PLAINTIFF'S EXHIBIT

GP-889

ANNUAL REPORT TO THE MEMBERSHIP

March 9, 1973

SGP 0011961

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March 9, 1973

Gypsum Association

201 North Wells Street / Chicago 60606

SGP 0011962

REPORT OF THE

SECRETARY

TO THE MEMBERSHIP

MARCH 9, 1973

It has been an exceedingly busy year for the committees and staff of the Gypsum Association. A year of new activities, revised procedures, reorganization - all indicating the great flexibility of our total operation in meeting the needs and progress for the entire industry.

During the year, we initiated a program in cooperation with the National Bureau of Standards wherein our own Research Associate is participating with the fire study department of NBS in a most important program of fire resistance for the construction industry. We have initiated a special task force to study and make recommendations in defense of fire resistance in high rise structures. This program is similar to the already successful lead-based paint program wherein our Association specifications are the standard for the industry. It is interesting that a substantial budget in the Bureau of Standards has just been allocated for a crash study on the subject of fires in high rise structures. We have just initiated an investigation into the asbestos content of joint system compounds and hope to initiate a test program for the membership to determine any possible problems.

During the year, we have succeeded in the adoption of the Association's Fire Resistance Design Data manual in the Uniform Building Code - completing the inclusion of this manual in the three major model codes. This is unique; never before have these model codes referenced an industry document. This is a feat that has never been accomplished by any other industry association. This action will save the Association substantial listing and research fees which is a very small percentage of the savings to the individual member companies for fees on generic products and assemblies.

TASK FORCE ACTIVITY

During the year, a special task force from the Board of Directors studied the entire activity of your Association and during the past six months we have attempted to carry out the recommendations of the task force as approved by the Board of Directors. This included the omission of certain activities and budget consideration for several programs thought to be the least important to the member companies. We have revised job descriptions affecting three staff positions along with our table of organization.

Of prime importance is the result of a questionnaire sent to all member companies showing the strong desire for more services from the Association in the areas of Building Code and Technical activities. With this in mind, the Technical and Building Code Committees have addressed themselves

to this objective and will present specific recommendations for these services and activities at the annual meeting. The Board of Directors has asked that the task force remain active to specifically deal with this project.

MANUFACTURING AND MINING COMMITTEE

As an example of the flexibility and progressive attitude of our Association, the emergence of the Manufacturing and Mining Committee as one of the most important and active should be noted. A detailed report of this committee is included herein. This relatively new committee is now dealing with the OSHA regulations affecting our industry, the National Institute for Occupational Safety and Health recommended standards to OSHA, the fuel shortage which is critically affecting our industry, Federal and State land reclamation proposed regulations, Federal and State severance taxes, pollution and environmental regulations and many others; most all are new subjects in the last few years. It is gratifying to see this committee tackle these problems. For the first time, our production management throughout the entire industry has available to them a procedure and personnel to deal with local, state and federal legislation.

TRADE RELATIONS

During the past year, our liaison with the more important customer-trade associations has taken a more positive and progressive turn. At the request of the Board of Directors, the Association has presented to the Gypsum Drywall Contractors International a program explaining in a very positive manner the many ways in which the manufacturers have aided contractors over recent years. (See Promotional Committee report for details.) More importantly, the program outlined future areas wherein manufacturer-contractor cooperation is essential. This program will be shown to other trade factor groups in the near future. We are assured of a better coordinated industry program to further our objectives in the building code, legislative and technical fields with this trade factor support.

LEGAL COUNSEL

At the annual meeting this year, we will have completed a full year with our new legal counsel, Baker & McKenzie. This new association has been completely successful, realizing the inherent difficulties involved in transferring our legal responsibility from our former firm of 40-odd years. Our thanks to eight individuals in the new firm who now have Gypsum Association responsibilities. It is also of interest to note that the Washington and San Francisco offices of Baker & McKenzie have also been involved in Association activities and this, too, has been most successful and an added service to the membership.

ASSESSMENT AND BUDGET MATTERS

The proposed budget (in Directors' copies) represents the recommendations of our standing committees upon consideration of the requests and directives of the Board of Directors task force. Based on 1972 tonnage, it is recommended an assessment of 3-5/8 cents per ton be levied against the membership, one-half of which be declared due and payable April 15, 1973. This reduced rate of assessment will result in income of approximately $445,000 which still allows us to pursue a most ambitious and progressive program for 1973-74.

FUTURE MEETINGS

Reservations have been made at The Homestead, Hot Springs, Virginia for our next semiannual meeting, October 10-11, 1973. Future meetings have been planned for the month of October as follows:

1974 - Ojai Inn, Ojai, California

1975 - Ponte Vedra Club, Ponte Vedra, Florida

1976 - Silverado Country Club, Napa, California

Respectfully submitted,

A. Victor Abnee, Jr.
Secretary

REPORT OF THE
PROMOTIONAL COMMITTEE
TO THE MEMBERSHIP
MARCH 9, 1973

The Promotional Committee of the Gypsum Association will hold its next meeting the day before the annual meeting in Chicago, Illinois (April 3, 1973). A complete oral report will be given the membership concerning the actions taken at that meeting.

TRADE RELATIONS

A major directive, given to the Promotional Committee by the Board of Directors at the 1972 semiannual meeting, was to prepare and present a program to trade factor groups. This program was to tell these groups in a positive manner of the many ways in which the Gypsum Association and member companies are working for their benefit. It was decided that the first such presentation would be made to the Gypsum Drywall Contractors International (GDCI) at their annual meeting in Atlanta March 4-8, 1973. This first presentation has been made and was highly successful. The theme of the convention was "New Horizons" and this theme was developed in the Gypsum Association presentation. The approach used was to outline the growth products and systems in the gypsum industry as well as explain the developmental work done by the manufacturers which led to these new products and systems. Slides, motion pictures and live presentation were utilized in a multi-media

presentation as Promotional Committee members and the Association staff covered such areas as: the history of the industry and key contributions by the manufacturers (particularly since 1950), water resistant board, gypsum wallboard for exterior uses, shaft walls, radiant heat, veneer plaster, metal studs, predecorated board, sound control, testing and legislative activities.

Approximately 70% of the contractors registered at the convention attended the presentation. Their interest was evidenced by comments made and questions asked at exhibitor's booths following the presentation and at the afternoon symposium which followed our presentation. Four member companies, the Association staff, and contractor representatives were represented on the panel for this seminar which provided an excellent give-and-take exchange with the contractor-audience.

The Gypsum Association also sponsored the grand opening reception for the GDCI meeting. As was done at the 1972 convention, it was decided to hold this reception in the Exhibition Hall in order to stimulate maximum traffic through the exhibit area.

It should be noted at this point that GDCI has formally requested the Gypsum Association prepare a training course for them in office management. This is an item which

has been tentatively discussed in the past and would be a companion course to the Drywall Estimating Course which was prepared for GDCI two years ago. This formal request from GDCI makes this an active item on the Promotional Committee agenda and it is included as a budget item for 1973-74.

The International Association of Wall and Ceiling Contractors held a combined Southeast-Southwest regional meeting in New Orleans in February 1973. The Association conducted a symposium on veneer plaster which provided facts and figures on the growth and potential for this product and, again, provoked considerable interest from the contractors in the audience.

