

A meeting of the Managers was held in Buffalo, June 7-8, 1961, the following being present:

Mr. Anderson
Mr. Beckman
Mr. Brown
Mr. Gamard
Mr. Hromadka
Mr. Hubbard
Mr. Lindsay
Mr. Lutz
Mr. Mather
Mr. Maycock
Mr. McManamy
Mr. Mehrhof
Mr. Meidinger

Mr. Montanye
Mr. Murphy
Mr. Neumann
Mr. Nolan
Mr. Roth
Mr. Ruggles
Mr. Schroeder
Mr. Slaughter
Mr. Solly
Mr. Stark
Mr. Webster
Mr. Wilkinson
Mr. Zimmer

Mr. Johnston - Secretary of the Meeting

61-31 REVIEW OF PRODUCTION

Oils

Linseed

Current billing cost - \$.1400 per lb.

Current market cost - \$.1422 per lb.

There has been no change in price since our last meeting.

Tung Oil

Current billing cost - \$.2575 per lb.

Current market cost - \$.2585 per lb.

This market is definitely weaker. This is due to prospects of an excellent new domestic crop of tung nuts and larger importation of Argentine oil.

Refined Soya Bean

Current billing cost - \$.155 per lb.

Current market cost - \$.145 per lb.

Prices are weaker due to lack of expected export orders. However there will not be any large carry-over of old crop beans and we do not expect any substantial price reductions.

Resins

Rosin

Gum Rosin is in ample supply and is in the active producing season. We expect no immediate firming of prices. Synthetic resins are generally firm and unchanged in price.

Phthalic Anhydride

While producers are allocating output, these allocations are ample and we do not expect any further shortages. It is likely that it will be in more than ample supply shortly.

Solvents

All solvent prices are unchanged since our last report and they are in ample supply.

Pigments

Ultramarine Blue advanced \$.03 lb. and Molybdate Orange \$.01 lb. Other prices are firm and generally unchanged.

Containers

No change in price since last report. However there is a probability of an increase in steel prices in the fall. If this happens we can expect higher prices for cans, pails and drums.

Miscellaneous

Glycerine prices were reduced \$.0225 lb. and soon after Pentaerythritol prices were lowered two cents per pound.

Nitrocellulose cotton prices advanced \$.02 lb. dry weight on June 1st.

Mr. Stark reported that to date 1961 shipments are about 4.2% more than last year.

The factory has had to work overtime occasionally but few backorders have been necessary.

61-32 PAINTING & DECORATING CONTRACTORS OF AMERICA CONVENTION - AMERICANA HOTEL, MIAMI, FLA., FEBRUARY 13-17, 1962

Mr. Wilkinson reported that our exhibit at the Painting & Decorating Contractors Of America Convention in 1961 cost \$1700 and the cost would be more in 1962.

It was decided that we would have an exhibit at this convention, to be staffed by Eastern division personnel.

61-33 CONVENTION OF THE SOCIETY OF AMERICAN REGISTERED ARCHITECTS, CONRAD HILTON HOTEL, CHICAGO, AUGUST 16-19, 1961

It was decided that we would not have an exhibition at this convention.

61-34 RETAIL PAINT & WALLPAPER DISTRIBUTORS OF AMERICA, INC. 1961 CONVENTION

(a) Change of Date

Mr. Wilkinson reported that the dates of this convention at Detroit had been changed from November 26-28, 1961 to November 18-20, 1961.

(b) Attendance

It was decided that the following personnel would attend this convention:

Mr. Hubbard - in charge of exhibit.
Mr. Meidinger
Mr. Gamard
Mr. Schroeder
Mr. Wilkinson
Dibble Color Company

61-35 REGULATIONS FOR THE ADMINISTRATION OF THE FEDERAL HAZARDOUS SUBSTANCES LABELING LAW

Mr. Lutz reported on the above law for information only as follows:

On July 12, 1960 Congress enacted the "Federal Hazardous Substances Label-Act", another link in a whole chain of labeling laws that apply to paint. The law, at the time of its passage, did not excite much concern within the paint industry.

Two details in the law were left extremely vague. They were:

- 1) What kind, if any, paint is considered hazardous within the meaning of the law, and 2) what precautionary measures must be included on the label.

The administration of the new law has been placed in the hands of the Food and Drug Administration. That agency originally expressed an informal opinion that paint labels conforming to the Association's recommended labeling practices would be acceptable. Our own labels conform to these practices.

On April 28, 1961, the Food and Drug Administration issued its first rules relative to compliance with the law. These rules were labeled "Proposed Rules". A period of 60 days from April 28 is allowed for filing objections, after which these, or amended, rules become official. Compliance will become mandatory about August 1, unless an extension is granted.

