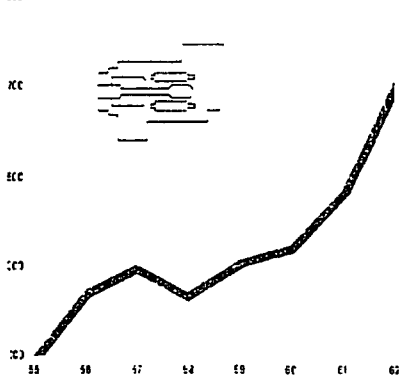


Hydraulics

FOR AEROSPACE AND INDUSTRY

SALES & PROFIT FIGURES



The company's total sales of hydraulic products in 1962 amounted to \$44,200,000, an increase of 50 per cent over the previous year. This volume was about equally divided between hydraulic equipment for aerospace and products for general industry.

In aircraft, hydraulic power is used in flight controls, landing gear and brakes. In industry, it provides the power to steer tractors and ships, lift heavy loads, drive radar antennas and control metalworking machinery and various types of presses. Brake Shoe's hydraulic product lines include pumps, motors, controls, presses and complete systems which are used in aircraft and missiles and their ground support equipment as well as in hundreds of different applications in industry.

On August 1st, the Kellogg and Atchley Divisions of the company were consolidated to form a new operating unit, the Aerospace Division. This division, located in Oxnard, California, manufactures airborne hydraulic pumps, fluid motors, servovalves and hydraulic systems under



Components for airborne hydraulic pumps undergoing quality inspection at Aerospace Division.

the established brand names of Kellogg and Atchley. Substantial cost reductions and increased manufacturing efficiencies are resulting from this consolidation. In addition, a field service engineering staff has been trained and strategically located throughout the United States.

Pumps and systems manufactured by our Aerospace Division are used on many major defense programs including the McDonnell F4H and

F101, Lockheed F104 and the Boeing B52G as well as Saturn, Nike Zeus and Hound Dog missiles. Kellogg pumps also provide the hydraulic power on Boeing 707, 720 and 727 as well as on Douglas DC8 jets. This division also supplies hydraulic servovalves in important quantities for the guidance systems of the Minuteman, Polaris and other missile programs.

Jarry Hydraulics Limited, our Canadian hydraulics subsidiary, which