31AM 9-43 3010

MEETING OF DIRECTORS
OF
THE SHERWIN-WILLIAMS COMPANY.

A meeting of the Board of Directors of this Company was held at 101 Prospect Avenue, N. W., Cleveland, Ohio, at 10:30 A. M., Friday, May 18, 1945, the following being present:

M. J. Fortier
George Gund
C. P. Jardon
Z. S. Martin
L. H. Schroeder
A. W. Steudel
H. D. Whittlesey
Thos. E. Wilson

Absent: A. D. Baldwin
C. S. Eaton
H. J. Hain
D. A. Kohr
L. W. Wolcott.

Mr. A. W. Steudel, President, acted as Chairman, and Mr. L. H. Schroeder, Secretary.

On motion, duly made, seconded and carried, the minutes of the meeting of April 20, 1945, were approved as read.

The Chairman reviewed the history of the Company's investment in the Titanium patents which were acquired by the Company, December 31, 1937, when 5,000 shares of common stock of The Sherwin-Williams Company were issued in exchange for the patents and property of The Burgess Titanium Company.

He pointed out that, after the Company had operated a pilot unit in Gloucester City, N. J., it was determined in 1940 to build the present plant, which was necessarily regarded as experimental in view of the small output, in relation to the Company's requirements, which could be expected even when the plant was in full operation. It was hoped that this experimental plant would prove successful and that accordingly a larger plant with a minimum capacity of 10,000 tons per year would prove desirable.

The Chairman then commented on the record of losses incurred by the Company in this operation since the year 1937, a statement of which had been furnished to each director. He then stated that it had been found that the cost of making titanium dioxide by the Company's process was prohibitive. He pointed out that the Company's process involved the use as chemical agents of fluorine at a cost of $260 per ton and ammonia at a cost of $80 per ton, whereas under the sulphate process, the patents for which are controlled by two other companies, sulphuric acid is employed at a cost of only $10 to $12 per ton, and as a result it is imperative that practically all of the fluorine and ammonia be recovered for re-use. It has, however, been found impossible to obtain satisfactory recovery of those chemical agents, because of their extremely corrosive action. The extra cost involved in the recovery process had added greatly to the final cost of the product, so much so than even based on the largest output so far

RECORD BOOK PAGE____ ATTEST__ L H Schroeder
Secretary

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