MINUTES of the ninety-sixth meeting of the Directors of the Manufacturing Chemists' Association, Inc., held at the Union Club, New York City, on February 9, 1960, at 11:00 a.m. (EST).

There were present:

Messrs.	L. G. Bliss	John E. Hull
	Howard S. Bunn	Theodore Marvin
	Peter Colefax	R. C. McCurdy
	John T. Connor	Charles S. Munson
	R. F. Coppedge, Jr.	Carl F. Prutton
	Lee V. Dauler	Mark E. Putnam
	David H. Dawson	Robert B. Semple
	J. Robert Fisher	Hans Stauffer
	Kerby H. Fisk	R. W. Thomas
	Joseph Fistere	George R. Vila
	John R. Hoover	M. F. Crass, Jr.

Alternates:	J. J. B. Fulenwider (for A. E. Forster)
	Kenneth H. Klipstein (for W. G. Malcolm)
	Willard P. Scott (for Peter Colefax)
	J. V. Vernon (for Carl F. Prutton)
General Counsel:	H. H. Fowler - Fowler, Leva, Hawes & Symington
Present by Invitation:	Cleveland Lane - MCA
	Harry B. McClure - Union Carbide Corporation
	Glen B. Miller (Luncheon) - Allied Chemical Corporation
	David H. Morgan - The Dow Chemical Company
	Arthur Northwood, Jr. - Shell Chemical Corporation
	K. C. Towe (Luncheon) - American Cyanamid Company
	William H. Ward - E. I. du Pont de Nemours & Co., Inc.
	William F. Zipse - Geigy Chemical Corporation

Chairman Connor called the meeting to order at 11:00 a.m.

I. MINUTES OF JANUARY 12, 1960, MEETING.

The Minutes of this meeting were duly approved as submitted to the members.

II. REPORT OF THE EXECUTIVE COMMITTEE.

Mr. Connor stated that a meeting of the Executive Committee had been held earlier that day and that a number of the items discussed would be reported upon in their respective places on the Board agenda. He then called on Mr. Dawson to report on the following item:

Food Additives Legislation Detailed consideration was given by the Executive Committee to the statement which Food Additives Committee Chairman Kenneth E. Mulford prepared for delivery, in behalf of the Association, before the House Committee on Interstate and Foreign Commerce on February 10 with respect to color additive legislation. Mr. Dawson referred to copies of Mr. Mulford's statement, as well as to an insert containing alternative wording for the last three pages of the statement, both of which were included in the Directors' folders.

Discussion centered on the last three pages of the statement, inasmuch as these dealt with the Association's position relative to the Delaney Cancer Clause which had been included in the House bill but not in a previous bill which had passed the Senate. Mr. Dawson stated that, after considerable discussion, the Executive Committee had agreed on a rephrasing of the Association's position with respect to the Cancer Clause -- this involving changes in wording on pages 15 and 16 of the testimony. This was then read by Mr. Dawson and considered by those present.

Ensuing discussion resulted in the approval of the Executive Committee recommendation as read.

ON MOTION duly made and seconded, it was

VOTED: That Mr. Mulford's testimony be amended in accordance with the recommendation of the Executive Committee.

III. REPORT OF THE TREASURER.

Financial Report, June - January 1960. The financial report for the eight months ending January 31, 1960, was summarized by the Treasurer.

ON MOTION duly made and seconded, it was

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

The Treasurer then presented a final financial report with respect to the 9th Semi-Annual Meeting, held November 24, 1959.

Income	$27,177.00
Expenses	21,223.35
Balance to Surplus	5,953.65

It was stated that the Treasurer's annual letter requesting 1959 chemical sales for 1960 membership fee purposes had been mailed to the Executive Contacts the previous day.

IV. BOARD OF DIRECTORS.

(a) Appointment of Alternate. The Chairman advised that the following Board member had requested the appointment of an Alternate:

Board Member	Alternate and Company
David H. Dawson	George E. Holbrook, E. I. du Pont de Nemours & Co., Inc.

ON MOTION duly made and seconded, it was

VOTED: That the appointment be approved.

(b) Membership Committee. Mr. Thomas reported that application had been received from:

Refined Products Company

and that, in the opinion of the Membership Committee, the applicant was 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 notification to members provided under Article III, Section 4, of the By-Laws.

(c) West Coast Regional Directors' Meeting. Chairman Connor called on Messrs. Stauffer and Crass to report briefly on the West Coast Regional Directors' Meeting scheduled for San Francisco and Pebble Beach on March 7 - 10. All arrangements have been made, tentative programs distributed, and a record turnout is indicated.

