

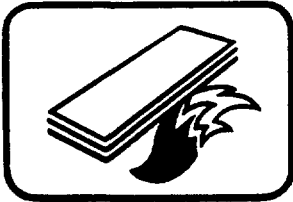
ANNUAL REPORT TO THE MEMBERSHIP

March 15, 1978

SGP 0012258

**ANNUAL REPORT
TO THE
MEMBERSHIP**

March 15, 1978



Gypsum Association

REPORT OF THE
SECRETARY
TO THE MEMBERSHIP
March 15, 1978

It has been an extremely busy six months for all those participating in Association activities. The staff as well as company members have tackled new projects as directed by the membership at the semiannual meeting last fall, in addition to continuing normal responsibilities for the progress of our industry. Of particular mention, we welcomed representatives of the three new member companies into each of our standing committees and we are extremely gratified to see them not only attend but contribute with an expertise and practical experience which is so important in our committee action.

Without exception, our committee chairmen have reported increased attendance at our committee meetings. This is not only due to additional people from our new member companies, but it seems that older member companies have returned to the policy of having their principal representatives attend each and every committee meeting, rather than having one person double up for some of them.

Our newly formed Metric Committee met for the first time during this last period and was most successful in establishing a preliminary track on which to run, since metric con-

version in the United States appears inevitable. For some three years the Association has kept the membership advised of metrication activities and informed other appropriate industries of the limits of gypsum wallboard production parameters. We have, and will continue to have, excellent representation in the technical and standard-writing organizations which will eventually decide metric units. The important thing is that through all of our preparation thus far, our membership will be ready for metrication with a well-planned and prepared timetable when it becomes necessary.

Of special note among committee activities was the 100th Anniversary meeting of our Technical Committee. The Gypsum Association was originally organized because of the necessity of an industry technical committee to prepare recommended standards and specifications for our products and assemblies. We are extremely proud of this committee and can point to many successful accomplishments through almost fifty years of its activity which have added so much to the progress of our industry. A commemorative 100th Anniversary banquet was held at the Technical Committee meeting where several honored guests spoke of the various highlights of committee activities which took place during their tenure.

The one outstanding accomplishment which almost everyone mentioned was the original idea within the committee to publish

a "bible" of fire resistive assemblies for the use of all consumers and specifiers of gypsum products. Through the years, the resulting Fire Resistance Design Manual has emerged as just the entity that was originally envisioned by the Technical Committee. No other industry has such a publication and to say that we are the envy of other building material industries is an understatement. Our hats off to all of those whose hard work through the years has made this accomplishment possible.

The revitalization of the Traffic Committee should also be noted. The last meeting of this committee was attended by more member companies than have attended during the last several years. The following Traffic report will attest to the importance of the function of this committee.

The Promotional Committee has expanded its trade factor liaison responsibility. Until recently, the wall and ceiling contractors were the only group where an industry liaison was conducted. Now, in addition, we are actively pursuing programs with the ceiling and interior systems contractors, Manufactured Housing Institute and retail lumber dealers.

While the operation of our Washington office is not yet one year old, we believe that we have ironed out the kinks

of a new operation and have settled down to a successful administration. Without exception, our standing committees have taken advantage of our Washington coverage and we believe the results have been noted during the last round of meetings. It appears that by the time of the annual meeting, each committee will approve of our proposed next step of having a Gypsum Association Day in Washington to further educate our member company personnel and the Association staff in accomplishing further goals with the federal government. This proposed program will be outlined in detail at our annual meeting, but we are making a preliminary solicitation of our member companies to have at least one person attend the day-long program to be held in May. We will organize the program so that we have at least one person present who is completely knowledgeable in each area of our committee activities which is concerned with federal legislation or regulations. As we proceed with our plans, we will request special attendance from various member companies to make sure we have covered all of our bases.

During the next two months, we ask that you give particular attention to the Legislative Summary report so that each member company can choose their most appropriate people to attend and pursue legislation of primary importance to the individual company.

It has been recommended that the Association concentrate its efforts to oppose any legislation which would eliminate or reduce percentage depletion for gypsum. At this writing, there is no such legislation in the hopper and the subject is not presently on the agenda of either the Senate Finance Committee or the House Ways and Means Committee. However, our proposed plan is to alert our Tax Committee (which has not met for several years) for proper action, including a meeting when such legislation appears, probably late 1978 or 1979.

As many industry personnel know, the enactment of legislation for gypsum to receive a percentage depletion allowance was a primary accomplishment of the Gypsum Association and the opposition to legislation through the years to eliminate or reduce percentage depletion has been extremely successful. We would like to keep it that way.

During the past six months, the Gypsum Association has lost two close friends. Mr. C. C. Gramer passed away after a long illness which had been in check, but late last fall became terminal. Cliff Gramer had been the principal representative of United States Gypsum Company in the Association for several years and had been a dedicated and most important participant in Association activities.

Mr. C. E. Abbey had been a member of the Gypsum Association staff in the late 1940's and had a distinguished career with

several gypsum companies since that time, actively representing those companies in Association activities. After retirement from The Flintkote Company last summer, he joined the Association staff as a consultant and representative at the National Bureau of Standards.

Both of these very fine gentlemen will be sorely missed. Our most heartfelt sympathy to the families of both Chester and Cliff.

At the semiannual meeting last fall, the membership directed that we reduce the reporting time for reporting production and sales from the 25th to the 20th of the following month. This has been mildly successful. Each month all but one or two of the companies (not the same one or two) have succeeded. We urge each company to periodically check to attempt to streamline this procedure.

Of special note was the collection of an industry gypsum wallboard capacity figure at the beginning of 1978 of 17 billion sq. ft. This increase of one-half billion sq. ft. in just one year was of interest throughout the construction industry.

The financial results of our budget year 1977-78 is included in the Directors' copies of this report.

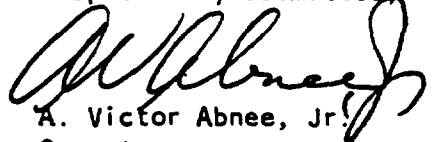
The proposed budget for 1978-79 is listed, including the recommended budget expenditures for each of our standing committees. It is a very realistic budget and results from serious and business-like recommendations of each committee.

Because of the increased tonnage of calcined gypsum during the calendar year 1977, we can promulgate the recommended Association programs without an increase in the rate of assessment for the next year. Hence, it is recommended that the membership assess itself 2-1/2¢ per ton, based on 1977 tonnage, for the first half of the next budget year, due and payable April 15, 1978.

As recommended by the Board of Directors, the following sites have been chosen for our semiannual meetings during the month of October for the next four years:

1978	-	Litchfield, Arizona
1979	-	Point Clear, Alabama
1980	-	Colorado Springs, Colorado
1981	-	Ponte Vedra, Florida

Respectfully submitted


A. Victor Abnee, Jr.
Secretary

REPORT OF THE
SAFETY COMMITTEE
TO THE MEMBERSHIP
March 15, 1978

The Safety Committee met on February 1, 1978 at Brunswick, Georgia. A safety seminar was held for area plant supervisors on February 2, 1978. The following will highlight current concerns, activities and programs of the Safety Committee:

INDUSTRY ACCIDENT EXPERIENCE

During 1977, the Association Safety Contest utilized the OSHA record-keeping system as the basis for industry statistics. An incidence rate of 8.08 was reported for 1977 based on 821 reportable cases. A complete breakdown appears at the end of this report for your further review.

The Harris Trust & Savings Bank, Chicago, Illinois, continues to collect industry safety statistics under the new contest so as to maintain the accuracy and legitimacy of this important industry program.

FEDERAL SAFETY LEGISLATION

In the legislative area, the Federal Mine Safety and Health Act was signed into law November 9, 1977. The final law became effective March 9, 1978 and placed mine safety enforcement under the Department of Labor in the Mine Safety and Health Administration (MSHA). The law repeals the Federal Metal and Nonmetallic

Mine Safety Act of 1966 and places all mining under the provisions of the present Coal Mine Safety Act.

