

MOODY'S INDUSTRIAL MANUAL

AMERICAN and FOREIGN

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MOODY'S INVESTORS SERVICE

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Financial & Operating Ratios (cont'd)		1953	1957	1956	1955	1954	1953	1952
% property depreciated.....		41.92	41.13	42.01	45.43	44.93	47.58	49.49
% annual depr. to gross property.....		3.79	3.57	3.59	3.65	3.43	4.39	4.22
Capitalization:								
% long-term debt.....		20.51	22.46	23.72	26.19	27.28	30.17	19.66
% preferred stock.....		6.09	6.36	7.53	8.56	9.40	12.41	16.61
% common stock & surplus.....		73.40	71.18	68.75	65.25	63.31	57.42	63.73
Sales ÷ inventory.....		3.40	3.07	2.71	2.77	3.03	3.25	2.93
Sales ÷ receivables.....		4.83	3.74	4.85	5.21	5.76	5.52	5.59
% sales to net property.....		417.41	455.53	478.83	492.13	591.90	629.19	690.24
% sales to total assets.....		127.62	123.53	116.69	117.96	121.77	136.24	135.51
% net income to total assets.....		5.19	6.40	6.33	6.01	6.11	5.64	6.18
% net income to net worth.....		8.56	11.50	11.52	10.24	10.40	10.35	11.66
Pfd. dividends times earned.....		24.68	31.13	25.59	19.33	16.22	12.59	11.89
Analysis of Operations								
Net sales.....		100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold.....		77.33	76.42	75.48	76.04	77.54	80.40	80.30
Selling, gen. & other expenses.....		14.36	13.50	13.40	13.47	12.18	10.66	10.47
Operating profit.....		8.25	10.08	11.12	10.49	10.78	8.64	9.23
Other income.....		1.11	1.11	0.53	0.74	0.67	0.54	0.58
Gross income.....		9.36	11.19	11.70	11.23	10.45	9.18	9.82
Other deductions.....		0.71	0.66	0.77	0.63	0.70	0.55	0.50
Net income before income taxes, etc.....		8.65	10.53	10.93	10.55	10.25	8.63	9.33
Income taxes, etc.....		4.35	5.15	5.49	5.43	5.21	4.49	4.76
Net income.....		4.30	5.18	5.44	5.12	5.01	4.14	4.56

ⓂAlso 2% in stock.

ⓂIncludes \$1.00 paid on no par shares.

LONG TERM DEBT

Term Loans: Outstanding, Dec. 31, 1953, \$25,000,000, evidenced by 3½% notes due annually July 1 as follows: \$1,150,000 1959-69, incl.; \$2,300,000 1970-74, incl., balance July 1, 1975. Proceeds to repay bank loans and provide working capital for expansion including construction of Decatur, Ala., plant. Notes are held by Metropolitan Life Insurance Co.

Company may not pay dividends on common except from earnings subsequent to Dec. 31, 1952 plus \$5,000,000, provided net current assets are at least \$40,000,000. Company may issue (1) unsecured current liabilities and (2) unsecured funded debt so long as under (2) consolidated net tangible assets are not less than 250% of funded debt and consolidated net current assets are not less than \$40,000,000. At Dec. 31, 1953, \$23,129,037 of earned surplus was restricted.

CAPITAL STOCK

1. Worthington Corp. cumulative prior preferred, 4½% series; par \$100;

AUTHORIZED—All series, 150,000 shares; (of which 70,774 shares designated 4½% series); outstanding, Dec. 31, 1953, 70,774 shares; par \$100.

PREFERENCES—Has preference for assets and dividends.

DIVIDEND RIGHTS—Entitled to cumulative dividends of 4½% per annum. Dividends payable quarterly Mar. 15, etc., to stock of record about Mar. 1, etc.

DIVIDEND LIMITATION—See term loan above.

DIVIDEND RECORD—Initial dividend of \$4.31¼ paid Dec. 15, 1937, covering the period

Jan. 1, 1937, to Dec. 15, 1937; Mar. 15, June 15 and Sept. 15, 1938, \$1.12½; none thereafter to Dec. 14, 1940, when \$1.12½ per share was paid; 1941, \$1.50 (clearing all arrears). Regular dividends paid quarterly thereafter.

VOTING RIGHTS—Three votes per share. The maximum amount of stock of any class authorized shall not be increased, nor shall any other class of stock be created having preference or priority as to earnings or assets over any class of stock authorized, without, in every such case, the affirmative vote of the holders of two-thirds of each class of stock at the time outstanding. No mortgage or other lien upon property, real or personal, of the company, to secure an issue of its obligations, shall be created except upon the affirmative vote of the holders of the proportion of the capital stock which may be prescribed by law.

LIQUIDATION RIGHTS—In liquidation, entitled to \$105 per share if voluntary and to \$100 per share if involuntary.

PREEMPTIVE RIGHTS—Has full rights.

CALLABLE—On any dividend date, in whole or in part (by lot) on 30 days' notice, at 105.

LISTED—New York Stock Exchange.

TRANSFER AND DIVIDEND DISBURSING AGENT—Morgan Guaranty Trust Co., New York.

REGISTRAR—Irving Trust Co., New York.

ISSUED—In exchange for former class A 1% preferred and class B 6% preferred.

2. Worthington Corp. common; par \$10; AUTHORIZED—2,250,000 shares; outstanding, 1,512,119 shares; reserved for stock options, see below, 5,990 shares; par \$10 (no par shares split 3-for-1 Mar. 23, 1943; changed from no par to \$10 par Mar. 23, 1955, share for share).

DIVIDEND RESTRICTION—See term loan above.

