FILE NAME: Philip Carey (PC)

DATE: 1954

DOC#: PC066

DOCUMENT DESCRIPTION: Entry in Moody's Industrial Manual

MOODY'S
INDUSTRIAL MANUAL

AMERICAN and FOREIGN

JOHN SHERMAN PORTER, *Editor-in-Chief*

Editorial Board

CHARLES N. BERENTS
ARTHUR W. HERRMANN
DAVID M. DAY
FRANK J. PRENDERGAST
FRANK J. ST. CLAIR
GEORGE I. BLAIR
DAVID M. ELLINWOOD
GEORGE H. PARSONS

1954

D. B. MCCRUDEN, *Publisher*

MOODY'S INVESTORS SERVICE
65 BROADWAY, NEW YORK 6, N. Y.

PHILADELPHIA	BOSTON	CHICAGO	LOS ANGELES	PITTSBURGH	SAN FRANCISCO
1411 Walnut St.	75 Federal St.	105 W. Adams St.	Hollingsworth Bldg.	Union Trust Bldg.	Russ Bldg.

LONDON: MOODY'S INVESTORS SERVICE LTD.

Copyright, 1954—MOODY'S INVESTORS SERVICE, NEW YORK—*All rights reserved*

FUNDED DEBT

1. Brown Shoe Co., Inc., sinking fund debenture 3½s, due 1971:

Rating—A

AUTHORIZED—Outstanding, $11,000,000.
DATED—July 1, 1951.
MATURITY—July 1, 1971.
INTEREST—J&J 1 at office of trustee and Goldman, Sachs & Co., New York.
TRUSTEE—St. Louis Union Trust Co., St. Louis, Mo.
DENOMINATION—Coupon $1,000, registerable as to principal.
CALLABLE—As a whole, or in part by lot, on at least 30 days' notice at any time to each June 30, incl., as follows:

1955	102.67	1956	102 55	1957	102.42
1958	102 30	1959	102.17	1960	102.03
1961	101.89	1962	101.74	1963	101.59
1964	101.44	1965	101.28	1966	101.11
1967	100 94	1968	100.77	1969	100.58
1970	100.40	1971	100.00		

Also callable on like notice for sinking fund (which see) on any July 1, beginning 1954, at 100.
SINKING FUND — Annually each July 1, commencing 1954, cash sufficient to redeem not less than $440,000 nor more than $880,000 debentures at sinking fund redemption price. Debentures otherwise acquired, or redeemed by sinking fund in any year in excess of minimum amount required for such year, may be credited against sinking fund payments.
SECURITY—Debentures are not secured by a lien on any property, except under certain conditions specified in indenture in event of (1) creation of any mortgage, pledge or other lien not specifically permitted, or (2) merger, consolidation, or sale of substantially all assets.
Company may not mortgage or create any lien on any property, unless debentures are equally and ratably secured, except purchase money liens not exceeding $2,500,000, and as provided.
ADDITIONAL DEBT—Company may not incur or assume any funded debt, except as permitted above or for refunding, unless thereafter on a consolidated basis; (1) net current assets are at least 200%, and net tangible assets 250%, of funded debt, and (2) net earnings applicable to interest on funded debt (before income taxes) for any two of last 3 fiscal years averaged at least 5 times annual interest on funded debt.
DIVIDEND RESTRICTION — Company may not pay cash dividends on any stock in excess of consolidated net earnings after Oct. 31, 1950 plus $2,500,000, adjusted for certain stock transactions.
RIGHTS ON DEFAULT—In event of default 30 days' grace period for payment of interest, trustee or 25% of debentures may declare debentures due.
INDENTURE MODIFICATION — Indenture may be modified, except as provided, with consent of 66⅔% of debentures.
PURPOSE—Proceeds to retire $3.60 preferred (no par) and for additional working capital.
LEGAL—For savings banks in New Jersey.
LISTED—On New York Stock Exchange.
OFFERED—($11,000,000) at 100 (proceeds to company 98.75) on June 27, 1951 by Goldman, Sachs & Co., and Smith, Barney & Co., New York, and associates.

CAPITAL STOCK

1. Brown Shoe Co., Inc. common; par $15:
AUTHORIZED — 3,000,000 shares; issued and outstanding, Oct. 31, 1953, 673,211 shares; reserved for options (see below), 107,040 shares, par $15 (changed from $100 to no par Dec. 10, 1925; 3 no par shares issued for each $100 share; changed from no par to $15 par Jan. 11, 1946, two $15 shares issued for each no par share).

DIVIDEND RESTRICTIONS — See funded debt above.

Dividend Record
(Calendar Years)

(On $100 par shares)					
1913	nil	1914	$3 00	1915-16	nil
1917-19	$6 00	1920	11 5 25	1921-22	nil
1923	2.00	1924-25	4 00		
(On no par shares)					
1926	2.00	1927	2.12½	1928	$2.50
1929	2 62½	1930-37	3.00	1938	1.75
1939-45	2.00				
(On $15 par shares)					
1946	1.20	1947-48	2.00	1949	2 10
1950	2.80	1951-53	3.40	[2]1954	1 60

[1] Plus 33⅓% in stock.
[2] To Mar. 2.

