AGENDA
MEETING OF THE MCA BOARD OF DIRECTORS
11.00 a.m. (EDT), Tuesday, May 12, 1964
Union Club, New York City

I. MINUTES OF APRIL 14, 1964, MEETING.

II. REPORT OF THE TREASURER.
Financial Report for Eleven Months Ending April 30, 1964. (Enclosure)

III. BOARD OF DIRECTORS.
(a) Budget and Financing for 1964-65.
(b) Nominating Committee -- Officers and Directors for 1964-65.
(c) Annual Report for 1963-64.
(d) Amendments to the By-Laws.
(e) 92d Annual Meeting -- Final Arrangements and Registration.
(f) Membership Committee -- Applications of
Archer-Daniels-Midland Company (Reinstatement)
Dow Corning Corporation

IV. COMMITTEE APPOINTMENTS. (Enclosure)

V. STAFF REPORT AND MISCELLANEOUS ITEMS.

NEXT MEETING: The Directors will meet for cocktails and dinner at The Greenbrier, White Sulphur Springs, W. Va., at 6:00 p.m. (EDT), on Wednesday, June 10.

MINUTES of the one hundred thirty-eighth meeting of the Directors of the Manufacturing Chemists' Association, Inc., held at the Union Club, New York City, on Tuesday, May 12, 1964, at 11:00 a.m. (EDT).

There were present:	Chester M. Brown	H. E. Martin
	F. L. Bryant	Charles S. Munson
	David H. Dawson	J. A. Neubauer
	George H. Decker	Thomas S. Nichols
	William P. Drake	Robinson Ord
	Raymond F. Evans	Harold E. Thayer
	D. S. Frederick	O. V. Tracy
	Carl A. Gerstacker	G. L. Weissenburger
	Ralph K. Gottshall	W. N. Williams
	Kenneth H. Hannan	John E. Wood III
	Thomas C. Jones	M. F. Crass, Jr.

Alternates:	Henry Avery (for W. Kenneth Menke)
	J. E. Burrell (for J. A. Neubauer)
	F. D. Chittenden (for George R. Vila)
	Bert Cremers (for Robert B. Semple)
	T. L. Cubbage (for R. W. Thomas)
	J. D. Gunther (for John A. Hill)
	Hugh C. Land (for William P. Drake)
	John O. Logan (for Thomas S. Nichols)
	W. T. D. Ross (for Robinson Ord)
	Charles H. Sommer (for John L. Gillis)
General Counsel:	Alexander B. Hawes - Fowler, Leva, Hawes & Symington
Present by Invitation:	A. E. Settle - MCA

I. MINUTES OF APRIL 14, 1964, MEETING.

The Minutes of this meeting were duly approved as submitted to the members.

II. REPORT OF THE TREASURER.

Financial Report -- June 1, 1963 - April 30, 1964. The financial report for the eleven months ending April 30, 1964, was summarized by the Treasurer.

ON MOTION duly made and seconded, it was

VOTED: That the report be accepted and placed on file.

III. BOARD OF DIRECTORS.

(a) Budget and Financing. Following a summarized presentation of budget and method of financing for fiscal 1964-65 by Mr. Evans in behalf of the Executive and Finance Committees at the April 14 meeting, the Secretary, on April 21, transmitted to the Directors a detailed documentation of both budget and financing for advance study preparatory to the May 12 meeting. Mr. Evans discussed this and questions directed from the floor were answered. Following discussion,

ON MOTION duly made and seconded, it was

VOTED: That a budget for the 1964-65 fiscal year in the amount of $1, 128, 785 be approved for presentation to the membership -- such funds to be raised by use of the current fee classification schedule, including maintenance of the basic 5% increase levied last year but eliminating last year's 5% assessment.

(b) Nominating Committee. In behalf of the Nominating Committee, Dr. Frederick presented the following slate of Officers and Directors for submittal to and action by the membership at the 92d Annual Business Meeting on June 11:

Chairman of the Board -- Ralph K. Gottshall, President, Atlas Chemical Industries, Inc.

