MINUTES of the fifty-seventh meeting of the Directors of the Manufacturing Chemists' Association, Inc., held at the Del Monte Lodge, Pebble Beach, California, on March 16, 1956, at 10:30 a.m. (PST).

There were present:

Howard S. Bunn
Harry S. Ferguson
Joseph Fister
John L. Gillis
R. K. Gottshall
Ernest Hart
John A. Hill
John R. Hoover
John E. Hull
R. C. McCurdy
George L. Parkhurst
George Schneider
Hans Stauffer
O. V. Tracy
William H. Ward
Robert I. Wishnick
J. Albert Woods
M. F. Crass, Jr.

Alternates:

W. M. Billing (for A. E. Forster)
John T. Connor (for J. J. Kerrigan)
Bert Cremers (for Robert B. Semple)
John L. Davenport (for John E. McKeen)
John D. Fennebresque (for Ernest Hart)
R. W. Hooker (for J. Clarke Cassidy)
T. G. Hughes (for George L. Parkhurst)
R. W. KixMiller (for George Schneider)
Max Minnig (for Robert I. Wishnick)
Charles S. Munson (for John A. Hill)
Felix N. Williams (for John L. Gillis)

Present by Invitation:

E. E. Anderson - Metal & Thermit Corporation
E. W. Bacigalupi - Commercial Solvents Corporation
Frank M. Cashin - Kaiser Aluminum & Chemical Corporation
E. E. Chipman - Productol Company
Peter Colefax - American Potash & Chemical Corporation
R. E. Coons - American Potash & Chemical Corporation
Russell L. Curtis - The Dow Chemical Company
Paul L. Davies - Food Machinery and Chemical Corporation
C. de Dampierre - Stauffer Chemical Company
Christian de Guigne - Stauffer Chemical Company
Leland A. Doan - The Dow Chemical Company
H. P. Etter - Air Reduction Company, Inc.
Henry H. Fowler - Fowler, Leva, Hawes & Symington
Stanley Freeman - Witco Chemical Company
R. L. Geiler - Victor Chemical Works
Everett Griffin - Griffin Chemical Company
J. D. Gunther - Air Reduction Company, Inc.
Horace W. Hooker, Jr. - Hooker Electrochemical Company
Marx Leva - Fowler, Leva, Hawes & Symington
Milton Lewis - Hancock Chemical Company
In calling the meeting to order, Chairman Hoover expressed the pleasure of the Directors in meeting for the first time on the West Coast. He thanked the Arrangements Committee, consisting of Messrs. Parkhurst, Davies, Fennebresque, and Hughes, for their efforts in connection with the many arrangements incidental to the holding of the meeting, including facilities, transportation, and entertainment. He also expressed the appreciation of the Directors to Mr. de Guigne for arranging the reception in San Francisco on the evening of March 14.

Mr. Hoover then welcomed the member executives present from the West Coast area and invited them to participate actively in the meeting and to ask questions and offer suggestions on any of the agenda items.

I. THE MCA PROGRAM. A REVIEW.

At the suggestion of the Chairman, the Association's President, General John E. Hull, spoke for approximately ten minutes on the Association's technical and functional program. A copy of General Hull's remarks is attached to these Minutes.

II. MINUTES OF MEETING.

The Minutes of the February 14, 1956, meeting were duly approved as submitted to the members.

III. TREASURER'S REPORT.

Monthly Report. The financial report for February 1956 was reviewed, and ON MOTION duly made and seconded, it was VOTED: That the report be accepted and placed on file.
IV. BOARD OF DIRECTORS.

(a) Membership Committee. It was reported that application had been received from Bates Chemical Company and that, in the opinion of the Membership Committee, the applicant is qualified for membership under the Association’s By-Laws.

ON MOTION duly made and seconded, it was

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

(b) Appointment of Nominating Committee. In accordance with Section 8 of Article V of the By-Laws, the Chairman appointed the following committee to nominate, at the 84th Annual Meeting, candidates for election to all elective offices of the Association and of the Board of Directors:

William H. Ward, Chairman
Ernest W. Reid
J. Albert Woods

(c) 84th Annual Meeting. Mr. Stauffer reported that all arrangements have been concluded for the 84th Annual Meeting, to be held at White Sulphur Springs, West Virginia, June 7 - 9, 1956, and that the official mailing, with application blanks for room accommodations and rail reservations, would be dispatched from the Washington office the following week. Principal speaker at the business session, June 7, will be Mr. Crawford H. Greenewalt, President, E. I. du Pont de Nemours & Co., Inc. Speaker at the Annual Banquet on June 8 will be Dr. W. A. Menne, President, Association of German Chemical Manufacturers, and President, Farbwerke Hoechst AG. (Dr. Menne’s acceptance was received shortly after conclusion of the Board meeting.) Social events will consist of a Heidelberg Night on June 7, as well as receptions on the nights of the 7th and 8th. Sports tournaments will be held as in the past and prizes awarded as usual.

