April 18, 1994

CHEMICAL MANUFACTURERS ASSOCIATION

EXECUTIVE COMMITTEE MEETING
12:15p.m., Monday, April 18, 1994
Salon III, Ritz Carlton Naples
Naples, Florida

AGENDA

Monday, April 18, 1994

TIME	ITEM	ACTION REQUESTED (Information, Discussion or Action)	TAB
12:15-12:45	1. Lunch		
	2. Call to Order and Approval of Minutes of March 1, 1994, Meeting -- Earnest W. Deavenport, Jr., Chairman	Action	13
	3. Review of Agenda		
	a. Items presented to or to be presented to the Board for Information only (Any further discussion required)	Information and Discussion	
	•Nominating Committee -- J. Roger Hirl		2
	•Program Committee -- Thomas L. Gossage		
	•State Initiatives Committee -- John E. Peppercorn		
	•Communications Advocacy Review Committee -- Michael H. Grasley		
	•Responsible Care® -- Richard M. Doyle		7
	•State Federation Report -- Hermann Ortega		9
	•State Issues Report -- Robert J. Christie		10
	•Environmental Equity Report -- Dan Borné		11
	•Federal Legislative Issues -- Lewis F. Gayner		12
	•ELG Advisory Committee -- Richard M. Doyle		
	•Public Perception Committee: Outreach Program -- Robert G. Potter		
	•Risk Programs -- Morton L. Mullins		19

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TIME	ITEM	ACTION REQUESTED (Information, Discussion or Action)	TAB
	b. Board Action Items Not Deemed to Require Separate Executive Committee Review (Unless Requested) at this Meeting:		
	•CHEMSTAR Policy Committee Report -- Gordon D. Strickland and David F. Zoll		4
	•Proposed New Member Companies (Eastman Kodak and Albermarle) -- Charles W. Van Vlack		5
	•Proposed 1994/95 CMA Budget (Approved at the March 1, 1994 Executive Committee Meeting) -- J. Lawrence Wilson		Separate Document
	•Proposed 1994/95 Board and Executive Committee Meeting Schedule -- Charles W. Van Vlack		15
	•Development of the CMA MSDS Access System (Approved by the Executive Committee on March 1, 1994) -- Gordon D. Strickland and David S. Alcorn		8
	c. Identification of other Agenda Items for Discussion as Part of New Business	Discussion	
	d. Excuse Resource People not required for remaining of agenda items		
	4. <u>Executive Committee Policy Action Items</u>		
	a. Proposed Board International Committee and Related Follow-up Actions from the January Executive Committee Planning Session on International Activities --	Action	14
	b. Proposed Policy on GATT Agreement -- Larry Gess, Nalco Chemical Company; Chairman, International Trade Committee	Action	16
	c. Proposed Policy on Shipbuilding Trade Reform Legislation -- Morton L. Mullins, CMA	Action	17
	d. Superfund Reauthorization -- Lewis F. Gayner and Brian Spiller, Zeneca, Chairman, EMC Superfund Task Force	Action	18

TIME	ITEM	ACTION REQUESTED (Information, Discussion or Action)	TAB
	e. Proposed Consolidation of the Environmental Management, Health and Safety, and Engineering and Operations Committees -- Robert D. Bradford, Olin Corporation (EMC); James H. Price, Quantum Chemical Corporation (EOC); Jorge C. Olguin, DuPont (HSC); and Joseph J. Mayhew, CMA	Action	20
	5. New Business	Information and Discussion	
	6. Association Activities		
	a. President's Report -- Frederick L. Webber	Information	23
	b. Committee Appointments -- Charles W. Van Vlack		
	•Proposed Standing and Special Committee Officers for 1994/95 and Incoming Class (1997) of Members	Action	24
	•Committee Vacancies	Action	26
	c. Treasurer's Report -- Gary C. Herrman	Information	22
3:00	7. Adjourn		

CMA
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CHEMICAL MANUFACTURERS ASSOCIATION
EXECUTIVE COMMITTEE MEETING
April 18, 1994
Salon III, Ritz Carlton Naples Hotel
Naples, Florida

