CHEMICAL MANUFACTURERS ASSOCIATION

EXECUTIVE COMMITTEE MEETING
3:30 p.m., Wednesday, June 3, 1987
The Greenbrier, Fillmore Room
White Sulphur Springs, West Virginia

AGENDA

			TAB
3:30 p.m.	1.	Call to Order and Approval of Minutes of May 5, 1987, Meeting -- Chairman Sorgenti	1
3:30-3:45	2.	Association Activities	
		a. Treasurer's Report -- Gary C. Herrman	2
		b. Committee Appointments -- Charles W. Van Vlack	3
		c. TSCA Litigation -- David F. Zoll	
		d. Underground Injection Control Program -- Robert A. Roland	
		e. Officers' Planning Meeting -- Chairman Sorgenti	
3:45-4:05	3.	Review of Board Agenda Items (Not otherwise scheduled for Executive Committee discussion)	
		° Liability Reform Work Group	
		° Federal Legislative Grassroots Program	
		° Pending Federal Legislation (Worker Notification, Trade, Other)	
4:05-4:30	4.	State Toxics Initiative Work Group: Presentation of Revised Action Plan and Possible Oregon Activities (Case Study of Plan) -- James V. Murray, Union Carbide Corporation, Chairman, STI Work Group	4
4:30-4:45	5.	Energy Legislation	5
4:45-5:05	6.	Air Quality Survey Results Update -- E. D. Griffith, ARCO Chemical Company	
5:05-5:15	7.	New Business	
5:15	8.	Adjourn	

MINUTES OF MEETING
CMA EXECUTIVE COMMITTEE
The Greenbrier, Fillmore Room
White Sulphur Springs, West Virginia
Wednesday, June 3, 1987

1. The meeting was called to order at 3:30 p.m. by Chairman Sorgenti There were present:

Members:	Harold A. Sorgenti, Chairman of the Executive Committee	
	W. H. Clark, Jr., Chairman of the Board	
	Robert D. Forney, Vice Chairman of the Board	
	Robert A. Roland, President	
	Dexter F. Baker	John W. Johnstone, Jr.
	Alan Belzer	Robert D. Kennedy
	Robert D. Cadieux	H. Eugene McBrayer
	Robert W. Davis	Keith R. McKennon
	Vincent L. Gregory	M. Whitson Sadler

Secretary:	Charles W. Van Vlack
Treasurer:	Gary C. Herrman
General Counsel:	David F. Zoll

By Invitation:	Geraldine V. Cox, CMA
	Kenneth E. Davis, Rohm and Haas Company
	Clyde H. Greenert, Union Carbide Corporation
	Edward D. Griffith, ARCO Chemical Company
	Jon C. Holtzman, CMA
	E. Hamilton Hurst, Nalco Chemical Company
	James V. Murray, Union Carbide Corporation
	Vernon R. Rice, E. I. du Pont de Nemours & Company
	William M. Stover, CMA
	Ben Woodhouse, Dow Chemical U.S.A.

2. Minutes of Last Meeting The Minutes of the May 5, 1987, meeting were approved as distributed.

3. Treasurer's Report Mr. Herrman reported that through the eleven months ending April 30, the Association had received revenues of $14,071,500 and had incurred expenses of $11,345,400. He indicated that the process of closing the books for the year was under way and that the year-end Treasurer's Report analyzing variances would be mailed when that process was completed. He estimated that the Association would end the year with revenues slightly above budget, expenses about 1% - 2% below budget, with a resulting contribution to reserves of $100,000 - $200,000. Reserves would then be about $5.9 million.

In looking toward the coming year, he reported that dues invoices for 1987/88 would be mailed to the membership on June 4. Four members had not yet reported 1986 chemical sales information, and follow-up was continuing with these members.

4. Standing Committee Appointments Mr. Van Vlack presented the list (Exhibit A) of proposed appointments to fill vacancies on several of the Association's standing committees. These were approved.

5. TSCA Litigation Mr. Zoll reported on a current case involving a CMA member company (Lonza) which was the subject of an EPA enforcement action under TSCA. Because of the precedent-setting nature of the action and the potential for significant impact on many member companies, Mr. Zoll indicated that CMA was filing a motion to intervene. It was agreed that appropriate communications should be sent to the membership, alerting them to the implications of EPA's apparent new TSCA enforcement policy.

6. Underground Injection Control Mr. Roland reported that the issues raised at the May Executive Committee meeting regarding possible changes in the advocacy role of the Underground Injection Control (UIC) Group had been resolved in the interim and that the UIC task group had agreed that no changes in its charter were necessary at this time.

7. Officers' Planning Meeting Mr. Sorgenti reviewed the results of the Officers' Planning Meeting which had been held on June 2-3. Major areas included the Regional Executive Contact Meeting Program; membership and membership criteria; relations with other associations; Board and Executive Committee meetings and activities; establishment of Board committees to pursue issue and program priorities; and increases in the Catalyst Awards. A summary of these items is attached as Exhibit B.

With respect to the Catalyst Awards, the Executive Committee agreed to increase the 1987 and future year awards for national winners from $1,500 to $5,000 and for regional winners from $500 to $2,500.

Mr. Sorgenti requested that directors submit their ideas on suggested program or issue areas where the formation of new Board committees would be appropriate, together with an indication of their preference as to which group they would be willing to serve on or chair. This input was requested to be sent to Mr. Roland no later than mid-July, so that recommendations could be prepared for the Officer's review in early August, with final action expected at the August 31-September 1 Board meeting.

8. Review of Board Agenda Items There was no additional discussion of the Board agenda items not otherwise scheduled for discussion by the Executive Committee.

9. State Toxic Initiative Report Mr. Murray reported on the activities of the State Toxics Initiative Work Group and their recommendations for action by CMA and member companies. These recommendations related to: a funding mechanism to address the sizeable costs associated with being active on initiatives; chemical industry strategy in priority states where initiative activity can be anticipated; and a preliminary plan for action in Oregon.

12. Membership Fee Schedule Following up on the recommendation made at the Officers' Planning Meeting, a resolution was presented to provide a phased-in fee schedule for new member companies joining the Association. Following discussion, the following resolution was adopted:

> RESOLVED: That for companies who become members of the Association during the 1987/88 fiscal year, the following phased-in membership fee schedule shall apply:
>
> - One-third of the normal dues for the first fiscal year of membership. In the case of companies joining during the fiscal year, the initial dues shall be one-third of the pro rata amount due for the remainder of the year.
> - Two-thirds of the normal dues for the second fiscal year of membership.
> - Full dues for the third and subsequent years of membership.
>
> That the phased-in membership fee schedule shall be applicable only to those companies who become new members during the 1987/88 fiscal year and in no event shall the membership fee of any company, on an annualized basis, be less than the existing minimum fee ($5,560).

