

MOODY'S MANUAL OF INVESTMENTS AMERICAN AND FOREIGN

INDUSTRIAL SECURITIES

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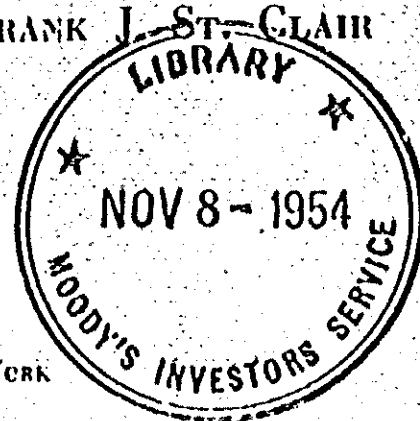
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1942

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MOODY'S INVESTORS SERVICE

65 BROADWAY, NEW YORK

PHILADELPHIA BOSTON CHICAGO LOS ANGELES PITTSBURGH SAN FRANCISCO
Stock Exchange Bldg. 75 Federal St. 105 W. Adams St. Hollingsworth Bldg. Union Trust Bldg. Russ Bldg.

LONDON: MOODY'S INVESTORS SERVICE, LTD.

Ruberold Co. Ltd. Balance Sheet, as of Dec. 31 (subsidiary of Ruberold Co. not consolidated):	
Assets:	1910
Cash	£41,186
Securities	10,000
Receivables, net	283,133
Inventories, net	76,337
Contract in prog.	45,427
Total current investments	£456,081

Assets (cont'd)	
Fixed assets, net	202,261
(Goodwill, rights, etc.)	237,600
Prepaid expenses	4,793
Total	£907,205
Liabilities:	
Accounts pay., etc.	£121,011
Reserve for taxes	31,658
Dividends	21,917
Total current	£174,616

Liabilities (cont'd)	
Contingency res.	20,000
Other misc. res.	96,627
5½% pref. stock	287,079
Ordinary stock	300,000
Capital res.	12,921
Earned surplus	15,932
Total	£907,205
Net current assets	£281,438

FINANCIAL & OPERATING DATA

Statistical Record	1911	1910	1939	1938	1937	1936	1935
Earned per share—common	\$3.93	\$2.02	\$1.53	\$1.30	\$1.89	\$6.13	\$3.81
Dividends per share—common	\$1.75	\$1.30	\$1.10	\$0.60	\$0.90	\$1.00	\$2.50
Price range—common	21-14½	22½-11½	34-15½	33½-13	1138-17½	119-74½	102-41
Net assets per share—common	\$39.81	\$37.61	\$36.92	\$36.43	\$39.23	\$114.33	\$113.83
Number of shares—common	397,806	397,806	397,806	397,806	397,806	132,602	132,602

After stock has been split up 3 for 1. Includes \$0.45 paid on stock prior to 3 for 1 split-up, and \$0.45 paid thereafter. Also paid \$1.40 in 4% notes. After 3 for 1 split-up. Price range before split-up: 140-103½.

Financial & Operating Ratios

Current assets ÷ current liabilities	3.50	7.43	7.01	10.32	7.51	5.75	8.73
% cash and sec. to current assets	26.31	39.28	32.36	34.33	21.01	27.84	38.20
% inventory to current assets	39.35	35.88	40.61	44.03	60.26	49.01	42.75
% net current assets to net worth	41.41	43.97	43.80	40.93	31.94	31.92	31.83
% properly depreciated	40.03	39.31	37.49	31.77	35.50	35.74	35.19
% ann. depr. depl. to gross prop.	3.90	3.61	3.81	4.06	3.01	2.68	2.54
Capitalization:							
% funded debt	100.00	100.00	100.00	100.00	96.55	100.00	99.67
% com. stock and surplus	6.92	6.36	5.24	4.72	4.80	5.12	5.05
Sales ÷ inventory	7.93	9.19	8.91	9.63	15.46	10.85	11.33
Sales ÷ receivables	279.97	193.25	186.57	156.78	157.75	159.01	126.20
% sales to net property	136.62	101.91	98.18	87.79	95.89	88.97	72.56
% sales to total assets	8.29	4.84	3.73	3.31	4.33	4.92	3.12
% net income to total assets	9.87	5.36	4.14	3.55	4.81	5.36	3.32

