

THE VINYL INSTITUTE ANNUAL MEETING

Turnberry Isle Country Club
Garden Room
Miami, Florida

Thursday
May 21, 1987
8:00 a.m.

Attendees:

(See attached list)

INTRODUCTORY REMARKS AND CHAIRMAN'S PRESENTATION

Steven W. Schaefer, Chairman of the Vinyl Institute Executive Board, convened the meeting at 8:00 a.m. and welcomed all attendees to the Vinyl Institute Annual Meeting. His comments focused on "The VI: Past, Present and Future". Schaefer reviewed the issues that led to the founding of the Vinyl Institute and briefly described how the Vinyl Institute had successfully confronted and managed these issues. He further highlighted the major issues of the VI during the past year - fire safety, pipe, packaging and solid waste, - and what he believes to be the major issues that will face the industry during the rest of 1987 and early 1988. In closing, he stressed the need for increased Vinyl Institute membership and participation in all committee activities as a means to not only broaden the perspective of the individual committees and the Board, but also to help focus the market development activities and opportunities.

COMMITTEE REPORTS

Communications Committee

George Snider, Chairman of the Communications Committee, noted that the major issues facing the industry in mid-1983 when the industry was producing 6 B pounds and operating at an 80% of capacity rate was the fire issue. He noted that in mid-1987, not only has the industry grown (to producing 7-1/2 B pounds at an operating rate of 90% of capacity), but that the issues have significantly broadened.

Snider highlighted some of the major activities of the committee over the last year and noted that the focus of the committee during this next fiscal year will be not only to be responsive to attacks that others may make on the industry, but also to focus on growth opportunities in conjunction with the Market Development Committee and with related SPI divisions and sister trade organizations.

SPI-09235

Health, Safety and Environment

Committee Chairman, W.C. Holbrook discussed the five principal issues of the committee's activity during the last year in the context of the committee's mission statement when the Vinyl Institute was founded. He noted that the issues to be faced during the coming year will include waste water discharges and related control of air emissions; further regulations expected to be forthcoming in the area of Clean Air Act, NESHAPS, acid rain, groundwater legislation, and municipal landfills.

Market Development Committee

Guy Disch, Committee Chairman, focused his comments on the areas that the committee expects to be active in in the near and longer term. Specifically, he highlighted the plan for a market/communications program aimed at the bottle market in particular, and the packaging market in general, the cooperative program with the Uni-Bell PVC Pipe Association, the research program to begin at Innovative Fire Technologies in cooperation with the Plastic Pipe and Fittings Association. Lastly, Disch noted that within the next 90 days, the industry expects that specific recommendations in the electrical code area will be proposed that could have a significant impact on the PVC business market.

Technical Committee

Dr. Michael M. O'Mara, Chairman of the Technical Committee reviewed the organization of the committee and briefly discussed the major projects being undertaken by each of the subcommittees, including pipe, solid waste, fire research and medical. He noted that the committee's activities not only addressed the needs of the raw material producers, but also focused increasingly on the problems being faced by customers. O'Mara discussed in some detail the proposal to be made to the Executive Board during its meeting immediately following the Executive Board meeting to financially contribute to the program being organized by the National Electrical Manufacturers Association to carry out a generic testing program that will be responsive to the requirements being imposed on the wire and cable industry by the State of New York.

Lastly, O'Mara noted the results of the NYSERDA work and indicated that the focus of the VI solid waste task force will, over fiscal year 1987-1988, be on the recycling component of an overall solid waste management program. He noted that the Technical Committee is to recommend to the Executive Board that the VI contribute financial and technical resources to the Plastics Recycling Foundation as it focuses on the area of commingled plastics.

