

# MOODY'S INDUSTRIAL MANUAL

AMERICAN and FOREIGN

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## MOODY'S INVESTORS SERVICE

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Includes \$1,926,508 not restricted under bank loan agreement.  
 Proceeds of insurance claim on abandoned vessel of foreign subsidiary, after \$1,007,518 net carrying amount and related expenses.

#### Consolidated Sales and Earnings, years ended Jan. 31 (in \$):

Year:	Net Sales	Net Profit	No. of Shares	Earn. on Com.
1956...	13,081,606	6,287,909	2,845,226	2.21
1955...	39,557,276	5,053,747	2,800,000	1.80
1954...	34,923,173	4,311,260	1,400,000	3.08
1953...	29,300,460	4,165,116	1,400,000	2.97
1952...	22,755,419	3,002,770	1,400,000	2.14
1951...	18,642,050	3,162,371	1,400,000	2.26
1950...	19,768,099	3,520,932	700,000	5.03
1949...	19,000,505	3,386,128	700,000	4.84
1948...	18,308,172	2,270,228	700,000	3.24
1947...	11,191,584	1,337,313	700,000	1.91

① Outstanding Jan. 31, 1948.

② Disregarding preferred dividends paid.

#### Consolidated Balance Sheet, as of Jan. 31:

Assets:	1956	1955
Cash	\$5,475,408	\$6,163,890
Receivables, net	3,419,677	1,071,057
Inventories	3,957,692	3,117,462
Prepayments	513,768	521,724
Total current	\$13,366,545	\$13,874,133
Prop., plant, etc.	40,329,568	33,613,725
Depr., depl., amor.	17,322,298	15,559,375
Net property	23,007,270	18,054,390
Invest. in affil.	383,000	83,000
Patents, etc., net	17,940	18,528
Total	\$36,774,755	\$32,030,051

#### Liabilities:

Accounts payable	\$1,420,342	\$1,742,617
Due affiliates	808,195	156,384
Accr. taxes, etc.	939,018	961,026
Fed. income tax	5,274,482	4,836,144
Total current	\$8,440,037	\$7,699,171
Capital stk. (\$1)	2,845,226	2,800,000
Paid-in surplus	26,391,488	5,894,141
Earned surplus	19,098,004	15,636,739

Total \$36,774,755 \$32,030,051  
 Net curr. assets \$4,926,508 \$6,174,962  
 Net tang. per sh. \$9.95 \$8.68  
 At lower of cost (first-in, first-out) or market.

After crediting \$497,347 excess of proceeds over par value of capital stock issued during year.

**Bank Credit:** In Aug., 1955, company entered into a credit agreement to provide up to \$22,000,000 to finance \$35,000,000 expansion program. Borrowings under agreement are payable semi-annually from Jan. 31, 1948 to July 31, 1965 with interest at 3 3/4%.

No funds had been borrowed at Jan. 31, 1956 but 25% of available funds had been borrowed by Apr. 30, 1956.

Company is required to maintain net current assets of \$3,000,000 to Jan. 31, 1958, plus \$1,000,000 in each year thereafter to Jan. 31, 1960 and thereafter at \$6,000,000. Company may not make dividend payments which would reduce net equity below \$23,700,000.

#### Capital Stock: Permanent Cement Co. common; par \$1:

**AUTHORIZED**—4,000,000 shares; outstanding, 2,845,226 shares; reserved for options, 84,850 shares; par \$1 (\$1 par shares split 2-for-1 July 30, 1954).

#### DIVIDENDS PAID—

1947...	\$0.50	1948...	\$1.05	1949...	\$1.90
1950...	1.30				

After 100% stock dividend Apr. 29, 1950:  
 1950... 0.90 1951-52 1.35 1953... 1.55  
 1954... 0.85

After 100% stock dividend July 30, 1954:  
 1954... 0.40 1955... 0.92 1956... 0.60  
 1955... 0.92 1956... 0.60

To May 1.

**VOTING RIGHTS**—Has one vote per share, with right of cumulative voting for directors.

**PREEMPTIVE RIGHTS**—None.

**TRANSFER AGENT**—Bank of America N. T. & S. A., San Francisco.

**REGISTRAR**—First Western Bank & Trust Co., Oakland, Cal.

**OFFERED**—(150,000 shares) at \$16 per share on Dec. 17, 1947, by Dean Witter & Co. and Schwabacher & Co., San Francisco, and associates. Proceeds to reduce bank loan and for working capital.

**PRICE RANGE**—1955 1954 1953 1952 1951  
 High 38 1/2 27 1/2 28 21 20  
 Low 25 19 1/4 22 1/2 17 1/2 17 1/2

After stock dividend; before, 35-25%.

**Stock Options:** Outstanding Jan. 31, 1956, options held by key employees on 23,610 shares at \$12 and \$28.25 a share. Options expire July 15, 1963.

#### CAPITAL STRUCTURE

### ACF INDUSTRIES, INCORPORATED

(formerly American Car & Foundry Co.)

#### LONG TERM DEBT

Issue	Rating	Amount Outstanding	Charges Earned 1955 1954	Interest Dates	Call Price	Price Range 1955 1932-55
1-3. Shippers' Car Line Corp.: Debtenture 3s, due 1961	(A)---	\$2,375,000		(A&O 1	(3)---	(2)---
Debtenture 3s, due 1962	(A)---	2,100,000		(J&J 1	(3)---	(2)---
Debtenture 3 1/2s, due 1963	(A)---	1,380,000	11.59 15.31	(A&O 1	(3)---	(2)---
4. 3 3/4% notes payable (subs.), due to 1969	(B)---	4,000,000			(2)---	(2)---

#### CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. 1955 1954	Divs. per Sh. 1955 1954	Call Price	Price Range 1955 1932-55
1. 5% cum. conv. preferred	\$50	178,099 shs.	\$14.57	\$0.62 1/2	\$55	79-53 79-51
2. Common	No par	1,214,781 shs.	\$76.62 \$7.93	5.00 \$55.00		71-48 72 1/2-3 1/2

① Fiscal years. ② Placed privately. ③ See text. ④ As of Jan. 31, 1956. ⑤ Also 10% in stock. ⑥ Range since 1954. ⑦ After allowing for annual preferred dividend requirements on stock outstanding Apr. 30, 1955. ⑧ Issued in 1955.