MINUTES OF THE MEETING

1. The meeting was called to order at 12:30 p.m. by Chairman Deavenport. There were present:

Members

Earnest W. Deavenport, Chairman	Robert D. Kennedy
Vincent A. Calarco	Thomas F. Kennedy
James E. Fligg	Ray B. Nesbitt
Thomas L. Gossage	John E. Peppercorn
Bruce C. Gottwald	Robert G. Potter
Michael H. Grasley	Arthur R. Sigel
J. Roger Hirl	Frederick L. Webber
Alan R. Hirsig	J. Lawrence Wilson

Secretary: Charles W. Van Vlack
Treasurer: Gary C. Herrman
General Counsel: David F. Zoll

By Invitation:

Charles A. Aldag	CMA
David S. Alcorn	Crompton & Knowles
R.M. Julie Archuleta	Occidental Chemical Corporation
Robert D. Bradford	Olin Corporation
Timothy F. Burns	CMA
Robert Christie	FMC Corporation
Richard M. Doyle	CMA
J. Brian Ferguson	Eastman Chemical Company
Lewis F. Gayner	The Dow Chemical Company
Jon C. Holtzman	CMA
Geoffrey B. Hurwitz	Rohm and Haas Company
Thomas R. Jacob	DuPont
Fred G. Marshall	Exxon Chemical Company
Joe J. Mayhew	CMA
James D. McIntire	CMA
Frederick L. Moore	Union Carbide Corporation
Morton L. Mullins	CMA

Laurence J. O'Neill	Monsanto Company
Jorge C. Olguin	DuPont
Herrman Ortega	Air Products and Chemicals
Michael A. Pierle	Monsanto Company
James H. Price	Quantum Chemical Corporation
Brian Spiller	Zeneca-Inc.-Biocides
Gordon D. Strickland	CMA
J. Terry Wharton	Air Products and Chemicals

2. Approval of the Minutes. The minutes of the March 1, 1994, meeting were approved as distributed.

3. Board International Committee. Mr. Webber presented the proposed charter and membership for the Board International Committee which was approved and recommended for Board concurrence.

4. GATT Policy. Mr. Gess presented the proposed policy on the GATT which was approved with several amendments and recommended for Board concurrence.

5. Shipbuilding Trade Reform Policy. Mr. Mullins presented the proposed policy on shipbuilding trade reform.

6. Superfund Reauthorization.

   a. Status Report and Strategy. Mr. Spiller presented a status report on Superfund, focusing on the areas of liability, remedy selection and insurance. The Executive Committee discussed in some detail how CMA would as an association evaluate and take a final position on whatever bill emerges from the House subcommittee drafting process later in April. The Executive Committee agreed to seek the Board's approval for the Executive Committee to conduct a quick turn around review of the final proposal and to evaluate it as a package against the criteria of whether it is true overall reform, and not solely on whether it does or does not meet our positions on individual issues.

   b. States' Role. The Executive Committee approved and recommended for Board concurrence the proposed policy on states' role in Superfund.

7. Committee Consolidation. Messrs. Bradford, Price and Olguin presented a proposal to consolidate the existing Environmental Management, Health and Safety, and Engineering and Operations Committees into a new Environment, Health, Safety and Operations Committee. The consolidation and the proposed charter and membership for 1994/95 were approved and recommended for Board concurrence.

8. Board Agenda Items.

a. CMA Budget. Based upon the comments made during the morning's Board meeting, the Executive Committee had an extended discussion of how the Executive Committee might provide the full Board and membership the assurance that CMA is operating as a "lean" organization, using the best management processes, on a continuously prioritized set of issues and programs. The pros and cons of using third party "re-engineering" consultants or member company experts, benchmarking, and other techniques used in CMA member companies to improve effectiveness and efficiencies while driving down costs were discussed. It was the sense of those Executive Committee members who had been most involved in the Association's budget process and substantive programs over the years that CMA is managed tightly and that CMA's costs are largely driven by programs that the members have requested and supported. The Executive Committee also realized that further improvement is always possible and that not all the Directors and certainly not all the members have had the intense and personal exposure to the process that would provide a satisfactory level of comfort in the challenging economic environment in which the industry operates. The Executive Committee also discussed whether CMA is currently providing the same kind of program and management scrutiny to the outreach program that it does for the other core CMA activities.

As a result of this discussion, the Executive Committee requested that Mr. Webber initiate steps in three areas:

(1) Develop a new approach for the coming year to share with the Board the disciplines and details of the budget and prioritization process.