Four inspections of underground mines and two inspections of surface operations are mandated annually. A maximum penalty of \$10,000 can be assessed for each violation with a \$1,000 per day fine for violations not abated during the prescribed period. State enforcement plans are no longer effective although federal funds will be made available for state mine safety training activities. Mandatory training of new and existing surface and underground miners is required at the operators' expense. New miners must have required training before job assignment.

The Department of Health, Education and Welfare will also be conducting health inspections under the law. Separate advisory committees are to be established for "health" and "safety" research activities. The Advisory Committee to review current MESA "advisory standards" to determine if they should be continued under the new law as mandatory or eliminated, held their first meetings the week of March 6, 1978. The Association plans to monitor all advisory committee meetings. Members of this Advisory Committee are as follows:

Chairman	Nicholas Tarsonsky	Formerly with ANSI
(7 nonmining interest members)	Dr. Arthur Furst	Dean of Graduate School University of California
	Al Blackman	Safety Engineer
	John Gurry	Retired teacher
	Oscar Willingham	Consultant (State of Maine)
	Lois Strayhorn	Harvard
	Dr. Steve Boscoff	Columbia School of Mines

(3 Mine Management Members)	Dorse Seiple Al Daniels Frank Zimmerman	Standard Slag Company DeVal Copper Potash National Gypsum Company
(3 Mine Labor Members)	Don Spatz Don Chestnut LaVerne Melton	Cement Lime & Gypsum Workers Steel Workers Union (Nevada) Steel Workers Union (formerly at Sunshine Mine)

The Safety Committee recommends several informational type Association programs intended to apprise gypsum operations of their responsibilities under the mine safety law. These recommended programs include:

1. Preparation of a slide/script or cassette program covering: the major provisions of the law, mandatory training and other important provisions as developed. The first such program covering the major provisions of the law is already in place. Other programs are to be developed during the 1978-9 budget year.

2. Conducting a one-day training seminar for industry operations to include a MSHA briefing session on the mine safety law. The seminar would be held in a central U.S. location shortly following implementation of MSHA enforcement activities so as to provide a better understanding of how the law is working and to cover mandatory training provisions.

3. Modification of the existing Association safety seminar program to incorporate, on an ongoing basis, educational programs on the mine safety law, its provisions and specific requirements.

A complete report on this most important committee activity, including required budgetary amounts, will be contained in my oral report at the membership meeting.

The OSHA "common sense" program appears to be progressing. Under this program OSHA has proposed to revoke 1700 non-essential safety standards. The Safety Committee forwarded a letter to OSHA Secretary Bingham complimenting her on the standards revocation and encouraging further review of the OSHA standards for this purpose.

In a related OSHA activity called the "New Directions in Training and Education" program, OSHA has announced a federally funded grant program for labor unions and trade associations for development of safety training programs for small businesses. The Safety Committee is currently exploring the possibility of Association participation in this program for contractors working with member companies. The Chairman and other members of the Safety Committee plan to meet with the Promotional Committee at their April 11, 1978 meeting to explore this program further. A report covering this activity and any forthcoming recommendations will be made at the annual meeting.

The Association continues to monitor the OSHA noise and silica standard proposals which are expected to be promulgated later this year. OSHA has also proposed a policy for identification and control of industrial cancer-causing substances which we are closely monitoring.

REPORT OF
GYPSUM ASSOCIATION SAFETY CAMPAIGN
FOR THE
TWELVE-MONTH PERIOD ENDING DECEMBER 31, 1977

Presidential

All establishments with an exposure for the twelve-month period of more than 339,000 man-hours:

Plants	<u>Incidence Rate</u>
* United States Gypsum Company, Shoals, Indiana	0.00
* United States Gypsum Company, Gypsum, Ohio	0.00
United States Gypsum Company, Sweetwater, Texas	0.40
United States Gypsum Company, Fort Dodge, Iowa	1.14
United States Gypsum Company, Jacksonville, Florida	2.00
National Gypsum Company, Fort Dodge, Iowa	2.06
National Gypsum Company, Savannah, Georgia	2.63
National Gypsum Company, National City, Michigan	2.78
United States Gypsum Company, Plaster City, California	2.90
United States Gypsum Company, Stony Point, New York	3.55
United States Gypsum Company, East Chicago, Indiana	4.71
National Gypsum Company, Shoals, Indiana	6.74
Georgia Pacific Corporation, Acme, Texas	7.35
Georgia Pacific Corporation, Fort Dodge, Iowa	7.57
* National Gypsum Company, Bronx, New York	9.21
National Gypsum Company, Baltimore, Maryland	12.48
Georgia Pacific Corporation, Brunswick, Georgia	13.07
* National Gypsum Company, Rotan, Texas	14.95
Flintkote Company, Las Vegas, Nevada	39.74

Citation

All establishments with an exposure for the twelve-month period of more than 255,000 but less than 339,000 man-hours:

* United States Gypsum Company, Norfolk, Virginia	0.65
* United States Gypsum Company, Saltville, Virginia	1.21
* United States Gypsum Company, Baltimore, Maryland	1.24
United States Gypsum Company, Oakfield, New York	1.25
Temple Gypsum Company, West Memphis, Arkansas	1.52
* United States Gypsum Company, Sperry, Iowa	2.96
United States Gypsum Company, River Rouge, Michigan	3.28
National Gypsum Company, Medicine Lodge, Kansas	4.73
The Celotex Corporation, Port Clinton, Ohio	4.85
* The Flintkote Company, Sweetwater, Texas	5.61
Georgia Pacific Corporation, Blue Rapids, Kansas	7.51
National Gypsum Company, Clarence Center, New York	7.87
* National Gypsum Company, Burlington, New Jersey	12.87
* National Gypsum Company, Long Beach, California	14.45
The Celotex Corporation, Fort Dodge, Iowa	17.93
Georgia Pacific Corporation, Wilmington, Delaware	21.47
National Gypsum Company, Waukegan, Illinois	26.51
Georgia Pacific Corporation, Grand Rapids, Michigan	26.88

* Indicates zero cases involving days away from work.

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Triumph

All establishments with an exposure for the twelve-month period of more than 214,000 but less than 255,000 man-hours:

Plants	<u>Incidence Rate</u>
* National Gypsum Company, Tampa, Florida	0.00
* The Flintkote Company, Savannah, Georgia	0.00
United States Gypsum Company, Charlestown, Massachusetts	0.87
* The Celotex Corporation, Cody, Wyoming	0.92
United States Gypsum Company, Alabaster, Michigan	0.93
The Flintkote Company, Camden, New Jersey	1.66
* United States Gypsum Company, Empire, Nevada	1.71
* United States Gypsum Company, Southard, Oklahoma	3.22
Grand Rapids Gypsum Company, Grand Rapids, Michigan	4.92
National Gypsum Company, Westwego, Louisiana	8.66
National Gypsum Company, Portsmouth, New Hampshire	9.16
Georgia Pacific Corporation, Sigurd, Utah	14.95
Georgia Pacific Corporation, Buchanan, New York	15.50
Kaiser Cement & Gypsum Company, Antioch, California	16.03
National Gypsum Company, Lorain, Ohio	16.54
The Celotex Corporation, Hamlin, Texas	20.48
Pabco Gypsum Company, Las Vegas, Nevada	21.70
Republic Gypsum Company, Dallas, Texas	25.84

Peerless

All establishments with an exposure for the twelve-month period of less than 214,000 man-hours:

Plants	
* United States Gypsum Company, Philadelphia, Pennsylvania	0.00
* United States Gypsum Company, New Orleans, Louisiana	0.00
* United States Gypsum Company, Santa Fe Springs, Cal.	1.55
United States Gypsum Company, Sigurd, Utah	2.90
* United States Gypsum Company, Lewistown, Montana	3.95
* United States Gypsum Company, Galena Park, Texas	4.03
The Flintkote Company, Fremont, California	5.40
The Celotex Corporation, Jacksonville, Florida	7.54
* National Gypsum Company, Richmond, California	7.59
Kaiser Cement & Gypsum Company, Seattle, Washington	8.46
Kaiser Cement & Gypsum Company, Long Beach, California	9.71
The Flintkote Company, Florence, Colorado	12.19
Western Gypsum Company, Santa Fe, New Mexico	12.63
Georgia Pacific Corporation, Lovell, Wyoming	27.53
National Gypsum Company, Phoenix, Arizona	40.01
Pabco Gypsum Company, Newark, California	44.79

* Indicates zero cases involving days away from work.

