AGENDA
MEETING OF THE MCA EXECUTIVE COMMITTEE
9:00 a.m. (EDT), Wednesday, September 14, 1971
The Links Club, New York City

1. Secretary-Treasurer's Report for three months ended August 31, 1971.
2. Recommendation to terminate the Reactive Metals Group, and report on the formation of an independent association by ferroalloy producers.
3. Proposed MCA Statement concerning S. 1478 and Amendment Number 338 to the Federal Hazardous Substances Act.
4. President Nixon's Economic Program.
5. Proposed Rules of Organization and Procedure for the Education Activities Committee.
6. Liability Insurance for CHEMTREC Program -- Request for Budget Supplement to finance this expenditure.
7. Transportation and Distribution Committee Proposal for Tank Car Assessment of Member Firms.
8. Transportation and Distribution Committee Request for an increase in its membership limitation from 36 to 50.
9. Government Relations Committee Operations.
10. Administrative Matters.

MINUTES OF MCA EXECUTIVE COMMITTEE
The Links Club, New York City
Tuesday, September 14, 1971

Following breakfast at 9:00 a.m., the meeting was called to order by Chairman Dawson.

There were present:	David H. Dawson, Chairman	
	L. G. Bliss	James E. Magoffin
	Edward J. Bock	(for Harry D. McNeeley)
	John W. Brooks	Max A. Minnig
	Fletcher L. Byrom	George W. Russell
	John T. Connor	F. Perry Wilson
	William J. Driver	Charles S. Munson
	T. G. Hughes	Bruce M. Barackman
General Counsel:	Lloyd Symington	

1. Financial Report for Three Months Ended August 31, 1971. Mr. Barackman reported that income for the three-month period ended August 31 was $1,606,129. This is 87.5 percent of the estimate of total income for the entire fiscal year, which is normal for this time of year inasmuch as income from Investments, Publications Sales, and General Meetings is earned as the year progresses. All membership fees have been paid; the total collected amounts to 98 percent of the estimate for the entire fiscal year. This shortage is due in large measure to five member company resignations (Chromium Mining and Smelting Corporation; Interlake, Inc.; Ohio Ferro-Alloys Corporation; Roane Electric Furnace Division of Woodward Company, a Division of The Mead Corporation; and J. R. Simplot, Company, Minerals and Chemical Division). Expenses for the three-month period were $384,280 which is 81 percent of the prorated expense budget. In addition to these expenses, $4,075 was expended from project funds carried forward from previous years.

2. Recommendation to Terminate the Reactive Metals Group and Report on the Formation of an Independent Association by Ferroalloy Producers. Furnished to those present and summarized by Mr. Driver was a staff recommendation to terminate the MCA Reactive Metals Group. General counsel gave the background leading up to a decision of the producers of ferroalloys to organize a new and separate trade association to represent their special interests. Following discussion, it was agreed to postpone action on this matter pending further developments.

3. Proposed MCA Statement Concerning S. 1478 and Amendment No. 338 to the Federal Hazardous Substances Act. Furnished to those

present was a draft of a proposed statement to be presented on behalf of MCA before the Senate Commerce Subcommittee on the Environment, October 1, 1971. After discussion, during which the proposed statement was modified in certain respects, it was agreed to recommend to the Board of Directors at their meeting later in the morning that the statement be approved as modified by the Executive Committee. It was also agreed that the witness should be one who is technically qualified and that his selection should be left to Mr. Driver. (The witness subsequently designated was Dr. C. Boyd Shaffer of American Cyanamid.)

4. President Nixon's Economic Program. Furnished to those present as a matter of information was a draft of a letter addressed to Chairman Mills of the House Ways and Means Committee in support of the President's four-point tax program. Mr. Driver briefly described its contents as incorporating previously agreed upon MCA positions regarding the investment tax credit and the Administration's DISC proposal.

5. Proposed Rules of Organization and Procedure for the Education Activities Committee. Furnished to those present were proposed rules of organization and procedure of the Education Activities Committee which Mr. Driver reported simplified and restated the purposes of the Committee with reference to the current educational scene. Following discussion, it was agreed to recommend to the Board of Directors that the proposed rules of organization be approved.

6. Liability Insurance for CHEMTREC Program -- Request for Budget Supplement to Finance this Expenditure. Furnished to those present and summarized by Mr. Driver was the recommendation of the staff that the fiscal year 1971-72 budget for CHEMTREC be increased by $25,000 to provide liability insurance up to $10,000,000 which would cover the operations of CHEMTREC for one year. Following discussion, the staff recommendation was approved and it was agreed to recommend to the Board of Directors at their meeting later in the morning that the 1971-72 budget be supplemented by $25,000 to provide funds for such insurance coverage.

7. Transportation and Distribution Committee Proposal for Tank Car Assessment of Member Firms. Furnished to those present and summarized by Mr. Driver was the recommendation of the Transportation and Distribution Committee that the Association approve an additional assessment of member companies of $1 for each owned or leased tank car in chemical service as of January 1, 1971. The resulting yield is expected to amount to approximately $65,000, which would be used to institute litigation before the Interstate Commerce Commission to resolve outstanding issues of tank car mileage allowances. One involves updating of reproduction costs, a factor in determining allowance levels to reflect increases due to inflation. The second related issue involves raising the $25,000 upper value limit arbitrarily

set by the ICC in establishing the value base used in determining allowances. Following discussion, it was agreed to recommend to the Board of Directors that the proposed assessment be approved.

8. Transportation and Distribution Committee Request for an Increase in its Membership Limitation from 36 to 50. Furnished to those present and summarized by Mr. Driver was a request from the Transportation and Distribution Committee that it be authorized to increase its membership from 36 to 50. Following discussion, the consensus was that such an enlargement should be discouraged as decreasing the committee's ability to function effectively. There was a suggestion that perhaps it should even be reduced in size. Mr. Driver was requested meanwhile to confer with staff and committee representatives to develop an alternative approach which would contribute to committee objectives.

9. Government Relations Committee Operations. Mr. Connor described the need for a more effective procedure to assure an input from the Executive Committee in respect to policy aspects and an input from the Government Relations Committee regarding the political considerations in connection with the development and implementation of Association positions in respect to important legislative proposals. He urged more involvement of the Executive Committee through their appropriate company representatives in a follow-up with Members of Congress to effect implementation of Association positions presented to Congress on important legislation. He noted that a typical example where this should be done was S. 1478 and Amendment 338 to the Federal Hazardous Substances Act.

10. Administrative Matters.

(a) Merger of National Agricultural Chemicals Association with MCA. As requested at the June 9, 1971 meeting of the Executive Committee, Mr. Driver reported that he initiated a staff study concerning a merger with NACA, and that while he had no final recommendation to make at this time, his initial feeling toward the proposal was negative. Following discussion, it was agreed to table the matter.

(b) Resignation of Director. Chairman Dawson announced receipt of a letter of resignation from Mr. Marusi which would be presented to the Board of Directors for acceptance at their meeting later in the morning.

(c) Chemical Forum Luncheon. Mr. Driver announced that the first Chemical Forum Luncheon of the new season is scheduled for October 4, 1971, at the Madison Hotel in Washington, D. C.; Assistant Secretary of State for Inter-American Affairs, Charles Meyers, will be the principal speaker; and thirteen ambassadors, as well as several Members of Congress and representatives from the executive department, will attend as guests of the Association.

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

Bruce M. Barackman
Assistant Secretary-Treasurer

Certified correct:

David H. Dawson,
Chairman