LITERATURE

The most important announcement in the area of literature is the availability of new 1973-74 Fire Resistance manual. The book follows the same basic format as the 1971-72 edition with a few key changes: the quality of the paper has been upgraded, the sketches of the assemblies have greater clarity and a statement has been added on the inside front cover explaining that the book is referenced by all three model building codes. Because of the increasing acceptance and demand for the Fire Resistance manual, the initial press run for this issue is 50,000 copies. Please note the many generic systems in the book whereby all manufacturers benefit equally from this manual.

The distribution of Association literature continues at a high volume (200,000+ pieces a year). A current project underway by the Association staff at the direction of the various concerned committees is the consolidation of some of our shorter and older publications into our newer publications as they are printed and our more sophisticated publications as they are reprinted.

LEAD-BASED PAINT POISONING

The Gypsum Association is still following legislative activity in this area and promoting the use of gypsum products as the most practical and economical means of covering contaminated walls to make lead-based paint inaccessible to children. A bill has been passed by Congress authorizing expenditure of one hundred million dollars in an attempt to eliminate the problem. However, these funds have not been appropriated. Public reaction has been sufficiently strong that it appears $6 million will be appropriated for this purpose, 85% to be used for detection and treatment, 15% for a program to eliminate the problem. An updated report on this situation will be presented at the annual meeting.

FIRE-FIGHTER GYPSUMBOARD

At the direction of the Board of Directors, the Promotional Committee has initiated no new programs in support of this product. The Association has, however, continued to

supply available literature to those who make inquiries on the basis of our previous efforts on behalf of this product and it should be reported that there are still reports of sales in the field.

FILM DISTRIBUTION

Film distribution continues at a constant level (approximately 525 bookings per year over the past two years). It should be pointed out, however, that the requests for our films (particularly from architectural schools and other educational groups) are on the increase and we are currently unable to fulfill all requests. It should also be noted that the films we are distributing are almost ten years old and in some aspects outdated.

FORT DODGE CENTENNIAL PUBLICITY

Rock Products magazine ran a four-page picture story on the celebration of the 100th anniversary of the gypsum industry in Fort Dodge in their October 1972 issue. As was explained in the semiannual report to the membership, this celebration was coordinated by the Gypsum Association staff. The Rock Products article presents considerable information concerning the history of the gypsum industry in this country and has been reprinted by the Association for use in our educational program.

SOUTHERN BUILDING MAGAZINE

The April 1973 issue of Southern Building magazine is devoted to the gypsum industry. The over-all theme of the magazine is Gypsum in One and Two Family Dwellings. The Association is coordinating the placement of five articles in this issue, along with a specially designed cover and a one page ad (which highlights the Fire Resistance manual).

SOUND CONTROL MANUAL

It has been recommended that the Association give consideration to the preparation of a manual to stress the importance of sound control among trade factor groups. As a first step, it was further recommended that consideration be given to revising the sound control manual prepared for the Savings and Loan League. Copies of this publication have been distributed to members of the Promotional and Technical Committees for comments and suggestions concerning such revisions. Suggestions for revisions have been extensive and are currently being consolidated by Association staff members.

TESTING PRESENTATION

The Promotional Committee has also recommended that a relatively low-budget presentation be prepared on the testing of gypsum assemblies for presentation to various code groups and officials. Such presentation would utilize, as much as

possible, existing slides and film. This presentation is currently in preparation and elements from it were available for incorporation into the presentation given to the GDCI in Atlanta.

Respectfully submitted,

Donald W. Miller, Chairman
Promotional Committee

REPORT OF THE
TECHNICAL COMMITTEE
TO THE MEMBERSHIP
MARCH 9, 1973

The ninetieth meeting of the Technical Committee was held on February 14, 15 and 16, 1973 in San Francisco, California. The meeting was attended by ten representatives from six companies and four Association staff members.

Since our last meeting, the gypsum industry has suffered a great loss with the passing of John Robertson. John was a member of the Technical Committee for many years and chaired the committee from 1953 to 1957. More recently, until his untimely death, he represented the Gypsum Association in Washington, D.C. along with performing his regular duties as an employee of U.S. Gypsum Company. His unselfish devotion to the entire industry has earned the respect of all who had any contact with him. He was, by far, the most outstanding technical representative our industry has had in many, many years. The Technical Committee, therefore, recommends that a scholarship be established in his name to be given annually to a deserving student in construction technology or architectural engineering. In addition to honoring John, such a scholarship program would give the industry excellent exposure in the technical and educational fields.

A progress report was given by James L. Houser, gypsum industry research associate at the National Bureau of Standards,

on his first eight months in this position. Jim has established an excellent rapport with the NBS employees involved in fire safety and has become influential in these programs. In addition, he is progressing satisfactorily in the development of test methods to establish a realistic definition for the combustibility of materials used in the construction industry. He is currently working on two papers to be published by NBS. One on the "state of the art" (history of fire testing and combustibility); the second on the calorimeter test method on which he has been working.

The building industry is rapidly changing with more emphasis being placed on sound control. Sound control ordinances are being initiated by building code agencies that require, in most cases, 50 STC partitions between occupancies. When an ordinance was passed in New York City, there was only one generic system in the gypsum industry that would meet the requirements. It is obvious that additional assemblies are needed. All sound rated systems also require fire ratings; therefore, an over-all testing program is recommended by the Technical Committee. It is strongly recommended that a long range, continuing test program be established by the Board of Directors. This program would be administered by a permanent task group made up of three people from different companies with expertise in building codes, fire testing and sound testing. All tests would be conducted on generic assemblies (generic as defined in the document covering the "Fire

Resistance and Sound Control Manual" approved by the Board of Directors at the annual meeting in April 1963) according to a priority list established by the task group. This program will alleviate the necessity for testing generic systems by individual companies, thereby reducing test expense. Also, with an over-all test budget, approved by the Board of Directors, with no separate approvals needed for individual assemblies, time delays experienced in the past would be nonexistent. Additional details and explanation of the recommended program will be given in the Chairman's verbal report to the membership.

Consumer product safety is becoming an increasing concern for our industry. The Technical Committee has assigned a task group to become completely familiar with legislation and other information on this subject. The task group was also assigned the job of collection and dissemination of information to the Technical Committee.

Of immediate concern with consumer product safety is the use of asbestos in joint compounds. The major problem is the mixing of dry joint compounds and sanding of joints. Both operations cause asbestos fibers to be suspended in the air and consequently could be cause for problems with OSHA regulations. The Technical Committee has assigned a task group to study this problem and establish a testing program to determine

the level of asbestos fibers in the above-mentioned operations. In the meantime, it is recommended that the Safety Committee determine the devices and program necessary to protect workmen under these conditions.

GYPSUM LATH AND PLASTER

The formation of the new ASTM Committee on plastering reported at the last meeting has apparently been stopped. Although final approval has not yet been obtained from both committees, it appears that the controversy has been cleared up by revising the scope, bylaws and name of Committee C11 to cover all the specification areas proposed by the new committee. These would include portland cement plastering, epoxy matrices, curtain walls, etc.

A revised draft of the application specification for gypsum plastering (the old American National Standards Institute A42.1) in American Society for Testing and Materials (ASTM) format was distributed for final review and will be submitted to ASTM Committee C11 at their next meeting in June for promulgation. This is the second major application standard to be transferred from ANSI to ASTM.

