MINUTES OF JOINT MEETING
MCA EXECUTIVE AND FINANCE COMMITTEES
Conference Room, MCA Headquarters
Washington, D.C. - April 13, 1964

Following luncheon, the meeting was called to order by Chairman Klipstein at 12:45 p.m.

There were present: Kenneth H. Klipstein (Chairman) Executive Committee
Raymond F. Evans (Chairman) Finance Committee

Chester M. Brown	R. C. McCurdy
David H. Dawson	W. Kenneth Menke
G. H. Decker	J. A. Neubauer
William P. Drake	Thomas S. Nichols
Carl A. Gerstacker	Robert B. Semple
Kenneth H. Hannan	George R. Vila
John A. Hill	W. N. Williams
Harry B. Marshall	M. F. Crass, Jr.

General Counsel: Lloyd Symington

Present by Invitation: Charles S. Munson

1. Budget and Financing for Fiscal 1964-65. At the request of Mr. Klipstein, Mr. Evans briefly summarized the staff-recommended budget and method of financing transmitted to members of both Committees by the Secretary-Treasurer on March 26, 1964. There followed discussion on the over-all matter. Briefly, the budget as proposed by the staff excludes major items of non-recurring nature totalling approximately $155,000 which appear in the current budget, including employment of a foreign trade consultant, physical properties research, environmental health contract work, and new office equipment. On the other hand, it was proposed that new items with a total cost of approximately $100,000 be included in the new budget, including provision for the expanded economic facts study which has already received Board approval, tax counsel, an expanded CIC activity, an expanded women's activity, and a sixth edition of the "Chemical Statistics Handbook." Certain overhead charges, such as rent, taxes, and insurance will increase, although Pension Plan costs will be reduced. A $50,000 contingency fund was provided, and a total of three new employees contemplated.

With respect to financing, the staff proposal conservatively estimated foreseeable income at approximately $1,132,000. This amount would be sufficient to balance the budget as proposed, provide a small surplus, and still reduce membership fees 5% from the current level by eliminating this year's assessment.

It was agreed that the proposed budget and method of financing be approved and that favorable action thereon be recommended to the Board of Directors.

2. 92nd Annual Meeting -- June 11-13, 1964. At the request of the Chairman the Secretary presented a brief report on registrations received to date for the forthcoming Annual Meeting of the Association at White Sulphur Springs in June. On the basis of advance registration, it appears certain that capacity of The Greenbrier will be taxed to the utmost. In certain cases member delegations were reduced somewhat in order to bring them in line with last year's totals.

3. Amendment of the By-Laws. Proposals to amend the By-Laws at the 92nd Annual Meeting on June 11 were presented by the Secretary as follows:

> Article V, Section 1. Increase the number of Directors on the Association's Board from 30 to 33 in order to afford proper representation of member firms in keeping with the Association's growth. Remove the provision for the Treasurer being a Director inasmuch as this office was combined with the office of Secretary eleven years ago and the vacant Directorship filled by election from the membership.
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> Article V, Section 4. Amend to remove an inconsistency with Article XI and to make it clear that action by the membership is required to increase the number of Directors.

In order to formalize the office of Secretary-Treasurer and to make the necessary changes throughout the body of the By-Laws, it was explained that minor changes in wording would be required.

Article V, Sections 9 and 10
Article VI, Sections 1, 6, 8 and 9
Article VII, Section 1

Following discussion, it was agreed that the proposed amendments to the By-Laws be approved; that they be set forth in detail and transmitted to the Board of Directors for action at the May 12 meeting; and that, if approved at that time, they be circulated to the membership for action at the Annual Meeting on June 11.

4. GATT Negotiations. It was reported that the following day Messrs. Brown, Dawson, and Decker would confer with William H. Rodd, Chairman of the Trade Information Committee, with respect to Government policy concerning the appointment, terms of reference, and utilization of technical advisers from industry during the forthcoming GATT negotiations. The hope was expressed that with the possession of such information the chemical industry would be able to proceed with the selection and nomination of qualified individuals at an early date.

5. Reactive Metals Advisory Committee. Extension of Tenure. Those present were handed copy of a memorandum transmitting a recommendation from the Reactive Metals Advisory Committee that tenure be extended for a period of two years commencing June 1, 1964. It is felt by the Committee that this length of time will be required to complete the current program relating to import problems and other

matters dealing with foreign trade.

It was agreed that recommendation be made to the Board of Directors that the Committee's tenure be extended for such purposes for a period of two years commencing June 1, 1964, as requested.

6. Committee for the Survey of Chemistry. General Decker reported that the request from the Committee for the Survey of Chemistry (National Academy of Sciences) for MCA financial support had been withdrawn. It is understood that the American Chemical Society will assume the responsibility for this.

7. CIC Advisory Committee. Handed to those present was a proposed resolution creating a Chemical Industry Council Advisory Committee and setting forth appropriate Terms of Reference.

Following discussion, it was agreed that a favorable recommendation on this proposal should be made to the Directors at their meeting the next day.

8. Trade with Communist Bloc Nations. At the February 11 Directors meeting, it was agreed that a draft letter be prepared for possible transmittal to the Executive Contacts outlining the Association's position. Such draft letter was prepared and distributed to those present.

General Decker then reported that he had conferred with high officials in the Departments of Commerce, Defense, and State in order to evaluate Government thinking on the subject. While there appeared to be unanimity of opinion against trade with Red China, Cuba, North Korea, and North Vietnam, nevertheless, a softening of viewpoint with respect to Russia and her satellite countries seemed apparent with a flexible policy favored. The matter is now in a state of flux within Government circles and is receiving Congressional consideration as well with hearings scheduled by the Senate Foreign Relations Committee.

In view of the foregoing, it was agreed that the Executive Committee recommend to the Board that the Association should not send out the draft letter nor take any action with respect to amendment of its current policy at this time.

It being 3:15 p.m. and there being no further business to come before the meeting, it was unanimously resolved to adjourn.

M. F. Crass, Jr.
Secretary