

PROGRAM

*Regional Board of Directors
Meeting and Executive Conference*



THE ROYAL ORLEANS HOTEL

NEW ORLEANS, LOUISIANA

MARCH 9, 1965

Manufacturing Chemists' Association, Inc.

1825 Connecticut Avenue, N.W.

Washington, D. C. 20009

Manufacturing Chemists' Association, Inc.
Regional Directors' Meeting and Executive Conference
The Royal Orleans, New Orleans, La., March 9, 1965

Introduction

Several years ago, the MCA Policy Study Committee recommended to the Board of Directors that an Annual Conference of Member Executive Contacts be held to receive and discuss information relating to the projects and activities of the Association and its committees. This recommendation was considered and approved, and it was determined that the first of such conferences should be held in Chicago on October 8, 1963, in conjunction with a regional meeting of the Directors. The New Orleans Conference on March 9, 1965, is the second of the series to be scheduled.

It is the hope of the Board that these conferences will facilitate an even closer relationship between the Association and its members and that those attending will find them to be both interesting and informative. Registrants are invited to participate actively during the discussion period, at which time questions on any phase of the Association's operations will be welcomed.

The Board expresses its deep appreciation to the Louisiana Chemical Association and the Area Chemical Industry Councils for their support and assistance in arranging this conference.

A G E N D A

The Conference will begin promptly at 9:30 a.m.

I. OPENING REMARKS.

- II. BOARD OF DIRECTORS. Ralph K. Gottshall Presiding
- (a) Minutes of February 9, 1965, Meeting.
 - (b) Report of the Secretary-Treasurer.
 - (c) Appointment of Alternate -- J. E. Wood III for Wesley H. Sowers.
 - (d) Proposed Chemical Industry Policy for Legislative Action on Environmental Health.
 - (e) Tenure of Ammonium Nitrate Technical Committee.
 - (f) April 12-13, 1965, Directors' Meeting in Washington
 - (g) 93d Annual Meeting of the Association.
 - (h) Staff Report and Miscellaneous Items.
 - (i) Committee Appointments.

- III. EXECUTIVE CONFERENCE. Gen. G. H. Decker Presiding
- (a) Chemical Industry Council Advisory Committee -- Henri Wolbrette II.
 - (b) Mechanical Technical Committee -- W. G. Canham.
 - (c) Environmental Health Advisory Committee -- John O. Logan.
 - (d) Government Relations -- James R. Carnes.

IV. COCKTAILS AND LUNCHEON.

Our Speaker -- The Honorable John McKeithen,
Governor of Louisiana.

V. ADJOURNMENT.

A T T E N D A N C E **

Air Reduction Company, Inc.
George T. Viator

American Cyanamid Company
L. T. Loughridge
*Robert C. Swain

Atlas Chemical Industries, Inc.
*Ralph K. Gottshall

J. T. Baker Chemical Company
*Joseph R. Stevens

The Borden Chemical Company
A. R. Marusi

Callery Chemical Company
E. G. Sanner

Canadian Industries Limited
Leonard Hynes
W. T. D. Ross

Celanese Corporation of America
A. R. Cochran

Chemcell (1963) Limited
*Robinson Ord

CIBA Corporation
*Harry B. Marshall

Columbian Carbon Company
E. W. Midlam

Diamond Alkali Company
Raymond F. Evans
Arthur B. Tillman

* MCA Director
** MCA Registrants Only

A T T E N D A N C E **

The Dow Chemical Company
Leland I. Doan

E. I. du Pont de Nemours & Co.
David H. Dawson
*C. B. McCoy

Eastman Kodak Company
Henry L. Ford

Enjay Chemical Company
H. J. Rose

FMC Corporation
*W. N. Williams

Fowler, Leva, Hawes & Symington
Lloyd Symington

Freeport Sulphur Company
J. C. Carrington
A. H. O'Neil

Frontier Chemical Company
*Wesley H. Sowers
John E. Wood III

Gamma Chemical Corporation
*J. Robert Fisher

General Electric Company
J. T. Castles

B. F. Goodrich Chemical Company
Thomas B. Nantz
*Harry B. Warner

* MCA Director
** MCA Registrants Only

A T T E N D A N C E **

W. R. Grace & Co.

*O. V. Tracy

Gulf Oil Corporation

A. Lewis, Jr.

Great Lakes Chemical Corporation

Earl T. McBee

Hercules Powder Company, Inc.

G. M. Chastain

Hooker Chemical Corporation

T. W. Barry

*F. L. Bryant

John Rutherford

Kaiser Chemicals

W. N. Sims

Eli Lilly and Company

William Orbaugh

Mallinckrodt Chemical Works

S. H. Anonsen

Warren F. Michener

*Harold E. Thayer

Manufacturing Chemists' Association, Inc.

James R. Carnes

M. F. Crass, Jr.

*G. H. Decker

E. Bruce Harrison

Mobil Chemical Company

John D. Fennebresque

R. E. Turkleson

* MCA Director

** MCA Registrants Only

A T T E N D A N C E **

Monsanto Company

W. G. Canham
*John L. Gillis

Morton Chemical Company

*Joseph E. Rich

Nalco Chemical Company

*Thomas C. Jones

Neville Chemical Company

Lee V. Dauler

Olin Mathieson Chemical Corporation

C. C. Hightower
John O. Logan

The Ott Chemical Company

Arnold C. Ott

Pennsalt Chemicals Corporation

Hugh C. Land

Petro-Tex Chemical Corporation

Sydney T. Ellis

Chas. Pfizer & Co., Inc.

James M. Dugger
Harry B. Quinn

Phillips Petroleum Company

A. E. Buell
Thomas L. Cabbage

Pittsburgh Plate Glass Company

J. A. Neubauer

Reichhold Chemicals, Inc.

T. P. Shumaker

* MCA Director

** MCA Registrants Only

A T T E N D A N C E **

Reilly Tar & Chemical Corporation

D. R. Harvey
P. C. Reilly

Shell Chemical Company

*R. C. McCurdy

Stauffer Chemical Company

A. E. Albright
R. W. Gunder
*Hans Stauffer

Texaco Inc.

M. F. Granville

Union Carbide Canada Limited

J. S. Dewar

Union Carbide Corporation

Homer E. Allspach
E. E. Fogle
William M. Haile
*Kenneth H. Hannan
Robert P. Wilson

U. S. Industrial Chemicals Co.

Robert E. Hulse

Witco Chemical Company, Inc.