Legal Committee

Robert Luss, Chairman of the Legal Committee, reviewed an agreement reached between the committee and counsel that will result in greater control over the legal portion of the budget, with Board approval required for any additional expenditures. Additionally, Mr. Luss reviewed the Dupont Plaza

Hotel fire of December 31, 1986, the support given by the Vinyl Institute in early investigations, and the Joint Defense Group now being established by industry, but not under the umbrella of the Vinyl Institute. Mr. Luss noted that the Vinyl Institute would be reimbursed for all "loans" made and noted that this quick response would be of enormous assistance to the defense group.

BOARD COMMITTEE REPORTS

Nominating Committee

Mr. Flammer, Chairman of the Nominating Committee (other members of which included Messrs. Hall and Russ) asked Mr. Russ to give the committee's official report. Mr. Russ noted that each of the present officers of the VI were selected to serve unexpired terms of former officers. For the purposes of consistency and with the agreement of each of the individuals affected, the Nominating Committee is to recommend to the Executive Board that the existing officers be elected to serve a two-year term.

Finance Committee

Vinyl Institute Treasurer, David Hall noted the VI budget has been and continues to be a balanced budget and is highly focused on specific projects. Hall further noted that the Vinyl Institute does receive financial support from SPI, at a level that has been increasing. Mr. Hall also commented that the expansion of membership would help increase the effectiveness of the Vinyl Institute by allowing additional resources to be devoted to mutually beneficial programs. Mr. Hall asked VI Executive Director, Roy Gottesman to briefly review the proposed budget for fiscal year 1987-1988.

Dr. Gottesman opened his presentation with a description of the budget development process. Dr. Gottesman noted that based upon a total of all bills paid through March 31, 1987 and an estimate of additional bills to be received through May 31, 1987, the total estimated expenditures for fiscal year 1986-1987 will be \$911,161. Dr. Gottesman noted that there will be a projected carryover of \$113,581, of which \$75,000 is the Phase II share due to NYSERDA.

Dr. Gottesman then reviewed the project-related costs for fiscal year 1987-1988 and noted that the net budget for FY 1987-1988 will be \$1,041,500.

EXECUTIVE DIRECTOR'S REPORT

Executive Director, Roy T. Gottesman, reviewed the operational style of the Vinyl Institute and discussed how the technical, legal and communications programs have been devised to effectively manage issues affecting the industry. Of particular significance, as an example, Dr. Gottesman specifically noted how the completed NYSERDA project was one component how the VI is managing the solid waste issue, the "Plastics In The Waste Stream" another component, and the proposed participation in the Plastics Recycling Foundation's project on commingled plastics, represents another component.

PRESENTATION BY THE VINYL COUNCIL OF CANADA

Mr. Hal Andresen, President of the Vinyl Council of Canada, and Ms. Sherri Coulson, Manager of Communications at VCC, gave a presentation on the public relations program carried out over the past nine years in Canada that has resulted in an almost doubling of per capita consumption of PVC.

A LOOK AT THE EUROPEAN VINYL INDUSTRY

Presentation by John York and Willem Prinselaar.

John York (Chief Executive Officer of the European Vinyls Corporation) and Willem Prinselaar (Commercial Director of EVC and Chairman of the APME Vinyl Producer's Group) gave a detailed presentation focused on the:

- a) background, structure and organization of the European Vinyls Corporation;
- b) the regulatory and market-related issues affecting the European vinyl industry.

AFFILIATE MEMBERSHIP IN THE VINYL INSTITUTE

Mr. Schaefer gave a presentation of the criteria for affiliate membership in the Vinyl Institute and detailed the dues requirements and needed personnel resources commitment to Vinyl Institute committees and ad hoc task forces. Additionally, he reviewed the representation that would be allocated from this class to voting rights on the VI Executive Board. Lastly, Mr. Schaefer made the Executive Board and Vinyl Institute staff available to potential members to respond to any additional information necessary for an affirmative decision regarding membership in the Vinyl Institute.

ADJOURNMENT

There being no other business, Mr. Schaefer adjourned the Annual Meeting at 12 Noon to be followed immediately by an Executive Board Meeting.

Respectfully submitted,

Meredith N. Scheck