It is impossible for us or any other paint manufacturer to comply with these or other rules by August 1. Objections are being filed by the National Paint, Varnish & Lacquer Association. The Association will ask for an extension in the compliance date until February 1, 1962, that being the longest period of time that can be granted. It has also asked that paint be entirely excluded from the rules or that, if necessary, separate rules be established for paint. The Association will also request a hearing before Mr. Ribicoff, Secretary of Health, Education and Welfare, which has jurisdiction over the Food and Drug Administration. Until we know what stand Food and Drug Administration takes on these requests, there is no object in completely changing our labels.

These are some features of the proposed rules:

- 1) The rules apply to all Trade Sale paints including automotive refinishing products in all package sizes shipped in interstate commerce.
- 2) Trade Sale paints will have to carry a caution statement imprinted on face labels (not on back labels). The type has to be in a size and style that is spelled out in the rules. The signal word, for example, i.e. "Danger", "Warning" or "Caution" has to be in 12 point Gothic capitals, or type no smaller than the largest type on the label. In our gallon labels, this would mean type almost 1/2" high (7/16"). Each other element in the caution is likewise spelled out as to type size and style. A border must surround the pertinent material.
- 3) A hazardous substance is defined as one that is toxic, corrosive, an irritant, a sensitizer, is flammable or that generates pressure through decomposition by heat. Under the proposed rules, all paints will appear to be highly toxic, regardless of their other characteristics. A highly toxic substance is one that produces death in 14 days in one half of a group of 60 white rats in a single oral dose of 5 grams per Kilogram of body weight. (This is called LD 50, or the mean lethal dose). For a 150 lb. man, this dosage is roughly equivalent to 12 fl. oz. or a large highball glass of paint. No human being could swallow 12 fl. oz. of paint in one gulp without acute distress and vomiting. No rat can take an equivalent dosage of paint without undergoing serious injury as the paint is forced into its stomach.

It costs \$150-300, to make one series of animal toxicity tests on one paint. We have 544 trade sales items. Toxicity testing would cost us about \$125,000. There aren't enough qualified toxicological laboratories in the country to do the enormous testing job that is required on all household products now on the market.

The testing expense is, of course, only part of the cost. Every label will have to be redesigned and replated. I can only guess at how much this job would cost, but it could easily run to another \$30,000.

The duPont Paint Division estimates that compliance with the rules would cost that company a half million dollars.

- 4) Not only must labels contain adequate warning, but the rules also apply to accompanying literature, such as envelope stuffers, pamphlets, placards, etc.

- 5) The rules provide for guarantees of compliance prior to delivery of paint and other household articles. I understand that some department stores and chains are already asking for such guarantees from our competitors. The Dibble Color Company has received a request from the Cadillac Motor Car Division of General Motors.

If you receive such a request, you can point out that no rules have yet been officially adopted. We are in no position to know whether our products will or will not comply. Our products are now properly labeled and will be until the mandatory compliance date of August 1 or later. We will label our products in compliance with the new law just as soon as we learn the requirements and can put them into effect. It will take us and every other paint manufacturer at least 6 months to work out the labeling details once they are specified.

Unfortunately the new law, unlike all other labeling laws, does not exempt materials that were manufactured prior to the enactment of the law and/or its regulations. Theoretically, all existing household substances that are out in the trade would have to be relabeled to save our customers from liability.

While the Food and Drug Administration is talking tough and has succeeded in creating utter confusion within our industry, the manufacturing chemists group, the chemical specialties manufacturing association and other trade associations, the chances are that it will reluctantly grant extensions at the last moment and will make a few concessions. This is another situation like the cranberry scare of a few years ago, and the Food Additives Amendment. We will have to live through it. In the meantime, we're no worse off than any other manufacturer.

While the federal law applies only to interstate shipments, each of the states will probably soon have similar laws applicable to intrastate commerce. California has just adopted such a law and it will become effective January 1, 1962. Other states are expected to follow suit.

61-36 REPORT OF COLOR COMMITTEE

(a) Extra Deep Base for Machine System of Calibrated Colors

Mr. Zimmer reported that an Extra Deep Base had been formulated for the Machine System of Calibrated Colors in The New Lyt-all Flowing Flat, Lyt-all Stippling Eggshell and Vitralite Enamel Eggshell.

Colors that can be made in the Machine System using the Extra Deep Base are listed in the attached sheet A.

It was recommended that the Extra Deep Bases be marketed with 112 fl. oz. in a gallon container and 28 fl. oz. in a quart can so that a maximum of 16 fl. oz. of colorant can be added to the 112 fl. oz. gallon and a maximum of 4 fl. oz. of colorant can be added to the 28 fl. oz. quart to get the five darkest colors.