Max A. Minnig
Henry Sonneborn, III
J. H. Waples

Wyandotte Chemicals Corporation

Bert Cremers
W. L. Kaiser, Jr.
*Robert B. Sample

* MCA Director

** MCA Registrants Only

NOTES

MINUTES of the one hundred forty-sixth meeting of the Directors of the Manufacturing Chemists' Association, Inc., held at The Royal Orleans, New Orleans, La., on March 9, 1965, at 9:30 a.m. (CST).

There were present:	F. L. Bryant	Joseph E. Rich
	George H. Decker	Robert B. Semple
	J. Robert Fisher	Wesley H. Sowers
	Ralph K. Gottshall	Joseph R. Stevens
	Kenneth H. Hannan	Robert C. Swain
	Thomas C. Jones	Harold E. Thayer
	Harry B. Marshall	O. V. Tracy
	C. B. McCoy	Harry B. Warner
	R. C. McCurdy	W. N. Williams
	Robinson Ord	M. F. Crass, Jr.

Alternates:	A. E. Albright (for Hans Stauffer)
	Stanley H. Anonsen (for Harold E. Thayer)
	Bert Cremers (for Robert B. Semple)
	David H. Dawson (for C. B. McCoy)
	Leland I. Doan (for Carl A. Gerstacker)
	E. E. Fogle (for Kenneth H. Hannan)
	Hugh C. Land (for William P. Drake)
	John O. Logan (for Thomas S. Nichols)
	Thomas B. Nantz (for Harry B. Warner)
	W. T. D. Ross (for Robinson Ord)

General Counsel:	Lloyd Symington
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Present by Invitation:	Invited to the meeting and to the conference which followed it were the Executive Contacts of all member firms. Representation was present from 48 member firms, including those represented by Board members or committee personnel. Attached to these Minutes as Exhibit A is a listing of those present, other than the Directors and Alternates set out above.
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I. OPENING REMARKS.

Chairman Ralph K. Gottshall called the meeting to order at 9:30 a.m. He stated that several years ago the MCA Policy Study Committee recommended to the Board of Directors that an annual conference of member Executive Contacts be held to receive and discuss information relating to the projects and activities of the Association and its committees. The first of such conferences was held in Chicago during October 1963 in conjunction with a Regional Meeting of the Directors. The present conference is the second of a series to be scheduled.

In behalf of the Board of Directors, Chairman Gottshall expressed appreciation to the Louisiana Chemical Association and the Area Chemical Industry

Councils for their support and assistance in arranging the conference and for the reception which had been arranged by LCA the previous evening. Following a series of announcements presented by the Secretary-Treasurer, Chairman Gottshall stated that the Directors' Meeting would get under way. He urged those present to take an active part in the discussion.

II. MINUTES OF FEBRUARY 9, 1965, MEETING.

The Minutes of this meeting were duly approved as submitted to the members.

III. REPORT OF THE SECRETARY-TREASURER.

Financial Report, June - February 1965. The financial report for the nine months ending February 28, 1965, was summarized by the Secretary-Treasurer.

ON MOTION duly made and seconded, it was

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

IV. BOARD OF DIRECTORS.

(a) Appointment of Alternate. The Chairman advised that Mr. Sowers had requested the appointment of John E. Wood, III, as his alternate.

ON MOTION duly made and seconded, it was

VOTED: That the appointment be approved.

(b) Proposed Chemical Industry Policy for Legislative Action on Environmental Health. Sent to registrants in advance of the meeting was draft of a proposed Chemical Industry Policy for Legislative Action on Environmental Health, prepared by the Environmental Health Advisory Committee and recommended to the Board for consideration and approval. Mr. McCurdy reviewed the draft, stating that it had received favorable consideration at a meeting of the Executive Committee held earlier that day. The Executive Committee recommended to the Board that the statement of policy be approved.

Following discussion,

ON MOTION duly made and seconded, it was

VOTED: That the policy be approved.

Copy of Policy Statement is appended to these Minutes as Exhibit B.

(c) Ammonium Nitrate Technical Committee -- Extension of Tenure. It was reported that the status of the Ammonium Nitrate Technical Committee (ad hoc) had been discussed by the Executive Committee earlier in the day. This ad hoc Committee, organized following the Texas City disaster to develop safe methods of handling, storing, and transporting fertilizer grade ammonium nitrate, has been

operating on an open-end basis since 1958, with no definite tenure specified. Its most recent project -- a cooperative research effort with the Bureau of Mines to develop information on the behavior of ammonium nitrate in fire exposure -- remains incomplete in certain respects. Maintenance of the Committee as an ad hoc group was considered by the Executive Committee with a recommendation to the Board that its tenure be extended until March 15, 1966, in order to close out its work.

Following discussion,

ON MOTION duly made and seconded, it was

VOTED: That the recommendation of the Executive Committee be approved.

(d) April 12 - 13, 1965, Directors' Meeting in Washington. The Secretary-Treasurer reported briefly on arrangements for this meeting. On Monday, April 12, at 12 noon members of the Executive and Finance Committees will meet in the Washington Hilton Hotel for luncheon. They will then adjourn to the MCA Conference Room for discussion of budget and financing for the fiscal year beginning June 1, 1965. At 6:00 p.m. the Board of Directors' reception for Members of Congress and government officials will be held at the Army-Navy Town Club.

On Tuesday, April 13, at 8:30 a.m. members of the Board of Directors will assemble for a breakfast meeting at The Madison.

(e) 93d Annual Meeting of the Association. Mr. Crass reported that formal Notice of the Association's 93d Annual Meeting, to be held at White Sulphur Springs, West Virginia, on June 3 - 5, 1965, had been sent to Executive Contacts on March 1. Accompanying the Notice were reservation forms, transportation information, and full details relating to program. Guest speaker at the Annual Business Meeting on the morning of June 3 will be Mr. Paul Chambers, Chairman, Imperial Chemical Industries, Limited, London. Speaker at the Annual Banquet on the evening of June 4 will be The Honorable John L. McClellan, United States Senator from Arkansas.

Because of the limited facilities of The Greenbrier and the growth of the Association during the past year, Executive Contacts present at the meeting were urged to hold their delegations to a size no larger than their 1964 contingents.

