

MIXED METAL SECTIONMETALLIC LEAD PRODUCTS DIVISION

Cleveland, Ohio

April 9, 1946

A meeting of the Mixed Metal Section of the Metallic Lead Products Division of the Lead Industries Association, was held at the Hotel Cleveland, Cleveland, Ohio, on April 9, 1946, at 10:30 A.M.

PRESENTREPRESENTING

J. A. Stone	Division Lead Co.
H. S. Elingenstein	Duquesne Smelting Corp.
W. F. Hardock	The Eagle-Picher Co.
M. Foodin	Federated Metals Division
L. Halpern	American Smelting & Refining Co.
K. Nibecker	Imperial Type Metal Co.
L. S. Somers	
T. C. Hoelzer	Master Metals, Inc.
E. E. Busse	National Lead Co.
W. P. Carroll	
H. J. Irvin	
R. Charrington	North American Smelting Co.
J. E. M. Grodin	River Smelting & Refining Co.
C. R. Ince	St. Joseph Lead Co.
P. Pinsof	Silverstein & Pinsof, Inc.

P. F. Kornser, Secretary

R. L. Ziegfeld, Assistant Secretary

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Mr. Wormser occupied the chair.

The minutes of the meeting held on March 5 in New York were approved.

CPA TIN ORDER M-43

CPA Tin Order M-43 was brought up for discussion. Mr. Murdock briefly summarized the meeting in Washington on March 12 of the Committee, appointed at the last meeting, with Mr. Vogelsang and Mr. Maupin of the CPA. He felt that the main result was that these Government officials appeared to be open to suggestions if we can show them that they would work.

Mr. Foodin said that since the Committee meeting in Washington, Mr. Maupin has indicated a somewhat favorable reaction to the suggestions given him and that he had a surplus of pig tin from the first quarter resulting from strikes in consuming industries, which he is willing to use now.

In view of the fact that present exemption of tin secondaries from Government control has resulted in the wasteful use of tin and direction of scrap material into illegitimate hands, the Section agreed that a recommendation should be made to the CPA that all tin units should be merged, regardless of whether they are primary or secondary in origin, and that all tin users, including brass and bronze ingot producers, should be placed under the same controls now applied on primary tin by Order M-43.

MISBRANDING - SOLDER

The meeting also agreed that there is a considerable amount of misbranding, particularly in solder, and that steps should be taken, if possible, to correct this condition.

The Lead Industries Association was directed to investigate the extent and nature of misbranding, and to work out means of eliminating it, to be submitted to this Section at a later meeting.

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CERTIFICATION

The possibility of requiring certification from purchasers of all solder was discussed, as well as the possibility of permitting low tin content solder for body solder in order to defeat the black market in higher tin solders which are now being used for that purpose.

ADJOURNMENT FOR LUNCH

The morning session adjourned at 12:05 P.M.

AFTERNOON SESSION

The afternoon session was called to order at 1:45 P.M. with Mr. Wormser in the Chair. The following were present in addition to those at the morning session:

MEMBER

S. Lipton Duquesne Smelting Corp.

GUESTS

I. Davis Civilian Production Administration
A. Kaupin Civilian Production Administration
E. Vogelsang Civilian Production Administration

The Chairman welcomed the representatives of the Civilian Production Administration and thanked them for making the trip to confer with the lead industry at this meeting. He emphasized the cooperative spirit that had always existed between the CPA and its predecessor, the WPE, and the Lead Industries Association.

CPA TIN ORDER M-43

He then requested Mr. Halpern to outline some of the difficulties in practical operation of Order M-43, which the industry had discussed.

Mr. Halpern outlined these difficulties, particularly resulting from the fact that quotas apply to pig tin only.

Mr. Vogelsang said that secondaries had been exempted with the understanding that the exemption would create more secondaries, and Mr. Kaupin pointed out that in his opinion so long as these

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shortages existed, abuses will exist.

In answer to a question, Mr. Vogelsang stated that he did not believe that tin supplies would be normal until 1949 and that substantial supplies would not be available until some time in 1948.

