FRICTION MATERIALS STANDARDS INSTITUTE, INC., 370 LEXINGTON AVENUE, NEW YORK 17, N.Y.

ANNUAL MEETING

OF THE

FRICTION MATERIALS STANDARDS INSTITUTE, INC.

WEDNESDAY, JUNE 18, 1958 AT 10:00 A.M.

AT THE

EDGEWATER BEACH HOTEL, CHICAGO, ILLINOIS.

MR. VACHOUT, PRESIDENT, CALLED THE MEETING TO ORDER AT 10:00 A.M.

MEMBERS	REPRESENTATIVES
ASBESTOS MANUFACTURING COMPANY	R. D. CONGER
ATLAS ASBESTOS COMPANY	W. H. JOHNSTON
AUTO FRICTION CORPORATION	S. A. COMINS
EMSCO ASBESTOS COMPANY	T. P. BELL
GATKE CORPORATION	F. T. GATKE
GRIZZLY MANUFACTURING COMPANY	J. E. NONEMAN
JOHNS-MANVILLE CORPORATION	E. H. WELLS
LASCO BRAKE PRODUCTS CORPORATION, LTD.	W. OSBORNE
MARSHALL-ECLIPSE DIVISION BENDIX AVIATION CORPORATION	J. H. KELLY
MILEY COMPANY THE L. J.	PROXY
MOLDED MATERIALS DIVISION CARLISLE CORPORATION	W. J. VACHOUT
RAYBESTOS-MANHATTAN, INC.	F. A. MILLER
REDDAWAY MANUFACTURING COMPANY, INC.	F. W. BARTON
RITESET MANUFACTURING COMPANY	PROXY
RUSSELL MANUFACTURING COMPANY	L. S. SULLIVAN
SCANDINAVIA BELTING COMPANY	A. E. DALY
SILVER LINE BRAKE LINING CORPORATION	S. A. SMITH
SOUTHERN FRICTION MATERIALS COMPANY	H. SNOW
THERMOID COMPANY	G. S. LAMSON
WELLMAN COMPANY, THE S. K.	W. E. CANFIELD
WORLD BESTOS	R. A. RILEY

OTHERS PRESENT

GATKE CORPORATION	W. BERNGEN
GRIZZLY MANUFACTURING COMPANY	H. H. SWAIN
MOLDED MATERIALS DIVISION CARLISLE CORPORATION	G. F. DIXON, JR.
RAYBESTOS-MANHATTAN, INC.	J. L. McGOVERN
RUSSELL MANUFACTURING COMPANY	W. D. SCHNECK
SILVER LINE BRAKE LINING CORPORATION	P. T. RAUEN
WELLMAN COMPANY, THE S. K.	R. C. BRIGLEB
WORLD BESTOS	J. W. GREENAN
	M. C. KUCHEMAN
FRICTION MATERIALS STANDARDS INST. (CANADA)	HUNTER (OBSERVER)
FRICTION MATERIALS STANDARDS INSTITUTE, INC.	H. G. DUBCHEK, SECRETARY
STICKLES & HAYDEN, ATTORNEYS	L. D. STICKLES, COUNSEL

NOT PRESENT

BRASSBESTOS BRAKE LINING COMPANY
H. K. PASNE MANUFACTURING COMPANY

MINUTES OF PREVIOUS MEETING

MR. VACHOUT, CHAIRMAN, ANNOUNCED THAT THE MINUTES OF THE PREVIOUS ANNUAL MEETING HELD ON JUNE 12, 1957 HAD BEEN DISTRIBUTED BY MAIL. THERE BEING NO CORRECTIONS OR ADDITIONS TO BE MADE THERETO, UPON MOTION DULY MADE AND SECONDED, AND UNANIMOUSLY PASSED, IT WAS

RESOLVED: THAT THE MINUTES OF THE MEETING OF JUNE 12, 1957 BE ACCEPTED AS DISTRIBUTED.

PRESIDENT'S REPORT

AFTER FOUR YEARS, WE ARE AGAIN HOLDING OUR ANNUAL MEETING IN CHICAGO - A HALF WAY POINT BETWEEN THE EAST AND THE WEST. IT IS A PLEASURE TO SEE SO LARGE AN INDUSTRY REPRESENTATION ATTENDING THIS SESSION AND TO SEE THOSE WHO HAVE NOT BEEN OUT TO RECENT ANNUAL MEETINGS. AT THE SOCIAL AND DINNER LAST EVENING, YOU HAD AN EXCELLENT OPPORTUNITY TO RENEW OLD ACQUAINTANCES AND TO MEET AND BECOME ACQUAINTED WITH REPRESENTATIVES WHOM YOU HAD NOT MET PREVIOUSLY OR WHO ARE NEW TO THE INDUSTRY. I MIGHT ADD THAT AS PRESIDENT I FINALLY MET MANY WHO PRIOR TO THIS TIME WERE ONLY NAMES TO ME. I BELIEVE THAT YOUR ANNUAL MEETING COMMITTEE IS TO BE COMPLIMENTED BECAUSE IF IT WERE NOT FOR THEIR FORESIGHT AND PROMPT ACTION, WE WOULD NOT HAVE BEEN ABLE TO OBTAIN ACCOMMODATIONS IN CHICAGO SINCE THE FURNITURE INDUSTRY IS ALSO MEETING THIS WEEK AND HAD BOOKED EVERY HOTEL IN CHICAGO. THEY ARE ALSO TO BE COMPLIMENTED FOR THEIR PLANNING OF THE SOCIAL AS WELL AS FOR THE ENTERTAINMENT TO LIVEN UP THE EVENING AND THE DINNER SELECTION.

I SHALL NOT GO INTO DETAIL ON THE WORK PERFORMED BY THE VARIOUS STANDING COMMITTEES SINCE THE REPORT OF THE BOARD OF DIRECTORS AND THE ACTIONS TAKEN WILL BE READ TO YOU BY THE SECRETARY. I WILL SAY, HOWEVER, THAT NONE OF YOUR COMMITTEES HAS BEEN REMISS IN CONSIDERING THE WISHES OF THE MEMBERS AND IN SOME CASES, THEY HAVE SPENT NOT HOURS BUT DAYS, IN TRYING TO RESOLVE THE PROBLEMS. IN ADDITION, TIME SPENT ON SUCH MATTERS HAS BEEN BY CORRESPONDENCE AND BY TELEPHONE.