13. Worker Notification It was agreed that the position on worker notification legislation adopted by the Executive Committee and Board at the April meeting should be reiterated to the membership at the Annual Meeting. Mr. Clark indicated that he had added specific language to his speech to the membership addressing the issue of the Association's support for the modified worker notification legislation. The Executive Committee endorsed this approach.

14. New Business Mr. Davis reported on a major advocacy success in Utah which reinforced his belief that the industry needed to develop additional positive legislative initiatives which could then be advocated at the state level.

* * *

The meeting adjourned at 5:00 p.m.

Charles W. Van Vlack
Vice President-Secretary

Certified correct:

Harold A. Sorgenti, Chairman
CMA Executive Committee

With respect to funding, the group recommended against creating a central CMA fund to finance initiative activities in individual states. The three principles which the group recommended pursuing were: anticipate and project funding needs in advance; tie requests for funding to a well-conceived, state specific action plan; raise money early to be able to respond quickly to developments and opportunities. Consistent with these principles, the group further recommended that CMA "seed money" be used in priority states to engage in-state consultants and to undertake initial planning and coalitioning activities, hopefully prior to the circulation of petitions. Mr. Murray noted that $50,000 is provided in the current State Affairs budget for these kind of "positioning" activities, but that as much as $100,000 - $150,000 might be necessary. For the actual expenses of conducting the initiative campaign, Mr. Murray recommended the development of a pledge system through which companies would contribute their proportionate share of the expenses. The pledge system would also envision companies allocating funds early to draw against as initiative campaigns arise; preclearing the use of these funds for initiative purposes; designating an individual with authority to commit these funds; and checking any legal requirements/ restrictions on the expenditure of those funds in the priority states identified in Exhibit C.

With respect to Oregon, Mr. Murray recommended proceeding with the development of a state specific, proactive initiative plan for Oregon, including the engagement of a local initiative consultant and exploratory work on building an Oregon industry coalition. The group, working closely with EMC and HSC representatives and legal staff, would develop a "model" initiative for possible introduction in Oregon, incorporating industry-acceptable principles on groundwater, air and/or waste minimization issues.

Following discussion, the proposed plan as outlined above and as set forth in Exhibit C, was approved and the group was directed to continue development of the generic program as well as the specific plan for Oregon. The Oregon plan would be reviewed in the fall and the Executive Committee and Board would make a go/no-go decision for active involvement in Oregon at that time.

10. Energy Mr. Kennedy indicated his growing concern over the energy tax legislation currently being considered by the Congress. He reviewed the sunset of CMA's Energy Committee and program in the Spring of 1986 and the subsequent formation of the Special Energy Advisory Group (SEAG) which has operated in a monitoring, nonadvocacy capacity. He then proposed that the energy program be reactivated within the Association. Following discussion of the activities of the Coalition Opposed to Energy Taxes (COET) and the process which SEAG should have employed to bring the changed circumstances to the attention of the Executive Committee for resolution, it was agreed to reactivate the Association's energy program and through that program to provide a focus for member company energy advocacy activities.

11. Air Quality Survey Following up on the report made at the May meeting, Mr. Griffith provided updated results of the survey of member companies on the status of implementation of the air quality program. Based on the significantly higher response rate, it was agreed that the survey results could be used in advocacy with respect to reauthorization of the Clean Air Act.

EXHIBIT A

COMMITTEE APPOINTMENTS

1. International Trade Committee
   Juliane H. Van Egmond, American Cyanamid Company - term ending May 31, 1988
   (replacing Cameron H. Calder, same company)

   Paul S. Holdorf, Celanese Chemical Company, Inc., Division of
   Hoechst Celanese Corporation - term ending May 31, 1988
   (replacing Stephen A. Block, same company)

2. Distribution Committee
   G. Kenneth Hendrix, First Chemical Corporation - term ending May 31, 1988
   (filling an open slot on the committee)

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EXHIBIT B

CHEMICAL MANUFACTURERS ASSOCIATION

OFFICERS PLANNING MEETING

Tuesday and Wednesday, June 2-3, 1987
The Greenbrier
White Sulphur Springs, WV

SUMMARY OF ACTION ITEMS

1. Regional Executive Contact Meetings

- The "inreach" program which was undertaken this year was a success and should be continued. A report on this year's meetings has been prepared and will be sent to all Executive Contacts.

- For 1987-88, we will hold a special 2-hour meeting for Executive Contacts in conjunction with the fall semiannual meeting in New York. The meeting will allow the officers to update the membership on current issues and priorities, and will be structured to provide the opportunity for the Executive Contacts to provide feedback to CMA through the use of small breakout groups.

- A follow-up round of regional meetings will tentatively be scheduled for 1988/89.

2. Membership

- The group developed some suggestions for changes in the Association's membership criteria that would allow additional chemical manufacturing firms to qualify for membership. These suggestions are being referred to the Membership Committee for review and for the development of final recommendations for Bylaws change to be presented at the September 1 Board meeting.

- The Association will review the merits of raising the minimum fee for membership (currently about $5,500) to more accurately reflect the services and value provided.

- The Association should pursue an aggressive program to recruit new members, with the Membership Committee serving as the catalyst and coordinating group.

- o As part of the membership drive, the Association should offer a phased-in fee schedule (1/3 first year, 2/3 second year, full dues third year) particularly to attract newly organized companies, including leveraged buyouts.

3. Other Associations

- o The Association should continue to pursue the formation of an international chemical manufacturers federation. The federation would have neither budget nor staff.

- o The Officers will host visits from the European chemical associations, following up on the Officers' visit to Europe this spring.

- o The Officers will undertake a series of visits with other key associations in the United States, such as API, SOCMA, etc.

- o A Board group should be established to analyze the relationship among the domestic Associations representing the chemical industry.

- o CMA should examine how to encourage additional company support for CIIT.

4. Board and Executive Committee Meetings and Activities

- o The format and content of the meetings will be changed to provide more focus on priority action items and less attention to informational presentations and detailed briefing materials.

- o The direct involvement of all the Directors in the meetings and activities of the Board and Association will be a priority in the year ahead.

- o The annual reports of the standing committees will no longer be made to the Board, but to the review committees instead.

- o Board meetings will be scheduled for no more than three hours, with the bulk of the time to be targeted for presentations and discussions by the Directors.