(d) Program Committee -- 88th Annual Meeting. Committee Chairman Bunn reported that a meeting of his group had been held the previous evening and a tentative slate of speakers agreed upon for the Annual Business Session on June 9 and for the Banquet on the evening of June 10. A mixer and entertainment program for the first evening will follow the successful pattern of past occasions, and the receptions on the evenings of June 9 and 10 will be sponsored and financed by the Association. Registrants will be given an opportunity to complete their tournament golf play on the afternoon of the first day in order to relieve congestion on the two assigned courses on June 10.

(e) Business and Defense Services Administration, U. S. Department of Commerce. At the suggestion of Mr. O. V. Tracy, those present briefly discussed the organization and activities of BDSA, with particular reference to the Chemicals and Rubber Division. Mr. Tracy could not be present personally. It was made clear that questions raised concerning proposed expansion of BDSA activities does not reflect in any way upon the over-all WOC program within the Commerce Department, and it was agreed that the Association should proceed to nominate or suggest a replacement for the present encumbent within the Chemicals and Rubber Division, Mr. Walter L. Rippeteau, at the time his term expires on June 30 next.

ON MOTION duly made and seconded, it was

VOTED: That the Chairman appoint a small subcommittee to meet with BDSA officials and MCA staff with respect to the relationship between BDSA and MCA.

V. TECHNICAL AND FUNCTIONAL COMMITTEE APPOINTMENTS.

The following committee appointments were approved:

(a) Ammonium Nitrate Technical Committee.
T. H. Mather, The Consolidated Mining and Smelting Company of Canada Limited, replacing Robert Hendricks.

(b) Chemical Packaging Committee.
Jerome Wilkenfeld, Hooker Chemical Corporation.

(c) General Safety Committee.
Alan L. Kling, Olin Mathieson Chemical Corporation, replacing Frank A. Gerard.

(d) Insurance Committee.
William L. Hollingsworth, Olin Mathieson Chemical Corporation.
Raymond K. Meixsell, Atlas Powder Company.
John J. Murphy, S. B. Penick & Company.
Donald M. Purdy, Diamond Alkali Company.

(e) International Operations Committee.
Robert M. Jackson, Enjay Company, Inc.
Robert P. Kenney, B. F. Goodrich Chemical Company.

(f) Labels and Precautionary Information Committee.
G. Robert Sido, Monsanto Chemical Company.

(g) Legal Advisory Committee.
Frederick B. Lee, Olin Mathieson Chemical Corporation, replacing R. M. Furlaud.

(h) Public Relations Advisory Committee.
George Mentzer, B. F. Goodrich Chemical Company, replacing George B. Koch.
Richard L. Moore, W. R. Grace & Co., replacing James P. Freeborn.
E. S. Nuspliger, Jr., Metal & Thermit Corporation.
H. K. Vanderhoef, Kay-Fries Chemicals, Inc.
George C. Whitaker, The Harshaw Chemical Company.

VI. TECHNICAL AND FUNCTIONAL COMMITTEE REPORTS.

(a) Education Advisory Committee. Mr. Connor called on Dr. David H. Morgan, Chairman, MCA Education Advisory Committee, for his report. Dr. Morgan briefly summarized the program to date and reminded those present that the agreed upon five-year program would expire on May 31, 1961. He then discussed views of the EAC relative to MCA education activities after that date and presented the following recommendations in behalf of his Committee:

> That EAC should continue after expiration of the five-year period originally provided for.
>
> That EAC should, at the conclusion of the five-year period, become a regular committee of MCA, and that the education program be financed from the regular MCA budget.
>
> That the minimum budget should be in two parts: First, the amount necessary to maintain the staff and such regular services as supervision of the publishing of MCA material by Henry Holt, preparation of additional material for that program, liaison with John Sutherland in the film program, relations with other organizations, continuance of the College Awards Program, and the Community Education Cooperation Program.
>
> Second, the amount necessary to mount and implement such additional projects as the Committee believes to be warranted and practicable. At this time no dollar amount can be estimated, for the obvious reason that it is not possible to determine a year and a half ahead what the needs of the situation will be.

The Chairman thanked Dr. Morgan for his remarks and recommendations, stating that a copy of the report would be appended to the Minutes of the meeting and that the Directors would consider the Committee's recommendations in later deciding on future program.

(b) Public Relations Advisory Committee. In his capacity as Chairman of the Public Relations Policy Committee, Mr. McCurdy presented for advance consideration a proposal of the PRAC (approved by PRPC) that an augmented food additives public relations project be instituted during the next fiscal year. Mr. McCurdy emphasized the PRAC's feeling that the industry's number one public relations problem -- fear of chemicals, especially in food -- has been sharply emphasized during recent months by the Government's enforcement policies relative to the 1958 Food Additives Amendment. He outlined the proposed program which includes the retention of specialists in the field and pointed out that this phase of the over-all PR program would cost $113,350 for the first year which, taking into account the $24,000 program in the same field this year, would result in a net Public Relations Department budget increase of approximately $89,000. Mr. Arthur Northwood, Jr., Chairman of PRAC, and Mr. Cleveland Lane, of the MCA staff, amplified Mr. McGurdy's remarks briefly.

