

# MOODY'S MANUAL OF INVESTMENTS AMERICAN AND FOREIGN

## INDUSTRIAL SECURITIES

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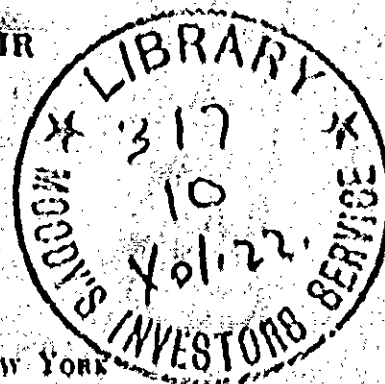
L. A. GRIFFIN

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1941



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## MOODY'S INVESTORS SERVICE

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LONDON: MOODY'S INVESTORS SERVICE, LTD.  
KING WILLIAM STREET HOUSE, ARTHUR STREET, E.C.4

TRANSFER AGENTS—Bankers Trust Co., New York, and Commerce Trust Co., Kansas City, Mo.

REGISTRARS—Chase National Bank, New York, and First National Bank, Kansas City, Mo.

ISSUED—In exchange for old class A and

class B common shares on the basis of 3 new shares for each old share held. For details see Moody's 1937 Industrial Manual.

(125,000 shares) at \$28.75 per share in April, 1937 by a syndicate headed by Cassatt & Co., Inc., New York.

PRICE RANGE— 1940 1939 1938  
Common— 40 1/2-21 36 3/4-20 1/2 26 1/2-12 3/4

Subscription Rights: Class A and class B common stockholders of record Oct. 7, 1936 had the right to subscribe to 24,495 class A no par shares at \$18 per share on the basis of 1 share of class A common for each share of class A or class B stock held. Rights expired Oct. 24, 1936.

## AMERICAN CAR AND FOUNDRY COMPANY

### CAPITAL STRUCTURE

#### CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earnings per Sh.	Divs. per Sh.	Call Price	Price Range
1. 7% non-cum. preferred.....	\$100	289,450 shs.	NII	NII	N.C.	1940 1939 1938 65-34 10 1/2-15 33 1/4-18 20 1/2-3 1/2
2. Common .....	No par	599,400 shs.	\$3.40 \$3.15	NII NII	---	

(Fiscal years.

### HISTORY

Incorporated under the laws of New Jersey Feb. 23, 1923, 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., Herwick, Pa.; Michigan-Penninsular Co., Detroit, Mich.; Missouri Car & Foundry Co., St. Louis, Mo.; Murray, Douglas & Co., Milton, Pa.; Niagara Car Wheel Co., Buffalo, N. Y.; Ohio Falls Car Mfg. Co., Jeffersonville, Ind.; Pen-nock 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.

Acquired as of Jan. 1, 1939, entire capital stock of American Welding Co., formerly a wholly owned subsidiary of Shippers Car Line Corp., a subsidiary (see appended statement).

### BUSINESS AND PRODUCTS

This is a leading manufacturer of railroad equipment, the parent company specializing particularly in the manufacture of railway freight cars of all types for domestic and foreign service, and also producing railway passenger cars. Subsidiaries produce railway and allied equipment, as noted under the separate appended statements of The J. G. Brill Co., American Car & Foundry Motors Co. and Cummings Car & Coach Co. Broadly, directly and through its subsidiaries, the company engages in the manufacture of railway cars of all types, classes and construction; street and subway cars; car wheels, merchant bar iron, castings, forgings; repair parts; interior woodwork; car floats; motor boats; gasoline engines; gas-electric operated railroad cars; motor buses, motor trucks and motor-driven rail cars; and automobile carburetors. The company also makes repairs to railway cars.

Carter Carburetor Corporation, subsidiary, is a leading automobile carburetor maker, its products being installed in 1940 models of Chevrolet, De Soto, Graham, Hudson, La Salle, Nash, Oldsmobile, Plymouth, Pontiac, Willys, and in some models of Cadillac, Chrysler, and Studebaker.