#### HISTORY

Incorporated under the laws of New Jersey Feb. 20, 1899 as American Car & Foundry Co. Present name adopted June 1, 1954.

At incorporation acquired Buffalo Car Mfg. Co., Buffalo, N. Y.; Ensign Mfg. Co., Huntington, W. Va.; Jackson & Woodin Mfg. Co., Berwick, Pa.; Michigan-Pennsylvania 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: Bloomsburg Car Mfg. Co., Bloomsburg, Pa.; Common-Sense Bolster Co., Chicago, Ill.; Indianapolis Car Co., Indianapolis, Ind.; Jackson & Sharp Co., Wilmington, Del.; and the Southern Car & Foundry Co., Memphis, Tenn.

In Jan., 1948, holdings in ACF-Brill Motors Co., an affiliate company, were sold for approximately \$7,500,000.

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

In April, 1951, American Car & Foundry Securities Corp. was dissolved.

In 1951, organized certain subsidiaries for purpose of financing specific car purchase, rental and sales transactions. Any obligations incurred by such financial subsidiaries are secured by cars and leases thereon, and are without recourse to company or its operating subsidiaries—Carter Carburetor Corp. and Shippers' Car Line Corp.

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 similar electronic devices.

In June 1954, company through W-K-M Manufacturing Co., Inc., acquired for \$7,130,838 business of W-K-M Co. of Houston, Tex. Manufacturer of high-pressure steel valves for oil field and pipe line equipment.

In 1954, company acquired Engineering & Research Corp., Riverdale, Md., producer of electronics and airplane equipment.

In Aug. 1955 acquired 120,000 shares of Key Co., for 30,000 ACF common shares. Latter produces oil refiner parts and equipment; now operated as a division.

#### SUBSIDIARIES

This is both an operating and holding company. As of April 30, 1955, 100% of the voting power was held in the following subsidiaries: Name, place of incorporation and business:

Carter Carburetor Corp., Del., makes automobile carburetors.  
 American Car & Foundry Corp.  
 Avion Instrument Corp., N. Y., conducts research and develops electronic devices.  
 W-K-M Manufacturing Co., Inc., manufactures valves for pipe line and oil wells.  
 W-K-M International Corp.  
 W-K-M (Canada) Ltd.  
 W-K-M Valve Co. (Britain) Ltd.

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.

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

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

Subsidiaries in which voting power held was less than 100% were:

Shippers' Car Line Corp., N. Y. (99%). Company leases cars to various industrial concerns. Owns fleet of over 12,200 tank cars.

#### BUSINESS AND PRODUCTS

This is a leading manufacturer of railroad equipment, the parent company specializing particularly in the manufacture and sale of railway passenger and freight train cars of all types for domestic and foreign service. Cars for industrial purposes, repairs to railway cars, spare parts, railway supplies, iron and steel forgings, cast iron wheels, iron castings, valves (lubricated plug type—tank— all industrial types, welded products (all sizes and designs) miscellaneous articles of iron and steel and manufacture of and repairs to small vessels. Company is also engaged in engineering development and manufacturing in the field of electronics.

Carter Carburetor Corporation, subsidiary, manufactures and sells carburetors, governors, fuel filters, mechanical and electrical fuel pumps and oil pressure switches.

W-K-M Manufacturing Co., Inc., subsidiary, manufactures high-pressure steel valves for oilfield and pipeline equipment.

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

Unit sales of freight and passenger cars for last 6 fiscal years were as follows:

	Passenger	Freight	Total
1948.....	171	16,770	16,941
1949.....	534	27,353	27,887

	Passenger	Freight	Total
1950.....	515	12,711	13,226
1951.....	161	8,827	8,988
1952.....	18	19,142	19,160
1953.....	4	11,889	11,893
1954-55...	Not reported		

#### Unfilled Orders (\$):

June 1, 1953	133,500,000
June 1, 1954	118,000,000
June 1, 1953	277,000,000
June 1, 1952	383,000,000
June 1, 1951	340,000,000

#### PRINCIPAL PLANTS & PROPERTIES

Plants location and principal products follow:

Company	Principal products
Berwick, Pa.—Aircraft components.	
Huntington, W. Va.—Freight and passenger cars.	
Milton, Pa.—Industrial cars.	
St. Charles, Mo.—Mine cars.	
St. Louis, Mo. (2)—Car repairs, foundry and forge products, ordnance products, pressure vessels, and pressed steel products.	
Alexandria, Va. (Electronic Div.)—Modular electronic sub-assemblies, special electronic instruments, etc.	
Paramus, N. J. (Avion Div.)—Computers, fire control systems, navigational instruments, radar beacons.	
Riverdale, Md. (Erco Div.)—Airframe components, electronic devices, aircraft ordnance, etc.	
Albuquerque, N. M. (Nuclear Energy Products Div.)—Nuclear energy-products and services.	

#### Subsidiaries

Shippers' Car Line Corp.—Plants are located at East St. Louis, Ill.; North Kansas City, Mo.; Milton, Pa.; Red House, W. Va., and Smackover, Ark. Products—Car leasing, tanks, tank cars, freight cars (industrial users) and car repairs.