GYPSUM ASSOCIATION SAFETY CAMPAIGN FREQUENCY RATE FIGURES BY
CLASSES FOR TWELVE MONTHS - 1977

	<u>Total Number Man-Hours</u>	<u>Total Number Cases</u>	<u>Incident Rate</u>
Presidential	8,202,633	264	6.44
Citation	5,323,669	230	8.64
Triumph	4,213,063	185	8.78
Peerless	2,571,470	142	11.04
	<u>20,310,835</u>	<u>821</u>	<u>8.08</u>

PART II

GYPSUM ASSOCIATION SAFETY CAMPAIGN FREQUENCY RATE FIGURES BY
DEPARTMENT FOR TWELVE MONTHS - 1977

	<u>Total Number Man-Hours</u>	<u>Total Number Cases</u>
Mine	498,886	35
Quarry	756,076	19
Mill	2,270,240	69
Board	7,817,002	353
Block	31,502	1
Warehousing	2,198,555	97
Maintenance	3,603,705	188
Miscellaneous	3,134,869	59
	<u>20,310,835</u>	<u>821</u>

Per Cent of Man-Hours Worked in Each Classification to the
Total Number of Hours Worked:

Mine	2.46
Quarry	3.72
Mill	11.18
Board	38.49
Block	.16
Warehousing	10.82
Maintenance	17.74
Miscellaneous	15.43
	<u>100.00</u>

Per Cent of Accidents in Each Classification to the Total
Number of Accidents Reported:

Mine	4.26
Quarry	2.31
Mill	8.40
Board	43.00
Block	.12
Warehousing	11.82
Maintenance	22.90
Miscellaneous	7.19
	<u>100.00</u>

REPORT OF THE
TECHNICAL COMMITTEE
TO THE MEMBERSHIP
March 15, 1978

The one hundredth regular meeting of the Technical Committee was held February 22-23, 1978, in San Antonio, Texas. In attendance were ten representatives from eight member companies, four staff members and legal counsel. The committee was honored by the presence of several guests formerly associated with the committee, L. H. Yeager, G. B. Kirk and C. H. Yuill.

The meeting was dedicated to the memory of Mr. C. E. Abbey who devoted his professional life, until his untimely death, to the interests and goals of the gypsum industry.

SECTION I - PRODUCTS

Currently, there is no reference to gypsum in the title and scope of ASTM Committee C-11 on Ceilings and Walls which was C-11 on Gypsum until 1974. We recommend that the Gypsum Association representative on C-11 make every effort to broaden the title and scope to include standards for gypsum in other than ceilings and walls, such as gypsum concrete and agricultural and industrial gypsum products.

The differences relating to wallboard thicknesses and framing spacings on ceilings to receive water base spray textures

in Committee C-11's proposed application standard have not been resolved. In an attempt to provide a possible solution, the Technical Committee voted on a motion to recommend the addition of a statement to C 840 that sag of water base spray textured ceilings is the responsibility of the drywall applicator. The vote was inconclusive with four affirmatives, three negatives and one abstention. A special task group will prepare for a proposed joint meeting of Gypsum Association and iaWCC/GDCI Technical Committee representatives to discuss problems underlying producers' and users' differences regarding this problem. We recommend that the Association make every effort to gain recognition of GA 216 as a reference standard for gypsum board application by federal agencies, contractor groups and codes.

The Association was successful in gaining acceptance of gypsum drywall partitions as an alternate to masonry in stairwell enclosures and corridors in New York City, based on data developed by the Technical Committee confirming equivalency with concrete block in resistance to vandalism impact and passage of smoke and gases.

The standing Metric Committee has requested the Technical Committee evaluate the potential technical merits of producing 13 mm and 16 mm regular and type X boards in lieu of 12.7 mm (1/2 in.) and 15.9 (5/8 in.) thicknesses.

The 5/8 in. type X gypsum sheathing racking test program to gain approval for use without corner bracing was successful. Results are being submitted to FHA and building codes.

Foil-backed gypsum board is commonly called "insulating gypsum board." A foil backing adds effective insulation to an assembly only when it faces an enclosed air space at least 3/4 in. in depth. The Technical Committee recommends that the term "insulating gypsum board" be changed to "foil-backed gypsum board" wherever referenced in ASTM and Gypsum Association standards. Insulating values for gypsum boards and foil-faced air spaces will continue to be published due to the need for these values in determining the total insulating value of a wall or ceiling assembly.

The Technical Committee accepted the recommendation of a special task group that either 1/2 in. type X wallboard complying with ASTM C 36 or 1/2 in. type X backerboard complying with ASTM C 442 are acceptable substitutes for the special board specified in the ASTM C 707 standard for gypsum board substrate for floor or roof assemblies. The committee requests the Board of Directors' approval of this recommendation and of publication of a special recommendation to this effect by the Promotional Committee.

SECTION II - SYSTEMS

The joint Gypsum Association-Tile Council of America water-resistant gypsum backerboard shower stall tests to resolve

discrepancies in Gypsum Association and tile industry application recommendations are underway and should be completed in August 1978.

The Manufactured Housing Institute has requested Gypsum Association joint participation in underwriting a study by Firepro, Inc. of fire safety in mobile homes. The Hardwood Plywood Manufacturers Association is considering participation. The \$24,000 cost of the study is to be divided among the sponsors in the form of grants. It was the unanimous opinion of the Technical Committee that this study would be of insufficient technical value to recommend participation, but the Board of Directors may wish to consider a more limited participation from a public relations standpoint, particularly with MHI.

A member company has conducted a statistical survey of fifty mobile home producers on use of gypsum board, and their results indicate a similar survey by other member companies would be of value to the industry in convincing HUD of the extent of use and favorable performance of gypsum board in mobile homes over the past 14 years. The Technical Committee voted to recommend that such a survey be conducted. Since then, the Association has been informed that the fifty producers already surveyed will not be identified. Since such a large number of producers already have been surveyed and, undoubtedly, would not welcome being resurveyed, a method of preventing duplication should be worked out before proceeding further.

SECTION 111 - TESTING

The small scale shear tests at Underwriters' Laboratories to provide data for use in selection of the 5/16 in. board to be used in full scale ceiling panel shear tests have been completed. Industry shear values for ceilings will be based on the full scale tests. The committee requests Board of Directors' approval of a \$7000 expenditure for these tests.

A permanent testing task group was established in 1973 to recommend fire and sound tests that should be conducted by the Gypsum Association. The group has recommended, and our committee will request, Board of Directors' approval of expenditures for the following:

1. A two-hour 50 STC wood frame gypsum wallboard shear wall for seismic areas.

Sound Test - \$ 900

Fire Test - \$7000

2. An Underwriters' Laboratories test on a 3' x 7' elevator entrance door and frame in a 3-3/4" thick cavity shaftwall. The door, frame, hardware and shaftwall components will be described generically in the U.L. listing and report. The estimated cost is \$8000. A \$3500 expenditure for a joint elevator industry-Gypsum Association test was approved by the Board of Directors before NEII withdrawal from the program.

The total estimated cost of the above fire and sound tests and the ceiling shear tests is \$23,000.