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

War and Defense Activities: The company is equipped to manufacture apparatus which is analogous in some respects to railroad equipment, such as military equipment, etc., and in Oct., 1939 received an order amounting to \$6,000,000 for the building of 329 high-speed, 12 1/2-ton tanks for the United States Army. Since award of this original contract, additional orders for such tanks have been placed by U. S. Government, aggregate number covered by such orders to Nov. 27, 1940 was 3,451 tanks. At Nov. 27, 1940, 291 tanks had been delivered. In addition to construction of tanks, company produces armor plate specially adapted to tanks and combat cars. The construction of tanks and armor plate is handled at the Berwick plant in a special "Ordinance Department."

The company has also received shell orders from both the British and U. S. Governments. This work is handled at the Buffalo plant which was reopened for such contracts.

As of Oct. 31, 1940 uncompleted war and defense orders amounted to \$93,283,657.

### 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
Buffalo, N. Y.	Freight car plant—iron foundry.
Carbondale, Pa.	Welded tanks.
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.
Madison, Ill.	Freight car plant—iron foundry.
Milton, Pa.	Tank car plant—pressed steel containers.
St. Charles, Mo.	Passenger car plant.
St. Louis, Mo.	Freight car plant—rolling mill—iron foundry—carburetors.
Terre Haute, Ind.	Mine car plant—iron foundry.
Wilmington, Del.	Passenger car plant—architectural woodwork mill—ship yard.

### Location of Plant

Buffalo, N. Y.  
Carbondale, Pa.  
Chicago, Ill.  
Detroit, Mich.  
Huntington, W. Va.  
Jeffersonville, Ind.  
Madison, Ill.  
Milton, Pa.  
St. Charles, Mo.  
St. Louis, Mo.  
Terre Haute, Ind.  
Wilmington, Del.

### General Character

Freight car plant—iron foundry.  
Welded tanks.  
Freight car plant—iron foundry.  
Freight car plant—iron foundry.  
Freight and mine car plant—iron foundry.  
Passenger car plant.  
Freight car plant—iron foundry.  
Tank car plant—pressed steel containers.  
Passenger car plant.  
Freight car plant—rolling mill—iron foundry—carburetors.  
Mine car plant—iron foundry.  
Passenger car plant—architectural woodwork mill—ship yard.

The freight car plants at Depew, N. Y., Indianapolis, Ind., and Memphis, Tenn., have not been operated for several years and have been partially dismantled, the equipment being transferred to other plants of the company.

Plants of subsidiaries are noted in appended statements.

### MANAGEMENT

#### Officers

Charles J. Hardy, President  
William J. Harris, Vice President  
Olin T. Harvey, Vice President  
William E. Hedgcock, Vice President  
Frederick A. Stevenson, Vice President  
Victor B. Willoughby, Vice President  
J. Homer Platten, Vice President  
Howard G. Wick, Secretary & Assistant to President  
Lester A. Blackford, Treasurer  
Elsworth S. Block, Auditor  
A. H. Wobbe, Comptroller

#### Directors

W. J. Cummings, Chicago  
W. C. Dickerman, New York  
C. J. Hardy, New York  
J. S. Hoyt, New York  
M. S. Mackay, New York  
E. L. Nye, New York  
N. A. Stancilite, New York  
F. A. Stevenson, New York  
J. E. Boyensky, New York

General Counsel: Noah A. Stancilite.

Annual Meeting: Second Thursday in July.  
Number of Stockholders: Jan. 2, 1940, preferred 5,615; common 8,792.

Number of Employees: Jan. 2, 1940, 7,495.

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

Corporate Office: 1 Exchange Pl., Jersey City, N. J.

