

AGENDA
MEETING OF THE MCA EXECUTIVE COMMITTEE
9:00 a. m. (EDT), Tuesday, September 12, 1972
The Links Club, New York City

1. Secretary-Treasurer's Report for three months ended August 31, 1972.
2. Rules of Organization & Procedure for the Committee on Technical Information Retrieval.
3. Rules of Organization & Procedure for Safety and Fire Protection Committee.
4. S. 3832, Industrial Reorganization Act, introduced by Senator Hart.
5. Burke-Hartke Bill (H. R. 10914; S. 2592).
6. Hundredth Anniversary Theme-of-the-Month recognition of Chemical Industry Progress.
7. ACS Unionization.
8. Policy Study -- MCA Overview.
9. Administrative Matters.

MINUTES OF MEETING
MCA EXECUTIVE COMMITTEE
The Links Club, New York City
Tuesday, September 12, 1972

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

There were present: Harold E. Thayer, Chairman
H. Harold Bible
Frederick L. Bissinger
John W. Brooks
Fletcher L. Byrom
Herschel H. Cudd
William J. Driver
Carl A. Gerstacker
Edward R. Kane
Charles S. Munson
Jack B. St. Clair
F. Perry Wilson
James R. Carnes

General Counsel: Lloyd Symington

1. Financial Report for Three Months Ended August 31, 1972.

Mr. Carnes reported that income for the three months ended August 31 was \$1,714,968, approximately \$160,000 less than the budget estimate for the entire fiscal year, but there is every indication that the budget estimate will be realized by the end of the fiscal year. All membership fees for the current year have been paid and there have been no resignations of member firms since the beginning of the fiscal year. Expenses for the three-month period were \$412,628 with all staff departments operating within their operating expense and project budgets.

2. Rules of Organization and Procedure for the Committee on Technical Information Retrieval. Furnished to those present and summarized by Mr. Driver were the proposed Rules of Organization and Procedure for the Technical Information Retrieval Committee, the establishment of which was authorized by the Board of Directors on June 7, 1972. The proposed rules follow the standard format for MCA committee rules, limit committee membership to thirty-five, and have been approved by General Counsel. It was agreed to recommend to the Board of Directors that the proposed Rules of Organization and Procedure be approved.

3. Rules of Organization and Procedure for the Safety and Fire Protection Committee. Furnished to those present and summarized by Mr. Driver were proposed Rules of Organization and Procedure for the Safety and Fire Protection Committee. The proposed rules, which would replace Terms of Reference under which the committee has operated heretofore, follow the approved format for MCA committee rules and would increase the committee membership from eighteen to twenty-five. It was agreed to recommend to the Board of Directors that the proposed Rules of Organization and Procedure be approved.

4. S. 3832, Industrial Reorganization Act, Introduced by Senator Hart. For the information of those present, Mr. Driver summarized the subject bill which has for its stated purpose the breaking up of existing monopoly and oligopoly power in the United States. Under the bill, seven industries, including chemicals and drugs, would each be the subject of a study to determine the degree of economic concentration therein. The bill would also create a rebuttable presumption of unlawful monopoly power on the part of a corporation if certain objective tests of its earnings and share of the market were met. As urged by MCA, the National Association of Manufacturers has agreed to coordinate an industry-wide position on the legislation and called a meeting of representatives of the seven industries concerned for early October. In the meantime, the legislation has been referred to the MCA Legal Advisory, Economic Policy Review, and Government Relations Committees for study. Although plans for hearings during the current session of Congress were announced at the time the bill was introduced, it now appears doubtful that these will materialize.

5. Burke-Hartke Bill (H. R. 10914; S. 2592). At the request of Chairman Thayer, Mr. Wilson described the study made by Union Carbide with reference to this legislation for the purpose of demonstrating the relationship between foreign investments and the resulting increase in exports to countries where such investments have been made. Included were estimates of the related increase in domestic employment. Dr. Gerstacker reported that his company had prepared and distributed to its employees a brochure to show the significant number of jobs provided in the U. S. as the result of such investments abroad. It was the consensus that member companies should exchange any releases which would be useful in developing a combined MCA story for presentation to Members of Congress, as coordinated by the Association's Government Relations Committee and staff.

6. Hundredth Anniversary Theme-of-the-Month Recognition of Chemical Industry Progress. At Chairman Thayer's request, Mr. Driver reported regarding steps being taken by the staff, pursuant to a suggestion by Mr. Siverd of American Cyanamid, to develop a Theme-of-the-Month program in connection with the MCA Centennial for the purpose of dramatizing the contributions of the chemical industry. Present plans provide for

development and forwarding of three such themes at a time to plant managers and CIC contacts for use in their communities. This program could be continued indefinitely and Mr. Driver expects to bring the first three such themes to the Executive Committee's attention at its next meeting.

