

REPORT OF THE PRESIDENT
TO THE
BOARD OF DIRECTORS
FOR THE SECOND QUARTER
FISCAL YEAR 1959

Introduction

Even though we had a record year dollar-wise, our gallonage production figures for 1958 continue to show no substantial increase. A major contributing factor to this situation was the development of one-coat systems and paints and coatings which allowed a reduced film thickness while producing the same quality finish. Are we eventually going to research ourselves out of business? Our industry has made tremendous technical strides in the past decade. This progress will continue.

The answer lies in discovering new markets opened by the new products we have to offer, and properly developing these markets. Keen sales-mindedness, marketing research and analysis, and technical coordination are the tools necessary to do this job. We have them - and we will use them to produce tangible results.

MEETINGS: Since the January meeting of the Executive Committee, I have attended the following conferences and meetings, in addition to my personal conferences:

Marketing Research and Statistics Committee, Washington, D. C.
Chemical Coatings Technical Committee, Boca Raton, Fla.
Chemical Coatings Steering Committee, Boca Raton, Fla.
Joint Industry Education Committee, Washington, D. C.
Putty, Glazing and Caulking Compound Steering Committee, Washington, D.C.
Colorado Paint, Varnish and Lacquer Association, Denver, Colorado
Pittsburgh Paint, Varnish and Lacquer Association, Pittsburgh, Pa.
Louisville Paint, Varnish and Lacquer Association, Louisville, Ky.
Scientific Subcommittees, Washington, D. C.
Scientific Committee, Washington, D. C.

INDUSTRY SALES: Total March 1959 sales of the paint, varnish and lacquer industry were \$148,800,000, a 24.4% increase over February and 26.7% over March 1958. It sets a record for the month.

Trade Sales reached \$91,400,000 in March. This is 28.6% over February 1959 and 26.6% more than the same month a year ago.

Industrial Sales in March 1959 were \$57,400,000, an increase of 18.4% over February and 26.9% over March 1958.

The paint and varnish category of Industrial Sales totaled \$40,700,000 in March, an increase of 21.9% over February and 20.3% over March 1958.

March lacquer sales were \$16,700,000, an increase of 10.6% over February and 46.6% over March 1958.

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Sales for the first quarter reached a new high for any first quarter period in the industry's history with a total of \$393,000,000. This is 15% above the comparable 1958 period. Trade Sales for the first quarter are \$237,600,000, an increase of 16.1% over the first quarter of 1958. Industrial Sales of \$155,400,000 are 13.4% above last year. Paint and Varnish category sales of \$108,000,000 are 4.9% over the same period of 1958 while Lacquer Sales of \$46,400,000 represent a 39% increase over the same 1958 period.

Total gallonage produced in March was 57,600,000. Trade Sales was 31,700,000 gallons. Industrial Sales was 25,900,000 gallons, of which 18,400,000 were paint and varnish and 7,500,000 were lacquer.

MEMBERSHIP: In the first quarter of 1959, eight new members were elected -- five Class A and three Class B.

GOVERNMENT PROCUREMENT: At the present time, there are no serious problems in the area of government procurement. There has been, however, some increase in the delinquency rate on Navy paint procurements for the Armed Forces. Paint contract delinquency is now 11%, as compared to the previous 8%. It is imperative that government contracts be performed strictly in accordance with the terms and conditions contained therein and that all deliveries be made on time.

TECHNICAL AND SCIENTIFIC

JOINT INDUSTRY EDUCATION COMMITTEE: The Committee met in Washington, March 10. It will determine what each local association and production club is doing on industry education before making further recommendations. A questionnaire was sent to each association and club requesting details of their individual programs.

The industry is being surveyed to determine what needs exist for additional technically-trained personnel (scientific, sales, administration and others). The Joint Committee will meet in June to consider results of the survey.

PAMPHLETS: A pamphlet, "Painting Swimming Pools", prepared in cooperation with the National Swimming Pool Institute, was published and distributed.