Analysis of Operations

Sales, less discount, etc.	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	75.91	78.64	78.62	79.85	79.31	78.25	75.22
Selling, general and admin. exp.	12.51	15.28	16.48	16.39	15.59	15.12	19.31
Operating profit	11.55	5.08	4.90	3.76	5.10	6.64	5.47
Other income	0.21	.51	.50	1.55	.90	.60	.92
Total income	11.76	6.59	5.40	5.32	6.00	7.44	6.39
Other deductions	0.37	.59	.88	1.07	.44	.36	1.29
Net income before inc. taxes, etc.	11.39	6.00	4.52	4.25	5.56	7.03	5.10
Income taxes and min. interest	5.33	1.38	.72	.48	1.04	1.55	.83
Net income	6.06	4.62	3.80	3.77	4.52	5.53	4.27

CAPITAL STOCK

The Ruberold Co. capital stock) no par.
 AUTHORIZED—1,000,000 shares (increased from 35,180 to 150,000 shares in July, 1927 and to present figure in June, 1937). Issued, 438,942 shares; in treasury, 41,136 shares; outstanding, December 31, 1941, 397,806 shares; no par (changed from \$25 to \$100 par in 1900 and to no par in July, 1927).

Dividend Record

(\$25 par shares—predecessor to July 1, 1905)			
1892-92 \$3.00	1893-94 \$1.50	1895-97 \$2.00	
1898... 2.50	1899... 3.75	(1900... 5.00	
(\$100 par shares)			
1900... 5.00	1901... 12.00	1902... 15.00	

1903... 20.00	1904... 18.00	1905... 10.00
1906-07 9.00	1908... 7.00	1909-11 9.00
1912... 8.00	1913... 7.00	1914... 3.00
1915... 4.25	1916... 5.25	1917... 6.00
1918... 5.00	1919... 2.00	1920-26 4.00
(1927... 2.00	(Former no par shares)	
1927... 2.00	1928-31 4.00	1932... 2.00
1933... 1.00	1934... 1.25	1935... 2.50
1936... 4.00	(1937... 0.45	
(Present no par shares after 3 for 1 split)		
1937... 0.45	1938... 0.60	1939... 1.10
1940... 1.30	1941... 1.75	
Prior to capital change.		
Paid prior to stock split.		

Plus \$1.40 payable in 4% notes, since retired.
 VOTING RIGHTS—One vote per share.
 PREEMPTIVE RIGHTS—None.
 LISTED—On New York Stock Exchange.
 TRANSFER AGENT—Bank of New York, New York.
 REGISTRAR—Chase National Bank, New York.
 PRICE RANGE— 1941: 21-14½; 1940: 22½-11½; 1939: 34-15½.
 Subscription Rights—Stockholders of record July 15, 1927 had right to subscribe to 35,142 additional shares at \$50 per share on share for share basis. Rights expired August 4, 1927.

AMERICAN CAR AND FOUNDRY COMPANY

CAPITAL STRUCTURE

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per sh.	Divs. per Sh.	Call	Price Range
1. 7% non-cum. preferred	\$100	289,450 shs.	\$17.83	Nil	\$1.75	1941: 79½-56; 1940: 31½-23
2. Common	No par	599,400 shs.	5.23	d \$3.40	Nil	1941: 101½-15; 1940: 60½-3½

Of fiscal years.

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 Peninsular 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.; Penhock 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: Bloomington Car Mfg. Co., Bloomington, 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.

SUBSIDIARIES

This is both an operating and holding company. As of April 30, 1941, 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 Welding Co., Del., welded tanks and containers.
 Jackson & Sharp Co., inactive.
 Railway Equipment Co., of Argentina, Argentina, sales agent.
 Railway Equipment Co., of Brazil, Brazil, sales agent.
 Railway Equipment Co., of Cuba, Cuba, sales agent.
 American Car and Foundry Investment Corp., Del., holding company.
 American Car and Foundry Securities Corp., N. Y., holds customers' notes.
 American Car and Foundry Export Co., Del., foreign business of parent company.
 American Car and Foundry Co., Ltd. (England), inactive.
 The Brill Corp., Del., (64%) see appended statement.
 The J. G. Brill Co., Pa., (93%) see appended statement.
 Cle J. G. Brill (France)
 American Car and Foundry Motors Co., Del., (63%) see appended statement.
 Hall-Scott Motor Car Co.
 The A. C. F. Motors Co.
 The Fagool Motors Co.
 The Fagool Co.
 Shippers' Car Line Corp., N. Y., (91%) see appended statement.
 Acme Tank Car Corporation.

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. and American Car & Foundry Motors Co. and American Car & Foundry Co. (Incorporated in Illinois in 1925), affiliate of The J. G. Brill Co., also manufactures railway and allied equipment. 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.

In addition to regular products, company is now producing various war products including tanks.
 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.

