

MANAGERS' MEETING

A meeting of the Managers was held in Buffalo, June 1-2, 1966, the following being present:

Mr. Anderson
Mr. Beckman
Mr. Brewster
Mr. Brown
Mr. Hromadka
Mr. Hubbard
Mr. Kellaway
Mr. Kessler
Mr. Lunden
Mr. Lutz
Mr. Mather
Mr. Maycock
Mr. Mehrhof

Mr. Meidinger
Mr. Miller
Mr. Murphy
Mr. Nolan
Mr. Rhode
Mr. Roth
Mr. Schroeder
Mr. Slaughter
Mr. Solly
Mr. Somerton
Mr. Stark
Mr. Wilkinson
Mr. Zimmer

Mr. Hardy - Acting Secretary of the Meeting

(Minute 66-25 through 66-45)

66-25 REVIEW OF PRODUCTION

Oils

Linseed

Current billing cost - \$.1364 per lb.
Current market cost - \$.1364 per lb.

An ample new crop is in prospect and little price change is anticipated.

Tung

Current billing cost - \$.235 per lb.
Current market cost - \$.215 per lb.

This market continues weak and imported oil is selling below the Government support price for domestic crop.

Soybean

Current billing cost - \$.135 per lb.
Current market cost - \$.132 per lb.

The soyabean and oil market continues very strong due to large domestic and export demand. We expect this firm trend to continue.

Resins

Phthalic Anhydride prices are firm at the higher level set on April 1st.

Demand is now greater than supply. We expect to secure our requirements since we have a large number of regular suppliers.

Alkyd resin prices advanced one-half cent per pound on May 1st.

Solvents

Solvent prices are firm and unchanged since our last report.

Pigments

Lead metal recently declined one-half cent per pound and lead oxide prices were lowered by the same amount.

Other pigment prices are firm and unchanged.

Containers

Steel container prices are firm at the increased level announced at the March 1966 Managers' Meeting.

Carton prices advanced 5% on April 1st and there are rumors of an impending further increase. Demand is strong and most suppliers report capacity operation.

Buffalo Factory Shipments

Mr. Brewster reported preliminary figures make May appear to be the largest month in three years.

For 1966, to date, total shipments are 10% above the same 1965 period.

Equipment

Mr. Brewster reported excellent success with "Cowles" dissolver of our own manufacture prompted us to install another for making certain clear finishes, such as the following:

Lyt-all Glazing Liquid
"61" Filler Sealer
Industrial Finishes

Mr. Brewster reported that eventually the factory hopes to make certain satin and dull varnishes also on the second "Cowles".

66-26 SELLING PRICE FOR SETS OF "58" BOOKS

It was decided to maintain the present price of \$25.00 per set for the "58" Color Books, and not to make a special "package" price with the Color Center.

66-27 FIRE RETARDANT PAINT

(a) Chip Mounted Brochure

0007-PTL-001750

Mr. Mather reported that the new brochure will be ready in about ten weeks.

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66-27a)

At the December 1965 Managers' Meeting, it was decided to print 25,000 brochures. It is now felt that perhaps a larger quantity should be produced. Mr. Mather will obtain quotations on 25,000, 30,000 and 50,000. The Sales & Advertising Committee will make the final decision regarding the quantity to be produced.

(b) Data Sheets

It was decided to print 5,000 data sheets on P&L Fire Retardant Paint to be used for distribution to Architects during the interim. They will be allocated as follows:

Eastern Division	- 1,500
Central Division	- 1,000
Western Division	- 2,000
Canadian Division	- 500

The data sheets are to include product description, specification and the Underwriters' Manifest. They will be produced in a size that will permit them to fit inside the Specification Manual.

(c) Label

Mr. Solly reported that the labels are prepared and in stock.

(d) Prices

Mr. Hardy proposed the following prices for P&L Fire Retardant Paint (Z40) and P&L Fire Retardant Paint First Coat Additive (Z30):

ZONE ONE - GROUP II - U.S.

DEALER CONFIDENTIAL

P&L Fire Retardant Paint (Z40)	\$ 8.25 in ones (15/16)
First Coat Additive (Z30)	\$ 6.75 in ones

The above prices were adopted.

- (e) It was decided that the factory would discontinue the production and shipment of Lyt-all Fire Retardant Paint as of September 1, 1966. The laboratory will notify Underwriters' Laboratories Inc. to delete Lyt-all Fire Retardant Paint from their 1967 edition of Building Materials List.
- (f) Mr. Hardy reported that on April 15, 1966 the Branches had agreed upon the package sizes for First Coat Additive. The agreed sizes are one gallon and one quart cans. These sizes were adopted.

66-28 VITRA-TILE EPOXY

(a) Brochure Progress Report

Mr. Mather reported that the completed brochure is due to be shipped to the Advertising Department sometime during the week of June 13th.

