

BOARD OF OPERATORS - 1101st MEETING

July 1, 1940

Present:

A. W. Steudel
H. J. Hain
F. E. Davis
N. E. Van Stone
V. Mills
S. B. Coolidge
W. R. Sieplein
F. A. Stanton
G. H. Griffiths
J. S. Prescott
E. C. Baldwin

Absent:

E. E. Ware
T. J. McDowell

Copies To:

G. A. Martin
H. D. Whittlesey
L. W. Wolcott
K. E. Wood
C. A. Campbell
Z. E. Martin
W. L. Stuart
D. A. Kohr
W. A. Gorrell
P. C. Grigsby
D. A. Whittaker
L. C. deMerrall
F. Allen

8927 - REPORT ON FACTORY OPERATIONS:

Orders for heavy liquids amounted to 175,000 gallons as compared with production of 170,000 gallons and shipments of 181,000 gallons. Stocks decreased 5,000 gallons.

Total sales for the week were 15% ahead of last year and included gains of 17% in trade sales and 39% in retail store sales.

In general, plants operated on a forty hour week.

8928 - REPORT ON NUMBER OF HOURS PLANTS HAVE OPERATED:

			Operated at 40 hour week
Chicago	P&V	-	" " 40 " "
Newark	P&V	-	" " 40 " "
Cleveland	P&V	-	" " 44 " "
Oakland	P&V	-	" " 44 " "
Los Angeles	P&V	-	" " 42 " "
Dallas	P&V	-	" " 40 " "
Chicago Lacquer		-	" " 40 " "
Dry Color		-	" " 40 " "
Flushed Color		-	" " 40 " "
Acme		-	" " 45 " "
Lowe Brothers Company		-	" " 40 " "
Lucas		-	" " 40 " "
Martin-Senour Company		-	" " 40 " "
Chicago White Lead		-	" " 75% capacity
Lithopone		-	" " 0% "
Tin Can		-	" " 80% "
Coffeyville Lithopone		-	" " 100% "
Leaded Zinc		-	" " 66% "
Cleveland Linseed Oil		-	" " 100% "
Castor Oil		-	" " 100% "

N 5230

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8929 - DISBURSEMENTS FOR JUNE:

Mr. Stanton reported the disbursements for June as follows:

Month	\$2,327,506	Year to date	\$31,276,460
LY Month	2,427,702	LY " " "	25,150,430

Mr. Davis stated that no requisitions for over a six weeks supply are being approved and that most requisitions are made up for a thirty day supply only.

8930 - INVENTORY OF S-W MATERIALS AT GIBBSBORO:

Mr. Stanton reported that the inventory of S-W goods at Gibbsboro amounts to \$44,000. Mr. Griffiths was requested to find out of what it consists and see that it is worked down before the end of the year.

8931 - POURING TOP CANS:

Mr. Mills showed the Board a new round can suggested as a substitute for the square can for driers, thinners, etc.

Before approving the addition of a new type can to our line, the Board asked Mr. Mills to study the problem more in detail to see what further simplification can be effected.

Mr. Coolidge pointed out that round pouring type cans are now being used for linseed oil and it was suggested that if it is not too expensive they should be lithographed rather than labeled.

Messrs. Hain and Sieplein will make a complete review of comparative costs of labeled and lithographed cans to see whether it would be possible to use lithographed cans not only for linseed oil but also for regular trade sales lines.

8932 - RETURNED GOODS:

Mr. Mills showed the Board a can of SWP manufactured in 1910 and recently returned by a dealer for credit. A check will be made to see what credit the dealer was given.

8933 - CHINA WOOD OIL:

In view of the low current consumption of China Wood Oil, Mr. Davis will try to have the inventory reduced to five or six tank cars by August 31st as compared with 12 tank cars on hand last August.

8934 - CASTOR OIL:

Production of Dehydrol amounted to 179,000 pounds last week as compared with factory consumption of about 73,000 pounds

8935 - RAW MATERIAL OVERSTOCK - CLEVELAND:

Mr. Davis reported that raw material overstock at Cleveland has been reduced from \$2,300 on May 12th to about \$500 at the present time.

8936 - COST OF RAW MATERIALS CONSUMED:

Mr. Davis reported that the cost of raw materials consumed so far this year is 7.32% over the same period last year. Excluding China Wood and Perilla Oils, the cost is 6% under last year.

Mr. Mills advised the Board that costs of paint and varnish products for the third quarter are between five and six cents a gallon lower than for the same period last year, with trade sales products about the same as last year. The Board asked Mr. Sieplein to review current costs to see that inventories are not carried at too high a value for insurance purposes. He will also make up a new cost and profit report to show year-to-date comparisons with last year.