Chairman of the Executive Committee -- R. C. McCurdy, President, Shell Chemical Company

President -- George H. Decker

Vice Presidents -- Thomas S. Nichols, Chairman, Executive Committee, Olin Mathieson Chemical Corporation
Kenneth H. Hannan, Executive Vice President, Union Carbide Corporation

Secretary-Treasurer -- Maurice F. Crass, Jr.

Directors --

(Term Expires May 31, 1965)
C. B. McCoy, Vice President, E. I. du Pont de Nemours & Co.

(Term Expires May 31, 1966)
J. Robert Fisher, President, Gamma Chemical Corporation

(Term Expires May 31, 1967)
F. L. Byrom, President, Koppers Company, Inc.
Herschel H. Cudd, President, Amoco Chemicals Corporation
Harold W. Fisher, Vice President, Standard Oil Company (N. J.)
William P. Marsh, Jr., Executive Vice President, National Distillers & Chemical Corp.
Donald D. Pascal, President, National Starch & Chemical Corporation
Joseph E. Rich, President, Morton Chemical Company

(Term Expires May 31, 1967)

Wesley H. Sowers, President, Frontier Chemical Company
Joseph R. Stevens, President, J. T. Baker Chemical Company
Hans Stauffer, President, Stauffer Chemical Company
Robert C. Swain, Vice President, American Cyanamid Company
Harry B. Warner, President, B. F. Goodrich Chemical Company

Presentation of the above report, insofar as nominations for Directors are concerned, assumes approval by the membership of the accompanying proposal to amend Article V, Section 1, of the By-Laws, increasing from 30 to 33 the number of Directors on the Board.

(c) Amendments to the By-Laws. Sent to Directors in advance of the meeting were recommendations of the Executive Committee for amendment of the By-Laws to accomplish (1) an increase in the number of Directors from 30 to 33; (2) removal of a current inconsistency to make it clear that action by the entire membership is necessary to increase the size of the Board; and (3) formalization of the Office of Secretary-Treasurer. These proposals are spelled out in detail in Appendix I attached to these Minutes.

ON MOTION duly made and seconded, it was

VOTED: That the proposals be approved for presentation to the membership at the 92d Annual Meeting of the Association on June 11.

(d) Annual Report for 1963-64. Copies of the Annual Report in draft form were sent to the Directors by the Secretary on April 30. Comments received have been incorporated in the draft which will be submitted to the printer on May 15. Copies of the printed report will be mailed to all Executive Contacts and members of the technical and functional committees on June 11 -- the day of the Annual Meeting.

(e) 92d Annual Meeting. The Secretary reported briefly on arrangements and facilities for this meeting. He stated that the program had been finalized and that in excess of 900 registrations had been received from 170 member firms. Capacity of The Greenbrier has been exhausted and additional registrations can be accepted only on the basis of cancellations received. Copies of the advance program, budget and financing for fiscal 1964-65, Nominating Committee Report, and proposals to amend the By-Laws will be distributed to the Executive Contacts for advance consideration on May 15.

(f) Membership Committee. Chairman Bryant reported that an application had been received from

Dow Corning Corporation

and that, in the opinion of the Membership Committee, the applicant was qualified for membership under the Association's By-Laws.

ON MOTION duly made and seconded, it was

VOTED: That the applicant be approved, subject to the 30-day notification to members provided under Article III, Section 4, of the By-Laws.

Chairman Bryant also stated that an application had been received from Archer Daniels Midland Company which was approved by the Membership Committee. In the case of ADM, the action constitutes a reinstatement of membership, since the firm had been a member of the Association at an earlier date.

ON MOTION duly made and seconded, it was

VOTED: That the application be accepted.

IV. COMMITTEE APPOINTMENTS.

The following committee appointments were approved:

(a) Air Quality Committee.
David B. Andrews, Koppers Company, Inc., as Chairman.
Jerome Wilkenfeld, Hooker Chemical Corporation, as Vice Chairman.

(b) Chemical Packaging Committee.
J. H. Begley, Stauffer Chemical Company, as Vice Chairman.
W. H. Mulqueen, Enjay Chemical Company, replacing E. M. Townsend.

