

MOODY'S MANUAL OF INVESTMENTS AMERICAN AND FOREIGN

INDUSTRIAL SECURITIES

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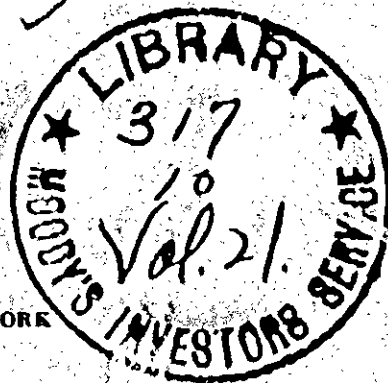
FRANK J. ST. CLAIR ✓

1940

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CAPITAL STRUCTURE

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earnings per Sh. 1939	Earnings per Sh. 1938	Divs. per Sh. 1939	Divs. per Sh. 1938	Call. Price	Price Range 1939	Price Range 1938-39
1. 7% non-cum. preferred.....	\$100	259,450 shs.	Nil	\$2.60	Nil	\$2.50	N.C.	61-30 1/4	10 1/2-15
2. Common.....	No par	599,400 shs.	d 6.15	d 2.12	Nil	Nil	---	40 1/4-16 1/4	60 1/2-3 1/4

(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, Dougal & Co., Milton, Pa.; Niagara Car Wheel Co., Buffalo, N. Y.; Ohio Falls Car Mfg. Co., Jeffersonville, Ind.; Pennock 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).

SUBSIDIARIES

This is both an operating and holding company. As of April 30, 1939, 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), sales agent.

The Brill Corp., Del., (64%) see appended statement.

The J. G. Brill Co., Pa., (93%) see appended statement.

The J. G. Brill Co. of Mass.

Cie J. G. Brill (France).

American Car and Foundry Motors Co., Del., (69%) see appended statement.

Hall-Scott Motor Car Co.

The A. C. F. Motors Co., (Delaware).

The A. C. F. Motors Co., (New Jersey).
 The Fageol Motors Co.
 Shippers' Car Line Corp., N. Y., (79%) 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., 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 1939 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.

The company is equipped to manufacture apparatus which is analogous in some respects to railroad equipment, such as military equipment, etc., and late in 1939 received an order amounting to \$3,000,000 for the building of 329 high-speed, twelve-ton tanks for the United States Army.

PLANTS & PROPERTIES

Plants of the parent company and the general character of activity of these plants are noted below. There 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. 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.

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
 Herbert W. Wolff, Senior Vice President
 William J. Harris, Vice President
 Olin F. Harvey, Vice President
 William E. Hedgecock, Vice President
 Frederick A. Stevenson, Vice President
 Victor R. Willoughby, Vice President
 J. Homer Platten, Vice President and Comptroller
 Howard C. Wick, Secretary & Assistant to President
 Lester A. Blackford, Treasurer
 Elsworth S. Block, Auditor

Directors

W. J. Cummings, Chicago
 W. C. Dickerman, New York
 W. M. Hager, New York
 C. J. Hardy, New York
 J. S. Hoyt, New York
 M. S. Mackay, New York
 E. I. Nye, New York
 N. A. Stancliffe, New York
 F. A. Stevenson, New York
 H. W. Wolff, New York

General Counsel: Noah A. Stancliffe.

Annual Meeting: Second Thursday in July.