V. STAFF REPORT.

General Decker presented a report of developments in the Association's program of projects and activities since the last meeting. Copy of this report is appended to these Minutes as Exhibit C.

VI. COMMITTEE APPOINTMENTS.

The following committee appointments were approved:

(a) Ammonium Nitrate Technical Committee.

H. W. Backes, Monsanto Company, replacing S. B. Johnson

R. J. Mayewski, American Cyanamid Company, replacing L. E. Sentz

(b) Safety and Fire Protection Committee.

Arthur P. Dunlap, Union Carbide Corporation

(c) Washington Advisory Committee.

Bryce N. Harlow, The Procter & Gamble Company

There being no further business to come before the meeting, it was unanimously resolved to adjourn at 10:15 a.m. Chairman Gottshall then turned the chair over to General G. H. Decker, who presided during the balance of the conference. Following brief opening remarks, he introduced the speakers and stated that there would be a 10-minute period following each presentation which would be devoted to the answering of questions submitted from the floor. He urged those present to join in the discussion.

Formal presentations consisted of the following items:

1. Chemical Industry Council Advisory Committee --
Henri Wolbrette, II, Louisiana Chemical Association
2. Mechanical Technical Committee --
W. G. Canham, Monsanto Company
3. Environmental Health Advisory Committee --
John O. Logan, Olin Mathieson Chemical Corporation
4. Government Relations --
James R. Carnes, MCA Staff

Copies of the above presentations are attached to these Minutes as Exhibits D through G, inclusive.

At 11:50 a.m., the conference was adjourned. Those present then participated in a short reception period, followed by luncheon at which the guest speaker was The Honorable John McKeithen, Governor of Louisiana.

During the afternoon a sightseeing tour of New Orleans was arranged for those interested. On Wednesday, March 10, approximately 24 registrants participated in a field trip to the downriver and gulf facilities of Freeport Sulphur Company, by means of air and ground transportation arranged by the firm.

APPROVED: Ralph K. Gottshall
Chairman

M. F. Crass, Jr.
Secretary-Treasurer

Attachments

ATTENDANCE LIST
(Excluding Directors and Alternates)

Air Reduction Company, Inc.
George T. Vietor

American Cyanamid Company
L. T. Loughridge

The Borden Chemical Company
A. R. Marusi

California Chemical Company
F. A. Tannahill

Callery Chemical Company
E. G. Sanner

Celanese Corporation of America
A. R. Cochran

Columbian Carbon Company
E. W. Midlam

Diamond Alkali Company
Arthur B. Tillman

E. I. du Pont de Nemours & Co.
Paul Barkhart

Eastman Kodak Company
Henry L. Ford

Enjay Chemical Company
R. D. Anding
H. J. Rose

Ethyl Corporation
Wallace Armstrong

Freeport Sulphur Company
Z. W. Bartlett
A. H. O'Neil

Frontier Chemical Company
John E. Wood, III

General Electric Company
J. T. Castles

W. R. Grace & Co.
Robert Williams

Hercules Powder Company, Inc.
G. M. Chastain

Hooker Chemical Corporation
T. W. Barry
John Rutherford

Kaiser Chemicals
P. H. Fournet
W. N. Sims

Eli Lilly and Company
William Orbaugh

Louisiana Chemical Association
Henri Wolbrette, II

Mallinckrodt Chemical Works
Warren F. Michener

Manufacturing Chemists' Association
James R. Carnes
E. Bruce Harrison

Mobil Chemical Company
John D. Fennebresque
R. E. Turkleson

Monsanto Company
W. G. Canham

Neville Chemical Company
Lee V. Dauler

Olin Mathieson Chemical Corporation
C. C. Hightower

Petro-Tex Chemical Corporation
Sydney T. Ellis

Phillips Petroleum Company
A. E. Buell
Thomas L. Cabbage

Pittsburgh Plate Glass Company

J. A. Neubauer

A. T. Raetzsch

Reichhold Chemicals, Inc.

T. P. Shumaker

Reilly Tar & Chemical Corporation

D. R. Harvey

P. C. Reilly

Shell Chemical Company

C. H. Plomteaux

Stauffer Chemical Company

R. W. Gunder

Texaco Inc.

M. F. Granville

Union Carbide Canada Limited

J. S. Dewar

Union Carbide Corporation

Homer E. Allspach

William M. Haile

Robert P. Wilson

Witco Chemical Company, Inc.

Max A. Minnig

Henry Sonneborn, III

J. H. Waples

Wyandotte Chemicals Corporation

W. L. Kaiser, Jr.

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**A CHEMICAL INDUSTRY POLICY FOR LEGISLATIVE ACTION
ON ENVIRONMENTAL HEALTH**

The chemical industry's approach to future legislative action with respect to environmental health problems at the various levels of government should reflect the following basic considerations:

1. A positive attitude is particularly necessary in view of increasing public interest in environmental health problems, and the tendency of the public to take a critical view of the chemical industry.
2. Self-regulation by the chemical industry should be emphasized as the best means of providing solutions to its environmental health problems. The limitations on the scope of effective self-regulation should be kept in mind, but a greater effort can be made to acquaint both legislators and the general public with the industry's past and present efforts in this regard.
3. Support should be given to appropriate control programs at the regional, state and local levels, with emphasis on encouraging regulation at the lowest level capable of doing the job. Due regard should be given to the fact that the lowest possible governmental level may not necessarily be the best in every instance.
4. Recognition should be given to the inevitability and desirability under certain circumstances for increased Federal participation in environmental health matters, and the industry should studiously avoid any posture which could be construed as opposition to Federal legislation per se.
 - a) Where the desirability of Federal participation becomes apparent and such activity is jurisdictionally proper, industry should come forward with recommendations.
 - b) The regional compact approach and other co-operative efforts should be encouraged where these would be effective.

c) Continued support should be given to research-oriented Federal programs.

5. Legislative and regulatory activities at all levels of government should be followed more closely, in order to enable the industry to anticipate problems which may arise in the future, and to deal constructively with them.

6. Efforts should be made to make these views and the specific stand taken by MCA on legislation and regulation known to other industry groups and associations, so that to the extent possible all industrial spokesmen will present a common front.