Dividends payable quarterly March 1st, etc., to stock of record about February 20, etc.
VOTING RIGHTS—One vote per share. No encumbrance may be placed on company's property without authorization of at least ¾ of the outstanding stock.
PREEMPTIVE RIGHTS—None.
LISTED—On New York and Midwest Stock Exchanges.
TRANSFER AGENTS—Bankers Trust Company, New York and St. Louis Union Trust Co., St. Louis.
REGISTRAR—Irving Trust Company, New York and Mercantile Trust Co., St. Louis.
DIVIDEND DISBURING AGENT — Bankers Trust Co., New York

Stock Options: Outstanding Oct. 31, 1953, options held by certain officers, directors and employees to purchase a total of 53,890 common shares as follows: 18,600 shares at $24 a share; 16,500 shares at $26 a share; 300 shares at $30 a share; 1,750 shares at $35 50 a share; 1,400 shares at $38 a share; 12,800 shares at $52 25 a share; 540 shares at $52.1875 a share; and 2,000 shares at $54.25 a share.

THE CELOTEX CORPORATION

CAPITAL STRUCTURE

FUNDED DEBT

Issue	Rating	Amount Outstanding	[1]Times Charges Earned 1953	1952	Interest Dates	Call Price	Price Range 1953	1932-53
1. 3¼% debentures, 1960	Baa	$3,128,000	34.38	16 05	F&A 1	[3]100½	98⅝-98	[4]106-98
2. 3¼% debentures (series 1947), 1960	Baa	1,928,000			F&A 1	100	98 -98	[7]104-93

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	[1]Earned per Sh. 1953	1952	[1]Divs. per Sh. 1953	1952	Call Price	Price Range 1953	1932-53
1. 5% cum. preferred	$20	256,862 shs.	$11.78	$6 28	$1 00	$1.00	20	16⅞-15¾	[5]23 -15½
2. Common	No par	[6]905,199 shs.	3.05	1.50	1.50	1 50	--	19¾-15½	[2]38⅛- 5

[1] Fiscal years. [2] Range since 1938, after 100% stock dividend. Before 100% stock dividend. 1935-38 range, 48¼-12½. [3] To July 31, 1959, incl. when price changes; see text. [4] Range since 1945. [5] Range since 1943 for $20 par shares. [6] Includes 26,583 partially paid shares. [7] Range since 1947. Range for $100 par shares from 1935 and to the 5-for-1 split in 1943, 93-46.

HISTORY

Incorporated in Delaware June 29, 1935, as successor in reorganization to the Celotex Co. (Del.). Latter company was incorporated in Delaware in 1920 as "Louisiana Celotex Co." On June 16, 1932, the latter company was placed in receivership. On Feb. 8, 1935, trustees were appointed under Section 77-B of the U. S. Bankruptcy Act. A reorganization plan was submitted under date of May 1, 1934 (subsequently modified), and on Nov. 1, 1935, the business and assets of the predecessor company were transferred to the present company. Details of reorganization appear in Moody's 1935 Industrial Manual.

In 1937, organized English Company, Celotex, Ltd.

In 1937 acquired an interest in American Gypsum Co., Port Clinton, Ohio, and in 1939 completed acquisition of company.

In Mar., 1945, acquired properties and business of Texas Cement Plaster Co. located at Plasterco and Longworth, Tex.; manufacturers of full line of gypsum plaster and board products.

On Aug. 30, 1946, acquired 83 1/3% interest in El Rey Products Co.; purchased balance of outstanding stock in 1947 and acquired direct ownership of property and assets including 20% interest in stock of California Mill Supply Co., dealers in waste paper, rags, etc.

Acquired properties in Ohio of Weaver-Hall Co. in Aug., 1948.

On Aug. 15, 1950 acquired properties of Wasem Plaster Co., Fort Dodge, Ia.

SUBSIDIARIES

This is principally an operating company. At Oct. 31, 1953, 100% of the voting power was owned in the following companies:

Name, place of incorporation and business:
El Rey Products Co., Inc., California, inactive.

At Oct. 31, 1953, owned less than 100% of voting power in following company.

Celotex, Ltd., England, manufactures and sells Celotex products in British Empire (85.72%) [1].

[1] Articles of Association of Celotex, Ltd. provide that unless and until number shall be changed as provided therein, number of directors shall not be less than 2 nor more than 7. Holders of [illegible] preference shares are entitled to appoint such director. By virtue of its ownership of 100% of deferred shares, Celotex Corp. is entitled to elect remaining directors. At Oct. 31, 1953, there were 7 directors.

