

VI EXECUTIVE BOARD MEETING

The Atlanta Airport Marriott
4711 Best Road
College Park, Georgia

Thursday
March 15, 1990
8:00 a.m.

Attendees:

Alan Bailey, Occidental Chemical
Pat Benkner, VI
Frank Borrelli, Georgia Gulf
Greg Boyd, Kaneka Texas
Peter de la Cruz, Keller and Heckman
Rick Flammer, Vista Chemical
Roy Gottesman, VI
Bill Jenkins, GE Plastics
Robert Kelly, CertainTeed
Steve Kimmel, Akzo Chemicals
Don Knechtges, BFGoodrich Company
Jerry Koral, Atochem
Fred Krause, BFGoodrich Company
George Kuzma, Atochem
Duncan Macon, Reprise (guest)
Donna Magill, PPG Industries
Robert Margevich, Akzo Chemicals
William Patient, BFGoodrich Company
Dave Peters, Occidental Chemical
Robert Petrich, Rohm and Haas Company
Willem Prinselaar, EVC
Michael Reynolds, Vista Chemical
John Russ, Borden Chemicals
Meredith Scheck, VI
Edwin Schiffer, Georgia Gulf
Erv Schroeder, Shintech Inc.
Doug Sherly, Air Products
William Shoun, Dow Chemical
Rick Smith, Vista Chemical
Vic Struber, Argus Div., Witco
Brian Wadey, BASF Corporation
Roger Wilson, GE Plastics
John York, EVC

I. OPENING OF MEETING AND SELF-INTRODUCTIONS

Executive Board Chairman H.R. Flammer convened the meeting at 8:00 a.m. and asked for self-introductions.

II. APPROVAL OF MINUTES OF DECEMBER 13, 1990 EXECUTIVE BOARD MEETING

Mr. Russ moved that the minutes of the December 13, 1990 Executive Board Meeting as included under Tab A of the briefing book for this meeting be approved. The motion was seconded by Mr. Schiffer and approved by voice vote.

III. CHAIRMAN'S REMARKS

Mr. Flammer asked for a minute of silence in memory of Carrie Fox Solin of Rohm and Haas Company, Chairman of the Vinyl Packaging Council, who passed away on February 16th. Mr. Petrich noted that a memorial fund at the University of Pennsylvania Wharton School has been established in her memory. Dr. Gottesman noted that a contribution on behalf of the Vinyl Institute has been made.

IV. FINANCIAL REPORT

A. Status of Current Expenditures

Dr. Gottesman reviewed the cash basis statement for the period ending January 31, 1990, as included under Tab B of the briefing book for this meeting. He noted that as of the date of the preparation of this report some second half assessments had not been received.

B. Budget Projection (FY 1989-1990)

Dr. Gottesman reviewed the projected cash basis statement of revenues and expenditures through the end of the current fiscal year as included under Tab C of the briefing book for this meeting. He noted that it is estimated at this time that there will be a carryover of approximately \$25,000 without tapping into the fund balance.

C. Preliminary Budget For Fiscal Year 1990-1991

Dr. Gottesman reviewed the preliminary budget for fiscal year 1990-1991, included as Table III under Tab C of the briefing book, showing total expenses of \$1.757 million, which would necessitate tapping into the carryover balance.

He noted that Table IV under Tab C of the briefing book had been prepared at the suggestion of VI Treasurer Edwin Schiffer. Dr. Gottesman highlighted several items from this year-to-year budget comparison sheet including:

- An increase in SPI core support funding to fund three present staff positions.
- The line item category of literature fulfillment would decrease a projected 50.35% due to the budget line transfer to the pro-active task forces, reflecting current actual practice.

Mr. Flammer asked each committee chairman to review the proposed fiscal year 1990-1991 budgets for their committees. Mr. Schiffer asked the chairmen to comment whether any of the funds should be considered contingency in that certain proposed projects may not be completed during the course of the fiscal year. (Note: These comments have been incorporated into the chairmen's program reports.)

V. SPECIAL PROJECT AND ISSUE UPDATES

A. Solid Waste Management

1. Technical Committee

Committee Chairman Dr. Charles Bush reviewed the seven objectives of the Technical Committee in the solid waste area, as included in the material under Tab D of the briefing book. Dr. Bush highlighted the status of several projects implemented to meet these objectives including:

- National Recovery Technologies - Program is proceeding on schedule. Dr. Bush noted that at the time of the recent site visit to NRT that equipment required to carry-out the experimental work had been installed and was functioning properly. Dr. Gottesman noted that the project is on schedule.
- Creation of a task force to develop a strategy for the recovery and recycle of vinyl in wire and cable scrap.