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MCA STAFF REPORT
Delivered by General G. H. Decker
March 9, 1965

East-West Trade

Last month I reported that Chairman Fulbright of the Senate Foreign Relations Committee had invited MCA to submit a statement of its views for the record in the Committee's resumed study of East-West trade. Pursuant to a decision of the Executive Committee, a letter reaffirming the position first taken by MCA in 1958 and reiterated in 1959 was forwarded to the Foreign Relations Committee on March 3. In effect, this policy does not object to trade in commodities, but does take exception to the transfer of technologically advanced know-how.

As you may know, the matter is now under review by a White House committee headed by J. Irwin Miller of Cummins Engine Company, a Trustee of the Committee for Economic Development and the National Industrial Conference Board.

I would reiterate that the position taken by MCA is in no way binding on Member Companies, who are free to establish whatever trade arrangements they consider appropriate subject, of course, to Government regulation.

U. S. -- Russian Exchange for Study of Fermentation Processes

Recently the Department of Commerce informed the Association of the receipt of a Russian proposal for an exchange of visits for the purpose of studying fermentation processes here and in Russia. Information was requested as to whether or not the chemical industry desired to participate. Query of a representative number of member firms revealed that interest in the proposed exchange is insufficient to warrant chemical industry participation, and the Department was so informed. Several MCA Member Companies have received invitations to participate in the Moscow Fair to be held in September 1965. Some have expressed interest.

East Coast Dock Strike

In accordance with a decision of the Board of Directors at its February meeting, a letter was forwarded to the President on February 12, apprising him of the wholehearted support of the Association in his efforts to bring about an early termination of the strike of longshoremen in East Coast and Gulf ports. He was also urged to continue to exert the full influence of his Office toward that end.

Tank Car Mileage Allowances

On February 17 the Association petitioned the Interstate Commerce Commission to suspend a third system for payment of tank car mileage allowances published by the Monon Railroad to be effective March 1. The MCA request for suspension was based on the fact that the new schedules would greatly compound an already highly confused situation with which shippers must contend. The Commission declined

our Petition and subsequent Appeal, and the rates became effective as planned. They will, however, go under ICC investigation along with all those heretofore grouped in mileage allowance proceedings in ICC Docket No. 34480 et al., in which MCA is participating. To explain the 'highly confused situation' already mentioned, there are now three mileage allowance rate systems in effect.

ICC Registration of Private Carriers

The ICC has proposed new regulations to require the registration of private carriers transporting explosives and other dangerous articles and the filing of certain annual reports. At a public hearing on February 24 and 25, MCA and other interested trade association groups expressed opposition to these proposals as a forerunner of full economic regulation of private carriers, which had not been contemplated by Congress and which would add nothing to safety in transportation. MCA suggested a compromise which would meet the needs of the ICC without unduly burdening industry in complying. The hearing will be continued on March 10.

Coast Guard Information Cards

New Coast Guard Regulations will require that barges carrying hazardous chemicals on inland and coastal waterways shall carry "information cards" containing the type of information provided in MCA Chem-Cards. It is understood that these Regulations will become effective in September 1965.

Since chemical shippers will be responsible for providing the information cards, MCA will cooperate in their preparation through the activities of the Chem-Card Task Group which will be augmented by representatives of the Coast Guard and MCA Member Company marine shippers. On February 15 a letter was sent to each of the other associations whose interest might be affected by expansion of the MCA Chem-Card program, asking them to submit any views that they might have for consideration by the MCA Board of Directors. I requested such views, if possible, by March 1 so that they might be considered today. All but one have asked for an extension of time, which has been granted.

Certificates of Achievement

510 plants and laboratories of Member Companies that report regularly to the Association have already merited Certificates of Achievement by working the calendar year of 1964 without an industrial injury. Additional applications are being received.

Plastics Weatherability Research

Plans were announced in last month's meeting regarding location of a long-term Weatherability Project at the National Bureau of Standards and retention of Research Associates to direct the work. Letter contracts have been completed for two qualified technical men to head up this work through leave-of-absence from

United States Rubber Company and W. R. Grace & Co., with full costs for this project to be borne by interested member plastic producers.

Publications

On February 16 Member Company Executive Contacts were sent copies of "Chemicals in the National Economy" and "Foreign Competition in Chemicals and Allied Products," the third and fourth booklets completing the series of economic facts studies conducted by Dr. Jules Backman. In addition, some 6,500 copies were distributed to economists, security analysts, libraries, the press, interested Government officials and selected MCA committees.

Sales of Chemical Laboratory Safety Posters now exceed 1,750 sets, representing a gross income of more than \$3,500. The preponderant number of orders have come directly from high schools.

Pilot High School Chemistry Teacher Awards Programs

The Texas Chemical Council, sponsor of one of the two MCA Pilot High School Chemistry Teacher Awards Programs, has selected Mrs. Elaine Ledbetter, Chairman, Science Department, Pampa Senior High School, Pampa, as the recipient.

Press Coverage of Water Pollution Problems

Although much of what is said in the press or aired on radio and TV on the subject of water pollution is not favorable, an analysis of the coverage by the staff shows an increasing awareness by many editors that water pollution is not thrust on the environment by the industrial segment alone. There seems to be an increasing realization that, just as all segments of society contribute to pollution, all are going to have to share in the cost of cleaning up. The lead story in the April issue of FORTUNE will treat the subject of water resources. In their research on illustrating the story, they called first on the chemical industry for a picture of "bad pollution." It is hoped that staff efforts to urge more use of positive accomplishments have been able to change this idea, but we really won't know until we see advance copies of the story.

Concern by many groups on the subject of water pollution is illustrated by the series of nationwide regional meetings sponsored by the League of Women Voters on the subject of land and water use. For one of them, a session later this month in Atlanta, a member of the MCA Water Resources Committee will represent industry.

Chemical Industry Councils

Three significant events are on the CIC March calendar. Mr. William C. Foster, Director, United States Arms Control and Disarmament Agency, has agreed to be principal speaker at the first program sponsored by the Chemical Industry Council of Southern California in Los Angeles on March 31. Bill, as you may recall, is a former president of MCA.

The CIC of Northern California will undertake its first major program on April 21 when Dr. Glenn T. Seaborg, Chairman of the Atomic Energy Commission, will be principal speaker at a luncheon for approximately 200 people, including California Governor Pat Brown.