It was decided to adopt these Extra Deep Bases in U.S.A. and Canada for the above mentioned lines, selecting names for them after further study by the Sales and Advertising Committee.

These Extra Deep Bases will be marketed in ones and quarts for The New Lyt-all Flowing Flat and Vitralite Enamel Eggshell and in gallons only for Lyt-all Stippling Eggshell.

It was decided that formula cards for colors made with the Extra Deep Bases would show formulas for gallons and quarts only; and that a note would be added to indicate Lyt-all Stippling Eggshell colors available in gallons only.

The following prices were adopted, Zone I, Group 2, U.S.A.:

The New Lyt-all Flowing Flat	-	\$4.95 per gallon can 7/8 full
Lyt-all Stippling Eggshell	-	\$5.75 per gallon can 7/8 full
Vitralite Enamel Eggshell	-	\$7.60 per gallon can 7/8 full

Prices for Canada will be selected later.

It was recommended by the Color Committee that consideration be given as to whether any developed colors with the Extra Deep Bases should appear in the MSI Cross Index Book.

This recommendation was adopted and a further study will be made before making a final decision.

If the recommended Extra Deep Bases are added to the Machine System, the Color Committee recommended that only one formula card be made for each color of the same name even though a color variation exists in various lines. This recommendation was adopted.

(b) Adoption of Kit to Contain Architectural Selection of Calibrated Colors

Mr. Mather reported that the Color Committee recommended the following be adopted, offering 828 to 840 Calibrated Colors to the architect:

Purchase 5,000 2-volume sets of 6-ring binders and 3,000 backup sheets of each color, for total cost of approximately \$140,000.00.

In addition, also purchase 1,000 books similar to the Machine System Color Merchandisers plus a 10% backup stock of each color sheet; costs to be obtained and recorded to the Managers' Meeting.

It was decided to purchase 5,000 2-volume sets of 6-ring binders at \$18.89 each, or a total cost of \$94,450.

Mr. Solly reported that the 3,000 backup sheets of each color would cost approximately \$35,550.

It was decided to order only 1,500 backup sheets of each color at an approximate cost of \$17,775 - the Advertising Department to get them at the larger or 3,000 quantity price if possible.

Also it was decided to purchase the 1,000 books similar to the Machine System Color Merchandiser at \$42.56 each, or a total of \$42,560.

A 10% backup stock of each color will be ordered at \$11.50 per set, or a total of \$1,150 for 100 sets (10% of 1,000).

The above ring binders, backup sheets and books similar to the Machine System Color Merchandiser will have a total cost of \$155,935.00, and will be allocated as follows:

Chicago	- 40%
New York	- 40%
Central Sales Division	- 15%
Canada	- 5%

The Color Committee recommended that the new architectural setup include:

- 1) All present Machine System Colors.
- 2) Standard Lyt-all Flowing Flat Colors (except those already included in the Machine System).
- 3) Seven standard Lyt-all Spectrum Colors.
- 4) All Lyt-all Intermix Colors (45) except Persian Lime, Winter Green, Vine Green, Damsen Plum, Loganberry, Pimento because they are to be discontinued from the line.

The following Lyt-all colors are to be included in the Extra Deep Base, if adopted:

Parrot Green
Quartz Green
Avocado
Thistle
Foxglove
Persian Blue
Charcoal
Plum
Bark Brown
Cabana Red
Morocco
Canyon Red
Wine
Cobbler Brown
Pagoda

This would make the total number of colors to promote with the architect 837. It would consist of 748 Machine System Colors, 7 Standard Lyt-all Spectrum Colors, 15 Intermix Colors, 22 Standard Colors, and 45 Spectrum Intermix Colors.

This recommendation was adopted.

(c) Naming of Colors

The Color Committee recommended that names be selected for all unnamed colors in the Machine System. This recommendation was adopted.

(d) Simplified Cross Index Chart For Use With Color Machine

Mr. Hubbard presented a simplified Cross Index Chart for Machine System Colors.

It was decided that after revision of Index Book and all Machine System Colors have been named, a Cross Index of Calibrated Colors will be compiled by the Advertising Department.

(e) Vitra-Tile Color Plaques

The Color Committee recommended that the Advertisement Department choose colored paper for background to be used in combination with Vitra-Tile plastic panel. Refer to Managers' Meeting Minutes, March 22-23, 1961, Item 61-5 (j).

Mr. Solly explained that the plastic sheets originally selected for this purpose were too thin and the Vitra-Tile Finish had a tendency to crack and flake off the sheet.

It was decided to use heavier plastic sheets at additional expense, to be selected by Mr. Solly.

(f) Revision of Architectural Cabinet Panel Assortment

The Color Committee recommended that this revision be deferred.