Carter Carburetor Corp.—Plants are located at Olivette and St. Louis, Mo. Products—Carburetors, fuel pumps, fuel filters and pressure switches.

W-K-M Manufacturing Co.—Plants are located at Detroit, Mich., East St. Louis, and Moberly, Mo., Houston, Tex., and Missouri City, Tex. Products—Valves, fittings and tools.

#### MANAGEMENT

##### Officers

Charles J. Hardy, Jr., Chairman
J. F. Clark, President
H. V. Bootes, Vice-President
Rudolph Furrer, Vice-Pres.
W. E. Lunger, Vice-President
Fredk. H. Norton, Vice-President (Sales)
J. P. Richmond, Vice-Pres. (Finance)
P. B. Hoyt, Vice-Pres. (Purchase)
A. L. Kress, Vice-President

John F. Burditt, Treasurer  
C. Allan Fee, Secretary  
W. J. Conaty, Comptroller  
**Executive Committee**  
Charles J. Hardy, Jr., Chairman  
J. F. Clark  
W. J. Cummings  
J. A. Farrell, Jr.  
**Directors**  
J. F. Clark, New York  
R. B. Colgate, New York

W. J. Cummings, Chicago  
R. H. Fruehauf, Detroit  
C. J. Hardy, Jr., New York  
G. C. Leib, New York  
W. F. Van Deventer, New York  
E. L. Nye, New York  
H. C. Wick, Westfield, N. J.  
J. A. Farrell, Jr., New York  
R. H. R. Loughborough, New York  
W. T. Taylor, New York

**General Counsel:** Hardy, Stancliffe & Hardy, New York.  
**Auditors:** Ernest W. Bell & Co., Inc.  
**Annual Meeting:** Last Thursday in August.  
**Number of Stockholders:** Apr. 30, 1955: Preferred, 4,785; common, 8,528.  
**Number of Employees:** Jan. 31, 1954, 11,500.  
**General Office:** 30 Church St., New York & N. Y.  
**Corporate Office:** 117 Main Street, Flemington, N. J.

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

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

	1955	1954	1953	1952	1951	1950	1949
Sales, less discounts & allowances...	\$190,774,346	\$245,086,908	\$257,209,071	\$173,864,755	\$118,637,304	\$147,470,154	\$219,648,483
(1) Cost of sales	155,618,370	208,387,822	219,772,191	141,955,474	98,766,357	133,442,962	196,030,638
(2) Selling, gen. and admin. exp.	14,486,142	14,219,800	12,815,484	10,444,058	10,978,890	9,178,002	10,123,985
Research & development exp.	1,960,198						
Depreciation & amortization	4,523,197	3,802,773	4,114,574	4,311,613	5,069,271	3,883,931	3,780,846
<b>Operating profits</b>	<b>14,186,439</b>	<b>18,676,512</b>	<b>20,506,823</b>	<b>17,253,812</b>	<b>8,945,888</b>	<b>965,259</b>	<b>9,883,974</b>
Dividends received		21,948	112,806	112,362	113,603	105,192	114,804
Interest and discount	493,263	507,619	506,288	499,815	387,912	893,703	700,826
Royalties		183,221	80,096	49,300	84,844	47,173	65,421
Miscellaneous other income		41,995	70,790	79,175	80,621	36,508	82,393
<b>Total income</b>	<b>14,679,702</b>	<b>19,431,295</b>	<b>21,276,801</b>	<b>17,991,264</b>	<b>9,542,785</b>	<b>1,867,835</b>	<b>10,847,218</b>
Interest, etc.	1,232,459	1,223,389	1,070,597	906,077	893,797	893,714	1,562,947
Royalties paid	391,923	209,976	245,369	241,422	296,064	272,809	388,821
Non-operating prop. expense, net		16,922	341,387				
Misc. other deductions		474,177	1,707,799	2,049,136	633,353	143,403	274,654
Minority interest			1,118	1,454	1,639	2,148	2,970
<b>Balance</b>	<b>13,055,320</b>	<b>17,508,832</b>	<b>17,910,531</b>	<b>14,797,175</b>	<b>4,937,912</b>	<b>855,761</b>	<b>8,417,876</b>
Prov. for Fed. inc. and surtax	6,200,000	8,558,191	8,967,574	7,419,066	2,261,998	119,568	3,465,762
Excess profits taxes		901,415	257,981	175,944			
(1) Prov. for deferred Fed. inc. taxes		268,806					
<b>Net income to surplus</b>	<b>6,855,320</b>	<b>7,778,420</b>	<b>8,684,976</b>	<b>7,202,165</b>	<b>2,675,914</b>	<b>436,193</b>	<b>4,932,114</b>
Surplus beginning of year	37,682,640	37,943,093	31,319,891	26,606,932	24,278,464	44,917,204	43,226,316
(2) Other surplus credits	7,121,588		4,129,378	735,745		1,086,160	1,583,124
(3) 7% preferred dividends	2,026,150	2,026,150	2,026,150	2,026,150	344,446	1,519,613	2,026,150
5% preferred dividends	628,021						
Common dividends (cash)	4,019,074	3,442,310	1,931,961	1,198,800		1,798,300	1,798,200
(4) Common dividends (stock)		2,570,412	2,097,900				
(5) Other surplus debits	1,823,891		135,141				
<b>Surplus end of year</b>	<b>\$43,162,412</b>	<b>\$37,682,640</b>	<b>\$37,943,093</b>	<b>\$31,319,891</b>	<b>\$28,606,932</b>	<b>\$24,278,464</b>	<b>\$44,917,204</b>
<b>SUPPLEMENTARY P. &amp; L. DATA</b>							
Maintenance and repairs	\$6,334,043	\$9,433,297	\$8,196,476	\$6,737,810	\$4,866,284	\$5,000,101	\$5,977,205
Amort. of patents		23,014	2,144				
Replace. in lieu of deprec. on dies		1,649,662		2,144			
(6) Taxes (other than income)	2,924,217	3,001,810	2,889,690	2,949,086	2,281,810	2,101,477	2,681,014
Rents	694,618	612,347	489,190	344,267	330,694	279,203	289,838
Royalties	391,923	209,976	245,369	241,422	296,064	272,809	388,821

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

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

(3) On account of accelerated depreciation.