The Chemical Industry Council of Connecticut is collaborating with the Connecticut Industrial Development Council for "Chemical Industry Day" on April 26 in Hartford. This meeting will present to top government, industrial and news media representatives a look at the advantages of Connecticut for location of chemical facilities. Mr. John E. McKeen, president of Chas. Pfizer & Co., will be the main speaker.

Women's Activities Program

Because our Women's Activities Program is directed principally to outside audiences, many of you seldom hear about what is going on in that area. To give you a brief idea, I would like to mention the success of one of the efforts with a women's audience. Recently, a special kit, including a series of pictures for illustration, was mailed to a selected list of 142 top women telecasters across the country. The subject was just a portion of the food additive story on which we have a great deal of background information. Response from many who have used the material indicates that this is a hungry market for just such positive information which reflects credit on the chemical industry. A similar kit, aimed at food editors, will be sent in the near future, and based on past experience with this particular group, the material will achieve wide usage.

Our Women's Program Manager has recently appeared on several speaking platforms and has been warmly received. In this connection, I might mention one event right here in Louisiana in which she will be a part of the program. Several months ago the idea was advanced for development of a "Home Chemical Safety Workshop," which could be sponsored in any plant community possibly through the CIC group. This is being done in Lake Charles later this month. Our Women's Manager will talk about safe use of agricultural chemicals in the home and garden, using our recently released filmstrip on the subject as a visual aid.

MCA, CIC, & CICAC: A Report For '65

By Henri Wolbrette II*
Vice Chairman, CIC Advisory Committee

Some 93 years ago the Manufacturing Chemists' Association of the United States was founded.

Ulysses S. Grant was president and was running for re-election against Horace Greely. Rails were beginning to span the continent -- the golden spike had been driven at Promontory, Utah, just three years before -- it was the age when government largesse to the railroads was coming to an end, and the Erie gang was finally kicked out by English bondholders.

It was also the age that saw the Franco-Prussian war and Germany take over the Alsace once again - but not for the last time, the age of Mrs. Leary's cow and the Chicago fire, and the age of history's most famous presumption when Henry Stanley successfully located "Dr. Livingston."

Just what problems caused the chemical industry to fuse for common purposes at that time, I do not know, but every age has its problems and although we are living in the nebulous "Great Society" we have ours too.

Objectives of MCA

In 1963, the Board of MCA re-examined its purposes and defined three areas of objectives:

1. To provide leadership in developing and maintaining a clear understanding by the public of the chemical industry and the part it plays in our national, state and local economy; and in appropriate, timely and effective manner make known the accomplishments, views and recommendations of the industry to those outside the industry, whose opinions, decisions and actions affect the industry.
2. To provide leadership and guidance and to undertake programs to improve the chemical industry's service to the public by developing and promoting safe practices in the manufacture, transportation, handling and use of chemicals and chemical products.

*Mr. Wolbrette, executive vice president of the Louisiana Chemical Association, delivered these remarks at the MCA Board of Directors meeting held in New Orleans, Louisiana, March 9, 1965.

3. To conduct or sponsor legitimate activities designed to achieve worthwhile benefit or savings to the Association members where individual company efforts cannot effectively accomplish the desired result.

Communication In The Clusters

These are fine objectives and MCA is to be congratulated on their promulgation. But objectives are only as good as their implementation and it is to the implementation that I direct my remarks.

As we all know, the chemical industry is widely distributed. It is also incestuous, and there are likely to be clusters of plants, operated by different companies, in various areas.

It is often difficult enough to communicate within one company, but when you add the problem of communicating from the corporations to MCA back to the corporations and through them to the various plants and plant communities, there is oftentimes errors of omission, commission, and good old fashion confusion.

Communications have played another factor in today's involvement. With instant communication through the media of radio, newspaper, television, an isolated occurrence in one place can be quickly built to national levels with the attendant problems snaring the industry as a whole.

Because of this, dissatisfaction in one community can quickly spread to another and another, then to regions, then states, and finally to the nation.

Beginnings of CIC

This problem was recognized by MCA's Board of Directors in 1957, when it decided to stimulate the creation of "continuing, regional chemical industry committees."

These were designed to create a climate of public opinion favorable to industry, with the hope of heading off local situations before they become national problems. When it became obvious that design is one thing but saleability another, the Board took subsequent action in 1961 to put life into the CIC problem. Since that date, when the Board created a full time staff responsibility for community activity, the CIC program has been substantially rejuvenated.

New groups have been organized. Old groups have been strengthened. The material and support provided by the MCA staff have been greatly improved. The two men now devoting their time in the Association's office and out on the road are doing much to keep the CIC moving ahead.

Today there are CICs in 15 states. Certainly, not all are yet doing the full job it is envisaged they can do, but, for the most part, they are working at it.

Advisory Committee Formed

Then last April the Board established the CICAC which I am representing today to further the idea of local and regional representation by the industry.

While the committee is only eight months old and has its third meeting set later this month, it is our belief the CICAC will serve four major and desirable functions:

(1) It will provide a platform upon which representatives of the various local Councils can sit together regularly to learn

(a) that there are other people in other states working at this program and

(b) that somebody's ideas and approaches in one CIC may be helpful to another CIC's success. In short, our Committee allows cross-pollination of ideas.

(2) CICAC will tend to emphasize to those who serve on the Committee the significance of their respective local responsibilities. When CIC leaders are elevated, so to speak, to membership on this Board-sanctioned Committee, they have proof that their Companies and their industry are interested in what they are doing. Gentlemen, this is vital. The plant manager, for example, who doesn't know whether he has the backing of his top management will surely be a less inspired and less effective local leader for the chemical industry. Of course, CICAC will be a source of inspiration for only a handful of men. There are hundreds of other potential CIC leaders who need your encouragement. If any of you have not in recent months told your local managers that CIC is an important endeavor, I can only respectfully and sincerely urge you to do so right away.

(3) CICAC will also provide something the MCA Staff has worked hard to get: another channel for direct communication with, advice from, and advice to, the CIC people "out in the field."

(4) Finally: CICAC will, gentlemen, provide us an avenue back to you. Through reports like this one, we hope to re-enforce upon you the importance of the work which you have previously sanctioned.

