

Manufacturing Chemists' Association, Inc.

(FOUNDED 1872)

246 WOODWARD BUILDING

WASHINGTON 5, D. C.

MINUTES OF MEETING - PLASTICS GROUP MANHATTAN CLUB, NEW YORK CITY, MAY 10, 1951

PRESENT:

American Cyanamid Company
Bakelite Division
Barrett Division
Celanese Corporation of America
E. I. du Pont de Nemours & Co.
Durez Plastics & Chemicals, Inc.
Firestone Plastics Company
General Electric Company
B. F. Goodrich Chemical Company
Goodyear Tire & Rubber Company
Hercules Powder Company
Interchemical Corporation
Koppers Company
Marblette Corporation
Metal & Thermit Corporation
Monsanto Chemical Company
Naugatuck Chemical

Nixon Nitration Works
Plaskon Division
Rohm & Haas Company
Shell Chemical Corporation
Sylvan Plastics, Inc.
Tennessee Eastman Company
Visking Corporation
M.C.A.

James L. Rodgers, Jr.; C. J. Romieux
Howard S. Bunn, Clinton W. Blount
A. H. Dean, A. H. Cubberly
W. S. Landes, E. W. Ward
E. F. Schumacher
A. W. Hammer, Jr.
F. J. Groten
S. L. Brous, W. L. Rodich
J. R. Hoover, G. A. Fowles
H. R. Thies, W. H. Aiken
E. G. Crum, A. R. Olsen
John P. Duane
Dan M. Rugg
H. C. Kranzer
Harry W. Buchanan
F. A. Abbiati, R. K. Mueller
John P. Coe, George R. Vila,
Harold M. Parsekian
M. Breitkopf, Stanhope Nixon
W. W. Knight, Jr.
Louis Klein, F. O. Haas
F. S. Swackhamer, M. L. Sagenkahn
Edwin F. James
S. E. Palmer
Eliot Balestier, Jr.
F. H. Carman

The meeting was called to order at 10:35 A.M. with Mr. Hoover in the Chair. Mr. Hoover advised the members that he was acting in the place of Dr. Frederick and Mr. Milliken who could not attend the meeting.

The minutes of the meeting of March 8, 1951 were approved without reading.

TECHNICAL DATA BOOK

Following the decision of the Group in the March meeting to go ahead with republication of "Technical Data on Plastics," the Washington Office with the approval of the Plastics Committee had cleared a request to all interested members for agreement to support the book and designation of assessment classification so that probable income could be determined. At the time of the meeting only 50% of the members had had a chance to reply to this letter; there had been no refusals to participate in the program up to this time.

O.P.S. REGULATIONS

All members were advised of the Association request to the Director of the Rubber, Chemicals and Drug Branch of the Office of Price Stabilization for postponement to at least June 28, 1951 of the effective date of CPR-22 as applied to the chemical industry and the offer for a group to meet with the Director and others to supply additional information concerning the impracticability of complying with the May 28 effective date.

During the discussion it was pointed out that an industry advisory committee on plastics was being set up and that a meeting has been scheduled for May 21 in Washington. Five other committees concerned with other specific groups of chemicals are meeting also during the weeks of May 14 and 21.

The Chairman called members' attention to the fact that the O.P.S. can not take action on the provision for chemicals other than CPR-22 or for a delay in effective date unless representations are made by industry and the facts are presented to justify such requests. He commented that it would be very timely for any individual company that can show hardship under the pending Regulation to present their case to the O.P.S. very quickly.

Shortly after issuance of CPR-22, representations were made by certain industries to include coating resins in a new regulation to be issued on paints and varnishes. It is the understanding now that these synthetic resins are not to be included as a varnish under a new order but are to come under the provision of CPR-22.

FREIGHT RATE INCREASE

The railroads have asked for a 15% increase in freight rates and the I.C.C. will hold hearings on this beginning the week of May 14. It is understood that the O.P.S. will oppose this freight increase and they have asked a number of units in the chemical industry for information on the probable effects.

The Association Traffic Committee and Directors have carefully considered action, if any, that would be appropriate on the part of the Association. It was the consensus of the Directors that the Association should not take any stand regarding this rate increase and that it be handled as an individual company matter as the organization may desire.

MANPOWER COMMITTEE

The Association Manpower Committee met in Washington on May 3 and later conferred with the Assistant Secretary of the Army regarding industry deferment problems. In the latter conference it was learned that the Army takes the position it is impossible to consider recent graduates holding ROTC commissions for industry deferment due to the fact that their education had been paid for in part by the Government. Apparently they are being considered in about the same category as active reservists. The Assistant Secretary also said that the Army wishes to drop men in deferable categories from the organized reserves but that resistance to this had been shown by the American Legion and the Reserve Officer Associations.

The Manpower Committee now plans to institute a quarterly survey of manpower problems in the industry to determine number of draft eligible employees and reservists on call, technical manpower requirements in the field, and other pertinent details regarding draft and deferment that will permit the Committee to have up-to-date facts so that quick action can be taken as the need may arise.

CONTAINER ORDER

Members were reminded of the World War II steel drum order L-197 and advised that a similar order is now being considered by NPA. The MCA Metal Packages Committee has been studying the proposed order and has made several recommendations to the packaging officer of the Chemicals Division in NPA.

