



Shipping Container Institute

NEWS

March – April 2008

SSCI NEWS

SSCI to Choose New Chairman, Representative to IPANA Board

Among the items on the agenda at the Steel Shipping Container Institute's (SSCI) April 27 Board of Directors meeting are two that deal with the Institute's leadership. The top agenda item will be the selection from among the directors of a new chairman to lead the Institute in 2008-2009. Current SSCI Chairman Doug Brooks, who assumed the position last spring, will be stepping down as he exits the steel drum manufacturing business following the 2007 sale of his company, CP Louisiana, Inc. to Greif, Inc.

Also, the SSCI Board will choose one of its own to serve as the Institute's designated representative on the Industrial Packaging Alliance of North America's Board of Directors. John F. Herrick, Jr., a past chairman of both the SSCI and IPANA, recently announced his resignation from Cleveland Steel Container Corporation. His departure there, of course, precludes his continuing on the Board of both groups. Mr. Herrick was among a group of SSCI Board members involved in discussions that resulted in the 2003 creation of IPANA. He has served as the SSCI's representative on IPANA's Board since its inception.

SSCI to Release 2003-2006 New Drum Production Data

The SSCI Board of Directors at its April 27 meeting in Marco Island, Florida, is expected to review and approve new steel drum production data for the years 2003 through 2006. The Board last year authorized an effort to collect and aggregate production numbers for tight head and open head 55-gallon drums using an independent third party.

The accounting firm of Ross, Langan & McKendree CPA LLP was retained to independently contact the SSCI's manufacturer members to collect and aggregate drum production for 2006. To provide perspective for this data, the Board also authorized the collection of data for three prior years, beginning in 2003.

It is expected that subsequent to the Board's review and approval of the accountant's independent report, the data will be shared with SSCI Associate members.

Looking ahead, the Board will consider a proposal to expand the data collection effort for 2007 to include not only production numbers for tight head and open head drums, but also the compilation of data on drum marks produced. The purpose of this recommendation is to provide data on marking trends as the SSCI continues its efforts to educate customers on the appropriate drum specifications for the product being transported.

Since the U.S. Department of Commerce's Economics and Statistics Administration ceased conducting its own census in 1998, there has been a dearth of reliable information on steel drum and pail production, although anecdotal opinions in this area abound.

RIPA, SSCI Approval Request on Ultrasonic Testing Advances

The Reusable Industrial Packaging Association (RIPA) continues its efforts developing a competent authority approval request on the use of ultrasonic leakproofness testing as an alternative to currently approved methods. RIPA, in cooperation with the Steel Shipping Container Institute (SSCI) recently held a follow-up meeting with officials of the Office of Hazardous Materials Special Permits and Approvals at the Pipeline and Hazardous Materials Safety

Administration (PHMSA) for the purpose of further refining the type and depth of information the agency is seeking in connection with the approval request.

In February, RIPA, SSCI, and PHMSA representatives visited a steel drum manufacturing facility that has an in-line ultrasonic leakproofness tester as a secondary check on newly manufactured 55-gallon drums. Based on that favorable experience, PHMSA indicated it would be disposed to consider an approval request for use of this technology as an alternative to currently permitted methodologies for detecting leaks in steel drums provided that the application contained sufficient scientific and technological detail supporting the request.

Based on the most recent discussions with PHMSA representatives, RIPA is continuing to develop and refine the approval request that will be circulated to the SSCI for consideration and approval before being filed with the agency on behalf of both organizations this year.

REGULATORY NEWS

PHMSA Decision Expected Soon on Delivery of Closure Instructions

A decision from the Office of Hazardous Materials Safety (OHMS) at the Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT, is expected soon in the Steel Shipping Container Institute's informal inquiry regarding the form of delivery required in providing customers with packaging closure and assembly instructions.

Last fall, the SSCI sought a further interpretation of the agency's current limitation precluding the use of electronic media as a means of providing packaging customers with container closure notification information. In its OHMS inquiry, the Institute maintained that providing closure notification information via e-mail or other electronic media, while maintaining compliance with the one-year retention requirement, will foster greater awareness of the required information and, therefore, promote the goal of enhancing the safe transport of hazardous materials.

Sources within OHMS have advised that a favorable reply to the SSCI's inquiry likely will be forthcoming in the not too distant future. One of the issues the agency

has had to consider in connection with the SSCI's request is whether such a change can be made administratively or through a formal rulemaking. It appears that an initial favorable administrative decision is likely, but that the agency, ultimately, may seek to memorialize the change within the regulations through a subsequent rulemaking.

PHMSA Launches New Inspection, Enforcement Program

The Pipeline and Hazardous Materials Safety Administration's (PHMSA) Office of Hazardous Materials Enforcement (OHME) recently launched a new inspection and enforcement initiative, the System Integrity Safety Program (SISP), aims to improve safety in the transport of dangerous goods by working closely with selected shippers.

As explained by Ryan Posten, OHME's director, shippers with poor safety records will be offered the chance to take part in the program, which will involve them in sharing data and information with PHMSA so that the root causes of safety problems can be identified. In announcing the initiative at a recent industry meeting, Posten said that, if the approach is successful, it could be extended to other areas of PHMSA's activities. Complete details on the program may be viewed on the OHME's Web Site at <http://hazmat.dot.gov/enforce/hmenforce.htm>. Scroll down until you see the section on the Systems Integrity Safety Program.

