MINUTES of the sixty-eighth meeting of the Directors of the Manufacturing Chemists' Association, Inc., held at The Union Club, New York City, on March 12, 1957, at 11:00 a.m. (EST).

There were present:

Messrs.	John E. Caskey	R. C. McCurdy
	William P. Drake	R. L. Murray
	A. E. Forster	George L. Parkhurst
	Fred C. Foy	Robert B. Semple
	D. S. Frederick	H. Greville Smith
	John L. Gillis	Kenneth C. Towe
	R. K. Gottshall	O. V. Tracy
	Ernest Hart	William H. Ward
	John A. Hill	Robert I. Wishnick
	John E. Hull	M. F. Crass, Jr.

Alternates:
Harry S. Ferguson (for Fred J. Emmerich)
Allan J. Greene (for John E. McKeen)
Max A. Minnig (for Robert I. Wishnick)
Charles S. Munson (for John A. Hill)
Carl F. Prutton (for Ernest Hart)
P. C. Reilly (for C. B. Edwards)
George R. Vila (for John E. Caskey)

Present by Invitation:
D. B. Benedict - Carbide and Carbon Chemicals Company
Lee V. Dauler - Neville Chemical Company
Richard W. KixMiller - Celanese Corporation of America
Marx Leva - Fowler, Leva, Hawes & Symington
Ralph Wechsler - Nopco Chemical Company, Inc.

In calling the meeting to order at 11:00 a.m., Chairman Gillis welcomed the alternates and guests and invited them to participate actively in the discussion.

I. MINUTES OF MEETING.

A correction was noted in the Minutes of the February 12, 1957, meeting as follows: Substitute the word "January" in place of the word "February" under items (l) and (n) on pages 440 and 441, respectively. With this change, the Minutes of the February 12 meeting were duly approved as submitted to the members.

II. REPORT OF THE EXECUTIVE COMMITTEE.

Mr. Towe presented a brief report on the discussions which took place at an earlier meeting of the Executive Committee. These items, including budget and financing for fiscal 1957-58, a proposal to amend the staff retirement plan, membership application from Pittsburgh Metallurgical Company, Inc., and several legislative matters, will be taken up in their respective places on the agenda.

III. TREASURER'S REPORT.

Financial Report, June 1956 - February 1957. The financial report for the nine months ending February 28, 1957, was reviewed, and

ON MOTION duly made and seconded, it was

VOTED: That the report be accepted and placed on file.

IV. BOARD OF DIRECTORS.

(a) Membership Committee. It was reported that applications had been received from the following and that, in the opinion of the Membership Committee, both are qualified for membership under the Association's By-Laws:

Jefferson Lake Sulphur Company
Lever Brothers Company, Industrial Division

ON MOTION duly made and seconded, it was

VOTED: That the applications be approved subject to the 30-day notification to members provided under Article III, Section 4, of the By-Laws.

It was also reported that Pittsburgh Metallurgical Company, Inc., a manufacturer of ferroalloys, had applied for membership in the Association, duly proposed by Hooker Electrochemical Company and seconded by National Lead Company. It was agreed that this application should be tabled, pending clarification and development of a proposal that a new MCA activity be inaugurated having to do with ferroalloys and certain nonferrous metals.

(b) Program Committee -- 85th Annual Meeting. In the absence of Chairman McKeen, General Hull reported that the program had been finalized with the exception of the banquet speaker. Negotiations are now under way, and a further list of possibilities will be discussed at a short meeting of the Program Committee to be held immediately following the Directors' luncheon.

The Secretary reported that the official Annual Meeting mailing, together with reservation forms, will be dispatched to the membership within ten days' time. All physical arrangements for the meeting, including special transportation facilities, have been made.

(c) Finance Committee.

(1) Tentative budget for fiscal 1957-58 and method of financing. Supplementing Mr. Towe's report, Chairman Hart stated that a meeting of the Finance Committee had been held the previous evening, at which time staff recommendations regarding expenditure budget and financing for

1957-58 had been examined and discussed. The Finance Committee recommends that an over-all expenditure budget of $649, 300 (3.2 percent larger than the current budget) be approved and that no change be made in the method of financing and membership fee classifications. The Secretary has been instructed, however, to obtain 1956 sales data from member firms and to utilize such data for 1957-58 membership billings.