Provisions that may be included in this drum order are: a List "A" of specific materials for which only 70% of the tonnage of new drums used in a base period may be employed; a List "B" of products for which no steel drums may be used with certain exceptions; a provision that chemicals not listed may be shipped in up to 90% of the tonnage of new steel drums used during the base period for this specific chemical. No control is to be established on re-used drums.

The above-mentioned Committee is meeting again with the NPA in an effort to simplify this order and to have a single percentage of new drums apply to a shipper's total rather than for specific materials.

NOMINATIONS FOR PLASTICS COMMITTEE

The Chairman called on Mr. James L. Rodgers, Jr. to report for himself and Messrs. Landes and Mann, who were requested to propose nominees for members of the Plastics Committee for the coming year. Mr. Rodgers stated they had carefully considered past service of Plastics Committee members and the former P.M.M.A. Directors, the rotation of membership as practiced in P.M.M.A., and had tried to have all plastic materials represented in proposing new members for the Committee. For the coming year, they proposed the following Committee members: For Chairman - Mr. M. G. Milliken; for Vice Chairman - Mr. F. A. Abbiati; and for other members - Dr. E. D. Ries, Mr. James L. Rodgers, Jr., Mr. Howard S. Bunn, Mr. John P. Coe, and Dr. D. S. Frederick. Mr. Rodgers urged that all members keep in mind the policy of the Plastics Committee that all member representatives are cordially invited to attend the Committee meetings. On motion duly made and seconded, it was unanimously agreed that the above-mentioned recommendations should be transmitted to the MCA Directors as suggestions for the Plastics Committee for the coming year.

TORQUAY CONCESSIONS

The results of the Torquay, England, Agreements on Tariff and Trade were concluded in April and published as of May 9. A copy of all documents released by the State Department had just been received and briefly studied to determine the extent of concessions granted by the United States. The Document is available from the Government Printing Office at \$1.00 per copy. Members interested should request State Department Publication No. 4209 entitled "Torquay Protocol of Accession, Schedules and Related Documents."

Generally, the items that were up for negotiation were cut up to 50% of the 1945 rates with several exceptions. For example, phenol was not cut further than the existing rate and the duty on synthetic resins and plastic materials (covered by Paragraph 11) was not reduced. The tariff on laminated sheet, products made from laminates, and other products in which synthetic resin is a binder was cut 50%.

Further information regarding these Torquay concessions will be contained in subsequent bulletins.

THE MOBILIZATION PROGRAM

Items of general interest concerned with the NPA and other government agencies pertaining to controls, expansion of facilities and probable future trends as reported in the meeting include:

1. Survey being undertaken by the NPA on industry capacity and requirements for certain basic chemicals. These studies are to be used in determining appropriate action on certificates of necessity.
2. Various branches of the NPA concerned with end products have approached the Washington Office and others regarding individual surveys they are undertaking on plastics. These individual groups have always been referred to the Chemicals Division, and it was urged during the meeting that materials manufacturers make sure that the Chemicals Division is consulted on such matters so that the individual groups in the NPA will not be duplicating work and possibly upset a normal distribution program.
3. CMP for control of aluminum, copper and steel is to be instituted July 1. It was emphasized that metal supply in 1951 and 1952 will be much tighter than in 1950. CMP is basically a scheduling operation and, if workable, could materially improve the flow of some materials as certain production schedules are now greatly out of balance. The NPA has stated that the present objective is to permit consumers durable goods production at about 70% of the 1950 base and take care of all military requirements.
4. Because of the expected relatively high levels of civilian production, it is extremely doubtful that NPA will take any stand in determining the essentiality of most civilian activities.
5. An amendment to MRO can be expected; this order probably will be continued under CMP. There have been many abuses in the use of MRO ratings, and it is expected that some steps will be taken to enforce better compliance with these regulations.
6. In spite of comment in the daily press and statements of many business and Congressional leaders opposing the Defense Production Act continuance after Jun 30, 1951, it is generally conceded the Act will be extended. Defense Mobilizer Wilson recently emphasized that inflationary pressures in 1952 would be much greater than heretofore and that controls will be required without question.

MATERIALS SUPPLY PROSPECTS

The Chairman commented on the forthcoming S.P.I. Annual Meeting at which Messrs. Abbiati and Milliken will discuss probable materials supply prospects for the thermosetting and thermoplastics groups, respectively. Many of the members had already replied to a survey from the Washington Office and a summary of these had been turned over to the speakers. Further comments were made from the floor during the open discussion.

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GUESTS FROM NPA

Mr. Kenneth Klipstein, Director of the Chemicals Division, and Dr. L. B. Kilgore, Chief of the Plastics Section of the NPA were guests at luncheon. Both NPA representatives briefly discussed some of the problems presently confronting that organization and complimented the industry representatives on the cooperative manner in which they have worked with the Division in maintaining equitable distribution of materials in short supply. Many questions on various NPA matters were raised from the floor during the discussion period.

WHEREUPON, adjournment was taken at 2:00 P.M.

Respectfully submitted,

F. H. Carman.

F. H. Carman
Assistant Secretary

C/mw
May 18, 1951

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