including Financial Statement for Eleven Months ended April 30, 1974
- III. Business Items:
 - (a) Appointment of Alternate
Robert C. Hyndman, Morton Chemical Company,
Division of Morton-Norwich Products, Inc.

Next Regular Directors' Meeting -- 10:30 a.m., September 10, 1974, Union Club,
Park Avenue and 69th Street, New York City.

CMA 070536

MINUTES of the two hundred thirty-second meeting of the Board of Directors of the Manufacturing Chemists' Association, Inc., held in the West Virginia Room, The Greenbrier, White Sulphur Springs, West Virginia, on Wednesday, June 5, 1974, at 5:30 p.m. There were present:

Directors:	Werner C. Brown, Chairman	
	Harold E. Thayer, Vice Chairman	
	Warren M. Anderson	Edward R. Kane
	Frederick L. Bissinger	Lloyd G. Lillico
	Harry W. Buchanan	Robert H. Malott
	C. C. Candee	Harry T. Marks
	E. E. Chipman	Harry D. McNeeley
	Thomas C. Dabovich	Robert L. Mitchell
	William C. Douce	Robert M. Morris
	William J. Driver	Charles S. Munson
	Carl A. Gerstacker	Joseph A. Neubauer
	James M. Gill	Donald D. Pascal
	John R. Hall	Robert T. Powers
	John W. Hanley	Peter C. Reilly
	John M. Henske	George W. Russell
	James A. Hughes	Jack B. St. Clair
	William W. Huisking	Donald G. Stevens

Alternates:	Stanley H. Anonsen (for Harold E. Thayer)
	Frank A. Carragher (for William W. Huisking)
	C. Preston Cunningham (for John W. Hanley)
	James C. E. Fuller (for James H. Gardner)
	Paul F. Hoffman (for Robert M. Morris)
	Leo H. Johnstone (for William C. Douce)
	Gordon Kiddoo (for Donald G. Stevens)
	Thomas E. Reilly, Jr. (for Peter C. Reilly)
	W. C. Roher (for Z. D. Bonner)
	William S. Sneath (for Warren M. Anderson)
	Raymond C. Tower (for Robert H. Malott)
	E. A. Von Doersten (for John R. Hall)
	Richard N. Williams (for John M. Henske)

General Counsel:	Lloyd Symington
Secretary-Treasurer:	George E. Best

By invitation:	Bruce M. Barackman, MCA
	Earle B. Barnes, Dow Chemical U. S. A.
	Albert C. Clark, MCA
	J. Morris Evans, Philadelphia Quartz Company
	Thomas S. Farmer, Borg-Warner Chemicals, Borg-Warner Corporation

John L. Gillis, Monsanto Company
 Marx Leva, Leva, Hawes, Symington, Martin
 & Oppenheimer
 H. Barclay Morley, Stauffer Chemical Company
 Victor H. Peterson, MCA
 William M. Stover, MCA

Chairman Brown opened the meeting by calling for self-introduction of those present in turn.

I. MINUTES OF MAY 14, 1974, MEETING

Minutes of the May 14th Board meeting, as distributed, which included the financial statement for eleven months ended April 30, 1974, were duly approved.

II. REPORT OF THE SECRETARY-TREASURER

Exhibit A, attached hereto.

III. BUSINESS ITEMS

(a) Appointment of Alternate Robert C. Hyndman was duly approved as alternate for Mr. Dabovich.

(b) Report of the Membership Committee As chairman of the Membership Committee, Mr. Candee reported on the committee's examination of the qualifications of StanChem, Inc., and a recommendation for its election.

ON MOTION, duly made and seconded,
 it was,

VOTED: That StanChem, Inc., be elected
 to membership in the Association.

(c) 102nd Annual Meeting and Future Annual Meeting Dates
 Mr. Barackman reported an advance registration of 1,030 with representation from 172 member companies.

He also reported The Greenbrier has confirmed Annual Meeting dates for the next five years, as follows:

June 12-14, 1975	June 8-10, 1978
June 10-12, 1976	June 7-9, 1979
June 9-11, 1977	

(d) Proposal to Monitor Japanese Patents Distributed in advance with the tentative agenda was subject proposal, concerning which Chairman Brown reported the favorable recommendation of the Executive Committee.