- o Outside speakers will be brought in on a selective basis.

- o Briefing materials on Board action items will generally be limited to one page.

5. <u>Establishment of Board Committees</u>

- o Issues such as liability reform and health effects, public perception of the industry, grassroots, and state affairs are increasingly important to the Association.

- o Using the work of the Liability Reform Work Group as a model, a number of Board committees will be established at the September meeting to review these issues and programs and to develop plans and recommendations in these areas. Board members will be asked to submit suggestions for issues or programs which require top down attention for successful resolution. Board members will also be asked to volunteer to chair and serve on these groups, together with selected representatives from existing committees.

- o As the work of these Board committees progresses during the year, the results will be channeled into the 1988/89 budget process with the expectation that additional support may be allocated to these areas in future years.

6. <u>Catalyst Awards</u>

- o The Catalyst Awards for chemistry teachers will be raised immediately to $5,000 for national winners (currently $1,500) and $2,500 for regional winners (currently $500). The award amount will be reviewed during the year to determine if further increases are appropriate.

EXHIBIT C

State Toxics Initiative Work Group
Campaign Strategy Outline

Oregon

OVERVIEW

Organize early; challenge at every opportunity, from petition to ballot (thereby causing time delays and increased costs for our opponents); offer an alternative initiative to the public; and educate the public in a cost-effective manner.

BACKGROUND

SB 975 says that no business shall knowingly discharge into any source of drinking water a chemical known to the state to cause cancer or birth defects. This is similar to the California law but without the "bounty hunter" provisions.

This bill is currently in committee and is not expected to move. Therefore, it is very likely to appear on the ballot in November, 1988.

TIMETABLE

Deadline for 1988 ballot is July 1, 1988. Signature gathering could begin anytime.

SIGNATURE REQUIREMENTS

Number required to qualify: 63,578

Permissible signature gathering techniques:

Legal parameters/possible challenges:

BALLOT LANGUAGE

Legal parameters/possible challenges:

FUNDING NEEDS

Amount: $3 million
Timetable:
Potential Donors:
Fundraisers:
Legal requirements for potential contributions:

LEAD ORGANIZATION/COALITION

Campaign leader:	
Association:	Associated Oregon Industries: Dave Dietz Associates
Chemical Industry:	Chevron, Pennwalt
Allied Industry:	Paper, Timber, Plastics, Paint
Other Allies:	Organized Labor

OPPOSITION

Identify:
Funding Sources:
Strategy:

INITIATIVE ELEMENTS

Issues:
Positions:
Arguments/Alternatives:

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STATE TOXICS INITIATIVE WORK GROUP
Action Plan Summary

CMA Activity	Date	Board/Member Company Action
Monitoring	Ongoing	Support requests for personnel to monitor and participate in CMA SCAN network system (see list of priority states and monitoring assignments).
Prioritize High Risk States	Done	See priority list
Develop Generic Initiative/ Legislative Strategy	6/15	Approve concept
Develop Specific Strategy for each priority initiative state: Oregon, Florida, Missouri, Michigan, Massachusetts, Maryland, Illinois, Ohio	6/15	Approve concept/support funding and staffing needs
Develop Specific Strategy for each priority legislative state: Louisiana, Connecticut, New York, Pennsylvania, New Jersey, Texas, West Virginia	6/15	Approve concept/support funding and staffing needs
Develop fundraising proposal for priority initiative states	6/15	Approve concept
Develop "positions options" for use in priority states	6/15	Approve concept
Develop technical/legal/ political/public relations resources to supplement in-state activities	Ongoing	Support resource requirements from member companies
Report significant developments to Executive Committee utilizing the "Executive Letter"	Ongoing	Approve concept

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INITIATIVE FUNDING

	State	Statewide Initiative Process	Estimated Range of Initiative Campaign Cost (dollars)	State Affairs Committee Contact
*	California	Yes	1.8M to 21M	-- Fort, Monsanto
I	Louisiana	No		Brewer, Olin
I	Missouri	Yes	500K to 6.3M	Fort, Monsanto
I	Oregon	Yes	265K to 3.2M	
II	Florida	Yes	18M to 21M	Chambers, American Cy.
II	Illinois	Yes	1.5M to 18M	Brewer, Olin
II	Massachusetts	Yes	420K to 5M	Lafield, Shell Oil
II	New Jersey	No		Chambers, American Cy.
II	New York	No		Buckley, Eastman Kodak
II	West Virginia	No		Roberts, Borg-Warner
III	Alabama	No		Brewer, Olin
III	Connecticut	No		Lafield, Shell Oil
III	Delaware	No		Mszanski, Du Pont
III	Georgia	No		Murray, Union Carbide
III	Kentucky	No		Hurwitz, Rohm & Haas
III	Maryland	Yes	265K to 3.2M	Lafield, Shell Oil
III	Michigan	Yes	600K to 7M	Woodhouse, Dow
III	Ohio	Yes	750K to 9M	Neale, BF Goodrich
III	Pennsylvania	No		Hurwitz, Rohm & Haas
III	Tennessee	No		Buckley, Eastman Kodak
III	Texas	No		Mszanski, Du Pont
III	Wisconsin	No		Smeltzer, FMC

* **ALREADY LAW**

I, II & III INDICATE CMA PRIORITY

CMA
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AGENDA

CMA EXECUTIVE COMMITTEE MEETING
Monday, August 31, 1987
12:00 p.m. Luncheon -- Library
1:30 p.m. Meeting -- Council Room
The Lodge at Pebble Beach
Pebble Beach, California

			TAB
1:30 p.m.	1.	Call to Order and Approval of Minutes of June 3, 1987 Meeting -- Chairman Forney	1
1:30-1:40	2.	Association Activities	
		a. Treasurer's Report -- Gary C. Herrman	2
		b. Committee Appointments -- Charles W. Van Vlack	3
		c. President's Report -- Robert A. Roland	
1:40-2:15	3.	Discussion (if needed) on Board Agenda Items not otherwise scheduled for Executive Committee Action	
		a. Liability Reform Work Group	
		b. RCRA Reauthorization/Waste Minimization	
		c. Title III Implementation and Coordination	
		d. Legislative Developments	
		° Worker Notification	
		° Clean Air	
		° Trade	
2:15-2:45	4.	Board Committee Reports	
		a. Membership Committee -- M. Whitson Sadler	4
		° Bylaw, Definition of Chemical Sales and Application Form Changes	
		° Proposed New Members	
		° Membership Campaign	
2:45-3:15	5.	Proposed Establishment of Ad Hoc Board Committees -- Harold A. Sorgenti	5
3:15-3:30	6.	New Business	
3:30	7.	Adjourn	

