

MINUTES of the thirtieth meeting of Directors of the Manufacturing Chemists' Association, Inc., held at The Greenbrier Hotel, Virginia Room, White Sulphur Springs, West Virginia, on June 11, 1953, at 8:30 A.M. (EST).

There were present:

Messrs.	W. H. Ward	R. L. Murray
	Charles S. Munson	J. Oostermeyer
	E. T. Asplundh	Dan M. Rugg
	George B. Beitzel	John A. Sargent
	W. M. Billing	R. B. Semple
	F. J. Emmerich	K. C. Towe
	H. W. Fisher	Rothe Weigel
	D. S. Frederick	M. F. Crass, Jr.

Alternates:

Walter Dannenbaum (for W. H. Ward)
 John A. Hill (for Charles S. Munson)
 D. R. Means (for E. T. Asplundh)
 Paul Kendall (for George B. Beitzel)
 Carl Gerstacker (for L. I. Doan)
 J. G. Park (for H. W. Fisher)
 F. O. Haas (for D. S. Frederick)
 Ernest Hart (for Paul L. Davies)
 John L. Davenport (for John E. McKeen)
 R. W. Hooker (for R. L. Murray)
 L. M. Roberts (for J. Oostermeyer)
 John R. Hoover (for W. S. Richardson)
 B. J. C. van der Hoeven (for Dan M. Rugg)
 D. S. Carmichael (for J. A. Sargent)
 Ford Ballantyne, Jr. (for R. B. Semple)
 Howard R. Huston (for K. C. Towe)
 J. M. Gillet (for Rothe Weigel)
 John L. Gillis (for F. N. Williams)

Absent:

L. I. Doan
 Paul L. Davies
 John E. McKeen
 W. S. Richardson
 F. N. Williams

Present by Invitation:

H. H. Fowler, Fowler, Leva, Hawes & Symington
 Marx Leva, " " " "
 John W. Hill, Hill & Knowlton, Inc.
 Bert Goss, " " "
 Howard S. Bunn, Union Carbide & Carbon Corp.

I. MINUTES OF MEETING

The Minutes of the May 12, 1953, meeting were duly approved as sent to the members.

II. FINANCIAL REPORT

(a) Cash Report. The cash report of the Association for the period June 1, 1952, to May 31, 1953, was reviewed, and

On Motion duly made and seconded, it was

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

(b) Audit Report. The audit of the Association's financial records by Phagan, Tillison & Tremble, was presented and the summary follows:

Assets - In Banks	- General Account	\$101,481.28
	- Savings Account	11,126.95
	- Washington Account	15,000.00
	- Petty Cash Account	200.00
	- Dep. - Supt. of Documents	150.00
	Total	\$127,958.23
Liabilities - Taxes withheld from Employees		\$ 1,924.80
Fee paid by member in advance		300.00
	Total Liab.	\$ 2,224.80
Surplus - Balance		\$153,365.52
- Less - Excess of Expenses over Income		27,632.09
	Surplus	\$125,733.43

The Secretary supplemented the foregoing report as follows:

The budget approved at the 80th Annual Meeting called for expenditures as follows:

Washington Office Operations	\$249,185.00
Public Relations	\$210,000.00
Total	\$459,185.00

Expenditures of the Washington office, including counsel fees, amounted to \$206,880.22, with a resultant saving of \$42,304.78 as compared with the budgeted amount. The greater portion of these savings came from credit on publications sales, salary account, mobilization activities, counsel fees and special meeting income.

CMA 067087

The Public Relations budget account of \$210,000 was determined on the basis of a probable \$65,000 carryover from 1951-52. This carryover was reduced by \$8,633.77 through resignations and necessary 1952-53 membership fee adjustments; by the Public Opinion Research Corp. fee of \$7,482; by the special edition of the New York Herald Tribune at cost of \$1,600; and by the May 1952 Hill & Knowlton bill of \$15,917.03 paid during July 1952, to a total available amount of \$176,221.71. Actual public relations expenditures for the fiscal year amounted to \$190,687.94, constituting an over-expended budget of \$14,685.97. It is contemplated that of this amount, \$13,839.96 will be recovered through billings on member purchases of the Facts Book, leaving a final deficit or over-expenditure in the Public Relations account of at least \$626.27.

Our books showed a surplus of \$153,365 at the end of the last fiscal year, which, however, included commitments for Plastics Data Book of \$7,650; Plastics Research Project of \$2,250; and Public Relations of \$56,366. Thus, the uncommitted surplus at the beginning of the 1952-53 fiscal year was \$87,099. Our books as of June 1, 1953, with all bills paid, showed a surplus of \$125,733.43. Hence we accumulated a net savings of \$38,634.43 during the year.