RECENTLY, I READ AN ARTICLE BY RAYMOND MOLEY WHICH APPEARED IN THE COLUMBUS EVENING DISPATCH, DATED OCTOBER 24, 1957, IN WHICH HE SAID THAT IN MANY CASES, THE AVERAGE MEMBER OF AN ASSOCIATION DOES NOT TAKE HIS MEMBERSHIP VERY SERIOUSLY NOR REALIZES THE BENEFITS ACCRUING FROM THAT ASSOCIATION. HE ALSO STATES IN THAT ARTICLE AND I QUOTE "WHEN BUSINESS MEN ARE COMPLAINING WITH GOOD REASON ABOUT THE POWER OF LARGE INTERNATIONAL UNIONS THEY MIGHT AS WELL TAKE NOTE OF WHAT IS HAPPENING TO A GREAT MANY OF THEIR OWN NATIONWIDE TRADE AND BUSINESS ORGANIZATIONS."

HE GOES ON TO STATE CERTAIN ACTIVITIES THAT WERE PRACTICED SUCH AS RESEARCH FOR THE BENEFIT OF ALL, PUBLIC RELATIONS AND THE ASSEMBLING OF STATISTICS BUT THAT PRODUCT DIVERSIFICATION AND A NEW GENERATION OF INDUSTRY LEADERSHIP HAS ISOLATED TOP POLICY MAKERS IN INDUSTRY FROM THE ACTIVE GUIDANCE OF ASSOCIATIONS.

THE CHAMBER OF COMMERCE OF THE UNITED STATES REPLIED TO THIS ARTICLE BY STATING THAT THE PAST TENSE USED BY MR. MOLEY AS REGARDS ACTIVITIES WAS INCORRECT, BASED UPON A SURVEY MADE OF TRADE ASSOCIATIONS. RESEARCH ACTIVITIES ARE STILL ENGAGED IN TO A GREAT EXTENT, AND STATISTICAL PROGRAMS ARE STILL VERY MUCH ALIVE AS DEMOSTRATED AT THE PRESIDENT'S CONFERENCE ON TECHNICAL AND DISTRIBUTION RESEARCH HELD IN WASHINGTON IN SEPTEMBER 1957. THE SIGNIFICANCE OF SOME OF THE ILLUSTRATIONS MENTIONED BY THE CHAMBER OF CONGRESS IS THAT TODAY'S ASSOCIATIONS ARE GEARED TO HELP THE SO-CALLED SMALL BUSINESSM N AS WELL AS THE LARGE ONE. MANY ASSOCIATIONS ARE STEPPING UP THEIR ACTIVITIES IN CONDUCTING ACCIDENT PREVENTION PROGRAMS, EDUCATIONAL AND TRAINING PROGRAMS, AND TRAINING FILMS, INDUSTRY ADVERTISING CAMPAIGNS, ETC.

PRESIDENT'S REPORT (CONT'D.)

I MENTION THE FOREGOING BECAUSE SOME OF OUR OWN MEMBERS HAVE STARTED TRAINING COURSES FOR BRAKE WORK AND OTHERS HAVE EDUCATIONAL FILMS. ANOTHER PHASE, WHICH IS NOW A PROJECT OF THE INSTITUTE, WAS THE ISSUANCE OF BRAKE SHOE IDENTIFICATION CHARTS. AS YOU KNOW, THE INSTITUTE COULD NOT EMBARK ON A PROGRAM OF THAT NATURE UNTIL THE CO-OPERATION OF THE BRAKE SHOE MANUFACTURERS WAS OBTAINED SINCE YOUR INSTITUTE IS KNOWN TO RELEASE ONLY AUTHENTIC INFORMATION RECEIVED FROM THE ORIGINAL EQUIPMENT MANUFACTURER. YOU WILL LEARN, LATER AT THIS SESSION FROM THE BOARD REPORT, WHAT YOUR TECHNICAL COMMITTEE HAS DONE ON THIS AND HOW THIS INFORMATION WILL BE STANDARDIZED. THE PROBLEM OF IDENTIFICATION WILL NO LONGER BE AN INDIVIDUAL ONE BECAUSE THE INSTITUTE WILL HAVE THE INFORMATION AVAILABLE, AND IF NOT, IT WILL OBTAIN IT IF AT ALL POSSIBLE.

ON ACCIDENT PROGRAMS. BESIDES THE CAMPAIGNS BEING WAGED BY VARIOUS CAR MANUFACTURERS, TRUCKING ASSOCIATIONS, THE MILITARY, THE VARIOUS STATES AND COMMUNITY ORGANIZATIONS AND CLUBS, ONE OF OUR MEMBERS IS SENDING ISSUES OF THE VEHICLE SAFETY CHECK NEWS TO THEIR FIELD REPRESENTATIVES AND DISTRICT MANAGERS SO THAT THEY CAN BE KEPT UP TO DATE ON SAFETY CHECK DEVELOPMENTS AND ENCOURAGE PEOPLE THEY CONTACT TO SUPPORT THE PROGRAM.

YOUR INSTITUTE IS NOT ENGAGING IN ALL OF THE ACTIVITIES THAT IT MIGHT, BUT NOTHING CAN BE EMBARKED UPON UNLESS IT IS THE WILL OF THE MEMBERS. HOWEVER, SOME OF THE MORE IMPORTANT WORK PERFORMED DURING THE PAST ELEVEN MONTHS IS:

BLUE PRINTS FORWARDED - 3,053 FOR 11 MONTHS AS COMPARED WITH 2,000 FOR THE FULL YEAR 1957.

TELEPHONED REQUESTS - 1,941 FOR 11 MONTHS AS COMPARED WITH 1,600 FOR THE FULL YEAR 1957.

LETTER REQUESTS - 1,793 FOR 11 MONTHS AS COMPARED WITH 1,700 FOR THE FULL YEAR 1957.

COMMITTEE AND BOARD MEMORANDUMS - 46 FOR 11 MONTHS AS COMPARED WITH 30 FOR THE FULL YEAR 1957.

DATA BOOK BULLETINS - 9 TOTALING 35 PAGES AS COMPARED WITH 10 TOTALING 29 PAGES FOR THE FULL YEAR 1957.

GENERAL BULLETINS TO THE MEMBERSHIP - 19 AS COMPARED WITH 10 IN 1957.

WHERE PRINTS ARE CONCERNED, IN MOST CASES THEY HAVE TO BE DUPLICATED AND WHEN A MEMBER ORDERS 10, 50 AND SOMETIMES AS MANY AS 90 TO 100 AT A TIME, MANY OF WHICH HAVE TO BE PHOTOSTATED, SEVERAL HOURS OF WORK ARE INVOLVED ON THIS ONE REQUEST.

THE DATA BOOK BULLETINS ARE THE SUM TOTAL OF COMPLETE INFORMATION THAT IS OBTAINED WITHIN A PERIOD. THERE IS NOTHING IN THAT BULLETIN TO INDICATE THE TIME EXPENDED ON VERIFYING THE INFORMATION RECEIVED, DETERMINING THE F.M.S. ASSIGNMENTS, THE CORRESPONDENCE INVOLVED IN SECURING THE DATA, THE FURTHER CORRESPONDENCE NECESSARY TO CLEAR UP ANY QUESTIONABLE POINTS, OBTAINING BLUE PRINTS FOR NEW SIZES AND ALL THE RECORDS THAT HAVE TO BE KEPT IN CONNECTION WITH SUCH INFORMATION.