Electric Railway Equipment Securities Corp. (Incorporated in New Jersey, Jan. 12, 1921), affiliate of The J. G. Brill Co., purchases from that company, without recourse, car trust notes received by the car company for transit equipment including electrical apparatus, sold under this plan, and either holds them or assigns them to a trustee as collateral for equipment trust certificates which are sold to bankers.

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.
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.

Jeffersonville, Ind.

Madison, Ill.

Milton, Pa.

St. Charles, Mo.

St. Louis, Mo.

Terre Haute, Ind.

Wilmington, Del.

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.

Plant of Cummings Car & Coach Co., affiliate of J. G. Brill Co., is located at Paris, Ill. Plants of subsidiaries are noted in appended statements.

MANAGEMENT

Officers

Charles J. Hardy, President
Frederick A. Stevenson, Senior Vice-Pres.

William J. Harris, Vice President
Olin F. Harvey, Vice President
William E. Hedgcock, Vice President
Victor R. Willoughby, Vice President
W. L. Stancliffe, Vice President
Howard O. Wick, Secretary & Assistant to President
Lester A. Blackford, Treasurer
Elsworth S. Block, Auditor
A. H. Wobbe, Comptroller

Directors

W. J. Cummings, Chicago
W. G. 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. Stancliffe, New York
F. A. Stevenson, New York
J. E. Rovinsky, New York

General Counsel: Noah A. Stancliffe.

Annual Meetings: 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)

	1941	1940	1939	1938	1937	1936	1935
Sales	\$37,192,012	\$35,795,090	\$23,853,517	\$47,674,615	\$40,136,278	\$24,852,036	\$17,428,022
(1) Cost of sales	52,516,536	30,312,034	20,566,967	42,051,793	34,521,837	21,235,119	15,359,370
(2) Selling, gen. and admin. exp.	4,417,398	3,951,536	3,800,439	3,729,103	3,504,922	3,111,258	2,697,501
(3) Depreciation & amortization	2,911,976	1,971,501	1,597,319	1,591,324	1,600,408	1,593,276	1,582,322
Operating profits.....	6,813,103	4,422,081	2,111,208	299,384	509,111	41,087,617	2,390,571
Dividends received	8,691	22,249	11,638	21,127	22,633	13,681	18,828
Interest from affiliates	336,103	395,654	297,235	317,634	523,093	327,307	328,057
Other interest and discount	412,346	356,621	297,421	213,475	374,433	327,431	580,591
Royalties	172,350	91,538	81,954	98,807	108,679	81,711	—
Profit on sale of securities	—	—	—	90,910	94,793	—	40,521
Miscellaneous other income	100,024	23,877	27,991	34,408	87,692	25,719	19,237
Total income	7,922,616	5,169,588	2,139,921	1,075,746	1,520,634	43,117,855	2,402,907
Uncollectible accounts	2,522	3,493	1,813	4,211	91	15,502	191,502
Royalties paid	155,124	93,947	81,215	65,039	72,144	65,206	55,932
(4) Misc. other deductions	403,913	214,978	61,700	49,390	39,721	49,136	256,208
Balance	7,356,037	193,611	1,539,649	957,106	1,409,676	44,162,887	2,190,517
Prov. for Fed. inc. and surtax	2,127,527	202,418	123,014	203,693	198,000	140,887	61,937
Excess profits taxes	67,000	—	—	—	—	—	—
Net income to surplus	5,161,130	10,777	1,662,692	753,407	1,210,676	44,582,515	2,168,514
Surplus beginning of year	22,377,231	22,388,003	24,050,700	24,020,918	23,963,041	24,550,557	26,519,071
Preferred dividends	506,538	—	—	723,625	1,157,800	—	—
Surplus end of year.....	\$27,031,823	\$22,377,231	\$22,358,003	\$24,050,700	\$24,020,918	\$23,953,041	\$24,550,557
SUPPLEMENTARY P. & L. DATA							
Maintenance and repairs	\$3,950,080	\$1,820,176	\$1,036,573	\$3,276,042	\$2,161,088	\$2,779,717	\$2,573,430
Taxes (other than income)	1,320,031	831,432	679,359	839,530	673,602	482,605	313,865
(5) Parent company's net income.....	\$3,731,925	\$1,447,419	\$2,059,245	\$1,125,471	\$1,178,863	\$3,555,538	\$1,317,414
(6) After including dividends from consoli- dated group subsidiaries: 1941, \$7,650; 1940, \$601,200; 1939, \$328,200; 1938, \$737,200; 1937, \$593,200; 1936, \$1,138,033; 1935, \$651,070. (7) Includes related portions of items shown							
under "Supplementary p. & l. data" below statement. (8) Principal "Misc. other deductions" follow: 1941: Loss on property retirements, \$245,430; 1940: Interest paid, \$57,997; loss on property retirements, \$29,953. 1935: Adjustment of foreign exchange, \$172,- 310. (9) 1941: Includes \$1,002,761 amortization of expenditures for extension of plant facilities under National Defense program.							

