November 27, 1967

Congressional Record — Appendix

A 5795

“That first program attracted quite a bit of interest and excitement,” Miss Carroll recalled. “We had a host of business people who didn’t even know we were there. I believe we made a good case.”

The air fare spent about $7.4 million in fiscal 1963 and 37 percent of that, more than $2.74 million, was spent in Washington, she said. The base procurement office spent 28 percent, or $772,000, in Texas cities, and $2.25 million, or 30 percent, in cities outside Texas.

“Our costs were increased in many areas because of transportation costs, long distance telephone calls, items purchased in distant places and the general breakdown between here and the office,” Miss Carroll said.

After the second annual Carasel Program was inaugurated in 1964, Fort Worth’s share of the procurement office’s expenditures jumped to $3.9 million, or about 62 percent of the annual outlay.

Dallas spent in fiscal 1963 million, or 30 percent, declined to $30,743 or purchases outside Texas or 15 percent of the total of $202,207, giving a saving of $150.

The difference of 1,513 purchase orders “The average cost for transportation was $3 or per order.”

Using this average, transportation costs “Out of 3,513 purchase orders, approximately 1,500 long distance calls were reported as an additional cost. This represented a saving of $3,000 savings. I found myself with total savings for these years of $13,953.”

“The expectation was that this intangible savings would be worth more than the savings of dollars and cents.” Miss Carroll continued. “However, the timely accomplishment of the goal which we consider, the defense of our nation, the department fiscal year 1967, 83 percent of its procurements were in Dallas, 3 percent in Fort Worth and 3 percent in other Texas cities. Major Robert W. Johnson, procurement chief at Carasel, said, “We feel that the area is a fully qualified location to supply the base with its needed—more than $2,000 in items.”

“Major Johnson noted that the procurement office looks to the local community to keep costs down. “Our problem is to seek out the local community we have the need of doing business’ among companies.”

“Local service to Carasel is particularly important, she noted, “in view of the policy of not maintaining an inventory of daily items.”

American Banker Daily Newspaper Reports on Big Retailers’ Victory in 17-to-14 Vote on Revolving Credit in Truth-in-Lending Bill

Extension of Remarks of Hon. Leonor K. Sullivan of Missouri

In the House of Representatives

Monday, November 27, 1967

Mrs. SULLIVAN. Mr. Speaker, Mr. Joseph D. Hutnyan, Washington correspondent for the American Banker daily newspaper, is well known to Members of the House from the years he served as a member of the House staff of United Press International. Since leaving UPI, he has been covering Washington for the only daily banking newspaper of the United States, retaining the scrupulous respect for facts which is the hallmark of a good wire service reporter.

On Friday after Thanksgiving, Mr. Hutnyan had an article in his newspaper reporting on the actions by the House Committee on Banking and Currency last Wednesday on H.R. 11601, the Consumer Credit Protection Act. The most important action taken that day was the adoption of an amendment which would relieve the big chain retailers using installment credit, and the smaller retailers using installment credit, from the obligation to state the annual rate on their credit costs. The smaller retailers would have to state the annual rate of their credit costs.

Some of us feel very strongly that this is completely unfair to small business and is, in addition, misleading to the consumer. A monthly rate of 1 percent is the rate the consumer is likely to be charged, even though, in most instances, the annual rate of 12 percent is the rate which would be charged. No wonder the Independent retailers have found the provisions of the bill, as it is currently written, would permit practices under which department stores, retailing credit charges, would have to state the rate of borrowing from a credit union, under the bill as amended.

The Banking and Currency Committee will meet again tomorrow on H.R. 11601. There will be an opportunity for any Member who wishes to change his votes to offer a motion to reconsider. If this amendment is not eliminated in committee, then there will certainly be the opportunity—and the obligation—to remove it on the House floor.

Fortunately, we were able to keep such an amendment out of the advertising provisions of the bill. It is of prime importance to the consumer to learn at the time of purchase what the percentage rate will be on the credit costs, and a monthly rate does not provide comparability with rates charged by other credit agencies.

American Banker Article Explains Issue in Dispute

Joseph D. Hutnyan’s article in the American Banker daily newspaper last Friday will give the facts on this dispute to those Members of the House who have been receiving telegrams and letters from independent businessmen in their districts advocating the amendment which would affect the truth-in-lending bill until early next year.