The task group also recommended cooperation with the American Iron and Steel Institute in conducting a U.L. fire test on a steel roof deck-gypsum wallboard ceiling assembly with Gypsum Association participation limited to design critique and furnishing and supervising installation of ceiling materials. Although the Technical Committee approved the recommendation, approval of the estimated \$1000 expenditure will not be requested until it is definite that AISI will conduct the test.

We have approached Underwriters' Laboratories to make an engineering study on the effect of control joints on fire ratings. U.L. informed us they have insufficient data. They will advise us what data is required.

GENERAL SUBJECTS

A new Special Recommendation for Installation of Steel Door Frames in Steel Stud-Drywall Partitions and 1978 revised editions of both the Fire Resistance Design Manual and the Recommended Specifications for Application and Finishing of Gypsum Board, GA 216, have been published.

The effect of use of certain insulations in gypsum lined walls and ceilings, particularly urea formaldehyde foam

and cellulosic insulations, is being investigated because of reported damage to the gypsum linings when they are used.

We wish to acknowledge the interest and participation of new member company representatives in Technical Committee activities and to encourage their future involvement.

Respectfully submitted,


J. H. Crumbaugh
Chairman

REPORT OF THE
BUILDING CODE COMMITTEE
TO THE MEMBERSHIP
March 15, 1978

The Building Code Committee met on February 21, 1978, in San Antonio, Texas, with representatives of seven member companies participating. In addition, staff and legal counsel were present.

At the semiannual meeting in October, a general report of the activities of the Building Code Committee was given and it was emphasized that of most importance is our work with the four model codes. Again at this last meeting of the committee, we spent a considerable amount of time working with problems concerned with the model codes.

Important activities discussed by the committee are being brought to your attention, and they include the following:

National Building Code - American Insurance Association

The present code has confusing and contradictory requirements for fire walls, and the Association should enlist the support of other interested associations to obtain desired revisions. Efforts to revise this, if successful, could then be used to reapproach the Insurance Services of New York on their restrictions on gypsum board and fire separation walls. In order to carry out this work, a generic report from Mr. A. Gustaferrero on breakaway clips for two story construction will be obtained. In addition, a revision to AIA's National

Building Code is to be proposed to eliminate the confusing code language that currently impedes use of gypsum in fire wall construction. A formal presentation will also be prepared and submitted to the American Insurance Association to try to obtain reference to the Gypsum Association Fire Resistance Design Manual in the National Building Code.

Basic Building Code - BOCA

The code changes with relation to gypsum products are proceeding on schedule, and most actions are favorable. In addition, at the BOCA meetings in 1978, the committee recommends we attempt to present a training program to the building officials covering the use of the 1978 Fire Resistance Design Manual. Association movies "Time to Live" and "Fire on the Rise" are scheduled to be shown at the June meeting.

Standard Building Code - SBCCI

A number of code changes have been proposed affecting gypsum board, but none of them pose a major problem to the industry.

Uniform Building Code - ICB0

The staff was successful in obtaining approval from ICB0 to combine Reports 1628 and 1632 which will save the Association members at least \$1000 to \$1500 per year. In addition a 2-hour solid wall-board shaft partition consisting of four layers of 1/2" type X gypsum wallboard will be submitted to ICB0 as an alternate to that presently in the code.

The ICBO Research Committee is considering new rules regarding minimum floor/ceiling assembly for lightweight concrete on wood framing for a minimum rating of STC 50. A special hearing on this will be held in April.

Gypsum veneer plaster and veneer base will be included in the Uniform Building Code either as a reference to the ASTM standard or as part of the code itself.

Other Regulatory Bodies

Complete discussions were held concerning activities of the Federal Government, Council of American Building Officials, National Fire Protection Association, and activities of the various states, such as California, New York, Washington, Oregon, Ohio, Kentucky, New Jersey, Virginia, Pennsylvania and the County of Santa Barbara, California.

With regard to the above, one major concern of the committee is the efforts of the sprinkler people to eliminate compartmentation by tradeoffs. We feel there is no technical backup to do this; and, in order to present a proper case to the three model codes, the committee requests that a study be made of two types of buildings, with and without sprinklers and compartmentation to determine the economic impact. As a basis for this study, the work previously done by Mr. John Crumbaugh will be used. The committee requests from the Board of Directors \$2500 to carry out this program.

New York City

As a result of the impact test study sponsored by the Association, the New York City Board of Standards and Appeals has recently given approvals to two member companies for the use of their gypsum shaftwalls in stairwells. Other companies desiring approvals can now follow the same format using the Association data as a basis.

Insurance Services Organization

It was reported at the last meeting that the services of the National Loss Control Service Corporation had been retained and information prepared to obtain favorable insurance ratings for gypsum separation walls. Since that time, meetings with the Insurance Services Organization have been held, and we regret to report that we have been unsuccessful in obtaining any relief from this organization. As reported earlier, we intend to work through the American Insurance Association and the National Building Code to get them to make suitable changes which in turn can be presented to the Insurance Services Organization for consideration.

GA-216 - Recommended Specification for the Application and Finishing of Gypsum Board

The committee is reviewing the contents of GA-216 with relation to its being adopted by all of the building codes. Of concern is the fact that certain codes allow a minimum of 3/8 in. gypsum wallboard to be used, whereas others limit to 1/2 in. GA-216 itself covers all thicknesses from 3/8 in. up, as well as their application. Some consistency will be required between the codes and

this document to make it completely useful. Further discussion will be held and reported to the membership in the future.

In closing, I wish to emphasize that while most of our items are of a continuing nature, they do require considerable time and effort on the part of the staff and members of the committee. Again, we wish to thank the member companies for the allocation of time and expense for their personnel to participate in this vital activity.

Respectfully submitted,

William J. Marshall
William J. Marshall
Chairman

REPORT OF THE
TRAFFIC COMMITTEE
TO THE MEMBERSHIP
March 15, 1978

The Traffic Committee met on January 18, 1978 in Albuquerque, New Mexico. The very productive meeting was attended by representatives of six member companies.

Several innovative procedures were adopted at the January meeting which will enable the committee to monitor more closely important transportation subjects and to respond more efficiently to areas where industry action is warranted. Each item on the meeting agenda was categorized into one of ten subject areas. Committee members were given the responsibility for monitoring one or more of these broad subject areas, and for informing the staff when significant new developments occur which may require committee action. This responsibility includes preparing initial drafts of industry statements, testifying on behalf of the Gypsum Association at public hearings, and submitting written status reports prior to each committee meeting.

A second innovation was the development of agenda subject sheets by which committee members keep up to date status reports on all items on the meeting agenda. These reports, distributed in advance of every meeting, provide a summary of major provisions, references, current status report, resume of past actions taken by the Gypsum Association, recommendations

for future committee action, and final disposition for all agenda items. The reports are retained in looseleaf binders according to agenda and filing numbers.

These new procedures promise to involve more members in committee activities, assure more timely and effective committee response to important issues, and to speed up committee meetings by eliminating the need for including repetitive information in oral reports.

Last fall, each committee member was invited to complete a detailed questionnaire which examined the degree to which each individual company wished to participate in committee activities, and the direction which the committee should follow in the future. All members who completed the questionnaire recommended that regular meetings continue to be held twice each year, with greater emphasis being placed on active participation by all member companies. The committee has scheduled its next meeting for August 18-19, 1978 in Washington, D.C. The two-day meeting in the nation's capitol will afford a unique opportunity for the committee to meet with one or more representatives of various federal agencies concerned with transportation matters and to tour the Association's eastern office. In view of this Washington meeting, the Traffic Committee has endorsed the proposed Association "Day in Washington" but some individual committee members may not participate.