Mr. Hart stated that, on the basis of nine months' operations, it appeared that this year's budget would be balanced and that a surplus would accrue, which would be transferred to over-all surplus on the basis of the plan already agreed upon. At the end of the current fiscal year, this over-all surplus should approximate $250, 000.

During the ensuing discussion a consensus was established that an attitude survey costing $7, 500 should be restored to the public relations budget. Further, that fixed charges applicable to over-all operations, now carried under the technical and administrative account, should be apportioned in prorated amounts to the public relations and education accounts.

With respect to financing, the Committee recommended, and those present agreed, that the technical, administrative, and public relations accounts should be financed as in the past by the assessment of membership fees. The education program, on the other hand, will be financed, as it was this year, by voluntary contributions. During the first year of its operation, 97 member firms (out of 152) contributed $179, 321 to the program.

On the basis of the foregoing, the Treasurer will prepare a detailed and revised budgetary summary for final consideration by the Directors at the April 11 meeting.

(2) Staff retirement plan. Mr. Hart stated that his Committee had given consideration to a proposed liberalization of the staff retirement plan and had reported an affirmative recommendation, with supporting data, to the Executive Committee at an earlier meeting. The Executive Committee has deferred action and recommendation to the Board of Directors until a later date.

(d) April 11, 1957, Board Meeting, New Orleans. The Secretary reported that the list of registrants totaled 51 to date, including 15 Directors, eight alternates, 24 local area representatives and four members of counsel and staff. He urged those Directors who have not yet indicated their plans to contact him promptly. The program was again reviewed for the benefit of those present.

(e) Appointment of a Nominating Committee. In accordance with the By-Laws, Chairman Gillis appointed the following Nominating Committee, which was affirmed by those present:

Messrs. A. E. Forster, Chairman
Leland I. Doan
R. C. McCurdy

V. COMMITTEE APPOINTMENTS.

The Board of Directors approved the following Committee appointments:

(a) General Safety Committee.
Reinstatement of N. V. Hendricks, Enjay Company, Inc.

(b) Tank Car Committee.
J. C. Zercher, Celanese Corporation of America.

(c) Mechanical Technical Committee.
D. F. Hollingsworth, E. I. du Pont de Nemours & Co., Inc., as MCA representative on ASA Mechanical Standards Board.

VI. STAFF REPORT AND MISCELLANEOUS ITEMS.

(a) Public Relations and Education. General Hull referred to the proposed public relations program for fiscal 1957-58, which was included in members' folders. With reference to current operations, he reviewed plans for Chemical Progress Week, referring particularly to the TV broadcast on the evening of April 9, at which time Vice President Nixon will speak. Mr. Nixon will take from three to five minutes, and the balance of the 15-minute program will be filled in by recognized educational leaders. It is expected that this program will be carried by the network as a public service.

With reference to the educational program, a copy of the most recent publication, "How to Work With Schools," was displayed. This is intended primarily for use in plant communities. On the educational awards program, 60 nominations have been received to date. Awards will be made to the winning six at the 85th Annual Meeting. With reference to program evaluation, data from school principals is due about March 31. Following receipt and screening of this information, Mr. Ward indicated that he would call a meeting of his committee.

The Chairman of the Public Relations Policy Committee, Mr. Semple, reported briefly on over-all aspects of the public relations and education programs. He referred to the regional program now under consideration in place of future chemical progress weeks and stated that copies of the proposal would be placed in the hands of Board members prior to the April 11 meeting in order that consideration and action could be taken at that time.

(b) Safety Activities.

(1) Lammot du Pont Safety Awards. The Secretary announced the names of the winner and runner-up firms under the Lammot du Pont Safety Award Program. Awards will be presented at the forthcoming Annual Meeting to:

California Spray-Chemical Corporation (over 2, 000, 000 man-hours)
Patent Chemicals, Inc. (under 2, 000, 000 man-hours)

(2) Fire insurance activity. The General Safety Committee has recommended that an ad hoc fire insurance committee be authorized, with a time duration of one year, to investigate and possibly introduce a fire loss reporting program for member firms. The Secretary outlined the reasons for, and the possible advantages to be gained by, such action and stated that, if approved, the ad hoc committee would be limited to those companies now having representation on the General Safety Committee, inasmuch as this group was thought to be representative of the Association as a whole.

