

MOODY'S

INDUSTRIALS

JOHN MOODY

1951

AMERICAN AND FOREIGN

BALANCE SHEETS

COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF JUNE 30
(Taken from reports to Securities and Exchange Commission)

ASSETS	1950	1949	1948	1947	1946	1945	1944
Cash	\$9,387,948	\$8,926,351	\$8,320,637	\$11,453,218	\$10,654,637	\$9,362,165	\$7,753,777
U. S. Govt. securities	6,149,900	6,549,800	6,099,900	5,719,900	5,759,900	5,099,900	5,119,900
Accounts & notes receivable	2,461,875	2,265,993	2,267,724	1,833,490	1,803,849	2,138,566	2,426,762
Inventories	7,006,630	6,781,511	7,962,562	5,613,183	4,638,595	4,494,861	5,170,483
Total current assets	\$25,006,353	\$24,523,754	\$24,650,823	\$24,669,790	\$22,856,981	\$21,095,491	\$20,470,922
Invest. in sub. not cons.	33,817	74,832	49,680	49,680	49,680	636,399	146,573
Mortgages & other investments			128,151	165,960	203,042	89,055	118,546
Cash segregated against reserves	1,820,248	1,730,024	2,126,051	1,823,326	1,698,332	1,474,115	1,427,199
Post-war refund—excess profits tax						542,000	313,000
Property, plant & equipment	20,570,984	19,817,736	17,986,299	16,285,785	14,575,817	13,188,705	12,568,249
Reserves for deprec. & depl.	8,158,922	8,000,346	7,539,637	7,851,950	7,275,335	6,750,904	6,317,362
Net properties	12,412,062	11,817,390	10,446,662	8,433,835	7,300,483	6,437,801	6,250,887
Goodwill, brands, etc.	1	1	1	1	1	1	1
Deferred charges	416,655	285,998	326,926	595,146	356,278	379,209	546,124
Total	\$39,689,136	\$38,431,999	\$37,728,294	\$35,737,739	\$32,464,797	\$30,654,070	\$29,273,252
LIABILITIES							
Accounts payable & accruals	\$1,758,342	\$1,728,950	\$2,106,789	\$1,880,576	\$1,795,421	\$1,420,355	\$1,211,358
Accrued taxes	352,592	339,148	293,187	293,495	254,923	309,155	301,674
Reserve for Federal taxes	3,257,068	3,146,602	4,928,298	4,963,525	4,346,432	4,708,482	4,045,731
Total current liabilities	\$5,368,002	\$5,214,701	\$7,328,274	\$7,137,596	\$6,396,776	\$6,437,993	\$5,558,763
Deferred credits	16,038	11,193	12,862	5,473	10,452	16,255	46,843
Contingency reserve	300,000	800,000	1,239,566	977,339	814,227	608,107	584,503
Retirement payments reserve	550,000						
Self insurance reserve	970,248	930,024	886,485	845,487	884,106	866,008	842,694
Capital stock	8,372,920	8,372,920	8,372,920	8,372,920	8,372,920	8,372,920	8,372,920
Capital surplus	9,751,793	9,751,793	9,134,938	9,134,938	9,134,938	9,134,938	9,134,938
Earned surplus	14,360,135	13,351,368	10,752,249	9,263,486	6,851,379	5,217,849	4,732,589
Total	\$39,689,136	\$38,431,999	\$37,728,294	\$35,737,739	\$32,464,797	\$30,654,070	\$29,273,252
Net current assets	\$19,638,351	\$19,309,053	\$17,322,549	\$17,532,194	\$16,460,205	\$14,657,498	\$14,912,159
PROPERTY ACCT.—ANALYSIS							
Additions at cost	\$1,898,765	\$2,633,078	\$3,166,258	\$2,135,088	\$1,254,647	\$940,817	\$1,058,348
Retired or sold	1,145,517	928,930	1,577,171	438,733	319,409	320,361	199,638
Other additions		127,289	111,427	13,612	451,875		
DEPR. & DEPL. RES.—ANALYSIS							
Addition chgd. to income	\$1,119,764	\$1,120,144	\$1,054,241	\$924,617	\$775,902	\$722,443	\$676,385
Retire. or renew. chgd. to reserve	961,187	659,435	1,366,554	348,003	251,471	292,900	159,433
Other additions						4,000	

At June 30, 1930, representing estimated realizable amounts upon immediate liquidation at that time, plus subsequent additions at cost. Reserves for depletion and depreciation represent amounts accrued from appraisal date.