(g) Effecto Enamel

The Color Committee recommended that we do not adopt a Postal Olive color in Effecto Enamel. This recommendation was approved.

(h) Combination Color Deck for Lyt-all Machine System Colors

The Color Committee recommended that we do not have a color deck for Lyt-all Machine System Colors. This recommendation was adopted.

61-37 VAPEX HOUSE PAINT

Our present directions for applying Vapex House Paint over moderately to heavily chalked old painted wood surfaces is one coat P&L House Paint 305 Exterior Primer White and two coats Vapex House Paint.

Mr. Lutz reported that the laboratory now recommends the incorporation of Vapex Masonry Paint First Coat Additive to the first coat of Vapex House Paint on these moderately to heavily chalked wood surfaces, followed by one coat of Vapex House Paint. He recommended the mixture of one quart of Additive to the gallon of Vapex House Paint, which is the same ratio specified for its use with Vapex Masonry Paint.

If the Additive is adopted for Vapex House Paint first coat work under above described conditions, Mr. Lutz suggested that we might rename the Additive, "Vapex Exterior First Coat Additive", so that it can be used with both Vapex Masonry Paint and Vapex House Paint.

The adoption of this recommendation would require label and literature changes for the three products: Vapex Masonry Paint, Vapex Masonry Paint First Coat Additive and Vapex House Paint.

The use of the Additive simplifies repainting with Vapex House Paint, but it will still be necessary to specify House Paint 305 Exterior Primer White on new wood.

Water in the first coat of any paint bleaches natural colorants from woods like cedar and redwoods. These colorants are anti-oxidants and slow the drying of the First Coat Additive.

The recoating time of the above recommended first coat mixture is 4 hours.

The adoption of the Additive for use with Vapex House Paint was deferred to the September Managers' Meeting. At that time recommendations will be made regarding the desirability of adopting Vapex House Paint as a standard listed item.

61-38 P&L HOUSE PAINT ONE COAT WHITE, CHALK RESISTANT

Mr. Lutz reported that at the August 31-September 1, 1960 Managers' Meeting, it was suggested that a chalk resistant formula be adopted for House Paint 307 One Coat White.

Mr. Lutz reported that the desired product had been formulated. It is a linseed oil paint having the same working qualities as the present 307 One Coat White, with pigments selected for chalk resistance.

The proposed formula can be used as a tint base as well as a non-chalking One Coat White. Also, the proposed formula is fume and mildew resistant.

The proposed formula costs \$.06 more per gallon than the present 307 One Coat White. With 12,500 gallon production in 1960, the loss would be \$750.00 if the recommended formula is adopted and sales volume remains the same.

The proposed One Coat Non-chalking White costs about the same as Vapex House Paint. Latter lists at \$8.15 per gallon, while 307 One Coat White lists at \$8.80 per gallon. In Mr. Lutz's opinion there appears to be an adequate profit margin to take care of the additional \$.06 per gallon cost without increasing the selling price.

It was decided to replace the present 307 One Coat White with the recommended formula and the name:

One Coat Chalk Resistant White
(Fume-Resistant - May Be Tinted)

A number will be selected by the laboratory to be included as part of this name.

(Discontinuance date for the present formula for 307 One Coat White will be selected after the branches send information regarding their inventories of 307 One Coat White to Mr. Wilkinson.

The Advertising Department will make necessary changes in newspaper mats for local advertising for the year 1962.

61-39 OIL COLORS IN TUBES

Mr. Neumann reported that sales of Oil Colors in tubes were decreasing and Multipurpose Tinting Colors sales were increasing. He stated that the supply of Oil Color tubes would probably last until the end of 1961.

It was decided not to purchase any more Oil Color tubes.

If Oil Colors are ordered after stocks of any particular color are exhausted, Multipurpose Tinting Color will be supplied in tubes.

The various sales divisions will notify Mr. Neumann regarding inventories of Oil Colors in tubes and the matter will again be reviewed at the September Managers' Meeting.

It was decided that the code number and lot number of each Multipurpose Tinting Color would be noted on each three tube carton when filled by the Waggener Paint Company.

61-40 "61" ENAMEL UNDERCOATING

Mr. Hubbard reported that lifting had been experienced when this undercoating was recoated with certain types of finishes, especially alkyds such as Vitralite Enamel Eggshell.

Mr. Lutz explained that "61" Enamel Undercoating was an oil base product made for use under "61" Enamel, and it probably does not work satisfactorily at times under other type top coats.

If changed to an alkyd formula, "61" Enamel Undercoating would not work as easily as the present formula.

It was decided that Mr. Hubbard would obtain for laboratory examination competitive samples which are claimed to give desired results under various types of finishing coats such as Vitralite Enamel Eggshell.