(c) Committee on Tank Cars, Tank Trucks, and Portable Tanks.
C. S. Edmonds, Jr., Diamond Alkali Company, replacing E. L. Santner.

(d) Environmental Health Advisory Committee.
Joseph T. Gormally, Pennsalt Chemicals Corporation.

(e) Insurance Committee.
William L. Hollingsworth, Olin Mathieson Chemical Corporation, as Chairman.
John J. Murphy, S. B. Penick & Company, as Vice Chairman.

(f) International Trade Committee.
George W. Flanagan, B. F. Goodrich Chemical Company, replacing R. P. Kenney.

(g) Public Relations Committee.
Donald E. Lynch, Hooker Chemical Corporation.
James E. McKee, Jr., Monsanto Company.

(h) Reactive Metals Advisory Committee.
J. T. Timmins, Chromium Mining and Smelting Corporation, as Chairman.
E. R. Rowley, National Lead Company, as Vice Chairman.

(i) Tax Policy Committee.
E. P. Lyons, Olin Mathieson Chemical Corporation, replacing W. M. Horne, Jr.

(j) Washington Advisory Committee.
Carstens Slack, Phillips Petroleum Company, as Vice Chairman.

V. STAFF REPORT AND MISCELLANEOUS ITEMS.

(a) President's Report. General Decker presented a detailed summarization of developments in the Association's program of projects and activities since the last meeting. Copy is appended to these Minutes as Appendix II.

(b) Technical Advisers for GATT Negotiations. Included in Item (a) above was a report on progress made in the nomination and utilization of industry advisers for the GATT negotiations. Mr. Dawson supplemented General Decker's report and summarized prior Executive Committee discussion, including a consensus that MCA would not press for advisers for classification groups other than Industrial Chemicals and Metals at this time.

(c) Economic Facts Study. It was reported that the pilot study was now in the hands of the printer with publication expected during the latter part of May.

(d) September 1964 Directors' Meeting. It was agreed that the September Board meeting should be scheduled on the 15th of the month rather than on the 8th which immediately follows Labor Day.

There being no further business to come before the meeting, it was unanimously resolved to adjourn.

M. F. Crass, Jr.
Secretary-Treasurer

APPROVED: David H. Dawson
Chairman

Attachments

PROPOSED AMENDMENTS TO THE BY-LAWS

92nd Annual Meeting

June 11, 1964

(Deleted wording is bracketed; new wording is underscored.)

ARTICLE V. BOARD OF DIRECTORS

Section 1. --- Functions and Powers

"The business and affairs of the Association shall be managed by a Board of Directors consisting of the Chairman of the Board, the Chairman of the Executive Committee, the President, two Vice Presidents, /the Treasurer,/ and twenty-eight (28) /twenty-four (24)/ additional Directors. It shall be the duty of the Board.."

Reason

Seven years ago, with an Association membership of 159 firms, the By-Laws were amended to increase from 27 to 30 the number of Directors on the Association's Board. Since that time MCA membership has increased to 204 firms--a figure which, in the opinion of the Directors, warrants a further enlargement of the Board in order to afford proper representation of member firms. The Directors also feel that the provision for the Treasurer being a Director should be removed, inasmuch as this office was combined with the office of the Secretary eleven years ago, and the vacant directorship filled by election from the membership.

Section 4. --- Vacancies

"Any vacancies among the members of the Board of Directors may be filled until the next Annual Meeting of the Association by the Board or, if not filled by the Board, by the members of the Association at a special meeting. The term "vacancy" as used in this section shall include any directorship which is unfilled as the result of the death, resignation, removal or disqualification of a Director. /, or of an increase in the number of Directors occurring by amendment of these By-Laws between Annual Meetings of the Association, or of any other cause./"

Reason

To remove an inconsistency with Article XI and to make it clear that action by the membership is required to increase the number of Directors.

As previously stated, the Office of Treasurer was consolidated with that of the Secretary, eleven years ago. In the opinion of the Directors, the combined office has functioned satisfactorily. It is therefore proposed to formalize this arrangement, and the following amendments to the By-Laws are proposed to accomplish this:

ARTICLE V. BOARD OF DIRECTORS

Section 9. --- Minutes

"The Board of Directors and the Executive Committee, respectively, shall keep minutes of its proceedings and after each meeting shall transmit to the /Secretary/ Secretary-Treasurer of the Association, for permanent filing among the records of the Association, a copy of the minutes of such meeting . . ."