Mr. Maupin said that the pig tin programmed per quarter this year is approximately 18,500 tons, which would result in a deficit of approximately 23,000 tons in 1948, since they will have receipts of about 10,000 tons of pig tin and 30,000 tons of tin in concentrates. He believed that the scrap shortage would get worse in another year and pointed out that statistics showed that scrap brass and bronze had remained the same since about 1942, but that solder and babbitt scrap had shown a drop of about one-third since 1942.

Mr. Vogelsang said that in 1945 a total of approximately 84,500 tons of tin were used in this country, of which 18,843 tons were secondary. Of the secondary, about 13,000 tons were from tin alloy scrap. Tin recovered from scrap solder and babbitt amounted to approximately 13,000 tons in 1942 and to about 8,000 tons in 1945.

At this point, the representatives of the CPA were requested to take under advisement the recommendation of this section presented by Mr. Halpern at the opening of the session that all tin units be merged regardless of whether the tin were of primary or secondary origin.

LEAD SITUATION

Asked about the lead situation, Mr. Vogelsang was pessimistic. He said that some foreign lead will be bought for April and that this country will pay whatever price is necessary to get the amount of foreign lead which we have agreed with Great Britain to take. This amount is less than 100,000 tons per year.

TIN FOR ADJUSTING TYPE METAL FORMULATIONS

The fact that tin order M-43 does not permit the use of any pig tin for adjusting type metal formulations was presented to the CPA officials. The Section strongly recommended that some tin be allocated for this purpose, since it would use no more tin and would be a great saving in money and trouble as compared with using unsuitable scrap material for the purpose. It was pointed out that type metal has to be supplied to close composition requirements.

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WAR ASSETS ADMINISTRATION

Mr. Davis stated that the War Assets Administration would soon offer for sale substantial quantities of surplus solder as a result of a Direction to Priorities Administration No. 10 which requires that this surplus material either be allotted directly to consumers with permission to use it or to authorized reproducers. He said that the CPA would have a list of concerns whom they knew to be capable of reprocessing such material.

Mr. Foodin asked why, if the CPA had such a list of authorized reproducers, the same principle might not be applied to all tin scrap. The CPA representative felt that there were legal and other difficulties involved which would prevent this.

TIN QUOTAS

Reverting to the question of placing tin, whether primary or secondary, under quota, Mr. Vogelsang asked whether the establishment of a double quota, one on pig tin and the other on secondary, might solve the difficulties.

It was pointed out that during the war, both primary and secondary were on quota. This was changed during 1945, with the thought that removal of secondaries from quota restrictions would bring out more tin in secondaries, which it did, but a large part of this tin in secondaries is being used for unauthorized and illegal uses and therefore, the change is not actually accomplishing its purpose.

Mr. Foodin and Mr. Murdock offered a suggestion that all tin, whether primary or secondary, be placed on a quota relating to a base period to get the result in the consumption of tin desired by the CPA, but that a maximum percentage be placed on the portion of the quota that could be used as pig tin. This would prevent dipping into the Government tin pool any more than CPA desired. Mr. Maupin questioned whether this would not also require control of secondary tin inventories and it was agreed that it would.

He gave the following figures for tin recovered from secondaries:

<u>YEAR</u>	<u>BLANK AND BEONCE</u>	<u>SOLDER, KARRITT, ETC.</u>
1942	15,000	13,000
1942	17,000	15,000
1944	15,000	9,500
1945	15,000	8,400

NEW TIN ORDER

He went on to say that a new Tin Order had just been cleared but had not come out up to the time of his leaving Washington. He thought that it would probably be in the Federal Register by now and out the following day. He said that there were no major changes in the order.

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The new tin quota on solder, based on 1944, is 140 per cent; on bronzes, 40 per cent; on babbitt, 80 per cent. He said that no 50-50 solder would be allotted for stainless steel under the new order. He said that because some manufacturers had been unable to use their entire first quarter quota because of strikes or for other reasons, a carry-over would be permitted to use up this surplus.

WIRE SOLDER

The meeting felt that 30-70 wire solder should require certification as the provision exempting it in the order, intended to take care of small retail buyers, was being abused and this 30-70 wire solder was being used for many purposes prohibited by the order.

It was suggested that a quantity limitation on the exemption of 30-70 wire solder from certification might be included in the order, such as 5 lb. per quarter.

It was further suggested that everybody might be required to certify.

Mr. Vogelzang stated that the CPA would sincerely try to work out something on the basis of today's conversion to eliminate loop holes and hardships under M-43.