Number of Stockholders: Jan. 2, 1940, preferred 5,515; 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)

	1939	1938	1937	1936	1935
Sales.....	\$21,853,517	\$17,674,015	\$10,136,218	\$24,852,036	\$17,428,622
Cost of sales.....	20,566,957	16,034,703	9,521,837	21,235,119	15,339,370
Selling, gen. and admin. exp.	3,800,433	3,729,108	3,501,922	3,111,258	2,897,501
Depreciation, renewals, etc.	1,597,319	1,531,321	1,600,408	1,593,270	1,592,322
Operating profits.....	d 2,111,208	200,384	509,111	d 1,037,617	d 2,300,671
Dividends received.....	11,636	21,127	22,633	13,661	18,828
Interest from affiliates.....	297,295	317,634	323,033	327,307	328,087
Other interest and discount.....	297,421	213,475	374,433	327,434	550,601
Royalties.....	81,951	99,897	108,679	81,771	---
Profit on sale of securities.....	---	90,310	91,703	---	40,521
Miscellaneous other income.....	27,951	31,408	87,892	25,710	19,237
Total income.....	d 1,891,921	1,075,746	1,520,634	d 3,111,785	d 1,402,607
Uncollectible accounts.....	1,813	4,211	---	15,603	191,502
Royalties paid.....	81,215	65,039	72,111	65,200	85,033
Misc. other deductions.....	61,700	49,390	59,721	49,130	258,268
Balance.....	d 1,539,619	957,106	1,408,970	d 1,111,628	d 1,006,847
Prov. for Fed. inc. and surtax.....	123,611	203,693	108,000	140,857	61,907
Net income to surplus.....	d 1,416,008	753,407	1,210,970	d 970,771	d 944,940
Surplus beginning of year.....	24,050,760	24,020,919	23,068,011	21,850,557	20,519,071
Preferred dividends.....	---	723,625	1,157,890	---	---
Surplus end of year.....	\$22,333,608	\$24,050,700	\$21,920,018	\$23,008,011	\$21,550,857
SUPPLEMENTARY P. & L. DATA					
Maintenance and repairs.....	\$1,036,873	\$2,270,012	\$2,161,038	\$2,770,717	\$3,573,410
Taxes (other than income).....	670,359	839,830	613,603	482,605	313,865

Includes related portions of items shown under "Supplementary p. & l. data" below statement.
 (1935: Includes \$173,410 adjustment of foreign exchange.)

BALANCE SHEETS

COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF APRIL 30

(1935-39 from SEC reports—prior years from company's annual reports including wholly-owned subsidiaries)

