

November 12, 1938
At a regular meeting of the Directors of John T. Lewis & Bros. Co., held this day in their offices in the Widener Building, there were present:

Edward F. Beale, Chairman of the Board
S. French Reeves, Vice President and Treasurer
J. W. Gardiner, Vice President
Morris H. Merritt, Secretary
Leonard T. Beale, Director

Mr. E. F. Beale reported a telegram from the National Lead Company in New York advising us of an advance in dry white-lead and basic lead sulphate of 1/4¢ a pound, effective November 30, 1938 with the privilege of accepting the same prices for delivery during the first quarter of 1939.

The minutes of our meeting of November 14 were read and approved.

Mr. Reeves reported that our net profit for the month of October 1938 was only \$788.19 as compared with approximately \$3,000. in October 1937. In neither case, however, has the New York overhead been deducted.

He further reported profits for ten months of 1938 amounting to \$85,000. as compared with approximately \$300,000. profit in 1937 but if the New York overhead is deducted it means a loss this year of approximately \$75,000.

Our business is off about 5-1/2% on a tonnage basis, or in dollar value it is off about 17-1/2%. Mr. Reeves feels that our selling prices are too low based on raw materials and the present cost of doing business. It is therefore essential that in order to make any real profit, the sales volume of our business be expanded.

The general conditions at the Electric Storage Battery Company were discussed, particularly from the standpoint as to how we could determine what the cost of Barton litharge might have been in 1917.

In accordance with the request contained in Mr. H. O. Bates' letter of November 16, the secretary was instructed to send an extra copy of the minutes of all of our Directors' meetings to Mr. Bates for his files.

On motion, duly made and seconded, an appropriation for \$2,000. to cover several second-hand units for our machine shop was approved and referred to New York.

Mr. Reeves reported that the new hospitalization plan being put in force in this area by the Philadelphia hospitals will be explained to the employees at our factory in the near future.

Mr. Gardiner and Mr. Reeves reported that they had attended the sales meeting in New York last week and that it had been decided there would be no change in our present white lead selling plan. Many other subjects were discussed, but the general trend of thinking was in the direction of ready-mixed paint.

Mr. Gardiner expressed the thought that we should now begin to stress specialties rather than white-lead as in this way we will be better prepared for developing along the ready-mixed paint line.

There being no further business upon motion the meeting adjourned.



Secretary.