Publication of a revised Manual of Gypsum Lathing and Plastering must be delayed until new photographs are obtained to assure that no violations of OSHA safety requirements are shown. Revision of the written material in the manual was completed at the last Technical Committee meeting.

A draft of a new veneer plaster manual was reviewed and returned to the task group for revision. Since the industry has a specification for veneer plaster application, this manual should have a promotional rather than technical format.

Product and application specifications for plaster over electric heat cable are being developed by ASTM Committee C11. These specifications are needed in order to have the National Fire Protection Association (NFPA) revise the National Electrical Code to allow less than 1/2" of plaster over electric heating cable.

GYPSUM WALLBOARD, BACKING BOARD AND SHEATHING

The ASTM standard for the installation of steel framing members to receive screw attached gypsum board has passed C11 letter ballot and has been submitted to the Society for promulgation. It will be printed in the 1974 ASTM standards.

Revision of the standard for application and finishing of gypsum board (the old ANSI A97.1) was distributed for review by the committee for presentation to ASTM Committee C11 in June.

The revision of ASTM Standard C36 - Gypsum Wallboard, to eliminate board weights and replace them with performance

criteria, has passed C11 subcommittee letter ballot and was sent to main committee letter ballot with one unresolved negative vote.

Round robin testing to determine the acceptability of two proposed test methods for distinguishing type X from regular board was completed. Neither test method is considered satisfactory; however, several revisions have been proposed for each method. Additional round robin testing will be conducted to determine whether these revisions will correct the problems.

Testing to determine "durability" of gypsum board systems is needed in order to counter the claims made by the masonry and concrete block industry. A task group was assigned to determine the extent and type of testing required and to submit a program at the next meeting of the Technical Committee.

A sizable market exists for gypsum board as a substrate for exterior textures. Although the risks of using gypsum board for exterior applications are great, the potential market appears to justify an industry program to determine product parameters and exchange performance information. The Technical Committee requests the approval of the Board of Directors to continue development of a performance specification and exchange of field test information. This will be a relative long range program resulting in a realistic application standard or a recommendation against exterior use of gypsum board.

A report was received from the task group assigned to review requirements and suggest revisions to National Fire Protection Association 90A to allow the use of gypsum board in air conditioning and ventilating ducts. A report had been received from NFPA stating that they will not approve the use of gypsum board in ducts for buildings more than two stories high. Since gypsum board is currently used to provide fire resistance to sheet metal ducts, the advisability of continuing this program and conducting tests is questionable. A task group was assigned to attempt to develop details for a metal lined duct involving gypsum board. If this is successfully completed, it may be necessary to conduct tests some time in the future.

Two separate government specifications for demountable partitions were reviewed. The staff was instructed to follow up with the governmental agencies involved to have revisions made as requested to insure gypsum board compliance.

A review was made of the Savings and Loan League Sound Control Manual at the request of the Promotional Committee. The staff was instructed to advise the Promotional Committee that the manual, though technically accurate, appears to be much too technical for use as a general promotional piece. If additional information on sound control is needed, it was suggested that this could be accomplished in the next revision of the Fire Resistance Design Data manual.

Mobile home fires were discussed to some extent. The Technical Committee will request information on mobile home fires from insurance companies in order to establish the areas of major concern. When this has been determined, construction details will be developed for the use of gypsum board in those places where fires normally start. This is another sizable potential market for gypsum board.

The two-hour lot line fire test was successfully completed on January 5, 1973. This system involved two wood framed walls separately loaded. The test had previously failed twice with one layer of 5/8" type X board on each side of each partition. The successful test was composed of two layers of 1/2" type X board on both exposed faces with one layer of 1/2" type X board on the interior (facing) sides of each wall.

The problem of high rise building fires was discussed. It was the consensus that this is primarily a promotional program to attempt to combat the trade-offs of fire resistance for extinguishment (sprinklers). The Technical Committee will cooperate with the Promotional Committee in any way necessary on this program.

Field problems have been encountered with 1/2" gypsum board applied to ceilings with framing on 24" centers. The problem stems from extensive use of water-thinned textures, insulation in direct contact with board, and buildings being closed up and not allowed to dry. Gypsum board application instructions are being revised to recommend use of 5/8" board for ceilings framed on 24" centers when the board supports insulation and water thinned textures are used.

Respectfully submitted,

John D. Shull
Chairman

REPORT OF THE

BUILDING CODE COMMITTEE

TO THE MEMBERSHIP

MARCH 9, 1973

The winter meeting of the Building Code Committee was held February 13 in San Francisco, California. It is appreciated that the member companies continue to support this activity by having their representatives at the meetings. Six of the multi-plant companies were represented at the February 13 meeting.

Building code activity requiring the attention of the committee continues to increase. We see more communities, counties and states adopting building codes, and more enforcement, both of codes in existence and the new codes. In the past we were most concerned with fire resistance and the noncombustibility of gypsum products which gave impetus to the sale of gypsum products in all code regulated construction. Technically, individual homes had very little or no regulations requiring either fire resistance or noncombustibility of materials.

There is growing emphasis on resistance to sound transmission which will tend to increase the amount of gypsum board in many regulated buildings. There is also a trend to require noncombustible materials for interiors of homes, or as a backup for combustible finished paneling, as well as some limitation of flame spread characteristics

of materials used for interiors. We can only believe these factors will mean more gypsum required in the years to come.

Fees for building code approvals continue to increase in amount, number, and at reduced intervals for renewal. The City of Los Angeles fee structure increased about 300% during 1972. With these thoughts in mind, the committee is sure you are pleased to learn we have finally received official approval and acceptance of the 1973-74 Fire Resistance manual by all three of the model code groups as well as by several individual communities. The Association staff is to be complimented for the job accomplished. It can save all member companies money spent in the past for individual company approvals.

Under the four general categories of the Building Code Committee's concern, the most important is Model Codes. The annual conventions of these groups, as well as many special meetings, are attended by the staff. Appropriate hospitality suites or a formal reception maintain the good will towards the Association which has developed through the years. This good will was a factor in gaining the wide acceptance of the 1973-74 Fire Resistance manual.

One loss the committee and staff suffered was at the Southern Building Code meeting this past year when we lost our approval of "Fire Barrier." The few building

officials always opposed to the special roof approval we had, plus the support of some fire department representatives and the asphalt roofing people, brought the reversal.

The April issue of the Southern Building magazine will contain articles on gypsum products and their use prepared by representatives of the several companies. This is the last year a Gypsum Issue, or any issue devoted to specific material, will be published by the magazine. The Southern Building code management people are changing the format of the magazine and will have more general articles on current matters of interest to building officials, but no more issues stressing a specific material throughout.

The proposal to give members other than building officials a vote in the Building Officials and Code Administrators International, Inc., activities was defeated this past year.

A single model building code sponsored by ICBO, SBCC and BOCA moves forward sporadically. They have produced a One- and Two-Family Dwelling Code and are hoping to develop codes for three or more family units, commercial, institutional and multistory housing buildings in the next few years.

A single national building code discussion continues both through the states group and a new organization referred to as the Council of American Building Officials. The single national building code crops up periodically in one or another of the various government agencies. You will recall Mr. John Robertson served us well by reporting on the activities of the many government groups concerned with building in Washington. You are all aware of the industry's loss in the death of John during the past year.