61-41 1962 SPACE ADVERTISING

(a) Basic Consumer Space Advertising

Mr. Mather proposed the following schedule for Basic Consumer Space Advertising:

<u>Publication</u>	<u>Space</u>	<u>Times</u>	<u>Unit Cost</u>	<u>Total Cost</u>
The American Home	1/2 pg. 4 clrs.	3	\$12,010.	\$36,030.
House Beautiful	1/2 pg. 4 clrs.	3	6,000.	18,000.
Living For Young Homemakers	1/2 pg. 4 clrs.	3	4,375.	13,125
Sunset	1 pg. 4 clrs.	3	5,267.	15,801.
Canadian Homes	Jr. pg. 4 clrs.	3	2,315.	6,945.
				\$89,901.

This total compares with \$89,042 for 1961 Consumer Space Advertising.

It was decided to adopt the above schedule, omitting the three ads in the publication "Sunset".

(b) Small Space, Specialty Consumer Space Advertising

Mr. Mather recommended the following schedule:

<u>Magazine</u>	<u>Unit Space Cost</u>	<u>Times</u>	<u>Total Space Cost</u>
The American Home	\$ 779.80	3	\$ 2,339.40
Living For Young Homemakers	239.68	3	719.04
Sunset	252.00	3	756.00
Canadian Homes	107.80	3	323.40
Popular Mechanics	400.00	6	2,400.00
Popular Boating	200.00	6	1,200.00
Field and Stream	355.60	6	2,133.60
Total.....			\$ 9,871.44

He also recommended continuation of supplemental publicity on specialty products at an estimated cost of \$6,000. This would consist principally of prepared press releases for distribution to newspapers throughout the United States and Canada.

Action on the Specialty Consumer Space Advertising was deferred to the December 1961 Managers' Meeting.

(c) Architectural Space Advertising

Mr. Mather presented the following schedules:

<u>Publication</u>	<u>Space</u>	<u>Times</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Architectural Record (Alternate 1)	2 pg. 4 clr. inserts	3	\$1,608.82	\$4,826.46
	$\frac{1}{2}$ pg. B&W	6	450.00	2,700.00
	$\frac{1}{4}$ pg. B&W	3	235.00	705.00
Total				\$8,231.46
(Alternate 2)	1 pg. 2 clr.	6	\$ 970.00	\$5,820.00
	$\frac{1}{2}$ pg. B&W	4	450.00	1,800.00
	$\frac{1}{4}$ pg. B&W	2	235.00	470.00
Total				\$8,090.00
Record Houses	1 pg. 2 clr.	1	\$ 970.00	\$ 970.00
Progressive Architecture	$\frac{1}{2}$ pg. B&W	6	\$ 500.00	\$3,000.00
Canadian Architect (Alternate 1)	2 pg. 4 clr. inserts	1	\$ 534.00	\$ 534.00
	$\frac{1}{2}$ pg. B&W	4	151.00	604.00
	$\frac{1}{4}$ pg. B&W	1	93.00	93.00
				\$1,231.00
(Alternate 2)	1 pg. 2 clr.	6	\$ 327.00	\$1,962.00

Alternate No. 1 for Architectural Record was adopted. Pages for three 2-page full color inserts will be prepared by the Pratt & Lambert Advertising Department.

The proposals for Record Houses and Canadian Architect (Alternate 1) were adopted.

(d) School Space Advertising

Mr. Mather proposed the following schedules:

<u>Publication</u> (Alternate 1)	<u>Space</u>	<u>Times</u>	<u>Unit Cost</u>	<u>Total Cost</u>
The Nation's Schools	1 pg. 4 clr. insert	4	\$ 675.00	\$ 2,700.00
College & University Business	1 pg. 4 clr. insert	4	421.50	1,686.00
Canadian School Journal	1 pg. 4 clr. insert	4	123.00	492.00
				\$ 4,878.00

<u>Publication</u> (Alternate 2)	<u>Space</u>	<u>Times</u>	<u>Unit Cost</u>	<u>Total Cost</u>
The Nation's Schools	1 pg. 2 clrs.	4	\$ 700.00	\$ 2,800.00
College & University Business	1 pg. 2 clrs.	4	446.50	1,786.00
Canadian School Journal	1 pg. 2 clrs.	4	145.00	<u>580.00</u>
				\$ 5,166.00

(Alternate 3)

Overview	1 pg. 4 clr. insert	4	847.65	\$ 3,390.60
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(Alternate 4)

Overview	1 pg. 2 clrs.	4	855.00	3,420.00
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Alternate No. 1 schedule was adopted.