Dividend Record (in \$)

(\$100 par shares—predecessor company)

1916-19 nil 1920... 4.50 1921... 5.50

1922... 3.00 1923-36 nil

(No par shares—present company)

1937-42 nil 1943... 2.00 1944-45 1.50

Ⓜ1946-47 2.00 Ⓜ1948... 2.25 1949... 1.00

1950... 2.75 1951-52 2.50 1953... 2.00

1954... 2.50 1955... 1.00

(\$10 par shares)

1955... 1.50 1956... 3.00 Ⓜ1957-58 2.50

Ⓜ1959... 0.02½

ⓂStock dividends paid: 1917, 10%; 1957-58, 2%;

ⓂIncludes \$1.50 paid before 3-for-1 split Mar. 23, 1943.

ⓂTo Mar. 21.

Dividends payable quarterly Mar. 20, etc., to stock of record about Mar. 1, etc.

VOTING RIGHTS—One vote per share. Also, as described under 4½% prior preferred.

"Voting Rights" (No. 1, above).

PREEMPTIVE RIGHTS—Has full rights.

LISTED—New York Stock Exchange.

TRANSFER AND DIVIDEND DISBURSING AGENT—Morgan Guaranty Trust Co., New York.

REGISTRAR—Irving Trust Co., New York.

ISSUED—Originally issued in February, 1937, to stockholders of predecessor Virginia corporation on the basis of 1 no par share for each par \$100 share of predecessor.

Stock Options: Outstanding, Dec. 31, 1953, options held by certain officers and key employees on 4,390 common shares at \$43 per share.

CAPITAL STRUCTURE

LONG TERM DEBT

Issue	Rating	Amount Outstanding	Charges Earned 1953	Charges Earned 1957	Interest Dates	Call Price	Price Range 1953	Price Range 1932-53
1-3. Shippers' Car Line Corp.: Debtenture 3s, due 1961.....	Ⓜ---	\$1,230,000			(A&O 1	Ⓜ---	Ⓜ---	Ⓜ-----
Debtenture 3s, due 1962.....	Ⓜ---	1,200,000			(J&J 1	Ⓜ---	Ⓜ---	Ⓜ-----
Debtenture 3½s, due 1963.....	Ⓜ---	732,000			(A&O 1	Ⓜ---	Ⓜ---	Ⓜ-----
4. 3¾%-4% notes payable (subs.) due to 1969.....	Ⓜ---	3,202,000				Ⓜ---	Ⓜ---	Ⓜ-----
5. 5¼% notes payable, due 1962-79.....	Ⓜ---	Ⓜ12,500,000				Ⓜ---	Ⓜ---	Ⓜ-----

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	ⓂEarned per Sh. 1953	ⓂEarned per Sh. 1957	ⓂDivs. per Sh. 1953	ⓂDivs. per Sh. 1957	Call Price	Price Range 1953	Price Range 1932-53
1. Common.....	\$25	1,417,934 shs.	\$5.54	\$6.33	\$1.00	\$1.00		49½-37½	72½-31½

ⓂFiscal years. ⓂPlaced privately. ⓂSee text. ⓂAs of Apr. 30, 1959.

HISTORY

Incorporated under the laws of New Jersey Feb. 20, 1893 as American Car & Foundry Co. Present name adopted June 1, 1934.

At incorporation acquired 13 railway car building companies and plants. Five others were acquired and consolidated at various times thereafter.

In 1931 organized certain subsidiaries for purpose of financing specific car purchases, rental and sales transactions. Any obligations incurred by such financial subsidiaries are secured by cars and leases thereon and are without recourse to company.

Subsidiaries in this group are SHPX First Corp., SHPX Second Corp., SHPX Third Corp., Amcar Corp., and Car Funding Corp. Business of these companies represents result to date of a venture begun on premise that acquisition of cars to be leased for long terms to industrial users should be financed with a minimum of capital investment and without engaging credit of ACF Industries, Inc. SHPX Fourth Corp. was organized 1952 to finance lease of 2,000 hopper cars to Pennsylvania R.R.

On Apr. 20, 1953, purchased entire capital stock of Avion Instrument Corp. of Paramus, N. J., which conducts research and develops fire control and missile guidance systems, computer elements and other electronic devices. Now operated as Avion Division.

In May 1954, company through W-K-M

Manufacturing Co., Inc., acquired for \$7,150,000 business of W-K-M Co. of Houston, Tex. Manufacturer of high-pressure steel valves for oil field and pipe line equipment. Now operated as W-K-M Division.

In Nov. 1954, company acquired Engineering & Research Corp., Riverdale, Md., producer of electronics and airplane equipment. Now operated as part of Nuclear Products-Erco Division.

In Aug. 1955 acquired all assets of Key Co., for 30,000 ACF common shares. Key produced oil refinery parts and equipment; now operated as part of W-K-M Division.

In Oct. 1957, acquired all assets of Modern Manufacture, Inc., Houston, Tex., for 5,190 ACF common shares. Modern machines small precision items and tooling on a job order basis and is now a part of its W-K-M Division.

SUBSIDIARIES

This is both an operating and holding company. As of April 30, 1958, 100% of the voting power was held in the following subsidiaries:

Name, place of incorporation and business:
SHPX First Corp., N. Y., financing purchases, rentals and sales.
SHPX Second Corp., N. Y., financing purchases, rentals and sales.
SHPX Third Corp., N. Y., financing purchases, rentals and sales.
SHPX Fourth Corp., N. Y., financing purchases and rentals.

Amcar Corp., N. Y., financing purchases, rentals and sales.

Car Funding Corp., N. Y., financing purchases, rentals and sales.

ACF International Corp., N. Y., owns British and Canadian subsidiaries mentioned below.

ACF (Great Britain) Ltd., British licensee and representative.

W-K-M Canada Ltd., Canadian distributor.

BUSINESS AND PRODUCTS

On June 1, 1955, a new organization plan was placed in operation as part of broad program of diversification. At Apr. 30, 1959, company had 7 operating divisions with 16 manufacturing plants, 5 service plants and offices in 18 cities. Each division is headed by its own president with its own management team. Operating groups and their major product or service categories follow:

Albuquerque Division, formed April 1, 1959, manages Atomic Energy Commission's South Albuquerque facility and provides support functions to AEC Los Alamos and Livermore Laboratories.