(b) Architectural Panels

It was decided that the Eastern and Western Divisions would produce their own panels. As soon as cost figures are available, Mr. Schroeder will write Mr. Roth, with copies to Mr. Mather and Mr. Solly, informing him of the costs. If the costs are satisfactory, the Western Division will produce the requirements for the Central Division.

The Canadian Division will arrange for their requirements.

(c) Fire Retardant Ratings

Mr. Zimmer reported that fire retardant ratings for Vitra-Tile Epoxy, as determined by Southwest Research Institute and published in the P&L Engineering Manual, are not accepted by Canadian Government agencies. However, they will accept UL ratings as determined in either U.S or Canada. The Canadian Sales Department wants UL ratings on the two Vitra-Tile Epoxy systems now listed in the manual which are as follows:

Systems

S,MM - Aggregate Block

1st Coat - Vitra-Tile Block Filler
2nd Coat - Vitra-Tile Epoxy

T,NN - Aggregate Block

1st & 2nd - Vitra-Tile Epoxy
Coats

Mr. Zimmer reported cost estimate to conduct tests at UL for these two system will be \$1,500. This would not include listing.

No decision was made regarding UL tests.

66-29 DISCONTINUANCE OF SLOW MOVING COLORS

Based upon inventory and turnover data produced by the Marketing Department, Mr. Hardy proposed that the following eight ready-mixed colors in both Lyt- all Flowing Flat and Vitralite Enamel Eggshell be discontinued as of January 1, 1967:

Bramble
Cocoa Brown
Dusty Green
Empire Green

Indian Turquoise
Lime Yellow
Oasis
Puritan Gray

It was decided that these eight ready-mixed colors in both lines be discontinued as of July 1, 1967, with notice going to the trade on January 1, 1967.

It was also decided that on January 1, 1967, the factory would produce these colors in the two lines only upon order from customers or P&L warehouses, and only in quantities to fill orders.

Beginning June 30, 1966, the Divisions are requested to prepare bi-monthly inventories of these colors to be sent to Mr. Brewster, with copies to the other Divisions. The same procedure will be followed by Ft. Erie.

The proposed discontinuance of all other items mentioned in Mr. Hardy's letter of May 23, 1966 was deferred for future study.

66-30 VAPEX HOUSE PAINT

(a) Fungicide

It was decided to increase the amount of fungicide of 33 Chalk Resistant White for sale in Texas. The fungicide will be increased in the following ready-mixed deep colors for national distribution in U.S. and Canada, even though this step will increase the U.S. gallon cost by two to three cents:

59 Olive	72 Manchester Red
69 Black	73 Monterey Green
70 Deep Charcoal	74 Rustic Brown
71 Laurel Green	

The above products, when sold in Texas, will have face labels imprinted to include the words "With Fungicide", and an "M" will be incorporated in the code to signify added fungicide.

The Divisions will investigate whether competitors use a subhead "With Fungicide" on face labels. We will delay adoption of this subhead outside Texas, until the study has been completed. Its adoption will increase our registration problems under existing economic poisons regulations.

The Divisions will also check the leading competitors' prices to determine whether it is feasible for us to advance prices instead of absorbing the increased cost of 2¢ to 3¢ per gallon in the deep colors, and 10¢ in 33 Chalk Resistant White.

(b) Mailing Folder

It was decided to redesign the PBS-AA Spring 1966 mailing folder to painters for use as a regular promotion piece, and for use by P&L salesmen. Mr. Mather reported that the original print order for 23,700 cost \$1,546. The revision and printing for an equivalent quantity should be approximately this same figure. Mr. Mather estimated six weeks delivery date.

It was decided to proceed and print 100,000 copies to be allocated as follows:

Western Division - 50,000

Eastern Division - 25,000

Central Division - 25,000

66-31 LATEX ENAMEL SEMI-GLOSS (GZ179)

It was decided to adopt Latex Enamel Semi-Gloss White (GZ179) as a standard unlisted item in a slightly mushed-up form. This will be left to the laboratory for adjustment. The present unblued white is to be retained. The name "Latex Enamel Semi-Gloss White" was adopted; the package sizes to be gallons and quarts, and to be manufactured at Buffalo and Ft. Erie only.

Mr. Hardy proposed the following price:

ZONE ONE - GROUP II - U.S.

DEALER CONFIDENTIAL

Latex Enamel Semi-Gloss White \$ 5.75 in ones

This price was adopted. Canadian prices will be established at a later date.

66-32 RECOMMENDATIONS OF SPECIFIC REGIONAL EDITIONS FOR 1967 CONSUMER ADVERTISING

The Alternate Plan for 1967 Consumer Advertising as presented by Mr. Mather (see attachment) with a total cost of \$92,990 was approved.

