

MOODY'S

INDUSTRIALS

JOHN MOODY

1932

AMERICAN AND FOREIGN

AMERICAN CAR AND FOUNDRY COMPANY

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-Penninsula 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.; Pamcock 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 the 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. Manufacturing plants owned and operated consist of the following: Four passenger car plants, 14 freight car plants, 1 tank car plant, 8 wheel foundries, 7 grey iron foundries, 1 malleable iron foundry, 1 brass foundry, 2 rolling mills and forges; also an architectural wood-working mill and a plant for building and repairing car floats and light capacity vessels. Works and store yards cover over 800 acres of ground. The plants at Berwick, Buffalo, Jeffersonville, Huntington, St. Charles, Madison, Detroit, St. Louis and Chicago are equipped for the construction of steel freight cars; the plants at Berwick, Jeffersonville and St. Charles being especially equipped for the construction of all-steel passenger cars. Controls the Silgo Furnace Co., which owns the entire \$300,000 stock of the Silgo & Eastern Ry. Also controls American Welding Co., which purchased machinery and trade names of Continental Iron Works of Brooklyn in 1927.

Also owns a substantial interest in the Pacific Car & Foundry Co. and controls Brill Corp. (see appended statement), incorporated Jan. 26, 1926, to consolidate J. G. Brill Co. and American Car and Foundry Motors Co., latter formerly controlled by American Car and Foundry Co. In Feb., 1926, acquired entire class B voting stock (85,000 shares) of Shippers' Car Line Corp. (see appended statement), formerly Shippers Car Line, Inc.

Business: Manufactures railway cars of all types, classes and construction; also car wheels, merchant bar iron, castings, forgings, interior woodwork, car floats, repair parts and various other articles. In 1927 company began manufacturing automotive vehicles—motor buses, motor trucks and motor-driven rail cars. Number of employees, Dec. 31, 1931, 2,210.

American Car and Foundry Export Co.: Incorporated August 13, 1918, in Delaware with an authorized capital of \$500,000 (increased to \$2,000,000 in Dec., 1917), to take over foreign business of American Car and Foundry Co.

American Car and Foundry Securities Corp.: Incorporated in Delaware, Jan. 24, 1925, to take over, hold, handle and dispose of stocks, bonds, equipment trust notes and other securities owned by American Car and Foundry Co. Latter company owns the entire capital stock of 100,000 no par shares.

Management (American Car and Foundry Co.): OFFICERS: W. H. Woodin, Pres.; W. M. Hager, Asst. to Pres.; F. A. Stevenson, W. E. Hedgecock, C. R. Scanland, H. W. Wolff, Vice-Pres.; C. D. Terrill, Vice-Pres., Chicago; N. A. Doyle, Vice-Pres., St. Louis; H. C. Wick, Sec.; L. A. Blackford, Treas.; E. S. Block, Aud.; Chas. J. Hardy, General Counsel. DIRECTORS: W. H. Woodin, W. M. Hager, C. J. Hardy, J. S. Hoyt, W. C. Dickerman, G. R. Scanland, H. W. Wolff, O. B. Cintas, F. A. Stevenson, New York. GENERAL AUDITORS: Audit Co. of New York. ANNUAL MEETING: Second Thursday in July. PRINCIPAL OFFICE: 1 Exchange Place, Jersey City, N. J. ST. LOUIS OFFICE: 1568 S. Vandeventer Ave. CHICAGO OFFICE: Railway Exchange. NEW YORK OFFICE: 80 Church Street.

Consolidated Income Account, Years Ended April 30

(American Car & Foundry Co., American Car & Foundry Securities Corp. and American Car & Foundry Export Co.)

| | 1931 | 1930 | 1929 | 1928 | 1927 | 1926 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------|
| *Net revenues from all sources | \$3,036,739 | \$3,704,032 | \$3,685,354 | \$3,590,953 | \$7,237,323 | \$3,274,472 |
| Revenues, repairs, etc. | 1,830,443 | 2,340,323 | 2,350,690 | 2,338,401 | 5,244,151 | 2,171,474 |
| Net income | 1,406,247 | 1,363,708 | 2,715,174 | 2,754,355 | 4,593,277 | 6,102,998 |
| Preferred dividends | 2,100,000 | 2,100,000 | 2,100,000 | 2,100,000 | 2,100,000 | 2,100,000 |
| †Common dividends | 2,400,000 | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 |
| Surplus | (d) \$2,093,235 | (d) \$2,044,398 | (d) \$2,044,398 | (d) \$1,945,445 | (d) \$1,100,228 | \$402,998 |
| Earnings per share, preferred | \$4.89 | \$17.88 | \$9.08 | \$12.53 | \$18.51 | \$28.54 |
| Earnings per share, common | Nil | 6.44 | 1.03 | 2.79 | 4.14 | 6.57 |
| Number of preferred shares | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Number of common shares | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 |

*After Federal taxes: 1931, \$122,067; 1930, \$554,030; 1929, \$119,555; 1928, \$289,000; 1927, \$1,100,228. †Paid from reserve for common dividends: 1931, \$3,400,000; 1930, \$3,600,000; 1929, \$3,600,000; 1928, \$3,600,000; 1927, \$3,600,000; 1926, \$3,600,000.