American Car & Foundry Division, now combined with Advanced Products Division, makes railroad freight, tank, passenger, industrial and mine cars; car components; tanks and pressure vessels; foundry and forge products; heavy-plate pressings; materials handling equipment, marine, land, air; ordnance support equipment; aircraft parts and com-

ponents; airframe assemblies; specialized industrial equipment; pressed metal specialties and railroad car wheels.

Avion Division, makes aircraft engine controls; analog and digital computers; data-processing equipment; automatic weighing systems; fire-control systems; infra-red devices; magnetic components; printed circuitry; missile guidance systems and components; navigational instruments and systems, and radar beacons.

Carter Carburetor, makes carburetors; fuel filters; fuel injectors; fuel pumps; oil pressure switches; small machine parts, and small metal stampings.

Nuclear Products-Erco Division, makes airframe components; airframe machine tools; detection devices and countermeasures; flight simulators and other training devices; missile components; ordnance and components; and weapons handling equipment.

Shippers' Car Line Division, leases more than 15,000 tank and special railroad cars to industry; repairs tank cars and sells freight and tank cars and parts made by American Car and Foundry division to industrial users.

W-K-M Division, makes lubricated plug valves; high-pressure oilfield and pipeline gate valves; multiple completion valves; ball valves; refinery and chemical alloy fittings and return bends.

ACF Electronics, not a product division, is a research and development activity in field of modular circuitry.

Unfilled Orders (\$), June 1:			
1958.....	60,000,000	1954.....	118,000,000
1957.....	181,000,000	1953.....	277,000,000
1956.....	230,000,000	1952.....	353,000,000
1955.....	133,500,000		

PRINCIPAL PLANTS & PROPERTIES

Plant locations of operating groups follow:
Albuquerque Division
 Albuquerque, N. Mex. (370,231 sq. ft.)
Atomic Energy Commission

American Car & Foundry Division
 Berwick, Pa. (2,051,524 sq. ft.)
 Passenger and freight cars, foundry products, forgings.

Huntington, W. Va. (414,639 sq. ft.)
 Freight cars.
Milton, Pa. (413,453 sq. ft.)
 Tank cars, tanks, heavy pressings.
St. Charles, Mo. (650,461 sq. ft.)
 Aircraft components.
St. Louis, Mo., Car Plant (631,200 sq. ft.)
 Freight cars.
St. Louis, Mo., Foundry (186,452 sq. ft.)
 Foundry products.

Avion Division
 Alexandria, Va. (33,000 sq. ft.)
 Electronics—Research and engineering.
Paramus, N. J. (66,550 sq. ft.)
 Electronics—Research and engineering.
Carter Carburetor Division
 Olivette, Mo. (108,450 sq. ft.)
 Carburetor parts.

Shippers' Car Line Division
 St. Louis, Mo. (669,582 sq. ft.)
 Carburetors, fuel pumps.
Nuclear Products-Erco Division
 Buffalo, N. Y. (231,107 sq. ft.)
 Heavy Ordnance products.
Riverdale, Md. (266,720 sq. ft.)
 Electronics products.

Shippers' Car Line Division
 East St. Louis, Ill. (25,420 sq. ft.)
 Tank car repairs.
Milton, Pa. (62,450 sq. ft.)
 Tank car repairs.
North Kansas City, Mo. (35,350 sq. ft.)
 Tank car repairs.
Redhouse, W. Va. (21,000 sq. ft.)
 Tank car repairs.
Smackover, Ark. (13,730 sq. ft.)
 Tank car repairs.

W-K-M Division
 Missouri City, Tex. (500,630 sq. ft.)
 High pressure valves and refinery fittings.
Richmond, Tex. (255,317 sq. ft.)
 Valve castings.

ACF Electronics
 Alexandria, Va. (24,936 sq. ft.)
 Electronic components.

MANAGEMENT

Officers

W. T. Taylor, Chairman
J. F. Clark, President
H. A. Correa, Vice-President
C. A. Fee, Vice-Pres. & Secretary
L. Rene Gallen, Vice-President
A. L. Kress, Vice-President
R. E. Burditt, Treasurer
R. S. Tremble, Comptroller
W. J. Haley, Asst. Secretary
J. L. Farrell, Jr., Asst. Secretary
P. M. Anderson, Asst. Treasurer
W. C. Anderson, Asst. Treasurer
David Ohler, Asst. Treasurer
J. H. Geer, Asst. Comptroller

Directors

F. H. Boland, New York
F. C. Brown
J. F. Clark, New York
W. J. Cummings, Chicago
J. A. Farrell, Jr., New York
G. C. Leib, New York
R. H. R. Loughborough, New York
D. G. Mitchell, New York
E. L. Nye, Rumson, N. J.
R. C. Taylor, New York
W. T. Taylor, New York
W. F. Van Deyner, New York
General Counsel: Hardy, Peal, Barker and Rawlings, New York.

Auditors: Price Waterhouse & Co.

Annual Meeting: Last Thursday in August.

No. of Stockholders: July 29, 1958, 13,717.

No. of Employees: About 13,000.

General Office: 750 Third Ave., New York 17, N. Y.