### INCOME ACCOUNTS COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED APRIL 30

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

	1940	1939	1938	1937	1936	1935
Sales .....	\$35,795,030	\$23,853,517	\$47,071,815	\$40,136,218	\$24,852,030	\$17,428,622
Cost of sales .....	30,312,031	20,868,007	42,051,193	31,521,937	21,235,119	15,339,370
Selling, gen. and admin. exp. ....	3,034,530	3,800,139	3,729,108	3,604,922	3,111,258	2,897,601
Depreciation, renewals, etc. ....	1,971,501	1,597,310	1,651,324	1,600,408	1,693,276	1,562,322
Operating profit .....	\$4,482,091	\$2,111,209	\$29,361	\$59,111	\$1,097,017	\$2,390,571
Dividends received .....	22,213	11,038	11,181	23,633	15,603	18,328
Interest from affiliates .....	385,651	201,205	317,631	323,031	327,301	328,087
Other interest and discount .....	356,621	257,421	215,476	374,131	327,434	580,001
Royalties .....	91,533	81,054	93,807	108,679	81,711	10,831
Profit on sale of securities .....	---	---	93,810	91,793	---	---
Miscellaneous other income .....	93,877	27,071	31,108	87,672	25,718	10,831
Total income .....	\$16,058	\$1,391,821	\$1,073,740	\$1,520,631	\$1,911,785	\$1,402,007
Uncollectible accounts .....	3,333	8,133	4,111	15,603	15,603	15,603
Royalties paid .....	92,017	81,700	65,939	22,111	65,200	65,932
Income tax .....	314,878	---	43,350	39,721	49,130	250,208
Balance .....	188,011	\$1,532,640	\$97,108	\$1,408,676	\$1,411,023	\$1,906,517
Prov. for Fed. Inc. and surtax .....	209,418	123,014	204,638	103,603	110,837	81,007
Net income to surplus .....	\$10,777	\$1,409,626	\$72,470	\$1,305,073	\$1,300,186	\$1,825,510

Surplus beginning of year .....	22,389,008	24,050,700	24,020,918	23,963,041	24,350,557	26,510,071
Preferred dividends .....	-----	-----	723,625	1,157,800	-----	-----
Surplus end of year.....	\$22,377,231	\$22,358,008	\$24,050,700	\$24,020,918	\$23,963,041	\$21,550,557
SUPPLEMENTARY P. & L. DATA .....						
Maintenance and repairs .....	\$1,820,176	\$1,036,573	\$3,276,042	\$2,161,086	\$2,779,717	\$2,573,430
Taxes (other than income) .....	831,432	679,359	839,530	673,602	452,005	319,865
(Parent company's net income).....	d \$177,449	d \$2,059,245	\$1,125,471	\$1,178,863	\$3,555,533	d \$1,317,444
(After including dividends from consolidated group subsidiaries: 1940, \$601,200; 1939, \$328,200; 1938, \$197,200; 1937, \$300,200; 1936, \$1,138,033; 1935, \$651,070.						
(Includes related portions of items shown under "Supplementary p. & l. data" below statement.						
(1935: Includes \$172,340 adjustment of foreign exchange.						
1940: Comprised: Interest, \$57,997; loss on property retirements, \$99,963; miscellaneous, \$56,918; total, \$214,878.						

COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF APRIL, 30

(1935-40 from SEC reports—1934 from company's annual report, including wholly-owned subsidiaries)