Since SOCMA will not meet with MCA this year, there will be ample space for enlarged delegations from member firms. The wives of member representatives, however, cannot be accommodated.

(d) Tentative Budget and Financing for Fiscal 1956-57. Mr. Ernest Hart reported that the Finance Committee had met and was prepared to submit recommendations for Board consideration involving budget, method of financing, and surplus. Those present were handed copies of the proposed expenditure budget, totaling $628,920, which Mr. Hart explained in detail. The budget as presented indicated prospective income on miscellaneous items and showed disposition of such income (to surplus or to gross program expenditures).

The recommended method of financing, as explained by Mr. Hart, was based upon the new chemical sales definition as applied against member sales.
for calendar 1954. Arranged on a graduated scale with minimum fee of $350 and maximum of $70,000, the classification is designed to raise approximately $630,000.

Following Executive Committee consensus that reserve funds be built up to a sum equivalent to a certain number of months' operating expenses, Mr. Hart presented a Finance Committee recommendation that a six-month surplus be approved in principle and that it be attained over a period of time by permitting income from technical publications and general meetings to accumulate rather than be utilized for operating expenses as has been the case in past years. On the basis of the recommended budget for fiscal 1956-57, projected reserve would be in the neighborhood of $350,000, roughly twice the size of the current surplus.

ON MOTION duly made and seconded, it was unanimously

VOTED: That the foregoing recommendations, including budget, method of financing, and surplus, be approved for presentation to the membership at the 84th Annual Meeting.

With reference to the definition of "chemical sales," Mr. Hart reported that the Finance Committee planned to give this further consideration in view of certain inconsistencies which were believed to exist. He also stated that Mr. Wishnick had conducted a further study of the Association's retirement plan and that this would also be given detailed consideration by the Committee.

V. COMMITTEE APPOINTMENTS.

The Board of Directors approved the following Committee appointments:

(a) Traffic:
C. H. Wager, Shell Chemical Corporation, as Chairman,
Walter N. Saaby, Victor Chemical Works, as Vice Chairman,
G. A. Falconer, Spencer Chemical Company, replacing H. E. Bingham,
J. F. Haley, Koppers Company, Inc., replacing J. B. Keeler,
D. M. Morewood, United States Steel Corporation,
M. D. Thompson, Wyandotte Chemicals Corporation, replacing W. S. Nevius.

(b) Water Pollution Abatement:
J. T. Garrett, Monsanto Chemical Company, replacing Elmer P. Wheeler.

VI. STAFF REPORT -- MISCELLANEOUS ITEMS.

(a) Public Relations. With reference to Chemical Progress Week for 1956, General Hull reported that organization and arrangements had been virtually concluded and that indications pointed to a more comprehensive and successful coverage than in past years.

He then discussed the projected educational program for the 1956-57 fiscal year. The projected budget, as approved by the Directors, will provide for a
substantial enlargement of the Association's secondary school program in encouraging and bettering the teaching of scientific subjects. He displayed copies of the teacher and student handbooks recently prepared by our educational consultants, Paul S. Amidon and Associates, Inc., stating that, in addition to an expanded pilot program which the Association would carry out, all teaching aids would be made available to those member firms which might wish to sponsor their use in individual plant communities.

(b) Plant Safety. Those present were handed copies of the Association's Safety Summary Report for calendar 1955, which indicated a record low in injury frequency rate but an increase in the severity rate. Chemical Safety Data Sheet SD-59, Propylene, has just been issued and copies distributed to member companies and others. Applications for 330 Certificates of Achievement have been received from those member firms having plants which operated during calendar 1955 without a lost-time injury. Certificates have been prepared and will be distributed during the month of April.

(c) Travel Time Ruling. The Secretary reported on a Wage-Hour Administration ruling reading as follows:

"While normal travel from home to work is not work time, if an employee receives an emergency call outside of his regular working hours and is required to travel to his regular place of business or some other work site, all of the time spent in such travel is working time."