ASSETS	1939	1938	1937	1936	1935	1934	1933
Cash	\$1,381,650	\$10,039,629	\$1,547,139	\$5,345,916	\$5,473,060	\$3,715,140	\$6,328,361
(a) Mkts. eqcs. (cost or less)	1,613,743	1,552,366	3,826,013	2,369,950	1,340,101	2,265,129	2,372,921
(b) U. S. Govt. secs. (cost)	27,356	17,101	1,245,362	3,412,555	3,408,509	4,302,609	4,302,609
(c) Notes receivable (net)	1,920,602	1,983,115	1,853,018	2,272,626	3,141,300	5,650,001	4,768,728
(d) Accounts receivable (net)	7,907,869	3,151,931	4,377,307	4,451,814	1,669,785	2,067,055	3,162,397
(e) Inventories	3,298,443	6,825,531	12,231,801	5,407,918	3,628,058	3,744,140	2,836,493
Total current assets	10,179,797	23,569,765	28,170,672	23,293,850	18,660,830	21,895,081	23,771,512
(f) Securities of affiliate (net)	101,924	91,432	210,873	210,873	215,419	Not stated	Not stated
(g) Miscellaneous securities (net)	175,163	177,729	212,403	100,255	11,127	Not stated	Not stated
(h) Rec. of affiliates (net)	5,804,577	11,597,033	2,431,305	2,648,767	2,635,472	71,703,618	71,709,702
(i) Property, plant & equipment	74,682,425	77,463,809	73,235,314	73,140,833	72,962,585	2,031,602	1,012,642
(j) Less: Depreciation reserve	10,640,895	8,760,474	7,169,150	5,568,742	3,975,466	Not stated	Not stated
Total property account	64,041,540	64,703,335	66,066,164	67,572,091	68,987,118	69,672,016	70,697,060
(k) Treasury stock (at cost)	533,400	533,400	533,400	533,400	533,400	533,400	533,400
Prepaid taxes, insurance, etc.	150,936	112,115	123,778	123,793	108,233	Not stated	Not stated
Total assets	\$89,959,342	\$91,792,808	\$97,750,597	\$91,519,028	\$91,214,599	\$92,010,497	\$95,001,972
LIABILITIES							
Accounts payable	\$980,632	\$1,067,113	\$1,386,018	\$3,140,664	\$601,596	\$915,722	\$630,365
Accrued payrolls	131,030	111,667	234,287	213,719	106,190	Not stated	Not stated
Accrued taxes, etc.	419,184	569,532	674,651	312,810	168,954	Not stated	Not stated
Total current liabilities	1,530,842	1,747,311	5,294,957	3,667,192	892,740	915,722	630,365
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	2,983,495	2,983,495	2,983,495	2,983,495	2,983,495
Reserve for contingencies	1,736,838	1,598,915	3,882,019	2,368,031	1,218,592	Not stated	Not stated
Working condit. improve. res.	62,208	62,208	62,208	62,208	62,208	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
(l) 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	22,388,008	21,050,700	24,020,918	23,968,011	24,550,557	26,519,071	29,825,933
Total liabilities	\$89,939,342	\$91,792,808	\$97,750,597	\$91,519,028	\$91,214,599	\$92,010,497	\$95,001,972
Net current assets	\$17,619,945	\$21,822,454	\$22,875,715	\$19,626,658	\$17,761,090	\$20,859,359	\$23,141,147
PROPERTY ACCT.—ANALYSIS							
Additions at cost	\$676,258	\$231,100	\$105,226	\$179,605	\$190,356	Not stated	Not stated
Retirements or sales	20,428	2,700	9,215	Not stated	Not stated	Not stated	Not stated
(m) Other additions	564,466	Not stated	1,530	1,356	1,729	Not stated	Not stated
Other reductions	6,683	57,905	Not stated	Not stated	Not stated	Not stated	Not stated
DEPREC. RESERVE—ANALYSIS							
Additions charged to p. & l.	\$1,597,319	\$1,591,324	\$1,600,403	\$1,593,276	\$1,582,322	Not stated	Not stated
Retirements or sales	242	Not stated	Not stated	Not stated	Not stated	Not stated	Not stated
(n) Other additions	283,334	Not stated	Not stated	Not stated	Not stated	Not stated	Not stated

(1) 1939: Represent additions to fixed assets (and related reserve) through acquisition of American Welding Co.

(2) For 1935 and subsequent years, at cost or less and after deducting reserves: 1935, \$8,373,675; 1936, \$3,036,622; 1937, \$3,627,632; 1938, \$5,900,712; 1939, \$5,820,330. Market value: 1935, \$1,403,697; 1936, \$2,577,424; 1937, \$4,393,094; 1938, \$1,663,356; 1939, \$1,753,166.

(3) Market value: 1935, \$3,646,722; 1936, \$3,677,344; 1937, \$1,316,876; 1938, \$18,473; 1939, \$30,160.

(4) After \$77,166 unearned interest and \$300,000 reserve in 1938. Includes notes receivable due beyond one year: 1933 and 1934, not stated; 1935, \$1,799,329; 1936, \$1,392,515; 1937, \$1,558,669; 1938, \$1,651,965; 1939, \$1,474,553—these notes are carried as current assets because they are readily marketable.

(5) After \$200,000 reserve in 1939.
(6) At cost or less and not in excess of market, 1939: Work in process, \$1,556,670; finished goods, \$379,790; raw materials, \$832,463; operating supplies, \$299,519; total, \$3,298,443.

(7) At cost or less and after following reserves: 1935, \$1,561,291; 1936, \$1,831,249; 1937, \$1,834,249; 1938, \$1,000,564; 1939, \$1,891,073.