Note: At Oct. 31, 1953, company owned 205,328 common shares of South Coast Corp. (see general index) constituting approximately 48% of voting power of all outstanding stock of that company. Also owned interest in following companies, which have resulted from split-up of California Mill Supply Corp. 1,540.4 shares (20%) of California Mill Supply Corp., 3,484.8 shares (20%) of Berg Metals Corp. and 974.8 shares (20%) of Berg Pipe and Steel Corp.

BUSINESS & PRODUCTS

The company manufactures building and insulating products, consisting for the most part of products marketed under the trade name "Celotex." These products are manufactured principally from bagasse, the fiber remaining after the juice has been extracted from sugar cane, and are used, among other things, for exterior sheathing, plaster base, exterior and interior finish, for insulating roofs, and as insulation in the manufacture of household refrigerators, railway refrigerator cars, trailers and other products.

The company also manufactures and sells products for correction of acoustical conditions in office buildings, auditoriums, theaters, broadcasting studios, and other places in which acoustical treatment is desired, including products marketed under the trade names "Acousti-Celotex."

The company also is engaged in the manufacture and sale of other types of insulating and building material products, including loose, granulated and batt forms of rock wool, roofing products, gypsum plaster, lath and wallboards, and also various items used as accessories in the application of products sold.

Celotex also sells products made by other manufacturers, such as hard boards, which cut, saw and handle like lumber (made by Masonite Corp.), and are used for paneling of all sorts, for decoration, shelving, etc. Celocrete (made by various steel companies), a light weight concrete aggregate, is made of expanded molten blast furnace slag, and is used with Portland cement to manufacture light weight concrete blocks.

The Celotex Corp. maintains offices throughout the world and has branch offices in 16 cities located in various parts of the United States, including the Pacific Coast.

PRINCIPAL PLANTS & PROPERTIES

The main manufacturing plant is located at Marrero, in Jefferson Parish, La., close to the City of New Orleans. It comprises approximately 500 acres of land.

The company obtains bagasse, the principal raw material, from a number of sugar mills in Louisiana.

A plant at Metuchen, N. J., is located on approximately 18½ acres of land, and contains about 210,000 square feet of floor space, and is used for the manufacture of asbestos cement board with insulating core (Cemesto), insulating siding. There is also a warehouse and curing building of about 50,000 square feet.

A plant at Port Clinton, Ohio and a plant near Hamlin, Tex. are used in manufacture of gypsum products.

A plant near Ft. Dodge, Ia., manufactures plaster products.

A plant near Lagro, Ind. is used for production of rock wool insulation products. Plant at Lagro also manufactures acoustical mineral tile.

Plants at Cleveland, and Avery, O., Madison, Ill., and Los Angeles, Cal. are used in manufacture of roofing products.

Plant of Celotex, Ltd., a subsidiary, is located at Stonebridge Park, London. Buildings, including office building, etc., have a combined floor area of approximately 141,000 sq. ft. Equipment includes facilities for preparing raw material and fabricating equipment for preparing finished board.

MANAGEMENT

Officers
O. S. Mansell, President
H. W. Collins, Exec. Vice-President
C. L. Christensen, Vice-Pres. and Chairm. Exec. Com.
F. A. Irvine, Vice-President
Marvin Greenwood, Vice-Pres., Sales Mgr
J. R. Newberry, Vice-President
A. I. Schimpf, Treasurer
C. W. Johns, Secretary
W. D. Becker, Contr. and Asst. Sec.
J. M. Erickson, Asst. Treasurer
A. F. O. Pfeiffer, Asst. Treasurer
J. W. Franklin, Purchasing Agent
Gates Ferguson, Advertising Manager
D. W. Rice, Export Mgr.

Directors
C. L. Christensen, Chicago
H. W. Collins, Chicago
A. J. Dallstream, Chicago
P. H. Davis, Chicago
Parrish Fuller, Oakdale, La.
O. S. Mansell, Chicago
Carl G. Muench, Chicago

W. A. Owings, Chicago
A. C. Simmonds, Jr., New York
E. B. Wilber, Chicago
General Counsel: Dallstream, Schiff, Stern & Hardin.
Annual Meeting: Third Tuesday in February.

Number of Stockholders: Oct. 31, 1953: Preferred, 2,596; common, 9,379.
Number of Employees: Oct. 31, 1953, 4,000
General Office: 120 So. La Salle St., Chicago 3, Ill.
Management Compensation Plan: For fiscal year bonus payments are based on the consolidated net earnings (as defined) in excess of $2,150,000 and are limited to 16 2/3% of combined annual compensation rate of officers and certain other employees, such amount to be distributed in accordance with their respective salaries.