(4) 1955-52: \$7 per share out of earnings from preceding year.

1951: \$1.19 per share out of earnings for year ended Apr. 30, 1950.

1950: \$3.50 out of earnings for year ended Apr. 30, 1949 and \$1.75 out of earnings for year ended Apr. 30, 1950.

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

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

Year	Net Sales	Cost and Expenses	Operating Profit
1938	24,852,036	25,939,653	\$1,087,617
1937	40,136,278	39,627,167	509,111
1936	47,674,618	47,375,291	299,344
1935	23,853,517	23,964,728	\$1,111,208
1934	35,795,090	36,238,071	\$442,981
1933	67,192,012	60,338,809	6,853,103
1932	216,336,568	163,272,167	53,064,401
1931	289,275,659	258,757,679	30,517,980
1930	188,874,838	196,180,489	22,694,349
1929	199,750,179	176,164,573	23,585,606
1928	118,113,552	110,763,283	7,350,269
1927	132,820,244	124,798,178	8,022,066
1926	131,360,756	124,219,380	7,141,367

(1) \$7.28 after renegotiation adjustment.

(2) Includes \$599,400 declared in July, 1951, but held up by court action and paid in Feb., 1943.

**BALANCE SHEETS**

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

	1955	1954	1953	1952	1951	1950	1949
<b>ASSETS</b>							
Cash	\$18,228,165	\$10,110,870	\$20,068,202	\$19,061,707	\$12,263,562	\$14,940,280	\$12,545,984
Mkt. secs. (cost or less)			1,180,020	1,349,856	1,780,996	1,181,811	1,305,090
U. S. Govt. secs. (cost)	6,225,036	13,455,781	1,655,014	500,000	800,000	1,100,000	
(1) Notes & accts. receivable	34,004,493	29,945,914	40,725,694	23,331,236	20,614,117	11,923,048	23,667,869
(2) Inventories	47,100,859	41,774,968	47,294,381	45,005,228	48,068,993	29,435,273	59,430,070
<b>Total current assets</b>	<b>105,588,553</b>	<b>95,287,330</b>	<b>110,923,311</b>	<b>89,838,027</b>	<b>81,247,368</b>	<b>58,550,412</b>	<b>106,848,943</b>
(3) Invest., etc. in uncons. subs.	1,727,217	15,000	15,000	15,000			
Long term receivables, etc.	2,446,949	2,954,470	1,816,921	1,357,412	2,411,541	1,056,912	754,364
(4) Property, plant and equipment	121,053,839	109,449,663	108,050,967	114,220,184	118,330,129	117,839,978	116,440,178
(5) Less: Depreciation reserve	57,997,549	55,296,427	56,582,062	56,978,414	57,910,409	55,898,130	53,806,388
<b>Net property account</b>	<b>63,056,090</b>	<b>54,151,236</b>	<b>51,468,905</b>	<b>57,241,770</b>	<b>60,419,726</b>	<b>61,941,848</b>	<b>62,638,790</b>
Intangibles		1	23,015	19,969	18,606	18,170	18,885,076
Due from uncons. subs.		48,000	4,544				
Prepaid taxes, insurance, etc.	Not stated	682,533	915,554	1,014,291	997,544	771,801	827,998
<b>Total</b>	<b>\$172,818,809</b>	<b>\$153,108,578</b>	<b>\$165,197,149</b>	<b>\$149,486,459</b>	<b>\$145,094,784</b>	<b>\$122,039,143</b>	<b>\$189,930,171</b>

**LIABILITIES**

	1955	1954	1953	1952	1951	1950	1949
Accounts payable, etc.	\$21,393,097	\$22,461,444	\$21,406,712	\$10,125,893	\$15,217,647	\$8,084,828	\$19,136,848
(1) Accrued taxes	10,290,109	11,865,170	11,384,528	9,957,367	3,380,198	3,003,032	4,192,571
Notes payable (banks)	21,000,000		15,000,000	15,000,000	15,306,528	8,000,000	35,000,000
Dividends payable	1,288,278						
Advance contr. payments				1,905,187	81,076		1,194,551
Long term debt due within year	951,000	889,000	6,500,000	685,000	685,000	685,000	685,000
<b>Total current liabilities</b>	<b>51,922,481</b>	<b>35,570,419</b>	<b>49,471,487</b>	<b>37,073,447</b>	<b>34,673,437</b>	<b>14,947,610</b>	<b>60,168,768</b>