This has been given careful consideration by the MCA Industrial Relations Advisory Committee, which has concluded that the ruling not only conflicts with applicable court decisions and with the Portal-to-Portal and Fair Labor Standards Acts, but would disrupt existing chemical company contracts with employee groups and impair normal processes of collective bargaining. The Committee has prepared a comprehensive statement urging reconsideration and withdrawal of the ruling and plans to submit this to the Wage-Hour Administration.

ON MOTION duly made and seconded, it was unanimously VOTED:

That authorization for such submittal be granted the Committee.

The Secretary then reported on steps being taken by the Wage-Hour Administration for review of current minimum wage rates under the Walsh-Healey Public Contracts Act. An early hearing will be held by the Administration on the minimum rate for "drugs and medicines," a classification coming within the chemicals and allied products definition, and additional segments of the definition are expected to receive reconsideration also, following disposition of the "drugs and medicines" item.

(d) Chemicals in Foods. A report was made of the testimony of Food and Drug Administration officials before the House Interstate and Foreign Commerce
Committee on the various bills relating to chemical additives. These officials opposed the stand taken by MCA at a preceding presentation by its spokesman, Mr. J. M. Gillet, as well as testimony on the part of food industry representatives which was consistent with the MCA presentation. In view of the major differences of opinion expressed by industry representatives on the one hand and by FDA officials on the other, it appears very unlikely that Congress will enact a law governing the use of food additives during the present Session.

(e) MCA Research Projects. A progress report on MCA research being conducted at The Academy of Natural Sciences of Philadelphia, involving stream recovery and effects of various chemicals upon fish species, was presented.

With reference to our Carnegie Tech research project on the properties of chemical compounds, the Secretary displayed the first lot of 107 data sheets just received. He stated that this and subsequent sets would be distributed without charge to member firms on the basis of individual requirements and membership fees and that, in addition, approximately 450 sets would be made available gratis to a selected list of educational institutions, Government laboratories, and non-profit scientific institutions both in the United States and the Free World.

(f) Water Pollution Legislation. An MCA spokesman, Mr. Harold Jacobs, appeared before a subcommittee of the House Public Works Committee on March 14 to testify on H.R. 9540, an amended Water Pollution Control Act, administered by the U.S. Public Health Service. While endorsing those provisions of the Act relating to research and other features, the Association opposed an enlarged grant-in-aid program, as well as an additional provision which was considered to give the Federal Government authority in regulatory matters deemed to be within the jurisdiction of state control.

(g) Air Pollution Foundation. The Secretary reported on a previous action of the Board of Directors, refusing to appoint an MCA representative to the Board of the Air Pollution Foundation on the grounds that such action would be inconsistent with the Association's policy that pollution matters should be recognized and treated as local and not national problems. West Coast representatives present were invited to nominate one of their number to serve as a chemical company representative on the Board. (Later, Mr. Milton Lewis, Vice President, Hancock Chemical Company, agreed to accept nomination to the Foundation's Board.)

Reference was made to a recent communication from Dr. L. B. Hitchcock, President of the Air Pollution Foundation, inviting MCA to appoint an advisory committee to confer with the Foundation regarding the evaluation and placing of four specific research projects having to do with chemical problems in the air pollution field. Consensus of those present was that the MCA Air Pollution Abatement Committee is not constituted to advise on such problems; further, that concurrence might involve the Association in subsequent financial commitment. Instead, it was recommended that the Foundation seek the advice of the Air Pollution Control Association, which has a qualified and active chemical committee already set up to deal with such matters.
(h) **American Standards Association.** MCA has undertaken a long-range program in the mechanical-technical field, with the first project relating to pump standards, which is being jointly sponsored by Hydraulic Institute and MCA under the Procedures of American Standards Association. Since other projects of this type are expected to follow, in which American Standards Association facilities and procedures may be used, it has been suggested that MCA should take out an organizational membership in ASA, involving an annual fee of $500. Following discussion, it was the consensus that MCA should adhere to its practice of not joining other organizations, but that instead the Association should contribute the sum of $500 annually to ASA in lieu of such membership.

(i) **Organization for Trade Cooperation.** Mr. R. F. Hansen presented oral testimony in behalf of MCA before the House Ways and Means Committee on H.R. 5550 -- Organization for Trade Cooperation. In opposing U. S. entrance into this organization, Mr. Hansen also submitted a comprehensive, documented background statement, which was accepted by the Chairman for insertion in the hearing record. It was the consensus that the Association statement, with supplementary material, be printed in pamphlet form for distribution as a policy statement.

(j) **International Acetylene Association.** Two MCA Directors, Messrs. John R. Hoover and John A. Hill, were the principal speakers before the Annual Meeting of the International Acetylene Association, held earlier during the week in Los Angeles.