BALANCE SHEETS

COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF APRIL 30

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

	1941	1940	1939	1938	1937	1936	1935
ASSETS							
Cash	\$10,461,221	\$8,578,572	\$1,331,680	\$10,030,629	\$1,547,139	\$3,215,916	\$5,473,060
(1) Mkts. sec. (cost or less)	1,252,793	1,819,212	1,613,718	1,552,366	3,826,016	2,369,950	1,310,107
(2) U. S. Govt. sec. (cost)	27,331	27,331	27,356	17,191	1,245,362	3,412,555	3,408,509
(3) Notes receivable (net)	2,202,801	1,823,185	1,920,602	1,933,115	1,853,018	2,212,696	3,141,309
(4) Accounts receivable (net)	8,835,013	7,032,963	7,907,963	3,151,931	4,377,307	4,481,811	1,069,786
(5) Inventories	22,503,842	9,269,828	3,233,443	6,825,534	12,291,801	5,407,918	3,628,058
Adv. payments for materials	937,824	—	—	—	—	—	—
Total current assets	46,263,600	28,607,037	19,179,797	23,550,765	28,170,672	23,293,850	18,660,830
(6) Securities of affiliate (net)	93,178	91,432	103,924	94,432	210,873	210,873	215,419
(7) Miscellaneous securities (net)	169,312	171,055	175,103	177,729	212,405	160,255	11,127
(8) Rec. of affiliates (net)	2,812,210	4,905,319	5,801,577	2,597,033	2,431,305	2,618,767	2,698,472
(9) Property, plant & equipment	79,345,091	72,102,538	74,682,425	73,468,809	73,235,314	73,140,833	72,962,585
(10) Less: Depreciation reserve	29,935,950	27,861,475	10,610,885	8,760,474	7,169,150	5,563,742	3,975,466
Net property account	49,409,131	44,238,063	64,041,540	64,708,335	66,066,164	67,572,091	68,987,118
(11) Intangibles	19,055,625	19,059,351	—	533,400	533,400	533,400	533,400
(12) Treasury stock (at cost)	533,400	533,400	533,400	112,115	125,778	125,793	108,233
Prepaid taxes, insurance, etc.	221,981	101,911	150,936	—	—	—	—
Total	\$118,587,697	\$97,707,627	\$89,959,342	\$91,792,808	\$97,750,597	\$94,549,028	\$91,214,599
LIABILITIES							
Accounts payable	\$7,205,938	\$3,621,163	\$930,632	\$1,067,113	\$1,386,018	\$3,140,661	\$604,596
Accrued payrolls	631,502	291,778	131,036	111,607	234,287	213,719	106,190
Accrued taxes, etc.	2,703,191	606,932	419,184	55,532	674,651	312,810	188,954
Bills payable (banks)	10,000,000	4,500,000	—	—	—	—	—
Advance contr. payments	5,333,410	—	—	—	—	—	—
Total current liabilities	25,882,101	9,025,878	1,530,852	1,747,311	5,291,957	3,667,192	899,740
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	2,833,615	2,833,615	2,833,615	2,833,615	2,833,615	2,833,615	2,833,615
Reserve for contingencies	1,340,128	1,900,874	1,736,838	1,593,914	3,569,019	2,368,031	1,218,599
Working condit. improv. fec.	—	—	—	62,203	62,203	62,203	62,203
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	27,031,823	22,377,231	22,358,003	24,050,700	23,963,041	24,550,557	24,550,557
Total	\$118,587,697	\$97,707,627	\$89,959,342	\$91,792,808	\$97,750,597	\$94,549,028	\$91,214,599
Net current assets	\$20,401,759	\$19,511,219	\$17,618,945	\$21,822,454	\$22,875,715	\$19,626,658	\$17,761,090

BALANCE SHEETS (cont'd)

PROPERTY ACCT.—ANALYSIS

	1911	1910	1939	1938	1937	1936	1935
Property at cost	\$9,151,325	\$1,431,501	\$676,258	\$291,100	\$105,226	\$179,605	\$190,356
Retirements or sales	1,911,772	486,871	20,426	2,700	9,215	.....	.....
Other additions	.....	3,524,517	\$61,466	57,605	1,530	1,358	1,729
Other reductions	.....	.....	6,681	.....	.....	.....	.....
DEPRECIATION RESERVE—ANALYSIS							
Additions charged to p. & l.	\$2,951,976	\$1,271,501	\$1,597,313	\$1,591,324	\$1,600,408	\$1,593,276	\$1,582,322
Retirements or sales	883,490	268,132	242	.....	.....	.....	.....
Other additions	.....	15,520,221	283,334	.....	.....	.....	.....