Depreciation of properties acquired at June 30, 1930 provided upon appraised utility values which exceed estimated realizable values of depreciable properties shown in balance sheet.

At June 30, 1949, gross book values (and related reserves in parenthesis) were: Land, buildings, machinery and equipment used in operations, \$18,513,107 (\$8,114,636); phosphate rock deposits, \$2,057,876 (\$44,286); properties not required for operating purposes, at nominal value, \$1; total, \$20,570,984 (\$8,158,922).

Capital stock stated after deducting 18 treasury shares held for retirement.

General Notes: (a) Consolidated statements include parent and all active subsidiaries except Boca Grande Corp. (inactive).

(b) Accounts certified by Price, Waterhouse & Co.

FINANCIAL & OPERATING DATA

Statistical Record, Fiscal Years	1950	1949	1948	1947	1946	1945	1944
Earned per share	\$6.11	\$6.73	\$6.87	\$6.84	\$4.80	\$2.77	\$2.90
Dividends per share	\$4.50	\$4.50	\$4.50	\$3.00	\$2.20	\$2.00	\$2.00
Price range	53¼-40	45-34¼	52½-34½	50½-34½	53½-37½	43-28	31¼-26
Net tangible assets per share	\$51.73	\$50.12	\$45.00	\$42.63	\$38.79	\$36.19	\$35.42
Number of shares	627,969	627,969	627,969	627,969	627,969	627,969	627,969

Calendar years.

Financial & Operating Ratios:

Current assets + current liabilities	4.66	4.70	3.36	3.46	3.57	3.28	3.68
% cash & securities to current assets	62.14	63.11	58.50	69.61	71.81	68.56	62.89
% inventory to current assets	28.02	27.65	32.30	22.75	20.29	21.31	25.26
% net current assets to net worth	60.45	61.34	61.30	65.49	67.57	64.50	67.05
% property depreciated	39.66	40.37	41.92	48.21	49.91	51.19	50.26
% annual depr. & depl. to gross prop.	5.44	5.65	5.86	5.17	5.32	5.48	5.38
Capitalization:							
% common stock & surplus	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Net sales + inventory	6.33	6.88	5.41	7.33	7.96	7.76	6.39
Net sales + receivables	18.03	20.53	19.00	21.33	20.46	16.31	13.62
% net sales to net property	357.58	393.61	412.39	487.63	505.60	541.88	528.81
% net sales to total assets	111.83	121.03	114.19	115.08	113.70	113.80	112.92
% net income to total assets	9.66	10.99	11.44	12.02	9.29	5.68	6.21
% net income to net worth	11.80	13.42	15.27	16.05	12.38	7.66	8.18
Analysis of Operations:							
Net sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	75.77	76.68	75.58	74.73	76.93	78.51	77.35
Selling, general & adm. expense	10.99	9.53	8.80	8.51	8.70	8.78	9.00
Operating profit	13.24	13.79	15.62	16.76	14.37	12.71	13.65
Other income	0.65	0.74	0.70	1.00	0.73	0.76	0.90
Total income	13.89	14.53	16.32	17.76	15.10	13.47	14.56
Prov. post-war adjustment & conting.		0.11	0.35	0.36	0.41		
Prov. for retirement payments	0.11						
Other deductions						0.05	0.12
Balance	13.78	14.42	15.37	17.40	14.69	13.42	14.44
Income taxes	5.14	5.34	5.95	6.95	5.23	2.52	2.59
Federal excess profits tax					1.30	5.81	6.34
Net income	8.64	9.08	10.02	10.45	8.16	4.99	5.50

CAPITAL STOCK

The American Agricultural Chemical Co. common; no par; AUTHORIZED—700,000 shares; Issued 627,987 shares; outstanding, June 30, 1950, 627,969 shares, not including 18 shares held in treasury for retirement; no par (no par shares split 3 for 1 Sept. 21, 1938). For details of recapitalization in 1931, see Issued below.