66-33 REVISION AND IMPROVEMENT OF ADVERTISING FEATURES

(a) Radio Platter

Mr. Mather reported that at the March 1966 Managers' Meeting the production of a Radio Platter for 1967 had been authorized.

(b) Newspaper Mats

Mr. Mather reported that at the March 1966 Managers' Meeting the Advertising Department was authorized to produce new newspaper mats for 1967.

(c) General Product Promotional Mailing Folder

The Advertising Department, along with the Agency, was authorized to explore a local type of promotional piece to induce retail customers to come into a store and buy.

The Advertising Department will be receptive to any examples or suggestions which individual P&L salesmen or the Sales Divisions may wish to submit. The Advertising Department will then report back to the September Managers' Meeting with a concrete proposal, together with costs.

66-32 P&L 1967 CONSUMER ADVERTISING

Presentation of the proposed 1967 consumer advertising program was made jointly by Messrs. Mather and Peters of Comstock Advertising, Inc. The use of the general magazine LOOK and the shelter magazine BETTER HOMES AND GARDENS was recommended; also the use of regional editions in both which would conform to Pratt & Lambert sales and distribution patterns; also the use of one-half, four-color space units with the creative content appealing to the do-it-yourself market.

The following Alternate Plan and Cost Summary was approved by the Committee:

BETTER HOMES & GARDENS	- Full Run (includes Canada)	
	One insertion	\$20,969
BETTER HOMES & GARDENS	- "Basic Group"	
	Two insertions	25,164
BETTER HOMES & GARDENS	- Southwest edition	
	One insertion	1,734
BETTER HOMES & GARDENS	- New England edition	
	One insertion	<u>1,121</u>
BETTER HOMES & GARDENS (TOTAL)		\$48,979
LOOK	- 2 insertions	32,661
		<u>81,640</u>
MACLEAN'S	- English and French editions	
	Two insertions	<u>6,055</u>
		\$87,640
PREPARATORY COSTS		<u>5,295</u>
		\$92,990

The agency pointed out that since the above space and production costs were predicated on publication rates and production services which were current on May 24, 1966, any increases made within the next 12 months or within the period up to final contracts with publishers must necessarily be taken into consideration by the client.

Further consideration was suggested relative to regional combinations in Better Homes & Gardens. These combinations would include the Central States and/or other specified areas.

A series of six layouts depicting the Agency's concept of a new visual approach for Pratt & Lambert advertising was presented and the Committee agreed unanimously to adopt this approach for the advertising scheduled for 1967.

66-34 1967 SALES CONTEST

Mr. Hardy reported that the eight Sales Managers were unanimously in favor of a Sales Contest during 1967. It was decided to have such a contest. Mr. Hardy will work out the details through correspondence with the Sales Divisions, and the results circulated, with a definite recommendation to be made at the September Managers' Meeting.

66-35 ARCHITECTURAL SPECIFICATION MANUAL

(a) Progress Report

Mr. Mather reported that the revision is under way. He reported that the present SB-10 cost \$60,000 for 12,000 copies. Sixty to seventy per cent of this cost would be in production.

Mr. Mather reported that a letter will be sent to the Sales Divisions listing the order in which the work on this project should progress.

It has been recommended that an Architectural Committee assist in the revision of the Manual. Mr. Wilkinson will appoint the members of the Committee.

(b) Interior Specification For White Pine

Mr. Slauter proposed inclusion of a wash coat of pigmented shellac. After some discussion it was decided to refer this subject to the laboratory and to the Architectural Committee, to be appointed by Mr. Wilkinson.

66-36 VAPEX FLAT WALL FINISH - INCREASED LUSTER

Mr. Miller reported that at a previous Managers' Meeting the laboratory had been authorized to continue work on improving the washability of Vapex Flat Wall Finish and to investigate how much increased gloss would be required to accomplish this result. The laboratory is continuing the work on this project and expects to have something definite to present at the September Managers' Meeting.

66-37 EFFECTO SPRAY ENAMEL - PLASTIC CHRISTMAS WRAP

It was decided to market Effecto Spray Enamel Silver and Gold in a decorated plastic Christmas wrap, as presented by Mr. Brewster. The increase in cost would be about 3-1/3¢ per can, plus approximately \$510 for art work and printing plates. The white Christmas cartons containing the plastic wrapped cans should be ready for shipment in September.

66-38 MAXIMUM QUALITY LINE

Mr. Slauter proposed the development of three products with demonstrable superiority as outlined in his letter to Mr. Wilkinson of February 21, 1966. The three products are to be a flat wall finish, an eggshell enamel and a clear finish in satin and dull.

Mr. Miller reported that Mr. Slaughter's suggestion was feasible but that the laboratory work would be extensive, probably extending one year, with a possible cost of \$10,000.

The laboratory was directed to begin research toward the development of a "demonstrably superior" flat wall finish.