(1933): Represent additions to fixed assets through acquisition of American Welding Co. (For 1935 and subsequent years, at cost or less and after deducting reserves: 1935, \$6,373,675; 1936, \$5,086,622; 1937, \$3,627,032; 1938, \$5,000,712; 1939, \$5,820,330; 1910, \$5,612,721; 1911, \$6,217,881. Market value: 1935, \$1,433,657; 1936, \$2,571,423; 1937, \$1,390,031; 1938, \$1,663,356; 1939, \$1,758,186; 1910, \$1,952,031; 1911, \$1,313,926.)

(Market Value: 1935, \$3,616,732; 1936, \$3,617,344; 1937, \$1,316,876; 1938, \$18,473; 1939, \$30,160; 1910, \$30,153; 1911, \$29,886.)

(After \$79,515 unearned interest and \$200,000 reserve in 1911. Includes notes receivable due beyond one year: 1935, \$1,799,329; 1936, \$1,309,515; 1937, \$1,589,609; 1938, \$1,651,935; 1939, \$1,474,553; 1910, \$1,499,531; 1911, \$1,768,861—these notes are carried as current assets because they are readily marketable.)

(After \$200,000 reserve in 1911.)

(At cost or less and not in excess of market. (At cost or less and after following reserves: 1935, \$1,861,231; 1936, \$1,881,249; 1937, \$1,851,249; 1938, \$1,000,564; 1939, \$1,891,073; 1910, \$1,900,561; 1911, \$1,895,818.)

(At cost or less and after following reserves: 1935, \$232,230; 1936, \$317,415; 1937, \$286,078; 1938, \$286,159; 1939, \$250,082; 1910, \$279,781; 1911, \$274,022.)

(After \$1,000,000 reserve.)

(An inventory of property, plant and equipment was made by Coverdale & Colpitts, consulting engineers, as of April 30, 1939.)

As a result of classification and adjustment based upon this inventory, book value of property, plant and equipment was decreased by \$3,316,060 and depreciation reserve was increased \$15,520,221. Total necessary adjustment amounted to \$18,866,280, which amount has been charged to Intangibles.

1911	Book Values	Reserves
Land	\$6,515,227	.....
Land improve.	1,027,118	.....
Dies, patt., etc.	7,657,765	.....
General improve.	1,381,167	.....
Structures A	13,337,557	6,163,907
Structures B	3,833,977	2,263,081
Structures C	1,950,753	832,680
Structures D	117,818	67,770
Dwellings	23,376	13,250
Mach. & equip. A	30,597,601	15,617,551
Mach. & equip. B	316,151	273,539
Mach. & equip. C	1,708,720	830,468
Mach. & equip. D	159,507	.....
Mobile equip.	179,885	146,819
Marine equip.	3,411	1,373
Distr. systems	2,962,964	1,738,812
Commun. systems	92,313	58,631
Meters, gauges, etc.	81,469	67,626
Constr. in progr.	1,122,449	.....
Defense facilities	6,252,799	1,002,761
Total	\$79,345,601	\$29,935,560

Comprises 10,550 preferred and 600 common shares in all years.

(Represented by 600,000 no par shares which include treasury stock (see note 10 above). (1910: Adjustment based upon inventory (see note 10 above), \$3,316,060; Intangibles as of May 1, 1939, now shown separately, \$178,457; total, \$3,524,517.)

(1910: (see note 10 above). 1939: Represent related reserve of additions to fixed assets through acquisition of American Welding Co.

Depreciation Policy: Depreciation rates used: General improvements, 5%; structures—A, 2%; B, 2½%; C, 3%; D, 4%; dwellings, 3%; machinery and equipment—A, 4%; B, 8%; C, 10%; mobile equipment, 10%; marine equipment, 5%; distribution systems, 5%; communication systems, 5%; meters, instruments and gauges, 10%; expenditures for extension of plant facilities under National Defense program, 33⅓%.

Dies, patterns, forms, small tools, etc., are not depreciated but are maintained by charging off all replacements and renewals to repairs expense (charges off, 1911, \$69,881).