ASSETS	1930	1931	1932	1933	1934	1935	1936
Cash	\$3,578,572	\$4,391,630	\$10,039,629	\$4,547,139	\$5,415,010	\$5,473,060	\$3,775,146
U.S. Govt. sec. (cost or less)	1,819,212	1,643,748	1,552,366	3,820,016	2,669,950	1,340,107	2,265,129
U.S. Govt. sec. (cost)	27,331	27,356	17,191	1,245,362	3,412,555	3,408,509	4,302,609
Notes receivable (net)	1,829,185	1,920,602	1,933,115	1,883,018	2,212,690	3,141,309	5,050,901
Accounts receivable (net)	7,082,868	7,007,969	3,151,931	4,377,307	4,481,814	1,669,786	2,067,025
Inventories	9,269,528	3,298,443	6,825,534	12,291,601	5,407,918	3,628,058	3,741,140
Total current assets	28,607,697	19,179,797	23,569,765	28,170,672	23,293,850	18,660,830	21,805,091
Securities of affiliate (net)	91,432	103,921	91,432	210,873	210,873	215,419	
Miscellaneous securities (net)	171,055	175,103	177,729	212,405	160,255	11,127	Not stated
Rec. of affiliates (net)	4,905,319	5,801,517	2,597,033	2,431,303	2,618,767	2,699,472	
Property, plant & equipment	72,102,538	74,682,425	73,468,809	73,235,314	73,140,833	72,962,585	71,703,618
Less: Depreciation reserve	27,861,475	10,640,835	8,760,474	7,169,150	5,568,742	3,975,466	2,031,692
Net property account	44,238,062	61,041,510	61,708,335	60,066,164	67,572,091	68,987,118	69,672,016
Intangibles	19,056,351						
Treasury stock (at cost)	533,400	533,400	533,400	533,400	533,400	533,400	533,400
Prepaid taxes, insurance, etc.	101,911	150,998	112,115	125,778	129,793	103,233	
Total	\$97,707,627	\$89,939,312	\$91,792,808	\$97,750,597	\$94,519,028	\$91,214,599	\$92,010,497
LIABILITIES							
Accounts payable	\$3,694,163	\$930,632	\$1,667,113	\$1,386,018	\$3,140,661	\$604,698	
Accrued payrolls	291,773	131,036	111,667	234,287	213,719	106,190	\$245,722
Accrued taxes, etc.	606,932	419,184	568,532	674,651	312,810	188,051	
Bills payable (banks)	4,500,000						
Total current liabilities	9,095,878	1,530,852	1,747,311	5,294,957	3,667,192	\$99,740	915,722
Insurance reserve	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Reserve for common dividends	2,833,645	2,833,645	2,833,645	2,093,495	2,093,495	2,093,495	2,093,495
Reserve for contingencies	1,900,874	1,736,838	1,598,914	3,889,019	2,368,091	1,218,599	
Working condit. improve. res.			62,209	62,203	62,203	62,208	62,208
Preferred stock (\$100 par)	30,000,000	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	30,000,000
Earned surplus	22,317,231	22,388,009	24,050,700	24,020,918	23,968,011	24,550,557	26,519,071
Total	\$97,707,627	\$89,939,312	\$91,792,808	\$97,750,597	\$94,519,028	\$91,214,599	\$92,010,497
Net current assets	\$10,511,219	\$17,648,015	\$21,822,454	\$22,875,715	\$19,626,638	\$17,761,090	\$20,850,359
PROPERTY ACCT.—ANALYSIS							
Additions at cost	\$1,431,501	\$676,259	\$291,100	\$105,226	\$179,603	\$190,356	
Retirements or sales	456,871	20,426	2,700	9,215			Not stated
Other additions		561,468				835	
Other reductions	3,524,517	6,683	57,905	1,630	1,356	1,729	
DEPREC. RESERVE—ANALYSIS							
Additions charged to p. & l.	\$1,971,601	\$1,597,319	\$1,591,324	\$1,600,403	\$1,593,276	\$1,582,322	Not stated
Retirements or sales	268,132	242					
Other additions	15,520,221	283,334					

After \$1,000,000 received in 1935 to 191

Land	Book Values	Reserves
Land Improve. ....	\$6,474,665	.....
Dies, patt., etc. ....	1,022,359	.....
General Improve. ....	7,763,613	.....
Structures A ....	1,417,878	\$787,374
Structures B ....	13,160,116	6,000,781
Structures C ....	3,832,434	2,168,816
Structures D ....	1,877,927	812,552
Dwellings ....	117,713	63,399
Mach. & equip. A ....	25,450	13,671
Mach. & equip. B ....	30,081,283	15,020,893
Mach. & equip. C ....	316,091	253,181
Mach. & equip. D ....	1,274,403	765,593
Mobile equip. ....	186,214	152,122
Marine equip. ....	4,093	2,011
Dist. systems ....	3,015,119	1,674,121
Commun. systems ....	101,160	60,011
Meters, gauges, etc. ....	75,369	59,065
Const. in prog. ....	463,917	.....

April 30, 1910, \$375,000 for guaranteed bank loan of Hall-Scott Motor Car Co. (an affiliate), \$396,251 secured notes purchased by American Car and Foundry Securities Corp., a subsidiary, and by it resold under agreement to repurchase in event of default.