(OVER)

Section 10.--- Special Provision/s/ with Respect to the President /and the Treasurer/

". . . /Notwithstanding the other provisions of this Article V, the Secretary of the Association may, in the discretion of the Board of Directors, be designated to serve as the Treasurer of the Association, in which event the provision of Section 1 hereof whereby the Treasurer is required to be a Director shall not apply./"

ARTICLE VI OFFICERS

Section 1. --- Number and Election

"The Officers of the Association shall consist of a Chairman of the Board, a Chairman of the Executive Committee, a President, two Vice-Presidents, /a Treasurer, and a Secretary, each of whom, except the Secretary/ and a Secretary-Treasurer, each of whom, except the Secretary-Treasurer, shall be a member of the Board of Directors. ."

Section 6.---/The Treasurer/; and Section 7 - /The Secretary/ Consolidate thes two sections into a new Section 6 - The Secretary-Treasurer, to read as follows:

"The Secretary-Treasurer shall be appointed by and shall hold office during the pleasure of the Board of Directors. He shall be the chief administrative, financial and accounting officer of the Association and shall have charge of all funds of the Association and shall cause such funds to be deposited to the credit of the Association in one or more banks designated by the Board of Directors. Such funds may be drawn only over the signature of such person or persons as may be authorized by the Board of Directors. The Secretary-Treasurer may be required, at the expense of the Association, to give a bond for the faithful discharge of his duty in such amount and with such conditions as the Board of Directors may require.

"The Secretary-Treasurer shall have the custody of the books and papers and the Corporate Seal of the Association; shall keep a correct roster of all members with their last known addresses; and shall maintain a proper record of all dues, fe s and contributions received.

"The Secretary-Treasurer shall give notice of and attend all meetings of the Association and of the Board of Directors, and shall keep minutes of such meetings. He shall notify the Officers and Directors and members of the Association of their election, and committee members of their appointment.

"In case of the absence or disability of the Secretary-Treasurer, the Board of Directors may appoint an acting Secretary-Treasurer."

Section 8.---Additional Officers

Re-number this section to read Section 7.

Section 9. --- Compensation of Officers

Re-number this section to read Section 8.

"The Chairman of the Board, the Chairman of the Executive Committee, and the Vice Presidents /and the Treasurer/ shall serve without compensation .... The President (if full time), ~~the~~ /Secretary/ Secretary-Treasurer, any officers and agents elected under Section /8/ 7 of this Article, and all other employees of the Association shall receive such compensation as may be determined by the Board of Directors."

ARTICLE VII. MEETINGS

Section 1. --- Annual Meeting

"....... At least fourteen days written notice of the Annual Meeting shall be given by the /Secretary/ Secretary-Treasurer to each member of the Association."

MCA STAFF REPORT
Delivered by General G. H. Decker
May 12, 1964

Since the previous Board meeting, the Department of Agriculture held hearings in Memphis and Baton Rouge to determine whether or not registrations of Aldrin, Dieldrin and Endrin should be canceled or modified, and the Public Health Service has held a Water Pollution Enforcement Conference in New Orleans, all growing out of the Mississippi Fish Kill. In another sequel to this occurrence, Senator Ribicoff, on 30 April 1964,introduced S. 2792, which would provide for the registration of pesticide manufacturers with, and the inspection of their factories by, the Department of Agriculture and would require them to obtain waste disposal permits from the Department of Health, Education, and Welfare. Because of the potential impact of this legislation on interests of the chemical industry beyond those related to pesticides, it has been referred to the MCA committees concerned with environmental health to obtain their views as to the extent of the Association's policy interest therein. An identical bill was introduced in the House by Representative Rosenthal on May 4. The bills have been referred to the Senate and House Agriculture Committees but no hearings have been scheduled.