The chief reason for this delay is that the resemblance may end there. The House bill now conforms with that of the Senate, which has already been passed by the Senate and sent to the President. The Banking and Currency Committee Wednesday voted to offer a motion to reconsider. If this amendment is not eliminated in committee, then there will certainly be the opportunity—and the obligation—to remove it on the House floor.

The vote on revolving charge coverage Wednesday is likely to result in postponement of House action on the truth-in-lending bill until early next year.

The chief reason for this delay is that the consumer protection agency has not yet found a chairman, who probably will delay a House vote for about six weeks. The Banking and Currency Committee Wednesday voted to offer a motion to reconsider. If this amendment is not eliminated in committee, then there will certainly be the opportunity—and the obligation—to remove it on the House floor.

The vote on revolving charge coverage Wednesday is likely to result in postponement of House action on the truth-in-lending bill until early next year.

The chief reason for this delay is that the consumer protection agency has not yet found a chairman, who probably will delay a House vote for about six weeks. The Banking and Currency Committee Wednesday voted to offer a motion to reconsider. If this amendment is not eliminated in committee, then there will certainly be the opportunity—and the obligation—to remove it on the House floor.

Coverage of revolving charges in the House committee bill now conforms with that of a truth-in-lending bill passed by the Senate July 11.

However, the resemblance may end there. Although the House Banking and Currency Committee is only about half way through the bill, the Senate has already finished the bill and has not had a vote taken on the amendment which would affect the truth-in-lending bill until early next year.
However, the House Banking and Currency Committee bill was broadened on Wednesday to extend the disclosure requirements to credit advertising. No such provision was included in the Senate bill. The House bill also takes a tougher stance in its treatment of credit life insurance costs. In cases where the credit requires a cost to be figured, the rate must be stated in the advertisement. This was exempt from the rate calculation in the Senate bill.

The Banking and Currency Committee is scheduled to resume closed deliberations Tuesday on the truth-in-lending bill. Still to be decided by the committees are such matters as whether mortgages should be subject to the disclosure provisions; the effective date of the truth-in-lending law; whether garnishment of wages or credit life insurance costs should be set up as a consumer credit study commission, and whether the Federal Reserve Board or the Federal Trade Commission should enforce the disclosure statute.

The 17 to 14 vote on revolving charge coverage Wednesday was a big victory for the retail lobby which has been fighting hard to keep exempt from the annual rate requirement.

The victory was fashioned with the help of 12 Republican key votes from Demo- crats: Reps. Robert G. Stephens of Geor- gia; Richard T. Hanna of California; Tom S. Gettys of South Carolina; Frank Annunzio of Illinois; and J. William Fulbright of Arkansas. Mrs. Leonor K. Sullivan, D. Mo., who led the fight for annual coverage of revolving charges, told reporters Wednesday that she would bring the issue to the House floor.

"Very few Americans are aware of the implications of this exemption," she said. "The people will just have to pay through the nose, not knowing what they are paying for." Mr. Patman, who led the fight to put revolving charges on a monthly schedule, insisted that an annual rate would be unrealistic, and said there were so many variables in revolving charges that it would be impractical to require them to list the annual rate of the credit when the purchase is made.

As it stands, the bill would allow a revolving charge creditor to tell a customer at the time a purchase is made that he is paying 15% a month-the usual charge at the time a purchase is made that he is paying 15% a month-the usual charge for revolving charge credit, told reporters Wednesday that she would bring the issue to the House floor.

"Very few Americans are aware of the implications of this exemption," she said. "The people will just have to pay through the nose, not knowing what they are paying for." Mr. Patman, who led the fight to put revolving charges on a monthly schedule, insisted that an annual rate would be unrealistic, and said there were so many variables in revolving charges that it would be impractical to require them to list the annual rate of the credit when the purchase is made.

The ABA, Mr. Patman, and Mrs. Sullivan feel this is discriminatory. The ABA is con- vinced that the banking community has a big stake in this fight because of the mushrooming growth in the bank credit card business which someday may challenge department store revolving charges for a big share of the customer's dollar.

The alleged competitive advantage for revolving charges in listing the monthly rate would not be a part of the advertising disclosure provisions adopted by the committee on Wednesday. This provision states that in all cases—including revolving charge creditors—when a rate is mentioned in an advertisement, it must be described in annual percentage terms.