Questions Facing CIC

What we hope to tackle are some of the problems and questions confronting CIC:

Questions like these--

--We have some sort of CIC operation in 15 states; how do we achieve organization in the other six to 10 major chemicals-producing states?

--How far will CICs be able to go in effectively attacking problems relating to environmental health? This is perhaps the principal issue confronting industry today, and it is basically -- if we are to believe our own doctrines -- a state-regional-local issue. It's a community relations problem and shouldn't our community relations groups naturally become front-line battlers?

--How do we solve some of the dogging internal problems faced by virtually every CIC -- problems like adequate financing; and perpetuation of the leadership structures (and this is a real problem in areas where we have several plants but no corporate headquarters)?

--Is there something we ought to recommend to you about the capabilities of the small Association staff charged with keeping pace with this growing program?

What 'Kind' of CIC?

And finally, the problem that each area of industry concentration must answer for itself -- what type CIC is best to achieve these results.

For example, Delaware and New Jersey are heavy with corporate headquarters. CIC organizations there are able to obtain the top flight public and community relations experts so necessary for success. That is one type CIC.

Chicago is more a plant-sales staff oriented area and the CIC has found there that it must employ outside public relations in order to insure success of its program. That is another type.

Still another area is that in which plant complexes have sprung up in non-metropolitan areas. Along our famed chemical strip in Louisiana we have over 20 plants located in small, non-metropolitan areas. Most of these plants have no public relations men and the high mobility of technicians in these plants make permanent CIC assignments a tough proposition.

The Louisiana Approach

We have worked out what we consider a novel approach in Louisiana. We are not trying to sell it to anyone else. We simply say it has worked well here.

In Louisiana we have a strong chemical industry association, the Louisiana Chemical Association. It attempts to do on a state scale what MCA does nationally. The association, through its executive vice president, maintains contact with state officials, boards and commissions, other governmental agencies and opinion leaders.

The executive vice president also maintains liaison with MCA and with the CICs. The area of activity of the CICs is education, safety, and community relations in the CICs own backyards.

In order to encourage active CIC participation in these fields, the Louisiana Chemical Association appropriates each year a sum for CIC activity. This year it is \$1200.

There has never been a conflict in Louisiana between the Louisiana Chemical Association, the CIC and MCA. In fact, if the cooperation between the three had not been so fine, I'm certain that I, the executive vice president of the Louisiana Chemical Association, would not be here today as vice chairman of MCA's Chemical Industry Council Advisory Committee.

But no matter what type organization is decided on for implementation of CIC objectives, one thing is certain: The continuing and demonstrated belief in the CIC program, on the part of this Board and of executives in every member firm, is essential to success.

The front line of CIC workers is dependent upon your continuing foresight.

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Copied by MCA
March 1965

CMA 068379

Report to the Board of Directors
of the Manufacturing Chemists' Association, Inc.

By W. G. Canham, Chairman
Mechanical Technical Committee

March 9, 1965

Mr. President and Gentlemen:

Thank you for the opportunity to present this second report of the Mechanical Technical Committee. Two years ago Mr. Callan of Eastman Kodak ably outlined the origin, scope, and objectives of the committee and described its accomplishments. Building on Mr. Callan's foundation I will report briefly on progress in the last two years. I will then try to develop a perspective for judging these accomplishments and for considering what might be the proper role of this trade association in support of industry standards work.

First, then, what have we done for you lately?

1. Acceptance of the "AVS" chemical centrifugal pump, among both producers and users, has continued to reward our best hopes. Pumps to this new design are not only competitive in price with older, less serviceable designs; many producers have incorporated features beyond the requirements of the standard, affording us bonus performance. Despite the practical success of this project, however, the logical goal of an American Standard has been thwarted by refusal of the Hydraulic Institute as cosponsor to recommend approval.
2. Progress toward a Chemical Plant Piping Code has quickened by several-fold in the last year, though much hard work remains to be done. MCA staff and the MTC Task Group on Piping have worked effectively to provide guide lines, leadership, and momentum to the project.
3. An ASA project on aluminum storage tanks has completed the bulk of its work with agreement on a draft standard for industry-wide review. This accomplishment in only two years is especially noteworthy because much new technology had to be assimilated in preparing the design rules for the new standard.

4. Our newest Task Group is working on electrical problems. Their proposal that the National Electrical Code permit wider use of economical rigid cable supports has been approved for the 1965 edition. On the other hand, we have so far failed to gain acceptance of a more important proposal. Our engineers want to take advantage of thinner, stronger, and smoother plastic insulation for wire by pulling a greater number of wires through individual conduits. We know of no technical or practical objection to this more efficient practice, but we understand that labor representatives on the Code committee are opposed.

5. Last Friday an ASA General Conference recommended projects for standards affecting design and construction of tanks and other equipment made of reinforced plastics. The standards we seek will increase sales of plastics raw materials by assuring that plastic equipment gives good service and, by being more reliable, becomes more popular with engineers.

6. A Supervisory Board in the American Standards Association which will concern itself with projects for chemical, petroleum, and allied industry equipment will take up its entire work program at its second meeting later this week. We believe it will be able to expedite profitable results from projects such as the ones just mentioned. Formation of this Board results from an MCA request after a study by MTC and the ASA Chemical Industry Advisory Board, which has now merged with the new Board.

From this brief resume' I would like to turn to a problem which perhaps you have sensed already. How can we view these accomplishments in perspective? How do standardization problems weigh in among the many others which management faces? To what extent does standards work really meet our association's objective to support activities which can not be as efficiently handled by individual companies.

To dramatize the role of standards in engineering I would like to begin by deliberately confusing them with all other kinds of established or existing practices -- those resources engineers draw from experience. This attempt to explain things by confusing them is justified only because a working engineer makes little distinction between formal and informal resources when he is solving problems. He uses anything his judgment tells him is trustworthy. In this broad sense of standards as simple, reliable solutions to recurrent engineering problems, they are built into the way we do our jobs. Without them the engineering of a project might take three times as long, and its cost might be nearly double our present expectations.

If there were no formal standards each engineer would develop his own. Management cannot choose to do without standards; we can only choose whether to manage the activity or let each engineer deal with the problem on his own. In a majority of companies management has chosen to control standards development and use, at least to some degree. It is neither wise nor feasible to make all standard practices into formal standards. By being selective, management can pick out the methods, practices, and procedures which best repay the cost of development through multiplied savings, increased efficiency, and enhanced ease and reliability of communications.