In thanking Mr. McCurdy for his report, Chairman Connor stated that the new program had been presented to the Directors for their advance information, preparatory to consideration of budgetary matters at the April Directors' meeting.

VII. STAFF REPORT AND MISCELLANEOUS ITEMS.

(a) Tax Policy. General Hull reported that Mr. William M. Horne, Jr., member, MCA Tax Policy Committee, had appeared before the House Committee on Ways and Means on February 3 to present the Association's views on the taxation of cooperatives.

With reference to presentation of MCA views on omission of the excise tax on gasoline when it is used by producers or purchasers as a material in the manufacture of, or as a component part of, any article for other than motor vehicle, motorboat, or airplane fuel purposes, the Directors authorized Association endorsement of such amendment at the time this phase of the tax hearings comes under consideration by the House Committee. At the January 12 meeting of the Directors, the Association's Chairman and/or President were authorized to act on this matter should it become activated prior to the February Directors' meeting.

(b) Nuclear Energy. The Association has been invited by the Chairman of the Joint Congressional Committee on Atomic Energy to present industry views on the over-all Atomic Energy Act which will be the subject of hearings later this month. The MCA Nuclear Committee has recommended that MCA submit a written statement to the Committee. General Hull read specific recommendations contained in a proposed MCA statement recently drafted by our Nuclear Committee for the information of those present. He stated that copies of the over-all statement, including the cited recommendations, would be transmitted promptly for Executive Committee consideration and approval.

(c) Chemical Minimum Wage under Walsh-Healey Public Contracts Act. The Secretary reported that four continuous days of hearings on the proposed chemical minimum wage under the Walsh-Healey Public Contracts Act had terminated on January 29. At the hearing, organized labor presented recommendations approximately doubling the present prevailing minimum rates. The industry presentation was handled by MCA with the assistance of Mr. P. A. Gibson, Counsel, and Dr. Rudolf Modley, Economic Consultant. Our witnesses included Dr. Modley, R. C. Landon, and M. F. Crass, Jr. In addition, five witnesses from member companies presented testimony in support of the over-all MCA position, which maintained categorically that on the basis of Government statistical data available it was impossible to determine a nationwide prevailing minimum for the chemical industry; that, on the contrary, distribution patterns in many cases followed a local or regional pattern; and that statistical data collected by the Association indicated that a fair prevailing rate would fall, on a regional basis, between $1.35 to $2.05 per hour with a 10-cent probationary provision for two months. MCA will file a brief within 30 days in support of its position. It is expected that the Secretary of Labor will issue his determination about June 1, 1960.

(d) Craft Severance -- MCA Brief Before National Labor Relations Board. On January 29, MCA petitioned the National Labor Relations Board for leave to intervene as amicus curiae in a craft severance case involving E. I. du Pont de Nemours & Co., Inc., and the International Association of Machinists. The petition was granted, and our brief was filed with NLRB on February 8.

This case is similar to the October 1953 American Potash craft severance case in which MCA was invited to appear as amicus curiae. At that time, the Association presented oral argument and brief but was not successful in its request that the chemical industry be added to four other basic industries -- steel, wet milling, lumber, and aluminum -- which have enjoyed immunity from craft severance under the so-called National Tube doctrine. Recent refusal of the U. S. Supreme Court to reverse a lower court appeal denying craft severance in the Pittsburgh Plate Glass Company -- International Union of Electrical Workers case has given renewed hope to other basic industries that they may also enjoy immunity from craft severance. The du Pont Company proceeding cited above is the first important test case since the Supreme Court ruling involving the chemical industry.

(e) ABCM. General Hull reported that he had been invited to address the Association of British Chemical Manufacturers at their Annual Meeting in London on October 12, 1960.

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

M. F. Crass, Jr.
Secretary

APPROVED: John T. Connor
Chairman

Attachment

Remarks of Dr. David H. Morgan
Chairman, Education Advisory Committee
at the February 9, 1960, Meeting of the Board of Directors
Manufacturing Chemists' Association, Inc.

Gentlemen:

The invitation to appear before you to present the thoughts of the Education Advisory Committee on future MCA industry-education activities has not been taken lightly.