CHEMICAL MANUFACTURERS ASSOCIATION
EXECUTIVE COMMITTEE MEETING
1:30 p.m., Monday August 31, 1987
The Lodge at Pebble Beach (Council Room)
Pebble Beach, California

1. The meeting was called to order at 1:30 p.m. by Chairman Forney. There were present:

Members:
Robert C. Forney, Chairman of the Executive Committee
Harold A. Sorgenti, Chairman of the Board
Robert A. Roland, President
Dexter F. Baker
Alan Belzer
Raymond F. Bentele
Bruce C. Gottwald
Earle H. Harbison, Jr.
Robert D. Kennedy
H. Eugene McBrayer
Paul F. Oreffice
M. Whitson Sadler
J. R. Street

Secretary: Charles W. Van Vlack
Treasurer: Gary C. Herrman
General Counsel: David F. Zoll

By Invitation:
Geraldine V. Cox - CMA
Kenneth E. Davis - Rohm and Haas Company
Clyde H. Greenert - Union Carbide Corporation
Edward D. Griffith - ARCO Chemical Company
Philip C. Holladay - Shell Oil Company
Jon C. Holtzman - CMA
Vincent J. Marchesani - ICI Americas Inc.
Michael A. Pierle - Monsanto Chemical Company
Vernon R. Rice - E. I. du Pont de Nemours & Company
William M. Stover - CMA
Ben Woodhouse - Dow Chemical U.S.A.

2. Minutes of Last Meeting The Minutes of the June 3, 1987, meeting were approved as distributed.

3. Treasurer's Report Mr. Herrman reported that for the 1986/87 fiscal year concluded on May 31, the Association received revenues of $14,196,500, incurred expenses of $14,008,400 and made a contribution to reserves of $188,100. Reserves total approximately $5.88 million, representing approximately 38% of the operating budget. He further reported that for the first two months of the current fiscal year, the Association had received revenues of $13,687,000 and had incurred expenses of $1,700,000. He indicated that dues receipts had been excellent, with only three companies remaining who had not yet paid.

4. Committee Appointments Mr. Van Vlack presented the list (Exhibit A) of proposed appointments to fill vacancies on several of the Association's standing and special committees, including the appointment of Messrs. Stenzel and Deavenport to the Special Programs Policy Committee. These were approved.

5. Nominating Committee Dr. Forney presented the nomination of Davis Richardson, President of Shell Chemical Company, for membership on the Board of Directors and the Executive Committee for a term ending May 31, 1988, replacing James Street of the same company, who had been named President, Shell Development Company.

6. President's Report There was discussion of the written President's Report included in the Board book for each meeting. It was agreed that a shorter and more focused document would be of greater use to Directors in preparing for the meeting. A target of 8-10 pages was suggested.

7. Review of Board Agenda Items

a. Liability Reform Work Group The morning report of the group was discussed further with particular emphasis on the recent tort reform effort in Texas. It was the consensus of the Executive Committee that the Liability Reform Work Group place added emphasis on: coalitioning (particularly with labor and other nonbusiness groups), judicial selection and training, and counteracting over the long-term the disproportionate influence of the trial bar.

b. Title III Implementation Additional discussion focused on: the need to distinguish the treatment of routine (process) releases from those that are sudden and accidental, the need for CMA leadership in message development and plant manager training, and the need to get out in front with local officials and opinion leaders before the emission data is required to be filed and made public in July, 1988.

c. Worker Notification There was extensive discussion of the pending worker notification legislation, its prospects for enactment, CMA's position, and the extent of the Association's activities and its profile with respect to the Metzenbaum and Gaydos bills. There was overall consensus that no change in the Association's position of support for the Metzenbaum/Gaydos worker notification legislation (as modified to meet our priority concerns) was warranted. There was also consensus that CMA's activities in support of the legislation should be consistent with our original agreement with the sponsors and that such support should be manifested in the lowest possible profile.

d. Clean Air Act There was brief discussion of the pending Senate legislation. It was agreed that the Association would continue to oppose the air toxics provisions as currently drafted in the Senate and would continue to coordinate closely with Representative Dingell in the House.

e. Trade There was brief discussion of the pending conference committee consideration of the Omnibus Trade Bill, the negotiations on a U.S./Canada free trade agreement, and the possible need for Board member/CEO calls on both issues.

8. Membership Committee Mr. Sadler reviewed the Officers' June request that the Membership Committee should develop recommendations to ease the membership requirements and to pursue an aggressive recruitment program to enlist new members in the organization, particularly those major chemical companies who are currently the beneficiaries of the Association's advocacy programs without being CMA members. As a first step in this effort, the Board approved a phased-in fee schedule for new members at the June meeting. He reported that amendments to the Bylaws had been developed to allow the following types of chemical companies (which were previously ineligible) to join: Mixers, formulators, compounders and blenders; totally captive chemical manufacturers not selling any substantial amount of their production in the open market; developers and marketers of chemical products who contract out for the actual manufacturing; and those companies whose chemical manufacturing operations that are a significant, but not the primary, part of a member's business.

In addition to the Bylaws changes required to be made to effect these changes, conforming changes would also be required to the "Definition of Chemical Sales" in order to provide a dues base for the new classes of members. He indicated that these chemical sales definition changes would likely have an impact on a number of existing members. Mr. Sadler pointed out that while the chemical sales definition changes contained in the recommendation were not perfect, it was necessary to adopt them at this time in order to be able to move ahead on the membership drive. Further modifications and clarifications to the definition could be made at a subsequent time.

Mr. Sadler moved approval of the recommendations to: amend the membership criteria in the Bylaws (Exhibit B); approve on an interim basis for new members the conforming changes in the Definition of Chemical Sales (Exhibit C); approve the revised application form (Exhibit D); and request that the impact of these changes be reviewed so that appropriate final recommendations can be brought forward. Following considerable discussion of the recommendations in general and the nature and potential impact of the changes in the definition of chemical sales in particular, the motion was agreed to.

Mr. Sadler then advised that the Membership Committee had reviewed the qualifications of Cain Chemical, Sterling Chemical, Georgia Gulf and Harborchem and recommended their election to membership. With respect to Harborchem, the recommendation was conditional upon approval of the Bylaw changes. These new members were approved for presentation to the Board.

Finally, Mr. Sadler indicated that a list of prospective members would be circulated at the Board meeting the following day and that volunteers from the Board would be solicited to contact these companies regarding membership.

