

MOODY'S INDUSTRIAL MANUAL

AMERICAN and FOREIGN

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Stock Options held by key executives at Dec. 31, 1959, on 66,500 shares at prices from \$19.95 to \$74.34 per share expire to 1963.

aircraft components, ordnance, special purpose analog computers and metal working machinery. In Apr., 1960, sold the Nuclear Products-Ereco Div. to Allis-Chalmers Mfg. Co.

Albuquerque Division, formed April 1, 1959, manages Atomic Energy Commission's South Albuquerque facility and provides support functions to AEC Los Alamos and Livermore Laboratories.

American Car & Foundry Division makes railroad freight, tank, passenger, industrial and mine cars; car components; tanks and pressure vessels; foundry and forge products; heavy-plate pressings; materials handling equipment; marine, land, air; ordnance support equipment; aircraft parts and components; airframe assemblies; specialized industrial equipment; pressed metal specialties and railroad car wheels.

Carter Carburetor, makes carburetors; fuel filters; fuel injectors; fuel pumps; oil pressure switches, small machine parts, and small metal stampings.

Shippers' Car Line Division, leases more than 16,000 tank and special railroad cars to industry; repairs tank cars and sells freight and tank cars and parts made by American Car and Foundry division to industrial users.

W-K-M Division, makes lubricated plug valves; high-pressure oilfield and pipeline gate valves; multiple completion valves; ball valves; refinery and chemical alloy fittings, return bends and related products.

Unfiled Orders (\$), June 1:			
1959	131,000,000	1955	133,500,000
1958	60,000,000	1954	118,000,000
1957	181,000,000	1953	277,000,000
1956	230,000,000		

PRINCIPAL PLANTS & PROPERTIES

Plant locations of operating groups follow:

Albuquerque Division
Albuquerque, N. Mex. (370,231 sq. ft.)
Atomic Energy Commission.
American Car & Foundry Division
Berwick, Pa. (2,051,521 sq. ft.)
Passenger and freight cars, forgings.
Huntington, W. Va. (414,039 sq. ft.)
Freight cars.
Milton, Pa. (413,488 sq. ft.)
Tank cars, tanks, heavy pressings.
St. Charles, Mo. (650,464 sq. ft.)
Aircraft components.
St. Louis, Mo., Car Plant (681,200 sq. ft.)
Freight cars.

ACE Electronics Division
Bladensburg, Md. (38,000 sq. ft.)
Electronics—Research and engineering.
Paramus, N. J. (92,000 sq. ft.)
Electronics—Research and engineering.
Riverdale, Md. (266,720 sq. ft.)
Electronics products.

Carter Carburetor Division
Olivette, Mo. (209,480 sq. ft.)
Carburetor parts.
St. Louis, Mo. (568,000 sq. ft.)
Carburetors, fuel pumps.

Shippers' Car Line Division
East St. Louis, Ill. (25,120 sq. ft.)
Tank car repairs.
Milton, Pa. (62,450 sq. ft.)
Tank car repairs.
North Kansas City, Mo. (35,380 sq. ft.)
Tank car repairs.
Redhouse, W. Va. (21,000 sq. ft.)
Tank car repairs.
Smackover, Ark. (13,730 sq. ft.)
Tank car repairs.

W-K-M Division
Missouri City, Tex. (500,630 sq. ft.)
High pressure valves and refinery fittings

MANAGEMENT

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General Counsel: Hardy, Peal, Barker and Rawlings, New York.
Auditors: Price Waterhouse & Co.
Annual Meeting: Last Thursday in August.
No. of Stockholders: Apr. 30, 1959, 14,108.
No. of Employees: About 13,000.
General Office: 750 Third Ave., New York 17, N. Y.
Corporate Office: 117 Main St., 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)