The following pamphlets are in preparation: "Painting Insulating Siding", "Painting Insulation Board", "Painting Concrete", "Finishing Hardwood Floors", "Finishing Furniture", "Painting Aluminum", "Painting Southern Yellow Pine", "Blister Resistant Paints". Many of these are being produced cooperatively with their trade associations.

SOVIET RUSSIAN LANGUAGE TECHNICAL LITERATURE: A Russian language technical article is now being translated. The translation will be studied and if it is of value to our industry, other articles will also be translated and the results made available to all members.

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PUBLICATIONS: The following were prepared and distributed: March 1959, Supplement 2, "Guide to U. S. Government Paint Specifications"; January 1959, Fifth Supplement to "Drying Oils Section, Raw Materials Index". The Petroleum Thinners Section has been revised and distributed.

ABSTRACT REVIEW: The monthly Abstract Review was issued on schedule. The annual author and subject index was prepared and distributed.

SCIENTIFIC SECTION CIRCULARS: Scientific Section Circular 782, "Heat Reflective Paints", was published and distributed in March. Other circulars being prepared are "Painting Vinyl Wall Coverings" and "Paints as Vapor Barriers". Three circulars are being revised - 644, "Comparison of Viscosimeters"; 732, "Construction Defects"; and 756, "Commercial Laboratories".

LABORATORY WORK: A blister resistance test is under way as a project of ASTM Committee D-1. Tests of the flexibility of paints on vinyl wall coverings are also being made.

Project No. 8, Standardization of Test Methods, is continuing. The second set of samples for this year was sent to cooperators in January. Results are being processed.

Cooperation continues with the American Society for Testing Materials and the American Oil Chemists' Society in the development and improvement of test methods.

Work with the Legal Division in the investigation of alleged false advertising and labeling has been continued.

FIRE RETARDANT PAINTS: Staff members attended the ASTM Committee E-5 on Fire Tests meeting in Pittsburgh, primarily to protect the interest of the paint industry regarding fire tests; also, the Spring meeting of ASTM Committee D-1 on Paints, in Columbus, Ohio, to advocate improved test methods for our industry's materials. During this latter meeting, our Subcommittee on Fire Retardant Paints met and recommended a series of tests be conducted of the several currently used methods for determining flame spread ratings. The results will be used to find what correlation, if any, exists among the several methods.

Fifteen laboratories which use five different types of fire tests have been invited to participate in a round robin series to evaluate these tests. Most have agreed. The paints for the tests have been purchased. Panels will be prepared and the test will start within the next six weeks.

GENERAL COUNSEL

PRISON PAINT: Kansas - A legislative plan to establish a prison paint plant at Lansing, Kansas, was defeated in the House. However, in conference with the Senate, the House position was reversed and the plan was enacted into law.

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West Virginia - A paint plant operates at the Moundsville State Penitentiary. By law, State agencies are required to use prison paint. There was recently announced an expanded sales program. However, after vigorous National Association and local protest, the Governor has stated that no public sales were intended. Since the law permits municipalities to buy prison paint at their discretion, the industry must continue its campaign to persuade these State agencies to purchase commercially-produced paint.

Pennsylvania - A rumor of a proposed paint plant at the Huntingdon Reformatory was checked and found to have no basis.

North Carolina - North Carolina has a prison paint factory and sells its products to municipalities. A Bill recently enacted, despite Association protest, makes prison-made products exempt from competitive bidding when offered to state agencies and requires such agencies to give preference to prison-made products.

Indiana - I have filed a protest with Governor Handley against the extension of the present prison paint plant.

STATE TAXATION OF INTERSTATE TRANSACTIONS: On February 24, the Supreme Court of the United States decided that states may tax a foreign corporation's net income derived from sales within the taxing state, even though such sales are exclusively in interstate commerce.

LEGAL AFFAIRS

TRAFFIC: The Traffic Committee met February 24. As a result of its recommendations, the Association now subscribes to all major traffic bulletins containing motor rate proposals and tariff information of interest to our industry. A "watching service" has been retained to cover traffic information affecting finished paint products.