(8) At cost or less and after following reserves: 1935, \$232,230; 1936, \$347,415; 1937, \$256,078; 1938, \$286,155; 1939, \$250,052.

(9) After \$1,000,000 reserve in 1935 to 1939 incl. Item not reported separately in prior years.

(10) 1939: Book values (and related reserves in parentheses) were: Plant and property unclassified, \$72,265,000 (\$9,531,602); land, \$74,147;

buildings, \$784,286 (\$172,295); patents, \$65,437; machinery and equipment, \$1,380,425 (\$938,958); intangibles, \$113,020; total, \$74,632,425 (\$10,640,855).

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

(12) Represented by 600,000 no par shares which include treasury stock (see note 10 above).

Notes: (a) Contingent liability at April 30, 1939: \$375,000 for guaranteed bank loan of Hall-Scott Motor Car Co. (an affiliate); \$841,748 secured notes purchased by American Car and Foundry Securities Corp., a subsidiary, and by it resold under agreement to repurchase in event of default. (b) Accounts certified by Ernest W. Bell & Co.

FINANCIAL & OPERATING DATA

Statistical Record, Fiscal Years	1939	1938	1937	1936	1935	1934	1933
Earned per share—preferred	nil	\$2.60	\$1.18	nil	nil	nil	nil
—common	d \$6.15	d \$2.12	d \$1.38	d \$1.35	d \$6.66	d \$8.90	d \$7.07
Dividends per share—preferred	—	\$2.50	\$1.00	—	—	—	—
—common	—	\$0.25	—	—	—	—	—
(13) Price Range—preferred	61-30 1/4	57 1/2-27	101 1/2-26	100-57 1/2	65-25 1/4	50 1/2-32	59 1/2-15
—common	40 1/2-16 1/4	34 1/2-12 1/2	71-15 1/4	60 1/2-30	33 1/2-10	33 1/2-12	39 1/2-6 1/2
Net assets per share—preferred	\$282.70	\$283.51	\$283.41	\$288.25	\$290.27	\$297.07	\$308.49
—common	\$89.27	\$91.04	\$90.90	\$90.91	\$91.83	\$93.16	\$100.68

(14) Calendar years.

Financial & Operating Ratios

	1939	1938	1937	1936	1935	1934	1933
Curr. assets+curr. liab.	12.53	13.40	5.32	6.35	20.73	23.01	27.73
% cash & sec. to curr. assets	31.56	49.25	31.14	49.20	51.78	47.43	51.70
% inventory to curr. assets	17.20	28.90	43.63	23.22	19.44	17.17	11.93
% net curr. assets to net worth	21.42	25.08	27.23	23.73	21.01	21.11	23.76
% property depreciated	14.25	11.02	9.79	7.72	5.46	2.83	1.41
% ann. depr. to gross prop.	2.14	2.17	2.10	2.18	2.17	—	—
Capitalization:							
% preferred stock	38.41	35.69	35.71	35.73	35.45	34.67	34.40
% common stock & surplus	61.59	64.30	64.29	64.27	64.55	65.33	65.60
Sales—inventory	1.23	6.03	3.27	4.60	4.80	—	—
Sales—receivables	2.43	9.28	6.41	3.63	3.62	—	—
% sales to net property	37.25	13.68	60.75	36.78	25.26	—	—
% sales to total assets	29.51	51.91	41.06	26.28	19.11	—	—
% net inc. to total assets	d 1.85	0.82	1.24	d 0.62	d 2.10	d 3.85	d 2.44
% net income to net worth	d 2.02	0.90	1.11	d 0.60	d 2.33	d 3.82	d 2.46
Pfd. div., times earned	Nil	0.37	0.60	nil	nil	—	—