	1959	1958	1957	1956	1955	1954	1953
Sales, less discounts & allowances..	\$178,726,000	178,726,000	\$291,592,193	\$245,585,172	\$190,771,346	\$245,086,908	\$257,209,071
(1) Cost of sales	148,930,000	148,930,000	211,935,419	204,051,590	155,618,310	208,387,822	219,772,191
(2) Selling, gen. and admin. exp.	19,090,000	19,090,000	21,242,800	18,493,758	14,486,142	14,219,800	12,815,484
Research & development exp.	1,410,000	1,410,000	2,820,374	3,143,843	1,960,198	3,802,773	4,114,574
Depreciation & amortization	6,155,000	6,155,000	5,728,299	4,657,379	4,523,197	18,676,512	20,506,823
Operating profits	3,051,000	18,599,349	19,865,301	15,238,504	14,186,439	1,223,389	1,070,597
Interest & other expenses, net	481,000	1,217,867	1,984,694	1,064,321	(1,232,459)	cr 53,708	1,524,577
Misc. other deductions, net	cr 135,000	1,473,089	cr 413,745		cr 101,340		1,118
Minority interest							
Balance	2,705,000	15,908,393	18,324,352	14,174,183	13,055,320	17,508,832	17,910,531
Prov. for Fed. inc. and surtax	991,000	8,057,116	9,291,029	6,166,600	6,200,000	8,558,191	8,967,574
Excess profits taxes						901,415	257,981
(1) Prov. for deferred Fed. inc. taxes ..						268,806	
Net income to surplus	1,714,000	7,851,277	9,033,323	8,007,593	6,855,320	7,778,420	8,694,976
Surplus beginning of year	52,816,000	50,651,001	45,778,035	43,162,412	37,682,640	37,943,093	31,319,891
(2) Other surplus credits					7,121,538		4,129,378
(3) 7% preferred dividends			106,965	509,946	2,026,150	2,026,150	2,026,150
5% preferred dividends					628,021		
Common dividends (cash)	3,514,000	5,659,621	4,050,302	4,882,014	4,019,074	3,442,310	1,931,981
(4) Common dividends (stock)						2,570,412	2,097,900
(5) Other surplus debits					1,823,891		135,141
(6) Surplus end of year	\$51,016,000	\$52,815,747	\$50,654,091	\$15,778,035	\$43,162,412	\$37,682,640	\$37,943,093
SUPPLEMENTARY P. & L. DATA							
Maintenance and repairs	\$9,370,000	\$10,993,860	\$11,741,134	\$6,511,483	\$6,334,043	\$9,453,297	\$8,196,476
Amort. of patents						23,014	2,144
Replace. in lieu of deprec. on dies ..						1,649,662	
(7) Taxes (other than income)	3,718,000	3,995,713	4,028,012	4,790,917	2,924,217	3,001,810	2,889,690
Rents	2,263,000	1,720,914	1,553,508	644,135	694,618	612,347	489,190
Royalties	370,000	507,072	561,146	503,895	391,923	209,976	245,369

(1) 1959: Includes \$8,918,000 not restricted under loan agreements.

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

(3) Includes operations of Avlon Instrument Corp. from Apr. 20, 1953, date of acquisition.

(4) On account of accelerated depreciation.

(5) Retired in 1955.

1955-53: \$7 per share out of earnings from preceding year.

(1) 1954: 10% stock dividend: 65,908 shares valued at \$39.00 per share, \$2,570,912.

1953: 10% stock dividend: 59,910 shares valued at \$35.00 per share, \$2,097,900.

(2) Includes payroll taxes (1959, \$2,375,000).

(3) 1955: Provision for price redetermination and other changes relating to prior years: \$1,823,891.

1953: Excess of cost over book value of Avlon Instrument Corp. capital stock at date

of acquisition, \$135,141.

(4) Principal "other surplus credits" follow:
1955: Restoration to retained earnings of contingency reserve no longer deemed necessary, \$7,121,538.

1953: Transfer of reserve of employees' welfare plan, \$1,129,378.

1952: Transfer from reserve for common dividends, \$735,745.