THERE ARE MANY REQUESTS FOR INFORMATION WHERE A MEMBER FILES PARTIAL INFORMATION FOR WHICH THE SECRETARY HAS TO FIND AN ANSWER AND IF SHE IS UNABLE TO DO SO, HAS TO COMMUNICATE WITH EITHER VEHICLE OR THE AXLE MANUFACTURER - IF THAT REFERENCE IS GIVEN.

PRESIDENT'S REPORT (CONT'D.)

AS MENTIONED BY PREVIOUS PRESIDENTS, THE TIME SPENT ON INSTITUTE MATTERS IS KNOWN ONLY BY SOMEONE IN CONSTANT AND CLOSE CONTACT WITH THE OFFICE - SOMEONE WHO KNOWS OF THE LENGTHY DISCUSSIONS WHICH TAKE PLACE AT COMMITTEE MEETINGS AND SOME OF THE PROBLEMS WITH WHICH THE SECRETARY IS FACED. AT ALL TIMES, THE BENEFITS THAT WILL ACCRUE TO THE MAJORITY AND TO THE INDUSTRY AS A WHOLE ARE KEPT IN MIND WITH PERSONAL FEELINGS AND INTERESTS HAVING NO PLACE IN THE FINAL RECOMMENDATIONS AND DECISIONS. MANY OF YOU HAVE SERVED ON SOME OF THE COMMITTEES AND IF, ON THE TECHNICAL COMMITTEE, YOU KNOW HOW TRUE THIS IS.

ONE SERIOUS MATTER NOT HANDLED BY COMMITTEE ACTION, BUT UPON WHICH ACTION IS TAKEN PROMPTLY, ARE REPORTED COPYRIGHT VIOLATIONS. FACTS SUBMITTED PLUS INSTITUTE CORRESPONDENCE ARE CAREFULLY CHECKED BY COUNSEL AND IN ALL CASES, THE COPYRIGHT HAS BEEN PROTECTED.

INSTITUTE OPERATIONS ARE CARRIED ON AS EFFICIENTLY AS POSSIBLE BUT COSTS STILL RISE, AS YOU HAVE NOTED WITHIN YOUR OWN COMPANIES. THE INSTITUTE IS NO EXCEPTION AND HAS TO PAY MORE FOR EVERYTHING IN ORDER TO KEEP THE OFFICE FUNCTIONING.

THE ATTENDANCE AT THIS MEETING IS INDICATIVE OF RENEWED INTEREST IN INSTITUTE AFFAIRS AND ALSO YOUR DESIRES TO HAVE OTHER REPRESENTATIVES FROM YOUR COMPANIES FAMILIAR WITH THE WORKINGS OF THIS ORGANIZATION.

THOSE SERVING ON THE STANDING COMMITTEES AND ON THE BOARD OF DIRECTORS HAVE GIVEN OF THEIR TIME, ABILITIES AND EFFORTS ON BEHALF OF THIS ORGANIZATION IN ORDER TO SOLVE THE PROBLEMS BESETTING THIS INDUSTRY. I WISH TO EXPRESS MY VERY SINCERE APPRECIATION TO THE COMMITTEE MEMBERS, TO THE BOARD OF DIRECTORS, TO COUNSEL, AND TO THE INSTITUTE STAFF FOR ALL THEY HAVE DONE. BEING PRESIDENT THIS PAST YEAR HAS BEEN AN EXPERIENCE WHICH I AM VERY GLAD TO HAVE HAD AS IT HAS GIVEN ME AN INSIGHT INTO THE KIND OF PROBLEM THAT CAN ARISE AND HOW IT CAN BE RESOLVED BY GROUP ACTION.

REPORT OF THE BOARD OF DIRECTORS

THE SECRETARY READ THE FOLLOWING:

FOR THE FISCAL YEAR STARTING JULY 1, 1957, EIGHT COMMITTEES WERE APPOINTED AND WERE REPRESENTATIVE OF A CROSS SECTION OF THE MEMBERSHIP. THE ACTIVITY OF THESE COMMITEES CAN ONLY BE JUDGED BY THE REPORTS RENDERED TO THE BOARD AND THE FOLLOWING IS THE RESUME OF WHAT HAS BEEN DONE BY THESE COMMITTEES AND THE ACTION TAKEN.

ON JANUARY 7 AND ON JUNE 16, 1958, THE REPORTS OF THE VARIOUS COMMITTEES, THEIR RECOMMENDATIONS AND OTHER PROBLEMS WERE CONSIDERED BY YOUR BOARD.

THE SAFETY CAMPAIGN COMMITTEE ADVISED THAT IT HAD COME TO THE CONCLUSION THAT LITTLE GOOD, IF ANY, COULD COME FROM SELECTING A SLOGAN AND OFFERING IT FOR CONSIDERATION BY THE MEMBERS. THEY FELT THAT EACH MEMBER HAS HIS OWN APPROACH TO THE PUBLIC AND SINCE THE INSTITUTE HAS NO ADVERTISING OR PUBLICITY ITEM IN THE BUDGET, THE COMMITTEE DID NOT FEEL THAT A SLOGAN, EVEN IF AGREED UPON, WOULD BE USED TO ANY GREAT ADVANTAGE. THEY SUGGESTED THAT THE INSTITUTE MIGHT COOPERATE WITH NATIONAL SAFETY COMMITTEES SUCH AS THE NATIONAL ASSOCIATION OF POLICE CHIEFS BUT SINCE IT WAS DOUBTFUL THAT THE INSTITUTE WOULD BE INTERESTED IN MAKING A FINANCIAL CONTRIBUTION THE RECOMMENDATION WAS TO ABOLISH THE COMMITTEE AS IT WAS NOT IN A POSITION TO MAKE ANY CONSTRUCTIVE SUGGESTIONS.

THE BOARD, AFTER CONSIDERATION, RESOLVED:

THAT THE REPORT OF THE SAFETY CAMPAIGN COMMITTEE BE ACCEPTED.

REPORT OF THE BOARD OF DIRECTORS (CONT'D.)

THE ANNUAL MEETING COMMITTEE, AS A RESULT OF THE POLL TAKEN BY MAIL FOR THE MEETING TO BE HELD IN CHICAGO DURING THIS WEEK, RECOMMENDED THAT CONSIDERATION BE GIVEN TO THE OFT-EXPRESSED WISH OF VARIOUS MEMBERS THAT A SOCIAL FUNCTION BE HELD PRIOR TO THE MEMBERSHIP MEETING SO THAT REPRESENTATIVES ATTENDING MIGHT HAVE AN OPPORTUNITY TO BECOME ACQUAINTED. THEY ALSO RECOMMENDED THAT THE MEMBERS BE REQUESTED TO HAVE NOT ONLY THEIR REGULAR DELEGATE PRESENT BUT ALSO THEIR ALTERNATE.