OTHER NEWS

Government Report on BPA Raises Concerns, Calls for Action

Recent press reports on a draft study published by the National Toxicology Program's (NTP) Center for the Evaluation of Risks to Human Reproduction (CERHR) raising possible health concerns regarding the use of bisphenol A (BPA) in polycarbonate containers and epoxy-based food and beverage cans and container coatings has caused a stir. Of particular concern are polycarbonate-based bottles used in a wide variety of everyday uses as well as in baby bottles, pacifiers, and related products.

According to *The Washington Post*, the draft report signaled a turning point in the government's position on

BPA, a chemical that is so ubiquitous in the U.S. that it has been detected in the urine of 93 percent of the population over six years of age.

Used in the production of plastic since the 1950s, BPA may be linked in laboratory animals to breast cancer, prostate cancer, early puberty in females and behavioral changes, according to the NTP study released April 15. It called for more research into the chemical's health effects.

Canada has banned the sale of polycarbonate baby bottles as a precaution. Meanwhile, a number of states, including California and New Jersey, are considering banning products containing BPA. Other states, such as Maine, may require manufacturers to place warning labels on products containing it, according to press reports.

In the industrial packaging industry, lining suppliers has been reaching out to customers to apprise them of the situation while emphasizing that lining derived from BPA-based epoxy have been subject to testing and analysis by governmental agencies throughout the world. These agencies reportedly have concluded that any exposure to BPA from food-grade can and container linings is below levels of concern.

A spokesman for the polycarbonate/BPA global group at the American Chemistry Council said the new report does not mean BPA is unsafe. The Council's Web Site has pages devoted to responding to "scare stories" about the chemical, according to *The Washington Post*.

Further extensive BPA study and analysis is being conducted and it is likely that the recent news is just the beginning of the story.

TRANSITIONS

Honorary Life Members – The SSCI at the IPANA Annual Meeting in Florida on April 28 will award two of its long-serving members no longer in the industry with Honorary Life Member status in the Institute. **John W. Cutt** and **Lester Trilla** will be honored at the Opening Plenary Session in Marco Island, Florida. Both Mr. Cutt and Mr. Trilla were members of the SSCI for decades and both served terms as chairman of the Institute.

Mr. Cutt, still active as the chairman and chief

Executive officer of IMACC Corporation, exited new steel drum manufacturing with the sale of Myers Container Corp. and CMS assets last fall to the Stavig brothers, who now operate the firm as Myers Container LLC and CMS. IMACC Corporation continues to operate an IBC facility in Dalton, Georgia. Mr. Cutt has been affiliated with the SSCI since 1975. He played a key role in dealing with the often contentious relationship between the SSCI and the Reusable Industrial Packaging Association (RIPA) in the 1980s. And, in the early 1990s, during a time of turmoil in the steel drum industry, he applied a steady hand as SSCI chairman guiding the Institute through the rough shoals of uncertainty and controversy.

Mr. Trilla, who started in the business working for his father, also named Lester, sold Trilla Steel Drum earlier this year to Greif, Inc. The first record of young Mr. Trilla's involvement in the SSCI dates to 1969. During his long affiliation with the SSCI, Les also was the Institute's main international representative attending many UN meetings and serving terms as the SSCI's representative to the International Confederation of Drum Manufacturers (ICDM). He was instrumental in the creation of ICDM that provides U.S., Asian, and European steel drum manufacturers a platform from which to protect their interests in the face of the UN's burgeoning regulatory influence as well as to promote the steel drum as the packaging of choice.

Departures and Resignations – The 2008 SSCI meetings in Florida will mark the end of the line for two long-time members. **Doug Brooks**, who sold his company to Greif, Inc. in 2007, will step down as chairman of SSCI and step away in retirement. Since the sale of his firm, Doug has served in a consulting capacity with Greif and was elected last spring to serve a second term as SSCI chair. Doug had a long association with SSCI and will be missed by his many friends and colleagues.

Also leaving the SSCI and the industry at this meeting is **John F. Herrick, Jr.** John is a past SSCI chairman and was the first chairman of the Industrial Packaging Alliance of North America. He served as part of the SSCI contingent that worked with representatives of the plastic drum, fibre drum, and IBC industries in forming the umbrella federation that conducts its 6th Annual Meeting this month. John served as president of Cleveland Steel Container Corporation for 12 years and during that time ably represented the SSCI's only exclusive steel pail manufacturer.

CALENDAR OF EVENTS

JUNE 2 – 4

Chemical Packaging Committee
Fall- and Sub-Committee meetings
San Antonio, Texas

SEPTEMBER 10 – 12

NATIONAL Association of Chemical Distributors
OPSEM 2008
Orlando, Florida

October 6 – 8

Chemical Packaging Committee
Full- and Sub-Committee Meetings
Alexandria, Virginia

October 22 – 25

Reusable Industrial Packaging Association
67th Annual Conference
Tucson, Arizona

October 26 – 29

Industrial Packaging Alliance of North America
Fall Conference
Washington, D.C.

November 5 – 7

Dangerous Goods Advisory Council
30th Annual Conference and HMT Exposition
Savannah, Georgia

2009

February 11 – 13

Chemical Packaging Committee
Full- and Sub-Committee Meetings
Sarasota, Florida

April 26 – 29

Industrial Packaging Alliance of North America
7th Annual Meeting
Hilton Head Island, South Carolina

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