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

Year	Net Sales	Cost and Expenses	Operating Profit	Ord. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstand.	Earn. Per Com. Sh.
1941	87,192,012	60,338,909	6,853,103	502,954	7,356,057	2,194,937	5,161,130	599,400	599,400	5.23
1942	216,336,568	163,272,167	53,064,401	d 5,281,462	47,782,939	38,507,562	9,275,377	599,400	599,400	11.12.08
1943	289,275,589	236,757,879	32,517,710	d 2,087,189	30,430,621	23,374,992	5,055,719	599,400	599,400	5.05
1944	218,854,838	193,180,489	22,654,349	365,253	23,019,602	17,427,770	5,591,832	1,198,800	599,400	5.95
1945	199,755,179	176,164,573	23,590,606	155,709	23,746,315	17,411,174	6,335,141	1,498,500	599,400	7.18
1946	118,113,552	110,783,283	7,350,269	1,183,280	8,533,549	3,186,860	5,346,689	1,798,200	599,400	5.54
1947	132,820,244	124,798,178	8,022,066	d 99,830	7,922,236	2,716,191	5,176,042	1,799,200	599,400	5.26
1948	131,369,756	124,219,389	7,141,367	d 601,820	6,539,547	2,435,595	4,103,952	1,798,200	599,400	3.47
1949	219,648,483	209,964,509	9,683,974	d 1,266,093	8,417,876	3,485,762	4,932,114	1,798,200	599,400	4.85
1950	147,470,154	116,501,895	965,259	d 409,198	555,761	19,568	426,193	1,798,200	599,400	d 2.65
1951	119,657,304	113,711,618	5,945,686	d 1,007,774	4,937,912	2,261,998	2,675,914	599,400	599,400	1.08
1952	173,964,753	156,711,143	17,253,612	d 2,456,437	14,797,175	7,595,010	7,202,165	1,198,800	599,400	8.64
1953	257,209,071	235,702,248	20,506,823	d 2,396,292	17,010,531	9,225,553	8,084,976	1,402,961	659,310	10.10

(1) \$7.28 after renegotiation adjustment.

(2) Includes \$599,400 declared in July 1941, but held up by court action and paid in Feb., 1943.

(3) Includes 10% stock dividend.

BALANCE SHEETS COMPARATIVE CONSOLIDATED BALANCE SHEET AS OF APRIL 30

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

	1959	1958	1957	1956	1955	1954	1953
ASSETS							
Cash	\$14,439,000	\$10,094,591	\$13,151,038	\$13,473,326	\$18,228,165	\$10,110,670	\$20,068,202
Mkt. accs. (cost or less)							1,180,020
U. S. Govt. secs. (cost)		9,483,792		4,102,885	6,225,036	13,455,781	1,655,014
(1) Notes & accts. receivable	25,501,000	23,698,758	44,815,702	34,950,800	34,004,493	29,915,914	40,725,694
(2) Inventories	50,011,000	35,011,956	66,952,817	53,471,255	47,100,859	41,774,965	47,294,381
Prepaid expenses	1,152,000	1,280,191	2,240,167	945,735			
Total current assets	\$91,106,000	\$81,582,194	\$127,160,624	108,947,001	105,588,553	95,287,330	110,923,311