AFTER CONSIDERATION, THE FOLLOWING MOTION WAS PASSED:

RESOLVED: THAT THE REPORT OF THE ANNUAL MEETING COMMITTEE AND THE RECOMMENDATIONS MADE AS REGARDS TO ATTENDANCE AND ENTERTAINMENT BE ACCEPTED.

THE SPECIAL COMMITTEE ON IMPORTS, CONCERNED WITH THE IMPORT DUTIES ON BRAKE LININGS AND CLUTCH FACINGS AT PORTS OF ENTRY INTO THE UNITED STATES AND EXCISE TAXES, OBTAINED THE FOLLOWING INFORMATION FROM THE BUREAU OF CUSTOMS IN NEW YORK AND CONFIRMED BY INFORMATION RECEIVED FROM THE UNITED STATES TREASURY DEPARTMENT , BUREAU OF CUSTOMS IN WASHINGTON.

IN ALL PORTS OF ENTRY, THE FOLLOWING RATES APPLY UNDER THE TARIFF ACT OF 1930 AS AMENDED:

1. WOVEN CLUTCH FACINGS AND BRAKE LININGS.
   DUTIABLE AT 10% AD VALORUM ON IMPORTS FROM ALL NON-COMMUNIST COUNTRIES. FROM COMMUNIST CONTROLLED COUNTRIES, THE RATE IS 40%. THESE WOULD BE OF ASBESTOS OR OF ASBESTOS AND ANY OTHER SPINNABLE FIBER WITH OR WITHOUT WIRE.

2. MOLDED CLUTCH FACINGS AND BRAKE LININGS.
   UP TO JUNE 30, 1958, IMPORTS ARE DUTIABLE AT 9% AD VALORUM BUT AFTER JUNE 30, 1958, THE RATE WILL BE 8-1/2%, FROM NON-COMMUNIST CONTROLLED COUNTRIES. FROM COMMUNIST CONTROLLED COUNTRIES, THE RATE WOULD BE 25% AD VALORUM. THESE WOULD BE IN PART OF ASBESTOS CONTAINING ANY BINDING AGENT, COATING OR FILLER OTHER THAN HYDRAULIC CEMENT OR SYNTHETIC RESIN.

3. IF BRAKE LININGS AND OR CLUTCH FACINGS ARE SPECIFICALLY DESIGNED TO FIT A PARTICULAR AUTOMOBILE, THESE WOULD BE CLASSIFIED AS PARTS OF AUTOMOBILES AND UNDER PARAGRAPH 369 (C) OF THE TARIFF ACT OF 1930, DUTIABLE AT 11% AD VALORUM FROM NON-COMMUNIST COUNTRIES AND 25% FROM COMMUNIST CONTROLLED COUNTRIES.

4. THE REVENUE ACT OF 1954, SECTION 4061, ALSO STATES THAT ON PARTS AND ACCESSORIES OTHER THAN TIRES, INNER TUBES, AUTOMOBILE RADIOS AND TELEVISION RECEIVING SETS SOLD BY THE MANUFACTURER, PRODUCER, OR IMPORTER A TAX EQUIVALENT TO 8% OF THE PRICE FOR WHICH SOLD IS IMPOSED EXCEPT THAT AFTER JULY 1, 1958 THE RATE WILL BE 5%.

AFTER CONSIDERATION, THE FOLLOWING MOTION WAS PASSED:

RESOLVED: THAT THE REPORT OF THE SPECIAL COMMITTEE ON IMPORTS BE ACCEPTED.

DURING THE YEAR, THE MEMBERSHIP COMMITTEE RECEIVED TWO REQUESTS FOR INFORMATION ON REGIONAL MEMBERSHIP. ONE WAS PROCESSED AND THE MEMBERSHIP, BY MAIL BALLOT, ACCEPTED THE AUTOMOBILE PRODUCTS OF INDIA, LTD. OF BOMBAY, INDIA. THEY BECAME A REGIONAL MEMBER AS OF MARCH 19, 1958.

REPORT OF THE BOARD OF DIRECTORS (CONT'D.)

THE APPLICATION OF FRANCISCO STEDILE & CIA OF BRAZIL, SOUTH AMERICA WAS RECOMMENDED FOR ACCEPTANCE TO THE BOARD OF DIRECTORS AT MEETING ON JUNE 16, 1958.

AFTER CONSIDERATION, THE FOLLOWING MOTION WAS PASSED:

RESOLVED: THAT THE REPORT OF THE MEMBERSHIP COMMITTEE BE ACCEPTED.

AFTER CONSIDERATION, THE BOARD PASSED THE FOLLOWING:

RESOLVED: THAT THE APPLICATION FOR REGIONAL MEMBERSHIP, FILED BY FRANCISCO STEDILE & CIA OF BRAZIL, SOUTH AMERICA BE RECOMMENDED TO THE ANNUAL MEMBERSHIP MEETING FOR ACCEPTANCE.

UPON PRESENTATION OF THE TREASURER'S REPORT AND AFTER DISCUSSION, IT WAS UNANIMOUSLY

RESOLVED: THAT THE TREASURER'S REPORT BE ACCEPTED.

THE HISTORICAL SALES COMMITTEE REPORT WAS PRESENTED BY ITS CHAIRMAN AND, AFTER CONSIDERATION, IT WAS UNANIMOUSLY

RESOLVED: THAT THE REPORT OF THE HISTORICAL SALES COMMITTEE BE ACCEPTED AND FILED.

BECAUSE OF THE INTEREST OF THE MEMBERSHIP IN THE ACTIVITIES OF THE DATA BOOK AND TECHNICAL COMMITTEE, THE BOARD DIRECTS THAT ITS FULL REPORT BE SUBMITTED TO THE MEMBERSHIP:

MR. LITCHFIELD REPORTED THAT SINCE JANUARY 1958, THIS COMMITTEE HAS HAD THREE MEETINGS IN ADDITION TO PASSING UPON MATTERS CONCERNING THE BRAKE SHOE CATALOG THAT WERE PRESENTED FOR CONSIDERATION BY MAIL. TECHNICAL MATTERS ON NUMBER ASSIGNMENTS, PUNCHING OF DATA BOOK BULLETINS AND RIVET STANDARDS WERE ALL CONSIDERED, BUT THE MAIN PURPOSE OF THESE MEETINGS WAS TO COME TO A FINAL DECISION ON THE NUMBERING SYSTEM FOR THE BRAKE SHOE IDENTIFICATION PROGRAM AS WELL AS THE FORMAT OF THE CATALOG.