The committee has given considerable attention to federal legislation before the House or the Senate affecting building construction, some which have already passed both groups. Some of the laws could be very detrimental to the use of gypsum products, some might result in higher cost to the industry by requiring in-plant inspection. It is apparent in the discussion of these items, the industry needs a permanent full-time employee in Washington, D.C. to carry on the work John Robertson pursued for the Association, expanding it in much greater detail to protect the interests of the gypsum manufacturers.

The California State Building Code and State Fire Marshal regulations continue to give us a great deal of concern and take much of our time. It would appear part of the problem will be solved in that the State of California

is adopting the 1973 edition of the Uniform Building Code which by reference will include the 1973-74 Fire Resistance manual. All of the generic constructions will be approved by the State and also by the State Fire Marshal's office. It will still be necessary for individual manufacturers to maintain listings under the State Fire Marahal's regulation on proprietary systems. Again, here is specific savings to the industry as individual listings by manufacturers as well as those for the Gypsum Association cost $35 to $75 each. Such costs will now be eliminated for over 100 assemblies listed as generic in the Fire Resistance manual.

In the past we have reported the State of Texas has a statute that could ultimately be very costly to the industry. At the moment, it is not mandatory nor has it been funded. However, it is law and ultimately may force us to run fire, sound and structural tests of gypsum materials and assemblies with gypsum products in the State of Texas at state facilities for sale of those products in the State of Texas. In a word, it may be necessary to run tests at Underwriters' Laboratories or Ohio State for sale of an assembly all over the country but still have to duplicate the test in Texas to sell the same assembly in that state. I'm sure your building code personnel have informed your management people in the State of Texas to be alert for any further developments of this law.

North Carolina, through the State Fire Marshal, continues to refuse acceptance of fire tests other than those made at Underwriters' Laboratories. This, of course, makes it very difficult to promote shaft wall assemblies as well as many of the old type X wallboard assemblies tested at Ohio State in North Carolina.

In the general category of city building codes, as previously noted, most major cities do not follow a model code but may alter one, or write a completely new one. New York, Chicago, Los Angeles, San Francisco and others in that category, which provide some of the largest markets for our materials and assemblies, require particular attention in gaining building code acceptance. The Association staff is progressing in obtaining approval of generic assemblies in the Fire Resistance manual as distinguished from individual manufacturer's assemblies.

During the past year, due to a number of widely publicized fires in high rise buildings with loss of life in some and a great loss of property in nearly all, a special committee sponsored by the building officials of these major cities and, including representatives of fire departments, insurance companies, government officials, reviewed requirements of these high rise buildings and developed improvements in fire resistive requirements that would reduce loss of life and property. This had led to changes in building

codes requiring sprinklers in high rise buildings combined with a "trade off" in the fire resistive requirements to compensate the building owner for putting in the sprinklers.

A task force of the Association including the chairmen of the Building Code, Technical and Promotional Committees and two staff members have considered this question at some length. It would appear there is no chance to combat the use of sprinklers and to resist directly the trade-off of fire resistance which is loosely referred to as a reduction of one-hour in the fire resistive requirements throughout the building.

It would appear, however, that tied in with the sprinkler system the building and fire officials are talking about highly protective areas, a one-hour enclosure around the exit from elevators on every floor to protect people getting on or off the elevator from a fire on any floor and giving more attention to smoke towers and stairwells. We believe this would result in the use of more gypsum material and compensate to some extent for the trade-offs. Of greater importance, the requirements for increased resistance to sound transmission in high rise buildings will compensate for the trade-offs which reduce gypsum by requiring more gypsum in the assemblies to provide the sound resistance required.

The task force discussion brought out three points: First, a need for guidance from the Association members as to the comparative importance of different products, of different types of buildings and different constructions in the demand on gypsum production facilities. Actually, this is also important to the Building Code, Technical and Promotional Committees. Second, various Technical and Building Code Committee members should prepare articles on "balanced fire protection" that could be turned over to the Promotional Committee to polish up and to get wide distribution of such articles in technical and trade magazines as those going to building officials, fire fighter personnel and architects, as well as to fire insurance companies. These would stress compartmentation for protection, fire resistance built around elevators, additional provisions for smoke control and so on, in addition to sprinklers. Third, the questions of sufficient importance to the use of gypsum products in high rise buildings to go further and pay for a professional public relations program.

Finally, the Building Code Committee has become most concerned with its inability to convince the membership of the need for standard marking on gypsum building board products by all member companies. The Chairman of the committee made a strong recommendation to the Manufacturing & Mining Committee to consider this matter at their meeting

just prior to the annual meeting which, in summary, emphasized the need to face mark all board with the thickness and type core, the ASTM and Federal Specifications applicable; to develop some sort of an industry quality control program similar to that of American Plywood Association; and to expedite such action as more evidence comes to light each month of requirements from model code groups, state code officials and city codes of the need for easy product identity and the inference of "third party" inspection, that is, somebody besides the Building Department and the manufacturer having to certify the materials meet the code requirements.

Due mainly to the acceptance of our Fire Resistance manual by ICBO and the resultant savings of listings and fees, you will find that the Building Code budget has been reduced over $3,000. This is a giant step which we hope will lead to more savings for the Association and its membership.

Respectfully submitted,

C. E. Abbey

C. E. Abbey
Chairman

REPORT OF THE
TRAFFIC COMMITTEE
TO THE MEMBERSHIP
MARCH 9, 1973

The Traffic Committee held its Spring meeting in Phoenix, Arizona on February 14-15, 1973, jointly with the Materials Handling Committee. Both meetings were well attended.

CAR SUPPLY - CAR SERVICE ORDER 1119

General car supply has become an increasing burden to the shipping public, particularly since the sale of grain to the Russians. Reports of loaded cars backing up at various sea ports, waiting for unloading into ships, have been on the increase recently, resulting in embargoes at these ports. Car shortages are being reported in many parts of the country, in varying degrees, some quite critical.

As a result, the I.C.C. issued Car Service Order No. 1119 - Demurrage on Freight Cars, effective Monday, February 5, 1973. The I.C.C. stated that due to the acute shortage of all types of railroad-owned freight cars throughout all sections of the country, and the inability of carriers to furnish an adequate supply of freight cars to shippers, it was necessary to impose this car order. It is aimed at one particular problem, namely, the practice of shippers ordering, placing and holding cars for loading, then returning the cars to the carriers without being used in transportation service.

Obviously this practice immobilizes large numbers of cars needed by shippers for transportation of other freight.

As a result, Car Service Order 1119 provides that all cars placed on orders to railroads, and not used in transportation service, will be subject to demurrage charges for detention, including Saturdays, Sundays and holidays, from actual or constructive placement until released, with no free time allowance.

Charges will be $10.00 per car per day for the first two days, $20.00 per car per day for the next two days, and $30.00 per car per day for all subsequent detention.

If a car is placed and found to be unsuitable for loading it may be rejected by the shipper upon proper notification to the carrier within 24 hours and not be subject to these demurrage provisions.

If a car is ordered, placed and subsequently loaded, regular demurrage rules will apply.

This order will expire on June 30, 1973, unless sooner cancelled, changed or extended.

UNIFORM CLASSIFICATION COMMITTEE DOCKET 316, SUBJECT 16

This was a proposal by the railroads to amend Rule 27, Section 1, of the Uniform Freight Classification to outline the consignee's responsibility for unloading rail cars.