ON MOTION, duly made and seconded,
it was,

VOTED: That the proposal to monitor Japanese patents, in accord with Exhibit B, attached hereto, be approved.

(e) Proposal for Supplementary Vinyl Chloride Research Distributed in advance with the tentative agenda was subject proposal, concerning which Chairman Brown reported the favorable recommendation of the Executive Committee.

ON MOTION, duly made and seconded,
it was,

VOTED: That the proposal for supplementary vinyl chloride research, in accord with Exhibit C, attached hereto, be approved.

(f) Appointment of Committee Members Appointments were approved as listed in Exhibit D, attached hereto.

(g) Proposed Pilot Project on a Loss Data Bank Chairman Brown reported the favorable recommendation of the Executive Committee, at its meeting earlier today, concerning subject proposal which he outlined.

ON MOTION, duly made and seconded,
it was,

VOTED: That the proposed pilot project on a loss data bank, in accord with Exhibit E, attached hereto, be approved.

(h) Economic Policy Review Committee Recommendation for Legislative Activity Recalling the Board request at its May 14th meeting, Chairman Brown told of prompt attention by the Economic Policy Review Committee to develop a statement of policy. He read the recommendation which appears attached hereto as Exhibit F, and reported it had been received favorably by the Executive Committee earlier today. He explained the preference to make the statement general in principle, leaving to the various MCA subject area committees the implementing actions in accordance therewith.

ON MOTION, duly made and seconded,
it was,

VOTED: That the recommendation for
legislative activity attached hereto as
Exhibit F, be approved.

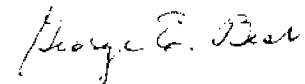
IV. REPORT OF DIRECTOR OF GOVERNMENT RELATIONS

Mr. Stover's report is attached hereto as Exhibit G.

V. REPORT OF THE PRESIDENT

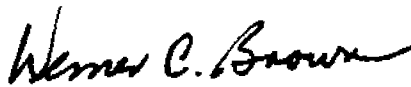
Mr. Driver's Staff Report is attached hereto as Exhibit H.

Mr. Brown thanked the Directors for their helpful attention
and support during his term as Chairman, and the meeting closed with
hearty applause in appreciation of his leadership.



George E. Best
Secretary-Treasurer

Certified correct:



Werner C. Brown
Chairman of the Board

EXHIBIT A

REPORT OF THE SECRETARY-TREASURER
June 5, 1974Dollar amounts rounded from tabular details
(\$000)

INCOME & EXPENSE

June 1, 1973 - May 31, 1974 - 12 Months (100%)Percent of
Total Budget

Income - Membership Fees	\$1,775	100.566%
- Other	<u>351</u>	137.647%
	\$2,126	105.248%
Expense - Operations	\$1,878	101.679%
- Projects	<u>244</u>	81.063%
	2,122	98.790%

ASSETS

(As of May 31, 1974)

Cash	\$ 67	
Investments	1,722	
Miscellaneous	<u>4</u>	
	\$1,793	

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MANUFACTURING CHEMISTS ASSOCIATION

STATEMENT OF FINANCIAL POSITION

May 31, 1974

BALANCE SHEET

Assets

<u>Cash</u>		
National Savings & Trust - Commercial Account	\$ 57,760	
National Savings & Trust - Payroll Account	6,000	
Imprest Funds	2,800	
(Petty Cash, Chem. Forum Luncheon Fund & Postage)		\$ 66,560
<u>Investments</u>		
Bank Certificates of Deposit	\$ 300,000	
U. S. Government Securities	714,682	
U. S. Government Agency Securities	402,500	
Corporate Securities	305,300	1,722,482
<u>Deposits</u>		
U. S. Government Printing Office	\$ 200	
American Airlines	425	625
<u>Accounts Receivable</u>		
Travel Advances	\$ 1,729	
OCITA	1,544	3,273
		<u>\$1,792,940</u>