Dr. Bush noted that the Institute had been approached through Norsk Hydro to lend its financial support to a research project on the effects of PVC in feed streams to incinerators. Dr. Gottesman stated that along with VI consultant Dr. Richard

Magee he met with Dr. Rappe of the University of Umea in Sweden, the principal researcher on this project. As a result of this meeting and later conversations with Norsk Hydro, it has been decided that an international group of incinerator experts will be established to advise Dr. Rappe on his project. Dr. Magee will serve on this panel.

Dr. Bush referred to the committee's FY 1990-1991 budget proposal under Tab D which lists all committee projects and funding requirements by priority and gave a brief update on each line item request.

2. Communications Committee

Committee Chairman Michael Reynolds stated that the committee reviewed February 15th, its public relations activities for fiscal year 1990-1991 and noted that approximately 60-75% of its preliminary budget request is targeted for activities in the solid waste area, with the remainder largely in the combustion/toxicity area. The solid waste expenditures are not completely earmarked, as the communications and technical group scheduled to meet on recycling has scheduled its meeting for April 5, 1990, although public relations counsel has provided proposed initiatives. Mr. Patient urged this group to be pro-active in its approaches and projects in the communications area.

3. Update on European Developments

Mr. Prinselaar updated the Board on several activities beyond those included in the material under Tab P of the briefing book for this meeting including:

- The joint industry project on mixed plastics recycling at Worms which Mr. Prinselaar had reported on at the previous Executive Board Meeting will not proceed as planned due to the inability to satisfactorily resolve patent issues.
- The Plastics Waste Management Institute is in the process of developing an overall plastics industry communications program. Therefore, it has been decided that industry activities on solid waste issues previously handled by material specific groups such as the ECVI could be more effectively organized through the PWMI.

4. Legislative Update

Mrs. Scheck updated the Board on developments in New York and Wisconsin that occurred since the preparation of this report included under Tab K of the briefing book for this meeting. She and Mr. de la Cruz commented on the formation of a State Attorney's General Task Force to examine the issue of environmental claims in advertising and commented that hearings are scheduled for March 14th and 15th.

B. Fire and Combustion Toxicity

1. NIBS Update

Dr. Bush stated that a technical assessment of the National Institute of Building Sciences (NIBS) toxic hazard test method was prepared and presented to the SPI Coordinating Committee on Fire Safety. Subsequently, a meeting involving SPI and NIBS was held on February 15th for the purpose of reviewing this analysis. The NIBS working group is now reviewing this assessment.

2. Other Technical Committee Activities

Dr. Bush stated that the final reports related to the primate/rodent studies with HCl and PVC at Southwest Research Institute are near completion. Dr. Bush further noted that the committee intends to retain Dr. Harold Kaplan as a consultant to assist with the publication of these papers and for their presentation at appropriate technical forums. He noted that a portion of these costs will occur in the FY 1990-1991 period. Dr. Bush noted that programs have been proposed on the subject of corrosivity of combustion products of vinyl.

VI. PRO-ACTIVE TASK FORCES AND MARKET RELATED ACTIVITIES

A. Vinyl Packaging Council

Mrs. Scheck stated that the current advertising program ("Bottle Talk") is scheduled to be completed in April 1990. Judging for the Inaugural VIP Awards was held on January 17th. Mrs. Scheck noted the winners for these awards and commented that related publicity activities are underway.

Mrs. Scheck presented the preliminary budget for next fiscal year. She noted that the \$200,000 requested is composed of \$55,000 for advertising and a like amount for public relations; \$25,000 for the awards program; \$30,000 for printing; \$10,000 for a yet undetermined market research project. Mrs. Scheck stated that these numbers are preliminary in nature as the Council formed a task force chaired by Mr. D'Lane Wisner of the BFGoodrich Company to develop a multi-year marketing plan(s). She further noted that the program may need to be refined to reflect the new category of members. The budget will be revised to reflect the communications strategies developed to implement the marketing plans.

B. Electrical Materials Council

Mr. Smith, Chairman of the Electrical Materials Council, reviewed the mission statement of the group as follows:

"To proactively promote the use of vinyl in electrical applications."