Proposal was to provide specific wording to the effect that burden of responsibility to remove lading, blocking, bracing, strapping, paper or debris of any kind not a part of the car or its equipment, from specifically named rail car types, including flat cars and box cars.

Subject received objections from various carrier and shipper representatives after having been approved by the committee. Proposal was subsequently withdrawn by the proponent and dropped from their docket.

ASSOCIATION RAIL EQUIPMENT STATISTICAL PROGRAM

The "Defective Flat Car Report Form" (DFCR - 71) was developed as a statistical method for the Association to compile information and keep track of the condition of rail equipment used in our industry.

Since the program was initiated, there has been a somewhat lackadaisical attitude shown by the plants in preparing these forms and in sending them to the Gypsum Association for collating. As a result, there have been few, if any, meaningful statistics deriving from the program.

In order to get the program moving, each member of the Traffic and Materials Handling Committees has instructed their respective plants in the proper method of preparing the forms and in sending them to the Association.

Copies of the defective reports are then forwarded to the respective railroads. Such prodding of the railroads, hopefully, will result in our receiving better and more serviceable rail equipment. In addition, fewer car defects will decrease damage to our lading and result in fewer freight damage claims.

GENERAL RAIL FREIGHT RATE INCREASE - EX PARTE 281

This subject was reported at the previous membership meeting. Summarizing briefly, the I.C.C. approved a 2 1/2% emergency surcharge on all rail shipments on February 5, 1972. The rail carriers subsequently applied for a permanent selective increase ranging up to 10% to become effective on May 1. This proposal was suspended by the I.C.C., and the 2 1/2% surcharge was permitted to remain in effect during suspension. On October 4, 1972, the Commission announced its decision, permitting permanent selective increases lower than originally requested, namely, 4% within the South, 5% within the West, 6% within the East, and 6% applying between the various territories, with specific restrictions on certain commodities. This Commission order was designated Ex Parte 281-B, and became effective October 23, 1972. Waste paper, a major raw material in the manufacture of gypsum board paper, was restricted to not more than 3%, but this was subsequently suspended by the I.C.C., and rates on waste paper are presently not subject to Ex Parte 281-B increase.

Almost immediately after Ex Parte 281-B became effective, the nation's rail carrier officials held meetings aimed at determining the extent of future revenue needs. After numerous meetings and considerable dialogue between the carriers, the Western and Southern railroads agreed to file for a 2% emergency surcharge. The Eastern railroads declined to participate in the proposal.

On January 22, 1973, the Southern and Western railroads petitioned the I.C.C. to approve a 2% emergency surcharge to apply on traffic moving from, to, and within the Western and Southern districts, but not within the Eastern district. The proposed surcharge was not to apply on goods being transported for recycling, and was to become effective in not less than 45 days. The Interstate Commerce Commission docketed the proposal as Ex Parte No. 292.

On February 16, 1973, the I.C.C. denied the railroads petition for a 2% emergency surcharge. The decision was made without prejudice to the carriers filing a request for a permanent increase. A general rate increase proposal would have to be accompanied by proper justification and the submission of evidence meeting the precise standards required by the Interstate Commerce Commission.

EX PARTE 290 - PROCEDURES GOVERNING RAIL CARRIERS GENERAL INCREASE PROCEEDINGS

This is a rule-making proceeding initiated by the Interstate Commerce Commission, by order served December 6, 1972, for the announced purpose of spelling out specifically the minimum evidence it will require railroads to file whenever they seek a general freight rate increase.

Since an I.C.C. decision in 1970, the railroads have been allowed to determine and submit what they consider to be sufficient evidence at the time of their initial rate-increase filing.

In 1971, the I.C.C. promulgated its decision in Ex Parte MC-82, New Procedures in Motor Carrier Revenue Proceedings. This decision concerned specific rules and provisions for motor carriers to follow regarding their filing of general freight rate increase proceedings. The proposed rules of Ex Parte 290 go beyond the rules put forth in Ex Parte MC-82. All railroads will be respondents to these proceedings.

Under the proposed rules, new schedule forms are to be completed by the railroads. These forms will include data covering financial and revenue need, including a funds flow analysis, cost and revenue data, employment, wage, productivity and rate data, affiliate data (transactions with parent, subsidiary of affiliate companies), and data regarding compliance

with Ex Parte 200, Special Procedures for Tariff Filings Under the Wage and Price Stabilization Program.

Procedural dates have now been determined and announced by the Commission. Initial briefs are due on March 29, 1973 and replies are due April 30, 1973.

GENERAL MOTOR CARRIER RATE INCREASES

This subject has been reported in the past and is the final round of the motor carrier freight rate increases expected under the present teamsters contract. This contract became effective on April 1, 1970 and expires June 30, 1973, and is entitled, "National Master Freight Agreement Covering Over-the-Road and Local Cartage Employees of Private, Common, Contract and Local Cartage Carriers".

It is anticipated negotiations will commence in earnest very shortly since the Chicago group has already been in negotiations and is expected to announce their settlement shortly.

Every six months the motor carriers have filed for freight rate increases to offset the wage increases resulting from the national agreement. The increases shown below, for the major common carrier rate bureaus, reflect the last rate increase required as an offset to the present contract, and indicate the bureau name, effective date and truckload percentage increase.

Central States Motor Freight Bureau -
January 4 - 1%

Central and Southern Motor Freight Tariff Association -
January 2 - 2%

Eastern Central Motor Carriers Association -
January 2 - 1 1/2%

Middlewest Motor Freight Bureau -
January 2 - 1%

Middle Atlantic Conference -
January 2 - 2%

New England Motor Rate Bureau, Inc. -
January 29 - 1% *

* Suspended by the I.C.C., without prejudice to filing for a lower percentage increase on LTL, but none on truckload.

Niagara Frontier Tariff Bureau, Inc. -
January 2 - 2%

Pacific Inland Tariff Bureau, Inc. -
January 11 - *

* No increase sought on Truckload, only LTL.

Rocky Mountain Motor Freight Bureau, Inc. -
January 2 - 1%

Southern Motor Carriers Rate Conference -
January 16 - 2%

INTRASTATE MOTOR CARRIER RATE INCREASE - TEXAS

On February 6, 1973, the Building Material Carriers Bureau, Inc. filed application with the Railroad Commission of Texas to increase the present rates applicable on gypsum products within the State of Texas. The Building Material Carriers Bureau, Inc. is a newly formed organization, representing the specialized, limited, common, and contract motor carriers operating within Texas, and hauling the various gypsum products manufactured by the gypsum industry in Texas.

This rate increase application seeks to increase the present rates published in RCT Tariff No. 4. This tariff contains rates, rules, regulations and charges applying on the transportation of various gypsum products as named therein.

The carriers state the increase is necessary for two reasons, first, the present rates are non-compensatory due to the increase in the cost of operation. Secondly, the carriers point out that when the scale of rates was first established about 1960, the average haul was under 350 miles, and the rates for distances over 350 miles just barely covered operating costs. They point out that during the last five years, due to increased use of gypsum products and the increased competition between gypsum companies, gypsum shipments have increased in distance and the use of rates for greater distances have increased, resulting in lower per mile revenues to the carriers. Further, they point out that, since 1965, they have had only one general increase of 5%, in 1969.