The advertising provision also requires that when a creditor decides to mention the installment payment in his advertising, he must also include the price of the loan or article: the down payment: the jumper, amonnt due or period of payments. Scheduled to repay the indebtedness, and the rate of the finance charge expressed in annual percentage terms.

This would rule out the practice of merely stating a monthly payment in an advertisement. For instance, it would be illegal to use a phrase such as: "Color television sets, only $725 a month," and - a statement.

Dedication of New Buildings at the Forest Products Laboratory, Madison, Wis., November 8, 1967

EXTENSION OF REMARKS

HON. ROBERT W. KASTENMEIER
WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 27, 1967

Mr. KASTENMEIER. Mr. Speaker, the new wood fiber products research facilities at the U.S. Forest Products Laboratory in Madison, Wis., were dedicated on November 8, 1967. Over 200 representatives from the forest products industries throughout this country and from many foreign lands, officials from universities and many associations, and those concerned about the increasing need for forest products research attended the dedication ceremonies.

Because of the pending congressional support and interest shown in the Forest Products Laboratory and its expansion program, I would like to present to my colleagues several facts about the new laboratory-office building, along with a self-guiding tour brochure of the new facilities and a description of the Edward G. Locke Memorial Seminar Room which is named in honor of the late Dr. Locke, a longtime director of the Forest Products Laboratory.

Dr. George L. Mehren, Assistant Secretary of Agriculture, was present at the dedication of the new Forest Products Laboratory, and I am pleased to include in the Congressional Record, Dr. Mehren's remarks on this occasion:

FACTS ON THE NEW BUILDING AT THE FOREST PRODUCTS LABORATORY, FEDERAL SERVICE, U.S. DEPARTMENT OF AGRICULTURE

LABORATORY-OFFICE BUILDING
Floors and their uses:
Ground—Mainly utilitarian storage.
1st—Wood Chemistry laboratories.
2nd & 3rd—Wood Fiber Products offices and laboratories.
Fan loft—Ventilating fans and air-conditioning equipment.
Building size:
Length—167 ft.
Width—51 ft.
Height—51 ft.
Gross area—39,765 sq. ft.
Construction:
Basically reinforced concrete with exten- sive use of prefabricated elements.
Interior partitions—Primarily fire-retardant treated studs, insulated with acousti- cally treated wood-fiber sheet material, covered with fire-resistive paper wallboard. Exterior trim—Redwood treated with FPL natural finish.
Dimensions of labs and offices:
 Offices—Width 11 ft., length 14 ft.
 Laboratories—Width 12 ft., length 24 ft.
 PILOT PLANT
Floors and their uses:
First—Full building length; generally experimental equipment.
Second—Approximately half building length; experimental papermaking equipment.
Building size:
Length—160 ft.
Width—60 ft.
Height—50 ft.
Gross area—17,563 sq. ft.
Objectives:
To provide greatest volume of unimproved space possible within fixed cost limits, and to demonstrate the most up-to-date and economical structural concept employing wood and related materials.

These objectives were achieved through the use of glued laminated plywood from pressed-skin plywood panels, laminated and fiberboard faced deck, and redwood trim.

Arch framework: A typical workshop consisting of the two legs and connecting beams weighs 20,000 pounds and contains 65,000 board feet of southern pine lumber.

In the 154 acres contain 186,000 board feet of lumber.

Wall enclosures are enclosed with stressed-skin panels, 1/2 in. thick Douglas fir plywood over internal metal frames filled with a polystyrene foam insulation.

The exterior walls are covered with a beige-colored polyvinyl fluoride-film interior panel face with Kraft paper treated with phenolic resin and painted.

More than 800 panels, most of them 4 by 8 feet in size, were required.

A SELF-GUIDING TOUR

The Wood Fiber Products Pilot Plant and Office-Laboratory Facilities:
1. Pulping Pilot Plant—The machinery in this area is used to prepare wood for the papermaking process.
2. Paper machine run—Our small-scale fourdriner makes paper for the purpose of building a new office building, along with the self-guiding tour brochure of the new facilities and a description of the Edward G. Locke Memorial Seminar Room which is named in honor of the late Dr. Locke, a longtime director of the Forest Products Laboratory.