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

INCOME ACCOUNTS COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED APRIL 30

	1958	1957	1956	1955	1954	1953	1952
Sales, less discounts & allowances...	\$291,891,722	\$291,522,193	\$245,553,172	\$190,774,346	\$245,056,908	\$257,209,071	\$173,964,755
Cost of sales	247,795,811	244,935,419	204,651,590	155,618,370	208,387,822	219,772,191	141,955,474
Selling, gen. and admin. exp.	20,385,836	21,212,800	18,493,756	14,486,142	14,219,800	12,815,484	10,444,056
Research & development exp.	1,925,061	2,820,374	3,143,913	1,960,193	3,802,773	4,114,574	4,311,613
Depreciation & amortization	6,115,602	5,728,293	4,657,379	4,523,197	18,676,512	20,506,823	17,253,612
Operating profits	18,599,310	19,865,301	15,238,501	14,186,439	1,223,359	1,070,597	905,077
Interest & other expenses, net	1,217,867	1,931,691	1,061,321	1,232,459	cr 53,703	1,524,577	1,519,906
Misc. other deductions, net	1,473,053	cr 443,745		cr 101,340		1,118	1,454
Minority interest							
Balance	15,908,393	18,324,352	14,174,183	13,055,320	17,506,832	17,910,531	14,797,175
Prov. for Fed. inc. and surtax	8,657,116	9,291,029	6,166,600	6,200,000	8,559,191	8,967,574	7,419,066
Excess profits taxes					901,415	257,981	175,914
Prov. for deferred Fed. inc. taxes					263,806		
Net income to surplus	7,851,277	9,033,323	8,007,583	6,855,320	7,778,420	8,684,978	7,202,165
Surplus beginning of year	50,654,091	45,778,035	43,162,412	37,682,640	37,913,093	31,319,891	26,606,932
Other surplus credits				7,121,588		4,129,378	735,745
1% preferred dividends				2,026,150	2,026,150	2,026,150	2,026,150
5% preferred dividends		106,955	509,946	628,021			
Common dividends (cash)	5,659,621	4,050,302	4,852,014	4,019,074	3,442,310	1,931,961	1,193,800
Common dividends (stock)					2,570,412	2,097,900	
Other surplus debits				1,823,891		135,141	
Surplus end of year	\$52,845,747	\$50,651,031	\$45,778,035	\$43,162,412	\$37,682,640	\$37,913,093	\$31,319,891
SUPPLEMENTARY P. & L. DATA							
Maintenance and repairs	\$10,903,860	\$11,741,134	\$6,511,453	\$6,331,013	\$9,433,297	\$9,196,476	\$3,737,810
Amort. of patents					23,014	2,144	3,047
Replace. in lieu of deprec. on dies					1,619,662		
Taxes (other than income)	3,995,713	4,028,012	4,790,917	2,924,217	3,001,810	2,689,630	2,919,036
Rents	1,720,911	1,553,508	644,135	691,618	612,347	489,190	344,267
Royalties	507,072	561,146	503,895	391,923	209,976	245,369	241,422

1958: Includes \$10,618,000 not restricted under loan agreements.

Includes related portions of items shown under "Supplementary p. & l. data" below statement.

Includes operations of Avion Instrument Corp. from Apr. 20, 1953, date of acquisition.

On account of accelerated depreciation.

Retired in 1955.

1955-52: \$7 per share out of earnings from preceding year.

1954: 10% stock dividend: 65,908 shares valued at \$39.00 per share, \$2,570,412.

1953: 10% stock dividend: 59,910 shares valued at \$35.00 per share, \$2,097,000.

Includes payroll taxes (1958, \$2,477,495).

1955: Provision for price redetermination and other changes relating to prior years: \$1,823,891.

1953: Excess of cost over book value of Avion Instrument Corp. capital stock at date of acquisition, \$135,141.

Principal "other surplus credits" follow:
 1955: Restoration to retained earnings of contingency reserve no longer deemed necessary, \$7,121,588.

1953: Transfer of reserve of employees' welfare plan, \$1,129,378.

1952: Transfer from reserve for common dividends, \$735,745.

General Note

(a) Total payroll: 1958, not available; 1957, \$93,355,000; 1956, \$85,451,000; 1955, \$66,630,139; 1954, \$60,782,521; 1953, \$51,899,717.

Record of Earnings, Years ended April 30 (in \$):

Year	Net Sales	Cost and Expenses	Operating Profit	Oth. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstanding	Earn. Per Com. Sh.
1911.....	67,192,012	60,338,999	6,853,103	502,951	7,356,057	2,194,927	5,161,130	599,400	599,400	5.23
1912.....	216,336,563	163,272,167	53,064,401	d 5,281,462	47,782,939	38,507,562	9,275,377	599,400	599,400	112.09
1913.....	259,275,639	236,757,819	22,517,810	d 2,087,169	30,450,621	25,374,902	5,075,719	1,198,800	599,400	5.03
1914.....	218,834,835	196,180,493	22,654,319	365,253	23,019,602	17,427,770	5,591,832	1,198,800	599,400	5.95
1915.....	192,755,179	176,164,373	23,590,806	155,709	23,746,515	17,411,174	6,335,341	1,498,500	599,400	7.18
1916.....	118,113,552	110,763,283	7,350,269	1,183,250	8,533,519	3,166,800	5,366,719	1,798,200	599,400	5.54
1917.....	132,820,244	124,793,178	8,022,066	d 99,830	7,922,236	2,746,191	5,176,045	1,798,200	599,400	5.26
1918.....	131,360,756	124,219,359	7,141,397	d 601,820	6,539,517	2,435,595	4,103,922	1,798,200	599,400	3.47
1919.....	219,048,453	209,961,700	9,086,753	d 1,266,093	8,417,516	3,485,702	4,932,114	1,798,200	599,400	4.83
1920.....	147,470,151	146,501,835	968,316	d 400,493	567,823	119,563	458,260	1,798,200	599,400	d 2.65
1921.....	119,657,301	113,711,618	5,945,683	d 1,007,774	4,937,909	2,261,993	2,675,914	599,400	599,400	1.03
1922.....	173,564,755	155,711,143	17,853,612	d 2,456,437	14,797,175	7,595,010	7,202,165	1,198,800	599,400	8.61

1928 after renegotiation adjustment.

Includes \$599,400 declared in July 1911, but held up by court action and paid in Feb., 1913.