On November 8, 1971 a proposal was initiated to increase the rates in Tariff RCT No. 4, but was finally denied by the Texas Commission on December 7, 1972.

The present application seeks approximately a 4% over-all increase, is docketed as RCT No. 19159-T, and is now pending before the Texas Commission.

A further report covering industry transportation subjects of interest will be made at the annual meeting.

Respectfully submitted,

John D. Friedlein

John D. Friedlein
Chairman

REPORT OF THE

MATERIALS HANDLING COMMITTEE

TO THE MEMBERSHIP

MARCH 9, 1973

The Materials Handling and Traffic Committees met in a combination two-day schedule on February 14 and 15 at Phoenix, Arizona.

Continuing as for the past two years, the most important and time-consuming item on the Materials Handling Committee agenda was the program for establishing mandatory loading rules for flat bed railroad cars which is being co-operatively conducted by the Association of American Railroads and the Gypsum Association. This and other significant items reviewed at the meeting are summarized in the following:

ASSOCIATION OF AMERICAN RAILROADS - GYPSUM ASSOCIATION FLAT BED RAILROAD LOADING RULES

In August 1972, the Loading Rules Committee of the AAR suggested that the Gypsum Association and the AAR meet jointly during their scheduled industry meeting the first week in October 1972 at Chicago. The purpose of the joint meeting was to discuss the results of the load test program covering over-the-road test cars of gypsum board on conventional type flatcars.

The results of the meeting were disappointing in that the AAR representatives were poorly prepared. We were unable to obtain AAR acceptance of our proposal at that time due to some side shifting of test cars shipped primarily from two plants. At this meeting, our materials handling training film was shown for the first time.

A future joint meeting was tentatively agreed to with the AAR requesting that we prepare drawings of a unit load concept and also a mixed crosswise and lengthwise load. A date for the joint meeting was finally set for January 10 with a preliminary Gypsum Association Committee Meeting in Chicago on December 6 and 7.

As a result of our December committee meeting, we prepared and sent a letter to the AAR containing the following important points:

(1) The load test results using the proposed 4" dunnage and lift spacers, and 1/2" x .031 steel strapping showed conclusively that this method of loading was entirely satisfactory without modification.

(2) Our training program using our new film was just being started and was expected to result in improved loading, particularly at locations which experienced some failures.

(3) Requested that the AAR issue a circular letter covering our submittals for both cushion underframe and standard cars for dissemination to the railroads.

(4) Postpone our joint meeting and review probably six months in order to fully evaluate the effectiveness of the current training program.

(5) Asked the railroads to cooperate by supplying information in the interim, specifically:

A. Loading deviations by shipping plants.

B. Cars reported with excessive shifting as reported at interchange or other check points.

C. Report of the physical condition of cars shifted, noting any deficient bulkheads and bolsters.

The reply from the Loading Rules Committee did not in any way answer our request, but instead asked for another joint meeting on February 13, 14 and 15 and requested our review of a proposed specification for 50 experimental unitized loads.

At our February meeting we prepared a reply to the AAR Loading Rules Committee, agreeing to a future joint meeting only after the AAR presented specific data on recent shipments as we had previously suggested.

The committee also prepared a letter, which has been sent to railroad executives, reviewing our cooperative tests and meetings held with the AAR Loading Rules Committee, and requested their cooperation in providing equipment in proper condition. We also pointed out the possible consequences of our failure to reach a satisfactory economic solution to our proposal.

It is felt that many of the executives of railroads with which the gypsum industry deals are unaware of the actions of their subcommittee.

A detailed review of the material and labor cost penalties involved with carrying out the AAR proposed unitizing of loads amount to $30-58 per load, depending on the composition of the load.

The Traffic and Materials Handling Committees unanimously feel that postponing the joint GA-AAR meeting is all in our favor if we carry out our loading properly.

MATERIALS HANDLING TRAINING FILM

The Gypsum Association training film has been enthusiastically received, not only by members of the Association but also by a number of other related organizations. Fifty-two copies of the film have been sold to date.

MATERIALS HANDLING SAFETY PROGRAMS

The materials handling safety programs were discussed and reviewed with up-to-date OSHA activity, including the proposed heating requirements for warehouses. Cooperative assistance with the Safety Committee in the preparation of a proposed lift truck training film was also discussed.

MATERIALS HANDLING MANUAL

A number of significant revisions to the Materials Handling Manual were reviewed. These included:

(1) A thorough revision of the boxcar loading section, condensing the current twenty-two page section to seven pages. This is being done to reduce the emphasis on boxcar loading and permit increased space on more important items such as truckloading and safety.

(2) A new section has just been issued covering gypsum board job handling practices and equipment guidelines. This section will be further expanded in future committee activities.

(3) The section showing the use of the plastic wedge was also revised and a revised index replaces the previous one.

IMPROVED MATERIALS HANDLING PROCEDURES

Items of interest on the agenda include:

(1) Truck Loading Diagram for Gypsum Paper Rolls. Various company diagrams showing the methods used for tie-down of paper rolls in transit are being studied in order to develop an ideal method for future publication in the Materials Handling Manual.

(2) Truck Loading of Pails for Joint Compound. Several alternate methods of handling pails by truck and rail are under consideration. It is evident that pails are not being satisfactorily transported and further review and action in this area are planned.

(3) Improved Fork Truck Specifications which would maintain the quality and safety of the fork at lower cost are being studied by the committee.

(4) Change in Flat Car Specifications - showing tie-down devices in better location for properly carrying out carloading is under consideration for future committee action.

(5) Application of Federal Highway Safety Regulations (Docket No. MC-12) to the transportation of gypsum products is under study including correspondence from the U.S. Department of Transportation, Federal Highway Administration and the Bureau of Motor Carrier Safety.

The Department of Transportation advises they will review any standard proposed to secure gypsum products for compliance with the requirements of Section 393.85.

SUMMER-FALL MEETING

The next meeting of the joint Traffic and Materials Handling Committees will be held during late August in the Denver, Colorado area. The meeting has been moved up from September in order to allow time to prepare committee reports before the semiannual meeting.

Additional current significant materials handling subjects will be discussed at the annual meeting.

Respectfully submitted,

E. R. Kiehl

E. R. Kiehl
Chairman

REPORT OF THE
SAFETY COMMITTEE
TO THE MEMBERSHIP
MARCH 9, 1973

The Safety Committee met on February 28, 1973 and the third consecutive safety seminar was held the following day.

This industry's accident prevention results for 1972, based on information reported by the 73 participating plants in the Gypsum Association Safety Contest, showed a total of 118 disabling injuries reported in 1972 as compared to 102 such injuries in 1971. Since the increase in the number of disabling injuries was disproportionate to the increase in industry man-hours, the frequency rate rose from 4.75 injuries per million man-hours in 1971 to 4.94 such injuries in 1972.

The committee, in analyzing this adverse trend, was encouraged by the fact that 40% (29) of the member plants remained accident-free in 1972 and that a record of seven consecutive accident-free years had been established by employees of the United States Gypsum plant at Heath, Montana.

INDUSTRIAL SAFETY MANUAL

The second edition of the Gypsum Association "Industrial Safety Manual" is complete and the committee encourages all member companies to place copies of this manual in the hands of their operating managers, front-line supervisors, safety coordinators, committeemen and others who bear responsibility for their plant safety program.