Analysis of Operations

	1939	1938	1937	1936	1935	1934	1933
Sales	100.00	100.00	100.00	100.00	100.00	—	—
Cost of sales	86.22	88.41	80.01	85.45	89.01	—	—
Sell. gen. & adm. exp.	15.03	7.82	8.73	12.82	10.62	—	—
Deprec., renew., etc.	6.10	3.31	3.93	0.41	0.03	—	—
Operating profits	d 8.85	1.63	1.27	d 1.39	d 13.12	—	—
Other income	3.09	2.20	3.70	d 1.25	d 8.05	—	—
Total income	d 5.85	3.83	5.27	d 0.14	d 21.17	—	—
Income deductions	d 6.1	2.01	3.51	d 1.78	d 10.91	—	—
Balance	d 6.40	1.82	1.76	d 1.92	d 10.26	—	—
Income taxes	54	43	40	57	76	—	—
Net income	d 6.87	1.88	3.03	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 LIMITATIONS—None.
VOTING RIGHTS—One vote per share.
LIQUIDATION RIGHTS—In dissolution entitled to \$100 per share before any distribution of assets.

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: 1939 1938 1937
Preferred..... 61-80% 57%—27 101%—26

History: Incorporated in Delaware, Jan. 26, 1925. 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 Fageol Motors Co., of Ohio.

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

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

Officers: C. J. Hardy, Pres.; L. A. Blackford, Vice-Pres. and Treas.; J. H. Platten, Vice-Pres.; H. C. Wick, Sec., New York; Hardy, Stancliffe & Hardy, General Counsel.

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

General Counsel: Hardy, Stancliffe & Hardy, New York.

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

Number of Stockholders: Jan. 2, 1939: Preferred, 409; class A common, 2,447; class B common, 2,331.

General Office: 30 Church St., New York.

Income Account, years ended Dec. 31:

	1938	1937
Interest receiv.	\$13,142	\$14,031
Admins. exp.	18,361	17,562
Net loss	5,222	3,531
Surplus, Jan. 1	4,597,058	4,600,500
Surplus, Dec. 31	4,591,837	4,597,058

(1) Based on cost of investments in underlying companies.

(2) Earned per Share—Class A (in \$):

	1938	1937	1936	1935	1934
d 1.22 d 1.21 d 1.22 d 1.19 d 1.16					

No. of shares, 217,288.

(3) Disregarding preferred dividend arrears.

Balance Sheet, as of Dec. 31:

	1938	1937
Assets:		
Invest. (cost) ..	\$15,870,814	\$15,867,814
Cash	199,976	124,500
Part. in notes	115,000	193,270
U. S. securities ..	26,250	26,249
Def. accts., etc.	100,518	101,177

Total

Liabilities:

7% pfd. (\$100) ..

Common stock ..

Accts. payable ..

Accr. tax, etc.

Surplus

Total

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

(3) Consists of 45,691 preferred and 47,012 common shares of J. G. Brill Co.; 24,097 preferred and 200,000 common shares of American Car & Foundry Motors Co. Book value as determined from balance sheets of underlying companies: 1938, \$3,275,813; 1937, \$3,407,610.

(4) Market Value: 1938, \$27,491; 1937, \$20,930.

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

AUTHORIZED—400,000 shares; in treasury, 600 shares; outstanding, 593,400 shares; no par (changed from \$100 par in March, 1925, 2 new shares issued for each old share).

Dividend Record (in \$)

	1938	1937	1936	1935	1934
1932-33	Nil	1.00	1.00	1.00	1.00
1933-34	4.00	1.00	1.00	1.00	1.00
1934-35	3.00	1.00	1.00	1.00	1.00
1935-36	9.00	1.00	1.00	1.00	1.00

(no par shares, after 2 for 1 split)

1925-26 3.00 1926-27 6.00 1927-28 2.75

1928-29 Nil 1929-30 0.25 (1930-31 Nil)

(1) To Feb. 15, 1910.

(2) Before split-up.

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

THE BRILL CORPORATION

(Controlled by American Car & Foundry Co.)

(Based upon cost of investments in underlying companies.)