Following is a brief outline of subjects which are now under consideration by the Traffic Committee:

1. Freight Rate Charges

A. Railroads - General Freight Rate Increases

During 1977, rates were increased 4% on January 1, and 5% on November 30. Railroads in the east are attempting to convince other railroads that an increase is warranted early in 1978. Southern railroads are for holding the line. An increase of 5-6% is anticipated later this year.

B. Motor Carrier Rate Increases

Motor carriers throughout the United States have been requesting 6% to 8% increases to become effective prior to April 1, 1978. This coincides with National Teamster contract wage increases that will become effective on this date. Rates increased an average of 8% in 1977 for the large bureau carriers, with 4% to 10% for gypsum haulers.

2. Miscellaneous Transportation Activities

A. Standard Transportation Codes

Our efforts, underway since 1966, to obtain improvement in standard transportation commodity codes on crushed gypsum rock and plasterboard continue.

B. Motor Carrier Equipment Innovations

Traffic Committee members will attempt to inter-

change innovative new equipment designs and practices that could benefit other committee members.

C. Motor Carrier Driver Hours of Service

The Federal Highway Administration (DOT) is considering changes to hours of service for drivers, mechanics, and other laborers. Rules would result in higher labor costs for carriers and in private truck operations. The committee has expressed its opposition to some of the changes to the Department of Transportation.

D. Bulkhead Flatcar Shipments

The committee will evaluate a proposal by Signode Corporation to utilize disposable air bags in lieu of wooden packouts to fill bulkhead flatcar shipment voids. The proposal is being analyzed and may be tested. A potential exists for significant savings in loading costs.

3. Federal Legislation Involving Transportation

The Traffic Committee is closely monitoring several key pieces of federal legislation which are pending before both houses of Congress. These bills, reported in the Gypsum Association Legislative Summary, contain provisions which could have a significant impact upon most shippers of building materials. A status report of federal legislation being monitored by the Traffic Committee follows:

<u>Bill Numbers</u>	<u>Bill Title and Purpose</u>	<u>Gypsum Association Interest and Action</u>	<u>House Action</u>	<u>Senate Action</u>
S 790 HR 5885 HR 8309	Mississippi River Locks and Dam 26 Waterway User Charges	Reported for information only. Bill will have impact on both waterway and rail freight expense. Will affect future government expenditures for waterway projects.	HR 8309 passed 10/13/77.	HR 5885 passed 6/22/77. Vote on HR 8309 expected after Panama Canal Treaty vote.
S 1188 HR 4753 HR 9305	Cargo Claims Adjustment Act of 1977 Bill gives ICC power and jurisdiction to adjudicate loss and damage claims, provides arbitration option for disputed claims, and permits recovery of attorney fees when claimant prevails.	Association has expressed its support by writing to Senator Magnuson. Additional letters may be written.	Bills pending before House Interstate and Foreign Commerce Committee and Public Works and Transportation Committee.	Hearings held before Commerce, Science and Transportation Committee 6/23/77. Action expected shortly.
HR 2443	Independent Truckers Bill exempts owner-operators from ICC regulation.	Traffic Committee opposes and is further studying issues and possible GA impact.	Bill pending before House Public Works and Transportation Committee.	Not yet introduced.

<u>Bill Numbers</u>	<u>Bill Title and Purpose</u>	<u>Gypsum Association Interest and Action</u>	<u>House Action</u>	<u>Senate Action</u>
S 1870 S 2440 HR 7689 HR 8184 HR 9689	<u>Federal Transportation Improvement Act of 1977</u> Bill abolishes Highway Trust Fund and assigns motor fuel taxes to general treasury; reduces highway weight limit from 80,000 to 73,400 lbs; provides for 90-10 federal funding on all transportation projects.	Association opposes abolition of Highway Trust Fund and reduction in weight limits. Letter has been drafted to Senate Subcommittee Chairman.	No action.	Pending before Senate Environmental and Public Works Subcommittee. Action anticipated.
HR 9369	<u>Uniform Standards for Motor Carriers</u> Bill authorizes DOT to establish mandatory standards for motor carrier regulation, viz: vehicle size and weight, operator certification, speed limits.	Traffic Committee is monitoring. May take action depending on finalization of bill.	Action pending. May be included in Administration transportation package.	Not yet introduced.
HR 7768	<u>Motor Carrier Act of 1977</u> Bill liberalizes requirements for entry into for-hire motor carriage.	Traffic Committee is monitoring. Provisions could both harm and benefit GA members and carriers.	Pending before House Public Works and Transportation Subcommittee. Action not anticipated during current session.	Not yet introduced.

<u>Bill Numbers</u>	<u>Bill Title and Purpose</u>	<u>Gypsum Association Interest and Action</u>	<u>House Action</u>	<u>Senate Action</u>
S 1699 HR 8546	<u>Diesel Fuel and Gasoline Conservation Act</u> Bill permits freight allowances to customers when plant pickups are allowed on articles sold at delivered prices.	Traffic Committee is investigating. Bill would promote customer pickups and benefit many private trucking operations.	Pending before House Interstate and Foreign Commerce Subcommittee.	Hearings held 6/27/77. Reported to Senate Commerce Committee on 10/10/77 without recommendation.
S 1554	<u>Rail Rehabilitation Act of 1977</u> Bill transfers rail rights-of-way to federal government. Railroads would pay user fees for use.	Traffic Committee is monitoring. Committee is, in general, opposed. May recommend future action.	Pending before House Interstate and Foreign Commerce Subcommittee. No action anticipated until Con-Rail studies completed.	Pending before Commerce, Science and Transportation Subcommittee.
S 1862 HR 6792 HR 7370 HR 9398	<u>State Freight Assistance Act of 1977</u> Bill provides for continuation of period during which federal government pays 100% of cost of rail service assistance involving rehabilitation, maintenance, and improvement of rail properties.	Traffic Committee is monitoring. No action is contemplated.	Hearings conducted before House Interstate and Foreign Commerce Subcommittee. Action anticipated prior to 5/15/78.	Pending before Commerce, Science and Transportation Subcommittee. Action anticipated prior to 5/15/78 to meet budget deadline.

4. State Highway Weight Legislation to Achieve Federal Highway Standards

At present, forty states have adopted legislation to increase maximum gross vehicle weights from 73,270 lbs. to 80,000 lbs. This modest 9.7% increase in total vehicle weight translates into a 15-18% increase in payload, representing a significant increase in vehicle productivity. Several states which have not yet enacted legislation to increase truck weights form a barrier at the Mississippi River which prevents transcontinental shipments at the new weight limits, while two states and the District of Columbia prevent 80,000 lb. shipments along the length of the eastern seaboard.

For these reasons, the Traffic Committee has actively supported efforts to increase state vehicle weight limits to the new federal levels. Individual members have written numerous letters to state legislators where such bills are pending, and members have testified "on the grass roots level" at public hearings wherever possible. The Traffic Committee has drafted an industry statement that members may read when testifying on behalf of the Gypsum Association in support of weight limit legislation. The following table summarizes the status of current legislation to increase gross vehicle weight limits to the federal level:

<u>Goal:</u>	Gross vehicle weight	80,000 lbs.
	Single axle limit	20,000 lbs.
	Tandem axle limit	34,000 lbs.

Bills Introduced 1978

Indiana	HR 1208	Died on calendar New attempt in 1979
Tennessee	HB 1111; SB 840	Outlook unfavorable
Iowa	HF 221	Hearings 3/1
Maryland	SB 583	Hearings 2/9 and 2/28
Missouri	HB 1439-1440	Hearings 3/6

Bills Planned for 1978

Connecticut	Outlook good.
Illinois	If Governor in accord. If not, push in 1979.
Mississippi	First bill (2/2/78) died. Second bill planned.

No Legislative Plans

Pennsylvania	Unfavorable climate.
Arkansas	No 1978 legislative session.
District of Columbia	Unfavorable climate.

Action by all member companies having operations in these states will be required if our campaign is to be successful.