(2) In future budget presentations, more clearly identify those programs not funded so that Directors can see where the choices have been made.

(3) Develop an improved system for more precisely identifying which programs and projects require additional participation by member company personnel to be successful.

b. Environmental Equity. Following up on the morning's presentation, the Executive Committee discussed the need to perfect our long term strategy and our support for state CICs and plant managers.

c. Public Outreach. The Executive Committee discussed with Mr. Potter progress in the early stages of the renewed pubic outreach program.

9. Committee Appointments.

a. 1994/95. Mr. Van Vlack presented the proposed chairmen, vice chairmen and incoming class ('97) of members for CMA's various committees. These were approved as set forth in Exhibit A.

b. Vacancies. Mr. Van Vlack presented several nominations to fill current vacancies on CMA committees which the Executive Committee approved as set forth in Exhibit B.

10. Treasurer's Report. Mr. Herrman reported that for the nine months ending February 28, 1994, the Association had revenue of approximately $33,500,000, expenses of approximately $23,000,000, with variances within anticipated ranges. He indicated that the proposed 1994/95 budget projected year end revenue and expenses slightly below budget.

* * *

The Executive Committee resolved itself into executive session.

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11. Bylaw Change. The Executive Committee approved and recommended for Board concurrence several amendments to CMA's Bylaws regarding staff officer titles and responsibilities.

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The meeting was adjourned at 2:55 p.m.

Charles W. Van Vlack
Executive Vice President
Corporate Secretary

Certified by:
Earnest W. Deavenport
Chairman, CMA Executive Committee

Exhibit A

COMMITTEE APPOINTMENTS (REVISED)

RECOMMENDATION

Appoint the following individuals to the committees for the terms designated:

Communications Committee

Eugene Ervin, Air Products and Chemicals, Inc., term ending May 31, 1995. (Replacing Peter N. Kroeger of the same company.)

Distribution Committee

Erik Bohn, Marsulex Inc., term ending May 31, 1995. (Replacing Bernd H. Flickinger of BASF Corporation).

W.F. (Sonny) Carter, Albemarle Corporation, term ending May 31, 1996. (Replacing Marvin A. Crane, Ethyl Corporation.)

International Affairs Committee

Ann E. Condon, GE Plastics, term ending May 31, 1996. (Replacing Ruth K. Arisman of the same company.)

Richard P. Fricke, Mobil Chemical Company, term ending May 31, 1994. (Replacing John C. Morton of the same company.)

International Trade Committee

Frank Farfone, The Dow Chemical Company, term ending May 31, 1996. (Replacing William E. Cornelius of the same company.)

Enzo Ferraris, Procter & Gamble, Chemicals Division, term ending May 31, 1996. (Replacing David J. Elliott of the same company.)

Council of 100

Norman Blank, Sika Corporation

James E. DiGuglielmo, Zeneca Inc. - Biocides

C. Joseph Fette, Dover Chemical Corporation

Robert J. Frederick, ANGUS Chemical Company

Robert L. James, Jones Hamilton Company

James B. Nicholson, PVS Chemicals, Inc.

Roger K. Price, R.T. Vanderbilt Company, Inc.

Ernest Spinner, Arizona Chemical Company

ACTION REQUIRED

Approval of recommendation.

CMA 063494

STANDING COMMITTEE OFFICERS AND INCOMING COMMITTEE MEMBERS
Nominations for 1994/95

BACKGROUND

Annually, the Association's President nominates for Executive Committee action member company representatives to serve as: the officers (chairman and vice chairman) for the standing and special committees; and the incoming class of committee members to serve three year terms. Please note that nominees for the proposed Environment, Health, Safety and Operations Committee are listed under Tab 20. The nominees for the 1994/95 CMA fiscal year which begins June 1 are:

STANDING COMMITTEES

1. Communications Committee

Chairman: William Scarborough, Shell Chemical Company
Vice Chairman: Barbara Carmichael, Dow Corning Corporation

Members -- term ending May 31, 1997

Kathleen Horning Forte	DuPont
Louis Kistner	SCM Chemicals, Inc.
Terry S. Martin	Albright & Wilson Americas Inc.
Sandra E. Taylor	ICI Americas Inc.
H. Patrick Jack	Fina Oil and Chemical Company