9. Ad Hoc Board Committees Mr. Sorgenti presented the Officers' recommendations (Exhibit E) for the formation of the ad hoc Board Committees. These were approved for presentation to the Board. The importance of the standing committees in this process was emphasized, with the ad hoc Board

groups' activities being intended to be additive to the existing efforts. The addition of non-Board member participants to the Board committees was also contemplated.

10. Energy Issues Chairman Forney led a discussion on the evaluation, activities and current status of the Association's Special Energy Advisory Group (SEAG) and the independent coalition of chemical companies comprising the Coalition Opposed to Energy Taxes (COET). He reviewed the Officers' discussions with respect to the activities and future of the two groups (SEAG and COET) and expressed the Officers' consensus that CMA intended to be an active player on energy issues, noting the June budget amendment for energy activities. He indicated that COET will continue to operate for the immediate future for two reasons: chemical companies who are energy consumers only (not producers) want to be represented independently, and the cost of COET's retained lobbyist is beyond CMA's budget structure for the current year. Mr. Baker observed that once CMA's energy advocacy program is firmly reestablished, the possibility exists for the two efforts to be merged under CMA sponsorship.

* * * *

The meeting adjourned at 3:25 p.m.

Charles W. Van Vlack
Vice President-Secretary

Certified correct:

R. C. Forney
Robert C. Forney
Chairman, CMA Executive Committee

EXHIBIT A

COMMITTEE APPOINTMENTS

1. Communications Committee
   Vicky Suazo, Dow Chemical U.S.A. - Term ending May 31, 1990
   (replacing Richard K. Long, same company)

2. International Affairs Group
   Jonathan Plaut, Allied-Signal Inc. -- As Chairman
   Ed J. Sowinski, Uniroyal Chemical Company -- As Vice Chairman
   Jean-Claude Roger, Amoco Corporation
   Fred Pendleton, Borg-Warner Chemicals, Inc.

3. Patent and Trademark Committee
   William F. Marsh, Air Products and Chemicals, Inc. - Term ending May 31, 1990
   (replacing Eugene Innis, same company)

4. State Affairs Committee
   Deborah Witmer, FMC Corporation - Term ending May 31, 1988
   (replacing Gerald R. Prout, same company)

5. Special Energy Advisory Group
   R. David Damron, Celanese Chemical Company, Inc. -- As Vice Chairman

6. Special Programs Policy Committee
   Edwin L. Stenzel, BASF Corporation -- As Chairman
   Earnest W. Deavenport, Jr., Eastman Kodak Company -- As Vice Chairman

CMA
EC-8/31/87

<u>EXHIBIT B</u>

PROPOSED AMENDMENTS TO THE BYLAWS

Article III -- MEMBERSHIP

(Language to be deleted struck through; new language underscored)

Section 1. General Intent

Membership in the Association shall be open to all chemical manufacturers in the United States of America, or Canada, who qualify under the criteria set forth in Section 2 below. Where any such manufacturer is part of a larger organization, its membership will normally be in the name of the organization's chemical manufacturing unit; it is not intended that interests unrelated to the organization's chemical manufacturing activity would normally be represented at Association meetings or otherwise participate in its activities.

Section 2. Qualifications for Membership

Any individual, partnership, <u>joint venture</u>, corporation, division, or other unit of a corporation ~~whose primary business is the manufacture of~~ <u>that as a significant portion of its business manufactures or as a principal causes to be manufactured</u> chemicals in the United States of America, or Canada, ~~and which sells a substantial portion of chemicals produced by it to others in the open market,~~ shall be eligible to membership in the Association. To qualify, an applicant must have been itself or through a predecessor in interest engaged in such chemical manufacturing activity for at least one year. The term "manufacture of chemicals" shall ~~not~~ include mixing, formulating, ~~or~~ <u>and</u> compounding operations ~~not~~ <u>as well as those operations</u> involving a change in chemical structure.

Section 3. Application for Membership

Application for membership in the Association shall be made in writing on a form approved by the Board of Directors which shall be signed by the applicant, and by two members of the Association as sponsors, and shall state: (1)(a) if the applicant is an individual, his name and address; (b) if the applicant is a partnership <u>or joint venture</u>, the name and address of each partner <u>or participant</u>; (c) if the applicant is a corporation (or a division or other unit thereof), its name, address and place of incorporation; (2) the locations of the applicant's chemical manufacturing plants in the United States of America, or Canada; (3) the kinds of chemical products manufactured <u>or caused to be manufactured</u> by applicant; ~~(4) that the applicant regularly sells a substantial portion of the chemicals produced by it in the United States, or Canada, to individuals, partnerships or corporations not affiliated with applicants,~~ and ~~(5)~~ <u>(4)</u> that applicant accepts and agrees to abide by the Bylaws of the Association.

EXHIBIT C

Chemical Manufacturers Association, Inc.

DEFINITION OF "CHEMICAL SALES"*

As approved by the Board of Directors, pursuant to Section 2 of Article IV of CMA Bylaws. For use by each member firm in determining and reporting calendar year "chemical sales" dollar volume to the Treasurer for the sole purpose of membership fee computation.

NOTE: - Language to be deleted struck through; new language underscored.

The term "chemical sales" includes both domestic and export sales of all chemicals and chemical products sold to others, with the exception of the products listed below: Interdepartmental (Intercompany) transfers are excluded, except when the final product is not ultimately sold by the member as a chemical or chemical product, in which case the transferred chemicals or chemical products are included as "chemical sales" (unless specifically exempted below) and shall be valued at comparable market value.

~~1/ Interdepartmental (Intercompany) Transfers/~~

1. ~~2/~~ **Resale Products** (chemicals purchased for resale as such).

2. ~~3/~~ **Products of Mining Operations** (except when sold for use in chemical processing). Examples: Phosphate rock, fluorspar, barytes, ilmenite, coal, salt, borax, potash, natural salts, and limestone.

3. ~~4/~~ **Certain Structural Metals and Their Alloys** (except when sold for use in chemical processing). Examples: Aluminum, chromium, columbium, copper, hafnium, iron and steel, lead, magnesium, manganese, nickel, tantalum, titanium, vanadium, zinc, zirconium, and all fabricated metal products.

4. ~~5/~~ **Food Products**. Examples: Natural extracts, vitamins from natural sources, vegetable oils and fats.

5. ~~6/~~ **Animal Products**. Examples: Oil, fats, tallow, grease, animal glue, gelatine, soap, glycerine. (Fatty acids, synthetic detergents, and synthetic glycerine are considered to be chemicals and are not in the excluded group).