General Notes: (a) Contingent liability at April 30, 1911, secured notes purchased by American Car and Foundry Securities Corp., a subsidiary, and by it resold under agreement to repurchase in event of default, and secured obligation of Shippers' Car Line Corp. sold with guarantee; aggregate amount \$1,012,224.

(b) Accounts certified, Ernest W. Bell & Co.

FINANCIAL & OPERATING DATA

Statistical Record, Fiscal Years

	1911	1910	1939	1938	1937	1936	1935
Earned per share—preferred	\$17.83	Nil	Nil	\$2.60	\$4.18	Nil	Nil
—common	\$5.23	d \$3.40	d \$6.15	d \$2.12	d \$1.36	d \$4.35	d \$6.66
Dividends per share—preferred	\$1.75	Nil	Nil	\$2.50	\$1.00	Nil	Nil
—common	Nil	Nil	Nil	\$0.25	Nil	Nil	Nil
Price Range—preferred	79 1/4-56	65-31	64-30 1/4	57 1/4-27	104 1/4-26	109-57 1/2	65-25 1/2
—common	31 1/2-23	33 1/4-18	40 1/4-16 1/4	34 1/4-12 1/4	71-15 1/4	60 1/2-30	33 1/4-10
Net assets per share—preferred	\$298.81	\$282.76	\$282.79	\$282.51	\$288.44	\$288.25	\$290.27
—common	\$96.02	\$53.25	\$53.27	\$91.04	\$90.99	\$90.91	\$91.83
Number of shares—preferred	289,450	289,450	289,450	289,450	289,450	289,450	289,450
—common	593,400	593,400	593,400	593,400	593,400	593,400	593,400

(Calendar years)

Financial & Operating Ratios

	1911	1910	1939	1938	1937	1936	1935
Curr. assets to curr. liab.	1.79	3.15	12.53	13.49	5.32	6.35	20.73
% cash & sec. to curr. assets	25.37	36.41	31.56	49.25	31.14	48.20	51.78
% inventory to curr. assets	48.62	32.40	17.20	28.96	43.63	23.22	19.41
% net curr. assets to net worth	12.36	23.81	21.56	26.13	27.40	23.52	21.14
% property depreciated	37.73	38.65	14.25	11.92	7.79	7.72	5.46
% ann. depr. & amort. to gross prop.	3.72	2.73	2.14	2.17	2.19	2.18	2.17
Capitalization:							
% preferred stock	33.46	35.37	35.36	31.66	34.67	34.69	31.45
% common stock & surplus	66.51	64.63	64.64	68.34	65.33	65.31	68.55
Sales to inventory	2.99	3.86	7.23	6.98	3.27	4.60	4.80
Sales to receivables	6.03	4.02	2.43	9.28	6.41	3.63	3.62
% sales to net property	135.99	80.91	37.25	73.63	60.75	36.78	25.26
% sales to total assets	56.66	36.63	26.51	51.94	41.06	26.23	19.11
% net inc. to total assets	4.35	d 0.01	d 1.85	0.82	1.24	d 0.62	d 2.16
% net income to net worth	5.97	d 0.01	d 2.03	0.90	1.45	d 0.70	2.34
Pfd. div., times earned	2.55	Nil	Nil	0.37	0.60	Nil	Nil

(In 1910 after inventory of fixed assets resulting of an adjustment of \$18,866,280.)

Analysis of Operations

	%	%	%	%	%	%	%
Sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	78.80	81.63	86.22	83.21	86.01	85.45	83.01
Sell., gen. & adm. exp.	6.60	11.05	15.93	7.82	8.73	12.52	16.62
Deprec., renew., etc.	4.40	5.51	6.70	3.34	3.99	6.41	9.08
Operating profits	10.20	d 1.24	d 8.85	6.33	1.27	d 4.39	d 13.72
Other income	1.59	2.68	3.00	1.63	2.52	3.12	5.67
Total income	11.79	1.44	d 5.85	2.26	3.79	d 1.23	d 8.05
Income deductions	8.1	8.3	6.1	2.5	2.8	5.2	2.89
Net income before income taxes	10.95	5.5	d 6.46	2.01	3.51	d 1.78	d 10.91
Income taxes	3.27	5.9	5.2	4.3	3.49	4.1	3.6
Net income	7.68	d 0.03	d 6.97	1.53	3.02	d 2.34	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 1910, none; April 19 and July 7, 1911, 1½%; Aug. 29, 1911, 2.0%; Oct. 1 and Dec. 31, 1911, 1½% (see Dividend Restrained, below).