Notes: Consolidated net earnings, after all charges (including Federal taxes) of American Car & Foundry Co., American Car & Foundry Export Co. and American Car & Foundry Securities Corp. for six months ended Oct. 31, 1931, (d) \$2,093,235; 1930, \$1,869,761.

Consolidated Condensed Balance Sheet, as of April 30

| Assets: | 1931 | 1930 | 1929 | 1928 | 1927 | 1926 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Property and plants | \$72,012,948 | \$72,430,534 | \$72,430,534 | \$72,431,361 | \$73,045,025 | \$73,395,329 |
| Securities of other companies at cost or less | 1,277,932 | 6,210,222 | 4,008,912 | 7,221,722 | 6,285,645 | 5,975,551 |
| Cash in banks and on hand | 7,227,769 | 5,245,122 | 7,445,170 | 7,792,791 | 5,987,429 | 7,235,221 |
| U. S. Government securities | 2,240,922 | 2,240,922 | 2,240,922 | 2,240,922 | 2,240,922 | 2,240,922 |
| *Material on hand | 6,182,000 | 7,765,551 | 10,227,511 | 7,767,157 | 12,229,511 | 12,499,524 |
| Accounts receivable | 6,297,122 | 11,782,719 | 9,217,521 | 7,106,272 | 7,297,729 | 14,769,279 |
| Notes receivable | 8,996,000 | 11,450,500 | 9,222,310 | 7,219,200 | 5,222,797 | |
| Total | \$106,927,649 | \$118,997,413 | \$119,519,018 | \$121,057,886 | \$126,911,611 | \$128,687,196 |
| LIABILITIES: | | | | | | |
| Preferred stock | \$30,000,000 | \$30,000,000 | \$30,000,000 | \$30,000,000 | \$30,000,000 | \$30,000,000 |
| Common stock | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 |
| Accounts and bills payable | 7,777,932 | 5,245,122 | 7,445,170 | 7,792,791 | 5,987,429 | 7,235,221 |
| Provision for taxes | 126,627 | 554,030 | 10,227,511 | 7,767,157 | 12,229,511 | 12,499,524 |
| Dividends payable July 1 | 675,000 | 1,406,247 | 1,363,708 | 1,363,708 | 1,363,708 | 1,363,708 |
| Insurance reserve | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Res. for gen. overhauling, etc. | 212,643 | 212,643 | 212,643 | 212,643 | 212,643 | 212,643 |
| Employees' reserve | 31,245 | 31,245 | 31,245 | 31,245 | 31,245 | 31,245 |
| Reserve for common dividends | 1,125,495 | 8,222,495 | 5,369,739 | 5,369,739 | 10,500,000 | 10,500,000 |
| Surplus account | \$8,445,081 | 40,125,074 | 40,125,074 | 40,125,074 | 40,125,074 | 41,245,298 |
| Total | \$106,927,649 | \$118,997,413 | \$119,519,018 | \$121,057,886 | \$126,911,611 | \$128,687,196 |
| Current assets | \$3,400,000 | \$3,400,000 | \$3,400,000 | \$3,400,000 | \$3,400,000 | \$3,400,000 |
| Current liabilities | \$3,400,000 | \$3,400,000 | \$3,400,000 | \$3,400,000 | \$3,400,000 | \$3,400,000 |
| Working Capital | \$39,547,649 | \$85,597,413 | \$86,119,018 | \$87,657,886 | \$90,111,611 | \$91,287,196 |

*At lower of cost or market. †Not in excess of market value. ‡Represented by 600,000 no par shares.

Table B—Stock Records

| | Rate of Dividend | Authorized | Outstanding | Five Year Average Earnings | Dividend Requirement | Solvency | Rating |
|---|------------------|--------------|--------------|----------------------------|----------------------|----------|--------|
| 1. Am. Car & Fdy. Co. 7% non-cum. pfd. | 7% Qu. Ja. 1 | \$30,000,000 | \$30,000,000 | \$3,566,644 | \$2,100,000 | Good | B+ |
| 2. Am. Car & Fdy. Co. common. | | 600,000 sh. | 600,000 sh. | | | " | C+ |

1. American Car and Foundry Co. 7% non-cum. preferred: Authorized, \$30,000,000; outstanding, \$30,000,000; par \$100. (See note below). Has preference as to assets and dividends. In liquidation entitled to par. Not call-

able. Each preferred share entitled to one vote. Regular dividends paid quarterly, Jan. 1, etc., to stock of record Dec. 15, etc. since organization.