8937 - LEAD:

Mr. Davis reported that stock of pig lead at Chicago has been reduced to 144 tons as compared with last week's consumption of 76 tons.

Mr. Griffiths advised the Board that there is one-third more lead in oil in factories and warehouses than at the same period last year. Since operations have been curtailed, this stock will be very much reduced before August 31st.

8938 - DISPLAY PANELS - RETAIL STORES:

The Board decided that all panel sets are to be billed to retail stores at cost rather than at established dealer prices.

Mr. Stanton will review the depreciation policy on panels to see that they are not carried on the books for too long a period.

8939 - RETAIL STORE - FORT LAUDERDALE:

The Board approved a maximum estimate of \$2,500 for the store installation cost at Fort Lauderdale, Florida. A detailed requisition will be submitted after all bids have been received.

8940 - MOVING COSTS - NORTH CENTRAL:

Mr. Davis reported that moving costs to date have amounted to approximately \$16,000. A requisition will be submitted next week so that entry can be made on the plant books.

8941 - LINOLEUM OR RUBBER TILE FOR RETAIL STORES:

In view of the large amount of business we are enjoying from Goodrich, Mr. Prescott was requested to check carefully on the cost of rubber tile as compared with linoleum and of Johns-Manville composition flooring for retail stores.

8942 - NEW STORE - LOS ANGELES:

Mr. Steudel advised the Board that we have purchased one of the stores of our dealer W. B. Scott in Los Angeles.

8943 - TIN CAN SUBSTITUTES:

Mr. Coolidge reported that in Germany bright strip steel, bonderized and then coated with baking enamel is being used as a substitute for tin plate in

making cans.

Mr. Steudel advised the Board that there are reports that Germany is trying to make a deal with Bolivia to take total output of Bolivian tin.

Further study will be made of the cost and feasibility of using bright strip steel coated with baking enamel as a tin plate substitute.

8944 - RETAIL STORE SALES:

Mr. Steudel advised the Board that retail store sales will exceed the \$10,000,000 mark for the first time this year.

He advised the Board further that several dealer stores are being taken over as retail branches.

8945 - LITHOPONE AND LEAD SALES - THE ARGENTINE:

Mr. Coolidge advised the Board that sales of Lithopone in the Argentine have been negligible and at a small margin of profit, and that no sales of white lead have been made.

8946 - RAW MATERIALS FOR HAVANA:

Dr. Van Stone advised the Board that all raw materials for the Cuban plant have been carefully reviewed and that we are supplying them with as large a part of their requirements as possible.

They are now manufacturing Kem Lustral at Havana.

8947 - TANK CAR RENTALS:

Mr. Steudel advised the Board that the cost of tank car rental for the first seven months of this year amounted to \$1,594. Mr. Stanton was asked to check to see whether it would be more profitable to operate our own tank cars.

8948 - MINUTES OF TRAFFIC DEPARTMENT MEETINGS:

Mr. Steudel suggested to the Board that lower freight rates might be obtained on raw materials if pressure were exerted on the railroads just as it was exerted to obtain a reduction on lithopone. He asked other members of the Board to consider such possibilities for all raw materials which come under their control.

8949 - PUBLIC BID:

Since September 1, 1939, 2,014 invitations to bid have been received. A total of 1,693 amounting to \$4,332,414 have been placed and of this total we have received awards on 209 amounting to \$552,993.

8950 - NEW GOODS:

Opex Easy-Sand Primer Surfacer, No. 28745 --Add to regular O-K Automotive Line to replace Rex 28710

Opex Relacquar Sealer Red, No. 28724 and Clear, No. 04693 -- Discontinue manufacture and drop from O-K Automotive Line.

Kem Fas-Dri Black, No. 49809 -- Drop from O-K Automotive Line.

8951 - FACTORY OPERATIONS, week ending June 25, 1940
HEAVY LIQUIDS - S-W PLANTS

Total Orders received	- 175,239	Total production	- 169,597
Total factory stocks	- 776,092	Inventory Dec.	- 5,252
CHICAGO - Orders recd.	92,684	Production	77,469
Stocks	342,965	gals.	
NEWARK - Orders recd.	35,777	Production	40,500
Stocks	191,129	gals.	
CLEVELAND - Orders recd.	33,369	Production	34,186
Stocks	166,786	gals.	
OAKLAND - Orders recd.	13,409	Production	17,442
Stocks	75,212	gals.	