Dr. George L. Mehren, Assistant Secretary of Agriculture, was present at the dedication of the new Forest Products Laboratory, and I am pleased to include in the Congressional Record, Dr. Mehren's remarks on this occasion:

FACTS ON THE NEW BUILDING AT THE FOREST PRODUCTS LABORATORY, FEDERAL SERVICE, U.S. DEPARTMENT OF AGRICULTURE

LABORATORY-OFFICE BUILDING
Floors and their uses:
Ground—Mainly utilitarian storage.
1st—Wood Chemistry laboratories.
2nd & 3rd—Wood Fiber Products offices and laboratories.
Fan loft—Ventilating fans and air-conditioning equipment.
Building size:
Length—167 ft.
Width—51 ft.
Height—51 ft.
Gross area—39,765 sq. ft.
Construction:
Basically reinforced concrete with exten- sive use of prefabricated elements.
Interior partitions—Primarily fire-retardant treated studs, insulated with acousti- cally treated wood-fiber sheet material, covered with fire-resistive paper wallboard. Exterior trim—Redwood treated with FPL natural finish.
Dimensions of labs and offices:
 Offices—Width 11 ft., length 14 ft.
 Laboratories—Width 12 ft., length 24 ft.
 PILOT PLANT
Floors and their uses:
First—Full building length; generally experimental equipment.
Second—Approximately half building length; experimental papermaking equipment.
Building size:
Length—160 ft.
Width—60 ft.
Height—50 ft.
Gross area—17,563 sq. ft.
Objectives:
To provide greatest volume of unimproved space possible within fixed cost limits, and to demonstrate the most up-to-date and economical structural concept employing wood and related materials.

These objectives were achieved through the use of glued laminated plywood from pressed-skin plywood panels, laminated and fiberboard faced deck, and redwood trim.

Arch framework: A typical workshop consisting of the two legs and connecting beams weighs 20,000 pounds and contains 65,000 board feet of southern pine lumber.

In the 154 acres contain 186,000 board feet of lumber.

Wall enclosures are enclosed with stressed-skin panels, 1/2 in. thick Douglas fir plywood over internal metal frames filled with a polystyrene foam insulation.

The exterior walls are covered with a beige-colored polyvinyl fluoride-film interior panel face with Kraft paper treated with phenolic resin and painted.

More than 800 panels, most of them 4 by 8 feet in size, were required.

A SELF-GUIDING TOUR

The Wood Fiber Products Pilot Plant and Office-Laboratory Facilities:
1. Pulping Pilot Plant—The machinery in this area is used to prepare wood for the papermaking process.
2. Paper machine run—Our small-scale fourdriner makes paper for the purpose of determining the effects of new pulping or re- fining methods or of additives applied during various stages of the papermaking process.

To show its potential with its new sur- roundings, the machine will spew forth to- day a bond paper made of mixed hardwood (50%) and pine (50%).

The fibers that are dyed red represent a portion of the hardwood component and the black fibers a portion of the pine.

3. Office-laboratory facilities—A modular arrangement of space accommodates studies of paper properties in the paper physics, microchemistry, and electronics laboratories. Fundamental studies are also carried out to improve the quality of paper with additives. Reactions of chemicals with wood components are examined to increase the yields of desired pulps.

4. Edward G. Locke Memorial Seminar Room—This room, dedicated to the nuturing of creative thought, is a permanent memory given in memory of our sixth Director, Dr. Edward G. Locke. The furnishing of this room is provided by individuals and industries who would in the future of forest products research, an endeavor that Locke sought vigorously by Dr. Locke.

A Broad View of Our Research Progam (in the making)

A. Sawmilling—The study of saws, sawing procedures, and looked at breakdown techniques leads to increased quality and value of the resulting lumber. A study of saws by 2 by 4 studs from small-diameter logs has been effective in minimizing the effects of degrading warp.

B. Wood drying—Drying wood faster with less degrade increases its value and utility. Automated dry kiln control, press drying, and fundamental studies of moisture movement in wood make advances in drying speed.

C. Engineering with wood—Wood is ad- mired as a structural material not only in its natural state but in reconstituted forms and with synthetic materials. Many strength properties must be deter- mined—of the basic materials, structural elements, and full size structures—to develop reliable and efficient design data.