We have opposed the adoption of Central States Motor Freight Bureau proposal 35050 which would apply rail class rates within Central States Motor Freight Bureau territory. We stressed our long-standing position that truck rates should be justified on their own merits and should not be considered on the same basis with rail rates. The Bureau has not acted as yet.

At the Association's request, Railroad Standing Rate Committees have added the following language to Group 547 of Tariff X-212:

"Paint, Lacquer, Varnish or Rust Preventive Pipe Line Coating Increasing, Reducing or Thinning Compounds NOIBN, as described in Item 75040 UFC No. 4"

The addition of Paint Oils, NOIBN, to the above group also has been approved at our request.

The Association is actively opposing the Central States Motor Freight Bureau's petitions for emergency increases of 5 percent on Class and Exceptions Rated Traffic and 7 percent on Commodity Rated traffic. A notice of appearance on behalf of the Association was filed in the I.C.C. proceedings several months ago. The hearing has not yet been scheduled.

The Association has filed a petition with the I.C.C. for Leave to Intervene and File Exceptions in Docket No. MC-64112 (Sub-No. 8) THE NORTHEASTERN TRUCKING CO., EXTENSION-SEALDTANKS. We took issue with the Examiner's Recommended Report that collapsible rubber containers called Seal tanks were tank vehicles and as such did not come within the Applicant's authority to transport general commodities. This finding is contrary to the report issued in I.C.C. Docket MC-8902 - Western Express Company, where the Commission Examiner's Report stated that the collapsible rubber tanks were mere containers and should not be considered as tank vehicles. We are awaiting the Commission's decision on our Petitions.

The Association is also following these items very closely:

1. The "Paint Case" - I.C.C. Docket 7027 - Eastern Railroads proposed reduction in rates and charges for paint and related products. Hearings have been held and the Commission's decision is awaited.
2. The Eastern Railroad's proposal to provide flat allowance to shippers who furnish tank cars on shipments moving under three hundred miles for specific commodities.
3. Proposed legislation in connection with I.C.C.'s recent recommendations that the all-bulk commodity exemptions in Part III of the Interstate Commerce Commission Act be repealed.
4. The operating authority of liquid commodities carriers and equipment essential for moving products of the paint industry.

TRADEMARKS: The Supplement to the 1957 Trademark Directory was issued March 15.

Approximately five hundred (500) copies of the 1957 Trademark Directory have been sold. These are in addition to those furnished as part of our regular service.

The American Embassy in Rio de Janeiro has informed us that, based on our protest, registration of the trademark SUPER-PLASTIC in Brazil will be rejected by the Brazilian Government.

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We have also protested applications for the registration of the descriptive word FLAT in France and East Germany.

LEGISLATIVE AFFAIRS

FEDERAL LEGISLATION: Labeling - Bills have been introduced in both the Senate and House requiring labeling of hazardous household products. These replace the Bush and Curtis bills of last year. The new bills are the consensus of representatives of the American Medical Association, Manufacturing Chemists Association, Chemical Specialty Manufacturers Association and American Petroleum Institute. No hearings have been scheduled and no action is expected during this session of Congress.

Good Faith Defense - Senator Kefauver has again introduced S.11 to do away with the "good faith" defense in meeting price competition. A similar bill has been introduced in the House by Representative Patman (Texas). Hearings have been held and strong opposition entered. This bill is not expected to pass.

Fair Trade Pricing - Representative Harris introduced a bill to permit manufacturers to establish retail prices. The purpose is to circumvent decisions which nullified Fair Trade Laws. The Department of Justice and Federal Trade Commission have objected. Hearings were held during March and the Committee Report is expected soon.

Functional Pricing - Five bills were introduced in the House which would require manufacturers to have price differentials for products sold at retail and wholesale. The Association protested similar bills last year. No hearings have yet been scheduled.

HOME IMPROVEMENT ACTIVITY: Federal Housing Administration has arranged for statewide home improvement proclamations to be issued by Governors of twenty states this year. Other states will do the same in 1960. The Association works closely with FHA officials on the scheduling of such home improvement activities and presidents of local associations are notified well in advance.