INCOME ACCOUNTS COMPARATIVE INCOME ACCOUNT, YEARS ENDED OCT. 31

	1953	1952	1951	1950	1949	1948	1947
Net sales	$59,980,026	$52,032,189	$59,241,635	$48,714,716	$38,262,460	$54,190,341	$46,872,120
Cost of sales and expenses	51,829,655	47,005,536	50,644,711	41,876,732	33,718,359	41 530 140	35,668,208
Deprec., depletion & amortization	1,879,698	1,809,525	1,670,822	1,599,690	1,503,697	1,322,596	925,048
Operating profit	6,270,673	3,217,128	6,926,102	5,218,294	3,140,405	11,337 605	10,278,86·
Other income	391,835	446,050	496,751	370,684	384,788	388,132	354,220
Total income	6,662,508	3,663,178	7,422,853	5,588,978	3,525,193	11,725,737	10,633,084
Interest on funded debt	169,083	187,454	199 676	216,596	229,794	237,634	153,075
Other interest	-------	-------	-------	-------	-------	45,302	85,040
Debt discount and expense	22,235	26,245	28,732	30,621	33,808	35,050	10,952
Other deductions	84,347	233,436	113,073	213,208	126,401	183,414	108,487
Federal income taxes	3,272,000	1,562,000	3,494,000	2,051,000	1,135,000	4,307 000	3,963,867
Other inc. taxes & conting. tax res.	90,000	42,000	90,000	74,000	51,000	132,088	83,732
Net profit	3,024,844	1,612,043	3,497,371	3,003,552	1,949,190	6,785,189	6,227,929
Preferred dividends	256,677	256,862	256,862	256,862	256,863	256,862	256,863
Common dividends	1,318,648	1,318,573	1,317,320	875,532	1 307.554	1,518.991	968,628
[1]Surplus for year	$1,449,519	$36,608	$1,923,188	$1,871,158	384,773	$5,010.235	$5,002,438

[1]Includes loss on fixed assets sold, dismantled, etc.: 1953, $34,423; 1952, $114,705.
[2]1952: Before crediting returns of funds deposited for payment of dividends in prior years no longer required, $2,448.

General Notes

Above report excludes Celotex, Ltd. Net profit of that company for years ended Oct. 31: 1953, $191,409; 1952, $123,185; 1951, $153,998; 1950, $102,739; 1949, $147 954; 1948, $189,231; 1947, $44,-148.

Record of Earnings, years ended Oct. 31:

Year	Net Sales	Cost and Expenses	Operating Profit	Oth. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstand.	Earn. Per Com. Sh.
1956	$7,559,955	$6,724,665	$865,290	d $99,856	$765,434	$29,419	$736,015	--------	268,685	$2.20
1957	10,574,242	9,280,992	1,293,250	37,203	1,330,453	63,700	1,266,753	$322,422	268,685	4.17
1958	9,126,489	8,471,885	654,604	d 126,246	528,358	10,000	518,358	312,429	312,429	1.19
1959	12,317,936	11,242,829	1,075,107	d 254,351	820,756	79,000	741,756	--------	629,960	0.93
1960	13,817,501	12,808,896	1,008,605	d 171,677	836,928	89,300	747,628	--------	627,676	0.96
1961	19,977,155	16,809,199	3,167,957	171,069	2,996,889	1,247,790	1,749,099	706,138	627,676	2.55
1962	23,510,364	19,645,214	3,865,150	d 95,247	3,769,903	2,645,936	1,123,967	471 901	632,068	1.54
1963	22 598,269	20,630,162	1,968,107	d 299,367	1,668,743	1,138 544	530,199	325,293	696,933	0.54
1964	20,693,859	19,715,677	978,182	d 111,722	866,460	304,184	562,276	377,759	755,472	0.53
1965	22,185,651	20,812,739	1,372,912	d 187,979	1,184,933	579,408	605,525	377,772	755,472	0.57
1966	33,090,464	25,982,608	7,107,856	180,637	7,288,493	3,464,168	3,824,325	830,513	855,472	4.17