6. ~~7/~~ **Carbon, Bone, and Lamp Black**. Examples: Electrodes, activated carbon, and carbon papers.

7. ~~8/~~ **Rubber Products**. (Synthetic rubber sold as such is considered to be a chemical and is not in the excluded group).

~~9/ Products of Mixing, Mechanical Forming, or Coating Operations/~~

8. ~~A/~~ **Paints, Varnish, Lacquers**.

9. ~~B/~~ **Inks, Polishes, Waxes**.

10. ~~C/~~ **Mixed Fertilizers**. (Synthetic components such as urea, ammonium and sodium nitrates and sulfates are considered to be chemicals and are not in the excluded group).

11. ~~D/~~ **Mixed Pesticides**. (Manufactured or synthetic components are considered to be chemicals and are not in the excluded group).

12. ~~e/~~ **Coated Fabrics and Floor Covering.**

13. ~~f/~~ **Formulated Detergents.** (Manufactured or synthetic components are considered to be chemicals and are not in the excluded group).

14. ~~g/~~ **Molded or Extruded Products.** Examples: Bristles, combs, brushes, containers, and similarly fabricated plastic products; mechanical rubber goods; films formed by extrusion such as saran, polyvinyl chloride, polyethylene and polypropylene. (Cellophane formed by chemical reaction and synthetic resins and plastic materials in unfinished form such as liquids, molding powders, flake, sheets, rods and tubes, are considered to be chemicals and are not in the excluded group.)

~~10. Products of Separating or Refining Operations.~~

15. ~~a/~~ **Petroleum Products.** Examples: Lubricating oils, gases, greases, waxes.

16. ~~b/~~ **Fuels.** Examples: Coke, diesel oils, gasoline.

17. ~~c/~~ **Tar, Asphalt, Pitch, Creosote.** Examples: Roofing, paving, wood preserving products.

18. ~~d/~~ **Naval Stores.** Examples: Turpentine, rosin, pine oil.

19. ~~e/~~ **Wood Products.** Examples: Wood pulp for paper and rayon manufacture.

20. ~~f/~~ **Industrial Gases.** Examples: Helium, argon, neon, oxygen and nitrogen. (When sold for use in chemical processing, these products are considered to be chemicals and are not in the excluded group).

21. **Equipment and Devices.**

    a. Physical Facilities. Examples: Coke ovens, gas producers, electrolytic cells, sulfuric acid plants, cutting and welding equipment, tractors, mowers, sprayers, pumps.

    b. Devices. Examples: Fusees; blasting accessories; signals; jet perforators; ammunition, powder cartridges; cameras; photographic accessories, including light-sensitized film and paper; instruments; welding rods; batteries.

22. **Textile Fibers and Fabrics.** Examples: Rayon, "Dynel", saran, nylon, "Dacron," "Orlon," "Acrilan," "Creslan", "Fortrel," "Kodel," "Zefran," cellulose acetate, glass, and asbestos, including staple, yarn, tow, and knitted, woven, and felted fabrics.

~~*The term "chemical sales" includes both domestic and export sales.~~
*Sales of products manufactured outside the United States, its territories, or possessions should be excluded.

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CMA 066008

EXHIBIT D

Application for Membership
CHEMICAL MANUFACTURERS ASSOCIATION, INC.
(Founded 1872)

The undersigned hereby makes application for membership in the CHEMICAL MANUFACTURERS ASSOCIATION, INC.:

1. Name of Applicant ______________________________

   Street Address ______________ City ______________ State _____ Zip _____

   P. O. Box Address ______________ City ______________ State _____ Zip _____

   Telephone Number ______________

2. Applicant is (please check one): individual ____, partnership _____, corporation _____, joint venture ____

3. (a) If applicant is an individual, state:

(Name)	(Address)	(Citizenship)

(b) If applicant is a partnership, state for each partner:

(Name)	(Address)	(Citizenship)

(c) If applicant is a corporation (or division or other unit thereof), state:

(Name)	(Address)	(State of Incorporation)

Name of each parent corporation:

______________________ ______________________

______________________ ______________________

(d) If applicant is a joint venture, state:

(Name)	(Address)	(State of Incorporation)

Name of each participant company in joint venture:

______________________ ______________________

______________________ ______________________

4. (a) A significant portion of the applicant's business must be the "manufacture of chemicals" in the United States or Canada. "Manufacture of chemicals" is defined in Article III, Section 2, of CMA's Bylaws (see reverse side of application).

Approximate percentage of applicant's total sales dollar volume represented by chemicals corresponding to the CMA definition:_______%

(b) Date when such chemical operations and sales by applicant (or predecessor in interest) began:_______________________

5. Chemicals manufactured or caused to be manufactured by applicant:

______________	______________	______________
______________	______________	______________
______________	______________	______________

6. Percentage of Chemical Sales:

(a) Manufactured directly by the applicant _____%

(b) Manufactured for the applicant as a principal ______%

7. Principal chemical manufacturing plants of applicant or applicant's toll manufacturer in the United States and/or Canada located at:

Location of applicant's facilities:		Name and facility location of applicant's toll manufacturer:
______________	______________	______________
______________	______________	______________
______________	______________	______________

8. If elected to membership, we hereby accept and agree to be bound by the Bylaws of the CHEMICAL MANUFACTURERS ASSOCIATION, INC., and hereby designate --

_________________________ (Name) _________________________ (Title)

as the person who, until further notice in writing be given, shall represent applicant in all dealings with the Association.

Signature_________________________ Name_________________________

Date_________________________ Title_________________________

PROPOSED BY:

Member_________________________

Name_________________________

Title_________________________

Signature_________________________

SECONDED BY:

Member_________________________

Name_________________________

Title_________________________

Signature_________________________

EXHIBIT E

AD HOC BOARD COMMITTEES

BACKGROUND

At the Officers Planning Meeting and subsequent discussions at the Executive Committee and Board meetings in June, it was agreed to pursue establishing a number of ad hoc Board committees, based upon our successful experience with the Executive Committee's air toxic and liability reform work groups.

Chairman Sorgenti requested input from the Directors on the areas where these ad hoc committees should be formed. The following criteria were suggested in evaluating the appropriateness of an issue or program for Board involvement:

- Does the issue have special implications or impact for the chemical industry in particular, as opposed to industry in general?
- Is it a program or issue not currently being effectively addressed by the existing CMA "core program" or which couldn't satisfactorily be assigned to an existing committee?
- Is it a program or issue which would benefit substantially from Board member/CEO involvement (e.g., is top-down involvement the difference between success and failure)?
- Is it an issue which presents the opportunity for (or demands) a bold move and/or requires the dedication of a significant amount of additional resources to resolve?
- Are the players/disciplines/committees so diverse or the issues so divisive that the normal CMA committee process is unlikely to be able to resolve it?