### Statistical Record, Fiscal Years

Earnings per share—preferred .....	\$6.78	\$6.93	\$6.93	\$6.93	\$6.93
"—"common .....	nll	nll	d \$2.60	d \$1.18	nll
Dividends per share—preferred .....	d \$1.40	d \$6.15	d \$2.12	d \$1.36	d \$1.35
"—"common .....	.....	.....	\$2.60	\$1.00	.....
Price Range—preferred .....	\$5-\$11	\$1-\$5.17	\$7-27	10-15-28	100-57-77
"—"common .....	\$4-18	\$1-18	\$1-12	7-18	COS-30
Net assets per share—preferred .....	\$252.70	\$252.70	\$259.81	\$259.81	\$258.25
"—"common .....	\$59.25	\$58.87	\$51.01	\$50.02	\$50.01
Number of shares—preferred .....	250,150	250,150	250,150	250,150	250,150
"—"common .....	555,100	555,100	555,100	555,100	555,100

calendar year.



Financial & Operating Ratios	1910	1939	1938	1937	1936	1935	1934
Curr. assets+curr. liab.	3.15	12.53	13.49	5.32	6.35	20.73	23.01
Cash & sec. to curr. assets	36.44	31.55	49.25	31.14	45.20	61.78	47.43
Inventory to curr. assets	32.40	17.20	28.90	43.63	23.22	19.41	17.17
Net curr. assets to net worth	23.84	21.56	26.13	27.40	23.53	21.44	21.26
Property depreciated	33.65	14.25	11.02	0.79	7.72	5.16	2.83
Ann. depr. to gross prop.	2.73	2.14	2.17	2.19	2.18	2.17	.....
Capitalization:							
% preferred stock	35.37	35.36	31.66	31.67	31.69	31.45	33.66
% common stock & surplus	64.63	64.64	68.34	68.33	68.31	68.55	66.34
Sales-Inventories	3.86	7.23	6.93	3.47	4.60	4.80	.....
Sales+receivables	4.02	2.43	9.28	6.41	3.68	3.62	.....
(1)% sales to net property	50.91	37.25	73.68	60.75	38.78	25.28	.....
% sales to total assets	36.63	26.51	51.01	41.06	28.28	19.11	.....
% net inc. to total assets	40.01	1.85	0.82	1.24	40.62	2.16	3.53
% net income to net worth	40.01	2.03	0.90	1.45	40.70	2.31	3.82
Pfd. div. times earned	Nil	Nil	0.37	0.60	nil	nil	.....

① In 1940 after inventory of fixed assets resulting of an adjustment of \$18,866,260.

Analysis of Operations	%	%	%	%	%	%	%
Sales	100.00	100.00	100.00	100.00	100.00	100.00	.....
Cost of sales	84.63	86.22	84.21	86.01	85.45	88.01	.....
Sell., gen. & adm. exp.	11.05	15.93	7.82	8.73	12.52	16.62	.....
Depr., renew., etc.	5.51	8.10	3.34	3.93	6.41	9.08	.....
Operating profits	d 1.21	d 8.85	1.63	1.27	d 4.38	d 15.72	.....
Other income	2.68	3.00	1.63	2.52	3.12	3.67	.....
Total income	1.44	d 5.85	2.26	3.79	d 1.25	d 8.05	.....
Income deductions	.63	.61	.25	.28	.52	2.66	.....
Net income before income taxes	.85	d 6.46	2.01	3.51	d 1.78	d 10.91	.....
Income taxes	.59	.52	.49	.49	.57	.36	.....
Net income	d 0.03	d 6.97	1.53	3.02	d 2.31	d 11.29	.....

## CAPITAL STOCK

1. American Car & Foundry Co. 7% non-cumulative preferred stock; par \$100.

AUTHORIZED—300,000 shares; in treasury, 10,550 shares; outstanding, 289,450 shares; par \$100.

DIVIDEND RIGHTS—Has preference over common to non-cumulative dividends of 7% per annum. Dividends payable quarterly Jan. 1, etc.