THE NUMBERING SYSTEM WAS THE MOST IMPORTANT PHASE OF THIS WORK SINCE NOTHING DEFINITE COULD BE DONE NOR PRESENTED TO THE BOARD FOR REVIEW IN ADVANCE OF THE JUNE MEETING WITHOUT THE NUMBERING SYSTEM.

AT FIRST, THE COMMITTEE DECIDED TO FOLLOW THE NUMBER ASSIGNED TO THE UNLINED SHOE BY THE F.M.S. LINING NUMBER IN ORDER TO INDICATE THE LINING SIZE TO BE USED. AFTER RECEIVING FORMATS OF THE CATALOG SETUP FROM THE SECRETARY, A FINAL FORM WAS SELECTED.

THE SECRETARY THEN PRESENTED BY MAIL ALL OF THE INFORMATION RECEIVED TO DATE FOR SUGGESTIONS. THE COMMITTEE, BEFORE FORWARDING THEIR COMMENTS, CHECKED WITH THEIR VARIOUS FIELD REPRESENTATIVES AND CUSTOMERS AND, AT THE MAY MEETING, RECOMMENDED THAT THE NUMBERING SYSTEM BE REVERSED TO SHOW F.M.S.I. LINING NUMBER FIRST, FOLLOWED BY A DASH AND THEN THE UNLINED SHOE NUMBER. THE REASON GIVEN WAS THAT THE FIELD WAS NOW IDENTIFYING SHOES BY THE F.M.S.I. LINING ASSIGNMENT AND WITH A SUFFIX IN SOME CASES. THIS WILL ALSO GIVE NUMERICAL LISTINGS IN SIMILAR ORDER TO THE BRAKE LINING LISTINGS.

AFTER CONSIDERING THESE COMMENTS, THE COMMITTEE'S UNANIMOUS OPINION WAS THAT BY HAVING THE F.M.S.I. NUMBER FIRST, THE SHOE IDENTIFYING PROGRAM WOULD DEFINITELY BE ASSOCIATED WITH THE INSTITUTE AND, AT THE SAME TIME, WOULD BE MORE READILY ACCEPTED AND ADOPTED BY THE BONDERS IN THAT IT WAS FOLLOWING A SIMILAR SYSTEM NOW IN USE.

THE SECRETARY WAS INSTRUCTED TO SET UP SOME OF THE INFORMATION AND FORWARD A SAMPLE TO THE BOARD FOR REVIEW. I HAVE BEEN ADVISED THAT THE BOARD HAS ACCEPTED THE RECOMMENDED NUMBERING SYSTEM AND FORMAT, THEREFORE, THE COMMITTEE WILL PROCEED TO NUMBER THE OTHER DRAWINGS WHICH HAVE BEEN RECEIVED AND WHICH WILL BE RECEIVED LATER.

WE HAVE SECURED THE COOPERATION OF ALL THE BRAKE MANUFACTURERS - WAGNER, MORAINE, BENDIX AND CHRYSLER - AND WHEN ALL OF THE DRAWINGS ARE RECEIVED, THERE WILL BE 100% COVERAGE OF PASSENGER CARS AND LIGHT TRUCKS. WE HAVE NOT ATTEMPTED TO INCLUDE TRACTOR SHOES, ALTHOUGH SOME OF THESE ARE USING BONDED LININGS. TO DATE, A TOTAL OF 54 DRAWINGS HAVE BEEN RECEIVED FROM ALL FOUR SOURCES. IN ORDER TO EXPEDITE THE WORK, BENDIX HAS BEEN REQUESTED TO FORWARD CERTAIN DRAWINGS SO THAT THE PROJECT, AS FAR AS PASSENGER CARS ARE CONCERNED, CAN BE COMPLETED AND THE CATALOG PREPARED FOR PUBLICATION.

PROPOSED UNDRILLED SEGMENT LENGTHS FOR BONDING

IN ACCORDANCE WITH THE BOARD'S INSTRUCTIONS THE BONDED SEGMENT SIZES, AS ACCEPTED BY THE MEMBERSHIP IN JUNE 1957, WERE REVIEWED.

THE NEW LIST OF THE SUGGESTED LENGTHS, CROSS-REFERENCED WITH THE F.M.S.I. NUMBERS, WAS PREPARED TOGETHER WITH AN EXPLANATION AS TO HOW THE SUGGESTED LENGTHS WERE DETERMINED. THIS HAS BEEN SUBMITTED TO YOU FOR CONSIDERATION, AND IT IS MY UNDERSTANDING THAT IT HAS BEEN ACCEPTED AND WILL BE RECOMMENDED TO THE ANNUAL MEETING FOR ACCEPTANCE. WHEREVER DISCREPANCIES WERE CALLED TO THE SECRETARY'S ATTENTION, THESE HAVE BEEN CORRECTED.

COVER SHEETS

FOR THE BRAKE SHOE IDENTIFICATION CATALOG, THE COVER SHEET HAS BEEN CHANGED IN ACCORDANCE WITH SUGGESTIONS RECEIVED BY THE SECRETARY FROM BOARD MEMBERS. FOR THE BONDED SEGMENT SIZES, A COVER SHEET WAS SUGGESTED AND THIS ALSO HAS BEEN PREPARED AND ATTACHED TO THE LISTING.

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THE COMMITTEE MEMBERS NOT ONLY MADE EVERY EFFORT TO ATTEND ALL MEETINGS BUT WERE MOST DILIGENT IN ALL THEIR EFFORTS TO COMPLETE ALL OF THE WORK PRESENTED FOR STUDY AND RECOMMENDATION, I KNOW THEY FEEL FULLY REWARDED THAT THIER RECOMMENDATIONS ON THE BRAKE SHOE IDENTIFICATION PROGRAM AND THE BONDED SEGMENT SIZES HAVE BEEN ACCEPTED BY THE BOARD AND IS TO BE RECOMMENDED TO THE MEMBERSHIP FOR ACCEPTANCE AT THE ANNUAL JUNE MEETING ON WEDNESDAY.

BRAKE SHOE IDENTIFICATION CATALOG

THE COMMITTEE CHAIRMAN ADVISED THAT IN ORDER TO COMPLETE THE CATALOG, APPROXIMATELY FIFTEEN MORE DRAWINGS WERE NEEDED AND THE DRAFT WOULD BE COMPLETED AND THE INSTITUTE GO TO PRESS BY SEPTEMBER.

THE SAMPLE FORMAT, DISTRIBUTED TO THE MEETING, WAS REVIEWED AND THE FOLLOWING SUGGESTIONS MADE:

DESCRIPTIVE DATA.

1. FIRST PARAGRAPH, SECOND LINE. DELETE THE WORD "EQUIPMENT" AND INSERT THE WORDS "VEHICLE OR BRAKE".
2. THIRD PARAGRAPH. TO READ AS FOLLOWS:
   THE SEQUENCE OF THE DRAWINGS IN THIS CATALOG IS BY SIZE PROGRESSION - NOMINAL DRUM DIAMETER AND WIDTH.