5. Major Regulatory Agency Proceedings

No summary of Traffic Committee activities is complete without an examination of pertinent "Ex Parte" proceedings. The Traffic Committee is presently monitoring thirteen proceedings instituted by the Interstate Commerce Commission. In many cases, Gypsum Association intervention in these proceedings is not required, but every member company should be kept advised of proposed changes to ICC regulations which could affect all shippers. In other instances, active Gypsum Association participation is required to protect the interests of the industry. A summary of Ex Parte proceedings currently being monitored by the Traffic Committee follows:

Proceeding

Ex Parte 73
and MC-1

Regulation for Payment of Freight Charges

Purpose: New credit regulations for payment of freight charges.

Status: Issued to become effective April 20, 1977. Indefinitely postponed. Subject of ICC task force study.

GA Action: No action on original proceeding. Possible action when rules reissued.

Ex Parte 55
(Sub 22)

Implementation of Energy Policy and Conservation Act of 1977

Purpose: Would require energy impact studies and statements on general rate adjustments as well as transportation rule-making and legislative proposals.

Status: Interim ICC Report December 16, 1977. Comments due February 13, 1978.

GA Action: None.

Ex Parte 55
(Sub 25)

Revision of Application Proceedings

Purpose: Expedite ICC approval for non-opposed applications for new motor carrier authority. Also establish protest standards.

Status: Proposed rules issued September 2, 1977. Comments due October 3, 1977.

GA Action: None, but important and will monitor.

Ex Parte 55
(Sub 26)

Motor Carrier Application Proceedings Protest Standards

Purpose: Would restrict protests to new motor operating authorities to carriers who have actually handled traffic in the past.

Status: Proposed rule November 23, 1977. Comments due January 23, 1978.

GA Action: None, but important and will monitor.

Ex Parte 55
(Sub 27)

Dual Operation of Motor Carriers

Purpose: Would permit carriers to operate in dual capacity as common and contract carriers unless proven abuses are likely.

Status: Proposed rule October 11, 1977.
Comments due December 12, 1977.

GA Action: None. Will monitor.

Ex Parte
MC-110

Service at New Plant Sites

Purpose: Regulated carriers could serve new plant sites for two years without need for application proceeding. Then permanent authority unless objections received.

Status: Proposed rule October 11, 1977.
Comments due December 12, 1977.

GA Action: None. Will monitor.

Ex Parte 106

Expand Regular Route Highway Service Corridors

Purpose: Would remove many of present restrictions governing routes that can be used by motor carriers.

Status: Proposed rule July 22, 1977.
Comments due September 20, 1977.

GA Action: None. Will monitor.

Ex Parte MC-43
(Sub 7)

Lease and Interchange of Vehicles

Purpose: Full investigation of owner-operator leasing practices.

Status: New proposed standards published November 23, 1977.

GA Action: None. Will monitor.

Ex Parte MC-88

Freight Charges for Motor Carrier Detention

Purpose: Establishment of uniform motor carrier detention rules and charges.

Status: ICC order June 18, 1976. Effective date postponed after appeals. Issue

SGP 0012296

now before Supreme Court.

GA Action: None. Will monitor. Is a key case that will affect freight expense at all plants.

Ex Parte MC-109 Substitution of For-Hire Service for Proprietary
(Sub 1) Operations

Purpose: Would result in expedited procedures to permit shippers to abandon private trucks and quickly substitute for-hire carriers.

Status: Proposed rule November 4, 1977.
 Comments due December 12, 1977.

GA Action: None. Will monitor.

Ex Parte MC-97 Investigation into Practices of Motor Common
 Carriers of Property on Residential and Re-
 delivered Shipments

Purpose: Would require motor carriers to cancel all arbitraries for delivery to construction sites.

Status: Final rule effective October 7, 1977.

GA Action: Letter to ICC asking for clarification on gypsum product movements. Awaiting ICC reply.

Ex Parte 320 Market Dominance (Rail Rates)

Purpose: ICC study required by PL 94-210 to study issue of market dominance when establishing rail rates.

Status: ICC report October 1, 1976. Was appealed. Now before courts.

GA Action: None. Have been monitoring.

Ex Parte 324

Rail Rates Based on Seasonal, Peak or Regional Demand

Purpose: Proceeding intent is to facilitate publication of demand-sensitive rates encouraging seasonal, regional and peak period rates for rail service.

Status: ICC report issued July 19, 1977.

GA Action: Have been closely following proceeding for possible GA member application.

The committee Chairman is encouraged by the support given him during his two terms as chairman, and by the outlook for even greater committee contributions to the industry in the future.

Respectfully submitted,


H. D. Gobrecht
Chairman

REPORT OF THE
PROMOTIONAL COMMITTEE
TO THE MEMBERSHIP
March 15, 1978

The next meeting of the Promotional Committee will be held April 11, 1978, the day before the annual meeting, in Chicago, Illinois. A full report on activities will be presented in an oral report to the membership at that time. Highlights of current committee activity follow:

MOBILE HOMES

Activity in this area was reviewed at a Promotional Committee meeting held in conjunction with the annual iaWCC/GDCI convention in San Francisco, California, February 24, 1978. It is recommended that the Association continue its program of education and promotion directed at the various elements of the mobile home market: manufacturers, dealers and buyers. It was felt to be appropriate that this program should remain aggressive while at the same time not becoming antagonistic to competitive materials. It should be noted that the Hardwood Plywood Manufacturers Association has discontinued its attacks on our product, and the Gypsum Association was not drawn into a public controversy in response to their advertising campaign.

We are continuing to supply our marketing kits to mobile home manufacturers and dealers with more than 1500 distributed to

date. Our TV commercials have been sent to approximately 100 dealers and TV stations around the country. Ten newsletters have been sent to mobile home manufacturers, and we continue to produce recommendations for the appropriate use of gypsum board in mobile homes.

A shift in emphasis of our advertising campaign has been made at the direction of the Promotional Committee. The current ad, which began a six month scheduled run in DEALER and MERCHANDISER magazines in February, stresses the conventional look of mobile homes which use gypsum board interior walls and ceilings.

A portable display, especially prepared for mobile home trade shows, and featuring our new film "Time to Live," has been completed and is currently in use. It was initiated at the Manufactured Housing Institute Supplier Show this past October in Rosemont, Illinois, and as this report is being prepared is on display at the Pennsylvania Manufactured Housing Show in Harrisburg, Pennsylvania, one of the largest and most important regional meetings of the mobile home industry. It is scheduled for appearance at the Indiana Mobile Home Show in South Bend, Indiana this coming August, as well as the MHI Supplier Show in St. Louis this fall and other regional shows as deemed appropriate.

And, finally, Association staff members continue to make themselves available to meet with and assist the mobile home manu-

facturers whenever appropriate. It is felt by the Promotional Committee that current Association activity in the mobile home area is appropriate and adequate but our program must remain flexible in this changing marketing area. In this regard, the committee and Association staff will monitor the situation and make specific recommendations for alterations or additions to the programs as the changing situation warrants.

TIME TO LIVE

The committee feels that this film is one of the most powerful educational and promotional products the Association has produced and would like to see a maximum effort made in promoting its distribution, both with groups and nationally through television. A specific recommendation in this regard will be made to the membership at the annual meeting.

TRADE FACTORS

In keeping with our policy of presenting technical and educational programs in response to requests from trade factor groups, the Association conducted three seminars for the Ceilings and Interior Systems Contractors Association in recent months. These seminars were prepared by members of the Technical Committee, assisted by Association staff. Members of the Technical Committee covered three subjects: fire, sound and structure. The seminars were held in Toronto, St. Louis and Las Vegas and in each case were attended by about 80 contractors who were an extremely attentive audience. The question and answer sessions in each case were

informative and gratifying. The CISCA leadership was highly pleased and appreciative of our efforts and has invited the Association to send a representative to their annual meeting in Dallas the last week of April to discuss further activity between our two groups.