Realizing that the present five-year program will terminate on May 31, 1961, our Committee has given the matter their most careful consideration. Indeed, early in the current fiscal year, a subcommittee composed of the two previous chairmen and myself was appointed to study the problem from every possible angle.

Definite conclusions were reached and put in the form of a resolution which was unanimously adopted by the Steering Committee on November 24 of last year and by the full Committee at its most recent session on January 19.

Since the convictions expressed in this resolution have the strong support of every member of the EAC, I wish to offer them for your consideration. I know the group does not wish me to change a single word in any of the statements they have endorsed, but to each statement I should like to add a few words explaining the position taken.

The first part of the resolution is direct and conclusive:

> That EAC should continue after expiration of the five-year period originally provided for.

In less than the short allotted time, a program has been developed which will affect the full span of American education from kindergarten through college. Every project agreed upon at the initiation of this work, plus several additions which appeared necessary as the program unfolded, has either been executed or is close to fulfillment.

More important, we believe the resulting achievements have far exceeded anticipations. It is impossible to estimate how much MCA's work has elevated science instruction in America or how many students with latent scientific talent have been inspired to follow a career in that field. But we do know certain hard facts:

1. Resolutions of thanks for the Association's efforts have been passed by official educational groups in many parts of the country.

2. The materials have been endorsed by progressive leaders, including those of the National Science Foundation, who have used them in their summer and academic-year institutes.

3. Several groups, including those working in physics and biology, have recognized MCA's pioneering accomplishments and have imitated the procedures followed in our open-end experiments. Also, two leading film producers have been preparing pictures similar to ours for high school chemistry.

4. Commercial publishers, cautious men when dollars are involved, have been eager to secure the rights to our materials, and one of them now engages in the sale of those we have agreed to release.

5. Educators seek the advice of MCA, almost exclusively insofar as industry is concerned, in their efforts to develop improved science curricula. MCA's representative, for instance, is the only industry representative invited to serve on the Steering Committee of the NSF-supported Chemical Education Materials Study which is expected to strongly affect future chemistry instruction.

6. Other industry groups aspire to follow MCA's lead. Only last month MCA was invited by the American Petroleum Institute to explain our program to its Education Committee because they regarded it as "the best of all industry-education efforts."

Gentlemen, I could continue with other heartening evidences of your Association's dividends from a relatively small investment -- unexpected dividends. The investment has become a growth stock. But possibly I have presented enough to show why our Advisory Committee so strongly feels that this program, which has done so much good and has won us so many friends, should surely be continued.

The second section of EAC's resolution is worded in this fashion:

> That EAC should, at the conclusion of the five-year period, become a regular committee of MCA, financed from the regular MCA budget.

This conclusion is inescapable, it seems to us, if the first proposition is accepted. For, if industry-education activity is deemed worthy of indefinite continuance, it should be incorporated into the other work of the Association and conducted and financed in the same manner.

In the past, member companies have generously supported the program on a voluntary basis. Some have probably wanted to see whether it would be as successful as they hoped. The evidence now before them must be convincing and provides us all with confidence that MCA members as a whole would welcome Education as a sound part of the whole Association program.

In recent days, the trend toward general support of our activities has been strong. This year, 108 member firms, including all the major ones, are contributors -- the greatest number in the history of the program. Of the 108, a total of 21 did not contribute in 1958-59.

When one eliminates those companies which are not eligible to contribute -- Canadian firms and those that have not been members a full 12 months preceding solicitation -- he can readily understand how general and enthusiastic our support actually is today.

The final section of our Committee's resolution is much longer than the other two, but you may regard it, as we do, as serving merely to explain how the budget for education activities would be determined. The EAC suggests:

> That the minimum budget should be in two parts: First, the amount necessary to maintain the staff and such regular services as supervision of the publishing of MCA material by Henry Holt, preparation of additional material for that program, liaison with John Sutherland in the film program, relations with other organizations, continuance of the College Awards Program, and the Community Education Cooperation Program.
>
> Second, the amount necessary to mount and implement such additional projects as the Committee believes to be warranted and practicable. At this time no dollar amount can be estimated, for the obvious reason that it is not possible to determine a year and a half ahead what the needs of the situation will be.

The total resolution, gentlemen, represents the Advisory Committee's efforts to come up with ideas which may be useful to you in determining the destiny of MCA's venture in the industry-education field.

I wish to add a footnote. It is simply this: That work of this nature is the most entrancing, exciting and worthwhile in which I have engaged. And I know that sentiment would be expressed by all of my colleagues on the Committee. Whatever our accomplishments on behalf of American education, whatever good will we have gained for the industry -- these but reflect the spirit of our group. For the privilege of serving in this rewarding field, all of us express our appreciation to you, the members of MCA's Board of Directors.