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—1911 1910 1939
Preferred..... 1914-56 65-34 64-30 1/4

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	1903-06	Nil
1907-08	3.00	1903-16	2.00	1917-18	8.00
1910...	9.00	1920-24	12.00	1923...	\$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
1941...	Nil				

(Payment Oct. 1, 1911, deferred due to liquidation (see Dividend Restrained, below).)

(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—1911 1910 1939
Common..... 34 1/4-23 33 1/4-18 40 1/4-16 1/4

Dividend Restrained: On April 7, 1912, Vice-Chancellor H. T. Kays at Jersey City, N. J., made permanent an order restraining company from making a dividend distribution of \$1 a share, or \$322,400, on common stock. Court further ordered payment of \$1.29 a share, amounting to \$773,490, on 7% non-cumu-

lative preferred stock for 1939, finding that such stock was entitled to \$3.89 a share for that year, instead of \$2.00 paid. Court also said it would appoint a special master to determine how much of \$2,026,150 should be paid to preferred stockholders on account of dividends for 1936.

Order was issued in action brought by O. H. Cinlas, Havana, Cuba, holder of 2,500 preferred shares and 300 common shares, who contended that dividend on common violated certificate of incorporation.

On April 8, 1912, C. J. Hardy, president, announced that appeal from decision would be taken.

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.)

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

	1911	1910
Net sales	\$22,166,605	\$17,312,272
(Costs & exp.	17,351,817	14,562,835
Operating profit ..	4,814,788	2,749,437
Other income	199,935	196,977
Total income	5,014,723	2,946,414
Int. to affiliates ..	287,215	293,493
Other deductions ..	130,172	90,859
Income taxes	812,597	728,209
Excess prof. tax ..	2,622,550	816,375
Prov. for conting.	400,000	
Balance	759,189	1,010,478
Minority int.		
Brill Co.	cr 826	433
Am. C. & F. Mot.	420,218	
Indeb. of Am. C.		
& F. Mot. & sub.	130,601	792,534
Bal. appl. to corp.	209,196	247,505
Earn. pfd. share ..	\$5.83	\$6.90
No. of pfd. shs. ...	35,866	35,866
Includes deprec.: 1911, \$199,430; 1910, \$503,513.		

Consolidated Balance Sheet, as of Dec. 31 (Brill Corp. and underlying cos.):

	1911	1910
Assets:		
Cash	\$3,934,285	\$4,671,575
Notes rec. (net) ..	803,337	746,568
Accts. rec. net ..	2,559,457	1,358,672
Inventories	7,871,331	4,595,301
Markable secur. ...	53,851	182,921
Total current	\$15,222,265	\$11,551,987
Plant, etc.	4,290,179	4,325,411
Idle plants, net ..	877,166	965,720
Invest. in affil. ...	157,500	157,500
Other invest.	31,142	31,142
Patents	1	1
Deferred accts. ...	529,539	408,878
Total	\$21,110,792	\$17,417,639
Liabilities:		
Notes pay. bonds ..	\$150,000	\$925,000
Notes pay. affil. ...	5,901,064	6,100,064
Accounts payable ..	1,417,101	902,394
Contract depos. ...		11,310
Accruals	734,013	534,612
Due affil. cos.	9,925	2,463
Income tax res. ...	3,439,632	1,561,289
Total current	\$12,551,797	\$10,037,132
Minority interest ..	434,249	14,636
Conting. reserves ..	1,262,100	572,800
7% pfd. (\$100) ...	3,718,400	3,718,400
Common stock	8,000,000	8,000,000
Operating deficit ..	9,536,334	9,935,930
Capital surplus	5,152,018	5,152,018
Total	7,274,115	6,934,518
Retard. stock	111,463	111,463
Net stk. & surp. ...	7,162,617	6,823,050
Total	\$21,110,792	\$17,417,639
Net curr. assets	\$2,970,468	\$1,517,855

At cost or less.
Quoted values: 1911, \$14,140; 1910, \$174,559.
After depreciation,
\$217,213 A and 400,000 B no par shares.
\$1,318 preferred shares at cost.

Accounts certified by Lybrand, Ross Bros. & Montgomery.

Capital Stock: 1. The Brill Corp. 7% cumulative preferred; par \$100.

AUTHORIZED—65,000 shares; outstanding, 37,184 shares; par \$100.

PREFERRED—As to assets and dividends.

LIQUIDATION RIGHTS—Entitled to par and dividends.

CALLABLE—At any time at 110 on 30 days' notice.

VOTING RIGHTS—None, 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.

SINKING FUND—None.

DIVIDENDS—Initial dividend of \$1.16 2/3 (covering two months) paid June 1, 1926. Regular dividends paid thereafter quarterly Mar. 1, etc. to Sept. 30, 1932, incl.; none thereafter to Jan. 2, 1912, when arrears amounted to \$66.50 per share.