2. American Car and Foundry Co. common: Authorized, 600,000 shares; outstanding, 600,000 shares; no par (changed from \$100 par in Mar., 1925; two new shares issued for each old share). Holders of common entitled to one vote for each two shares held. Dividends paid on old stock (par \$100): 1901 and 1902, 2% each; 1903, 3%; 1904, 3%; 1905 and 1906, none; Jan. and April, 1907, 1/4% each; July, 1907, to April, 1908, inclusive, 1% quarterly; July, 1908, to 1916, incl., 1/4% quarterly; 1917, 1% regular and 1% extra; Jan., 1918, 2% and quarterly thereafter to July, 1918, incl., Oct. 1, 1918, 3% and quarterly thereafter to April 1, 1925, incl. On no par shares paid \$1.50 per share July 1, 1925, and quarterly thereafter to Jan. 1, 1931, incl.; Apr. 1, 1931, 75 cents; July and Oct. 1, 1931, 25 cents; none thereafter to Apr. 16, 1932.

Transfer Agent: Guaranty Trust Co., New York. Registrar: Central Hanover Bank & Trust Co., New York. Both classes listed on New York and Amsterdam Stock Exchanges. Number of stockholders, Apr. 1, 1932: Preferred, 7,111; common, 11,818.

SUBSCRIPTION RIGHTS: Common stockholders of record Jan. 29, 1926, were given right to subscribe for 150,000 class A and 75,000 class B shares of the Brill Corp. in units of 2 class A shares and one class B share at \$125 per unit, on basis of one unit for every 8 American Car & Foundry Co. common shares held. Rights expired Feb. 15, 1928.

NOTES: Under the articles of incorporation, the board of directors has power, independent of the stockholders, to mortgage, sell or otherwise dispose of any or all of the property of the company, but no sale of all the property may be made without the assenting vote of at least two-thirds of the Board of Directors.

| PRICE RANGE: | 1931 | 1930 | 1929 | 1928 | 1927 | 1926 | 1925 |
|--------------|--------|---------|----------|-----------|-----------|-----------|----------|
| Preferred... | 88-90% | 110-70 | 120-110% | 127%-110% | 124%-124% | 120%-120% | 120-120% |
| Common... | 88%-4% | 82%-84% | 100%-75 | 111%-85% | 111-95 | 114%-81% | 120-97% |

* No par shares; prior years \$100 par.

THE BRILL CORPORATION

(Controlled by American Car & Foundry Co.)

History: Incorporated in Delaware, Jan. 26, 1926. Owns over 99% of preferred and about 87% of common stock of J. G. Brill Co., and over 50% of preferred and 70% of common stock of American Car & Foundry Motors Co., latter in turn owning entire capital stock of Hall-Scott Motor Co. (of Cal.) and Fageol Motors Co., of Ohio. Hall-Scott Motor Car Co. manufactures and markets gasoline motors for motor buses, trucks, marine equipment and aeroplanes.

Details of Acquisition: The stock of American Car & Foundry Motors Co. was transferred to Brill Corp. by American Car & Foundry Co. (N. J.), latter agreeing to purchase or underwrite sufficient class A shares of Brill Corp. to complete consolidation and provide additional working capital. As consideration, American Car & Foundry Co. (N. J.) received \$1,500,000 in cash and all authorized class B shares of Brill Corp. not required for exchange for stock of J. G. Brill Co. under the plan. American Car & Foundry Co. (N. J.) thus acquired more than a majority of voting class B stock of The Brill Corp. Holders of preferred and common stock of J. G. Brill Co. were offered right to exchange for stock of The Brill Corp., or receive \$110 cash for each share of preferred and \$125 cash for each share of common. For full details of exchange of stock see under J. G. Brill Co. on a subsequent page.

Management: OFFICERS: (Vacancy), Chairman; W. H. Woodin, Pres.; G. R. Scanland, Vice-Pres. and Treas.; H. C. Wick, Sec., New York; Hardy, Stancliffe & Hardy, General Counsel. DIRECTORS: W. H. Woodin, G. R. Scanland, W. M. Hager, C. J. Hardy, W. C. Dickerman, E. P. Rawie, W. J. Cummings, F. A. Stevenson, H. W. Wolff. GENERAL AUDITORS: Lybrand, Ross Bros. & Montgomery. ANNUAL MEETING: First Friday in May in New York. OFFICE: 30 Church St., New York.