DIVIDEND RECORD—Regular quarterly dividends paid from organization in 1899 to July 1, 1932, incl. None thereafter to Apr. 20, 1937, when 4% was paid; Apr. 23, 1938, 2½%; 1939 and 1940, none; Apr. 19, 1941, 1½%.

DIVIDEND LIMITATIONS—None.

VOTING RIGHTS—One vote per share.

LIQUIDATION RIGHTS—In dissolution entitled to \$100 per share before any distribution on common.

PREEMPTIVE RIGHTS—Full rights.

CALLABLE—Not callable.

PROPERTY SALES—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.

LISTED—New York Stock Exchange.

TRANSFER AGENT—Guaranty Trust Co., New York.

REGISTRAR—Central Hanover Bank & Trust Co., New York.

ISSUED—At organization of company.

PRICE RANGE— 1910 1939 1938  
Preferred..... 65-31 61-30¼ 57¼-27

2. American Car & Foundry Co. common stock; no par.

AUTHORIZED—600,000 shares; in treasury, 600 shares; outstanding, 599,400 shares; no par (changed from \$100 par in March, 1925, 2 new shares issued for each old share).

## Dividend Record (in \$)

(Calendar Years)

(\$100 par shares)

1899.... Nil	1900.... \$1.00	1901-02 \$2.00
1903.... 4.00	1901.... 1.00	1905-06 Nil
1907-08 3.00	1902-16 2.00	1917-18 8.00
1919.... 9.00	1920-24 12.00	1925.... \$8.00

(no par shares, after 2 for 1 split)

1925.... 3.00	1926-30 6.00	1931.... 2.75
1932-6. Nil	1937.... 0.25	1938-40 Nil

① Before split-up.

VOTING RIGHTS—One vote for each 2 shares held. See also preferred (1) above.

PREEMPTIVE RIGHTS—Full rights.

PROPERTY SALES—See under preferred above.

LISTED—New York Stock Exchange.

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

REGISTRAR—Central Hanover Bank & Trust Co., New York, N. Y.

PRICE RANGE— 1910 1939 1938  
Common..... 35¼-18 40¼-16¼ 34¼-12¼

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 \$122 per unit, on basis of one unit for every 8 American Car & Foundry Co. common shares held. Rights expired Feb. 15, 1926.

## THE BRILL CORPORATION

(Controlled by American Car & Foundry Co.)

History: Incorporated in Delaware, Jan. 26, 1926. Owns over 99% of the preferred and 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 Fagool Motors Co., of Ohio.

Hall-Scott Motor Car Co. manufactures and markets gasoline motors for motor buses, trucks, marine equipment and aeroplanes.

Merger Plan Abandoned: On Jan. 16, 1941, in a joint letter to stockholders of this company and American Car & Foundry Motors Co., the two companies announced the withdrawal of the plan for merger of both companies "because of lack of substantial unanimity of approval by all classes of stockholders of the two companies."

Business: Company is principally a holding company, its income being derived from its subsidiaries.

Officers: C. J. Hardy, Pres.; J. A. Blackford, Vice-Pres. and Treas.; J. H. Platten, Vice-Pres.; H. C. Wick, Sec., New York; E. S. Block, Auditor.

Directors: E. L. Nye, C. J. Hardy, W. O. Dickerman, W. J. Cummings, F. A. Stevenson, J. H. Platten, W. H. Kern, N. A. Stancillette, E. L. Oerter, L. A. Blackford.

General Counsel: Noah A. Stancillette, New York.

Annual Meetings: First Friday in May, in New York.

Number of Stockholders: Jan. 2, 1940: Preferred, 352; class A common, 2,269; class B common, 2,181.

General Office: 30 Church St., New York.

Income Account, years ended Dec. 31:

	1910	1939
Interest receiv....	\$7,010	\$7,968
Admin. exp. ....	8,631	8,622
Net loss .....	1,621	651
Surplus, Jan. 1..	4,591,182	4,821,837
① Surplus, Dec. 31	4,570,147	4,821,183

① Based on cost of investments in underlying companies.

