

MINUTES of the one hundred sixty-eighth meeting of the Directors of the Manufacturing Chemists' Association, Inc., held in the Fillmore and Van Buren Rooms, The Greenbrier, White Sulphur Springs, West Virginia, on the evening of June 7, 1967. The meeting was preceded by a reception and dinner beginning at 6:00 p.m. (EDT).

There were present:	Donald K. Ballman	Max A. Minnig
	E. B. Brooks	Charles S. Munson
	John W. Brooks	Donald D. Pascal
	E. E. Chipman	Joseph E. Rich
	John L. Christian	W. T. D. Ross
	Herschel H. Cudd	Edward R. Rowley
	David H. Dawson	Kenneth Rush
	George H. Decker	Hans Stauffer
	L. K. Eilers	Joseph R. Stevens
	Harold W. Fisher	Robert C. Swain
	Irb H. Fooshee	Henry A. Thouron
	T. G. Hughes	Harry B. Warner
	John O. Logan	Jesse Werner
	William P. Marsh, Jr.	John E. Wood, III
	A. R. Marusi	M. F. Crass, Jr.

Alternates:

Archie E. Albright (for Hans Stauffer)
 A. L. Baldock (for Joseph R. Stevens)
 Chester M. Brown (for Irb H. Fooshee)
 Bland B. Button (for Thomas M. Ware)
 Robert H. Cornwell (for William P. Marsh, Jr.)
 C. O. Davidson (for E. B. Brooks)
 David L. Eynon, Jr. (for F. L. Byrom)
 Carl A. Gerstacker (for Donald K. Ballman)
 John L. Gillis (for John L. Christian)
 Kenneth H. Hannan (for Kenneth Rush)
 Leonard Hynes (for W. T. D. Ross)
 David L. Matthews (for Alexander Lewis, Jr.)
 Paul Mayfield (for Henry A. Thouron)
 C. B. McCoy (for David H. Dawson)
 M. M. McGrew (for M. R. Clapp)
 Harry D. McNeeley (for L. K. Eilers)
 Thomas B. Nantz (for Harry B. Warner)
 Daniel Peterkin, Jr. (for Joseph E. Rich)
 D. C. Phinney (for E. E. Chipman)
 Frank J. Pizzitola (for John W. Brooks)
 Bernard J. Quinn (for John J. Powers, Jr.)
 Chris C. Schulze (for Jesse Werner)
 E. J. Sullivan (for A. R. Marusi)
 Nels E. Sylvander (for Charles H. Rybolt)
 M. P. Venema (for John O. Logan)

General Counsel: Marx Leva
Lloyd Symington

Present by Invitation: Oren E. Atkins, Ashland Oil & Refining Company
L. G. Bliss, Foote Mineral Company
F. Leonard Bryant, Hooker Chemical Corporation
Frank H. Carman, MCA
James R. Carnes, MCA
William E. Chace, MCA
Peter Colefax, American Potash & Chemical Corporation
John T. Connor, Allied Chemical Corporation
Lammot du Pont Copeland, E. I. du Pont de Nemours & Company
Bert Cremers, Wyandotte Chemicals Corporation
Thomas L. Cabbage, Phillips Petroleum Company
Lee V. Dauler, Neville Chemical Company
P. M. Dinkins, Geigy Chemical Corporation
Carleton B. Edwards, Reilly Tar & Chemical Corporation
Raymond F. Evans, Diamond Alkali Company
John D. Fennebresque, Mobil Chemical Company
J. Robert Fisher, Fisher Chemical Company, Subsidiary of
Ashland Oil & Refining Company
Joseph Fistere, Mallinckrodt Chemical Works
D. S. Frederick, Rohm and Haas Company
W. E. Gordon, E. I. du Pont de Nemours & Company
Ralph K. Gottshall, Atlas Chemical Industries, Inc.
Ernest Hart, FMC Corporation
John A. Hill, Air Reduction Company, Inc.
J. Ward Keener, The B. F. Goodrich Company
Richard W. KixMiller, Celanese Corporation
Milton C. Lauenstein, Jr., Ventron Corporation
Samuel Lenher, E. I. du Pont de Nemours & Company
R. C. McCurdy, Shell Oil Company
W. Kenneth Menke, USS Chemicals, Division of United States
Steel Corporation
Joseph A. Neubauer, PPG Industries
S. B. Penick, Jr., S. B. Penick & Company
Jack M. Pope, FMC Corporation
Peter C. Reilly, Reilly Tar & Chemical Corporation
Harold E. Thayer, Mallinckrodt Chemical Works
O. V. Tracy, W. R. Grace & Co.
W. N. Williams, FMC Corporation