ASSETS (cont'd)	1959	1958	1957	1956	1955	1954	1953
Invest., etc. in uncons. subs.	2,926,000	3,205,030	4,811,202	1,390,219	1,727,217	15,000	15,000
Long term receivables, etc.	743,000	722,103	889,801	2,051,236	2,416,949	3,002,470	1,851,445
Property, plant and equipment	144,601,000	137,151,283	132,615,067	127,597,652	121,053,639	109,449,663	108,050,867
Net property account	72,531,000	67,591,317	66,610,187	65,088,538	63,056,090	54,151,211	51,468,805
Intangibles					1	1	23,015
Prepaid taxes, insurance, etc.						682,533	915,553
Total	\$167,312,000	\$153,500,657	\$196,471,617	\$177,476,994	\$172,818,809	\$153,108,578	\$165,197,149
LIABILITIES							
Accounts payable, etc.	\$26,162,000	\$16,585,957	\$25,275,534	\$23,766,364	\$21,393,097	\$22,461,444	\$21,406,712
Accrued taxes	3,129,000	8,293,994	10,158,156	7,689,131	10,290,109	11,865,170	11,384,528
Notes payable (banks)			34,000,000	21,500,000	21,000,000		15,000,000
Dividends payable				1,370,011	1,288,278		
Advance contr. payments	951,000	1,220,000	1,220,000	951,000	951,000	858,805	995,247
Long term debt due within year						685,000	685,000
Total current liabilities	30,245,000	26,099,951	70,653,690	55,296,506	54,922,484	35,570,419	49,471,487
Long term debt	16,124,000	5,114,930	6,364,000	7,953,000	8,904,000	5,930,000	6,690,000
Minority interest						2,422	8,690
Reserve for contingencies, etc.						7,121,588	7,121,588
Res. for deferred Fed. income taxes	1,966,000	1,756,347	1,429,008	984,462		268,906	
7% preferred stock (\$100 par)				8,873,350	23,519,650	30,000,000	30,000,000
5% preferred stock (\$50 par)	35,451,000	35,417,606	35,317,856	31,504,175	21,432,369	18,149,350	16,500,000
Common stock (\$25 par)	32,210,000	32,207,006	32,052,972	29,087,466	20,877,294	19,456,503	18,533,791
Capital surplus	51,016,000	52,815,747	50,654,091	45,778,035	43,162,412	37,682,640	37,943,093
Total capital stock & surplus	118,677,000	120,500,359	118,024,919	113,243,026	108,992,825	105,288,493	102,976,844
Less: Treasury stock					1,073,150	1,073,150	1,073,150
Net capital stock & surplus	118,677,000	120,500,359	118,024,919	113,243,026	108,992,825	104,215,343	101,903,694
Total	\$167,312,000	\$153,500,657	\$196,471,617	\$177,476,994	\$172,818,809	\$153,108,578	\$165,197,149
Net current assets	\$60,861,000	\$35,482,247	\$56,506,931	\$53,650,435	\$50,666,069	\$59,716,911	\$61,451,824
PROPERTY ACCT.—ANALYSIS							
Additions at cost	\$11,276,000	\$3,880,248	\$8,342,492	\$7,186,597	\$14,584,457	\$3,667,822	\$3,155,390
Retirements or sales	3,761,000	4,171,747	3,021,506	3,402,562	2,910,875	7,254,295	9,370,575
Other additions	cr 65,000	cr 181,279	cr 233,571	2,759,973	cr 69,647	cr 14,731	45,888
DEPREC. RESERVE—ANALYSIS							
Additions charged to p. & l.	\$6,090,000	\$5,934,323	\$5,494,728	\$5,160,901	\$4,459,550	\$3,809,457	\$4,332,176
Retirements or sales	3,180,000	2,875,175	1,998,962	2,012,757	1,754,428	5,024,056	4,743,552
Other additions		94,944		1,363,421		68,036	14,824

(1) 1956: Represents additions to fixed assets through acquisition of Key Co.
 (2) 1953: Represents additions to fixed assets through acquisition of Avlon Instrument Corp.
 (3) 1955: Transferred to earned surplus.
 (4) Includes unbilled charges (1959, \$3,693,000).
 (5) At cost or less and not in excess of market.

(7) 1959 comprises \$15,000 cost of capital stock of SHPX, \$2,706,000 paid by ACF Industries, Inc. to a subsidiary of SHPX First Corp. for option to purchase railroad cars at depreciated book value less amount paid for options, and \$205,000 representing installment notes receivable from a company in SHPX group.
 (8) Relating to accelerated amortization of facilities under certificate of necessity.

	Book Values	Reserves
Land & impr.	\$3,724,000	
Structures	23,665,000	\$46,674,000
Mach. & equip.	68,931,000	
Railroad cars	46,973,000	25,396,000
Constr. in prog.	1,258,000	
Total	\$144,601,000	\$72,070,000

(9) Comprises 10,550 preferred shares at 1954-51; and following common shares: 1954, 726; 1953, 660; 1952-51, 600.

(10) 1958: Represents related reserve of additions to fixed assets through acquisition of Modern Manufacture, Inc.

1956: Represents related reserve of additions to fixed assets through acquisition of Key Co.

1953: Represents related reserve of additions to fixed assets through acquisition of Avlon Instrument Corp.

(11) 1955: After crediting \$151,031 upon acquisition of another company.

1957: After crediting \$2,965,506 resulting from conversion of preferred stock into common stock.

1956: After crediting \$8,210,172 resulting from issuance of common stock in amounts in excess of par value.

1955: After crediting \$1,420,791 resulting from issuance of common stock in amounts in excess of par value.

1954: After crediting \$922,712 excess of average market value of \$39 per share over \$25 par value of common distributed as a dividend.

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 on railroad cars acquired prior to Oct. 1956 and other fixed assets acquired prior to 1954 is being provided by the "straight-line" method. Depreciation on railroad cars acquired subsequent to Sept. 1956 and other fixed assets acquired subsequent to 1953 is being provided by "declining balance" method.