BALANCE SHEETS COMPARATIVE BALANCE SHEET, AS OF OCT. 31

ASSETS:	1953	1952	1951	1950	1949	1948	1947
Cash	$5,663,638	$4,140,052	$5,904,218	$5,017,130	$6,491,340	$5,777 732	$5,101,040
U. S. Government securities	--------	--------	996,000	1,993,400	--------	--------	465,035
[3]Notes and accounts receivable, net	7,334,572	7,481,422	6,402,018	6,638,856	4,787 368	5,329.177	5,085.297
[4]Inventories	5,796,789	5,850,054	5,482,416	4,814,099	5,077.234	4,612 704	4,222,985
Total current assets	$18,794,999	$17,471,528	$18,784,652	$18,463,485	$16 355 942	$15,719,013	$14,874,357
Operating properties	40,363,671	39,033,633	36,539,719	34,015,827	32,150,768	31,514.990	28,349,631
Deprec., depletion & amortization	17,059,131	15,561,401	14,147,484	12,775,108	11,419.129	10,332,815	9,249.071
Net operating property	23,304,540	23,472,142	22,392,235	21,240,719	20,731,639	21,181.275	19,100,559
Patents and rights	1	1	1	1	1	1	1
[5]South Coast Corp. investment	438,541	438,541	438,541	438,541	438,541	438,541	438,541
[6]Investment in Celotex, Ltd.	700,460	700,460	700,460	700,460	700,460	695,161	703,074
[5]Investmt. in other corps.	202,838	202,838	202,838	202,838	202,838	202,838	202,838
Other assets	183,123	172,758	166,094	165,169	340.001	622.345	227,379
Unamort. debt discount & expense	94,274	116,509	142,754	171,487	202.107	235,315	81,252
Deferred charges	951,423	1,096,926	1,107,899	540,254	383.534	448.747	475,439
Total	$44,670,197	$43,671,703	$43,935,473	$41,922,953	$39.355.063	$39,544,336	$36,103,440
LIABILITIES							
Notes payable	--------	--------	--------	--------	--------	--------	$1,000,000
Accounts payable	$2,751,851	$2,673,527	$2,687,880	$2,503,539	$1,397.502	$2,223,634	2,234,898
Accrued expenses	1,644,552	1,334,468	1,672,390	1,435,275	997 830	919,460	897,131
Accrued interest	41,080	44,224	47,759	51,269	54.673	58,183	41,998
Prov. for misc. taxes	288,062	235,344	269,918	248,298	181.882	146 231	126,270
Sinking fund requirement	435,584	386,890	437,500	437,500	437,500	437,500	250,000
[7]Prov. for income taxes	550,417	1,053,862	551,343	505,105	546,261	585,726	1,912,673
Total current liabilities	$5,711,546	$5,728,315	$5,666,790	$5,180,987	$4,115,648	$4,370.735	$6,462,969
Debentures	4,620,416	5,056,110	5,440,500	5,872,500	6,291,500	6,723.500	4,342,000
Bank loan	--------	--------	--------	--------	--------	--------	2,000,000
4% preferred stock ($20 par)	5,137,250	5,137,250	5,137,250	5,137,250	5,137.250	5,137,250	5,137,250
[8]Common stock	878,889	878,829	877,963	876,246	873,957	869,332	863,183
[9]Partially paid com. shares	26,826	26,828	27,572	29,226	31.519	36,144	42,325
[10]Paid-in surplus	6,330,450	6,329,070	6,309,152	6,269,661	6,217,014	6,110,639	5,969,212
Earned surplus	21,971,094	20,521,576	20,482,520	18,559,332	16 688.175	16,296.735	11,286.500
Total capital and surplus	34,344,509	32,893,553	32,834,458	30,871,715	28,947,915	28,450,100	23,298,470
[11]Less treasury common stock	6,275	6,275	6,275	2,250	--------	--------	--------
Net capital and surplus	34,338,235	32,887,278	32,828,183	30,869,465	28,947.915	28,450,100	23,298,470
Total	$44,670,197	$43,671,703	$43,935,473	$41,922,953	$39,355,063	$39,544,336	$36,103,440
Net current assets	$13,083,453	$11,743,213	$13,117,862	$13,282,498	$12,240.294	$11,348.278	$8,411,388

[1]At lower of cost or market. 1953: Comprises: Raw materials (including at cost, $1,-428,878 (1952, $1,395,520) basic raw materials for which the corporation is the only substantial market), $2,418,153 (1952, $2,643,773); goods in process, $358,614 (1952, $310,964); finished goods, $1,124,342 (1952, $973,007); operating and maintenance supplies, $1,865,980 (1952, $1,922,310); total, $5,796,789 (1952, $5,850,054).
[2]1953: Comprises $1,577,260 debentures 5s (subordinated) 1973 and 205,328 shares of common stock carried at $438,541. Market value Oct. 31, 1953, debenture 5s (subordinated), 1973, $1,190,831; common shares, $1,180,636, total, $2,371,467.
[3]Investment at cost (less $64,940 reserve in 1953) in securities Celotex, Ltd. (English subsidiary—not consolidated.)
[4]After reserves (1953, $804,217).
[5]No par shares: 1953, 878,889; 1952, 878,829, 1951, 877,963; 1950, 876,246; 1949, 873,957; 1948, 869,332; 1947, 863,183.
[6]At cost (after $47,162 reserve in 1953). Investment in California Mill Supply Corp. in 1951 and prior years, for 1953 see Note under "Subsidiaries" above.
[7]After deducting investment in U. S. Treasury notes, tax series at cost: 1953, $3,000,000; 1952, $800,000; 1951, $3,900,000; 1950, $2,000,000; 1949, $1,000,000; 1948, $4,080,000; 1947, $3,380,000.
[8]Shares at cost: 1953-51, 273; 1950: 98 shares at cost.
[9]1953, 26,583; 1952, 26,643; 1951, 27,509; 1950, 29,226; 1949, 31,515; 1948, 36,140; 1947, 42,289 shares. Total subscribed by employees, 1953, $637,992 (1952, $639,432; 1951, $660,216; 1950, $701,424; 1949, $756,260; 1948, $867,360; 1947, $1,041,926) less unpaid portion due in installments to 1956, 1953, $611,166 (1952, $612,604; 1951, $632,643; 1950, $672,198; 1949, $724,841; 1948, $831,216; 1947, $972,641); balance, 1953, $26,826 (1952, $26,828; 1951, $27,572; 1950, $29,226; 1949, $31,519; 1948, $36,144; 1947, $43,325).
[10]Principal paid-in surplus changes follow: 1953-48: After crediting (1953, $1,380; 1952, $19,918; 1951, $39,491 1950, $52,647; 1949, $106,-375; 1948, $141,427); excess of consideration received for 1953, 60 (1952, 866; 1951, 1,717; 1950, 2,289; 1949, 4,625; 1948, 6,149) common shares fully paid in the year over stated value of $1 per share.