* * * * *

Following conclusion of dinner, Chairman Rush called the meeting to order at approximately 8:00 p.m. He welcomed the past Directors, Alternates, and guests who were present and invited them to participate in the discussion.

* * * * *

I. MINUTES OF MAY 9, 1967, MEETING.

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

II. REPORT OF THE SECRETARY-TREASURER.

(a) Financial Report. The financial report of the Association for the period June 1, 1966 - May 31, 1967, was summarized as follows:

(1) Budgeted Program.

Income

Membership Dues and Entrance Fees	\$ 1,330,294
Interest	67,540
Sale of Publications	57,981
Special Projects and Meetings	40,537
<u>Total Income</u>	<u>\$ 1,496,352</u>

Expense

Management	\$ 371,700
Technical	336,863
Public Relations	235,839
Information Service	61,327
Government Relations	119,212
Office Administration	102,871
Education	62,794
<u>Total Expense</u>	<u>\$ 1,290,606</u>

<u>Income Less Expense</u>	<u>\$ 205,746</u>
----------------------------	-------------------

(2) Schedule of Expense Versus Budget. A comparison between budget and actual expenditures for the 1966-67 fiscal year follows:

	<u>Budget</u>	<u>Actual</u>
Management	\$ 482,825	\$ 371,700
Technical	362,015	336,863
Public Relations	240,940	235,839
Information Service	68,375	61,327
Government Relations	134,605	119,212
Office Administration	103,330	102,871
Education	68,310	62,794
Total	\$1,460,400	\$1,290,606

3. Surplus. The Association ended the year with an overall and uncommitted surplus of \$849,564. This compares with the June 1, 1966, surplus of \$643,818.

Mr. Crass stated that the above data had been excerpted from the Annual Audit Report which had been submitted to the Association on June 1 by the firm of Bond, Beebe, Bond and Bond, Certified Public Accountants. Further, that the audit would be summarized at the Annual Meeting the next day and would be included in the proceedings of the 95th Annual Meeting, which will be distributed to the membership during the latter part of June.

ON MOTION, duly made and seconded, it was

VOTED: That the Secretary-Treasurer's report be accepted and placed on file.

(b) Audit Report. The audit of the Secretary-Treasurer's books was presented, and a summary follows:

ASSETS

Cash in Banks and on Hand

Commercial Account	\$ 41,205	
Payroll Account	6,000	
Savings Account	103,272	
Petty Cash	500	
Washington Representatives Change Fund	<u>250</u>	
		\$ 151,227

Investments

Time Certificates of Deposit	200,000	
Government Securities	763,734	
Special Retirement Fund	<u>145,902</u>	
		1,109,636

Deposits

U. S. Government Printing Office	200	
Airlines	425	
U. S. Post Office	<u>100</u>	
		725

Accounts Receivable

Travel Advances	1,175	
Unreimbursed Expense	<u>813</u>	
		1,988

TOTAL ASSETS

\$1,263,576

LIABILITIES AND SURPLUSLiabilities

D. C. Use Tax	\$	74	
Payroll Tax Withholdings		1,414	
Savings Bond Withholdings		<u>12</u>	
	\$		1,500

Restricted Funds

Plastics	20,920	
Special Projects and Meetings	<u>243,259</u>	
		264,179

<u>Reserve - Special Retirement Fund</u>	148,333
--	---------

Surplus

From Previous Fiscal Year	643,818	
Current Fiscal Year	<u>205,746</u>	
		<u>849,564</u>

TOTAL LIABILITIES AND SURPLUS	<u><u>\$1,263,576</u></u>
--------------------------------------	---------------------------

In their report, the auditors found the Association's records to be well kept, supporting evidence readily available, and that the cooperation received from the staff enabled them to complete their examination promptly.

