

January 17, 1944

SUMMARY REPORT TO THE DIRECTORS OF 1943 DEVELOPMENTS

Total sales during 1943 have been very satisfactory, and on the whole we have been able to produce just about all that was required of us to further the war effort, and at the same time supply civilian needs within various Governmental restrictions and limitations placed upon us. Our production personnel is to be commended for attaining these results, in spite of the Wage Stabilization Board refusing to permit an increase in pay to our factory hourly workers. Through the skillful handling of numerous special cases by Mr. S. F. Reeves, Vice-President in Charge of Production, transfers from one department to another, and arranging for overtime, production has been uninterrupted.

In July the White-Lead Agency Plan was discontinued in favor of direct sales, under the careful handling of A. M. Wilson and A. E. McCarron, resulting we believe in definite simplification and benefit in the long run to our white-lead business.

Our Pigment Sales Department has decreased outside representation by four, two being transferred to production, one to Metal Sales, and one was retired. In addition to these changes, restricted activities of our sales personnel during the year have resulted in substantial reduction in selling expense. The transfer to the Metal Department resulted in greatly improved representation, upon the resignation of a metal representative.

Mr. George Watts, who was made Manager of our Metal Department on April 5, in spite of many handicaps has shown continuous progress, not the least of which has been the profitable production of Cored Solder, operating on two shifts rather than three.

Under Messrs. A. M. Wilson and W. Morris, notable progress has been made in extending the increase in sales of processed premium linseed oils as compared with raw linseed oil.

The addition of Lead Formate to the products in our Dry Color Department has been very helpful, especially during recent months when the production of chrome colors has been drastically restricted.

The prospects for 1944 appear to be good, particularly if as anticipated the present restrictions on Linseed Oil are eased before we get too far into the year, and provided we do not experience any material falling off in orders, brought about by a general delay in converting from war to at least partial peace production.

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President.