The intensity of concern by the public in the now joint problem of water pollution and agricultural chemicals has increased tremendously during the past month. Newspapers from coast to coast, network radio and television are giving extensive treatment to the subject. A major story is under way by the SATURDAY EVENING POST on the subject of water pollution, although it will treat in part the pesticide matter in the Mississippi. Staff cooperation with this publication has been continuous, although the article probably will not appear before early June.

On April 28, 1964, the Commissioner of Internal Revenue was furnished the comments of the MCA Tax Policy Committee on proposed regulations published in the Federal Register of March 20, 1964, relating to earnings and profits of controlled foreign corporations. Basically, the Committee's comments urged more recognition be given to generally accepted accounting methods used by U. S. corporations to reflect the operations of foreign subsidiaries.

Last month I reported that the Association had written to Senator McClellan, Chairman of the Senate Subcommittee on Patents, Trademarks, and Copyrights, endorsing Senator Dodd's bill to increase patent fees in preference to a House-passed bill having the same purpose, which would, in addition, establish a system of patent maintenance fees. On April 30, Senator Dodd commended the MCA letter as "an expert and able argument" in support of his bill and inserted it in its entirety in the Congressional Record of that date.

On April 22, the Department of Defense announced drastic revisions of its plans announced earlier to conduct classified briefings for top industry representatives on long-range trends and anticipated requirements in defense research and development. Apparently, industry interest was tremendous and resulted in a problem of accommodating the numbers interested, on an equitable basis, while maintaining necessary security. In lieu of the proposed briefings, the previous long-standing practice of the military departments of providing technological briefings for segments of industry will be continued. Additionally, the Department of Defense will conduct unclassified regional briefings sponsored by N.S.I.A. in major metropolitan areas. DoD has indicated that it will in the future work more closely with interested associations in the development of association-sponsored planning briefings and symposia considered to be desirable and of value to the industry segment represented by the association.

Representatives of the chemical industry on the West Coast met with Mr. Harrison of the Association Staff in San Francisco April 27th to implement the plan to establish a West Coast CIC. Mr. Warren Moyer, President of Chipman Chemical Company, was elected chairman of the West Coast Organizing Committee. He and Mr. Ernest Hart, Director of FMC Corporation, are working with three Regional Coordinators to provide a series of organization luncheons. Mr. Thomas C. Jones, of our Board of Directors, has agreed to speak at the luncheons to be held in Tacoma, San Francisco, and Los Angeles during the week of June 14. I would like to express my appreciation for the splendid support of the Members of the Board and our Executive Contacts in connection with this project.

Each CIC has been apprised of the Board's Resolution establishing a CIC Advisory Committee. CIC Chairmen are being asked to nominate individuals for consideration by the Board, hopefully at its June meeting, for membership on the new Committee.

On May 3rd MCA publicly announced the three recipients of the Association's 1964 College Chemistry Teacher Awards: Dr. Hubert N. Alyea, Professor of Chemistry at Princeton University; Dr. Sara Jane Rhoads, Professor of Chemistry at the University of Wyoming; and Dr. John H. Wolfenden, Professor of Chemistry at Dartmouth College. All three have accepted the invitation to be present for the awards ceremony at the Association's Annual Meeting on June 11th, and Dr. Wolfenden has consented to make brief remarks at the business meeting.

Chemical & Engineering News for May 18 will contain an article based on an EAC survey of chemistry and chemical engineering graduates now employed by industry. The story will be based on the employees' evaluation of their formal training.

On May 4 Mr. William Rodd, Chairman of the Trade Information Committee, wrote to MCA requesting nomination of a representative of the chemical industry to serve as an advisor to the U.S. negotiators during the Kennedy Round of trade negotiations. Apparently the diversification that exists within the industry is recognized since nominees are being requested from other associations to advise concerning Benzenoid Organics, Pharmaceuticals, and Man-Made Fibers. In my reply to Mr. Rodd it was suggested that an additional representative for Ferroalloys would be desirable.

Mr. Myron Foveaux of the Monsanto Company was nominated as the MCA representative with the proviso that, after further consideration, the Association might wish to provide an additional nominee. Mr. G. L. Weissenburger of Vanadium Corporation of America and Mr. B. R. Buck of Union Carbide Corporation were nominated to represent Ferroalloys.