(c) Sale of Publications. As set forth under Item (a)(1) above, income during the year from the sale of publications, chem-cards, and films totaled \$57,981. The Association carried an inventory of publications totaling \$76,285 as of May 31, 1967. Under the system of bookkeeping which the Association follows, this inventory is not included under assets, since printing costs are charged to expense as made.

(d) Fixed Assets. The Association also charges acquisition of fixed assets such as furniture and office equipment to expense as purchased, and therefore, they are not reflected on the balance sheet. As of May 31, 1967, the book value of such items approximated \$78,564, on a depreciated basis.

(e) Membership Fee Billings. Mr. Crass stated that subject to approval of the budget and method of financing at the Annual Meeting the next day, membership fee invoices for fiscal 1967-68 would be mailed to the Executive Contacts from the Washington office on June 12. He urged all those present to facilitate their payments.

III. BOARD OF DIRECTORS.

(a) Annual Report for Fiscal 1966-67. Those present were handed copies of the Annual Report for the year ended May 31, 1967. Copies of the Report will be mailed to Executive Contacts and members of the technical and functional committees on June 8 -- the day of the Annual Meeting.

(b) Membership. The Secretary referred to page 7 of the Annual Report for the fiscal year ended May 31, 1967, which recorded the acquisition of four new member firms during the year, the resignations of three, and the loss of an additional seven members through consolidations with other member firms. Since the Annual Report was printed, one additional resignation has been received -- Michigan Chemical Corporation.

Chairman Hughes of the Membership Committee reported that applications had been received from El Paso Products Company and Northern Petrochemical Company, and that in the opinion of the Membership Committee the applicants were qualified for membership under the Association's By-Laws.

ON MOTION, duly made and seconded, it was

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

(c) Authorized Signatures on Checks and Bank Withdrawals. The staff recommended that effective June 30, 1967, signatures on checks and withdrawal slips be authorized and limited as follows:

Commercial Account	- G. H. Decker James R. Carnes Marjorie V. Campbell (counter signature only) Thomas S. Arms, Jr. (counter signature only)	
Payroll Account	- G. H. Decker James R. Carnes Marjorie V. Campbell	
Savings Account	- G. H. Decker James R. Carnes Marjorie V. Campbell	} Two signatures required.

ON MOTION, duly made and seconded, it was

VOTED: That the recommended authorizations be approved.

(d) 95th Annual Meeting.

(1) Program and Registration. Distributed to those present were copies of the printed program and attendance of the meeting. The Secretary-Treasurer stated that as of that day 944 registrants were quartered in the hotel and 22 in nearby motels, making a total of 966 registrants from 178 firms.

(2) Future Annual Meeting Dates. Arrangements have been made with The Greenbrier management for early June meeting dates within the foreseeable

future. Listed below are the dates for the next four years:

1968	June 6-8
1969	June 12-14
1970	June 4-6
1971	June 10-12

IV. COMMITTEE APPOINTMENTS.

The following committee appointments were approved:

- (a) Air Quality Committee.
Russell L. Maycock, Shell Chemical Company, replacing
W. H. Bradbury
- (b) Education Activities Committee.
Allen R. Deschere, Rohm and Haas Company, replacing
James S. Strong
- (c) Chemical Industry Council Advisory Committee.
John Nason, W. R. Grace & Co., replacing E. N. Brandt,
The Dow Chemical Company (as Michigan's CIC representative)
- (d) Food, Drug, and Cosmetic Chemicals Committee.
John A. Korth, Corn Products Company, replacing J. T. Seawell
- (e) Industrial Relations Advisory Committee.
W. Thomas Finley, Rohm and Haas Company, replacing
Robert C. Landon
Max Key, The Dow Chemical Company, replacing F. C. Peterson
- (f) Labels and Precautionary Information Committee.
Edward J. Masek, Diamond Alkali Company, as Chairman
Richard F. Philpitt, Olin Mathieson Chemical Corporation,
as Vice Chairman
Donald MacKellar, FMC Corporation, replacing J. A. Mooney
- (g) Mechanical Technical Committee.
R. P. Lescohier, Chevron Chemical Company, replacing D. L. Barton
- (h) Plastics Committee.
Chester E. Brown, Sinclair-Koppers Company
W. J. Dugan, General Electric Company
D. M. Gallagher, Canadian Industries Limited
W. D. Holland, American Cyanamid Company
C. M. Neher, Ethyl Corporation
William C. Roher, Gulf Oil Corporation
Roy L. Schuyler, Jr., E. I. du Pont de Nemours & Company
Robert E. Workman, The Goodyear Tire & Rubber Company

(i) Transportation and Distribution Committee.

P. E. Reisner, International Minerals & Chemical Corporation,
replacing Walter B. Knorst

(j) Water Resources Committee.

D. S. Harris, Shell Chemical Company, replacing William H.
Bradbury

Arnold C. Wasser, M&T Chemicals Inc., replacing John G. Polk

V. STAFF REPORT.

General Decker presented a summarization of developments in the Association's program of projects and activities since the last meeting. Copy of this report is appended to these Minutes.

VI. NEXT MEETING.

The next regular Directors' meeting will be held in Montreal, Canada, on September 11-12, 1967, at Le Chateau Champlain. Full information will be forwarded to the Directors during late June.

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

M. F. Crass, Jr.
Secretary-Treasurer

MINUTES SUBJECT TO APPROVAL.

STAFF REPORT

June 7, 1967

Presented by General G. H. Decker

As the 95th Annual Meeting of the Association is about to get under way, I am pleased to report that all arrangements have been completed. With attendance approximating 970, including representation from 178 member firms, the gathering should be one of the most successful in MCA's history. Among our guests will be the four recipients of the 1967 College Chemistry Teacher Awards and their wives and I hope you will find an opportunity to greet them during the next couple of days.

* * * * *

As you know, Congress has concluded its action on termination of the suspension of the 7% investment credit and has sent H. R. 6950 to the White House for approval. As finally enacted, the suspension period ends on March 9 and property ordered during the suspension period but acquired on or after May 24 will qualify for the credit. Property ordered after March 9 will qualify regardless of when acquired. The increase in the limit on use of the investment credit from 25% to 50% of tax liability over \$25,000 is to be effective for taxable years ending after March 9.

In a telegram to the House conferees on May 12, MCA had urged retention of the House version of H. R. 6950 which granted the investment credit for property ordered during the suspension period but acquired after March 9. Inasmuch as the Senate version gave no credit on property ordered during the suspension period and postponed the increase in the limit on use of the credit until January 1, 1968, the bill finally enacted represents a compromise closer to the House version than to that of the Senate.

* * * * *

It is anticipated that H. R. 100, the Common Situs Picketing Bill, will be voted on by the House around July 1. Opponents of the bill believe that, as now written, the bill would permit product boycotts and interference with manufacturing operations at a plant where a labor dispute arises between a contractor and his employees engaged in construction, painting, or repair at the site. In a letter dated May 15, MCA Executive Contacts were urged to inform their Representatives of their views concerning this legislation. Provided sufficient opposition is voiced, it is believed the legislation can be defeated in the House. If it is not beaten there, it is predicted that there would be greater difficulty in defeating it in the Senate.

* * * * *

In a May 26 letter, MCA invited the attention of Executive Contacts of member companies with plants in Connecticut to Connecticut Senate Substitute Bill 1366. This measure, which had been favorably reported by the Connecticut Senate Labor Committee, would provide unemployment compensation payments to strikers after eight weeks if the union has offered to submit to outside arbitration. Interested member companies were urged to contact Governor Dempsey, and their State Senators and Representatives to make their views known.