2. *Distribution Committee*

Chairman: Joseph J. Catto, Cytec Industries Inc.
Vice Chairman: B. Fielding Rolston, Eastman Chemical Company

Members -- term ending May 31, 1997

John Badger	Olin Corporation
M.A. Crane	Kerr McGee Chemical Corporation
M.S. Medley	Shell Chemical Company
*James T. Nelson	Albright & Wilson Americas Inc.
Michael J. Neumerski	Rohm and Haas Company
B. Fielding Rolston	Eastman Chemical Company

*Additional small company representative

3. *Energy Committee*

Chairman: John C. deRuyter, DuPont
Vice Chairman: Timothy G. Soles, Amoco Chemical Company

Members -- term ending May 31, 1997

R. David Damron	Hoechst Celanese Corporation
John DelPezzo	Air Products and Chemicals, Inc.
Daniel E. Fisher	Liquid Carbonic Industries Inc.
Royce D. Laffitte	Eastman Chemical Company
Richard A. Schroeder	Petrolite Corporation

4. *Federal Government Relations Committee*

Chairman:	Lewis F. Gayner, Dow Chemical U.S.A.
Vice Chairman:	Graham Jackson, Nalco Chemical Company

Members -- term ending May 31, 1997

Joan Kovalic Bernard	Albright & Wilson Americas Inc.
Joseph A. Gillan	Exxon Chemical Company
Faye A. Gorman	Dow Corning Corporation
Kenneth M. Iwashita	The Lubrizol Corporation
Mark D. Nelson	DuPont

5. *International Affairs Committee*

Chairman: ***Edward G. Miller, Eastman Chemical Company***

Members -- term ending May 31, 1997

Karon Armstrong	3M Specialty Adhesives and Chemicals/Specialty Materials Division
Fred Ellerbush	Rhône-Poulenc Inc.
Richard P. Fricke	***Mobil Chemical Company***
Thomas R. Jacob	DuPont

6. *International Trade Committee*

Chairman:	Lawrence R. Gess, Nalco Chemical Company
Vice Chairman:	John Boehle, Ciba-Geigy Corporation

Members -- term ending May 31, 1997

Ronald F. Black	Rohm and Haas Company
Polly S. Hannas	Grace Specialty Chemicals Company
Mike Reynolds	Vista Chemical Company
R.G. Thoma	BASF Corporation
Max Turnipseed	Albemarle Corporation

7. *State Affairs Committee*

Chairman:	Fred Marshall, Exxon Chemical Americas
Vice Chairman:	O.Keith Owen, III, BP Chemicals, Inc.

Members -- term ending May 31, 1997

Jane A. Adams	BASF Corporation
Robert W. Grupp	Dow Corning Corporation
Nancie S. Johnson	DuPont
John J. Paro	The C.P. Hall Company
Robin L. Williams	Rohm and Haas Company

8. *Tax Policy Committee*

Chairman: Thomas G. Singley, Shell Oil Company
Vice Chairman: Charles J. Hahn, The Dow Chemical Company

Members -- term ending May 31, 1997

Charles J. Hahn	The Dow Chemical Company
James R. Lowe	Exxon Chemical Company
Cornelius P. Powell	Air Products and Chemicals, Inc.
Judy Rittman	SCM Chemicals, Inc.
John Rogers	FMC Corporation
George K. Sherwood	The BFGoodrich Company
Ellan K. Wharton	DuPont

SPECIAL COMMITTEES

1. *Responsible Care® Coordinating Group*

Chairman: Charles A. Aldag
Vice Chairman: William E. Driscoll, Occidental Chemical Corporation

2. *Public Outreach Coordinating Group*

Chairman: Barbara Carmichael, Dow Corning Corporation
Vice Chairman: Brent McGinnis, Ashland Chemical Company

3. *Chemical Industry Federation Advisory Council*

Chairman: Hermann Ortega, Air Products and Chemicals, Inc.
Vice Chairman: Nancy Stephens, Florida Chemical Industry Council

4. *CHEMTREC® Special Committee*

Chairman: John C. Willet, Shell Oil Company
Vice Chairman: Gerald T. Davis, ARCO Chemical Company

RECOMMENDATION

Approval of nominees.

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