Dividend Record (in \$)	1950	1949	1948	1947	1946	1945	1944
(Predecessor company—\$100 par)							
1899-1911	NIL	1912-15 4.00	1916-20 4.25				
1917	5.25	1918-20 6.25	1919-20 8.00				
1921-30	NIL						

CAPITAL STRUCTURE

CAPITAL STOCK	Par Value	Amount Outstanding	Earned per Sh.	Divs. per Sh.	Call Price	Price Range
1. 7% non-cum. preferred	\$100	289,450 shs.	\$1.51	\$17.04	\$5.25	\$7.00
2. Common	No par	599,400 shs.	d 2.65	4.85	3.00	3.00

Fiscal years.

AMERICAN CAR AND FOUNDRY COMPANY

Par Value	Amount Outstanding	Earned per Sh.	Divs. per Sh.	Call Price	Price Range
\$100	289,450 shs.	\$1.51	\$17.04	\$5.25	\$7.00
No par	599,400 shs.	d 2.65	4.85	3.00	3.00

LISTED—New York and Boston Stock Exchanges.

TRANSFER AGENTS—Bank of New York and Fifth Ave. Bank, New York; Old Colony Trust Co., Boston.

REGISTRARS—Guaranty Trust Co., New York; State Street Trust Co., Boston.

ISSUED—Under the reorganization plan effective Jan. 2, 1931 securities of The American Agricultural Chemical Co. (Conn.) were exchanged on the basis of one share of new common for each share of old 6% cumulative preferred stock (on which arrears amounted to \$57 per share on Oct. 1, 1930) and one new share for each ten shares of old common.

PREEMPTIVE RIGHTS—None.

HISTORY

Incorporated under the laws of New Jersey Feb. 20, 1899, and acquired the following plants at time of incorporation: Buffalo Car Mfg. Co., Buffalo, N. Y.; Ensign Mfg. Co., Huntington, W. Va.; Jackson & Woodin Mfg. Co., Berwick, Pa.; Michigan-Penninsular Co., Detroit, Mich.; Missouri Car & Foundry Co., St. Louis, Mo.; Murray, Dougal & Co., Milton, Pa.; Niagara Car Wheel Co., Buffalo, N. Y.; Ohio Falls Car Mfg. Co., Jeffersonville, Ind.; Pennock Bros. (dismantled), Minerva, Ohio; St. Charles Car Co., St. Charles, Mo.; Terre Haute Car & Mfg. Co., Terre Haute, Ind.; the Wells & French Co., Chicago, Ill.; Union Car Co., Depew, N. Y.

The company has also acquired from time to time since incorporation the following plants: Bloomsburg Car Mfg. Co., Bloomsburg, Pa.; Common-Sense Bolster Co., Chicago, Ill.; Indianapolis Car Co., Indianapolis, Ind.; Jackson & Sharp Co., Wilmington, Del.; and the Southern Car & Foundry Co., Memphis, Tenn.

In Jan., 1946, holdings in ACF-Brill Motors Co., an affiliate company, were sold for approximately \$7,500,000.

American Car & Foundry Export Corp. and American Car & Foundry Investment Corp., wholly-owned subsidiaries, were dissolved in April, 1950.

SUBSIDIARIES

This is both an operating and holding company. As of April 30, 1950, 100% of the voting power was held in the following subsidiaries: Name, place of incorporation and business: Carter Carburetor Corp., Del., makes automobile carburetors.

American Car & Foundry Securities Corp., N. Y., holds customers notes.

Subsidiaries in which voting power held was less than 100% were: Shippers' Car Line Corp., N. Y. (99%) see appended statement.

BUSINESS AND PRODUCTS

This is a leading manufacturer of railroad equipment, the parent company specializing particularly in the manufacture and sale of railway passenger and freight train cars of all types for domestic and foreign service, cars for industrial purposes, repairs to railway cars, spare parts, railway supplies, iron and steel forgings, cast iron wheels, iron cast-

ings, valves (lubricated plug type—tank—all industrial types, welded products (all sizes and designs) miscellaneous articles of iron and steel and manufacture of and repairs to small vessels.

Carter Carburetor Corporation, subsidiary, manufactures and sells carburetors, governors, fuel filters and fuel pumps for automobiles.