STATISTICAL RECORD, FISCAL YEARS

	1953	1952	1951	1950	1949	1948	1947
Earned per share—preferred	$11.78	$6.28	$13.62	$11.69	$7.39	$26 42	$24.25
—common	$3.05	$1.50	$3.57	$3.03	$1.86	$7.20	$6.59
Dividends per share—preferred	$1.00	$1.00	$1.00	$1.00	$1.00	$1 00	$1.00
—common	$1.50	$1.50	$1.50	$1.00	$1.50	$1 75	$1.12½
[1]Price range—preferred	16⅞-15¾	17⅛-16	17⅞-15⅞	17¾-15½	18¾-15½	20⅛-17⅝	21⅞-19¾
—common	19¾-15½	19½-15⅛	20⅜-14½	21-13¼	26¾-13¾	34⅜-22¾	32⅝-19⅞
Net tangible assets per sh.—preferred	$133.68	$128 03	$127.81	$120.18	$112.69	$110 76	$90 70
—common	$32.26	$30 66	$30.59	$28.42	$26.29	$25.75	$20 06

Statistical Record, Fiscal Years (cont'd)

Fixed charges earned:	1953	1952	1951	1950	1949	1948	1947
Bef. inc. taxes, deprec. & depl.	44.21	24.52	39.32	28.22	18.60	40.45	45.97
Bef. inc. taxes & aft. deprec. & depl.	34.03	16.05	32.00	21.75	12.89	36.29	42.35
After inc. tax., deprec. & depl.	16.81	8.54	16.31	13.15	8.39	22.33	26.60
Times charges & pfd. div. earned	7.13	3.88	7.68	6.45	4.25	12.38	12.46
Price range—3¼s, 1960 (issued 1945)	98⅝-98	100-99	102¼-98⅛	102-100½	101⅜-99¼	102-99	106-101
—3¼s, 1960 (series 1947)	98-98	100½-100½	102¼-102	101½-101½	101½-101	101-100¼	104-93
Net tangible assets $1,000 fund. debt	$8,472	$7,504	$7,033	$6,257	$5,601	$5,231	$4,674
Net curr. assets per $1,000 fund. debt	$2,832	$2,223	$2,411	$2,263	$1,946	$1,688	$1,326
Times preferred dividends earned	11.78	6.23	13.62	11.69	7.59	26.42	24.25
Number of shares—preferred	256,863	256,863	256,863	256,863	256,863	256,863	256,863
—common	[2]905,199	[2]905,199	[2]905,199	[2]905,374	[2]905,472	[2]905,472	[2]905,472

[1]Calendar years.
[2]Including partially paid shares: 1953, 26,583; 1952, 26,643; 1951, 27,509; 1950, 29,226, 1949, 31,515; 1948, 36,140; 1947, 42,289.

FUNDED DEBT

1. Celotex Corp. debenture 3¼s, due 1960:
Rating—Baa

AUTHORIZED—$5,000,000; outstanding, $3,128,000.
DATED—Aug. 1, 1945.
MATURITY—Aug. 1, 1960.
INTEREST—F&A 1 at office of trustee or at City National Bank & Trust Co., Chicago. Principal and interest payable in U. S. legal tender.
TRUSTEE AND REGISTRAR—Chemical Bank & Trust Co., New York.
DENOMINATION—Coupon, $1,000; registerable as to principal.
CALLABLE—As a whole or in part on at least 30 days' published notice at any time to July 31, incl., as follows:
1959 ... 100½ [1]1959 ... 100
[1]After July 31, 1959.
Also callable for sinking fund, which see.
SINKING FUND—Annually on or before first day of fifth calendar month next succeeding close of each fiscal year beginning 1945, 15% of sinking fund earnings (as defined), but not to exceed $250,000. Sinking fund payments shall average at least $175,000, whether or not earned, cash to be used to purchase bonds at not exceeding redemption price or to redeem bonds. Debentures may be tendered in lieu of cash at an amount equal to principal amount of debentures or the cost but not to exceed sinking fund redemption price on next Aug. 1. Debentures purchased or redeemed to be cancelled.
SECURITY—Not secured by any lien.
CREATION OF ADDITIONAL DEBT, ETC.—Company will not, directly or indirectly, create or assume, or permit any subsidiary to create or assume, any mortgage, pledge, or encumbrance on property or assets now owned or hereafter acquired, or on income or profits therefrom, unless debentures are equally and ratably secured thereby, except purchase money or other permitted liens.