(e) Hospital and Institution Space Advertising

Mr. Mather proposed the following schedules:

<u>Publication</u> (Alternate 1)	<u>Space</u>	<u>Times</u>	<u>Unit Cost</u>	<u>Total Space Cost</u>
Modern Hospital	1 pg. 4 clr. insert	4	\$ 675.00	\$ 2,700.00
Hospitals	1 pg. 4 clr. insert	2	687.06	<u>1,374.12</u>
	Total			\$ 4,074.12

(Alternate 2)

Modern Hospital	1 pg. 2 clrs.	4	\$ 700.00	\$ 2,800.00
Hospitals	1 pg. 2 clrs.	2	665.00	<u>1,330.00</u>
	Total			\$ 4,130.00

Alternate No. 1 was adopted, omitting the proposed 2 inserts in the publication "Hospitals".

To reach paint buyers in related fields, hotels, motels, churches, restaurants, clubs, etc., Mr. Mather recommended a campaign of 6 quarter page ads, B&W, in Institutions Magazine, proposing product sell ads in this publication at the following costs:

<u>Publication</u>	<u>Space</u>	<u>Times</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Institutions	$\frac{1}{4}$ pg. B&W	6	\$ 585.00	\$ 3,510.00

It was decided not to adopt this campaign to reach miscellaneous paint buyers.

(f) Dealer Space Advertising

Mr. Mather proposed the following Dealer Space Advertising schedule:

<u>Publication</u> (Alternate 1)	<u>Space</u>	<u>Times</u>	<u>Unit Cost</u>	<u>Total Cost</u>
American Paint & Wallpaper Dealer	1 pg. 4 clr. insert	6	\$ 637.00	\$ 3,822.00
Building Materials Merchandiser	1 pg. 4 clr. insert	6	847.00	5,082.00
Total				\$ 8,904.00

(Alternate 2)

American Paint & Wallpaper Dealer	1 pg. 2 clrs.	6	\$ 570.00	\$ 3,420.00
Building Materials Merchandiser	1 pg. 2 clrs.	6	735.00	4,410.00
Total				\$ 7,830.00

He reported that our 1961 schedule is as follows:

American Paint & Wallpaper Dealer	1 pg. 2 clrs.	6	630.00	\$ 3,780.00
Building Materials Merchandiser (Formerly American Lumberman)	1 pg. 2 clrs.	4	805.00	3,220.00
				\$ 7,000.00

It was decided to adopt the 1961 schedule for 1962.

(g) Painter Space Advertising

Mr. Mather proposed the following which was adopted:

<u>Publication</u>	<u>Space</u>	<u>Times</u>	<u>Unit Cost</u>	<u>Total Cost</u>
American Painter & Decorator	1 pg. 2 clrs.	6	\$ 545.00	\$ 3,270.00

61-42 1962 DIRECT MAIL ADVERTISING

Mr. Mather proposed a continuation of our direct mail advertising campaign in 1962 as follows:

A. TO DEALERS

Two Merchandising Kits tying in with our National Consumer Magazine advertising.

1. Spring - exterior products
2. Fall - interior products

B. TO PAINTING CONTRACTORS

Two tack-up types, product sell folders.

1. Spring - exterior products
2. Fall - interior products

C. TO ARCHITECTS

Two illustrated folders utilizing material which may be prepared for architectural magazine ad inserts, amplifying product and specification information. To be mailed; one in Spring, one in Fall.

D. TO HOSPITALS

Two illustrated folders utilizing material which may be prepared for hospital magazine inserts, expanding product information to guide their purchase and use of P&L paints and varnishes.

E. TO SCHOOLS

One illustrated folder utilizing material which may be prepared for school magazine inserts, with further details on P&L products.

To the extent possible and practical, we propose to write and produce the architects, school and hospital folders simultaneously, following this year's procedure, to economize on production costs. This requires long range planning but produces highly desirable results.

It was decided to adopt this schedule which has the same number of mailings in the same groups for 1962 as for 1961.

61-43 RADIO COMMERCIALS

Upon Mr. Mather's recommendation no revision will be made in the present radio platter which was all new in January 1961.

61-44 1962 CONSUMER DIRECT MAIL FOR LOCAL ADVERTISING

It was decided to prepare one mail feature for 1962 Consumer Direct Mail Local Advertising, emphasizing the dealer with proper build-up regarding his service. This mailing piece will include a coupon showing price allowance on quarts and gallons.

It was recommended that the following P&L products be included in this local direct mail campaign:

Vapex Flat Wall Finish
Cellu-Tone Satin
The New Lyt-all Flowing Flat
Vitalite Enamel
"61" Floor Varnish
Tonetic Wood Stain

Varmor
"61" Floor & Porch Enamel
House Paint
Effecto Enamel
Effecto Spray Enamel

It was decided that the branch sales divisions would send their recommendations to Mr. Mather regarding the products to be included and the cash value of the included coupon.