**VII. EXECUTIVE COMMITTEE ACTIONS.**

Additional items handled by the Executive Committee and not discussed at the Board of Directors' meeting included the following:

(a) **Jurisdiction over Water Movements of Dangerous Articles.** Because of a divergence of views, the MCA did not accept the invitation of the Institute of Makers of Explosives to publicly endorse a move to transfer from the U. S. Coast Guard to the Interstate Commerce Commission jurisdiction over water movements of dangerous articles. Instead, the Executive Committee directed that the subject be remanded to the Traffic Committee for further consideration and study.

(b) **Chemical Week.** Editorial policy of this trade journal, involving (1) the reporting of labor relations activities, and (2) publication of items relating to MCA not previously cleared with Association staff, was discussed. Individual members agreed to take the matter up informally with executives of the McGraw-Hill Publishing Company, Inc.

(c) **Chemical Contracts.** At the suggestion of a member company, staff and counsel are now giving consideration to a new activity involving the possible standardization of chemical contract forms.

(d) **Perkin Centennial.** The Treasurer was authorized to remit the sum of $5,000 to the Perkin Centennial Committee during the current fiscal year. This sum represents a commitment previously approved by the Executive Committee, originally intended to be paid during the 1956-57 fiscal year.
Amendment of the By-Laws. It was agreed that the following rewording of Article II of the By-Laws should be presented to the membership at the 84th Annual Meeting for consideration (new wording underscored):

"Purpose. The purpose of the Association shall be the promotion of the interests of the chemical manufacturing industry of the United States of America and the Dominion of Canada."

Canadian Membership of U. S. Affiliated Companies. The Secretary reported that the three Canadian members of MCA involved independent firms without U. S. affiliation, but that an application had recently been received from a Canadian subsidiary of a U. S. firm. Since our U. S. members do not pay membership fees on their Canadian operations, it was the consensus that encouragement should be given to other Canadian affiliates of U. S. chemical producers to join MCA. Accordingly, the Secretary was authorized to institute inquiries and make the necessary contacts.

84th Annual Meeting. A suggestion has been received from the Education Advisory Committee that a portion of the Annual Business Meeting be devoted to a description of the projected educational program. It was the consensus of Executive Committee members that no additions to the program should be made which would impinge in any way upon the remarks of the principal speaker. Mr. Ward will explore this suggestion and report at the next meeting.

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

Mr. Hoover then asked Mr. Oostermeyer to assume the chair. Mr. Oostermeyer introduced Mr. John Yellot, Associate Director, Stanford Research Institute, who presented an illustrated lecture on applied solar energy.

M. F. Crass, Jr.
Secretary

APPROVED: John R. Hoover
Chairman

Attachment
I would like to take this opportunity to give you a brief report on Association activities. Perhaps what I have to say now will make the program to follow more intelligible.

The ICA today is engaged in a wide range of activities on behalf of the chemical industry. We do much of this work through committees made up of top industry specialists, plus staff specialists from the Washington headquarters.

All told, there are some 30 basic activities ranging from air pollution abatement to precautionary labeling. We have 24 technical and functional committees covering these various fields. The six months I have been with the Association has provided me with the opportunity to meet many of the men who serve on our various committees and to attend many of their committee meetings. I have been impressed with the objective and dedicated approach these gentlemen have shown in solving the problems under consideration. Now what exactly is done in these different fields?

In pollution abatement we have two committees—one handling air, the other handling water. They deal in both legislative and technical phases of the problem. Legislatively, upon request, we assist states in the formulation of state legislation and regulations. In fact, we have a basic publication, "A Rational Approach to Air Pollution Legislation" which sets forth this industry's ideas of workable state laws. We appear before committees of the Congress explaining our position. In this connection we feel that the proposed extension of the Federal Water Pollution Control Act, now pending in Congress, is substantially more favorable to our point of view than it was a year ago and a lot of credit for that goes to representatives of our Water Pollution Abatement Committee and the way they presented the industry's case in public hearings.

On the technical side, we regularly sponsor regional pollution abatement workshops and conferences to bring the latest in abatement technology to the plant men who have to deal with the problem every day. We have prepared and published a definitive Air Pollution Abatement Manual, conduct technical symposia, and sponsor fundamental research on the maintenance of healthy streams.

To many in the industry the subject of chemical additives in foods is an important one. So we have had for a number of years a Chemicals in Foods Committee whose job it is to work toward a basic understanding with government and other industry on the adequacy of Federal requirements in this field. They are hard at work right now on proposed modernization of the Food, Drug and Cosmetic Act of 1938.