BALANCE SHEETS COMPARATIVE CONSOLIDATED BALANCE SHEET AS OF APRIL 30

	1958	1957	1956	1955	1954	1953	1952
ASSETS							
Cash	\$10,098,391	\$13,151,938	\$13,473,326	\$18,228,165	\$10,110,670	\$20,059,202	\$19,601,707
Mkt. secs. (cost or less)						1,180,020	1,319,856
U. S. Govt. secs. (cost)	9,453,792		6,102,885	8,225,056	13,455,781	1,655,014	509,000
Notes & accts. receivable	25,693,753	44,815,762	31,950,800	34,004,493	29,915,914	40,725,694	23,381,256

ASSETS (cont'd)	1958	1957	1956	1955	1954	1953	1952
Ⓐ Inventories	\$5,611,976	\$6,952,817	\$3,474,255	\$7,100,859	\$1,774,955	\$7,294,351	\$5,005,223
Prepaid expenses	1,250,191	2,210,167	915,735	-----	-----	-----	-----
Total current assets	\$6,862,167	\$9,162,984	\$4,390,000	\$7,100,859	\$1,774,955	\$7,294,351	\$5,005,223
Ⓐ Invest., etc. in uncons. subs.	3,205,039	1,511,202	1,550,219	1,727,217	15,000	15,000	15,000
Long term receivables, etc.	722,103	852,604	2,051,236	2,416,949	3,002,470	1,551,465	1,337,412
Ⓐ Property, plant and equipment	137,151,253	132,615,667	127,597,652	121,033,639	109,419,653	103,059,567	114,229,184
Ⓐ Less: Depreciation reserve	69,159,972	68,004,550	62,569,114	57,997,549	55,295,427	56,552,662	56,978,414
Ⓐ Net property account	67,991,317	64,611,117	65,028,538	63,036,090	54,124,226	46,506,905	57,250,770
Intangibles	-----	-----	-----	1	682,533	23,015	19,559
Prepaid taxes, insurance, etc.	-----	-----	-----	-----	-----	915,553	1,014,231
Total	\$153,500,657	\$196,471,617	\$177,476,924	\$172,818,809	\$153,103,575	\$165,197,149	\$149,456,459
LIABILITIES							
Accounts payable, etc.	\$16,555,957	\$25,275,534	\$23,786,364	\$21,393,097	\$22,461,444	\$21,406,712	\$10,125,693
Ⓐ Accrued taxes	8,293,931	10,153,156	7,659,131	10,299,109	11,865,170	11,384,523	9,957,567
Notes payable (banks)	-----	\$4,000,000	21,500,000	21,000,000	-----	15,000,000	15,000,000
Dividends payable	-----	-----	1,370,011	1,258,278	-----	-----	-----
Advance contr. payments	-----	-----	551,000	931,000	558,855	995,247	1,305,187
Long term debt due within year	1,220,000	1,220,000	-----	-----	635,000	635,000	635,000
Total current liabilities	26,069,951	40,653,690	\$5,296,506	\$4,922,484	\$35,510,419	\$49,471,457	\$37,073,447
Long term debt	5,114,000	6,364,000	7,953,000	8,931,000	5,930,000	6,690,000	7,315,000
Minority interest	-----	-----	-----	-----	2,422	8,690	11,362
Due uncons. subs.	-----	-----	-----	-----	-----	-----	414,622
Res. for empl. welfare plan	-----	-----	-----	-----	-----	-----	4,129,377
Ⓐ Reserve for contingencies, etc.	-----	-----	-----	-----	7,121,553	7,121,533	7,293,569
Ⓐ Res. for deferred Fed. income taxes	1,756,347	1,429,003	931,463	-----	263,806	-----	-----
7% preferred stock (\$100 par)	-----	-----	6,873,350	23,519,650	30,000,000	30,000,000	30,000,000
5% preferred stock (\$50 par)	-----	-----	31,504,175	21,432,963	18,149,350	16,500,000	30,000,000
Ⓐ Common stock	\$5,417,005	\$2,052,972	29,057,466	20,877,294	19,456,503	18,533,791	2,919,391
Ⓐ Capital surplus	\$2,815,747	\$0,651,091	45,778,035	43,162,412	37,652,640	37,913,093	31,319,891
Total capital stock & surplus	120,500,359	118,024,919	113,243,026	103,932,325	105,253,493	102,976,594	94,269,282
Ⓐ Less: Treasury stock	-----	-----	-----	-----	1,073,150	1,071,500	1,055,000
Net capital stock & surplus	120,500,359	118,024,919	113,243,026	103,932,325	104,180,343	101,905,094	93,214,282
Total	\$153,500,657	\$196,471,617	\$177,476,924	\$172,818,809	\$153,103,575	\$165,197,149	\$149,456,459
Net current assets	\$55,432,217	\$56,506,934	\$53,600,495	\$50,606,063	\$59,116,911	\$61,451,824	\$52,764,550
PROPERTY ACCT.—ANALYSIS							
Additions at cost	\$3,850,243	\$3,342,492	\$7,186,597	\$14,554,457	\$3,667,822	\$3,155,330	\$4,575,155
Retirements or sales	4,171,747	3,931,505	3,402,562	2,910,875	7,251,295	9,370,575	8,655,107
Ⓐ Other additions	cr 181,273	cr 233,571	2,759,973	cr 69,617	cr 14,731	45,863	-----
DEPREC. RESERVE—ANALYSIS							
Additions charged to p. & l.	\$5,931,323	\$5,431,723	\$5,100,901	\$4,453,850	\$3,809,457	\$4,332,176	\$4,311,613
Retirements or sales	2,875,175	1,928,952	2,012,757	1,751,423	5,024,035	4,743,352	5,243,602
Ⓐ Other additions	91,911	-----	1,363,421	-----	69,035	14,824	-----
Ⓐ 1958: Represents additions to fixed assets through acquisition of Key Co.							
1953: Represents additions to fixed assets through acquisition of Avion Instrument Corp.							
Ⓐ 1955: Transferred to earned surplus.							
Ⓐ Includes unbilled charges (1958, \$5,074,282).							
Ⓐ At cost or less and not in excess of market.							
Ⓐ 1958, comprises \$15,000 cost of capital stock of SHPX, \$2,433,210 paid by ACF Industries, Inc. to a subsidiary of SHPX First Corp. for option to purchase railroad cars at depreciated book value less amount paid for options, and \$755,823 representing instalment notes receivable from a company in SHPX group.							
Ⓐ Relating to accelerated amortization of facilities under certificate of necessity.							
Ⓐ 1958							
Land & Impr.	\$3,830,595						
Structures	21,169,927	\$15,567,791					
Mach. & equip.	61,515,031						
Railroad cars	43,051,763	23,592,175					
Constr. in prog.	1,550,310						
Total	\$137,151,253	\$63,159,972					
Ⓐ Comprises 10,550 preferred shares at 1951-51; and following common shares: 1954, 726; 1953, 600; 1952-51, 600.							
Ⓐ 1958-53: Represented by par \$25 shares.							
1952: Represented by 600,000 no par shares.							
Ⓐ 1955: Represents related reserve of additions to fixed assets through acquisition of Modern Manufacture, Inc.							
1956: Represents related reserve of additions to fixed assets through acquisition of Key Co.							
1953: Represents related reserve of additions to fixed assets through acquisition of Avion Instrument Corp.							
Ⓐ 1958: After crediting \$154,034 upon acquisition of another company.							
1957: After crediting \$2,965,506 resulting from conversion of preferred stock into common stock.							
1956: After crediting \$3,210,172 resulting from issuance of common stock in amounts in excess of par value.							
1955: After crediting \$1,420,791 resulting from issuance of common stock in amounts in excess of par value.							
1954: After crediting \$922,712 excess of average market value of \$39 per share over							
FINANCIAL & OPERATING DATA							
Statistical Record, Fiscal Years							
Earned per share—common	\$5.51	\$6.39	\$5.03	\$6.63	\$7.93	\$10.10	\$8.64
Dividends per share—7% preferred	-----	-----	-----	-----	\$1.00	\$7.00	\$7.00
-----5% preferred	-----	-----	-----	-----	-----	-----	-----
-----common	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Ⓐ Price Range—common	49 1/2-37 1/2	64 1/2-30 1/2	67 1/2-55	71-46 1/2	50 1/2-32	49 1/2-30 1/2	42 1/2-31
Net tangible assets per sh.—common	\$84.93	\$81.54	\$54.41	\$105.18	\$103.79	\$110.66	\$107.14
Number of shares—preferred	-----	-----	-----	-----	283,450	283,450	283,450
-----common	1,417,991	1,412,714	1,260,167	837,319	723,243	659,313	577,400
Financial & Operating Ratios							
Current assets—current liabilities	3.13	1.80	1.97	1.92	2.68	2.24	2.42
% cash & sec. to curr. assets	24.00	10.31	17.97	23.16	24.74	20.65	23.83
% inventory to curr. assets	42.92	52.65	49.03	41.61	43.81	42.81	50.10
% net curr. assets to net worth	46.01	47.83	47.33	46.49	47.30	60.30	66.62
% properly depreciated	50.43	49.77	48.93	47.91	50.52	52.37	49.83
% ann. depr. & amort. to gross prop.	4.46	4.32	3.65	3.74	3.47	4.01	3.77