   A. #1, #2, #3, ETC. IS THE NUMBER ASSIGNED TO THE UNLINED SHOE.
   B. "F", "R", "P", OR "S" FOLLOWING THE SHOE NUMBER INDICATES THAT THE FORWARD SHOE "F" OR THE PRIMARY SHOE "P" IS NOT EXACTLY THE SAME AS THE REVERSE SHOE "R" OR THE SECONDARY SHOE "S".

DRAWINGS AND APPLICATION DATA.

1. HEADINGS FOR THE DRAWINGS - F.M.S.I. UNLINED SHOE NUMBER
2. HEADINGS FOR THE APPLICATIONS - F.M.S.I. BONDED SHOE SET NUMBRR

CROSS REFERENCES.

1. NUMERICAL LISTING BY BONDED SHOE SET NUMBERS, GIVING NOMINAL, DRUM DIAMETER, WIDTH, AND PAGE NUMBER ON WHICH THE FOLLOWING INFORMATION APPEARS. IF, FOR EXAMPLE, #1137 TAKES THE SAME SHOE AS #145, MENTION "SAME AS #145".
2. ALPHABETICAL LISTING BY VEHICLES, MODELS AND YEARS.
3. NUMERICAL LISTING BY SHOE NUMBER GIVING NOMINAL DRUM DIAMETER, WIDTH AND PAGE ON WHICH THE INFORMATION APPEARS.
4. NUMERICAL LISTING BY NOMINAL SHOE DIAMETER AND WIDTH, SHOE NUMBER, BONDED SHOE SET NUMBER AND PAGE ON WHICH THE INFORMATION APPEARS.

UPON MOTION DULY MADE AND SECONDED, IT WAS UNANIMOUSLY

RESOLVED: TO ACCEPT THE RECOMMENDATION OF THE DATA BOOK AND TECHNICAL COMMITTEE AS TO THE NUMBERING SYSTEM AND PROCEDURE ON THE BRAKE SHOE IDENTIFICATION CATALOG AS AMENDED.

PROPOSED UNDRILLED SEGMENT LENGTHS FOR BONDING

THE COMMITTEE CHAIRMAN ADVISED THAT THE LISTING DISTRIBUTED TO THE MEETING WAS THE ORIGINAL ONE, NO NEW NUMBERS HAVING BEEN ADDED. UPON REVIEW, THE FOLLOWING CHANGES WERE MADE:

DESCRIPTIVE DATA.

PARAGRAPH 1 (A). THIRD LINE. CHANGE THE WORD "SHOE" TO READ "LINING CONTACT".
PARAGRAPH 1 (B). ADD THE FOLLOWING SENTENCE - "AT THE DISCRETION OF THE OPERATOR THIS CAN BE CUT TO THE EXACT LENGTH AS SHOWN IN THE F.M.S.I. AUTOMOTIVE DATA BOOK, IF DESIRED".
PARASRAPH 2 (A). THIRD LINE. CHANGE THE WORD "SHOE" TO READ "LINING CONTACT".
PARAGRAPH 4 CHANGE #020 TO READ #020-A. CHANGE WORDS "THE 11-1/4 INCH" TO "A 10-3/4 INCH".

LAST PARAGRAPH ADD THE FOLLOWING: NOTE: FURNISHING THE DATA HEREIN FOR BONDED APPLICATIONS IN NO WISE INDICATES PREFERENCE BY F.M.S.I. OR BY THE EQUIPMENT MANUFACTURER FOR EITHER BONDING OR RIVETING.

NUMBERS AND SIZES.

1. SET UP #020-A WITH A LENGTH OF 10-3/4" FOR #653 AND #6028
2. CHANGE LENGTH OF #029 TO 9-3/8"
3. SET UP #030-A WITH A LENGTH OF 11-7/8" FOR #2006-S, #287, AND #2038-S
4. CHANGE LENGTH OF #032 AND #034 TO 12-5/8"

AFTER CONSIDERATION, UPON MOTION DULY MADE, SECONDED AND UNANIMOUSLY PASSED, IT WAS

RESOLVED: THAT THE NUMBERING SYSTEM AND PROPOSED UNDRILLED SEGMENT LENGTHS FOR BONDING BE ADOPTED IN PRINCIPLE; AND

THAT THE PROPOSED LENGTHS AGAIN BE REVIEWED AND REVISED SO THAT NO RECOMMENDATION FOR (A) BONDED LENGTHS TO BE USED ON ORIGINAL EQUIPMENT BONDED SEGMENT APPLICATIONS BE SHORTER THAN THE ORIGINAL EQUIPMENT MANUFACTURERS SPECIFICATIONS AND (B) BONDED SEGMENT LENGTHS, USED IN PLACE OF DRILLED SEGMENTS, SHALL BE SHORTER BY NO MORE THAN A MAXIMUM OF ONE INCH OR A TOTAL OF THE TWO CHAMFERED ENDS; AND

THAT THE RECOMMENDED CHANGES ON THE DESCRIPTIVE PAGE BE INCORPORATED.

THE COMMITTEE WAS INSTRUCTED TO AGAIN REVIEW THE PROPOSED LENGTHS IN ACCORDANCE WITH THE POLICY STATED AND TO INCORPORATE ALL NEW NUMBERS.

ON OTHER MATTERS CONSIDERED BY THE COMMITTEE, THE BOARD APPROVED:

1. THE RECOMMENDATION THAT A 1958 SUPPLEMENT TO THE 1957 DATA BOOK BE PRINTED.
2. THE RECOMMENDATION THAT THE SUGGESTED FORM OF LETTER ANSWERING THE FIELD' REQUESTS FOR INFORMATION ON COEFFICIENTS OF FRICTION BE DISTRIBUTED TO THE MEMBERSHIP.
3. THE INTERIM REPORT ON THE RESULTS OF THE TESTS BEING CONDUCTED ON CERTAIN RIVETS AND THE POOLING OF THIS INFORMATION WITH THAT OF THE TUBULAR AND SPLIT RIVET COUNCI
4. THE REPORT COVERING MATTERS DEALING WITH NUMBER ASSIGNMENTS, FOOTNOTES IN THE DATA BOOK CONCERNING CERTAIN SUFFIXES APPEARING THEREIN, CHANGES IN BLOCK LENGTH AND SPRING HOLE DESIGNATIONS.
5. THE ASSIGNMENT OF NUMBERS TO PRODUCTS OF OTHER MANUFACTURERS - BRAKE SHOES - AND PUBLISHING SUCH INFORMATION PROVIDED THAT THE AUTHORIZATION TO DO SO HAD BEEN SECURED FROM THE MANUFACTURER TO REPRODUCE SUCH INFORMATION AND THAT THAT IS MENTIONED IN THE CATALOG.