PUBLIC HOUSING: Public Housing Administration has adopted a new procurement policy. They will purchase commercial brands of paint in addition to Federal specification paints. The purpose is to get better quality paints where needed and to facilitate the use of paints by occupants in public housing developments. The Public Housing Administration is using Association pamphlets to instruct their tenants in proper painting practices.

MINIMUM PROPERTY STANDARDS: New Minimum Property Standards issued by Federal Housing Administration for new homes becomes effective July 1. Some FHA jurisdictions started using them April 1. The Association cooperated in writing the painting section.

BALTIMORE-NEW YORK PROBLEM: A special Association committee met with Dr.

Huntington Williams, Baltimore Health Commissioner, his staff, and Dr. Jerome Trichter, New York City Health Department, at Baltimore, March 26, to effect uniformity of wording on labels required for paint containing more than 1% lead in the Baltimore and New York areas.

The Baltimore ordinance is more specific than that of New York and Dr. Williams would not change the Baltimore wording. Dr. Trichter indicated that New York might change to the Baltimore wording if that will solve the problem. It is not a solution, however, for Kansas, Illinois and Connecticut have laws which agree with New York's and with our labeling recommendations.

Dr. Trichter suggested a national educational campaign, under Dr. Williams' leadership, aimed at preventing deaths by lead poisoning. I assured them of our industry support. Dr. Williams and Dr. Trichter will prepare a plan for our industry approval.

On March 31, the Baltimore Association proposed that labels with the Baltimore wording be affixed to the top of cans. This proposal is now under consideration by the Baltimore City Law Department.

NEW JERSEY LABELING LAW: A labeling law for paints containing more than 1% lead and other harmful substances was introduced in New Jersey. This bill is patterned after the Association's Model State Labeling Act. The New Jersey Department of Health endorses it.

This results from our cooperation with the Passaic County Grand Jury investigating three deaths and one illness from lead poisoning. In cooperation with the Lead Industries Association, we secured the services of Dr. Leonard Goldwater, Columbia University, to present practical facts to the Grand Jury. Copies of our approved precautionary labels and our pamphlets on preventing lead poisoning in the home, and painting children's toys were sent to the Prosecutor.

The Grand Jury's report spoke very favorably of the cooperation received from the Lead Industries Association and the National Paint, Varnish and Lacquer Association. The Grand Jury recommended enactment of a law for labeling lead paint.

MONTANA FORMULA LABELING ACT: The Montana legislature adopted a formula labeling act effective July 1, 1959. Complete formula labeling by percentages is required, similar to the North Dakota Law. We are working to have government and industrial sales exempted, and to have the limited product coverage of the Virginia law applied.

The Montana Commissioner of Agriculture has stated, "It is our intention to carry out our responsibility under this new act with as little hardship on the industry as possible." No rules and regulations have yet been adopted for enforcement.

INDIANA: A new hazardous substance law is effective in Indiana, January 1, 1960. It follows the Model Bill prepared by the Manufacturing Chemists Association and the Chemical Specialties

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Manufacturers Association and is in line with the Kansas Act. It also follows closely the labeling requirements from our approved precautionary labels. Registration will be required only for poisons. No registration will be required for non-poisonous, hazardous substances, but formulation by ingredients and percentages must be filed for information purposes. The bill does not name paint as such, and few paint products are expected to come within the poison definition.

At a meeting of the Indianapolis Paint, Varnish and Lacquer Association, Robert A. Tucker, Chief of Registration and Licensing, Indiana Food and Drug Division, stated that his division does not intend to use technicalities or arbitrary action in the enforcement of the law. When questions arise, he will discuss borderline matters with industry representatives before taking action.

OTHER STATES: In Texas, a contractors' license bill, in line with the Association's Model Licensing Bill, has been introduced.