Consolidated Balance Sheet, as of Apr. 30:

Assets:	1958	1957
Cash	\$963,569	\$1,367,474
U. S. Govt. secur.	1,414,581	696,465
Nts. & accts. rec.	319,814	142,956
Prepaid expenses	10,675	9,312
Total cur. assets	\$2,708,642	\$2,216,207
Int. in car lse. pay.	351,378	186,739
Other assets	1,330,467	965,146
Railroad cars	\$7,274,000	28,369,407
Less: Deprec. res.	6,962,167	4,792,495
Net prop. acct.	30,311,923	23,576,912
Total assets	\$34,735,410	\$26,915,004
Liabilities:		
Notes payable	\$4,011,272	\$2,676,595
Due to affil.	471,810	1,295,658
Accts. pay. & accr.	80,164	57,078
Accr. Fed., state, etc., taxes	30,555	28,401
Total cur. liab.	\$4,624,131	\$4,057,762
Notes payable	\$20,293,693	16,306,270
Due to affiliates	756,829	133,869
Ⓐ Future deliv. under car. pur. op.	2,433,210	1,662,333
Res. for defer. inc. taxes	3,255,753	2,321,507
Cap. stk. (par \$100)	15,000	15,000
Earned surplus	3,356,781	2,445,263
Total liabilities	\$34,735,410	\$26,915,004
Ⓐ With respect to certain railroad cars owned Shippers' Car Line has paid a total of \$2,433,210 in 1958; \$1,662,333 in 1957; for options to purchase these cars at any time at their net depreciated book value, with privilege of applying this amount to purchase price thereof. Equal amounts are shown as assets in company's consolidated balance sheets.		
Ⓐ Secured long term debt, principally at 3 1/2% and 5 1/4% interest, summarized as follows:		
\$5,537,000 collateral notes due serially to Sept. 1, 1961.		
\$17,945,500 chattel mortgage notes due serially to Apr. 1, 1963, \$290,190 equipment trust certificates due serially to July 1, 1961, \$562,250 promissory notes due July 1, 1966.		
Above includes \$1,011,272 portion due within one year.		