(c) Budget for Fiscal Year 1953-54. At the May 12, 1953, meeting of the Board of Directors, a tentative budget of \$423,540 was approved for presentation to members at the 81st Annual Meeting as follows:

Washington Office	\$260,040
Water Pollution Research Project	15,000
Technical Committees and Special Meeting Expense	3,500
Public Relations	<u>145,000</u>
Total	\$423,540

On the basis of 1951 payroll data now on hand and without changing the membership fee base, it is estimated that approximately \$396,000 could be raised. Limited to this income, Association operations at the end of fiscal 1953-54 would be in the red by a substantial amount.

On Motion duly made and seconded, it was

VOTED: (1) That the budget as presented be approved for presentation to the membership; (2) That the current fee basis be maintained; and (3) That members' wage and salary payroll data on file with the Washington office be brought up to date by circularization of the membership for the fiscal period June 1, 1952 - May 31, 1953, and that the scale of fees now in effect be applied on the basis of the more recent wage and salary figures.

(d) Financial Arrangements for Fiscal 1953-54. In keeping with transference of the Treasurer's functions to the Secretary's office, the following resolution was unanimously adopted by those present:

That the funds, designated as "General Account" on the books of the Association, maintained at The Hanover Bank, 42nd Street and Madison Avenue,

New York, N. Y., be transferred to the National Savings and Trust Company, 15th Street and New York Avenue, N. W., Washington 5, D. C.;

That the Association maintain two (2) accounts at the National Savings and Trust Company, one account to be designated as "General Account" and the second account to be designated as the "Payroll Account;"

That withdrawal of funds from the "General Account" be made only over the signatures of any two of the following individuals:

President	Mr. William C. Foster
Chairman of the Board	Mr. Charles S. Munson
Secretary-Treasurer	Mr. M. F. Crass, Jr.
Assistant Secretary	Mr. F. H. Carman
(Alternate for Mr. Carman)	Miss M. V. Campbell
(Alternate for Mr. Crass)	Mrs. Elvie K. Oberti

Miss Campbell and Mrs. Oberti may not sign jointly to withdraw funds, but can only be used as alternates for Mr. Munson, Mr. Crass or Mr. Carman;

That funds from the "Payroll Account" may be withdrawn over the signature of any one of the above named individuals, excepting in the case of the individual's personal check.

That the present practice of voucher approval be continued; i. e., the Washington office to approve vouchers for amounts of \$250 or less; the Chairman to approve vouchers exceeding this amount;

That periodic payroll vouchers be prepared and approved designating the gross salaries, deductions for payroll taxes and net amount payable to each individual. A master check will then be drawn from the "General Account" and deposited in the "Payroll Account" which will equal the total of the net amount payable. Checks to the individuals may then be drawn from the "Payroll Account;"

That an imprest amount of \$1,000.00 be maintained in the "Payroll Account;"

That for the time being, the funds now reposing in the Association's Savings Account at the Bowery Savings Bank, New York City, be left in that institution; but that withdrawals be made only over the signature of any one of the following individuals:

Secretary-Treasurer	Mr. M. F. Crass, Jr.
Assistant Secretary	Mr. F. H. Carman
-	Miss M. V. Campbell

On further Motion duly made and seconded, it was

VOTED: That the Secretary be instructed to convey to the management of Union Carbide and Carbon Corporation the deep appreciation of the Board of Directors for its contributions over past years in connection with the Treasurer's responsibilities.

III. SECRETARY'S REPORT

(a) Submerged Lands - Outer Continental Shelf. As originally written, S. 1901 provided that leases entered into with the Federal Government for mineral rights be limited to oil and gas. At the suggestion of sulfur and sulfuric acid producers, the Association filed a statement on May 21 with the Senate Committee on Interior and Insular Affairs urging that provision be made in the bill for sulfur and other mineral leases as well. MCA was joined in this presentation by other interested groups. Copies of our statement were sent to the Executive Contacts of Member Firms. S. 1901 has now been revised to meet this point.

(b) International Labor Organization. A brief report was made on the May 21, 1953, Chemical Employers meeting which was held at Milan, Italy. Mr. Philip Singleton represented the American chemical industry at this meeting, and copies of his detailed report have been supplied American representatives who attended the Geneva meeting last fall. The next Chemical Employers meeting will be held in London during January 1954. Directors present were urged to advise the Secretary in case qualified representatives of their organizations would be abroad at that time and therefore might possibly be considered as delegates.