Liabilities & Fund Balance

<u>Liabilities</u>		
D. C. Use Tax		\$ 120
<u>Reserve</u>		
Deferred Compensation		97,916
<u>Fund Balances</u>		
Restricted (Schedule I (g))	\$ 383,103	
Unrestricted		
From Previous Fiscal Year	\$1,322,156	
Release of Restricted Funds		
from Fiscal 1973-74		
(Schedule I (e))		\$1,322,156
Current Fiscal Year	\$ 3,229	
Restricted for Fiscal 1974-75		
(Schedule I (f))	13,584 (10,355)	1,311,801
		<u>1,694,904</u>
		<u>\$1,792,940</u>

INCOME & EXPENSE

	To Date 12 Months	Budget For Year
<u>INCOME</u>		
Membership Dues & Entrance Fees	\$1,774,520	\$1,765,000
Income from Investments	184,708	120,000
Publication Sales	93,806	82,000
* (1) Meetings & Special Funds (Schedule I (d))	72,038	53,000
Miscellaneous	628	-
Total Income	<u>\$2,125,700</u>	<u>\$2,020,000</u>
<u>EXPENSE</u>		
Management	\$ 421,277	\$ 371,690
* (2) Technical - General	622,039	664,420
Technical - Chemtrec	156,701	158,490
Public Relations	438,969	442,050
* (3) Government Relations	222,869	252,907
Information Service	75,622	75,480
Office Administration	184,994	183,290
Total Expense * (4)	<u>\$2,122,471</u>	<u>\$2,148,327</u>
Income less Expense	<u>\$ 3,229</u>	<u>\$ (128,327)</u>

FOOTNOTES:

- * (1) Net Income on Completed Projects
- * (2) Budget increase approved by Board of Directors October 1973 for support of the Office of the Chemical Industry Trade Advisor (OCITA) \$70,000
- * (3) Budget increase approved by Board of Directors March 1974, for an Economic Study \$17,637
- * (4) Total General Program Expense

Fiscal Year 1973-74 Budget Program Expense (above)	\$2,122,471
Expenditures from Project Funds carried over from previous Fiscal Year (Schedule I (c))	1,000
	<u>\$2,123,471</u>

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SCHEDULE 1 - RESTRICTED FUNDS & MEETING ADVANCES

May 31, 1974

	Current Fiscal Year			Year End Adjustments		
	Balance June 1, 1973 (a)	Receipts (b)	Expenditures (c)	Transferred to Income (d)	Carry-Over Funds Returned to Unrestricted Funds (e)	1973-74 Budgeted Funds carried over to Fiscal 1974-75 (f)
<u>Carry-Over of Budgeted Funds</u>						
Information Service	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ -
Government Relations	-	-	-	-	-	13,584
Total - Carry-Over Budgeted Funds	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ 13,584
<u>Non-Budgeted Funds & Meetings</u>						
Meeting, Workshops & Symposia	\$ 71,928	\$212,867	\$148,783	\$ 72,038	\$ -	\$ 63,974
Tank Car Mileage Compensation	27,395	1,148	4,195	-	-	24,348
Epidemiological Investigation	4,797	(2,667)	2,130	-	-	-
Odor Threshold Determination	-	1,400	1,400	-	-	-
Mercury in the Environment	3,632	(3,114)	518	-	-	-
Vinyl Chloride Research - Inhalation	62,852	106,019	42,307	-	-	126,564
Vinyl Chloride Research - Epidemiological	-	91,940	80,579	-	-	11,361
Phosgene Safety Research	34,095	7,000	18,953	-	-	22,142
Fluorocarbons Research	6,000	107,000	95,110	-	-	17,890
Mthalate Esters Research	16,000	2,000	7,078	-	-	10,922
Total - Non-Budgeted Funds & Meetings	\$226,699	\$523,593	\$401,053	\$ 72,038	\$ -	\$277,201
<u>Plastics Group Financial Package</u>						
	\$ 80,502	\$ 60,000	\$ 48,184	\$ -	\$ -	\$ 92,318
	\$308,201	\$583,593	\$450,237	\$ 72,038	\$ -	\$383,103