61-45 COLOR HARMONY COLOR DECK

No interest was shown in a Color Harmony Color Deck.

61-46 P&L COLOR GUN SYSTEM

(a) Approval of Prices for Partial Payment Plan

Mr. Wilkinson reported that the following prices had been established for an eight month payment plan for Color Gun Units in accordance with Minute 6-13-g:

	Cost (Cash)	Cost (Credit)	Monthly Payment
a) 2 oz. Color Gun and Deluxe 10-canister Unit	\$175.45	\$178.80	\$22.35
b) 2 oz. Color Gun and Deluxe 12-canister Unit	185.25	188.80	23.60
c) 4 oz. Color Gun and Deluxe 10-canister Unit	182.45	186.00	23.25
d) 4 oz. Color Gun and Deluxe 12-canister Unit	192.25	196.00	24.50

Above prices are f.o.b. San Francisco, California. If Color Gun Units are being sold on a delivered basis, we suggest the addition of \$8.40 or \$1.05 per month in the Central and Eastern Divisions to cover transportation costs.

These prices were confirmed.

(b) Report on Sales

Mr. Wilkinson reported that to date, 155 Guns had been sold. Also 395 Color Machines had been sold in 1960 and 165 were sold to date in 1961.

61-47 NEW LYT-ALL FLOWING FLAT

Mr. Wilkinson reported that discussion regarding elimination of certain slow moving colors from the ready-mixed Lyt-all Deluxe Color lines had originally taken place at the March 1960 Managers' Meetings (Minute 60-4-j). At the September 1960 Managers' Meeting the Color Committee made a recommendation for discontinuance of certain ready-mixed colors (Minute 60-68-e) upon which action has been deferred until this time. This recommendation included the color Windsor Blue, which at that time could not be made in the Machine System. As Windsor Blue outsells Delft Blue, particularly in Vitralite Enamel Eggshell, Mr. Wilkinson recommended that the following seven colors be eliminated from the ready-mixed lines of New Lyt-all Flowing Flat and Vitralite Enamel Eggshell:

Burgundy
Caribbean Blue
Fern Green
Peppermint Pink

Delft Blue
Regency Blue
Ruby Red

These colors can all be made in the Machine System by using the Extra Deep Base.

His recommendation was adopted. The effective date of discontinuance will be decided at the December 1961 Managers' Meeting.

Mr. Wilkinson stated that more study was needed regarding color discontinuance in the ready-mixed lines of Vitralite Enamel Gloss and Lyt-all Stippling Egg-shell, chiefly because of the size of current inventories. He will report on these at the September 1961 Managers' Meeting.

61-48 FREIGHT RATES

Mr. Wilkinson reported that with present freight rates there are some cases where a 24 gallon shipment does not qualify for minimum freight rate, but in most cases it does. He stated that all U.S.A. sales divisions agree we should not increase the 24 gallon requirement.

At Mr. Wilkinson's recommendation it was decided to make no change.

61-49 SQUEEZE BOTTLES FOR MULTIPURPOSE TINTING COLORS

Mr. Wilkinson reported that to date only one source for squeeze bottles had been located and these bottles could be obtained only in minimum orders of 25,000 at a cost of \$109.20 per thousand for the 8 oz. size.

Screw caps would cost \$15.75 per thousand and lithographing the bottle in one color would cost \$9.80 per thousand bottles, thus making a total cost of \$134.75 per thousand. To lithograph in two colors would cost \$22.90 per thousand. Billing cost for the 8 oz. size would be \$.2075 and for the 16 oz. size \$.2625.

This subject was deferred to September 1961 Managers' Meeting.

61-50 MACHINERY ENAMEL

Deferred to September 1961 Managers' Meeting.

In the meantime the branch sales divisions will review competitive lines, sending samples to Mr. Wilkinson with their suggestions regarding changes they think should be made in this line of colors.

61-51 SILDURA

Mr. Johnston presented suggestions from the branch sales divisions regarding colors to be included in a possible line of Sildura finishes and suggested list prices if the line were adopted as a standard listed architectural item.

Before taking any definite action regarding the line of colors, it was decided that a survey would be made principally by the New York office of possible users, such as public service corporations, industrial manufacturers, etc.

Mr. Johnston and Mr. Brown will prepare a descriptive sheet regarding Sildura to be used in this survey.

The factory will make a 25 gallon batch of Sildura Hunter Green, filling into ten ones and sixty quarts. Samples will then be available for test purposes without the \$25.00 extra charge for orders less than 24 gallons.

61-52 FURNITURE AND FIXTURE LACQUERS

Mr. Johnston reported that in accordance with Minute 61-15 of the March 1961 Managers' Meeting, he had reviewed with the laboratory the 34 unlisted cellulose nitrate lacquers which were now being sold for architectural purposes.