(c) Alkali Statistical Project. The Association has been advised by the Bureau of the Census that the recently inaugurated alkali-chlorine statistical reporting service would be abandoned during June 1953 because of budgetary restrictions. The Bureau has offered to carry on the project if financed by the industry to the extent of \$4500 per year. This information has been transmitted to member alkali producers.

(d) Precautionary Labeling. Association representatives will meet with the International Association of Governmental Labor Officials to draft model precautionary labeling legislation at the state level. This will not disrupt MCA policy since our committee, while not urging or sponsoring legislation, nevertheless has aided specific states and national organizations in this field when requested.

(e) Chemical Industry Correlating Committee. The Secretary presented a brief annual report listing activities of the Chemical Industry Correlating Committee for the past fiscal year. This Committee has been redesignated as "Chemical Industry Advisory Board" and its program has shown strict adherence with the original agreement with the American Standards Association whereby the committee operates only in the field of standardization or procurement items for the chemical industry.

(f) It was reported that Mr. Douglas E. Campbell's employment with the Association will terminate August 1, 1953.

(g) Washington Advisory Committee. On recommendation of the Secretary, the following were appointed to membership on the Washington Advisory Committee in accordance with the member rotational plan previously approved: Messrs. John Tokarz Tennessee Eastman Co.; W. D. Kavanaugh, American Cyanamid Co.; D. B. Marin, Celanese Corporation of America; and Arthur Miller, Rohm & Haas Co.

CMA 067090

(h) Association Publications. Total sales of MCA technical publications for the fiscal year 1952-53, exclusive of the Chemical Facts Book, amounted to \$26,093.89, as compared with last year's sales of \$15,539.12, and 1950-51 sales of \$9,071.40. The Washington office distributed approximately 165,000 publications exclusive of the Facts Book. Our inventory of publications as of May 31, 1953, carries a valuation of approximately \$10,000.00.

IV. BOARD OF DIRECTORS

(a) Additional Report on Alternates. The Chairman advised that the following Board member had requested appointment of an alternate as follows:

<u>Member</u>	<u>Alternate, Company and Position</u>
John A. Sargent	D. S. Carmichael, Director, Public Relations, Diamond Alkali Co.

On Motion duly made and seconded, it was

VOTED: That the appointment be approved.

(b) Annual Report. Members were presented with printed copies of the Annual Report for the fiscal year ended May 31, 1953.

(c) Annual Meeting Program. Members were presented with copies of the printed program in connection with the 81st Annual Meeting.

(d) Amendment of By-Laws. The following amendments to the By-Laws of the Association were approved by the Directors for presentation to the membership at the 81st Annual Meeting:

Article III (Membership) is amended by adding thereto a new Section 8, reading as follows: "Section 8. Notwithstanding the other provisions of these By-Laws, any individual, partnership, corporation or division of a corporation, actively engaged in the operation of a chemical manufacturing plant within Canada, and selling to others a substantial portion of the chemicals produced in such plant, is eligible to membership in the Association."

The last sentence of Article V, Section 2 (Board of Directors - Eligibility) is amended to read as follows: "No Director who has served a full three-year term shall be elected to a second consecutive three-year term, but may be re-elected after an interval of one year."

Article V (Board of Directors) is further amended by adding thereto a new Section 10, reading as follows: "Section 10. Special Provisions with Respect to the President and Not to Exceed Three Additional Directors.

"Notwithstanding the other provisions of this Article V, one Director (who may be nominated and elected to serve as President of the Association) may be chosen from the public at large. There shall be no limitation of time with

respect to the number of consecutive terms that such Director may serve, either as Director or as President.

"Beginning with the 1953 Annual Meeting, not to exceed three additional Directors (over and above the number of Directors provided for in Section 1 hereof) may be chosen and elected, in accordance with the eligibility provisions of Section 2 hereof and in accordance with the other provisions of these By-Laws. If three additional Directors are so selected at the 1953 Annual Meeting, one shall be assigned to the class of Directors whose terms expire in 1954, one shall be assigned to the class of Directors whose terms expire in 1955, and one shall be assigned to the class of Directors whose terms expire in 1956."

Article VI (Officers) is amended by adding thereto a new Section 10, reading as follows: "Section 10. Special Provisions with Respect to Certain Officers of the Association.

"Notwithstanding the other provisions of this Article VI, there may be elected as President an executive who will devote his full time to the affairs of the Association and who will be compensated for his services in such amount as may be determined by the Board of Directors. The provision of Section 1 hereof, with respect to the three year limitation on consecutive service as President, shall not apply to any President elected pursuant to this Section 10.

"Beginning with the 1953 Annual Meeting, and notwithstanding the other provisions of this Article VI, 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."