Consent of 66 2/3% of debentures necessary to create, assume, or issue, directly or indirectly, or permit any subsidiary so to do, any additional funded debt, except (a) for refunding, renewal or extension of not to exceed like amount thereof, or (b) funded debt (as defined) of a subsidiary to company; provided, that company shall not dispose or part with control thereof (except to such subsidiary), unless immediately thereafter (1) average annual consolidated net earnings available for interest (as defined) on funded debt for two fiscal years immediately preceding equal at least 4 times total annual interest requirements on consolidated funded debt; (2) excess of current assets (as defined) over current liabilities at least equal outstanding funded debt, except funded debt secured by liens as permitted, and (3) consolidated net tangible assets (as defined) at least equal 2½ times consolidated funded debt.
DIVIDEND RESTRICTION—No dividend (except stock dividends) shall be declared or paid on capital stock if thereupon current assets would be less than twice current liabilities and cash dividends are restricted to net earnings after Oct. 31, 1944 plus $1,000,000.
RIGHTS ON DEFAULT—In event of default (30 day grace period for payment of interest, 10 days for sinking fund installment), trustee or 25% of debentures may declare principal due and payable immediately.
INDENTURE MODIFICATION — Indenture may be modified except as provided with consent of 66 2/3% of debentures.
PURPOSE—Net proceeds used to redeem debenture 3¾s, due 1955, and for additional working capital.
TAX STATUS—Company refunds personal property taxes in Pennsylvania not to exceed 4 mills and in Kentucky not to exceed 5 mills on taxable value, and income taxes in Massachusetts up to 6% and in Maryland up to 5% per annum
LEGAL—For savings banks in New Hampshire
LISTED—On New York Stock Exchange.
OFFERED—($5,000,000) at 102½ (proceeds to company 99) on Sept. 6, 1945 by a syndicate headed by Paul H. Davis & Co., Chicago.

2. Celotex Corp. debenture 3¼s (issue of 1947) due 1960:
Rating—Baa

AUTHORIZED—$3,000,000; outstanding, $1,928,000.
DATED—Aug. 1, 1947.
MATURITY—Aug. 1, 1960.
INTEREST—F&A 1 at office of trustee or City National Bank & Trust Co., Chicago. Principal and interest payable in U. S. legal tender.
TRUSTEE AND REGISTRAR—Bank of New York, New York.
DENOMINATION—Coupon, $1,000; registerable as to principal.
CALLABLE—As a whole or in part on at least 30 days' published notice at any time at par and interest.
SINKING FUND—Annually on or before first day of tenth calendar month next succeeding close of each fiscal year, beginning with fiscal year ending in 1947, the lesser of 9% of sinking fund earnings (as defined) or $187,500, but to be maintained at a minimum average of $125,000 for each 12-months period regardless of such earnings. Debentures may be tendered at an amount equal to the principal amount of the debentures in lieu of cash; any excess credits to apply on future payments. Debentures so redeemed or credited to be cancelled.
OTHER PROVISIONS—Same as debenture 3¼s, issue of 1945, due 1960 (No. 1).
PURPOSE—Net proceeds to pay term bank loans; balance to general funds.
LEGAL—For savings banks in New Hampshire.
LISTED—On New York Stock Exchange.
OFFERED—($3,000,000 at 97½ on Nov 21 1947 by a syndicate headed by Paul H. Davis & Co., Chicago, and Union Securities Corp., New York.

CAPITAL STOCK

1. The Celotex Corp. 5% cumulative preferred stock; par $20.
AUTHORIZED—500,000 shares (increased from 100,000 shares, July 12, 1943); outstanding, 256,862½ shares; par $20 (changed from $100 par June 18, 1943, five $20 par shares issued for each $100 par share).
PREFERENCES—Has preference for assets and dividends.
DIVIDEND RIGHTS—Entitled to cumulative dividends of 5% per annum, payable quarterly Feb. 1, etc.
DIVIDEND RECORD—No dividends paid on $100 par shares to Nov. 10, 1936 when 5% was paid clearing up arrears. Thereafter, regular dividends paid quarterly February 1, etc., to May 4, 1943, incl.

Initial dividend of 25 cents per share paid on $20 par shares Aug. 9, 1943; regular dividends paid quarterly thereafter.
DIVIDEND LIMITATIONS — See "Dividend Restriction" under debenture 3¼s, 1960.
VOTING RIGHTS—None, except that if at any time cumulative dividends have accrued to the extent of $2 per share, holders of preferred stock shall have one vote per share.
LIQUIDATION RIGHTS—Has preference over common to par plus accrued and unpaid dividends.
PREEMPTIVE RIGHTS—None
CALLABLE—On any quarterly dividend date, in whole or in part (by lot), on 30 days' notice, at $20 per share plus accrued dividends.
LISTED—On New York Stock Exchange.
TRANSFER AGENT—Chase National Bank, New York.
REGISTRAR—Chemical Bank & Trust Company, New York.
OFFERED—(100,000 shares) at $20 per share (proceeds to company $19 per share) on Sept. 6, 1945 by a syndicate headed by Paul H. Davis & Co., Chicago.