TOTAL PLANT OUTPUT

CHICAGO	P&V	- 131,779 gals.	Operated at 85%
NEWARK	P&V	- 63,239 "	" " 65%
CLEVELAND	P&V	- 59,043 "	" " 78%
OAKLAND	P&V	- 28,688 "	" " 125%
LOS ANGELES	P&V	- 15,317 "	" " 70%
DALLAS	P&V	- 17,609 "	" " 132%
CHICAGO LACQUER		- 50,333 "	" " 95%
DRY COLOR		- 137,115 Lbs.	" " 88%
FLUSHED COLOR-		62,552 "	" " 86%
CHEM. PRODUCTS			" " 89%

BOUND BROOK INSECTICIDE - Lead Arsenate 161 tons.
 Arsenic Acid 120 "
 Calcium Arsenate 79 "
 Mint Dust 44 "
 Paris Green 28 "
 Zinc Arsenite 15 "

CONTINUOUS OPERATION

OAKLAND INSECTICIDE - 7 Days - 3 Shifts

ACME - Produced 102,789 gals. Paint Dept. operated at 84%
 Enamel & Lacquer at 39%, and Varnish & Thinner at 23%.

- LOWE BROTHERS COMPANY - Manufactured 40,200 gals. with Paint Depts. operating at 75%, Enamel Dept. at 75% and Varnish Dept. at 45%.
- LUCAS - Manufactured 45,331 gals. Operated at 75%.
- MARTIN-SEMOUR CO. - Manufactured 24,500 gals. Paint Dept. operated at 105%.

7-1-40.

#8925 - PLANT REQUISITIONS APPROVED:

RETAIL STORES:

#1467 - Frankfort

2 - 1/2 gal. foam extinguishers 8.50

#1468 - El Dorado

2 - 2 1/2 gal. foam extinguishers 17.00

#1489 - Port Chester

New installation 2,929.77

#1491 - Salem

Graphic arts shelving 85.00

#1492 - Pittsburgh

Furniture for Cashier's Office 37.70

#1493 - Dallas

1940 Ford coupe, delivered, less trade-in 495.00

NORTH ATLANTIC DIST.

#430 - Newark

Fan for General Office 21.90

#431 - Albany Sales Office

Puro water cooler 70.00

WESTERN DIST:

#5805 Typewriters for Chicago District Office 448.26

CHICAGO FACTORY

#193 Desk lamp circuit - Dry Color 50.56

#300 Stencil machine - Dry Color 107.50

#424 Spray booth vent pipe - Dry Color 20.00

#438 Overrun on Reqn. #53 -Beta 1,070.00

#449 New fann runner and larger motor for fan-CP Lab 58.45

#452 Stainless steel conveyor flight - T.L. 203.00

#461 Viscosity cup and #3 orifice - Resin Research Lab 41.00

#462 Hose mask - Fuchsine 42.00

#464 Barrel truck - Fuchsine 27.00

#465 Overrun on Reqn. 9547 - Beta 1,173.00

#468 Relocate 6" water main - Dry Color 295.60

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#477 Increase capacity of tank to 60,000 gal. 1,723.25

CLEVELAND FACTORY

#3336 1 platinum crucible and cover 32.00

CLEVELAND LINSEED OIL MILL

#770 12 cooker door plates 111.12

DALLAS FACTORY

#44 Over-run on roll capping machine 92.67

HAVANA FACTORY

#390 Laboratory varnish kettle for alkyds
Jacketed crutcher and worm mixer, with motor 265.00

TOTAL PLANT REQUISITIONS APPROVED - - - - - \$ 9,445.28

#8926 - LARGE EXPENSE REQUISITIONS APPROVED:

CHICAGO FACTORY

#216 Replace 3" Duriron lubricated cock - D.C. 86.60

#249 Repair north elevator drive - D.C. 162.30

#291 Replace 3" Duriron cock - D.C. 62.14

#440 replace 12 trunnion idler wheels - Q.P.W.L. 602.00

#451 Overhaul pump - Beta 65.70

#459 Repair leaky superheater - Power 270.00

CLEVELAND LINSEED OIL MILL

#771 Repair recording thermometer 60.10

COFFEYVILLE

#628 Repair Morris pump 239.00

#629 Replace belt for Lithopone filter 95.00

#630 Replace drive belts at Ore Crusher 170.00

NEWARK FACTORY

#651 Repairs to scales 613.50

TOTAL LARGE EXPENSE REQUISITIONS APPROVED - - - - - \$ 2,426.34

Total Plant Requisitions approved to date \$ 977,902.85

Total Expense Requisitions " " " \$ 175,403.85

Acme - Detroit

#ES 1053 Time stamp 105.00

ES 1058 Repaint water tank 70.00

ES 1059 Repair awnings 82.00

Lucas - Phila.

Paint shelving, etc. at Gilchrist Co., 430.00