



Telephone: (212) 679-6020

MINUTES OF EXECUTIVE COMMITTEE OF
BOARD OF DIRECTORS OF
LEAD INDUSTRIES ASSOCIATION

Monday, September 20, 1971

In accordance with the notice of meeting dated September 8, 1971, and by direction of the President, a meeting of the Executive Committee of the Board of Directors of Lead Industries Association convened at 10:30 A.M. on September 20, 1971 in the offices of the Association.

Committee Members Present

J. G. McCullough, President &
Chairman

D. Broward Craig

H. T. Farqey

Simon D. Strauss

W. Allen Taft, Jr.

F. G. Woodruff

Representing

Amax Lead & Zinc Div.

American Metal Climax, Inc.

St. Joe Minerals Corp.

Cominco, Ltd.

American Smelting & Refining Co.

E. I. du Pont de Nemours & Co.

The Bunker Hill Co.

Others

R. J. O'Hara

Amax Lead & Zinc Div.

American Metal Climax, Inc.

D. W. Pettigrew

Zinc Institute

Lawrason Riggs III

St. Joe Minerals Corp.

W. J. Veenis

Anaconda Sales Co.

LIA Staff

J. L. Kimberley, Executive Vice President

D. M. Borcina, Secretary-Treasurer

Absentee:

H. J. Whitson N L Industries, Inc.

Mr. McCullough served as chairman of the Committee and David M. Borcina as Secretary.

1. The minutes of the last meeting, held July 8, 1971 were approved as distributed.
2. The financial statement for the Association covering the period January 1, 1971 through August 31, 1971 was distributed and discussed. The Treasurer reported that the anticipated fund balance will be approximately \$39,600 below the level at the beginning of 1971, but that the financial position of the Association is satisfactory.
3.
 - a The chairman read a letter from T. E. Carey of Cerro Sales Corp. announcing their resignation from the Association in 1972. A similar letter has been received by ZI and ILZRO. Information is that they will pay full assessment for 1971. The chairman said that conversations will be held with others in the Cerro organization to determine whether the decision to resign from LIA can be reversed. During the discussion, Mr. Strauss remarked that the government of Peru has taken over commercialization of the Cerro mining properties in that country and a Mr. Valencia will be selling lead and zinc in the U.S. under the name of Minero Peru. An attempt should be made to get them into LIA, when the time is appropriate.
 - b Mr. Woodruff announced that his company may be unable to continue as members of LIA, ZI and ILZRO during 1972. He said his company will give careful consideration before making its decision.
 - c Several members expressed the opinion that in depressed market times, development activities of the associations should be at a maximum. In view of the present situation, however, this is not possible. Staff therefore requires guidance in structuring programs for 1972.

d As regards the financial position of the association, Mr. Kimberley read a formal statement, on behalf of staff, commenting on the need for continued full support of activities, else the progress of the industry through the association during the last 16 years will have been lost. A decision must be reached concerning whether the cooperative effort will continue or such market development and joint approach to problems will be handled individually by the members. He reminded them that the latter choice will be more expensive.

During the discussion, staff was told that no one advocated discontinuing the association activities; it was only a question of the level of activity in a depressed market condition.

The Committee gave a strong vote of confidence to the Associations pointing out that the companies must look at aggregate costs. The association programs must reflect the financial pressures on the companies.

4. The Committee, when discussing plans for 1972, commented that work must continue to determine the medical aspects of lead in paints and ceramics. Meanwhile, the TEL situation is approaching a climax. EPA's proposals are expected in mid-December. As a result flexibility must be preserved but the situation may not require the concentrated expenditures of 1970 and 1971.

There was some opinion that the efforts through Hill and Knowlton might be reduced in 1972. This will be reviewed at budget time.

5. A proposal from Bonner and Moore - consultants to review the economic effects on the nation from taxation of lead in gasoline was discussed. This proposal, to be conducted in two phases, costing \$8,000 - \$10,000 for the first, and \$30,000 - \$120,000 for the second, was rejected.

6. A letter from EPA was read requesting information to support or refute a report that removal of lead from gasoline would help conserve lead reserves, which, in the letter, are said to be low. Staff was directed to reply, pointing out that lead reserves are not low, and showing the fallacies in other estimates of reserves that have proven inaccurate. Also, since it is impossible to recycle petroleum, reserves would be depleted at an accelerated pace if TEL is banned from gasoline.
7. It was announced that Cominco American had indicated interest in joining the Association.
8. Mr. Kimberley reported requests from some quarters to increase Washington activities on behalf of lead in the environment. Opinion concerning tax position has been requested, but not received yet, from Association legal counsel. The Committee emphasized that there should be no increase in such activities by the Association. In their opinion such work is being handled adequately by American Mining Congress, Emergency Lead-Zinc Committee and others in Washington.
9. Returning to the matter of companies dropping financial support to the Association, it was agreed that LIA programs must be continued and adjusted accordingly. Details covering temporary resignations remain to be resolved. The programs for 1972 must be prepared on the basis of the same assessment rate as for 1971 with adjustment of income made to accommodate for potential losses in membership. It was also agreed that LIA continue to support the ZALIS operation.
10. The next meeting was scheduled for the afternoon of December 7, 1971 when the Committee will meet with the full Board to consider 1972 programs and budgets.
11. The meeting adjourned at 11:15 A.M.

Respectfully submitted,

David M. Borcina
David M. Borcina *s/o*
Secretary, Treasurer

DMB:so
October 11, 1971

September 8, 1971

TO: Members of the Executive Committee of the Board of Directors of
Lead Industries Association, Inc. and Zinc Institute, Inc.

SUBJECT: NOTICE OF MEETING

LIA

Messrs. J. G. McCullough, Chairman
D. Broward Craig
H. T. Fargy
S. D. Strauss
W. Allen Taft, Jr.
H. J. Whitson
F. G. Woodruff

ZI

R. G. Driver, Chairman
J. R. Alexander
Lawrason Riggs III
J. G. McCullough
S. D. Strauss
W. J. Veenis
F. G. Woodruff

By direction of the Presidents of LIA and ZI there will be a joint meeting of the Executive Committees of both Associations on Monday, September 20, 1971 at 10:30 A.M. in the offices of the Associations.

In view of the changing economic conditions of our industries it is most important that all members attend this meeting.

An agenda for the meeting follows:

1. Review of 6-Month Financial Position
 - a- LIA
 - b- ZI
2. Level of Activity for 1972 Program for Both Associations.
3. Other Business-- If any.

If you cannot attend will you please let me know by wire or telephone.

Sincerely,

LEAD INDUSTRIES ASSOCIATION, INC.
ZINC INSTITUTE, INC.

292 Madison Avenue, New York, N. Y. 10017

J. L. Kimberley
Executive Vice President

JLK: so

ISR000340