The subsidiary, Shippers' Car Line Corp. (statement appended) is engaged in the owning, operating and leasing of railway tank cars and freight cars of other types.

PLANTS & PROPERTIES

Plants of the parent company and the general character of activity of these plants are noted below. These do not include plants of subsidiaries with separate statements shown elsewhere. The plant of the Carter Carburetor Corp., a subsidiary, is located at St. Louis, Mo.

Location of Plant

General Character

Berwick, Pa. Passenger, freight and mine car plant—iron foundry—rolling mill. Freight car plant—iron foundry (inoperative). Freight car plant—iron foundry.

Buffalo, N. Y. Freight and mine car plant—iron foundry.

Chicago, Ill. Freight car plant—iron foundry.

Detroit, Mich. Freight car plant—iron foundry.

Huntington, W. Va. Freight and mine car plant—iron foundry.

Jeffersonville, Ind. Passenger car plant (inoperative). Freight car plant—iron foundry (inoperative).

Madison, Ill. Tank car plant—pressed steel containers.

Milton, Pa. Passenger car plant. Freight car plant—rolling mill—iron foundry.

St. Charles, Mo. Passenger car plant—architectural woodwork mill—ship yard.

St. Louis, Mo. Passenger car plant.

Wilmington, Del. Passenger car plant.

Plants of subsidiary are noted in appended statements.

MANAGEMENT

Officers

Charles J. Hardy, Chairman
Charles J. Hardy, Jr., President
H. V. Bootes, Vice-President
Rudolph Furrer, Vice-Pres. (Engineering)
P. A. Hollar, Vice-President

W. L. Richeson, Vice-President
Fredk. H. Norton, Vice-President (Sales)
Robert W. Ward, Vice-Pres. (Production)
J. F. Clark, Vice-Pres. & Treas.
P. B. Hoyt, Vice-Pres. (Purchase)
C. Allan Fee, Secretary
L. P. Philp, Assistant to Chairman
J. P. Richmond, Comptroller
R. P. Connette, Asst. to President
H. E. Perry, Asst. Treasurer
W. E. Anderson, Asst. Treasurer
John F. Burditt, Asst. Treasurer
Paul Anderson, Asst. Comptroller
W. S. Becker, Asst. Comptroller
J. M. Reibel, Advertising Manager

Executive Committee

John E. Rovensky, Chairman
Charles J. Hardy
Charles J. Hardy, Jr.
John Sherman Hoyt
W. J. Cummings

Directors

R. B. Colgate, New York
W. J. Cummings, Chicago
C. J. Hardy, New York
C. J. Hardy, Jr., New York
J. S. Hoyt, Darien, Conn.
W. F. Van Deventer, New York
E. L. Nye, New York
J. E. Rovensky, New York
H. C. Wick, New York
J. A. Farrell, Jr., New York

General Council: Hardy, Stancliffe & Hardy, New York.

Annual Meeting: Last Thursday in August.

Number of Stockholders: Aug. 1, 1950: Preferred, 6,412; common, 8,431.

Number of Employees: Dec. 31, 1950, 10,000.

General Office: 30 Church St., New York 8, N. Y.

Corporate Office: 117 Main Street, Flemington, N. J.

Employees Retirement Fund: Under a plan effected May 1, 1946, \$5,554,278 was transferred from surplus in year ended Apr. 30, 1947, to cover provision for cost applicable to past services against which \$595,552 has been charged for payments.

Since prior service cost under Employees Welfare Plan has not been fully funded, unfunded portion is increased each year by actuarially required interest on such unfunded portion.

INCOME ACCOUNTS COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED APRIL 30

(Taken from reports to Securities and Exchange Commission; including wholly owned subsidiaries)