Only a few companies in MCA, however, have seen the potential for extending the logic of selective standards development to industry-wide standards. If selective company standards can save 10% to 20% of costs and time in comparison with "do-it-yourself" standards (as many of us believe) a smaller investment of effort in industry standards can offer an additional 5% to 10% savings as compared with leaving each company to its own efforts. These savings apply to an expanding base of between \$3 and \$5 billion annual facilities expenditures in the chemical industry the amount depending chiefly on how we estimate maintenance and replacement costs. Savings claimed from final realization of MTC projects, not counting those on reinforced plastics or the National Electrical Code, are over \$50 million per year. These claims, projecting the benefits of AVS standard pumps, may be conservative.

These incremental savings result from selective use of our industry's leverage -- our buying power, our unique needs as an industry. Without direction and motivation this enormous influence lies largely unused. In many areas, if the chemical industry fails to use its power, needed standards will be developed anyway, without our participation. In due course we will accept most of these standards either by manufacturers' practices or as a result of regulation. The question might be, then, who will speak for the chemical industry's interest?

In the past it has been our suppliers, other process industry users such as petroleum companies, or representatives from a small minority of chemical companies. None of these can rightly claim the backing of a strong consensus of chemical industry support. Now the federal government looms as another claimant to represent the silent users in developing national standards. MCA should not be found silent in support of its own interests.

Several specific actions would lead toward a healthy exercise of our strength in the national standards field:

1. The American Standards Association recently asked MCA to nominate a director -- a man of executive status. We were unable to respond. We should not let that happen again.

2. MTC officers have found it hard to locate responsible engineering representatives of MCA companies except through personal knowledge or hearsay. We need a better contact system within MCA.

3. MCA member companies should be asked to support a stronger role in national standards work, both as companies and as an association. While each company should decide on its own how much of a stake it has in this field, we believe there has been too little opportunity to consider the problems and the potential benefits in full. I would like to suggest the desirability of convening a group of engineering directors or managers from a broad cross-section of MCA to study these issues. MTC would consider it a privilege to assist the staff in planning such a conference, and to serve as a resource group for it.

Report to the Board of Directors
of the Manufacturing Chemists' Association, Inc.
By John O. Logan, Vice-Chairman
Environmental Health Advisory Committee
March 9, 1965

The Environmental Health Advisory Committee was organized by the Manufacturing Chemists' Association in response to the recommendation of an Ad Hoc Committee. Its first meeting was held on April 9, 1964. The Environmental Health Advisory Committee is composed of five members-at-large and one representative each from the ten MCA technical and functional committees whose work is closely related to the field of environmental health. Mr. Carl Gerstacker of Dow is our liaison member of the Board.

The Advisory Committee was charged with responsibility for advising the MCA Board of Directors "concerning the Association's opportunities and responsibilities in achieving and maintaining an integrated program on environmental health, and in so doing to recommend how to meet these responsibilities, including coordination of activities separately organized within the Association in this field. This coordinating function is not intended to affect the status of the respective technical and functional committees, which will continue to report directly to the Board of Directors." As of this time your Committee has not by any measure complied with the full responsibility of this assignment.

The Environmental Health Advisory Committee has met at least monthly since its inception. After electing a Chairman and Vice Chairman the Committee decided that its first major order of business should be to prepare a statement setting forth I. The Problem of Environmental Health and its Scope, and II. The Chemical Industry's Responsibilities. A similar document had been prepared by the preceding Ad Hoc Planning Committee on Environmental Health for presentation to the MCA Board of Directors, and provided a point of departure.

As might have been anticipated, the views of individual committee members tended initially to be quite divergent, and early meetings were devoted in large part to exchange of views among committee members. By July, 1964, however, agreement in principle had been reached on the proposed statement; it was adopted by the Board of Directors on September 15, 1964, and circulated to Executive Contacts and to the associated MCA committees. I hope that you have all read this statement. If you have not, copies are available through the MCA office. It turned out to be not very different in principle from that of the Ad Hoc Planning Committee on Environmental Health.

The gist of the statement is that the environmental health problem should be taken seriously. It will not go away. It is very likely to get worse. This is because the number of people living on our earth is constantly increasing. Industry and government are trying to make the good life for them, and they are consuming the products of industry in the process. Man creates waste both in making products and in using them, and the wastes are returned to man's environment, the water, the air and the soil.

The environmental health problem, then, is simply this: To what extent can the increasing population load up the fixed environment before the environment is so modified that it produces adverse effects on health? Nature, of course, has a solution to this problem. When a population gets out of balance with its environment, and adverse health effects occur, the population is simply cut down to size by those adverse effects until balance is restored. Man, however, hopes to evade this rather unpleasant solution.

The chemical industry is by no means solely responsible for the environmental health problem, but like every other segment of society it contributes to the problem. The most obvious contribution is the waste produced by the industry - the effluent of the plants. Less obvious, but perhaps the more important in the long run, is the environmental contamination produced by the consumer of our products when he uses the products or disposes of them after use.

The chemical industry has certainly recognized its responsibility to control the effluent of its plants. There is no need to talk to you about this except to point out that some of these problems have not been solved. But the Environmental Health Advisory Committee is of the opinion that little consideration has been given to date to the appropriateness of our products from the point of view of environmental contamination. We do think about utility of product in use; we think about safety of product in use; but how often do we think about the effect that the use or disposal after use of the product may have on the environment?

You have earlier in this meeting approved the Chemical Industry Policy for Legislative Action on Environmental Health. This was the outgrowth of the work of this Committee. I would emphasize that the first words in each of the first four points of the Policy Statement are words of action. They are: (1) "A positive attitude", (2) "Self-regulation", (3) "Support", and (4) "Recognition". The Policy Statement is meaningless unless the members of MCA act to carry out the ideas contained therein.

I am sure that you are interested in the other forward plans of the Environmental Health Advisory Committee. What will it recommend to the MCA Board of Directors?

A Committee of fifteen members reaches a consensus rather slowly because of the number of points of view that must be reconciled. But when such a Committee represents an Association of nearly 200 members, diversity of opinion must be anticipated and perhaps slower progress through the Committee may lead to faster adoption by the Board of Directors and the membership.