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SCHEDULE II - EXPENSE

BUDGET PROGRAM

Employees (Actual Authorized)	MANAGEMENT		TECHNICAL				PUBLIC RELATIONS		GOV'T RELATIONS		INFO SERVICE		OFFICE ADMIN		TOTAL TO DATE	
			GENERAL		CHEM/REC										12 MONTHS	
	EXPENSE	BUDGET	EXPENSE	BUDGET	EXPENSE	BUDGET	EXPENSE	BUDGET	EXPENSE	BUDGET	EXPENSE	BUDGET	EXPENSE	BUDGET	EXPENSE	BUDGET
	10	10	18	18	7	7	12	12	9	8	3	3	11	11	70	69
OPERATING EXPENSE																
Salaries & Related Expense	\$242,708	\$241,650	\$343,529	\$337,750	\$103,154	\$99,700	\$189,414	\$190,200	\$132,855	\$148,000	\$47,856	\$48,100	\$128,175	\$120,300	\$1,187,691	\$1,185,700
Retirement Plan	36,804	35,950	41,494	42,980	-	-	15,496	15,100	11,685	17,010	11,694	10,370	7,501	11,590	124,674	133,000
Hosp. Ins. & Health Plan	1,982	3,270	3,943	5,600	595	2,080	2,306	3,620	1,389	2,700	633	1,180	1,867	3,180	12,715	21,630
Legal Fees & Expense	69,127	26,500	1,697	10,000	-	-	-	-	16,502	15,000	-	-	-	-	87,326	51,500
Consultants&Investment Serv.	2,350	2,500	-	-	-	-	-	-	-	-	-	-	-	-	2,350	2,500
Audit	2,750	2,300	-	-	-	-	-	-	-	-	-	-	-	-	2,750	2,300
Rent & Premises Expense	11,414	11,410	22,456	22,550	6,502	6,510	19,215	19,220	11,142	11,130	7,052	6,990	16,567	16,540	94,348	94,350
Taxes & Insurance	8,657	7,890	16,544	14,230	24,675	24,530	9,756	9,510	7,556	6,340	2,534	2,360	8,943	8,700	78,665	73,560
Supplies & Gen. Office Exp.	5,217	5,000	16,245	13,700	3,152	3,200	7,960	8,600	6,243	6,500	680	700	8,247	8,250	47,744	45,950
Furniture & Equipment	6,741	1,000	2,183	1,400	1,112	1,000	2,474	750	1,184	500	665	690	6,249	6,180	20,608	11,520
Printing	2,328	2,400	-	-	-	-	3,424	3,350	417	700	42	-	1,009	1,000	7,220	7,450
Telephone & Telegraph	4,815	5,420	12,031	10,060	14,292	17,370	8,300	6,970	5,383	4,640	1,319	1,550	4,812	6,190	50,952	52,200
Postage	2,441	2,250	19,448	19,500	430	900	31,739	33,000	6,068	5,500	671	1,200	1,405	1,000	62,202	63,350
Travel & Entertainment	6,161	5,000	21,244	24,000	2,451	2,750	22,929	22,500	8,067	6,500	918	1,000	38	200	61,808	61,950
Meeting Expense	12,642	11,000	694	900	-	-	83	730	2,051	2,000	-	-	-	-	15,470	14,630
Periodicals, Books, etc.	322	400	1,366	1,500	280	350	1,478	1,500	6,843	7,500	1,519	1,300	106	80	11,914	12,630
Organizational Memberships	2,421	2,750	2,642	2,550	58	100	816	1,000	1,431	1,250	39	40	75	80	7,482	7,770
Contingency	2,397	5,000	-	-	-	-	-	-	-	-	-	-	-	-	2,397	5,000
Operating Expense Totals	\$421,277	\$371,690	\$505,516	\$506,720	\$156,701	\$158,490	\$315,390	\$316,050	\$218,816	\$235,270	\$75,622	\$75,480	\$184,994	\$183,290	\$1,878,316	\$1,846,990
PROJECTS																
<u>Government Relations</u>																
*(2)Economic Study									\$4,053	\$17,637					\$4,053	\$17,637
<u>Technical</u>																
Air Quality			\$227	\$20,000											227	20,000
Water Resources			15,000	15,000											15,000	15,000
Multi-Committee Transportation			1,474	2,700											1,474	2,700
Multi-Committee Publications			44,822	50,000											44,822	50,000
*(1)Trade Advisor			55,000	70,000											55,000	70,000
<u>Public Relations</u>																
Community Relations							\$15,242	\$13,000							15,242	13,000
Consumer Information							26,050	24,000							26,050	24,000
Environmental Quality							24,002	24,000							24,002	24,000
Internal Publications							17,506	22,000							17,506	22,000
Media Relations							6,715	6,000							6,715	6,000
Audio/Visual							-	3,000							-	3,000
Academic - Industry Study							1,965	2,000							1,965	2,000
College & Hi School Teacher Awards							13,409	13,000							13,409	13,000
Education Exhibits							3,707	4,000							3,707	4,000
Education Publications							14,983	15,000							14,983	15,000
Project Totals	\$-	\$-	\$116,523	\$157,700	\$-	\$-	\$123,579	\$126,000	\$4,053	\$17,637	\$-	\$-	\$-	\$-	\$244,155	\$301,337
COMBINED TOTALS	\$421,277	\$371,690	\$622,039	\$664,420	\$156,701	\$158,490	\$438,969	\$442,050	\$222,869	\$252,907	\$75,622	\$75,480	\$184,994	\$183,290	\$2,122,471	\$2,148,327