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

	1938	1937
Net sales	\$7,932,231	\$10,413,119
Costs & exp.	7,914,192	9,281,745
Oper. income	d 11,952	1,128,374
Margin of profit ..	233,175	239,025
Other income	221,214	1,368,300
Total income	221,493	293,494
Int. to affiliates ..	152,373	185,353
Other deduct.	40,119	251,903
Inc., etc., taxes ..	d 271,771	637,545
Deficit, Jan. 1	10,310,557	9,979,522
Adjust., net	dr 115,914	dr 968,550
Deficit, Dec. 31 ..	10,698,242	10,310,557

(Includes depreciation (1938, \$273,252).

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

	1938	1937
Assets:		
Cash	\$2,766,796	\$2,053,408
Notes rec. (net) ..	1,401,132	1,470,517
Other receivables ..	509,624	481,466
Due from affil.	38,055	83,933
Inventories	2,128,572	3,393,193
Markable secur.	186,181	145,712

Total current

(Plant, etc.

Idle plants, net ..

Invest. in affil.

Other invest.

Patents

Cash on deposit ..

Prepayments

Deferred accts.

Total

Liabilities:

Notes pay. banks ..

Notes pay. affil.

Accounts payable ..

Contract dep.

Accruals

Due affil. cos.

Inc., etc., tax.

Total current

Misc. reserves

7% pfd. (\$100)

Common stock

Oper. deficit

Capital surplus

Total

Reacq. stock

Balance

Minority int.

Total

Net curr. assets ..

(After depreciation: 1938, \$5,969,720; 1937, \$5,874,930.

(2) Cost or less; not in excess of realizable values.

(3) Quoted values, plus accrued interest, Dec. 31: 1938, \$141,140; 1937, \$102,726.

(4) 318 preferred shares at cost.

(5) 217,288 class A and 400,000 class B no par shares.

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: 1939 1938 1937
Common..... 40%—16% 34%—12% 71—15%
Subscription Rights: Common stockholders of record Jan. 29, 1926, were given right to subscribe for 190,000 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.

Accounts certified by Lybrand, Ross Bros. & Montgomery.

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

AUTHORIZED—35,000 shares; outstanding, 37,181 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 \$1.02 2/3 (covering two months) paid June 1, 1926. Regular dividends paid thereafter quarterly Mar. 1, etc., to Sept. 2, 1932, incl.; none thereafter to Mar. 23, 1919, when arrears amounted to \$32.50 per share.

PRICE RANGE: 1939 1938 1937 1936 1935
High..... 39 30 77 60 38
Low..... 21% 15 16% 29 23

2. The Brill Corp. class A common; no par; 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, 63 cents; 1931, 34 cents; none thereafter.

PRICE RANGE: 1939 1938 1937 1936 1935
High..... 47% 51% 10% 8% 3%
Low..... 1% 2% 2% 3% 1%

3. The Brill Corp. class B common; no par; 400,000 shares; 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: 1939 1938 1937 1936 1935
High..... 2% 2% 7% 4% 1%
Low..... 1% 1% 1% 1% 1%

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. 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. of Ohio, which owns the entire capital stock of the Fageol Co. of Ohio. Also controls the A. C. F. Motors Co. of Delaware.

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.

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

Directors: H. W. Wolff, C. J. Hardy, N. A. Stancliffe, F. A. Stevenson, E. S. Block, W. C. Dickerman, W. J. Harris, H. C. Wick, J. H. Platten, L. A. Blackford, New York; W. J. Cummings, Chicago.

General Counsel: Hardy, Stancliffe & Hardy, New York.

Annual Meetings: First Friday in May.

General Office: 30 Church St., New York.

Consolidated Income Account, years ended

	1938	1937
Net sales	\$0,512,530	\$4,635,126
Costs & exp.	0,322,101	8,171,819
Operating profit ..	120,429	160,818
Other income	141,921	103,439
Total income	262,350	560,067