In Maryland and Oklahoma, bills have been introduced restricting purchase of building material for public structures, schools, or places of public assembly to those with the one-hour Underwriters' Laboratories' fire rating and which do not give off asphyxiating or toxic fumes or vapors when heated in 1380° Fahrenheit for five minutes. The Bureau of Standards and our Technical Division has requested that a definite limitation on the amount of toxic fumes emitted under the test requirements.

A hazardous substance bill in line with the CSMA Model Bill has been introduced in Colorado and reported favorably by the Senate Committee. Bills requiring registration of hazardous substances and chemicals are in the House and Senate of Connecticut.

REFLECTORIZED LEGISLATION: In 1958 this Association protested legislation for reflectORIZED license tags so drawn that only one firm with patented material could supply the requirements. Such legislation was defeated.

This year, legislation was introduced in California calling for reflectorizing material on license tags. An interpretation of the California Bill permitted the use of non-patented paint processes. We take the position that if the bill, or the committee report on it, clearly indicates the intent to allow open and competitive bidding, we will not object.

CHEMICAL COATINGS

STEERING COMMITTEE: Wood Finishes Educational Program - At its February 27 meeting, the Chemical Coatings Steering Committee recommended that this program be approved as an Association activity. Full information with pledge forms have been mailed to all wood finishes manufacturers and their raw material suppliers. Pledges totalling \$65,000 are necessary to support the first year of the program. To date, more than \$40,000 has been pledged.

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SEMINARS: The Chemical Coatings Seminars will be held at the Waldorf-Astoria, New York City, May 14, 1959. There will be four day-long sessions for Chemical Coatings management personnel. This

year's topics and leaders are:

"Salesmen's Compensation" - Leader: Wm. J. E. Crissy, President,
Personnel Development, Inc.

"Problem Salesmen" - Leader: J. R. Oliver, President
J. R. Oliver Associates

"Keep It Legal" - Leader: J. T. Owens, General Counsel,
Pittsburgh Plate Glass Co.

"Cost Accounting" - Leader: Michael Schiff, Professor of Accounting,
New York University Graduate School of
Business Administration

MARKET RESEARCH PILOT STUDY: The Chemical Coatings Market Research Pilot Study, "Factors Affecting The Use of Chemical Coatings-Household Appliances", prepared by Case-Stanley Marketing Consultants, Inc., was presented to the Chemical Coatings Steering Committee, February 27, 1959. It contains much helpful information but it was not considered of sufficient value to warrant a full scale research program in the chemical coatings market.

ALUMINUM SIDING ADVERTISING: As recommended by the Chemical Coatings Steering Committee, I sent a letter to the Aluminum Siding Association calling attention to exaggerated advertising claims for organic coatings on aluminum siding. The Aluminum Siding Association is in full agreement with our position and has mailed copies of our letter to all its members and prospective members.

MISCELLANEOUS: The Steering Committee discussed the improvement of communications between Local and the National Paint, Varnish and Lacquer Association with particular reference to activities of the National Association. A subcommittee will be appointed to work with the Regional Vice Presidents on this problem.

The Chemical Coatings Division is collecting information to determine industry-wide interest in development of a multi-component package for new paint products, such as the multicolored paints and those requiring a catalyst, where the components must be kept separate until use. Results will be relayed to can manufacturers who have promised to initiate research in this area if our interest justifies the expense involved.

TECHNICAL COMMITTEE: The following papers were presented at the February Chemical Coatings Technical Committee meeting and are available upon request at Association Headquarters:

"Forecast of Business Conditions for 1959" - Paul J. Weber,
Hercules Powder Co.

"Your Promotional Program - 'A Tiger By the Tail'" - Donald G. Luback,
Hammond Organ Co.

"Trends in Film-Formers" and "Color in Chemical Coatings" - E. R. Call, Director, Marketing Research and Statistics Division,
National Paint, Varnish and Lacquer Association

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"Solventless Finishes" - H. W. Howard, Shell Chemical Co.