The Committee is actively working on several suggestions to be made to the Board of Directors. We think that the first of these will be ready in a short time and that others will follow in due course. The first of these involves the subject of Information. This is a common facet to all phases of our study of environmental health. We think we have a problem but we do not know its magnitude because we don't have adequate information, or we believe we don't have a problem because there is no information on the toxicity of a certain chemical. We are seeking a mechanism to assemble, collate, prepare for distribution and make available to all concerned parties all the information pertinent to specific subjects in the field. This mechanism may take the form of an Environmental Health Institute. And once we have determined the extent of available knowledge, we have also defined the areas of deficient information.

Your Committee has just been subdivided into small groups related to the functions of company organizations. Our companies are engaged in Research and Development, Production, Distribution and Marketing or Product Use. We hope to develop procedures for getting our philosophy and data on environmental health back into these various segments of our member companies because little can be accomplished unless our company organizations become imbued with the spirit of sound practices.

I think it is safe to say that whatever we, as an Association, agree to do will cost money and will to some appear to be a nuisance because it will operate as a restriction on what we used to feel free to do. On the other hand, if we as an Association choose to do nothing, I am sure that the Government will tell us what we must do. Our present thinking is that it would be preferable for the chemical industry to accept leadership and responsibility in those aspects and areas where the chemical industry's experience may be of value. I hope that you agree.

REPORT OF THE
GOVERNMENT RELATIONS DEPARTMENT
TO
MCA BOARD OF DIRECTORS
MARCH 9, 1965

The subject of Government Relations includes so many important topics that one could not possibly cover all of them within the time allotted for this part of the program. Accordingly, I shall largely confine my report to the field of Federal legislation and, within that, to a few items which currently appear to be of most interest to the chemical industry.

Environmental Health

Mr. Logan's discussion has, I am sure, left you with a fresh appreciation of the chemical industry's vital stake in matters concerning environmental health, including, of course, the legislation to which I now turn.

S. 4, the so-called "Water Quality Act of 1965," introduced by Senator Muskie, to provide for the setting of Federal standards of water quality, passed the Senate on January 28th by a vote of 68 to 8. This is substantially the same bill as S. 649, introduced by Senator Muskie and passed by the Senate in 1963 but which, due to strong opposition by industry and the states, failed to come to a vote in the House of Representatives prior to adjournment in 1964.

This year, however, the legislation was assigned a high priority by the President in both his State of the Union and Natural Beauty Messages. The House Public Works Committee held hearings on February 18-23, during which General Decker testified in support of the basic MCA position that additional authority for the setting of Federal standards of water quality is neither desirable nor necessary. Though other industry and state witnesses presented similar views, it is realistic to expect that strong support from certain segments of the public and President Johnson's strength in Congress could result in early passage without substantial change. Faced with this prospect, we have considered it advisable to bolster our position with efforts to obtain some amendments as safeguards against arbitrary exercise of the additional authority granted in the bill. The success of these efforts hangs very much in the balance at the moment.

Mention of this situation leads me to digress long enough to tell you how important it is for members of Congress to know of your support for the MCA position when the legislative going gets tough as it has in connection with this legislation.

And, in connection with the discussion of S. 4, I want to thank those member companies who responded to General Decker's February 19th request to Executive Contacts for such support. If you haven't yet written your congressman, there's still time to do so before the House Public Works Committee goes into executive sessions on the bill on March 16th.

Presidential messages and testimony by Secretary Udall and Assistant Secretary Quigley during the hearings on S. 4 have given notice of forthcoming Administration proposals for additional water pollution control legislation. One would authorize the Federal Government, upon receipt of evidence of threatened pollution, to go directly into court for a restraining order to enjoin the threatened pollution. Another, according to the President's Message on Natural Beauty, would "tighten control over the manufacture and use of agricultural chemicals, including licensing and factory inspection of manufacturers, clearly placing the burden of proof of safety on the proponent of the chemical rather than on the Government." This would be very much like the bill introduced by Senator Ribicoff last year following the Mississippi River fishkill.

In his State of the Union and Natural Beauty Messages, the President also promised legislation to provide for investigation of "potential air pollution problems before pollution happens, rather than having to wait until the damage occurs, . . . and to make recommendations leading to the prevention of such pollution." This legislation, however, has not been sent up to Congress.

Taxes

In the field of taxes, the problems related to Depreciation Guidelines and application of the Reserve Ratio are already well

known to most of you. Since early last fall, the MCA Tax Policy Committee has worked closely with the Treasury Department to obtain a moratorium in application of the Reserve Ratio Test or other modification to meet the needs of the chemical industry. As the result of these efforts and those of similarly affected industries, the Treasury announced a liberalization of the depreciation rules on February 19th. These new measures are now receiving the study of the Tax Policy Committee to determine what effect, if any, they will have on implementation of the Committee's earlier recommendation, approved by the Board of Directors, that MCA seek elimination of the Reserve Ratio Test through legislation.

Industrial Relations

One of the industrial relations developments most likely to have an ultimate impact on the chemical industry is a Report of the President's Committee on Corporate Pension Funds and other Private Retirement and Welfare Programs released on January 28th. In his Economic Report of the same date the President mentioned potential problems revealed by the Pension Fund Report as, first, failure to give the worker his pension rights if he changes employment which has the effect of hampering labor mobility and, second, the absence of full funding which imperils the retirement incomes of some workers.

In his State of the Union Message the President promised legislation to change the Taft-Hartley Law, including section 14(b) which permits enactment of state right to work laws.

Newspaper reports from Administration sources indicate legislation will soon be introduced, with Administration backing, to provide double time for overtime. Last year, hearings were held on this measure in the House only during which it was strongly opposed by industry. It is too soon to predict whether or not it will go further in this Congress.

Antitrust

Senator Hart has announced plans of his Senate Antitrust and Monopoly Subcommittee to continue an inquiry begun last year on the subject of economic concentration. Few details have been announced--only that in the early spring there will be hearings on mergers and other factors associated with concentration in individual industries. Later the Committee expects to explore

the extent to which efficiency and innovation are attained through concentration, these being the principal justifications given for it.

Obviously, as I said in the beginning, these are not all of the legislative matters of interest to the chemical industry. I'll be glad, however, to try to answer any questions you might have about these or others which I have not mentioned.