SAFETY BULLETIN AND FLEET SAFETY NEWSLETTER

The committee encourages the continued contribution of safety related articles from industry personnel, but will endeavor to expand the scope of the bulletin by including relevant OSHA and Bureau of Mines developments, as well as an improved interchange of information on industry accidents and the preventative measures employed to prevent reoccurrence. The committee will once again explore the development of an Industry Fleet Statistical program. More on this in my oral report.

SAFETY POSTERS AND STICKERS

The photographic format utilized for the 1973 safety posters will be repeated for the 1974 series as the committee feels that the photographic posters make an excellent visual impact. A new hard-hat and fleet bumper decal program is also under committee consideration.

ASSOCIATION SAFETY CONTEST

The committee is currently reviewing the accident reporting procedures used by the plants in reporting under the Association Safety Contest program. Presently, the contest is based on the ANSI Z 16.1 standard. Since one member company has discontinued reporting under ANSI Z 16.1 in favor of OSHA reporting methods - effective January 1, 1973, the committee has moved that member company reporting procedures for the contest year 1973 can be based on either ANSI Z 16.1 or OSHA Reporting Standards. Further, 1974 is the target year for changing the Association Safety Contest program from ANSI Z 16.1 to OSHA, pending certain clarification of this method of reporting. The Association is also requesting that the National Safety Council provide some leadership in the transitional period from ANSI to OSHA reporting procedures.

INDUSTRIAL HYGIENE

The committee is currently studying the anticipated impact of federal regulations dealing with noise, heat, dust, carbon monoxide and other work place hazards currently under investigation by the National Institute for Occupational Safety and Health. Committee assignments have been made to study heat and noise. Such comments will be forwarded to the Association for Manufacturing and Mining Committee

consideration and handling with appropriate OSHA advisory committees. The Safety Committee also recommends that the Association conduct a study of joint compound treatment manufacture and application to determine effects of asbestos content on the worker. I will report more on this in my oral report.

FEDERAL LEGISLATION

The Bureau of Mines accident reporting requirements which became effective on January 1, 1973 under the federal Metal and Non-metallic Mine Safety Act have been reviewed by the committee and it is the consensus that the reporting requirements will apply only to those operations with mine or quarry facilities and then only to the point of calcination.

House Bill 1720, an act to repeal the "Metal and Non-Metallic Mine Safety Act," introduced during the current legislative session, proposes transferring the responsibility for metal and non-metallic mine safety operations from the Bureau of Mines to the Occupational Safety and Health Administration. The committee has moved that the Association take action to oppose the passage of this bill.

SAFETY TRAINING FILM

The committee reviewed a number of film proposals in connection with the production of a 16 mm color/sound film dealing with fork truck safety. The firm of Mode-Art Pictures, Inc., Pittsburgh, Pennsylvania, which produced "Safety Zone" for the Association in 1963, has been selected by the committee to produce this film, pending approval by the Board of Directors. A budget in the amount of $20,000 is requested by the committee to finance this proposed production.

SAFETY SEMINAR

On the day following the Safety Committee meeting, March 1, 1973, an accident prevention seminar was conducted in Jacksonville, Florida for 45 representatives from 5 gypsum plants in the immediate vicinity. A case history workshop presentation of accident situations common to the industry was received with favorable comment from those in attendance.

To round out the program, a representative of the regional OSHA office addressed the group and concluded his presentation with an informative question and answer period. This type of safety seminar will be repeated following the committee's fall meeting.

The next meeting of the Safety Committee is scheduled for the Cleveland, Ohio area on September 19, 1973 with a seminar for area plants on September 20, 1973.

Respectfully submitted,

J. H. Walton, Chairman
Safety Committee

REPORT OF
GYPSUM ASSOCIATION SAFETY CAMPAIGN
FOR THE
TWELVE-MONTH PERIOD ENDING DECEMBER 31, 1972

Presidential

All establishments with an exposure for the twelve-month period of over 380,500 or more man-hours:

Plants	Total Plant Rating
United States Gypsum Company, Plaster City, California	-0-
United States Gypsum Company, Fort Dodge, Iowa	-0-
United States Gypsum Company, Gypsum, Ohio	-0-
United States Gypsum Company, Jacksonville, Florida	-0-
United States Gypsum Company, Southard, Oklahoma	-0-
United States Gypsum Company, Sweetwater, Texas	-0-
United States Gypsum Company, Shoals, Indiana	-0-
Gold Bond Building Products, Division of National Gypsum Company, Fort Dodge, Iowa	-0-
Georgia-Pacific, Gypsum Division, Acme, Texas	1.79
United States Gypsum Company, River Rouge, Michigan	2.56
Gold Bond Building Products, Division of National Gypsum Company, Savannah, Georgia	3.91
United States Gypsum Company, Staten Island, New York	4.27
Gold Bond Building Products, Division of National Gypsum Company, Shoals, Indiana	4.64
United States Gypsum Company, Stony Point, New York	6.96
Gold Bond Building Products, Division of National Gypsum Company, Clarence Center, New York	9.03
Georgia-Pacific, Gypsum Division, Brunswick, Georgia	9.42
United States Gypsum Company, Oakfield, New York	10.29
Gold Bond Building Products, Division of National Gypsum Company, Baltimore, Maryland	14.52

Citation

All establishments with an exposure for the twelve-month period of over 310,400 but less than 388,500 man-hours:

Plants	Total Plant Rating
United States Gypsum Company, Saltville, Virginia	-0-
Gold Bond Building Products, Division of National Gypsum Company, Bronx, New York	-0-
The Celotex Corporation, Port Clinton, Ohio	-0-
United States Gypsum Company, East Chicago, Indiana	-0-
United States Gypsum Company, Norfolk, Virginia	-0-
United States Gypsum Company, Philadelphia, Pennsylvania	-0-
The Flintkote Company, Sweetwater, Texas	-0-
Gold Bond Building Products, Division of National Gypsum Company, National City, Michigan	-0-
The Celotex Corporation, Fort Dodge, Iowa	-0-
United States Gypsum Company, Baltimore, Maryland	-0-
Kaiser Gypsum Company, Inc., Delanco, New Jersey	-0-
Gold Bond Building Products, Division of National Gypsum Company, Rotan, Texas	2.81
Gold Bond Building Products, Division of National Gypsum Company, Medicine Lodge, Kansas	2.89
Georgia-Pacific, Gypsum Division, Fort Dodge, Iowa	5.34
The Flintkote Company, Camden, New Jersey	6.37
The Flintkote Company, Las Vegas, Nevada	8.56
Gold Bond Building Products, Division of National Gypsum Company, Westwego, Louisiana	9.05
Georgia-Pacific, Gypsum Division, Akron, New York	12.03

Triumph

All establishments with an exposure for the twelve-month period of over 241,000 but less than 310,400 man-hours:

Plants	Total Plant Rating
Gold Bond Building Products, Division of National Gypsum Company, Tampa, Florida	-0-
The Celotex Corporation, Hamlin, Texas	3.26
Kaiser Cement and Gypsum Corporation, Jacksonville, Florida	3.27
Georgia-Pacific Corporation, Gypsum Division, Blue Rapids, Kansas	3.54
The Flintkote Company, Savannah, Georgia	3.68
Gold Bond Building Products, Division of National Gypsum Company, Waukegan, Illinois	3.75
United States Gypsum Company, Empire, Nevada	3.95
Georgia-Pacific Corporation, Gypsum Division, Sigurd, Utah	4.12
Georgia-Pacific Corporation, Gypsum Division, Grand Rapids, Michigan	6.91
Gold Bond Building Products, Division of National Gypsum Company, Burlington, New Jersey	7.05
Kaiser Cement and Gypsum Corporation, Antioch, California	7.21
United States Gypsum Company, Charlestown, Massachusetts	7.35
Kaiser Cement and Gypsum Corporation, Long Beach, California	10.28
Texas Gypsum Company, Inc., Irving, Texas	11.44
American Gypsum Company, Albuquerque, New Mexico	16.56
Gold Bond Building Products, Division of National Gypsum Company, Portsmouth, New Hampshire	18.61
Georgia-Pacific Corporation, Gypsum Division, Wilmington, Delaware	27.04
Georgia-Pacific Corporation, Gypsum Division, Buchanan, New York	28.73

Peerless

All establishments with an exposure for the twelve-month period of less than 241,000 man-hours:

Plants	Total Plant Rating
United States Gypsum Company, Sperry, Iowa	-0-
The Celotex Corporation, Edgewater, New Jersey	-0-
The Celotex Corporation, Cody, Wyoming	-0-
Gold Bond Building Products, Division of National Gypsum Company, Long Beach, California	-0-
United States Gypsum Company, Alabaster, Michigan	-0-
Georgia-Pacific Corporation, Gypsum Division, Lovell, Wyoming	-0-
United States Gypsum Company, Sigurd, Utah	-0-
United States Gypsum Company, Santa Fe Springs, California	-0-
United States Gypsum Company, Heath, Montana	-0-
United States Gypsum Company, New Orleans, Louisiana	4.21
Gold Bond Building Products, Division of National Gypsum Company, Richmond, California	6.97
Grand Rapids Gypsum Company, Grand Rapids, Michigan	8.59
United States Gypsum Company, Galena Park, Texas	9.94
Gold Bond Building Products, Division of National Gypsum Company, Lorain, Ohio	12.47
The Flintkote Company, Fremont, California	12.82
Gold Bond Building Products, Division of National Gypsum Company, Phoenix, Arizona	13.65
Gold Bond Building Products, Division of National Gypsum Company, New Haven, Connecticut	20.89
Kaiser Cement and Gypsum Corporation, Seattle, Washington	22.31
Temple Gypsum, Inc., West Memphis, Arkansas	25.87

GYPSUM ASSOCIATION SAFETY CAMPAIGN FREQUENCY RATE FIGURES BY CLASSES FOR TWELVE MONTHS - 1972

	Total Number Man-Hours	Total Number Accidents	Frequency Rates
Presidential	9,141,330	32	3.50
Citation	6,245,180	16	2.56
Triumph	5,000,578	46	9.20
Peerless	3,499,742	24	6.86
Totals	23,886,830	118	4.94

REPORT OF THE

MANUFACTURING AND MINING COMMITTEE

TO THE MEMBERSHIP

MARCH 9, 1973

The Manufacturing and Mining Committee continues its schedule of one meeting per year occurring on the day prior to the annual meeting of the Association membership. As a result, this report anticipates to some extent actions of the committee which will be taken prior to the annual meeting, but following the actual preparation of the report.

It seems appropriate to observe that the activities of this committee are more and more in response to, or in anticipation of, legislative action or administrative rule-making by State and Federal governmental bodies. It is, of course, in this area that Association actions, as opposed to actions by individual companies, are particularly effective.

ENVIRONMENTAL PROTECTION

The Federal Environmental Protection Agency is currently examining the gypsum industry with a view to setting air emission standards. Certain data has been submitted to this agency and plant visits to four locations, representing the facilities of three companies, occurred during December for the purpose of giving Process Research Inc. - contractors to EPA - essential information with regard to the industry, its requirements, and its capabilities. At this point, emission standards have not yet been published. A report covering this study is expected in early April 1973.

At an earlier date, similar treatment was accorded to Sverdrup & Parcel, also contractors to the EPA, in connection with water discharge standards. Some activity is currently being carried on in this area, but, again, no standards have been issued and the committee continues to monitor this activity. The current situation is that the gypsum industry has been divorced from the flat glass, cement and asbestos industries, and will be considered separately at a later date. We believe this to be a favorable development.

LAND PRESERVATION AND RESTORATION

On March 27 and 28, 1973, a meeting will be held in Fort Dodge, Iowa, for member companies having operations or holdings in the area to discuss plans for land reclamation with the expectation that both the companies and the community will benefit by cooperative planning and action. At the same time, consideration of necessary activity in response to new zoning ordinances passed by Webster County will be considered. A verbal report on the actual results of the meeting will be made to the membership on April 4.

OCCUPATIONAL SAFETY AND HEALTH

Following a procedure which was approved by the Directors in October, the Association presented a statement of position to OSHA in connection with the setting of new standards on sanitation facilities for manufacturing establishments. The actual presentation was handled by H. E. Beard of The Flintkote

Company. Final standards in this area have not yet been published.

We are currently following the progress of committee deliberations on rules regarding heat stress, as well as activities leading up to new rules on noise and fire protection. It is anticipated that an Association position should be taken in both of these areas at the appropriate time.

In a recent development, the repeal of the Federal Metal and Non-Metallic Mine Safety Law has been proposed, with the transfer of those activities formerly handled by the Bureau of Mines to the Labor Department for handling by OSHA. It is probable that the Association will wish to take a position against this move when a hearing on the proposition is announced.

FEDERAL POWER COMMISSION

On February 28, the Association presented a position paper to the Federal Power Commission in connection with the establishment of priorities for the use of natural gas which was then being considered. Here again, the procedures approved by the Directors in October 1972 were put to use. The nature of the final priorities established by the Power Commission are not known at this writing.

MATERIALS HANDLING LIAISON

The Manufacturing and Mining Committee continues its support of the Materials Handling Committee, particularly in connection with emphasis on achieving full conformance with loading standards and practices necessary to protect the flat-car loading methods which the Association believes are proper for loading of our products and which the Association of American Railroads has been pressuring us to replace with substantially more costly procedures. All members are requested to continue their efforts to insure 100% conformance to the presently approved procedures by all manufacturing locations.

PENDING LEGISLATIVE MATTERS

The committee is currently monitoring legislation being proposed in Ohio to regulate strip mining locations in the non-coal industry.

We are also watching a possible bill in Indiana to levy a tax on mining operations conducted on state-owned land.

SB 425, a Federal bill to regulate surface mining by requiring permits and performance bonds is in the works and under close surveillance by the committee.

Once again, the State of Indiana is attempting to fund the Indiana Geological survey by assessing a severance tax on the mineral industries (HB 1600). The Indiana plant managers

and Association staff are on top of this situation and the bill is presently jammed in the Indiana House Ways and Means Committee where it is anticipated it will die.

In a move to support our activities in response to legislation of a nature discussed here, the committee has prepared a legislative profile which identifies state and federal legislators in the areas where Association members' plants are located, as an assist to identifying individuals whom we might wish to contact. Also, a calendar of state legislature schedules has been published.

FUTURE COMMITTEE MEETINGS

A report on this subject and other activities of the Manufacturing and Mining Committee will be made at the annual meeting.

Respectfully submitted,

W. W. Holloway,
Chairman