Thirty directors submitted comments which were evaluated by CMA staff and the Officers. Based on those comments and evaluation, the Officers are recommending the formation (or expansion in the case of the Liability Reform Work Group) of seven ad hoc Board committees. While most of the suggestions from the Directors are accommodated within the charters of these new committees, there were other worthwhile suggestions which will either be handled directly by the Officers or which will be turned back into the normal standing committee process for enhanced attention.

RECOMMENDATIONS

- That the following ad hoc Board Committees be established as special committees of the Board of Directors:
  - Public Perception Committee
  - Advocacy Committee
  - Health Effects Committee
  - State Toxics Initiative Work Group
  - Liability Reform Work Group
  - Trade/Economics/Tax/Competitiveness Advisory Group
  - Transportation Advisory Group

- That the charters of the Board committees as set forth in Exhibits B-1 through B-7 be approved.

- That the appointment of chairmen and the tentative assignment of Directors to serve on these committees as set forth in Exhibit A be approved. (Tentative committee assignments have been made based on the comments of those Directors who indicated a preference and on the need to provide an even distribution of Directors on the various committees. Each member of the Board, with the exception of the Officers and the existing Board Committee Chairmen, have been tentatively assigned to one of the new committees. Directors who wish a different assignment will be given that opportunity at the Board meeting. Additional assignments of standing committee and other participants to these committees will be made subsequently.)

ACTION REQUESTED

Approval of the above recommendations.

CMA
EC-8/31/87
BD-9/1/87

AD HOC BOARD COMMITTEES

Tentative Assignments of Directors

Public Perception Committee

Paul F. Oreffice - Chairman
Alan Belzer - Vice Chairman
Lester E. Coleman
Earnest W. Deavenport, Jr.
Glen H. Hiner
David S. Hollingsworth
Robert D. Kennedy
Vincent A. Sarni

Advocacy Committee

E. H. Harbison, Jr. - Chairman
R. James Comeaux
P. W. Ifland
James F. Schorr
F. Quinn Stepan
O. Edward Wall

Health Effects Committee

Konrad M. Weis - Chairman
Albert J. Costello
Ernest H. Drew
John S. Ludington
Willis B. Reals
Edwin L. Stenzel
Chong Y. Yoon

State Toxics Initiatives Work Group

Carl W. Lorentzen - Chairman
Cyril C. Baldwin, Jr.
J. Douglas Campbell, Jr.
A. S. D'Amato
John T. Files
L. John Polite

Liability Reform Work Group

Vincent L. Gregory, Jr. - Chairman
H. Eugene McBrayer
Howard M. Nelson

Trade/Economics/Tax/Competitiveness Advisory Group

Dexter F. Baker - Chairman
Vincent A. Calarco
Carlyle G. Caldwell
Paul W. Chellgren
Robert G. Wallace

Transportation Advisory Group

Bruce C. Gottwald - Chairman
Raymond F. Bentele
Robert C. Hyndman
George J. McNally
Roy Sambrook
Robert G. Weeks

CMA
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BD-9/1/87

ADVOCACY COMMITTEE

Premise

Since CMA's reorganization in 1978, the chemical industry has made substantial progress in developing an increasingly potent advocacy capability.

This capability was fully demonstrated at the federal legislative level in the 1985/86 Superfund reauthorization process. Despite this success, it is clear that the industry has not yet achieved its full advocacy capability across the spectrum of its advocacy responsibilities.

Objective

Develop recommendations and identify resources to achieve the level and type of advocacy capability necessary to successfully meet the public policy challenges the chemical industry faces.

Committee Charter

The Advocacy Committee will examine and recommend ways to optimize the chemical industry's advocacy at all levels (federal, state, local and international) and in all forums (legislative, regulatory and judicial) through establishing, strengthening, integrating, coordinating, or reorganizing various programs or activities.

The committee will direct particular attention to the following areas where the needs/opportunities are perceived to be greatest:

- Increased support and involvement for state chemical organizations (CICs). Potential areas for consideration include staffing, funding, membership, member company participation, scope of programs and activities, and organizational relationship with CMA.

- Increased support and involvement for state legislative and regulatory advocacy. Potential areas for consideration include the role of CMA on state issues (direct vs. indirect), state initiatives, state vs. federal issue needs and timing, personnel commitment of member companies to state advocacy.

- Increased support for federal legislative advocacy. Potential areas for consideration include federal grassroots, candidate information, political contributions, direct involvement in campaign activity, and use of legislative consultants.

- Maximize positive interaction among domestic trade associations on issues of common concern,

- Regulatory advocacy and the need for additional financial and personnel support for legal and technical/research advocacy programs.
- The increased demand for intense communications advocacy support on multiple issues.
- International advocacy.
- Local advocacy, including the use of the CAER network for advocacy purposes.

The committee will include in its recommendations the resource requirements needed to achieve the objective of optimizing advocacy at the various levels and forums.

# # #

CMA-8/7/87

PUBLIC PERCEPTION COMMITTEE

Premise: The public has a negative overall image of the chemical industry. No significant improvement in that image has occurred, despite the industry's improved performance in many areas and its continuing contribution to the economic health of the country and the public's quality of life. If this strongly negative image continues, the industry's long-term prospects for innovation and growth are threatened by ill-conceived legislation and regulation, and by a negative market climate for our products. The only way to achieve a change in our image is through a broad-based, industry-wide effort organized and led by the industry's senior management.

Objective: Long-term, significant improvement in the public's perception of the chemical industry, its products and its performance.

Committee Charter: The Public Perception Committee will:

- Quantify the current perception and basis for that perception of the chemical industry by those publics most important to our future viability and growth.
- Explore ways to assess, promote, measure and document positive chemical industry performance on issues of high public concern or interest (Delivering on our promises -- CAER, air quality, waste minimization, waste site cleanup, transportation safety, etc.)
- Explore ways to improve industry/academia relationship for our mutual benefit.
- Examine and develop strategies to increase positive public perception of the chemical industry and its activities and products. These strategies would specifically address the issues of risk perception, risk perspective and risk acceptance and would be used to communicate to identified publics (i.e., legislators, regulators, other public officials, plant communities, employees, shareholders, suppliers, customers, teachers, students, public interest groups, etc.)
- Recommend programs and activities, utilizing CMA, member company and other identified resources, to implement those strategies to achieve the overall program objective.
- Calculate the resources (industry and association) needed to carry out the recommended programs and activities.