66-39 ALKALI-RESISTANT WALL PRIMER AND VAPEX WALL FINISH NEUTRAL BASE (GZ187)

(a) Progress Report of Field Tests

Deferred to September 1966 Managers' Meeting.

(b) Prices

On January 5, 1966 the Sales Divisions agreed by correspondence to the following prices for VAPEX FLAT WALL FINISH NEUTRAL BASE:

ZONE ONE - GROUP II - U.S.

DEALER CONFIDENTIAL

\$ 3.22 in ones (15/16)

This price was adopted. Canadian prices will be established at a later date.

On May 6, 1966 the Sales Divisions agreed by correspondence to the following price for ALKALI-RESISTANT PRIMER (GP14):

ZONE ONE - GROUP II - U.S.

DEALER CONFIDENTIAL

\$ 4.39 in ones

This price was adopted. Canadian prices will be established at a later date. Both of the above products are currently being field tested.

66-40 MULTIPURPOSE TINTING COLORS IN SQUEEZE BOTTLES

Mr. Brewster reported that up to the present time, no flexible plastic bottle is available which would be satisfactory for Multipurpose Tinting Colors. He will continue to be alert to any new possibilities.

66-41 "81" ALKYD ENAMEL WHITE SEMI-GLOSS (E34)

It was decided to defer discussion relative to U.S. adoption until the December 1966 Managers' Meeting. In the meantime, we will learn how Pal-Cote is being accepted. Possibly, "81" Alkyd Enamel White Semi-Gloss will be superfluous.

It was decided to manufacture the improved mushy consistency at Ft. Erie with an increased cost of 2¢ per gallon, to gain a reaction from the Canadian market.

66-42 VITRA-TILE COATING WHITE (G33676)

It was decided to discontinue VITRA-TILE COATING as of September 1, 1966. Any demand for white or colors in this product after that date will be manufactured and charged as a special.

Mr. Wilkinson and Mr. Miller urged each Sales Division to supply case histories to the laboratory and other Sales Divisions where Vitra-Tile Epoxy is used.

66-43 ANTIQUING KITS

It was decided to drop the idea of marketing an Antiquing Kit. The laboratory will investigate the possible effects that might be obtained with some of our present standard goods.

66-44 PALGARD

(a) Brochure

It was decided to produce 25,000 brochures at an approximate cost of \$1,500. The copy will include the data recommended by Mr. Lunden in his letter of November 30, 1965 to Mr. Mather, which included a brief product description, mixing instructions, surface preparation, application recommendations, etc.

It was decided to delay the Palgard Brochure until the laboratory could formulate the suggested 90 additional Machine colors, after which 25,000 brochures are to be produced.

(b) Fire Retardant Ratings

The New York Office is interested in fire retardant ratings for Palgard on aggregate block and metal. The specifications for these two substrates are as follows:

1. System - Aggregate Block

1st Coat - Primafil

2nd Coat - Palgard

2. System - Metal

1st Coat - Palgard Metal Primer

2nd Coat - Palgard

NOTES: (1) Based on tests in the P&L laboratory tunnel, System 1 is expected to have a Class A rating (less than 25). However, System 2 may have a rating higher than 25.

- (2) Cost estimate to conduct tests at UL for System 1 and 2 is \$1,500.

It was decided not to obtain fire retardant ratings since there is little likelihood that a Glass "A" rating can be obtained for Palgard on metal. (See system number two above.)

(c) Additional Machine System Colors

The proposal to make 100 colors from the Machine System available in Palgard was adopted. The ten Machine colors now displayed on the color card, plus forty of the forty-eight Vitra-Tile Epoxy Machine colors are included. The remaining eight colors would require bases in Palgard. The balance of fifty colors were newly selected from the Machine System colors which the laboratory recommended could be made in Palgard. The 100 Machine System colors are listed by formula number in Mr. Hardy's letter of June 1, 1966 to all members of the Color Committee.

It was agreed to issue 100 new formula cards at an estimated cost of \$1.10 per set, or a total cost of \$2,640. A total of 100 new formula cards will be made up and will be numbered starting with the lowest number assigned to Palgard. This number will start with the 10 colors that are now in the system so that they will follow in numerical and alphabetical order. A complete new set of Palgard formula cards will be issued.

It was agreed to have a tip-in sheet for the brochure to cover the subject of color, and which will include a list of the 90 additional Machine colors available.

66-45 ADVERTISING-ARCHITECTURAL MEDIA

The following minute was not included under Advertising in Minute 66-15 (b) of the March 1966 Managers' Meeting.

It was decided to take six full page, four-color ads in "Architectural Record" and six island half-page black and white ads in "Architectural & Engineering News" in 1967. The total expenditure is estimated to be \$21,645, including space and preparatory costs.

APPROVED BY

B. F. Wilkinson