2. The Celotex Corp. common; no par.
AUTHORIZED—1,500,000 shares, outstanding, 905,199 shares (including 26,583 shares partially paid subscribed by employees); in treasury, 273 shares; no par.

Dividend Record (In $)
(Calendar years)

1935–36	Nil	1937	1.20	1938	[1]
1939–40	Nil	1941	1.12½	1942	0.75
1943–45	0.50	1946	1.00	1947	1.12½
1949	1.75	1949	1.50	1950	1.00
1951–53	1.50	[2]1954	0.37½		

[1]Paid 100% in stock Nov. 4, 1938.
[2]To Feb. 1.

DIVIDEND LIMITATIONS — See "Dividend Restriction" under debenture 3¼s, 1960.
VOTING RIGHTS—One vote per share. Cumulative voting permitted for election of directors. See "Voting Rights" under 5% preferred stock, above
PREEMPTIVE RIGHTS—None.
LISTED—On New York Stock Exchange
TRANSFER AGENT—Chase National Bank, New York.
REGISTRAR—Chemical Bank & Trust Company, New York
OFFERED—(100,000 shares) at 36¾ by Paul H. Davis & Co., Chicago and Union Securities Corp., New York.

Subscription Rights: Common stockholders of record Oct. 22, 1943 had right to subscribe, at $10.50 per share, for shares of common stock, on the basis of one share for each ten shares then held.

DEVOE & RAYNOLDS COMPANY, INC.

CAPITAL STRUCTURE

FUNDED DEBT

Issue	Rating	Amount Outstanding	Times Charges Earned 1953	1952	Interest Dates	Call Price	Price Range 1953	1932–53
1. Debenture 2⅞s, 1965	A	$2,256,000	----	-- -	A&O 1	[3]101¾	97–92	[5]104¼–92
2. Debenture 3s, 1971	[4]--	3,257,000			A&O 1	[3]102½	[4]---	[4]---

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	[2]Earned per Sh. 1953	1952	[2]Divs. per Sh. 1953	1952	Call Price	Price Range 1953	1932–53
1. Class A	$2.00	461,102 shs.	$3.06	$2.49	$2.00	$2.00	---	24¼–18¾	[6]39½–16½
2. Class B	1.00	178,419 shs.	1.53	1.25	1.00	1.00	---	12¼–10½	[6]17¼– 4½

[2]Fiscal years. [3]Subject to change, see text. Also callable for sinking fund (see text). [4]Placed privately in April, 1951 [5]Range since 1941. [6]Range since 2½-for-1 split in 1945; 1932-45 range for old stock, 76⅛-7. [7]Range for new stock since 1945; 1932-44 range for old, 68-5.

HISTORY

Incorporated in New York, Apr. 6, 1917 to acquire the businesses of (1) The F. W. Devoe & C. T. Raynolds Co., a New York corporation which in 1909 purchased the business of a New Jersey corporation of identical name formed in 1892, and (2) Devoe & Raynolds Co., incorporated in Illinois in 1897 and controlled by F. W. Devoe & C. T. Raynolds Co. The business was originally established in 1754 by William Post.

In Nov., 1925 completed negotiations for the purchase of and in May, 1927 completed the purchase contract for the acquisition of Wadsworth, Howland & Co., Inc., now operated as a division.

On May 1, 1928 acquired the entire paint, varnish and lacquer business and the real and certain personal properties of Peaslee-Gaulbert Co. of Louisville, Ky. and its subsidiaries, now operated as a division.

On May 31, 1933 acquired Jones-Dabney Co., organized in 1919, with plants at Louisville, Ky. and Detroit, Mich., manufacturers of paints, varnishes, lacquers and synthetic resins, sold to automobile, furniture, paint and other industrial manufacturers, paying therefor 28,000 shares of class A stock, now operated as a division.

In April, 1945, company acquired Beckwith-Chandler Co. with plant and offices on a 13-acre tract at Newark, N. J., makers of railroad and industrial product finishes, and Truscon Laboratories, Inc. of Detroit, now operated as divisions.

In 1948, company acquired Bishop-Conklin Paint Co., Los Angeles, manufacturers of paint, varnishes, etc., now operated as a division.

SUBSIDIARIES

None.

BUSINESS & PRODUCTS

Company and its divisions manufacture a diversified line of general purpose paints, varnishes, lacquers, enamels and paint brushes sold mostly under advertised trade names; also paints and finishes used by the automotive, marine, railroad, refrigerator, furniture and other industries; synthetic resins, which are basic materials in the manufacture of modern protective coatings and have many uses outside the protective coatings field;