Maintenance costs and dies, patterns, small tools, etc., are charged to operating expenses. Additions and betterments are charged to property accounts. With exception of railroad cars, original cost of normal property retirements less salvage is charged to depreciation reserve. When railroad cars are retired, asset and accumulated depreciation amounts are removed from accounts and resultant gain or loss is reflected in income account.

General Notes

(a) Consolidated statements include all subsidiaries except SHPX First Corp. and its subsidiary companies.

(c) Fiscal 1959 pension contribution totaled \$1,325,000 (1958, \$2,675,000). In 1959, policy changed by not taking maximum allowable as tax deduction. Unfunded past service benefits, at Apr. 30, 1959, \$23,200,000.

SHPX First Corp. and Subsidiaries (not consolidated):

	1959	1958
Consolidated Income Account, years ended Apr. 30:		
R.R. car rentals	\$7,173,000	\$5,892,530
Oper. expenses	1,221,000	1,062,318
Depreciation	2,920,000	2,219,534
Operating profit	3,032,000	2,581,678
Other income	107,000	103,862
Total income	3,139,000	2,685,540
Interest paid	1,075,000	820,912
Fed. income taxes	1,058,000	956,977
Net income	1,006,000	908,521

Consolidated Balance Sheet, as of Apr. 30:

	1959	1958
Cash	\$1,033,000	\$903,569

U. S. Govt. secur. Nts. & accts. rec. 2,368,000
 Prepaid expenses 148,000
 11,000

Tot. cur. assets \$3,560,000
 Int. in car lse. pay. 2,738,642
 Other assets 206,000
 Railroad cars 1,388,000
 Less: Deprec. res. 1,330,467
 41,655,000
 37,274,090
 6,962,167

Net prop. acct. 31,782,000 30,311,923

Total assets 36,936,000 34,735,410

Liabilities:
 Notes payable 3,843,000 4,041,272
 Due to affil. 73,000 471,810
 Accts. pay. & accr. 94,000 80,164
 Accr. Fed. state, etc., taxes 32,000 30,885

Total cur. liab. 4,042,000 4,624,131

Notes payable 2,213,150,000 20,293,698

Due to affiliates 205,000 756,829

Future deliv. under car. pur. op. 2,706,000 2,433,210

Res. for defer. inc. taxes 4,290,000 3,255,758

Cap. stk. (par \$100) 15,000 15,000

Earned surplus 4,363,000 3,356,784

Total liabilities 36,936,000 34,735,410

(1) With respect to certain railroad cars owned, Shippers' Car Line has paid a total of \$2,706,000 in 1959, \$2,433,000 in 1958, 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 3 1/2% and 5 1/4% interest, summarized as follows:

\$4,524,000 collateral notes due serially to Sept. 1, 1964.

\$20,168,000 chattel mortgage notes due serially to Apr. 1, 1969, \$190,000 equipment trust certificates due serially to July 1, 1961, \$276,000 promissory notes due serially to July 1, 1966.

Above includes \$3,843,000 portion due within one year.

FINANCIAL & OPERATING DATA

Statistical Record, Fiscal Years

	1959	1958	1957	1956	1955	1954	1953
Earned per share—common	\$1.21	\$5.54	\$6.39	\$6.08	\$6.62	\$7.93	\$10.10
Dividends per share—7% preferred					\$14.50	\$7.00	\$7.00
—5% preferred				\$2.50	\$0.62 1/2		
—common	\$2.50	\$1.00	\$4.00	\$1.00	\$5.00	\$5.00	\$3.00
Price Range—common	57-161 1/4	40 3/4-37 1/4	64 1/4-36 1/4	67 1/4-55	71-46 1/4	50 1/4-32	49 1/4-30 1/4
Net tangible assets per sh.—common	\$83.69	\$54.98	\$83.54	\$81.41	\$105.18	\$103.79	\$110.66
Number of shares—preferred				137,467	470,303	289,450	289,450
—common	1,118,974	1,417,904	1,412,714	1,260,167	857,319	725,348	659,840