Comparative Income Account, Years Ended Dec. 31

| | 1931 | 1930 | 1929 | 1928 | 1927 |
|---------------------------------------|--------------|--------------|---------------|-----------|-----------|
| Net income | \$280,514 | \$280,502 | \$282,592 | \$257,218 | \$255,393 |
| Preferred dividends | 260,288 | 260,288 | 260,288 | 260,288 | 260,288 |
| Class A dividends | 78,878 | 141,337 | 336,933 | 271,610 | 217,388 |
| Surplus | (d) \$78,853 | (d) \$77,188 | (d) \$122,257 | \$40,418 | \$77,712 |
| Earnings per share, preferred | \$7.01 | \$8.88 | \$10.59 | \$12.39 | \$14.33 |
| Earnings per share, class A | NH | 0.33 | 0.61 | 1.44 | 1.25 |
| Distribution per share, class A | NH | 0.33 | 0.61 | 1.44 | 1.25 |
| Number of preferred shares | \$7,111 | \$7,111 | \$7,111 | \$7,111 | \$7,111 |
| Number of class A shares | 217,388 | 217,388 | 217,388 | 217,388 | 217,388 |

* Dividends received on J. G. Brill Co. stock, \$274,104; interest on liberty bonds, \$10,938; interest on bank balances, etc., \$370; total income, \$294,280; less: administrative and general expenses, \$33,766; net income, \$260,514. † After taxes and charges.

Comparative Balance Sheet, as of Dec. 31

| ASSETS: | 1931 | 1930 | LIABILITIES: | 1931 | 1930 |
|----------------------------|--------------|--------------|----------------------------------|--------------|--------------|
| Investments (cost) | \$15,589,514 | \$15,589,514 | Preferred stock | \$3,712,400 | \$3,712,400 |
| Cash | 8,994 | 57,045 | *Common stock | 2,000,000 | 12,648,628 |
| Liberty bonds | 4,488,000 | 598,149 | Preferred dividend payable | 85,073 | 85,073 |
| Accrued interest | 4,117 | 4,427 | Accrued taxes, etc. | 1,841 | 1,841 |
| Organization expense | 99,477 | 99,477 | Surplus | 4,859,128 | 74,115 |
| Total | \$16,488,501 | \$16,509,013 | Total | \$16,488,501 | \$16,509,013 |

* Represented by 217,388 class A and 400,000 class B no par shares. † Consists of 45,884 preferred and 47,873 common shares of J. G. Brill Co.; 24,097 preferred and 200,000 common shares of American Car & Foundry Motors Co. ‡ Market value, Dec. 31, 1931, \$460,350.

Capital Stock: 1. The Brill Corp. 7% cum. preferred: Authorized, \$8,500,000; outstanding, \$3,712,400; par \$100. Has preference as to assets and dividends. In liquidation entitled to par and dividends. Callable at any time at 110 on 30 days' notice. Has no voting power, except that consent of at least 75% of outstanding preferred is required before any security having priority or on a parity with preferred stock can be created. No sinking fund. Initial dividend of \$1.16% (covering two months) paid June 1, 1928. Regular dividends paid thereafter quarterly March 1, etc., to stock of record, Feb. 15, etc. Quoted on New York Curb.

2. The Brill Corp. class A common: Authorized, 225,000 shares; outstanding, 217,388 shares; no par. Has second preference as to non-cumulative dividends of \$4 per share; any dividends earned but not paid must be paid before any payments are made on class B; participates equally with class B up to \$6 per share after class B common has received \$2 per share in any year. In liquidation, entitled to \$50 per share and dividends and after class B has received \$10 per share, class A is entitled to an additional \$10 per share. Callable at any time after Jan. 26, 1929, at \$50 per share, but only if, after such redemption, total net assets equal not less than twice outstanding preferred. Has no voting power. Initial dividend of \$1 per share was paid April 1, 1927, to stock of record March 15, 1927; March 1, 1928, \$1.25; March 15, 1929, \$1.50; March 15, 1930, 65 cents; March 15, 1931, 84 cents; March, 1932, none.

3. The Brill Corp. class B common: Authorized, 400,000 shares; outstanding, 400,000 shares; no par. Has sole voting power except as noted under preferred (No. 1). Controlling interest held by American Car & Foundry Co. No dividends paid.

Transfer Agent: Equitable Trust Co., New York. Registrar: Chase National Bank, New York. Quoted on New York Curb and Philadelphia Stock Exchanges (unlisted dept.).

| PRICE RANGE: | 1931 | 1930 | 1929 | 1928 | 1927 | 1926 |
|-----------------|-------|---------|-------|--------|---------|--------|
| Preferred | 8 bid | 80 sale | 90-80 | 95-88% | 95-88% | 95-88% |
| Class A | 6-7% | 14%-12% | 23-5 | 34%-18 | 47%-23 | 55-33% |
| Class B | 1%-1% | 5%-4% | 12%-1 | 17%-6% | 22%-15% | 25-13 |