The Gypsum Association sponsored a reception at the annual iaWCC/GDCI meeting in San Francisco, February 24, 1978. The reception was held in the exhibit hall and served to stimulate traffic through member company displays. A reception line made up of member company representatives greeted the contractors and their wives as they entered the exhibit hall area on the occasion, which caused the heaviest flow of traffic through the exhibits of the entire convention. It was the consensus of the committee that this is a most worthwhile Association activity, but one which should be analyzed and reevaluated on a yearly basis.

The Association Executive Vice President accepted an invitation to appear at three regional meetings of the National Lumber and Building Material Dealers Association to discuss the gypsum industry and its products in general. The committee feels that this is a most worthwhile Association activity and has requested that copies of his remarks be distributed to member companies through the Promotional Committee. It may be that member companies might care to have Association staff members represent them before audiences where general, rather than proprietary, comments on the gypsum industry are appropriate.

EXPANDED SLIDE PROGRAM

The Promotional Committee believes this is a major and most important project. This greatly expanded slide program could be used not only with architectural and building trade schools, but also with building officials, contractor and other outside groups, both by Association staff and member company representatives. The complete program would be a professionally produced slide plus script program consisting of seven independent but interrelated elements or subjects. The Association staff, with the guidance of the Promotional Committee, is currently at work on this comprehensive project and we will have a specific recommendation at the annual meeting for proceeding with production of this key program.

LITERATURE

With the recent production of several major publications, it is felt that the Association library is at its most comprehensive level in some time and the next year should be one in which we concentrate on promotion of existing literature, rather than production of new pieces. Most printing this next year will consist of reprinting existing items.

In this regard, a special promotional program was initiated to gain acceptance of our USING GYPSUM BOARD FOR WALLS AND CEILINGS as a reference book by building trade classes and architectural schools. As a result of this program, there are 119 such

schools at this writing that are using our book on a regular basis. Some 14,000 to 15,000 books have been distributed for this purpose since it was printed six months ago. It is felt that this is a valuable continuing educational audience which will be important to us in the future and would be highly receptive to our new gypsum slide program.

Further comments and recommendations resulting from the committee meeting on April 11 will be presented in my oral report at the annual meeting.

Respectfully submitted,

R. L. Zay #
R. L. Zay
Chairman

REPORT OF THE
MANUFACTURING AND MINING COMMITTEE
TO THE MEMBERSHIP
March 15, 1978

The Manufacturing and Mining Committee will hold its next meeting in Chicago, Illinois on April 11, 1978. That meeting is subsequent to the preparation of this report, but prior to the annual meeting where my supplemental oral report will be presented.

The establishment of an Association Washington, D.C. office and additional staff time spent in the legislative area have provided better over-all coverage of legislation of importance to our industry. Legislative summaries and briefings, published monthly during Congressional sessions, have received favorable response from many throughout the industry. New legislative items have been and are being added at the request of Association committees, all of which attests to the worth of these Association publications.

Highlights of the committee's activities are as follows:

LAND PRESERVATION AND RECLAMATION

The new office of Surface Mining has been established in the Department of the Interior under the "Surface Mining and Reclamation Act." Final interim regulations covering surface coal mining operations were published last year. Developments under the new law are being followed closely since it is fairly evident that non-coal

operations will experience similar legislative enactments in the near future based on the Council of Environmental Quality recommendations. The Council is currently studying the application of regulations for non-coal mineral industries.

As reported earlier, PedCo, under contract to EPA, studied wastes (air, liquid, solid) associated with the mineral mining industry to define the need for future research and development programs. PedCo visited three gypsum mining locations as a part of their study and found that no major waste problems exist. Similar studies of both our mineral mining and board production operations can be expected in the near future.

ENVIRONMENTAL MATTERS

The committee and Association staff continue to monitor EPA air and water pollution programs covering our mineral extraction under SIC 1492 and the board manufacturing process SIC 3275.

As previously reported, rain water run-off control regulations for the mining industry will be vested in state control plans rather than as a national EPA activity. States will be operating under a recommended strategy for regulation, and this is an area that warrants close monitoring by the membership.

The EPA study of air emissions in the mineral mining and processing industry is nearing completion, and early signs indicate

that no major gypsum operational problems will result from final regulations. The major objective of this EPA program is to project 1985 emission control targets for the mineral industry.

"Clean Air Act Amendments," Public Law 9595, allows for an 18 day variance in Class I areas when granted by the state and bars significant deterioration in over-all air quality. New growth in non-attainment areas is permitted if state air control plans show that problems will be dealt with in a reasonable period of time. As you will recall, the original "no growth proposal" was of major concern to the committee. The final law appears to have provided some latitude in the non-attainment area. EPA guidelines on prevention of significant deterioration of air quality can be expected shortly.

"Water Pollution Control Act Amendments," Public Law 95-217, provides that industries which have made a good faith effort to meet the 7/1/77 deadline for achieving effluent limitations based on "Best Practical Control Technology" are eligible to receive an extension to 7/1/79. The requirement that industry achieve effluent limitations based on "Best Available Technology" by 7/1/83 has been modified.

ENERGY

The Gypsum Association continues to participate in the voluntary/mandatory industrial energy reporting programs under the

Department of Energy (DOE). Fourth quarter 1977 industry energy data reported 2.7057 BTU's per MSF with 4,129,896 MSF of board produced.

The figure breaks down by fuel source as follows:

<u>Source</u>	<u>Percent</u>
Natural Gas	81.08%
Electric	5.62
Propane	1.63
Oil #2	6.43
Oil #4	2.59
Oil #6	1.04
Coal	1.61

Final 1977 energy data as compared to the 1972 base year, resulted in a 12.7% energy improvement for the industry. Beginning with the first quarter 1978 energy report, all eleven Association members will be included in the DOE reporting program.

Although no drastic alterations are anticipated in the current energy reporting program under the new Department of Energy, changes in reporting format can be expected in the near future. Other new energy developments can also be expected following Congressional approval of the energy package.

SEVERANCE TAX

The Association continues to monitor severance tax activity both at the state and national level. No severance tax legislation has been introduced since the semiannual meeting.

If our successful track record is to continue in this area, we must encourage plant personnel to be constantly alert for such taxes, and report any activity immediately, so that the Association can take timely action to defeat such tax proposals or obtain an exemption for gypsum.

SAFETY COMMITTEE LIAISON

The Manufacturing and Mining Committee continues to review the Safety Committee programs and recommendations coordinating production related programs of mutual interest.

The "Federal Mine Safety and Health Act" as signed into law November 9, 1977, will have significant impact on gypsum operations, with application of mandatory safety and health standards, stiff penalties for violations, mandatory training, and Labor and HEW inspection procedures. The Mine Safety and Health Administration (MSHA) will have the responsibility for enforcement of the new law.

The committee plans to review Safety Committee recommendations relative to proposed industry communications programs covering the new mine safety law. My oral report will include a review of such recommendations. A more detailed report covering the new mine safety law appears in the Safety Committee's Report to the Membership.

As previously reported, the Safety Committee plans to request \$23,925 for production of a new safety film and promotional materials. The Manufacturing & Mining Committee endorses this film production and supports the Safety Committee's request for budget approval.

The Chairman of the Safety Committee will report on other safety matters of industry importance both before our committee meeting and at the membership meeting April 12, 1978.

INDUSTRY HEALTH SURVEILLANCE PROGRAM

Following the semiannual meeting, member companies conducted a self-appraisal mortality review study of their operations, preparatory to engaging the services of Dr. Clark Cooper for a mortality feasibility study of industry operations. This action was in accordance with the committee's recommendation to the Board at the semiannual meeting.

The membership self-appraisal activity disclosed a few areas of concern which required further investigation and consultation with Dr. Cooper prior to initiation of the mortality feasibility study.

Following a March 7, 1978 task group meeting with Dr. Cooper, a satisfactory means of addressing noted concerns were established. A complete review of this important activity will be contained in my oral report at the membership meeting.