*(1) Reflects budget increase approved by Board of Directors October 9, 1973, for support of the Office of the Chemical Industry Trade Advisor \$70,000

*(2) Budget increase approved by Board of Directors March 13, 1974, for an Economic Study \$17,637

MCA Administration of Project to Monitor
Japanese Patents by Voluntary Subscription

The basic purpose of the Technical Information Retrieval Committee is to encourage improvements in the quality and availability of services relating to the retrieval from published U. S. and foreign sources of patent and other technical information of interest to the chemical industry.

MCA member companies depend primarily on Derwent Publications, Limited to notify them of the issuance of Japanese patents. Recently, as a result of a change in the Japanese patent law, there has been a substantial increase in the number of patents issued in Japan. In view of this increase, the Technical Information Retrieval Committee is concerned that there may be gaps in Derwent's Japanese patent coverage. In order to check the accuracy of this coverage, the Committee recommends that MCA contract with Harris & Co., a Japanese patent information service, to monitor Derwent's Japanese patent coverage for a 6-month period.

The cost of this project will be about \$2,800. Twenty members of the Technical Information Retrieval Committee who subscribe to Derwent services have volunteered to fund this project.

The staff recommends approval.

MCA

EC 5/14/74

BD 6/5/74

Proposed
Research and Study Program
on
Environmental and Occupational Health Hazards
of
Vinyl Chloride

Background

Since action by the Board on January 9, 1973, authorizing a special project to clarify the status of vinyl chloride monomer as an alleged carcinogen, it has become apparent from both animal studies and occupational health experience that this chemical must be so regarded. OSHA has promulgated temporary emergency standards and has proposed still more stringent permanent standards for vinyl chloride.

Purpose

MCA members and other companies involved in the synthesis and polymerization of vinyl chloride, who are now supporting the current project, consider it essential to expand and accelerate research to ascertain conditions necessary to assure the safety of workers involved in the manufacture and use of these products, and of the communities in which they are made.

Program

The Technical Task Group on Vinyl Chloride Research established by the 1973 Board action has recommended the support of the following contract research projects:

1. a study of the metabolism of vinyl chloride,
2. a study of teratogenesis by vinyl chloride,
3. chronic inhalation studies at concentrations below 50 ppm, in an effort to identify a "no-effects" level, and
4. an acute inhalation experiment in which animals will be subjected to a single, acute, massive exposure simulating conditions which might be experienced by a community fumigated by a tank car rupture in a transportation accident. The animals would then be observed for the remainder of their lifespan.