A number of ICA members produce plastics materials. A number of others produce "building block" chemicals. These firms are represented by the Plastics Committee. This group has prepared a Retailers' Plastics Manual and was a prime mover in the now widely accepted Statement of Principles by the Plastic Industry. Last year the group co-sponsored with the National Research Council the first Plastics in Building Conference where architects
Through the Traffic, Tank Car, and Chemical Packaging committees the NDA for many years has carried out extensive programs related to traffic problems and container research. The fruits of this research are today's standards for safe transportation of millions of tons of chemical products each year. This is an area where dollar results can be shown. In 1952, for example, the Traffic Committee negotiated tank car mileage allowance increases in the United States and Canada which mean an annual saving to the industry of some three million dollars. Additional cost studies are now in progress.

We are active in the field of International Trade and Tariff evaluating possible effects of legislation, and presenting statements to Congressional committees as indicated. This year we've been giving close attention to the significance of the United States joining the Organization for Trade Cooperation to administer the GATT as well as proposals to simplify the customs laws. Recently, we reported to you on the satisfactory negotiations with France urged by our Tax Policy Committee in connection with the French turnover tax.

The General Safety Committee has long been concerned with the adoption of well-designed and executed safety programs by member firms including fire protection and fire controls. Most recently, a new area of activity, off-the-job safety, has been added to the scope of this operation. The committee has written and published 56 chemical safety data sheets which serve as guides to the safe handling, storing and shipping of chemicals. These are now reproduced in several foreign languages. In 1954 a long-term work came to fruition with the publication of the "Guide for Safety in the Chemical Laboratory," a 228-page book, of which more than 6,000 copies have been distributed so far.

As a safety-stimulator, the committee annually awards Certificates of Achievement to those plants which operate with no lost-time accidents during one calendar year and administers the annual Lummot du Pont Safety Awards. This committee's work has been recognized two years in a row when it won for the Association a National Safety Council Association Award.

Our Labels and Precautionary Information Committee, upon request, helps state and local governments draft regulations and laws governing uniform labeling of hazardous materials, has a well-regarded manual, "A Guide for the Preparation of Warning Labels for Hazardous Chemicals," and is currently working in cooperation with the Association of British Chemical Manufacturers and other groups on the international aspects of precautionary labeling.

In the industrial relations field our committee reports on labor relations, selective service and manpower questions. As part of our staff activity, we have an extensive labor relations reporting service including a semi-monthly bulletin, monthly supplements on wages and fringe benefits and periodic analyses of collective bargaining trend in the industry.
Earlier this year it was decided, after considerable study, to establish three new committees, one for atomic energy, one for education and one for mechanical-technical activities.

The Atomic Energy Committee has as its first assignment the evaluation of the results of a survey of wartime uses of atomic energy as those uses affect the chemical industry. The report was released last month and has been widely distributed.

After three years of exploratory study, testing and some implementation, it was decided that our education activities had reached the point where an advisory committee was indicated. These men advise and assist our staff in the job of explaining and interpreting the chemical industry to students and teachers and attempting to interest more junior and senior high school students in pursuing careers in science and, later on, considering the possibility of employment in our industry.

The Mechanical Technical Committee has as its first project the standardization of pumps used in the chemical industry.

This project is co-sponsored by the NCA and the Hydraulic Institute within the framework of the American Standards Association. If things work out as we hope they will, savings to the industry of considerable magnitude are probable in this and related projects.

Other committees include Medical Advisory, Patent, Research Advisory, Washington Advisory, Industrial Alcohol, Hydrogen Peroxide and Ammonium Nitrate.

Last, but not least, with the advice of our Public Relations Advisory Committee, we conduct a continuing public relations program for the chemical industry. Our education effort is part of this. The balance of the program includes "Chemical Progress Week," which takes place next month, a bimonthly periodical, "Chemical News," a general publicity program, production of industry films, the popular and valuable chemical industry Facts Book and other activities, the purpose of which is to broaden public understanding by interpreting the chemical industry in terms of daily life.

In addition to these activities, your association has an active industry information service, maintains a close affiliation with the various government agencies and private organizations whose activities are of significance to the association membership and operates an extensive bulletin service. Many of you, I am sure, see our "General Bulletin" and our legislative bulletins.

That in capsule form is what we do.

I think this report reflects that your association has been keeping pace with the industry's progress and growth. I'm sure we will continue to keep pace with today's needs, at the same time anticipating as best we can the needs and requirements of tomorrow.