Financial & Operating Ratios

	1959	1958	1957	1956	1955	1954	1953
Current assets+current liabilities	3.01	3.13	1.80	1.97	1.92	2.68	2.24
% cash & sec. to curr. assets	15.85	21.60	10.34	17.97	23.16	24.73	20.85
% inventory to curr. assets	51.83	42.32	52.65	49.03	44.61	43.54	42.81
% net curr. assets to net worth	51.29	46.94	47.83	47.38	46.49	67.30	60.30
% property depreciated	49.84	50.43	49.77	48.39	47.91	50.52	52.37
% ann. depr. & amort. to gross prop.	4.26	4.46	4.32	3.65	3.74	3.47	4.01
Capitalization:							
% Sub. and other long term debt	12.16	4.69	5.12	7.31	7.53	5.38	6.16
% preferred stock				5.63	10.95	27.24	26.65
% common stock & surplus	87.81	95.91	94.88	87.06	72.50	67.38	67.19
Sales+inventory	3.57	8.42	4.40	4.59	4.05	5.87	5.44

Financial & Operating Ratios (cont'd)

Sales-receivables	9.01
% sales to net property	246.41
% sales to total assets	106.82
% net inc. to total assets	1.02
% net income to net worth	1.44

Analysis of Operations

Sales	100.00
Cost of sales	83.37
Sell., gen. & adm. exp.	11.49
Deprec., renew., etc.	3.44
Operating profits	1.70
Income deductions	0.19
Net income before income taxes	1.51
Income taxes	0.55
Net income	0.96

	1959	1958	1957	1956	1955	1954	1953
Sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	83.37	81.90	83.11	83.09	81.57	85.02	85.44
Sell., gen. & adm. exp.	11.49	7.59	8.17	8.81	8.62	8.80	4.28
Deprec., renew., etc.	3.44	2.07	1.94	1.80	2.27	1.55	1.59
Operating profits	1.70	6.34	6.75	6.20	7.44	7.62	7.99
Income deductions	0.19	.95	0.52	0.43	0.60	0.49	1.02
Net income before income taxes	1.51	5.39	6.22	5.77	6.85	7.14	6.97
Income taxes	0.55	2.73	3.15	2.51	3.25	2.97	3.59
Net income	0.96	2.66	3.07	3.26	3.60	4.17	3.38

①Calendar years. ②Also 10% in stock. ③Includes \$7.50 paid in connection with reclassification of \$7 pfd. into two 5% pfd. shares.

LONG TERM DEBT

1. Shippers' Car Line Corp. sinking fund debenture 3 1/4%, due 1961:
AUTHORIZED—\$5,450,000; outstanding, Apr. 30, 1959, \$820,000.

ASSUMED—ACF Industries, Inc.

DATED—April 1, 1946.

MATURITY—April 1, 1961.

INTEREST—A&O 1 at office of trustee.

TRUSTEE—Chemical Bank N. Y. Trust Co., New York.

CALLABLE—As a whole or in part at any time at 103 1/2 to Mar. 31, 1949 and 1/4% less each year thereafter.

Also callable for sinking fund, which see. SINKING FUND—\$410,000 annually Apr. 1. In addition, company may make option payments in multiples of \$5,000 up to \$325,000.

Callable for sinking fund at 100 on any April 1.

DIVIDEND RESTRICTION—Same as series C, below.

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

2. Shippers' Car Line Corp., debenture 3 1/4%, series B, due 1962:

AUTHORIZED—\$3,500,000; outstanding, April 30, 1959, \$900,000.

ASSUMED—By ACF Industries, Inc.

DATED—July 1, 1947.

MATURITY—July 1, 1962.

INTEREST—J&J 1 at office of trustee.

TRUSTEE—Chemical Bank N. Y. Trust Co., New York.

CALLABLE—As a whole or in part at any time at 103 to June 30, 1950 and 1/4% less each year thereafter.

Also callable for sinking fund which see.

SINKING FUND—\$300,000 annually July 1.

SECURITY—Not secure by any lien.

DIVIDEND RESTRICTION—Same as series C, below.

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

3. Shippers' Car Line Corp. debenture 3 1/4%, series C, due 1963:

AUTHORIZED—\$2,500,000; outstanding, Apr. 30, 1959, \$488,000.

ASSUMED—By ACF Industries, Inc.

DATED—Apr. 1, 1948.