LIABILITIES (cont'd)	1955	1954	1953	1952	1951	1950	1949
Long term notes payable					1,180,478		9,430,000
Subsidiary funded debt	8,904,000	5,930,000	6,690,000	7,375,000	8,060,000	8,745,000	8,543
Minority interest		2,421	8,690	11,342	11,275	10,187	
Due uncons. subs.				414,622			4,547,809
Res. for empl. welfare plan				4,129,377	4,233,318	4,386,117	735,745
Reserve for common dividends					735,745	735,745	8,858,211
(1) Reserve for contingencies, etc.		7,121,588	7,121,588	7,298,399	7,729,209	7,074,629	
(2) Res. for deferred Fed. income taxes		268,808					
7% preferred stock (\$100 par)		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
5% preferred stock (\$50 par)	23,519,650						
Common stock	21,432,969	18,149,350	18,500,000	30,000,000	30,000,000	30,000,000	30,000,000
Capital surplus	20,877,394	19,458,503	18,533,791	2,949,391	2,949,391	2,949,391	2,949,391
Earned surplus	43,162,412	37,682,840	37,943,093	31,319,891	26,606,932	24,275,464	44,917,204
Total capital stock & surplus	108,992,325	105,288,493	102,978,884	94,269,282	89,556,323	87,224,855	107,868,595
Less: Treasury stock		1,073,150	1,071,500	1,065,000	1,065,000	1,065,000	1,065,000
Net capital stock & surplus	108,992,325	104,215,343	101,907,384	93,184,282	88,471,323	86,159,855	106,781,595
Total	\$172,818,809	\$153,108,578	\$165,197,149	\$149,496,420	\$145,094,784	\$122,039,142	\$189,930,171
Net current assets	\$50,666,069	\$59,716,911	\$61,451,824	\$52,764,580	\$46,573,931	\$43,602,802	\$46,680,178
PROPERTY ACCT.—ANALYSIS							
Additions at cost	\$14,584,457	\$8,667,822	\$3,155,390	\$4,575,185	\$3,516,832	\$3,316,893	\$8,315,984
Retirements or sales	2,910,875	7,254,285	9,370,575	8,685,100	2,726,681	2,217,093	4,372,901
Other additions	cr 89,847	cr 14,731	45,868				30,000
DEPREC. RESERVE—ANALYSIS							
Additions charged to p. & l.	\$4,453,550	\$3,809,457	\$4,332,176	\$4,311,613	\$3,869,371	\$3,869,371	\$3,750,264
Retirements or sales	1,754,428	5,024,056	4,743,352	5,243,602	1,957,089	1,792,189	3,181,739
Other additions		69,036	14,324				
(1) 1953: Represents additions to fixed assets through acquisition of Avion Instrument Corp.							253,640
(2) 1955: Transferred to earned surplus.							3,827
(3) 1949: After deducting \$600,000 U. S. tax notes.							707,091
(4) Includes: 1955, \$6,736,107; 1954, \$1,944,151; 1953, \$893,519; 1952, \$1,250,977; 1951, \$801,879; 1950, \$1,402,239; 1949, \$2,932,064; accrued unbilled escalation charges (estimated).							11,148
(5) At cost or less and not in excess of market: 1955 figures not available.							14,830,717
(6) 1955: Comprised: \$15,000 capital stock of SHPX First Corp.; \$1,013,700 paid by Shippers Carline Corp., a consolidated subsidiary, to a subsidiary of SHPX First Corp. for options to purchase certain railroad cars at their depreciated book value, less amount paid for options, and \$698,517 receivables from SHPX group of companies, \$1,727,217. Investment in SHPX First Corp.							2,283,046
(7) Relating to accelerated amortization of facilities under certificate of necessity.							
(8) 1955: Book Values Reserves							
Land & impr.	\$3,677,711						
Structures	23,032,455	1,027,761					
Mach. & equip.	56,954,557	27,773,451					
Railroad cars	37,388,916	19,196,334					
Total	\$121,053,639	\$57,997,549					
(9) Comprised 10,550 preferred shares at 1954-49; and following common shares: 1954, 726; 1953, 660; 1952-49, 600.							
(10) 1955-53: Represented by par \$25 shares. 1952-49: Represented by 600,000 no par shares.							
(11) 1953: Represents related reserve of additions to fixed assets through acquisition of Avion Instruments Corp.							
(12) 1955: After crediting \$1,420,791 resulting from issuance of common stock in amounts in excess of par value.							
(13) 1954: After crediting \$922,712 excess of average market value of \$39 per share over \$25 par value of common distributed as a dividend.							
(14) 1953: After adding adjustment of no par value common stock from stated value of \$50 per share to par value of \$25 per share, \$14,985,000; excess of average market value of \$35 per share over par value of \$25 on common shares distributed as a dividend, \$599,400; total, \$15,584,400.							
Depreciation Policy: Depreciation rates used: Tracks, 5 and 10%; general improvements, 5%; structures—A, 2%; B, 2½%; C, 3%; D, 6%; E, 5%; F, 4½%; machinery and equipment—A, 4%; B, 8%; C, 10%; D, 7%; E, 33 1/3%; F, 14%; G, 5%; H, 12½%; I, 15%; tank and other cars, 3.6% to 33 1/3%; mobile equipment, 10 to 25%; distribution and communication systems 5%; meters, instruments and gauges, 10 and 20%; air conditioning equipment, 8% and 12½% leasehold improvements, term of lease.							
Dies, patterns, forms, small tools, etc., are not depreciated but are maintained by charging off all replacements and renewals to repairs expense (charge-offs, 1955, not stated; 1954, \$1,649,662; 1953, \$1,268,713; 1952, \$992,722; 1951, \$388,740; 1950, \$592,193; 1949, \$683,827).							
General Notes							
(a) Consolidated statements include all subsidiaries except SHPX First Corp. and its subsidiary companies.							
SHPX First Corp. and Subsidiaries (not consolidated).							
Consolidated Income Account, years ended							
Apr. 30:							
Rtl. curr. rentals	\$2,678,194	\$2,146,215					
Oper. expenses	598,617	490,708					
Depreciation	852,724	676,152					
Operating profit	1,226,853	979,355					
Other income	38,802	47,080					
Total income	1,265,655	1,026,415					
Interest paid	421,918	394,211					
Fed. income taxes	420,528	311,197					
Net income	423,209	321,007					
Consolidated Balance Sheet, as of Apr. 30:							
Assets:							
Cash	\$352,699	\$259,453					
U. S. Govt. secur.	1,902,376	1,279,841					
Nts. & accts. receiv.	253,448	341,894					
Tot. cur. assets	\$2,508,523	\$1,881,288					
Int. in car lse. pay.							
Prepaid items		5,241					
Other assets		11,148					
Railroad cars		14,830,717					
Less: Deprec. res.		2,283,046					
Net prop. acct.		12,547,671					
Total assets		\$15,072,583					
Liabilities:							
Notes payable		\$1,417,130					
Accts. pay. & accr.		34,939					
Accr. Fed. state, etc., taxes		18,890					
Tot. curr. liab.		\$1,470,959					
Notes payable		\$9,859,195					
Due to affiliates		698,517					
Future deliv. under car. pcr. op.		1,013,700					
Res. for defer. inc. taxes		937,473					
Cap. stk. (par \$100)		15,000					
Earned surplus		1,077,739					
Total liabilities		\$15,072,583					
(1) With respect to certain railroad cars owned, Shippers' Car Line Corp. has paid a total of \$1,013,700 in 1955 and \$905,700 in 1954 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.							
(2) Secured long term debt, principally at 3½% and 4% interest, summarized as follows: \$8,751,880 collateral notes due serially to Sept. 1, 1964.							
(3) \$1,956,000 chattel mortgage notes due serially to Jan. 1, 1965, \$568,448 equipment trust certificates due serially to July 1, 1961.							
Above includes \$1,417,130 portion due within one year.							