COUNSEL REPORTED IN DETAIL INCLUDING THE EFFORTS TO PROTECT THE INSTITUTE'S COPYRIGHT.

THE BOARD GRANTED PERMISSION TO MOTOR RIM AND WHEEL SERVICE OF CALIFORNIA AND TO WHEELS, INC. OF NEW YORK TO REPRINT THE PAGE OF THE DATA BOOK ON THE REMACHINING OF DRUMS WITH THE PROVISION THAT THE REPRODUCTION STATE THAT IT WAS DONE WITH THE PERMISSION OF THE INSTITUTE.

AT THE LAST ANNUAL MEETING, A TOTAL BUDGET OF $27,000. WAS ACCEPTED BY THE MEMBERSHIP SUBJECT TO REVIEW BY THE BOARD AT THE END OF THE FIRST SIX MONTHS. IN JANUARY 1958, AT A REGULAR MEETING, THE COMMITTEE PRESENTED TWO BUDGETS - ONE PREDICATED ON A STAFF OF TWO (THE SECRETARY AND A STENOGRAPHER PLUS A PART TIME WORKER) AND THE OTHER WITH THREE (3) FULL TIME WORKERS. IT WAS FOUND THAT WITH ONLY TWO FULL TIME EMPLOYEES, CERTAIN WORK, SUCH AS STENCILLING AND MIMEOGRAPHING DATA BOOK BULLETINS, HAD TO BE DONE ON THE OUTSIDE AT CONSIDERABLE EXPENSE. IN ORDER TO SAFEGUARD THE INTERESTS OF THE INSTITUTE, THE SECRETARY WAS INSTRUCTED TO EMPLOY ANOTHER FULL TIME STENOGRAPHER AND TO PROVIDE FOR THREE FULL-TIME EMPLOYEES, AN ANNUAL BUDGET OF $29,610. FOR THE SIX MONTH PERIOD STARTING JANUARY 1, 1958, WAS ADOPTED.

BECAUSE OF THE DIFFICULTY OF OBTAINING NEW STENOGRAPHIC HELP AT THE RATES BEING PAID AT THE INSTITUTE, THE SALARY SCALE WAS ADJUSTED AND REFLECTED IN THE BUDGET EFFECTIVE AS OF JANUARY 1, 1958. THE BOARD

RESOLVED: THAT THE SALARY SCHEDULE, AS SHOWN IN THE BUDGET AND RECOMMENDED BY THE BUDGET COMMITTEE, BE EFFECTIVE AS OF JANUARY 1, 1958.

FOR THE FISCAL YEAR STARTING JULY 1, 1958, THE BUDGET COMMITTEE HAS PRESENTED A BUDGET OF $28, 410. AFTER CONSIDERATION, THE FOLLOWING MOTION WAS PASSED:

RESOLVED: THAT THE PROPOSED BUDGET, TOTALING $28,410. FOR THE FISCAL YEAR STARTING JULY 1, 1958, BE RECOMMENDED TO THE ANNUAL MEETING FOR ADOPTION.

THE FEE FORMULA COMMITTEE, AT THE DIRECTION OF THE MEMBERS AT ANNUAL MEETING IN JUNE 1957, MET IN ORDER TO REVIEW THE FEE FORMULA AND THE SUGGESTIONS MADE REGARDING A GRADUATED FEE AS AGAINST THE STRAIGHT LINE METHOD.

AFTER A LENGTHY DISCUSSION AND A REVIEW OF THE ACTIVITIES OF THE INSTITUTE, THE COMMITTEE WAS OF THE OPINION THAT THE INSTITUTE SERVICES WOULD, WITH THE ADDITION OF THE BRAKE SHOE IDENTIFICATION PROGRAM, BE OF A MUCH BROADER NATURE, OF MORE INTEREST AND OF A GREATER BENEFIT ESPECIALLY TO THOSE SPECIALIZING IN SUPPLYING MATERIALS FOR THE FAST GROWING BONDING PROGRAM IN THE AFTER-MARKET FIELD. MORE INFORMATION WOULD NOW BE AVAILABLE TO THE MEMBERS. THE COMMITTEE, THEREFORE, APPROACHED THE PROBLEM OF THE FEE FORMULA AMONG OTHER THINGS, FROM THE STANDPOINT OF:

1. THE ADDITIONAL SERVICES TO BE RENDERED.
2. THE INCREASING COST OF OPERATION.
3. THE REDUCTION OF INCOME CAUSED BY THE TRANSFERRAL OF CERTAIN MEMBERS FROM ASSOCIATE TO ACTIVE MEMBERSHIP AND THE POSSIBILITY OF SUCH MOVES IN THE FUTURE AND A CONSIDERATION OF THE NECESSARY FUNDS REQUIRED TO MAINTAIN THE OVER-ALL SERVICES OF THE INSTITUTE.

THE COMMITTEE PRESENTED THE FOLLOWING RESOLUTION:

RESOLVED: THAT THE FEE FORMULA COMMITTEE, IN VIEW OF THE SERVICES MADE AVAILABLE TO THE INSTITUTE MEMBERS, RECOMMENDS TO THE BOARD OF DIRECTORS THAT THE BASIC PRINCIPLE OF A STANDARDIZED SINGLE FEE BE CONTINUED INDEFINITELY AT A RATE COMMENSURATE WITH THE BUDGET REQUIREMENTS OF THE INSTITUTE.

THE BOARD PASSED THE FOLLOWINGL

RESOLVED: THAT THE REPORT OF THE FEE FORMULA COMMITTEE BE ACCEPTED AND THAT THE FEE FOR THE PERIOD JANUARY FIRST THROUGH JUNE THIRTIETH 1958 BE AT THE SAME RATE OF $725. PER ANNUM.

THE COMMITTEE, REPORTING TO THE BOARD AT REGULAR MEETING JUNE 16, 1958 ADVISED THAT NOTHING HAD DEVELOPED, DURING THE INTERIM PERIOD, TO CAUSE THE COMMITTEE TO CHANGE ITS RECOMMENDATION AS MADE IN JANUARY, 1958.

AFTER CONSIDERATION, THE FOLLOWING MOTION WAS PASSED:

RESOLVED: THAT THE REPORT OF THE FEE FORMULA COMMITTEE BE ACCEPTED AND THAT THE FEE OF ACTIVE MEMBERS BE FIXED FOR THE ENSUING YEAR AT $725. EACH.

ON THE RECOMMENDED BUDGET OF $28,610. FOR THE FISCAL YEAR STARTING JULY 1, 1958, THE THE SECRETARY READ THE BUDGETED ITEMS OF EXPENSE TO THE MEETING AT THE REQUEST OF ONE OF THE MEMBERS.