(e) Report of Nominating Committee. As Chairman of the Nominating Committee, Mr. J. Oostermeyer submitted the following slate of Officers and Directors for presentation to the membership at the 81st Annual Meeting:

Chairman	Charles S. Munson
Vice Chairman	F. J. Emmerich
President	William C. Foster
Vice Presidents	Paul L. Davies Kenneth C. Towe
Secretary-Treasurer	M. F. Crass, Jr.

Directors (Term Expires May 31, 1956)

Howard S. Bunn, Union Carbide and Carbon Corp.
Stanley Crossland, Ethyl Corporation
Walter Dannenbaum, E. I. du Pont de Nemours & Co., Inc.
R. L. Hockley, The Davison Chemical Corporation
J. R. Hoover, B. F. Goodrich Chemical Company
J. J. Kerrigan, Merck & Co., Inc.
Ernest W. Reid, Corn Products Refining Co.
J. Albert Woods, Commercial Solvents Corp.

Directors (Term Expires May 31, 1955)

Thomas S. Nichols, Mathieson Chemical Corporation
Rothe Weigel, Victor Chemical Works

Directors (Term Expires May 31, 1954)

William C. Foster
Carl Gerstacker, The Dow Chemical Company

In the foregoing, all classes have been extended to eight members in accordance with the proposed amendment of the By-Laws.

Mr. Carl Gerstacker was elected to the Class of 1954, succeeding Mr. J. Oostermeyer, resigned. Mr. Rothe Weigel's re-election to the Class of 1955 fills the vacancy caused by the death of Mr. J. W. McLaughlin.

(f) Employment of Full Time President. Mr. Ward reported that Mr. William C. Foster had been nominated as President of the Association and would devote his entire time to Association affairs beginning September 1, 1953, with a remuneration of \$60,000 per annum.

(g) Retirement of Mr. Jan Oostermeyer. It was reported that a letter had been received from Mr. Oostermeyer informing the Directors that because of his retirement as President of Shell Chemical Corporation on June 1, he was submitting his resignation as a member of the Association's Board.

It was unanimously voted that the resignation be accepted with deep regret and with appreciation for the valuable services rendered by Mr. Oostermeyer during his tenure as a Director of the Association.

(h) Attendance List. Members were presented with copies of the attendance list in connection with the 81st Annual Meeting.

(i) 1954 Annual Meeting. The Secretary reported that arrangements had been made with the Greenbrier to hold the 82nd Annual Meeting of the Association on June 3, 4 and 5, 1954. Tentative dates for 1955 have been set at June 9, 10 and 11. It was the sense of those present that MCA should again meet with SOCMA next year.

(j) Resolution for Mr. J. W. McLaughlin. The following Resolution was adopted by a standing vote of those present:

The Directors of the Manufacturing Chemists' Association, Inc., were shocked and saddened by the death on May 15, 1953, of their associate and friend for many years, James W. McLaughlin. They desire to record herewith their feeling of close personal affection for him and their appreciation of the loyal and invaluable service he rendered to this organization and to the chemical industry over the years.

James W. McLaughlin maintained an active interest in the Association, having served as its Treasurer for twenty-two consecutive years from June 4, 1931, until the time of his death. During that period he was also a member of the Board of Directors and its predecessor Executive Committee. In his passing the chemical industry has lost one of its greatest statesmen and hardest workers. His warm and friendly personality, his sound business judgment, his kindness, and his sense of humor will be sorely missed by the Association and by his many friends in the industry.

The Directors of the Manufacturing Chemists' Association, Inc., take this means of expressing in the Association's records their tribute to their late associate and hereby request the Secretary to send copies of this Resolution to Mr. McLaughlin's family and to the Executive Officers of Union Carbide and Carbon Corporation as an expression of their respectful sympathy, and as a testimonial to his memory.

V. COMMITTEES

(a) Air Pollution Abatement Committee. Members were presented with copies of Air Pollution Abatement Manual, Chapter 12, Appendix 2, Bibliography.

(b) International Trade and Tariff -

(1) Liaison between MCA and SOCMA. On recommendation of the appropriate committees of both organizations, Mr. S. Stewart Graff, SOCMA Secretary, was appointed an associate member of the MCA International Trade and Tariff Committee.

(2) The Secretary reported that Dr. Cary R. Wagner appeared before the House Ways and Means Committee on May 28 in behalf of MCA and SOCMA. Dr. Wagner presented testimony on the Customs Simplification Act of 1953, H. R. 5106. Copies of the statement were distributed to Member Executives on June 3.