TECHNICAL AND BUILDING CODE COMMITTEE LIAISON

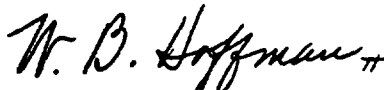
As in the past, the Manufacturing and Mining Committee plans to review matters of mutual interest with representatives of both Technical and Building Code Committees at our April 11, 1978 meeting. A review of this activity will be included in my oral report.

METRIC PROGRAM

The industry metric conversion program and the actions of the task force assigned to this project will continue to be of primary interest to the future activities of the Manufacturing and Mining Committee. This subject will be further reviewed at our forthcoming meeting.

Additional items resulting from our April 11, 1978 meeting will be contained in my oral report to the membership.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "W. B. Hoffman". The signature is fluid and cursive, with a double horizontal line at the end.

W. B. Hoffman
Chairman

REPORT OF THE
METRIC COMMITTEE
TO THE MEMBERSHIP
March 15, 1978

This being the first formal report of the Metric Committee plus the fact that there are varying degrees of knowledge and understanding about the entire area of metrication, a general overview precedes the specific report of the committee.

BACKGROUND

The present metric system or SI (international system) is based on seven well-defined base units: meter (length), kilogram (mass), second (time), ampere (electric current), Kelvin (thermodynamic temperature), mole (amount of substance), and candela (luminous intensity). All other units are combinations of these base units. The advantages of the SI system are numerous, but of most significance are the elimination of fractions, use of the powers of ten, and the universal scope of the system.

HISTORY

The United States formally cooperated in the development of the metric system. In 1875, we along with 16 other countries, endorsed a standardized version of the metric system by signing the Treaty of the Meter. Use of the metric system in the U.S. was made legal, but not compulsory, in 1866.

The United States also cooperated in developing the present International System of Units (SI), which was adopted by the General Conference on Weights and Measures (an international organization) in 1960.

In 1968 Congress authorized a three-year study. This study was submitted to Congress in 1971 and concluded: "Increasing use of the metric system in the United States is inevitable and in the best interests of the country." On December 23, 1975, the Metric Conversion Act was signed into law. The intent of the legislation is that initiative for changing over remains in the private sector. Three major aspects of the Act are: Voluntary conversion (the major reason for this was to avoid an obligation by the federal government to defray costs); no specific timetable established (in an earlier form a ten-year timetable was recommended); the President to nominate a 17-member Metric Board to coordinate conversion.

At the present time, 95% of the world's population is operating with SI units. Just recently, most of the English-speaking nations converted from Imperial measure to metric, including the United Kingdom, Australia, New Zealand, and Canada.

The common market nations have decreed that non-metric products will no longer be accepted by member nations.

As the U.S. embarks on conversion, we part company with the last four nations not on metric: Brunei, Burma, Liberia and South Yemen.

CURRENT U.S.A. SITUATION

As of this writing, President Carter has nominated all 17 members of the Metric Board, and several influential congressmen have stated that they anticipate congressional confirmation momentarily. Proposed members of the Board represent science, large and small business, labor, retailing, government, construction, standards, publishing, and broadcasting.

The Board's major responsibilities will be to develop public awareness and education programs, establish guidelines, hold hearings, conduct research, and make recommendations to the President and members of Congress.

In addition to the Metric Board, the major coordination and planning will be handled by the American National Metric Council (ANMC) which is an organization of the private sector and was created by the American National Standards Institute (ANSI) in 1973. ANMC has 300 trade associations and 500 U.S. companies as subscribers. It is a one-of-a-kind organization which prefers to be considered a "bridge" between the private and public sector.

It is in the sensitive position of maintaining and expanding the support of business and industry, while working with the state and federal governments in the national interest. The Gypsum Association is a charter member of ANMC.

CURRENT SITUATION - CONSTRUCTION SECTOR

Within the construction industry, coordination is being accomplished through the "Construction Products Sector Committee" of ANMC. A majority of our member companies' products fall within the scope of Sub-Sector Committee 3.03.02 which is chaired by D. E. Brackett, the Gypsum Association's Eastern Manager.

This Sub-Sector basically covers interior and exterior rigid and semi-rigid panel and roll materials such as gypsum board, plywood, particle board, hardboard, wood and mineral boards and tile, plastic sheets and boards, and insulation.

BACKGROUND - GYPSUM ASSOCIATION ACTIVITY

Activity within the Association with respect to metrification dates back to early 1972 following issuance of a joint resolution by the 92nd Congress to establish a policy relating to conversion to the metric system in the United States.

At the 1977 fall semiannual meeting, the Association Directors formally established a standing Metric Committee and recommended that each member company assign one representative

to this committee that would espouse their company's viewpoint on metrication. Prior to this time, each standing committee had been attempting to formulate a plan and express the views of their members within their areas of specialization. This led to diverse opinions by various committees and even among representatives with the same company.

REPORT OF THE COMMITTEE

The first meeting of the newly formed Metric Committee convened on December 15, 1977 in Chicago. Six member companies were represented out of eleven companies with assigned representatives.

Subsequent to this report, the committee will meet on April 11, 1978 preceding the annual meeting in Chicago and a full report of additional activities will be made orally to the general membership of the Gypsum Association on April 12.

CANADIAN EXPERIENCE

Because some member companies ship materials into Canada, the effect of the Canadian conversion is of immediate concern. The Canadian experience can serve as a guide for future activities within the U.S.

Mr. S. G. Love, Metric Coordinator for Canadian Gypsum Company, reviewed the current situation and in summary reported

the following: "The construction industry is primarily going to 'hard conversion' (even metric units)." Example: 48 inch board, which translates to 1219.2 millimeters, becomes 1200 millimeters or 47.24 inches. The Canadian industry has adopted the 100 millimeter (3.94 inches) module in lieu of the previous 4 inch module.

In Canada, the construction industry established "M" day as January 1, 1978, at which time most manufacturers of building materials began providing products with hard metric dimensions.

In most cases, this deadline was met including such building materials as gypsum and fiber boards, asphalt roofing, insulation, glass, concrete, lime and clay products.

Two major trade segments that are not converting at this time are the transportation industry (rail and truck) and the lumber industry. This is primarily because of their close association and interaction with the United States. As an example, 60% of all Canadian lumber is exported and the United States is the primary importer.

The Canadian gypsum industry is converting to hard conversion in widths and length, but soft conversion in thickness.

COMMITTEE CONSIDERATION

The committee considered metrication in two phases.

Phase I: Establishment of rounded metric soft conversion sizes which would permit the Association and member companies, if they so choose, to publish coordinated metric sizes (U.S. and metric) in literature and for product identification. Each member company was asked to submit their proposed metric equivalents and the consensus of all submissions will be used in establishing the Association guideline. Phase II: If the Gypsum Association is to participate with the American National Metric Council Sub-Sector Committee, a consensus position ought to be taken by Association members as to what hard or modified hard conversion would be acceptable to the industry if and when U.S. goes metric.

Following considerable discussion, it was apparent that at this time we are not in position as an industry to propose a consensus opinion. One or more member companies feel strongly that the establishment of proposed hard conversion numbers would indicate that gypsum board sizes should ultimately go to hard conversion. Opinions of other members range from no comment to the opinion that we should look toward hard conversion including thickness as the proper approach in the future.

There were some obvious negative aspects of recommending immediate hard conversion which would affect manufacturing, inventories, etc., but these are considered areas affecting all industries, any time a significant change is contemplated.

It was the consensus of the committee that we should continue to participate in metric activities with other industries within the building sector, including other trade associations and governmental agencies.

The committee will meet again on the day preceding the annual meeting in Chicago where most of the representatives can be present.

Respectfully submitted,

A handwritten signature in cursive script that reads "R. P. Entz" followed by a small asterisk.

R. P. Entz
Chairman