MATURITY—Apr. 1, 1963.

INTEREST—A&O 1 at office of trustee.

TRUSTEE—Chemical Bank N. Y. Trust Co., New York.

CALLABLE—As a whole or in part at any time at 103 to Mar. 31, 1949 and 1/4% less each year thereafter.

Also callable for sinking fund, which see.

SINKING FUND—\$244,000 annually Apr. 1.

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) dividend disbursements plus finance subsidiary investments made and not liquidated do not exceed net income after Apr. 30, 1956 plus \$5,500,000.

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

4. Notes Payable: Outstanding, \$2,936,000 2 1/4%-4% notes due serially to 1969. Other details not reported.

5. Term Loan: Outstanding, Apr. 30, 1959, \$12,500,000 5 1/4% notes payable annually May 1, 1962-79 under agreement providing for additional loan of \$12,500,000 on Apr. 29, 1960.

Company will not pay cash dividends after Apr. 30, 1961, or acquire stock after June 27, 1958, in excess of consolidated net earnings after Apr. 30, 1958 (including only 75% of consolidated net earnings after Apr. 30, 1961) plus 75% of net earnings after Apr. 30, 1961, of finance affiliates (less dividends paid to company), all not to exceed 100% of consolidated net earnings before Apr. 30, 1961, or 85% thereafter less dividend payments, etc., after Apr. 30, 1958. At Apr. 30, 1959, \$8,948,000 of retained earnings were not so restricted.

Proceeds to restore working capital expended for fixed assets, including additions to leased fleet of Shippers Car Line division.

6. Mortgage Notes: Outstanding, Sept. 1, 1959, \$2,745,000 5 1/4% chattel mortgage note due Aug. 1, 1974. Proceeds for general funds.

CAPITAL STOCK

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

AUTHORIZED—1,675,000 shares; outstanding, Apr. 30, 1959, 1,418,074 shares; in treasury, 19,238 shares; reserved for options, 71,830 shares; 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)

1898---	NII	1900---	\$1.00	1901-02	\$2.00
1903---	4.00	1904---	1.00	1905-06	NII
1907-08	3.00	1909-18	2.00	1917-18	8.00
1919---	9.00	1920-24	12.00	1925---	6.90

(no par shares, after 2 for 1 split)

1925---	3.00	1926-30	6.00	1931---	2.75
1932-36	NII	1937---	0.25	1938-40	NII
1941-42	NII	1943---	4.00	1944---	2.50
1945-49	3.00	1950---	NII	1951---	2.00
1952---	0.75				

(\$25 par share)

1952---	0.75	1953---	5.00	1954---	4.75
1955---	3.75	1956-57	4.00	1958---	2.87 1/2
1959---	2.50				

①Also 10% in stock, Sept. 25, 1952.

VOTING RIGHTS—One vote per share.

PREEMPTIVE RIGHTS—Full rights.

LISTED—New York Stock Exchange; unlisted

trading on Boston and Pacific Coast Stock

Exchanges.

TRANSFER AGENT—Morgan Guaranty Trust

Co., New York.

REGISTRAR—Hanover Bank, New York.

Stock Options: Outstanding Apr. 30, 1959,

options held by key executive and managerial

employees on 49,480 common shares at prices

from \$41.87 1/2 to \$59.25 per share.

CONSOLIDATED FOODS CORPORATION

CAPITAL STRUCTURE

LONG-TERM DEBT

1. 4 1/2% notes due 1961	Rating	Amount Outstanding
2. 4 1/2% notes due 1973	[A]	\$9,175,000
3. 4 1/2% notes due 1966	[A]	12,600,000
4. Purchase agreement, due to 1963	[A]	1,380,500
5. Ocoma Foods Co. deb. 3 1/4% due to '70	[A]	4,193,215
6. Other subs. long-term debt	[A]	743,000
		774,669

CAPITAL STOCK

Issue

1. Common	Par Value	Amount Outstanding
	\$1.33 1/4	62,994,932 shs.

①Fiscal year ended June 30. ②See text. ③Placed privately. ④Includes \$0.05 in 1959; \$0.66 in 1958 from capital gain. ⑤Also 5% in stock.

⑥As of Sept. 10, 1959. ⑦Range since 1946.