* * * * *

The date of MCA's appearance in Senate and House hearings on the Administration's Patent Reform legislation is still uncertain and will almost certainly not be before July 1. The proposed MCA statement was forwarded to the members of the Board of Directors for review on May 24. Your comments will be welcomed.

* * * * *

On May 17, Jerome Wilkenfeld, Chairman, and Emmet F. Spencer, Jr., of the Air Quality Committee appeared before the Senate Subcommittee on Air and Water Pollution to testify on air pollution control research and technology. Mr. Wilkenfeld pointed out that, insofar as possible, processes and equipment are designed to minimize emissions, and that treatments of emissions are simply further applications of chemical engineering unit operations. Confidence was expressed that no air pollution problem specific to chemicals manufacture was beyond the industry's capability of solution, so long as regulations are reasonable. Particular reference was made to current and projected MCA-sponsored air pollution research, and the extensive research effort in this area represented by the activity of member companies individually.

* * * * *

The contract with Stanford Research Institute covering experimental work relative to the photoreactivity of trichloroethylene has been signed. This work is sponsored by interested member companies.

* * * * *

By MCA arrangement, Robert R. Balmer of Du Pont participated as a chemical industry representative in a May 23 Bureau of the Budget panel session set up by the Advisory Council on Federal Reports. The 26 representatives of various industries attending considered a request from the Federal Water Pollution Control Administration for approval of a program to assemble cost data on industrial water pollution control. The data would be gathered by consultant organizations, through contract arrangements, under the designation of industrial waste profiles. All representatives were sympathetic to the purpose of cost analysis but felt that the outlined program would be impractical and that attempts

to follow it would likely yield misleading information.

* * * * *

MCA's tenth Technical Seminar on Water Pollution Control -- the first held in Canada -- was conducted May 22-26 at the University of Waterloo, with full attendance of 28 registrants. In conjunction with the seminar, Dr. David Jones of the CCPA, met with the press last week in Toronto to explain various activities and philosophies of the chemical industry in the U. S. and Canada on water pollution control. A majority of the Toronto metropolitan press was represented. Continuation of this seminar program is being planned for the coming year.

* * * * *

The Workshop on Water Quality Criteria, held in Boston on May 23 and co-sponsored by the Associated Industries of Massachusetts, was attended by 65 people. This was MCA's twenty-fourth workshop concerning water pollution control. The last one for the current season is scheduled for June 14 in St. Louis.

* * * * *

An insurance symposium on the preparation of insurance claims and on tax aspects of loss recoveries was held June 6 in New York City. It was well attended and proved of interest to persons with financial and tax responsibilities, in addition to insurance personnel.

* * * * *

The Eastern and Western Railroads have filed for across-the-board freight rate increases of 3 and 5 percent. To permit review of this proposal, the ICC has instituted a proceeding (Ex Parte 256). The Transportation and Distribution Committee is now considering steps to be taken by MCA in connection with the proposed increase.

* * * * *

The Association's proposal that an interim bi-level mileage compensation on covered hopper cars be effective immediately was rejected by the AAR. AAR plans to institute a new cost-of-ownership study, and any increase in compensation probably will not be effective for another 18-24 months.

* * * * *

Last March, the Eastern Tank Truck Carriers proposed a 3 percent general increase in freight rates. MCA and 24 chemical companies opposed the proposal. The carriers' conference apparently disregarded this opposition because

increased rates were published in a tariff filed with the Interstate Commerce Commission on May 22. The Transportation and Distribution Committee favors opposing the general increase before the Commission.

* * * * *

NOTE: The Trade Committee is meeting June 1, and it is now anticipated a statement on the recent GATT negotiations will be ready by June 2. Also, a recommendation may be available on trade with communist countries.

* * * * *

Tomorrow, following the morning business session, several executives of MCA member companies will take part in a press conference with the press representatives invited to attend the MCA Annual Meeting. Purpose of the conference is to provide the press with up-to-date information on the current status of the chemical industry. It is anticipated that the discussion will center around the economic health of the chemical industry and any future trends that may be in the wind.