	1950	1949	1948	1947	1946	1945	1944
① Sales, less discounts & allowances	\$147,470,154	\$219,648,483	\$131,360,756	\$132,820,244	\$118,113,552	\$199,755,179	\$218,834,838
② Cost of sales	133,442,962	195,930,658	112,303,188	111,271,298	99,841,422	164,078,598	184,017,984
③ Selling, gen. and admin. exp.	9,178,002	10,182,985	8,700,532	10,604,670	8,684,113	7,928,105	6,725,674
④ Depreciation & amortization	3,883,931	3,750,866	3,215,669	2,922,210	2,237,747	4,157,870	5,436,832
Operating profits	965,259	9,683,974	7,141,367	8,022,066	7,350,269	23,590,606	22,654,349
Dividends received	105,192	114,604	114,831	134,097	181,642	139,128	91,122
Interest from affiliates	—	—	—	—	—	230,427	392,472
Other interest and discount	693,703	700,826	434,068	819,290	711,724	1,009,904	1,099,319
Royalties	47,173	65,421	63,939	33,686	43,691	7,221	4,053
⑤ Miscellaneous other income	56,508	82,393	32,906	19,262	1,382,244	5,040	6,912
Total income	1,867,835	10,647,218	7,787,111	9,028,400	9,669,570	24,982,337	24,245,226
Interest paid	893,714	1,562,947	554,573	180,373	230,150	175,900	388,954
Royalties paid	272,809	388,821	342,377	347,583	325,467	463,679	420,449
⑥ Misc. other deductions	143,408	274,654	349,060	576,790	580,026	596,431	419,222
Minority interest	2,148	2,920	1,854	1,440	379	—	—
Balance	555,761	8,417,876	6,539,547	7,922,236	8,533,549	23,746,315	23,019,802
⑦ Prov. for Fed. inc. and surtax	119,568	3,485,762	2,435,595	2,746,194	1,531,456	2,134,779	2,367,000
⑧ Excess profits taxes	—	—	—	—	1,655,404	15,276,395	15,160,770
Net income to surplus	436,193	4,932,114	4,103,952	5,176,042	5,346,689	6,335,141	5,591,832
Surplus beginning of year	44,917,204	42,226,316	41,946,714	41,045,022	37,511,456	34,700,964	31,135,283
⑨ Other surplus credits	1,086,160	1,583,124	—	5,104,278	2,098,000	—	—
⑩ Preferred dividends	1,519,613	2,026,150	2,026,150	2,026,150	2,026,150	2,026,150	2,026,150
Common dividends	1,798,200	1,798,200	1,798,200	1,798,200	1,798,200	1,498,500	1,198,800
Common dividends chgd. to res.	—	—	—	—	—	—	—
⑪ Other surplus debits	18,846,280	—	—	5,554,278	86,773	—	—
Surplus end of year	\$24,275,464	\$44,917,204	\$42,226,316	\$41,946,714	\$41,045,022	\$37,511,456	\$34,700,964

SUPPLEMENTARY P. & L. DATA

Maintenance and repairs
⑫ Taxes (other than income)
⑬ Parent company's net income

1949-44: \$3.50 per share out of earnings from preceding fiscal year and \$3.50 per share out of earnings from current fiscal year.

⑭ 1946-44: After giving effect to adjustments (estimated) of sales prices through renegotiation.

⑮ Includes social security taxes: 1950, \$1,116,174; 1949, \$1,611,632; 1948, \$403,635; 1947, \$368,759; 1946, \$353,424; 1945, \$496,546; 1944, \$455,804.

⑯ 1950: Write-off of goodwill from "Intangibles" account, \$18,846,280.

⑰ 1947: Transfer to reserve for employees' welfare plan to cover provision for employees' retirement cost applicable to past services, \$5,554,280.

⑱ 1946: Write-off of intangible assets of subsidiary dissolved during year.

⑲ Includes operations of Shippers' Car Line Corp. for period Jan. 1, 1946 to April 30, 1946.

⑳ Principal "other surplus credits" follow: 1950: Transfer from reserve for contingencies, \$1,086,160.

1949: Adjustment of accrued for prior years Federal income taxes, \$1,583,124.

1947: Amount transferred from reserve for contingencies, \$5,104,278.

⑳ 1950: Before tax credit of \$98,359 (1949, \$94,054; 1948, \$158,828) as a result of charges made to Employees' Welfare Plan Reserve. This credit has been credited to said reserve.

General Note

(a) As the result of a change in cost accounting methods, during fiscal year ended Apr. 30, 1948, certain engineering costs, which in prior years were considered as general and administrative expenses, have in current year 1948 been treated as direct charges to production costs. Accordingly, costs of \$1,539,346 representing engineering expenses have been included in closing inventory of work in process with a resultant increase of approximately \$950,000 in net earnings after income taxes.