## FINANCIAL &amp; OPERATING DATA

Statistical Record, Fiscal Years	1955	1954	1953	1952	1951	1950	1949
Earned per share—preferred	\$14.57	\$26.87	\$30.01	\$24.85	\$9.34	\$1.51	\$17.04
—common	3.56.62	7.83	10.10	8.64	11.08	22.65	24.85
Dividends per share—7% preferred	10.14.50	7.00	7.00	7.00	11.19	25.25	27.00
—5% preferred	8.62.14						
—common	5.00	7.55.00	13.00	2.00	Nil	3.00	3.00
(1) Price Range—5% preferred	79-53	56½-51	49¾-30½	42½-31	39%-29½	35-22	33½-21½
—common	7-46½	50½-32	49¾-30½	42½-31	39%-29½	35-22	33½-21½
Fixed charges earned:							
Before income taxes	11.50	15.31	17.73	17.35	8.38	1.62	6.89
After income taxes	6.56	7.36	9.11	8.98	4.86	1.48	4.16
Times chgs. & pfd. div. earned	2.08	2.77	3.15	2.77	1.24	0.48	1.61
Net tangible assets per sh.—pfd.	\$231.70	\$360.05	\$251.99	\$321.87	\$305.59	\$297.54	\$308.74
—common	\$105.18	\$103.79	\$110.66	\$107.14	\$99.28	\$95.39	\$98.38
Number of shares—preferred	470,393	289,450	289,450	289,450	289,450	289,450	289,450
—common	857,319	725,248	639,310	599,400	599,400	599,400	599,400
Financial & Operating Ratios							
Current assets+current liabilities	1.92	2.68	2.24	2.42	2.34	3.82	1.78
% cash & sec. to curr. assets	23.16	24.73	20.65	23.88	17.60	29.36	13.97
% inventory to curr. assets	44.61	43.84	42.84	50.10	54.73	50.27	54.82
% net curr. assets to net worth	46.49	57.30	60.30	56.62	53.64	50.62	43.72
% property depreciated	47.91	50.52	52.37	49.88	48.94	47.56	46.31
% ann. depr. & amort. to gross prop.	3.74	3.47	4.01	3.77	3.38	3.30	3.22
Capitalization:							
% Sub. and other long term debt	7.55	5.38	6.16	7.33	9.25	9.22	8.11
% preferred stock	18.95	27.24	26.65	28.79	29.99	30.50	24.91
% common stock & surplus	72.50	67.38	67.19	63.88	61.66	60.28	66.98
Ratio: Inventory	4.05	5.87	5.44	3.67	2.60	5.01	3.70
Ratio: Receivables	5.60	8.13	6.32	7.44	5.80	13.37	6.53
% sales to net property	302.54	453.60	499.74	303.91	193.04	239.24	250.00
% sales to total assets	110.39	140.07	153.70	116.97	82.47	120.24	116.65
% net inc. to total assets	3.97	5.08	5.26	4.82	1.84	0.36	4.69
% net income to net worth	6.30	7.46	8.52	7.73	3.09	0.81	4.63
Pfd. div. times earned	2.58	3.24	4.89	8.85	1.28	0.82	8.48



Analysis of Operations	
Sales	100.00
Cost of sales	81.57
Sell., gen. & adm. exp.	7.59
Deprec., renew., etc.	3.40
Operating profits	7.44
Other income	0.36
Total income	7.80
Income deductions	0.85
Net income before income taxes	6.85
Income taxes	3.25
Net income	3.60

1955	1954	1953	1952	1951	1950	1949
100.00	100.00	100.00	100.00	100.00	100.00	100.00
81.57	85.02	85.44	81.60	82.54	80.49	83.24
7.59	8.80	4.28	6.00	8.17	6.22	4.84
3.40	1.88	1.60	3.48	3.32	2.63	1.71
7.44	7.62	7.89	9.92	4.97	0.66	4.41
0.36	0.31	0.30	0.42	0.52	0.61	0.44
7.80	7.93	8.19	10.34	5.49	1.27	4.85
0.85	0.79	1.22	1.84	1.36	0.89	1.01
6.85	7.14	6.97	8.50	4.13	0.39	3.83
3.25	3.97	3.59	4.96	1.89	0.08	1.69
3.60	3.17	3.38	4.14	2.24	0.20	2.14

Calendar years. Also 10% in stock. After allowing for annual preferred dividend requirements on stock outstanding Apr. 30, 1955. Includes \$7.50 paid in connection with reclassification of \$7 pfd. into two 5% pfd. shares.