PRICE RANGE—1911 1910 1939 1938 1937
High 63 55 39 30 77
Low 35 1/2 20 21 1/2 15 16 1/2

2. The Brill Corp. class A common; no par.

AUTHORIZED—225,000 shares; outstanding, 217,288 shares; no par.

PREFERRED—Has second preference as to non-cumulative dividends of \$1 per share; any dividends earned but not paid must be paid before any payments are made on class B.

PARTICIPATION—Equally with class B up to \$6 per share after class B common has received \$2 per share in any year.

LIQUIDATION RIGHTS—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 at \$60 per share, but only, if after such redemption, total net assets equal not less than twice outstanding preferred.

VOTING RIGHTS—None.

DIVIDENDS—1927 (initial; Apr. 1), \$1; 1928, \$1.25; 1929, \$1.50; 1930, 65 cents; 1931, 34 cents; none thereafter.

PRICE RANGE—1911 1910 1939 1938 1937
High 4 1/2 4 1/2 4 1/2 5 1/4 16 1/2
Low 1 1/4 1 1/4 1 1/2 2 1/2 2 1/2

3. The Brill Corp. class B common; no par.

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.

PRICE RANGE—1911 1910 1939 1938 1937
High 3 1/2 1 1/2 2 1/2 2 1/2 7 1/2
Low 1 1/4 1 1/4 1 1/2 1 1/2 1 1/2

Transfer Agent: Manufacturers Trust Co., New York.

Registrar: Chase National Bank, New York.

Listed: Unlisted trading in all classes on New York Curb Exchange.

AMERICAN CAR AND FOUNDRY MOTORS COMPANY

(Controlled by The Brill corp.)

History: Incorporated in Delaware, Dec. 23, 1925.

Subsidiaries: Company owns entire capital stock of Hall-Scott Motor Car Co. (Cal.), which manufactures (plant at Berkeley, Cal.) and markets gasoline motors for motor coaches, commercial trucks, motor rail cars, as well as marine engines.

Also controls the Fageol Motors Co. (Ohio) which owns the entire capital stock of the Fageol Co. (Ohio). Also controls the A. C. F. Motors Co. (Del.).

Business: Company is an inactive holding company. Sales of motor coaches and repair parts are cleared through A. C. F. Motors Co., which operates service parts stations at strategic points.

Present activities of company's operating subsidiaries are directly concerned with production of war material.

Officers: C. J. Hardy, Chairman and Pres.; L. A. Blackford, Vice-Pres. and Treas.; H. C. Wick, Sec.; D. C. Pockels, Auditor.

Directors: C. J. Hardy, N. A. Stanciliffe, F. A. Stevenson, F. S. Block, W. O. Dickelmann, W. J. Harris, H. C. Wick, L. A. Blackford, New York; W. J. Cummings, Chicago.

General Counsel: Noah A. Stanciliffe, New York.

Annual Meetings: First Friday in May.

General Office: 30 Church St., New York.

Consolidated Income Account, years ended Dec. 31:

	1911	1910
Net sales	\$20,011,507	\$14,793,567
Costs & expenses ..	14,528,248	11,960,652
Depreciation	259,790	293,813
Operating profit ..	5,193,168	2,534,372
Other income	110,010	111,514
Total income	5,303,178	2,645,886
Interest, etc.	291,353	308,768
Income taxes	812,597	728,209
Excess prof. tax ..	2,622,550	816,375
Conting. reserve ..	1,170,919	792,531
Net income	1,170,919	792,531
Deficit, Jan. 1	8,078,800	9,082,838

Misc. adjust. 1911 1910
Deficit, Dec. 31 .. 6,901,821 8,078,800

After crediting \$175,000 adjustment applicable to notes receivable discontinued.

Consolidated Balance Sheet, as of Dec. 31:

	1911	1910
Assets:		
Cash	\$3,465,503	\$3,322,456
Notes rec. net	800,678	791,512
Accts. rec. net	2,463,793	1,283,189
Inventories	3,031,509	1,595,937
Total current	\$9,761,487	\$6,993,134
Plant & equip.	1,145,301	1,125,684
Goodwill	1,457,760	1,457,760
Prep. & def. accts. ...	284,376	249,659
Total	\$12,651,924	\$9,856,476
Liabilities:		
Loans payable	\$5,901,064	\$6,475,064
Accts. payable	685,253	376,050
Dep. on contracts ..		9,633
Inc. tax reserve	3,439,632	1,561,289