SHPX First Corp. and Subsidiaries (not consolidated):

Consolidated Income Account, years ended	1958	1957
Apr. 30:		
R.R. curr. rentals	\$5,893,330	\$4,565,295
Oper. expenses	1,662,318	890,294
Depreciation	2,249,334	1,450,308
Operating profit	2,551,678	2,197,691
Other income	103,562	46,951
Total income	2,655,240	2,244,642
Interest paid	\$20,912	\$33,593
Fed. income taxes	956,077	\$25,623
Net income	\$908,251	\$785,039

Financial & Operating Ratios (cont'd)

	1953	1957	1956	1955	1954	1953	1952
Capitalization:							
% Subs. and other long term debt.	4.03	5.12	7.31	7.55	5.33	6.16	7.33
% preferred stock	-----	-----	5.63	19.95	27.24	26.65	23.79
% common stock & surplus	95.91	91.53	87.06	72.50	67.33	67.19	63.83
Sales-Inventories	8.42	4.40	4.59	4.05	5.87	5.44	3.67
Sales-Receivables	11.43	6.57	7.03	5.60	8.16	6.32	7.44
% sales to net property	433.72	442.26	377.11	342.54	452.60	499.74	303.91
% sales to total assets	192.11	149.94	138.38	110.39	160.07	155.70	116.37
% net inc. to total assets	5.11	4.09	4.32	3.97	5.03	5.26	4.82
% net income to net worth	6.52	7.65	7.07	6.30	7.45	8.52	7.73
Analysis of Operations							
Sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	81.03	83.14	83.09	81.57	85.02	85.44	81.63
Sell. gen. & adm. exp.	7.53	8.17	8.91	8.62	5.83	4.23	6.00
Deprec., renew., etc.	2.07	1.91	1.95	2.37	1.55	1.59	2.26
Operating profits	6.31	6.73	6.20	7.11	7.62	7.93	10.14
Income deductions	.95	0.52	0.43	0.60	0.49	1.02	1.61
Net income before income taxes	5.33	6.22	5.77	6.53	7.14	6.97	8.50
Income taxes	2.73	3.15	2.51	3.23	3.97	3.50	4.33
Net income	2.65	3.07	3.26	3.30	3.17	3.39	4.14

Calendar years. Also 10% in stock. Includes \$7.50 paid in connection with reclassification of \$7 pfd. into two 5% pfd. shares.

LONG TERM DEBT

1. Shippers' Car Line Corp. sinking fund debenture 3s, due 1951:
AUTHORIZED—\$5,450,000; outstanding, Apr. 30, 1953, \$1,230,000.

ASSUMED—ACF Industries, Inc.

DATED—April 1, 1916.

MATURITY—April 1, 1951.

INTEREST—A&O 1 at office of trustee.

TRUSTEE—New York Trust Co., New York.

CALLABLE—As a whole or in part at any time at 103% to Mar. 31, 1949 and 1% less each year thereafter.

Also callable for sinking fund, which see.

SINKING FUND—\$410,000 annually Apr. 1. In addition, company may make option payments in multiples of \$5,000 up to \$325,000.

Callable for sinking fund at 100 on any April 1.

DIVIDEND RESTRICTION—Same as series C, below.

OFFERED—(\$5,450,000) Sold privately April 1, 1916 to Equitable Life Assurance Society.

2. Shippers' Car Line Corp., debenture 3s, series D, due 1952:

AUTHORIZED—\$3,500,000; outstanding, April 30, 1953, \$1,200,000.

ASSUMED—By ACF Industries, Inc.

DATED—July 1, 1947.

MATURITY—July 1, 1952.

INTEREST—J&J 1 at office of trustee.

TRUSTEE—New York Trust Co., New York.

CALLABLE—As a whole or in part at any time at 103 to June 30, 1950 and 1% less each year thereafter.

Also callable for sinking fund, which see.

SINKING FUND—\$300,000 annually July 1.

SECURITY—Not secured by any lien.

DIVIDEND RESTRICTION—Same as series C, below.

OFFERED—(\$3,500,000). Sold privately July 1, 1947.

3. Shippers' Car Line Corp. debenture 3 1/4s, series C, due 1953:

AUTHORIZED—\$2,500,000; outstanding, Apr. 30, 1953, \$732,000.

ASSUMED—By ACF Industries, Inc.

DATED—Apr. 1, 1948.

MATURITY—Apr. 1, 1953.

INTEREST—A&O 1 at office of trustee.

TRUSTEE—New York Trust Co., New York.

CALLABLE—As a whole or in part at any time at 103 to Mar. 31, 1949 and 1% less each year thereafter.

Also callable for sinking fund, which see.

SINKING FUND—\$244,000 annually Apr. 1.

DIVIDEND RESTRICTION—Company will not pay any cash dividend on or reacquire stock unless thereafter on a consolidated basis:

(a) net working capital (as defined) is at least 10% of funded debt, (b) current assets at least 175% of current liabilities, and (c) dividend disbursements plus finance subsidiary investments made and not liquidated do not exceed net income after Apr. 30, 1936 plus \$5,500,000.

OFFERED—(\$2,500,000). Sold privately April 1, 1948.

4. Notes Payable: Outstanding, \$3,232,000

3 1/4% notes due serially to 1962. Other details not reported.

Term Loan: Outstanding, Apr. 30, 1953, \$12,500,000 5 1/4% notes payable annually May 1, 1962-79 under agreement providing for additional loan of \$12,500,000 on Apr. 23, 1960.

Company will not pay cash dividends after Apr. 30, 1961, or acquire stock after June 27, 1958, in excess of consolidated net earnings after Apr. 30, 1958 (including only 75% of consolidated net earnings after Apr. 30, 1961) plus 75% of net earnings after Apr. 30, 1961, of finance affiliates (less dividends paid to company), all not to exceed 100% of consolidated net earnings before Apr. 30, 1961, or 85% thereafter less dividend payments, etc., after Apr. 30, 1953.

Proceeds to restore working capital expended for fixed assets, including additions to leased fleet of Shippers Car Line division.

CAPITAL STOCK

1. ACF Industries, Inc. common stock; par \$25:

AUTHORIZED—1,615,000 shares; outstanding, Apr. 30, 1953, 1,117,934 shares; in treasury, 19,228 shares; par \$25 (changed from \$100 par in March, 1925, 2 no par shares issued for each \$100 share and to \$25 par in Sept., 1952, share for share).