### SUBSIDIARY LONG TERM DEBT

1. Shippers' Car Line Corp. sinking fund debenture 3s, due 1961:  
 AUTHORIZED—\$5,450,000; outstanding, Apr. 30, 1955, \$2,375,000.  
 DATED—April 1, 1946.  
 MATURITY—April 1, 1961.  
 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 103½ to Mar. 31, 1949 and ¼% less each year thereafter.

Also callable for sinking fund, which see.  
 SINKING FUND—Annually March 31, 1947-60 incl., sufficient to redeem on next ensuing April 1, \$325,000 par of debentures. In addition, company may make optional payments in multiples of \$3,000 up to \$325,000.

Callable for sinking fund at 100 on any April 1.

DIVIDEND RESTRICTION—Same as series C, below, dividends not to exceed net income from Dec. 31, 1945.

OFFERED—(\$5,450,000) Sold privately April 1, 1946 to Equitable Life Assurance Society.

2. Shippers' Car Line Corp. debenture 3s, series B, due 1962:

AUTHORIZED—\$3,500,000; outstanding, April 30, 1955, \$2,100,000.

DATED—July 1, 1947.

MATURITY—July 1, 1962.

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, 1949 and ¼% less each year thereafter.

Also callable for sinking fund, which see.

SINKING FUND—\$200,000 annually June 30 SECURITY—Not secure by any lien.

DIVIDEND RESTRICTION—Same as series C, below, dividends not to exceed net income from Apr. 30, 1947.

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

3. Shippers' Car Line Corp. debenture 3½s, series C, due 1963:

AUTHORIZED—\$2,500,000; outstanding, Apr. 30, 1955, \$1,250,000.

DATED—Apr. 1, 1948.

MATURITY—Apr. 1, 1963.

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 June 30, 1949 and ¼% less each year thereafter.

Also callable for sinking fund, which see.

SINKING FUND—\$200,000 annually June 30 SECURITY—Not secure by any lien.

DIVIDEND RESTRICTION—Same as series C, below, dividends not to exceed net income from Apr. 30, 1947.

OFFERED—(\$2,500,000). Sold privately July 1, 1947.

4. Subsidiary Notes: Outstanding, \$4,000,000 3½% 4½% notes due serially to 1969. Other details not reported.

time at 103 to Mar. 31, 1949 and ¼% less each year thereafter.

Also callable for sinking fund, which see.

SINKING FUND—\$100,000 annually Mar. 31.

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) net income from Apr. 3, 1947 exceeds such disbursements by at least \$500,000.

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

5. Subsidiary Notes: Outstanding, \$4,000,000 3½% 4½% notes due serially to 1969. Other details not reported.

CAPITAL STOCK

1. ACF Industries, Inc. 5% cumulative convertible preferred stock; par \$50:

AUTHORIZED—600,000 shares; outstanding, Jan. 31, 1956, 178,099 shares; par \$50.

Note: 41,537 shares were called for payment July 16, 1956 at \$55 plus dividends.

PREFERENCES—Has preference for assets and dividends.

DIVIDEND RIGHTS—Entitled to cumulative dividends of \$2.50 per share annually, payable quarterly Mar. 1, etc. (cumulative from Dec. 1, 1954).

DIVIDEND RECORD—Initial dividend of 62½ cents paid Mar. 1, 1956; regular quarterly dividends paid thereafter.

VOTING RIGHTS—Has one vote per share.

Consent of 66 2/3% of preferred required to amend terms hereof or create equal or prior stock.

LIQUIDATION RIGHTS—In any liquidation, entitled to \$50 per share and dividends.

CALLABLE—As a whole or in part at any time on at least 30 days' notice at \$55 per share and dividends; also callable for sinking fund (which see) at \$55 per share and dividends.

SINKING FUND—Annually beginning within 120 days after Apr. 30, 1955 of consolidated net earnings, after preferred dividends, up to \$600,000 plus any further balance after payment of common dividends up to \$3 per share and 20% of any remaining balance or \$600,000, whichever is less. Cash deposited to be used to purchase preferred at not exceeding \$55 per share or if, at end of fiscal year, unexpended funds equal or exceed \$50,000, company may use same to redeem preferred at \$55 per share. Unexpended balance to be

added to subsequent sinking fund installments. Preferred acquired not to be reissued.

Company may sell to the sinking fund at not exceeding cost to the company preferred acquired in open market after Dec. 1, 1954 in anticipation of sinking fund needs.

CONVERTIBLE—Into common at any time (if called, to close of business on date fixed for redemption) at rate of 1½ common shares for each \$50 par of preferred, with no adjustment for dividends; scrip to be issued in lieu of fractional shares. Conversion privilege protected against dilution.

LISTED—On New York Stock Exchange.

TRANSFER AGENT—Guaranty Trust Co., New York.

REGISTRAR—Hanover Bank, New York.

PURPOSE—Issued in 1954 in exchange for \$100 par 7½ preferred on 2-for-1 basis.