(3) Foreign Economic Policy Study. On May 14, following clearance with the Association's Officers, the Secretary presented to Secretary of Commerce Weeks a panel of names of chemical executives for consideration in connection with the appointment of the Presidential Commission on Foreign Economic Policy. Authorization of such Commission is now pending before the Congress.

(c) Public Relations Advisory Committee. The appointment of Mr. Robert L. Taylor, Mathieson Chemical Corporation, as a member of the committee was approved.

(d) Plastics Committee -

(1) Research in Plastics. Members were presented with copies of a brochure entitled "Research in Plastics" compiled by M.I.T. in cooperation with a special task group composed of Association technical representatives.

(2) Plastics Committee Personnel. On recommendation of the Plastics Committee, those present approved Plastics Committee personnel for

the fiscal year 1953-54 as follows, the nominations being in keeping with Terms of Reference set up by Counsel:

Chairman	Dan M. Rugg, Koppers Company, Inc.
Vice Chairman	H. S. Bunn, Union Carbide and Carbon Corp.
Members	M. G. Milliken, Hercules Powder Co. C. B. Branch, The Dow Chemical Co. W. W. Knight, Jr., Plaskon Division, Libbey-Owens-Ford Glass Co. Harry M. Dent, Durez Plastics & Chemicals, Inc. Roger S. Firestone, Firestone Plastics Co.

(e) Water Pollution Abatement Committee. The Secretary reported that as a result of action taken by the Board at its May 12, 1953, meeting, the Academy of Natural Sciences of Philadelphia had been notified that the Association had included in its budget the sum of \$15,000 to finance water pollution research at the Academy for a period of one year. The subcommittee of the Water Pollution Abatement Committee which has been dealing with the Academy met in Washington on May 27 to discuss the program, and a meeting with Academy officials has been set up in Philadelphia on June 16. At that time tentative selection of a project will be made which will be subject to the approval of the full MCA Committee.

(f) Tax Policy Committee. Following discussion, the following resolution was adopted by those present:

The Tax Policy Committee is requested to assure adequate representation of the views of the chemical industry at the hearings on various tax matters which are to be held by the Ways and Means Committee of the House of Representatives, beginning June 16, provided that no statement shall be submitted to the House Ways and Means Committee on behalf of the Association until and unless it shall be approved by the Executive Committee of the Association, acting on behalf of the Board of Directors; and provided further that such representation of the Association shall be limited to the submission in writing of such authorized statements to the House Committee or the oral presentation at the public hearings called by the House Committee for the purpose of hearing testimony. To this end, the Tax Policy Committee is requested to circulate to all member companies the proposed agenda for these hearings, as recently released by Chairman Reed of the Ways and Means Committee. The Tax Policy Committee is also requested to arrange for reports to all member companies, as frequently as circumstances may require, concerning legislative and administrative tax developments of particular interest to the chemical industry.

VI. PUBLIC RELATIONS

Mr. H. W. Fisher briefly discussed the public relations program for 1953-54 and the budget of \$145,000 set apart for this work. He then discussed

the program of the Chemical Industry Session of the Industrial Council sponsored by Rensselaer Polytechnic Institute which was held at Troy, New York, on May 15 and 16, 1953. Those present who were in attendance at the Conference agreed that a valuable piece of work had been accomplished, both in the field of public relations and industry-education cooperation. Mr. Bert Goss stated that 81,000 copies of the Facts Book had been distributed or committed to date.

VII. MISCELLANEOUS

(a) Defense Mobilization Activities. The Secretary reported that Mr. A. K. O'Keefe, Director, Chemical and Rubber Division, National Production Authority, was scheduled to leave Government service September 1, 1953, and that a replacement would be necessary. NPA chemical activities will undoubtedly be transferred to the Department of Commerce (see following minute), and under present plans Industry Division Directors will be selected from industry as in the past on a WOC basis. Directors were requested to give the matter of Mr. O'Keefe's replacement careful consideration, inasmuch as the industry selection should be on hand by August 1 in order that there may be an overlap for training purposes.

(b) Commerce Department Organization. The Secretary reported that the organizational plan for industry representation with the Department of Commerce as agreed upon in principle by the Board of Directors and the Washington Advisory Committee, was submitted personally by the Secretary to Assistant Secretary Sheaffer on May 26.

On June 6 Association staff members called on Mr. Arthur Flemming, ODM Director, to discuss participation of the chemical industry in the activities of ODM.

VIII. NEXT MEETING OF BOARD

The next regular meeting of the Board of Directors will be held in New York City on September 8, 1953.

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

M. F. Crass, Jr.
Secretary

Approved: W. H. Ward
Chairman

CMA 067096