Dividend Record (in \$)

(Calendar Years)

(\$100 par shares)

1893... Nil 1900... \$1.00 1901-02 \$2.00

1903... 4.00 1904... 1.00 1905-06 Nil

1907-08 5.00 1909-16 2.00 1917-18 8.00

1919... 9.00 1920-24 12.00 1925... 6.00

(no par shares after 2 for 1 split)

1925... \$6.00 1926-30 6.00 1931... 2.75

1932-36 Nil 1937... 0.25 1938-40 Nil

1941-42 Nil 1943... 4.00 1944... 2.50

1945-49 3.00 1950... Nil 1951... 2.00

1952... 0.75 (\$25 par share)

1952... 0.75 1953... 5.00 1954... 4.75

1955... 3.75 1956-57 4.00 1958... 2.87 1/2

Also 10% in stock, Sept. 25, 1952.

VOTING RIGHTS—One vote per share.

PREEMPTIVE RIGHTS—Full rights.

LISTED—New York Stock Exchange; unlisted trading on Boston and Pacific Coast Stock Exchanges.

TRANSFER AGENT—Morgan Guaranty Trust Co., New York, N. Y.

REGISTRAR—Hanover Bank, New York.

Stock Options: Outstanding Apr. 30, 1953, options held by key executive and managerial employees on 32,800 shares at \$59.25 a share. Options expire in 1967.

UNITED STATES PLYWOOD CORPORATION

CAPITAL STRUCTURE

LONG TERM DEBT

1. Debenture 3 1/4s, due 1950
2. Debenture 4 1/4s, due 1951
3. Other debt

CAPITAL STOCK

1. 3 1/4% cum. preferred, series A
2. 3 1/4% cum. conv. pfd., series B
3. \$150 second preferred
4. Common

Fiscal years ended April 30. Subject to change or sinking fund call, see text. Range since 1916. Range since 2-for-1 split in 1915 and to the stock split in 1916, 74 1/4%-27 1/2%; range from 1928 and to the 2-for-1 split in 1915, 59-10 1/2%. Range since issuance. Range since 1951.

HISTORY

Incorporated in New York May 6, 1937, as consolidation of U. S. Plywood Co., Inc. (New York), U. S. Plywood Co. of Delaware, Inc. (Del.) and Aircraft Plywood Co., which was incorporated in Washington, July 1, 1929.

On Nov. 1, 1910, acquired all stocks of Algoma Plywood & Veneer Co. (dissolved in Apr. 1935) and Hamilton Veneer Co. Output of these companies had been purchased since 1933.

In Dec. 1912, acquired all voting stock of Tekwood, Inc., Lakeport, N. H. (dissolved in Apr. 1954) and in July, 1913, organized with Mengel Co., Louisville, Ky., U. S. Mengel Plywoods, Inc. as a warehousing and distributing adjunct (operating 15 warehouses).

In 1915 formed U. S. Plywood of Canada, Ltd. (wholly owned) which acquired capital stock of Hay & Co., Ltd. Acquired control of Slu-slaw Forest Products, Inc. operating in Oregon. In 1916, acquired control Kosmos Timber Co. of Seattle; now U. S. Plywood Corp. (Wash.) (dissolved in Apr. 1954). Also acquired Seattle Export Lumber Co.

In 1952 formed U. S. Plywood Export Corp. In March, 1953 acquired business of National Brick Corp. in exchange for 41,936 common shares, latter now operated as a division.

As of Nov. 1, 1951, issued 86,000 common shares for remaining half-interest in U. S. Mengel Plywoods, Inc. (dissolved May 1, 1955). On Jan. 17, 1955, 276,000 common shares

and 62,804 new second preferred shares were issued for acquisition of Associated Plywood Mills, Inc.

In 1935 purchased assets of Shasta Box Co., in Northern California.

In 1935 company purchased for cash, business of Canadian Plywood Ltd., Montreal and Capital Plywoods Ltd., Ottawa, both now operated as part of Weldwood Plywood Ltd.

In June 1935, Hay & Co., Ltd., a subsidiary, purchased assets and business of Muskoka Wood Products, Ltd., Huntsville, Ont.

In Mar., 1936 acquired Youngs Bay Lumber Co., Inc. and wholly-owned subsidiary North Umpqua Timber Co. in exchange for 275,000 common shares. Both companies were dissolved in Apr. 1955.

In June, 1936, acquired Barash Co., Inc., now operated as a division.

In Oct., 1938, acquired Mutual Plywood Corp., Eureka, Cal., for \$7,500,000 cash.

In May, 1939 acquired Walker Logging Co., Blue Lake, Cal. for \$700,000.

SUBSIDIARIES

As of Apr. 30, 1953, company held 100% voting control in the following subsidiaries (except as noted):

Weldwood Plywood, Ltd. (formerly United States Plywood of Canada, Ltd.)

Hay & Company, Ltd. (Canada)

Weldwood Plywood Ltd., Montreal (inactive)

Capital Plywood Ltd. (inactive)

United States Plywood Export Corp.

Compagnie des Placages et Contreplacages due Congo, S.C.R.L. (51%)—Owns mill in Belgian Congo

American Korina Corp. (51%)

National Concrete Co. (51%)

BUSINESS AND PRODUCTS

Company is engaged primarily in manufacture, purchase and sale of Douglas fir (softwood) plywood, hardwood plywood, pine plywood, lumber and doors; also other laminated and related products, including Novoply, Armoply, Porc-Lin-Ply, Kallstrom and Weldrok.

Distribution is effected through 119 combined sales offices and warehouses operated by company in various cities in United States and Canada.

Although company produces a majority of merchandise sold, approximately 30% (in fiscal year 1953) was procured from outside sources.

PRINCIPAL PLANTS & PROPERTIES

Owns 11 manufacturing and processing plants in United States and Canada, located in relation to sources of raw materials; also owns controlling interest in a plant in Belgian Congo.

Principal plants are located as follows: Anderson, Cal. (6 plants); Mapleton, Ore. (2); Seattle, Wash. (2); Kosmos, Wash. (1); Al-