HISTORY

Incorporated in Maryland Sept. 4, 1941 as South Street Co.; name changed to C. D. Kenny Co. Sept. 8, 1941; to Sprague Warner-Kenny Corp. Oct. 8, 1942, and to Consolidated Grocers Corp. May 29, 1945. Present name adopted Feb. 23, 1954.

On July 28, 1942 purchased for cash all capital stock of Sprague Warner & Co., Chicago and on Sept. 26, 1942 business of the latter was merged.

In Jan., 1944, acquired controlling interest in Western Grocer Co. by purchasing common stock at \$17.50 per share. Additional shares acquired in exchange for company's stock.

On June 1, 1945 acquired Reid, Murdoch & Co. (Ill.) through purchase for cash of entire common and practically all preferred shares; also on same date acquired controlling interest in Dannemiller Grocery Co. (O.) through purchase for cash 14,863 shares (98.48%) of common and 5,154 shares (95.43%) of preferred.

On Sept. 21, 1946, Western Grocer Co., Marshall Canning Co., Dannemiller Grocery Co. and Reid, Murdoch & Co., all former subsidiaries, were liquidated and their assets taken over by company except for proportionate share due minority stockholders.

In Aug., 1948 acquired 100% interest in Rosenberg Bros. & Co. Inc. (liquidated in 1958).

In Nov., 1950, acquired food division of H. D. Lee Co., Inc. Operated as part of Kansas City Division.

In April, 1951, company acquired business and assets of Gentry, Inc. for 66,342 common shares, now operated as a division.

In June, 1951, company purchased substantially all stock of United States Products Corp. Ltd., San Jose, Cal., fruit and vegetable packers.

In Aug., 1951, acquired entire capital stock of Fred M. Drew Co., fruit and vegetables packers.

In Sept., 1951, acquired Union Sugar Co. of Cal., now operated as a division.

In 1951, formed Consolidated Food Processors, Inc., wholly-owned subsidiary, which took over all assets and plants of following canning and processing divisions of company: C. D. Kenny, Reid Murdoch, Western Grocer, Lee Foods and Marshall Canning. In Sept. 1957, the former was consolidated with certain Monarch Finer Food distribution units, operating as Monarch Foods, Canners and Processors. In Sept., 1958, name changed to Columbia Foods Div.

In 1952, acquired Royal Blue Stores, Inc., sponsor of 650 independently owned food stores in Illinois, Indiana, Wisconsin and Michigan.

In Oct., 1952, acquired Weiderman Co. of Cleveland and subsidiaries Summit Wholesale Grocery Co., William Edwards Co. and United Grocery Co.

On Apr. 17, 1953 acquired Griggs, Cooper & Co.

In 1953, Fred M. Drew Co. was merged into U. S. Products, Ltd.

In 1954, acquired for cash, Gibbs & Co., Baltimore.

In Mar., 1955 acquired for cash, E. A. Aaron & Bros., Inc., Chicago (sold in 1959).

In Aug., 1955, acquired American Frigid-Dough, Inc., Chicago.

In Nov. 1955, acquired Omaha Cold Storage Co. for 174,636 common shares. Company now operates under trade name Ocoma Foods Co.

In May, 1956, operations of American Frigid-Dough, Inc. merged with those of Ocoma Foods Co.

In May 1956, acquired entire stock of Piggly-Wiggly Midwest Co., Inc., in exchange for initially 211,603 common shares and subsequent issuance of up to 200,000 shares, depending on earnings.

In Oct. 1956, acquired Kitchens of Sara Lee, Inc. in exchange for 161,830 shares; Morey Mercantile Co. in exchange for 68,685 common shares; Klein Super Markets, Inc. in exchange for initially 140,000 common shares and subsequent issuance of up to 82,000 shares depending on earnings; Columbia Canning Co. in exchange for 10,500 common shares.

In July 1957, acquired Phillips Packing Co., Maryland packers of vegetables in exchange for 203,741 common shares. In July 1957, operations of Phillips Packing Co. and Gibbs & Co. combined in new Coastal Foods Division.

In Oct. 1957, sold Griggs Cooper Division, Minnesota liquor distributors, for \$5,100,000.

In Apr. 1958, acquired Orchard Hill Farms, Reed Hook, N. Y., processor of frozen foods in exchange for 28,000 common shares.