Earned per Share, class A (in \$), disregarding preferred arrears:

1910	1939	1938	1937	1936	1935
d 1.25	d 1.25	d 1.22	d 1.21	d 1.22	d 1.10

No. of shares, 217,288.

Balance Sheet, as of Dec. 31:

Assets:	1910	1939
Investment, cost.	\$15,875,189	\$15,872,939
Cash .....	69,507	271,065
Notes receiv. ....	200,000	.....
Part. in notes .....	.....	31,721
U. S. securities....	28,250	28,250
Def. accts., etc....	104,436	99,952

Total ..... \$16,295,182 \$16,301,927

Liabilities:

7½ pfd. (\$100) ..	\$3,718,400	\$3,718,400
Common stock....	8,000,000	8,000,000
Accounts payable	2,708	61
Accrued tax., etc.	4,128	2,281
Surplus .....	4,570,147	4,531,182

Total ..... \$16,295,392 \$16,301,927

① Consists of 45,719 preferred and 49,602 common shares of J. G. Brill Co.; 24,097 preferred and 209,000 common shares of American Car & Foundry Motors Co. Book values as determined from balance sheets of underlying companies: 1910, \$3,182,523; 1939, \$7,880,708.

② Based upon cost of investments in underlying companies.

③ 217,288 class A and 400,000 class B no par shares.

Notes: Investments in underlying companies are stated at cost, which is \$7,735,460 (1939, \$7,992,241) in excess of their value as determined from the respective companies' balance sheets at Dec. 31.

Consolidated Income Account (Brill Corp. & underlying cos.), years ended Dec. 31:

	1910	1939
Net sales .....	\$11,312,212	\$9,116,009
Costs & exp. ....	11,669,835	8,218,063
Operating prof. ....	2,772,377	9,897,946
Other income ....	100,971	18,065
Total income .....	2,873,348	9,916,011
Int. to affiliates ..	203,103	1,122
Other deductions ..	60,859	15,202

Inc., etc., taxes...	728,200	52,516
Excess prof. tax.	816,375	.....
Net income .....	1,040,478	d 418,960
Deficit, Jan. 1 ..	11,181,916	10,623,242
Adjustments, net	or 205,509	or 61,715
Deficit, Dec. 31..	9,935,930	11,181,916

① Includes depreciation: 1910, \$503,513; 1939, \$105,135.

Consolidated Balance Sheet (Brill Corp. & underlying cos.), Dec. 31:

Assets:	1910	1939
Cash .....	\$4,671,575	\$2,651,325
Notes rec. (net) ..	746,563	785,166
Accts. rec., net ..	1,349,267	957,400
Due from affil. ....	9,355	25,810
Inventories .....	4,593,301	3,681,721
Markable secur. ....	182,921	184,621
Total current .....	\$11,531,987	\$9,286,513
Plant, etc. ....	4,326,411	4,512,389
Idle plants, net ..	663,720	690,150
Invest. in affil. ....	167,500	167,500
Other invest. ....	31,142	35,178
Patents .....	.....	.....
Prepayments .....	408,878	38,421
Deferred accts. ....	.....	417,512

Total ..... \$17,417,630 \$14,411,293

Liabilities:

Notes pay. banks ..	\$923,000	\$723,000
Notes pay. affil. ....	6,100,000	6,100,000
Accounts payable ..	602,301	1,178,200
Contract depos. ....	11,310	20,500
Accruals .....	533,012	468,012
Due affil. cos. ....	2,403	.....
Income, etc., tax. ....	1,861,280	63,613

Total current ..... \$10,031,192 \$8,923,555

Minority interest .. ..... | ..... |

Conting. reserves .. 571,600 | 571,700 |

7½ pfd. (\$100) .... 3,718,400 | 3,718,400 |

Common stock ..... 8,000,000 | 8,000,000 |

Operating deficit .. 6,163,018 | 11,181,916 |

Capital surplus ..... 6,163,018 | 6,163,018 |

Total ..... 6,163,018 | 6,163,018 |

Net equity ..... 6,163,018 | 6,163,018 |