7. ACS Unionization. For the information of those present, Chairman Thayer summarized reports of activities in connection with recent American Chemical Society meetings and articles in business and trade periodicals indicating vigorous efforts by some members of the Society to bring about unionization of chemists. The ACS Committee on Corporation Associates, which is supported by many MCA member companies, provides an avenue through which the employers' viewpoint may be presented in ACS consideration of such proposals. It was suggested that those present take advantage of a scheduled December 13 meeting of the Committee on Corporation Associates for an appropriate expression of their views. It is especially important that member companies urge influential employees who are members of the ACS to become active participants in the Society's consideration of this and other subjects of importance to the chemical manufacturing industry.

8. Proposal for a New Study of MCA Policy and Objectives. Referring to policy studies conducted by the Board of Directors under the direction of Mr. McCurdy in 1962-63 and Mr. Hannan in 1968-69, Chairman Thayer raised the question as to whether or not another such study should be initiated near the end of the current year. In the discussion which followed, doubts were voiced that there is a substantial present need for such a study and an opinion expressed that it should be deferred for at least one and possibly three years. It was agreed that the Chairmen of the Board Liaison Committees would look into their respective areas to ascertain if a need for such a study is apparent and that the matter would be reviewed at the next meeting of the Executive Committee.

9. Administrative Matters.

(a) Midwest Research Institute, Plastics Research Projects. Alluding to the approval by the Board of Directors at its June 1972 meeting of an allocation of \$25,000 from the Plastics Financial Package for a study of the total impact of plastics on the environment, Mr. Driver reported that the Plastics Committee had learned that the study, which is to be made by Midwest Research Institute, would probably include an analysis of the environmental impact, from production of the raw materials through final disposal, of various plastics when applied to different uses. The Plastics Committee foresees no harmful result from this comparison but desires that the Executive Committee be aware of the probability in the event it might have an objection. Also, a study by Midwest Research Institute sponsored by the Society of the Plastics Industry will probably report as to the environmental impact of plastics compared to that of other container and packaging materials.

While the Executive Committee had concluded at its June 1972 meeting that it would be inadvisable for MCA to undertake the latter comparative assessment, it was the consensus that it would be inappropriate for MCA to oppose such a study under SPI sponsorship and, further, that there would be no objection to the comparative assessment of the environmental impact of various classes of plastics as a part of the MCA study.

(b) Reduction in Annual Meeting Space Allocation by The Greenbrier. Mr. Driver reported that due to actual attendance of less than 800 at the past three Annual Meetings, The Greenbrier proposes to reduce the Annual Meeting space allocation from 900 to 800. The Greenbrier is agreeable, however, to the continued assignment of attendance quotas up to a total of 900 in reliance upon the historically demonstrated number of "no shows." Following a brief discussion during which it was asked whether or not the quota system should be continued, there was a consensus favoring acceptance of the proposed reduction in The Greenbrier space allocation and continuance of the quota system.

(c) Reports by Board Liaison Committee Chairmen. Chairman Thayer recommended that a report concerning the committee activities under his cognizance be made by the chairman of one Board Liaison Committee at each meeting of the Board of Directors. This was agreed to with the understanding that the chairmen would be scheduled to report in rotation, the remaining eight Board meetings of the current fiscal year thus providing opportunities for two reports by each chairman.

(d) Board Meetings in Washington to Encourage Visits with Members of the Congress. Chairman Thayer suggested that consideration be given to the scheduling of more Board meetings in Washington to provide opportunities for Directors to visit with Senators and Congressmen. Following discussion, it was agreed to try to arrange to hold the January 1973 Board meeting in Washington on a trial basis, and Secretary of Commerce Peterson and/or other guests from Congress or the executive agencies would be invited to have lunch with the Directors following the Board meeting.

(e) Corporate Collection of Funds for Political Purposes. In response to an expression of interest in the proper procedure for corporations to follow in collecting funds for political purposes under the Federal Election Campaign Act of 1971 and other applicable statutes, Mr. Driver handed to those present a brochure prepared by the General Counsel of the Chamber of Commerce of the United States on the subject.

(f) Report of Visit with Secretary of Commerce regarding International Trade. Mr. Thayer reported briefly upon a meeting on August 29 with Secretary of Commerce Peterson at which he and five other MCA representatives presented the Association's views regarding the necessity for future international trade legislation and negotiating procedures to provide for chemical industry interests and, particularly, for participation of industry representatives in foreign trade negotiations. He announced that a more

extensive report would be made by Chairman Wilson at the Board of Directors' meeting later in the day.

(g) Extension of Economic Stabilization Act. Mr. Bissinger reminded those present that the Economic Stabilization Act, upon which the President's wage and price control program is based, will expire in April 1973. He recommended that the Association begin consideration of such changes in the legislation as should be recommended to Congress during consideration of the extension legislation.

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

J. R. Carnes
James R. Carnes
Secretary-Treasurer

Certified correct:

Harold E. Thayer
Harold E. Thayer, Chairman