EXPORTS

The attention of the CPA representatives was called to the fact that the Foreign Economic Administration was issuing export licenses in many times greater number now than they had in the base period, which will have the effect of reducing the amount of metal available for domestic consumption. A particular hardship was worked on type metal manufacturers by the fact that until the new revision of M-38 on April 2, type metal was exempt from quota. Therefore, manufacturers accepted these export orders which they will have to fill, but since they are now placed on a quota by M-38, they can only fill them at the expense of their domestic customers.

Mr. Vogelzang stated that he would take up this particular matter relating to type metal with Mr. Loeb as it relates to orders taken before the issuance of the new M-38. He further stated that the CPA is anxious to keep all exports to an absolute minimum and that only some 300 tons of lead were being allowed for this purpose in the second quarter.

CALMING BARS AND LEAD WOOL

Attention of CPA was also called to the provision of M-38 relating to calming bars and lead wool, it being pointed out that the manufacturers did not know the end uses of these items. Mr. Vogelzang agreed to look into the calming lead provisions of the order.

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SUBCOMMITTEE TO WORK WITH CPA

The Chairman announced that at Mr. Vogelsong's suggestion, he would soon appoint a small subcommittee to consult with the Tin-Lead Branch of the CPA on orders and other matters affecting the industry before the issuance of such orders.

Mr. Maupin submitted a prepared statement which he had not read for inclusion in the minutes, which is attached as Exhibit "A."

The Chairman again thanked the Government representatives for their time and cooperation.

The meeting adjourned at 4:20 P.M.


Assistant Secretary

MEMORANDUM FOR THE DIRECTOR

Subject: "A"
April 2, 1946

In recent months the method of efficient handling and directing of scrap metals has been of much concern. There has been considerable debate and discussion as to the best method of handling scrap metals and the best method of directing the scrap metals in the war effort.

Because of the long duration of the war, and the heavy draw on all metals for the war effort, many of the metals in very close supply, the regular production of scrap metals, such as tin, lead, copper, has been directed to the war effort. Much of the difficulty in the scrap metal market is due to the fact that most of our war scrap metals were sent abroad, very little of it has been derived from this source. At one time, there was some talk of bringing back large quantities of war scrap to help supplement our need for certain metals, such as lead and tin, copper base alloys, and high tin bronze. This matter has not been done to any great extent.

Also due to the curtailed civilian production since 1941, the scrap from worn out and obsolete civilian products is now small and it will be years before the scrap from such sources is adequate. As an example, now and since 1941 the car industry has produced per year perhaps only a few thousands compared to many times this quantity before the war. The same story holds for many other items. The rise back of scrap in desirable quantities cannot be expected until sometime after production of civilian items has substantially met or exceeded the demand. At present, it is doubtful that there will be very much, if any, of the war scrap returned to this country.

The return of such scrap would help relieve shortages of some metals to some extent and I think all efforts should be made to expedite return of as much as possible; but this alone will not solve the scrap shortage. Because of the continuing shortage in certain virgin metals, such as tin, lead, copper and others, there will also be a shortage of scrap. This shortage will cause some operators to hoard certain scrap metals as well as virgin metals in order to force better prices. It takes very little of this activity at present before processors and smelters feel a distress scrap shortage.

There have been considerable comments reaching CPA of black market activities wherein certain scrap dealers actually pay well above metal ceiling prices for scrap metals in order to convert such metals into alloys, highly desirable in certain trades, such as costume jewelry, novelties and other items having a high price margin. These metals are also processed into solders of much higher tin content than permitted by Order K-43 and are sold at black market prices. In other words, this material is being diverted from the regular course of trade, by processors causing the processors to be short of much needed scrap materials, with which he supplements his quota of virgin metals to produce basic items, such as, brass metal, solders, babbitts, bronzes. It has also been called to our attention that today the production of certain ingots from virgin metals, is a losing transaction. We have also been informed that unless more secondaries are made available, more of virgin metals like pig tin must be allocated, and ingot prices adjusted upward.

1. The following information is being furnished to you for your information:

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In this respect, we are making all possible efforts to see that metals in the hands of War Assets, Surplus Property and other Government Agencies will be routed only to responsible sources and users.