HEALTH EFFECTS COMMITTEE

Premise: The real and perceived impact of chemicals on human health is the principal driving force behind much of the legislation and regulation we face. In addition to environmental impacts, the public's main concern and interest with respect to chemicals is their impact on human health.

The chemical industry has contended that while a few substances pose a real risk to human health when sufficient exposure occurs, the vast majority of chemicals do not pose any substantial threat to health. The limited amount of human health data (epidemiology studies, etc.) that is available generally supports this view. However, the problem is very little data exists to broadly respond to the public's perception and the charges of our opponents.

Objective: Develop data and credible studies to show that chemicals generally do not pose a significant threat to public health.

Committee Charter: The Health Effects Committee will explore and make recommendations on:

- Enhanced CMA coordination with and company support for CIIT and its programs.
- Coordination and sharing among companies of health effects data and studies.
- Improved legislative and regulatory use of human health effects data and studies.
- Rationalization and coordination of health effects studies required by the U.S. and foreign agencies.
- Enhanced cooperation and coordination on health effect studies among the chemical industry worldwide.
- Identification of additional ways to improve, promote, coordinate and share health effects data.

CMA-8/7/87

STATE TOXICS INITIATIVES WORK GROUP

Premise: In 1986, California voters passed the Safe Drinking Water and Toxic Enforcement Act (Proposition 65). The Act contains some of the most extreme environmental requirements yet imposed under state or federal law. The most likely effect of the law will be huge expenditures by business that represent lost opportunities to address more serious and real environmental problems. After their success in California, the proponents of the initiative are likely to seek similar laws in other states, either through initiatives or legislative action. The net result would be to steer environmental regulation away from permits and safe effluent/emission limits, to zero discharge.

Objective: Develop and implement an industry-wide strategy to manage state toxics initiative/legislation and to minimize the adverse impact of these laws on the chemical industry.

Committee Charter:

The State Toxics Initiative Work Group will:

- Examine, recommend and expedite implementation of generic legislative/initiative strategies which can be modified and customized for specific states.
- Provide guidance on development of a "model" state initiative for possible introduction incorporating industry-accepted principles on groundwater, air and/or waste issues.
- Ensure timely delivery of positions/principles to state industry organizations and other state coalitions.
- Examine ways to focus the support and involvement of member companies in resisting undesirable Proposition 65 type state initiatives.
- Examine ways to develop and implement a national coalition on state toxics initiative issues.
- Calculate the resources (industry and association) needed to carry out recommended programs and activities.
- Develop and implement a funding plan which would include an industry-wide pledge of resources and appropriate funding mechanisms.

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TRANSPORTATION ADVISORY GROUP

<u>PROBLEM</u>

The public and elected officials are becoming increasingly concerned about risks posed by hazardous materials transportation, the current level of safety, and emergency responders' ability to effectively handle transportation incidents. These concerns could lead to severe restrictions -- perhaps even banning of the movement of many hazardous materials.

If CMA fails to address this problem, chemical transportation will be mired in even more detailed restrictions which will hamper the smooth flow of raw materials and products.

<u>OBJECTIVE</u>

To develop new, or expand existing safety initiatives and educational programs.

<u>COMMITTEE CHARTER</u>

Working with the Distribution Committee, the Transportation Advisory Group will examine and develop recommendations on:

- Upgraded, real-time product identification, tracking and information systems
- Transportation risk management programs
- Emergency response-related programs
- Public perception relating to transportation
- Other transportation and carrier safety issues which merit additional priority attention

CMA
EC - 08/31/87
BD - 09/01/87

LIABILITY REFORM WORK GROUP

Premise: Proposals will continue to be made to alter or create substitutes for the current tort law system. These proposals are based on the assumption that the current sytem is not able to fairly and efficiently compensate persons injured by long-term exposure to hazardous substances. Public institutions can be expected to carefully review this issue in the months ahead. CMA must be prepared to participate in the public debate.

Objective: Recommend the long-term goals and principles CMA should adopt on toxic harms, including alleged harms from products, workplace exposures and environmental releases.

Work Group Charter: The Liability Reform Work Group will:

- Review previous CMA positions on toxic harm issues.
- Assess CMA's current tort reform efforts, both in the states and at the federal level.
- Identify the critical interests of the chemical industry in the toxic harm issue, including such business impacts as the availability of insurance and such protections as fault-based liability.
- Obtain information to better understand trends in workers' compensation and toxic torts and examine the public's perception regarding these issues.
- Examine whether the existing tort law and workers' compensation systems are adequately handling alleged toxic harms, and whether they will continue to do so in the future.
- Ascertain what assistance science can offer to help resolve the causation issue and what procedural changes in existing compensation systems and tort law could assure better utilization of science.
- In addition to seeking tort reform, explore potential advantages and disadvantages of alternative compensation systems.

CMA
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BD-8/31/87

TRADE/ECONOMICS/TAX/COMPETITIVENESS ADVISORY GROUP

Premise:

The world chemical industries are undergoing great changes in structure. Governments, including that of the U.S., are increasingly setting trade and tax policies that can advantage or disadvantage the U.S. industry. Negotiations to open markets have resulted in the Generalized System of Preferences and the Carribean Initiative, with the U.S. - Canada Free Trade Agreement and GATT multinational negotiations now underway. Achieving equity in these is essential to the well being of the industry.

Economic data in support of CMA issue advocacy has proven highly useful in the limited number of areas where it has been available, but effective extension of similar efforts to other issues is needed.

The competitiveness of the industry, including the overall impact of local, federal and state measures, causes growing concern. Effective ways must be found to measure and address this problem.

Objective:

Strengthen the impact of the chemical industry on developing public policy so as to enhance the economic viability of the industry.

Committee Charter:

The Advisory Group on Trade, Economics, Tax and Competitiveness will:

- Examine the priority and scope of advocacy in trade and tax policy and make any recommendations necessary to ensure appropriate levels of activity.
- Examine CMA trade philosophy to set tone for International Trade Committee efforts.
- Identify and examine factors which cumulatively affect chemical industry competitiveness.
- Determine effective approaches to supporting CMA issue advocacy with economic rationale and recommend means to achieve them.
- Provide an informed source of executive involvement to supplement existing advocacy.

CMA

EC-8/31/87
BD-9/1/87