Projects (1) and (2) would be conducted by The Dow Chemical Company, with support by, and on behalf of, the project sponsors.

Projects (3) and (4) would be conducted by Industrial BIO-TEST Laboratories, Inc.

The Technical Task Group on Vinyl Chloride Research and its working subgroups, as appropriate to further the purposes of this program, would also develop and make publicly available technical reports on work practices, industrial hygiene monitoring and analysis, and the medical surveillance of exposed workers.

Funding

Funding commitments are now being received from the thirty-one sponsors of the current program sufficient in the aggregate to cover the \$400,000 to \$500,000 estimated to be required for the completion of the indicated program. Because of the fluid status of scientific knowledge and regulatory climate with respect to vinyl chloride, upward revision of this cost estimate may be necessary to permit desirable modifications of test protocols. Any such cost increases will be funded by the sponsors.

Supervision

The program is to be supervised on MCA's behalf by the Technical Task Group on Vinyl Chloride Research composed of one technical representative from each subscribing company, plus an MCA staff representative to serve as secretary.

Stipulations

The scientific information developed from this program is to be fully disclosed, without restriction. For purposes of consistency and control, however, all releases are to be made solely through MCA, normally based on Task Group recommendations as to nature and timing. This requirement would not preclude private scientific interchange of non-competitive information useful to advancement of the program, nor relevant non-competitive private communication within and among subscribing companies. It would be an obligation to inform the MCA staff representative on a current basis about all such interchanges and communications other than those internal to the company.

Recommendation

The staff recommends approval of this proposal.

MCA

EC - 5/14/74

BD - 6/5/74

COMMITTEE MEMBER APPOINTMENTS

- (a) Economic Policy Review Committee
 - Fletcher L. Byrom, Koppers Company, Inc. -- As Chairman
 - John G. Polk, M&T Chemicals Inc.
- (b) Food, Drug, and Cosmetic Chemicals Committee
 - Robert A. Moody, Universal Oil Products Company
- (c) Government Relations Committee
 - Everett H. Bellows, Olin Corporation -- As Chairman
 - Robert L. Shafer, Pfizer Inc. -- As Vice Chairman
- (d) Plastics Committee
 - Henry Avery, USS Chemicals Division, United States Steel Corporation -- As Chairman
 - W. E. Kennel, Amoco Chemicals Corporation -- As Vice Chairman
 - A. W. Andrews, Monsanto Company
- (e) Public Relations Committee
 - R. W. Unwin, Jr., NL Industries, Inc. -- As Chairman
 - James E. McKee, Jr., Monsanto Company -- As Vice Chairman
 - James Boyajian, Shell Oil Company
 - Joseph C. Calitri, American Cyanamid Company
 - W. H. Guthrie, Phillips Petroleum Company, Chemicals Group
 - Elaine N. Hirsch, CIBA-GEIGY Corporation
 - Peter L. Svanda, Rohm and Haas Company
- (f) Safety and Fire Protection Committee
 - J. J. Walker, Union Carbide Corporation -- As Chairman
 - John M. Pardee, Eastman Kodak Company -- As Vice Chairman
- (g) Tax Policy Committee
 - Richard W. Arp, Diamond Shamrock Corporation
 - Wallace Clarfield, Olin Corporation
 - Cornelius P. Powell, Air Products and Chemicals, Inc.
- (h) Technical Information Retrieval Committee
 - Patrick O'Leary, Gulf Oil Chemicals Company
 - Roger G. Smith, Merck & Co., Inc.
 - Joan M. Toeppe, Diamond Shamrock Corporation
- (i) Transportation and Distribution Committee
 - George A. Coffenberg, Stauffer Chemical Company -- As Chairman
 - Harvey F. Nearing, United States Steel Corporation -- As Vice Chairman

(j) Water Resources Committee

Edgar L. Conant, Stauffer Chemical Company

Robert F. Curran, CIBA-GEIGY Corporation

Joseph T. Ling, Minnesota Mining and Manufacturing Company

MCA

BD-6/5/74

CMA 070550