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

AUTHORIZED—1,675,000 shares; outstanding, Jan. 31, 1956, 1,214,781; 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)

1925—Nil 1900—\$1.00 1901-02 \$2.00

1903—4.00 1904—1.00 1905-06 Nil

1907-08 5.00 1909-10 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—5.00 1926-30 6.00 1931—2.75

1932-36 Nil 1937—0.25 1938-40 Nil

1941-43 Nil 1943—4.00 1944—2.50

1945-49 3.00 1950—Nil 1951—2.00

1952—0.75 (\$25 par share)

1953—5.00 1954—4.75

1955—3.75 1956—2.00

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

To June 18.

DIVIDEND RESTRICTIONS—See preferred above.

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

PREEMPTIVE RIGHTS—Full rights.

LISTED—New York Stock Exchange; unlisted trading on Boston and Los Angeles Stock Exchanges.

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

REGISTRAR—Hanover Bank, New York.

## KEY COMPANY

(Acquired by ACF Industries, Inc. in Aug. 1955)

Fed. income tax	119,870
Net income	130,571
Earn. surp., 1-1	1,075,907
Dividends	12,000
Earned surplus	60,000
Earn. com. share	1,146,478
No. of com. shares	120,000
After depreciation and amortization, 1955.	120,000
1954, 1955, 1956, 1957, 1958, 1959, 1960.	120,000

Sales and Earnings, years to Dec. 31 (in \$):

Year	Sales	Profit	No. of Shares	Earn. on Com.
1954	3,215,971	130,571	120,000	1.09
1953	3,421,299	158,804	120,000	1.32
1952	3,485,544	80,687	120,000	0.67
1951	3,486,320	105,481	120,000	0.88
1950	2,470,722	26,487	120,000	0.22
1949	3,371,817	342,359	120,000	2.85
1948	3,754,572	145,618	120,000	1.21
1947	3,048,132	59,077	120,000	0.49
1946	1,999,728	6,588	120,000	0.06
1945	2,986,041	43,273	120,000	0.36

Consolidated Balance Sheet:

Assets:	Apr. 30, '55	Dec. 31, '54
Cash	\$418,395	\$453,863
U. S. Govt. secur.	206,295	154,945
Receivables, net	186,678	153,234
Inventories	344,274	317,227
Unexpired insur.	34,893	40,295
Total current	\$1,190,333	\$1,119,564
Bldgs., mach., etc.	1,958,874	1,955,604
Depreciation	1,091,880	1,033,769
Net property	866,994	901,835
Land	51,588	51,588
Goodwill	1	1
Total	\$2,109,116	\$2,078,988

Liabilities:		
Accts. pay., etc.	\$269,847	\$162,100
Income tax res.	67,371	128,000
Total current	\$337,218	\$290,100
Insur. reserve	25,000	25,000
Common stock	611,341	611,341
Earned surplus	1,135,537	1,146,478
Total	\$2,109,116	\$2,078,988

Net current assets \$853,315 \$829,395

At lower of cost or market.

120,000 no par shares.

Capital Stock: 1. Key Co. stock; no par:

AUTHORIZED—140,000 shares outstanding.

120,000 shares; no par.

All owned by ACF Industries, Inc.

VOTING RIGHTS—Has one vote per share; with right of cumulative voting for directors.

DIVIDENDS PAID—

1917—\$8.00 1918—\$25.00 1919-24 Nil

1925—3.00 1926-27 3.00 1928—2.75

1929-30 1.00 1931—1.00 1932-35 Nil

1936—0.75 1937—0.50 1938-41 Nil

1942-43 0.30 1944-45 0.15 1946-48 Nil

1949—0.50 1950—1.00 1951—0.30

1952-54 0.50 1955—0.10

Not reported.

Also paid 10% in stock in 1926.

Also paid 60% in stock.

Paid 100% in Feb. 1929 and 50% in Dec., 1929 in stock.

To Apr. 16.

TRANSFER AND DIVIDEND DISBURSING AGENT—Company.

REGISTRAR—St. Louis Union Trust Co., St. Louis, Mo.

History: Incorporated under Missouri laws in Dec., 1916, as Key Boiler Equipment Co.; name changed as above Jan. 22, 1935. Acquired St. Louis Pressed Steel Co. Dec. 31, 1928.

Business: Manufactures and sells oil refinery, chemical plant, and power plant equipment.

Property: Plant with floor space of 195,000 sq. ft. located in East St. Louis, Ill.

Subsidiary: J. Faessler Tool Co. (wholly owned), Moberly, Mo.

Control: ACF Industries, Inc. acquired entire stock on Aug. 1955.

Officers: B. J. Gross, Pres.; G. A. Miller, Vice-Pres. and Sec.; P. W. Smith, Treas.

Directors: O. J. Sullivan, F. H. Doenges, L. K. Ayres, C. L. A. Beckers, A. W. Butterfield, E. D. Jones, B. J. Gross, G. A. Miller, St. Louis, Mo.; H. F. Driemeyer, East St. Louis, Ill.

Auditors: A. E. Good & Co.

Annual Meeting: Fourth Thursday in April.

No. of Stockholders: Dec. 31, 1954, 441.

No. of Employees: Dec. 31, 1954, 160.

General Office: 27th St. and McCasland Ave., East St. Louis, Ill.

District Offices: New York, Cleveland, Chicago, Tulsa, Houston and Los Angeles.

Consolidated Earnings:

	4 mos. to Apr. 30, '55	Year to Dec. 31, '54
Net sales	\$735,267	\$3,215,971
Cost of sales	539,472	2,353,082
Selling, etc., exp.	206,456	677,010
Oper. profit	40,663	185,879
Gain, equip. disp.	25	47,927
Other income	11,719	67,342
Total income	1,081	252,293
Interest	2	2,052