Five specific objectives were reviewed including:

1. Educate the general public, code bodies, legislators and specifiers on the benefits and misconceptions regarding the use of vinyl in electrical applications.
2. Sponsor research and provide a source for information on the safe use, environmental impact and benefits of the use of vinyl in electrical applications.
3. Identify opportunities to expand the use of vinyl in electrical applications.
4. Develop synergism between the VI and other groups in the electrical end use markets.
5. Monitor code and competitive product activities identifying required actions.

Mr. Smith reviewed the activities undertaken by the Council since its inception in the fourth quarter of 1988 and discussed the proposed activities through calendar 1991. For FY 1990-1991, Mr. Smith reviewed by priority the planned activities including development of 3 testimonials for placement in the EC&M Journal, 2 direct mailings to targeted audiences, a media tour, creation of an advisory council and other specific events which

could include research and conference attendance. The total budget request is for \$186,500, approximately 15% greater than the current fiscal year.

Mr. Smith noted that the committee could use additional member company assistance in adding a communications professional to the committee. Mr. Reynolds noted that this would be in keeping with the manner in which the Communications Committee has functioned for the past year. Following a brief discussion, Messrs. Shoun, Schiffer and Struber agreed to determine the availability of company personnel to assist in communications-related activities.

C. Pipe

1. Pipe Resource Organization

Mr. David Peters, Chairman of the Pipe Resource Organization, reviewed the mission statement as included under Tab H of the briefing book for this meeting. Mr. Peters commented that the committee continues to view the large diameter pipe market as having growth potential. In this regard, Mr. Peters reviewed projects undertaken in conjunction with the Uni-Bell PVC Pipe Association including the Piping Systems Institute and the municipal education program, which are estimated to mean a potential additional 300 million pounds of resin per year. Mr. Peters noted that the FY 1990-1991 budget request of \$217,600 is considerably higher than last fiscal year, partially as a result of the advertising and public relations part of the program now being implemented following the completion of initial survey work.

Elements of the preliminary budget include advertisements (\$39,000), ad response (\$10,000), publicity and public relations (\$25,000), direct mail (\$30,000), market research (\$25,000), Uni-Bell cooperative programs (\$50,000) and sponsorship on one Piping Systems Institute (\$18,600).

2. California EIR - Status Report

Dr. Gottesman updated the Board on activities that have taken place since the close of the comment period on the draft environmental impact report, including a March 2nd letter from the Pipe Trades Council to the California Department of Housing and Community Development seeking a reopened EIR process to review the issue of mechanical failures, with

funding to be provided by the plastics industry. Dr. Gottesman noted that this latest communications is but one more request for delay and additional funding from the plastics industry. He noted that at this time he could not recommend the vinyl industry contributing additional resources to this effort.

Mr. Patient stated his view that the industry must not back off or be viewed as backing off from its commitment to complete the EIR. Mr. Flammer noted that one of the original reasons for pursuing the completion of the EIR in California was its potential impact outside the state and commented that this remains an important consideration.

Dr. Gottesman noted that a strategy session with California Counsel is scheduled for March 16th and that he would keep the Board apprised of significant developments related to the completion of this project.

D. Communications Committee

Mr. Reynolds stated that the environmental brochure discussed at the last Board Meeting will be printed and distributed prior to Earth Day on April 22nd, but noted that it has been prepared so that it can be used by member companies in other forums.

VII. REGULATORY AND LEGAL UPDATE

A. Health, Safety & Environment Committee

Committee Chairman Frank Borrelli updated the Board on activities summarized in the material under Tab I of the briefing book for this meeting. As follow-up to earlier communications with the Board on the subject of waste minimization, Mr. Borrelli noted that Mr. Ledvina's memo under Tab I reviews the current thinking of the committee on this issue. Mr. Borrelli also stated that staff has assisted in coordinating information requests as follow-up to a February 15, 1990 between representatives of some vinyl companies and Conrail.

On behalf of the committee, Mrs. Scheck reviewed the results of the VI 1989 Environmental Achievement and Safety Performance Award programs.