The laboratory reported the results of this review in table form.

Mr. Johnston will review this report and will send recommendations to the various sales divisions that sell these unlisted lacquers, consolidating the lacquer lines wherever possible.

Since some of the lacquer formulas are quite old the laboratory stated that it may be possible to reduce some costs by the use of more up-to-date solvent mixtures.

Mr. Johnston will review these possible changes to see if the necessary laboratory work is warranted to obtain these cost reductions.

61-53 BOWLING ALLEY AND BOWLING PIN FINISHES

Mr. Johnston reported that in the Buffalo area a monopoly was developing regarding the refinishing of wood bowling pins.

A lacquer manufacturer had patented a nylon sleeve which fits tightly over the pins and reduces damage. Lacquers are then applied over this sleeve. All who use this sleeve must pay a royalty to the lacquer manufacturer and the manufacturer will not permit the use of the sleeve unless their own lacquers are applied over them.

Mr. Johnston recommended that we make no further investigation of the refinishing of wood bowling pins.

The Industrial Sales Department is working on finishes for metal type bowling pins.

Mr. Johnston reported on details regarding the finishing of bowling alleys or lanes and the approaches to the alleys.

A further study will be made of this subject before any definite action is recommended.

61-54 GALVANIZED METAL PRIMER

Mr. Gamard reported that certain competitors were supplying ready-mixed galvanized metal primers which they claim could be applied directly over new galvanized metal without pretreatment. He stated that claims had been made that these primers were giving satisfactory service.

Mr. Lutz explained that our position had not changed with regard to the priming of new galvanized metal. In the laboratory's opinion there is still no satisfactory primer for use on new galvanized metal without pretreatment.

It was decided that we would continue with our present recommendations for finishes on galvanized metal.

61-55 PCB COLOR CARD BOOK

Mr. Slaughter presented a ring binder for color cards. A transparent perforated sheet is attached to one side of the color card, the perforations fitting the ring in the binder. The use of this binder eliminates the use of paste which is necessary in placing color cards permanently on the pages of the PCB Color Card Book.

Mr. Slaughter stated that this ring binder was sold by a paint manufacturer at the same price as our PCB Book.

It was decided that Mr. Mather would investigate further the value of adopting a book of this type.

APPROVED BY

A. W. Lindsay

June 7, 1961

- A -

COLORS WHICH CAN BE MADE IN MACHINE SYSTEM USING EXTRA DEEP BASE

New Lyt-all Flowing Flat
Vitalite Enamel Eggshell
Lyt-all Stippling Eggshell

STANDARD COLORS

✓ Burgundy
✓ Caribbean Blue
✓ Fern Green
✓ Ruby Red
Windsor Blue

INTERMIX COLORS MADE FROM STANDARD COLORS

+ Avocado	+ Pagoda Red
+ Bark Brown	+ Parrot Green
+ Cabana Red	+ Persian Blue
+ Canyon Red	+ Plum (1)
+ Charcoal (1)	+ Quartz Green
+ Cobbler Brown	+ Thistle
+ Foxglove	+ Wine
+ Morocco	

(1) Machine colors made in Vitalite Enamel Eggshell and Lyt-all Stippling Eggshell are slightly bluer in color than colors made in New Lyt-all Flowing Flat and standard colors.

INTERMIX COLORS MADE FROM SPECTRUM COLORS

✓ Aster Blue	✓ Nanking Blue
✓ Eggplant	✓ Ridge Blue
✓ Grape	✓ Slate Gray
✓ Gray Stone	✓ Spice Brown

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- B -

STANDARD AND INTERMIX COLORS WHICH CANNOT BE MADE
IN MACHINE SYSTEM WITH EXTRA DEEP BASE

STANDARD-SPECTRUM COLORS

+ Blue
- Brown
+ Green
- Orange
+ Red
- Yellow

INTERMIX COLORS MADE FROM SPECTRUM COLORS

- Antique Green -	- Nasturtium
+ Beryl Green	- Nectarine
- Biscay Green -	- Paprika
+ Bittersweet	+ Persian Red
+ Brick Dust	+ Poppy
- Bronze	- Samovar
+ Brunswick Green	+ Saxon Blue
+ Carnival Red	- Sherwood Green -
+ Cinnabark	+ Siam Blue
- Egyptian Green -	- Spun Gold
- Fairway Green -	+ Terra Cotta
- Flame	- Toffee
+ Florentine Blue	+ Triton Green
+ Juniper	+ Victoria Blue
- Leaf Green -	+ Viola Purple
- Lemon Peel -	+ Watermelon
- Midnight Sun	+ Whirlpool Blue
+ Ming Green	

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