"Hot Dip Comes of Age" - Edward A. Ash

TRADE SALES DIVISION

TECHNICAL SUBCOMMITTEE: This committee is developing technical projects meaningful to trade sales producers. Items presently being considered are: Consumer booklets on flat wall paints and refinishing furniture; material stressing the need for paint primers; preparation of booklets on industrial and institutional maintenance; investigate the back priming of lumber as standard practice; study wood preservation methods and publish the findings; develop information on major paint complaints and how to handle them. These recommendations will be presented to the Trade Sales Steering Committee.

TRADE SALES COLOR PROMOTION SUBCOMMITTEE: 65,000 copies of the consumer color booklet, "Decorate to Flatter Your Personality", have been distributed. Other color booklets being prepared under direction of the Trade Sales Color Promotion Subcommittee are: "Color Is Magic", "Different Colors on Various Woods", "Decorating to Create a Mood", and "The Effect of Light on Color".

A list of available industry color films has been collected and is being included in our current industry film list.

PUTTY, GLAZING AND CAULKING COMPOUND DIVISION

STEERING COMMITTEE: This Committee met March 12. Members detailed new projects to make this Division more effective and provide a constructive program for the putty, glazing and caulking industry.

A mail vote is currently being taken on the recommendation that the "U. S. Department of Commerce Simplified Practice Recommendations, R-144-55", relating to type of containers for putty, glazing and caulking compound materials, be revised, changing the unit of measurement from the pound to a volume.

TECHNICAL SUBCOMMITTEE: Work continues on revision of Federal Interim Specification TT-G-00410, "Elastic Glazing Compound for Metal Sash Face and Channel Glazing". GSA has been requested to continue this specification as an interim standard so further changes may be incorporated.

Work continues with the ASTM and Asbestos Cement Products Association on the revision of Federal Specification TT-C-598, "Caulking Compounds".

ROOF COATING DIVISION

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STEERING COMMITTEE: Division members have been requested to supply public relations material for use in educating consumers on the use of roof coatings, advantages of quality roof

coatings and proper roof maintenance.

TECHNICAL SUBCOMMITTEE: This group met March 4. Basic characteristics have been outlined for inclusion in a federal specification on an aluminum pigmented roof coating. Raw Material Suppliers of Asphalt Cutbacks have been asked to supply product data on their respective cutback. This information will be included in the Raw Materials Index.

JOINT PAINT INDUSTRY COORDINATING COMMITTEE

The Committee met in New York, March 1. Topics discussed were: Member Association activities; Painting and Decorating Credit Plan; Industry Color Changes; Clean Up-Paint Up-Fix Up and Apprentice Training. Member associations are cooperating to support local promotions to educate end users on the availability of deferred payment for paint products and paint jobs.

MARKETING RESEARCH AND STATISTICS DIVISION

TRADE SALES MOTIVATION RESEARCH: Results of a pilot study among consumers of trade sales paints to discover the WHY's behind their decision to paint or not to paint were presented to the Marketing Research and Statistics Committee, February 10. The Subcommittee's recommendations were presented to the Public Relations and Publicity Committee on Wednesday, April 22.

ANNUAL COLOR SURVEY: Our Annual Color Survey of Ready-Mixed Trade Sales Paints is now being tabulated. The report this year will be of greater value than in prior years because of a new method adopted by the Inter-Society Color Council. This method uses the Inter-Society Color Council-National Bureau of Standards Color Names System as a base, resulting in a compatibility with color data from other industries never before attainable.

CREDITS AND COLLECTIONS: The monthly survey of industry trends in the number of days outstanding and percentage of collections continues.

At each meeting of the Credits and Collections Committee, a member presents a paper on a particular phase of credit work. These papers are very helpful to paint, varnish and lacquer manufacturers in strengthening relations between credit departments, sales departments and dealers.

Our Annual Survey of Bad Debt Losses for 1958 has been mailed to contributing members. The percentages of sales charged off to Bad Debts showed a slight increase over the past two years, but we are still doing an excellent job in holding down bad debt losses.