B. Legal Counsel's Report

In addition to the report included under Tab J of the briefing book, VI legal counsel, Peter de la Cruz noted the following items of interest:

1. The EPA has finalized the Toxicity Characteristic Leaching Procedure and it should be published within the next few weeks. He noted that he will keep the Board apprised of possible actions by the American Petroleum Institute and Chemical Manufacturers Association to challenge the TCLP.
2. The Environmental Protection Agency's final rule to revise the national emission standard for vinyl chloride under the Clean Air Act is now at the Office of Management and Budget, with publication in the Federal Register before June considered likely.
3. It is now reported that the Food and Drug Administration will have its draft of an environmental impact statement (EIS) on polyvinyl chloride ready for internal agency review in June and not for external review as reported earlier.

VIII. MEMBERSHIP DEVELOPMENT

A. Affiliate Membership

Report of Membership Committee on Approval of Application of Akzo Chemicals, Inc. for affiliate membership.

Mr. Flammer stated that a membership application from Akzo Chemicals Inc. was received on January 17, 1990 and is included under Tab L of the briefing book. Mr. Russ moved that the Board approve the recommendation of the membership committee that the application be approved effective March 15, 1990. The motion was seconded by Mr. Petrich and approved by voice vote. Mr. Flammer officially welcomed Mr. Margevich as his company's representative to the Board.

B. Supporting Members

1. Approval of amendment to bylaws. Dr. Gottesman stated that a copy of the changes required in the Vinyl Institute bylaws to implement the December 13, 1989 action by the Executive Board to establish a new class of membership is included under Tab S of the briefing book. Mr. Schiffer stated that under

Article III.1. the words "associate and" need to be inserted after the words "except that". Mr. Shoun moved that the amended bylaws as clarified by Mr. Schiffer's comment be approved. Mr. Petrich seconded the motion, and it was approved by voice vote.

2. Dr. Gottesman stated that since the Executive Board's approval of a new class of member "supporting member", that applications have been received from Klockner-Pentaplast, American Mirrex and Amex Packaging. Mr. Russ noted that each of the applications have been reviewed by the membership committee and recommended that the Board approve the membership applications of Klockner-Pentaplast, American Mirrex and Amex Packaging. The motion was seconded by Mr. Sherly and approved by voice vote. Mr. Flammer asked Dr. Gottesman to notify the new supporting members that the Board acted favorably on their applications.

IX. OTHER BUSINESS

A. Chlorine Institute - "Federation" of Chlorine-Related Associations

Mr. Flammer updated the Board on a January 9th inter-associate meeting at the offices of The Chlorine Institute at which the VI was represented by Mr. Patient, Dr. Gottesman and himself. Mr. Flammer commented that at this time, it may be appropriate to prepare materials including technical materials, on chlorine and the vinyl industry as part of a broader effort to assemble information on the impact of chlorine on the environment. Mr. Prinselaar commented that he believed the International Chlor-Alkali Symposium would have been an ideal opportunity to begin a discussion with environmentalists on this issue. Mr. Patient stated that he would discuss this idea with Dr. Smerko.

B. SPI's Polymeric Materials Producer's Division - January 15, 1990 Meeting

Mr. Patient reviewed the discussion at the January 15th meeting of SPI's Polymeric Materials Producers' Division held to discuss the need for additional industry funding to support public relations activities and commented that the coverage of the meeting in Modern Plastics is not completely accurate. Dr. Gottesman updated the Board on activities of the task force set up at the January 15th meeting which was charged with developing recommendations. The task force is reportedly to recommend that

additional expenditures to fund recycling programs as the highest priority item. Mr. Patient noted that further discussions are to be held at the March 25-26th PMPD Meeting.

X. FUTURE MEETINGS

A. Annual Meeting

Dr. Gottesman stated that initial mailings have gone out on the Annual Meeting scheduled for May 10-12th at South Seas Plantation in Florida, noting that committee meetings are scheduled for Thursday morning and afternoon, and Friday morning. Dr. Gottesman noted that the Annual Meeting scheduled for May 12th will feature panels on trade and communications.

B. Future Meeting Dates

The Board reviewed the suggested dates for meetings for fiscal year 1990-1991 as included under Tab O of the briefing book for this meeting. Following a brief discussion it was agreed to hold the September meeting on September 18th in Cleveland, and the March 13th meeting in Washington D.C. No scheduling conflicts for the May 1991 dates were noted.

XI. ANNUAL SAFETY AWARD

Due to afternoon flight schedules, Mr. Flammer asked that the VI staff circulate a letter ballot on nominations received for the Institute's Safety Award, as included under Tab N of the briefing book for this meeting.

XII. ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 12 noon.

Respectfully submitted,

Meredith N. Scheck