* * * * *

The internal and external environmental health information programs are developing on schedule. Last week, the third issues of the publications, PILOT and CURRENTS, were mailed. Undoubtedly many of you have seen them. The reaction of the membership to these publications has been excellent.

* * * * *

Most of the high school chemistry teacher award programs, staged this year by ten Chemical Industry Councils, have been concluded. Luncheons or dinners have been held by the CICs at which MCA medals and citations, accompanied by \$200 checks, were presented to the recipients.

Several publications have recently been issued by the Education Department including new editions of MCA's Film Guide, Sources of Information on Careers in the Fields of Science and Catalysts of a Profession. The latter, featuring the Association's 1967 College Chemistry Teacher Awards Program, will be made available at the close of the Business Meeting tomorrow.

MINUTES of the special meeting of the Directors of the Manufacturing Chemists' Association, Inc., held in the Buchanan Room, The Greenbrier, White Sulphur Springs, West Virginia, on June 8, 1967, following conclusion of the 95th Annual Business Session.

The meeting was opened at 11:45 a.m. by Chairman Elect John O. Logan, who stated that its primary purpose was to appoint members to the several committees of the Board of Directors in order that a functioning organization would be available during the summer months to take care of pending and emergency business.

Mr. Logan then presented the following appointments which were ratified by those present:

Executive Committee

Carl A. Gerstacker, Chairman
F. Leonard Bryant
John L. Christian
David H. Dawson
G. H. Decker
L. K. Eilers
Irb H. Fooshee
Kenneth H. Hannan
John O. Logan
Max A. Minnig
Henry A. Thouron
John E. Wood, III

Membership Committee

C. H. Rybolt, Chairman
Allan B. Clow
George S. Dillon
M. F. Granville
Jack M. Pope
W. T. D. Ross
E. R. Rowley
Thomas M. Ware

Finance Committee

Jesse Werner, Chairman
John W. Brooks
E. E. Chipman
T. G. Hughes
A. R. Marusi
W. Kenneth Menke
C. W. Smith

Program Committee

J. A. Neubauer, Chairman
E. B. Brooks
M. R. Clapp
Earle S. Ebers
Raymond F. Evans
Alexander Lewis, Jr.
John J. Powers, Jr.

Pension Committee

Max A. Minnig, Chairman
M. R. Clapp
J. A. Neubauer

Mr. Logan also submitted a list of committee liaison assignments for the 1967-68 fiscal year, as follows:

Air Quality Committee
Chemical Industry Council Advisory Committee
Chemical Packaging Committee

Thomas M. Ware
John L. Christian
W. T. D. Ross

Education Activities Committee
Environmental Health Advisory Committee
Food, Drug, and Cosmetic Chemicals Committee
Government Liaison Technical Committee
Industrial Relations Advisory Committee
Insurance Committee
International Trade Committee
Labels and Precautionary Information Committee
Legal Advisory Committee
Mechanical Technical Committee
Occupational Health Committee
Nuclear Committee
Patent Committee
Plastics Committee
Public Relations Committee
Reactive Metals Advisory Committee
Research Advisory Committee
Safety and Fire Protection Committee
Tax Policy Committee
Transportation Equipment Committee
Transportation and Distribution Committee
Washington Advisory Committee
Water Resources Committee

W. K. Menke
M. F. Granville
A. R. Marusi
C. H. Rybolt
J. A. Neubauer
R. F. Evans
J. J. Powers, Jr.
C. W. Smith
E. S. Ebers
Jesse Werner
M. R. Clapp
K. H. Hannan
A. B. Clow
John Brooks
D. H. Dawson
E. R. Rowley
A. Lewis, Jr.
L. K. Eilers
E. B. Brooks
I. H. Fooshee
F. L. Bryant
George S. Dillon
J. E. Wood, III

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

M. F. Crass, Jr.
Secretary-Treasurer

MINUTES SUBJECT TO APPROVAL.