ON MOTION duly made and seconded, it was

VOTED: That the recommendation of the General Safety Committee be approved.

(c) WOC Program -- Business and Defense Services Administration. Three additional firms have indicated that they will supply nominees for the Directorship of the Chemical and Rubber Division, BDSA, U. S. Department of Commerce, for six-month terms on a WOC basis. Commitments for future Directorships now stand as follows:

July 1, 1957 -- E. I. du Pont de Nemours & Co., Inc.
January 1, 1958 -- Merck & Co., Inc.
July 1, 1958 -- American Cyanamid Company
January 1, 1959 -- Koppers Company, Inc.
July 1, 1959 -- Chas. Pfizer & Co., Inc.

Two additional nominees are desired for terms beginning January 1, 1960, and July 1, 1960. Interested member firms were urged to contact the Secretary as promptly as possible.

(d) Precautionary Labeling. A brief report was made on the progress of Federal legislation in this field. The Association has had direct contacts with Senator Bush, the proponent. Consideration is being given to the possibility of establishing Manual L-1, Warning Labels, as an American Standard under ASA Procedures.

(e) Revision of the BLS Wholesale Price Index. The Association has been officially requested by the Commodities and Services Branch of the Bureau of Labor Statistics to furnish technical information and advice with respect to a forthcoming revision of the BLS Wholesale Price Index of the chemicals and allied products industry.

ON MOTION duly made and seconded, it was

VOTED: That authorization be given the staff to recruit a qualified group of member representatives for such purpose.

(f) Concentration Study. The Secretary reported on recent developm nts pertaining to the concentration study of the Senate Subcommittee on Antitrust and Monopoly. On the basis of staff changes and other developments, it appears that the scope of the study may be limited to product groupings in the four- and five-digit classifications.

R ference was made to an article entitled "A Hard Look at Bigness," which appeared in the February 23 issue of Chemical Week magazine. It was felt that this article reflects inaccurate reporting on the subject of the concentration study referred to above.

(g) S. 11, to Amend the Robinson-Patman Act. General Hull reported that the Association's General Counsel, Mr. H. H. Fowler, would present an oral statement on behalf of MCA on March 13 or 14 before the Senate Subcommittee on Antitrust and Monopoly. The statement, copies of which are being sent to Executive Contacts, has been prepared with the guidance and assistance of the legal staffs of member companies. At the request of Synthetic Organic Chemical Manufacturers Association, it was agreed that Mr. Fowler's statement should be presented as a joint MCA-SOCMA position.

Mr. A. H. Eustis, President, Virginia Smelting Company, will also testify in opposition to the bill. Mr. Eustis' firm has been a member of MCA for many years and comes under the category of small business. In his statement, Mr. Eustis refers to Virginia Smelting's membership in the Association and his concurrence with Mr. Fowler's statement. The Staff was authorized to engage economic consultative assistance in connection with later House hearings on a companion bill.

(h) Depreciation Survey. Letters and report forms were sent to Executive Contacts on March 5 in accordance with action previously taken by the Board. Results of the study, when completed, will be reported by the Tax Policy Committee.

(i) Trade Association Relations. The Secretary stated that plans were und r way to hold periodic meetings of informal nature with staff representatives of other associations in the chemicals and allied products field. Purpose will be to discuss problems of mutual interest in order to avoid misunderstandings and duplication of effort. Sessions, when held, will be for discussion purposes only, and no substantive action of any kind will be taken.

(j) Tax Matters. General Hull referred to Senator Fulbright's proposals on the corporate tax rate. He stated the feeling of the staff that this was a matter in which the Association should not get involved.

(k) Pollution Abatement Conference. Reference was made to the annual MCA-sponsored Air and Water Pollution Abatement Conference to be held at the Shoreham Hotel, Washington, D. C., on April 4 and 5, 1957.

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

M. F. Crass, Jr.
Secretary

APPROVED: John L. Gillis
Chairman