IN THE DISCUSSION OF THE HISTORICAL SALES STATISTICS, ONE OF THE MEMBERS MADE THE SUGGESTION THAT THESE FIGURES BE MORE DETAILED SO THAT THE SALES OF BONDED SEGMENTS AND THOSE OF DRILLED SEGMENTS BE SEPARATED AND, IF POSSIBLE, TO HAVE UNITS REPORTED. ANOTHER SUGGESTION WAS THAT THE SALES BE GROUPED BY QUALITY BUT THIS IDEA WAS NOT CONSIDERED FEASIBLE SINCE NO STANDARDS HAVE EVER BEEN ESTABLISHED AND THE S.A.E., WHO SET UP STANDARDS, WERE UNABLE TO DO SO FOR THIS INDUSTRY.

AFTER A LENGTHY DISCUSSION, IT WAS SUGGESTED THAT THE HISTORICAL SALES COMMITTEE, IN ORDER TO DETERMINE WHETHER A FURTHER BREAKDOWN OF THE SALES WOULD BE POSSIBLE, ISSUE A QUESTIONNAIRE SO THAT THE COMMITTEE WOULD KNOW:

1. HOW MANY MEMBERS WOULD BE INTERESTED IN HAVING THE SALES BROKEN DOWN INTO
   A. DOLLAR SALES OF BONDED SEGMENTS.
   B. DOLLAR SALES OF DRILLED SEGMENTS.

2. COULD THE MEMBER FILE DOLLAR FIGURES FOR:
   A. BONDED SEGMENT SALES UP TO AND INCLUDING TRUCK SIZES.
   B. DRILLED SEGMENT SALES UP TO AND INCLUDING TRUCK SIZES.

3. COULD A MEMBER FURNISH SALES IN NUMERICAL UNITS.

MR. MILLER, CHAIRMAN OF THE PRESENT HISTORICAL SALES COMMITTEE ADVISED THAT A QUESTIONNAIRE OF THIS TYPE WOULD BE NECESSARY IN ORDER TO FIND OUT HOW MANY COULD FURNISH SUCH INFORMATION. THEN ERNST & ERNST COULD BE CONTACTED AS TO THE COST OF THIS PROGRAM.

UPON MOTION DULY MADE, SECONDED AND UNANIMOUSLY PASSED, IT WAS

RESOLVED: THAT THE HISTORICAL SALES COMMITTEE INVESTIGATE THE POSSIBILITY OF A BREAKDOWN OF THE DOLLAR SALES FIGURES INTO SALES OF BONDED SEGMENTS AND SALES OF DRILLED SEGMENTS.

ON THE RECOMMENDED ANNUAL FEE OF $725. FOR THE ACTIVE MEMBERS, SEVERAL MEMBERS FELT THAT THE FEE FORMULA COMMITTEE SHOULD AGAIN REVIEW THE BASIS FROM THE STANDPOINT OF A VARIABLE CHARGE. ONE SUGGESTION, AS A POSSIBLE BASIS, WOULD BE A BASIC RATE OF $400. PLUS AN ADDITIONAL $200. FOR EACH FIELD IN WHICH ENGAGED. THE FOUR FIELDS OR CATEGORIES WOULD BE LININGS, FACINGS, BLOCKS AND SHOES. ONE MEMBER FELT THAT THE CATEGORIES SHOULD BE ON PRODUCTS HANDLED AND NOT ON PRODUCTS MANUFACTURED. OTHER SUGGESTIONS WERE THAT THE FEE BE BASED ON COMPANY SIZE, REGIONAL OR NATIONAL SALES, USE OF THE INSTITUTE SERVICES, OR THAT COMPANIES NOT REPORTING SALES STATISTICS PAY THE MAXIMUM FEE THAT MIGHT BE SET IF ON A GRADUATED SCALE. IT WAS EXPLAINED THAT EVERY PHASE HAD BEEN THOROUGHLY EXPLORED BUT NO SOLUTION COULD BE FOUND ESPECIALLY SINCE THE VOLUME OF BUSINESS COULD NOT BE DETERMINED NOR THE VOLUME MANUFACTURED OR SOLD.

ONE MEMBER FELT THAT THERE WERE TWO QUESTIONS INVOLVED - ONE OF CONTRIBUTION AND THE OTHER, OF BENEFITS RECEIVED. HE FELT THAT THE COMPANIES WHO HAD REPRESENTATIVES ON THE VARIOUS COMMITTEES WERE NOT REIMBURSED BY THE INSTITUTE FOR TRAVELING EXPENSES, ETC. AND WERE THEREFORE CONTRIBUTING TO A GREATER EXTENT THAN THOSE WHO HAD NO SUCH EXPENSE BUT WERE BENEFITING FROM THE COMMITTEE DELIBERATIONS.

AFTER FURTHER DISCUSSION, UPON MOTION DULY MADE, SECONDED AND UNANIMOUSLY PASSED, IT WAS

RESOLVED: THAT THE FEE FORMULA BE RECONSIDERED AND THAT THE SUGGESTION MADE OF A $400. BASIC FEE PLUS AN ADDITIONAL $200. FOR EACH FIELD IN WHICH ENGAGED BE REFERRED TO THE FEE FORMULA COMMITTEE FOR CONSIDERATION.

UPON MOTION DULY MADE, SECONDED AND UNANIMOUSLY PASSED, IT WAS

RESOLVED: TO ACCEPT THE REPORT OF THE BOARD OF DIRECTORS AS READ.

Report of the Nominating Committee and Election of Directors

Mr. Sullivan, Chairman, reported that there were three two-year vacancies to be filled. The following were presented as nominees for the Board of Directors for a two-year term.

Mr. W. H. Johnston
Mr. G. S. Lamson
Mr. R. A. Riley

Upon motion duly made, and seconded, it was unanimously

RESOLVED: To accept the report of the Nominating Committee

The Chairman called for other moninations. There being no further nominations, upon motion duly made and seconded, it was unanimously

RESOLVED: That nominations be closed.

Upon motion duly made and seconded, it was

RESOLVED: That the nominees presented by the Committee be accepted.

The Secretary announced that one ballot was cast for the names proposed.

Location of Next Annual Meeting

Several suggestions were made - country clubs where sports could be engaged in, the West Coast, Colorado Springs. After considering these suggestions, the members were of the opinion that the present session was the most successful and that the meeting should again be held in Chicago.

Upon motion duly made and seconded, it was unanimously

RESOLVED: That the annual meeting in 1959 be held at the Edgewater Beach Hotel in Chicago.

After luncheon, Mr. Smith announced the newly elected officers of the Board of Directors:

President	-	William J. Vachout
Vice-President	-	George S. Lamson
Treasurer	-	Robert B. Williams
Secretary	-	Harriet G. Duschek
Counsel	-	L. D. Stickles

No further business was brought to the attention of the meeting. Upon motion duly made, seconded and passed, it was unanimously

RESOLVED: To adjourn

Adjourned at 3:00 P. M.

H. G. DUSCHEK
Secretary