COLOR CARD USAGE SURVEY: Results of this Annual Survey were mailed to all Class A members

COLOR TRENDS: At its annual meeting on April 1, the Inter-Society Color Council accepted a method proposed by the Association which makes it possible to collect data on historical color usage, in all industries, on a compatible basis. Several industries of major importance in establishing color trends have already adopted this method. The Council is now considering the establishment of a central office to facilitate comparison of intra-industry color usage trends.

WHOLESALE PRICE INDEXES: The Bureau of Labor Statistics has issued a revised version of the Prepared Paint and Paint Raw Materials Wholesale Price Indexes, as requested by your Association.

PUBLIC INFORMATION DIVISION

Ted Deglin & Associates, our public relations and publicity counsel, is effectively promoting our products as evidenced by the sustained demand for industry information, booklets, films and feature stories.

Our program spans the entire range of publicity media, both large and small. Stepped-up interest has been shown by fashion publications, syndicated wire services and trade publications. During the past quarter, we have had many paint credits on radio and TV in the form of situation shots and plays.

Our filler features and editor's desk program serves more than 1,000 weekly, daily and Sunday newspapers. That this material is being used effectively is proved by our clipping services. In addition, Ted Deglin has initiated a new monthly service to radio stations that is proving most effective with "Here's How" booklets offered to listeners upon request.

We continue to work closely with related industry groups, and presently are working on a wide-scale publicity promotion with the can industry which celebrates its 150th anniversary this year.

HIDDEN POWER: Sales Training classes for Dealers and Dealers' Clerks have been completed in Toledo and Savannah. Thirty-six graduates have been awarded Certificates of Merit. New classes are being organized throughout the country with the aid of local paint, varnish and lacquer associations, paint salesmen's clubs and the Distributive Education Branch, Vocational Service, U. S. Office of Education.

The first unit of the Chemical Coatings Sales Training Program has been completed, ready for printing. The first draft of Unit II is being prepared for mailing to the committee supervising its preparation. Unit III is in preparation by the writer, and material is being collected for Unit IV. The Trade Sales Section for Manufacturers' Salesmen will be sent to committee shortly. The main portion of the Color Section is complete and is now ready for committee review. Hidden Power has received excellent response to date from all segments of the industry.

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INDUSTRY FILMS: The growing demand for the Association's films necessitated the purchase of additional prints. School requests have been particularly numerous, due in large measure to the film strip distributed by Ted Deglin & Associates. The Association films are also listed in school, agricultural and industry publications and showings are booked many months in advance.

Films are used extensively during local Clean Up-Paint Up-Fix Up campaigns and are constantly shown before civic, women's and educational groups as well as paint salesmen and other organizations affiliated with the paint industry.

CLEAN UP-PAINT UP-FIX UP

Final judging of the 1959 National Cleanest Town Contest took place early in March. Philadelphia and Detroit shared top honors. This is only the second time that two cities have tied for the top award, the Ernest T. Trigg Trophy. Duplicate Trigg Trophies were given to Philadelphia and Detroit, and each also received duplicate trophies in the population category for cities over one million.

Other top population class winners were Cincinnati, Ohio (500,000 to 1,000,000); San Antonio, Texas (100,000 to 500,000); East Chicago, Indiana (50,000 to 100,000); Belleville, Illinois (25,000 to 50,000); Morristown, Tennessee (10,000 to 25,000); Hartsville, South Carolina (5,000 to 10,000); and Northville, Michigan (under 5,000). Fifteen other cities received trophies while twenty-six communities were awarded Certificates of Distinguished Achievement.

Increased interest in the Clean Up program is manifested by several new area programs; Southern California, Century 21 Washington State Beautification Committee, Northeastern Vermont Development Committee, "Rush to the Rockies" rejuvenation effort for the Colorado Centennial, and the Lake Champlain Anniversary Celebration.

The February and March issues of the LINAGE BOOSTER of the Bureau of Advertising - American Newspaper Publisher's Association - supports the Clean-Up Campaign. This publication is mailed to over 1,000 newspapers and 3,500 newspaper salesmen throughout the country.