

INTERNATIONAL SMELTING AND REFINING COMPANY

ZINC OXIDE DEPARTMENT

EAST CHICAGO, INDIANA

ANNUAL REPORT

YEAR 1939

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PNYC 00012359

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INTERNATIONAL SMELTING AND REFINING COMPANY

EAST CHICAGO, INDIANA

SUMMARY OF ZINC OXIDE DEPARTMENT OPERATIONS

YEAR 1959

OPERATIONS:

Two muffle furnaces operated the first 8 months of the year, and 3 furnaces operated the last 4 months. These furnaces treated a total of 8,584.6 tons of material, and burned an average of 71.6 gallons of fuel oil per ton. Metal losses on this secondary operation was 1.41%. The average working cost was \$14.65 per ton, exclusive of major repairs, depreciation and packing.

The 24 retort French furnace operated the entire year, and treated a total of 7,500.8 tons of material. 78.0 gallons of fuel oil per ton were burned, and the furnace operated with an average metal loss of .37%. The average working cost was \$14.70 per ton, exclusive of major repairs, depreciation, and packing costs.

The 6 and 12 deer American block units operated intermittently throughout the year at an average working cost of \$20.81 per ton, exclusive of major repairs, depreciation, and packing costs. These furnaces treated a total of 4,885.4 tons of zinc-bearing material, with an average metal loss of 15.81%.

LABOR:

The common labor rate was 60¢ per hour for the entire year, and an average of 144 men were employed 37.9 hours per week for the year. The average monthly wage was \$132.59.

The Akron plant employed 8 men an average of 30 hours per week on a shut-down basis, as well as carrying out certain dismantlement work.

An average of 50 salary employees were on the salary roll for the year, which included foremen and Sales Department employees.

APPROPRIATIONS:

A total of \$40,186.48 was spent on appropriations during the year, as shown on Page 15. The major portion of this amount was spent for moving four bays of Akron baghouse to East Chicago, and the re-erection of the Akron warehouse at East Chicago. Emphasis on inventories made the warehouse indispensable, and required an appropriation for skids and bins to facilitate handling of raw and finished materials.

PNYC 00012360

## Sheet #2 - Summary of Zinc Oxide Department Operations - Year 1939

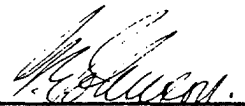
OPERATING COSTS:

The working cost for the entire plant was \$22.25, exclusive of repairs and depreciation. A total of 42,113,226 pounds of zinc oxide was shipped in addition to the various by-products produced from our secondary materials. The average working cost was lower than in 1938, due to the greater tonnage produced and shipped.

ZINC MATERIALS PURCHASED:

The average cost of zinc materials purchased increased to 4.728¢ per pound zinc, due to the rising zinc market, which ranged from 4.5¢ per pound (St. Louis) to 6.5¢ per pound late in the year. Purchases of electrolytic zinc remained constant at 7,500 tons, while the purchase of secondary materials increased 3,000 tons to a total of 8,147 tons for the year.

More detailed costs, profit, and sales figures are shown in the attached sheets.

  
Plant Manager

lb 2/6/40

cc: Mr.C.F.Kelley  
Mr.R.S.Dwyer  
Mr.F.Laist /

PNYC 00012361

TREATMENT-PRODUCTION-SHIPMENTSYEAR 1939

| <u>TOTAL ZINC MATERIAL CHARGED</u> | <u>EAST CHICAGO PLANT</u> |                    |
|------------------------------------|---------------------------|--------------------|
|                                    | <u>METALLIC</u>           |                    |
|                                    | <u>ZINC POUNDS</u>        | <u>LEAD POUNDS</u> |
| Zinc Clips                         | 235,207                   |                    |
| Electrolytic Zinc                  | 11,438,043 ✓              |                    |
| Remelt Zinc                        | 1,983,720                 |                    |
| Scrap Zinc                         | 794,676                   |                    |
| Galvanizer's Zinc Dross            | 3,221,316                 |                    |
| Die Cast Slabs                     | 5,662,830                 |                    |
| Die Cast Scrap                     | 2,923,931                 |                    |
| Condensed Metal                    | 1,564,554                 |                    |
| Great Falls Dross                  | 6,413,877                 |                    |
| Galena Ore                         |                           | 263,296            |
| Other                              | 533,074                   |                    |
| Total                              | <u>34,771,248</u>         | <u>263,296</u>     |
|                                    | -----                     | -----              |
| <u>TOTAL MATERIAL REMIXED</u>      |                           |                    |
| Sublimed White Lead                |                           | 1,044,300          |
| Other                              | 65,659                    |                    |
| Total                              | <u>65,659</u>             | <u>1,044,300</u>   |
|                                    | -----                     | -----              |

Gross  
Pounds

On Hand December 31st, 1939

2,192,550

SHIPMENTS

|                      |                   |  |
|----------------------|-------------------|--|
| Merchantable Oxide   | 42,113,226        |  |
| Refuse Oxide         | 345,249           |  |
| Lead Tin Alloy       | 49,569            |  |
| Treated Zinc Residue | 269,932           |  |
| Muffle Dross         | 4,576,511         |  |
| Iron Dross           | <u>109,100</u>    |  |
|                      | <u>47,463,587</u> |  |
|                      | <u>49,656,137</u> |  |

On Hand January 1st, 1939

3,367,381

46,088,756

-----

|                      |                |  |
|----------------------|----------------|--|
| Zinc Oxide for Trade | 40,738,395     |  |
| Refuse Oxide         | 345,249        |  |
| Lead Tin Alloy       | 49,569         |  |
| Treated Zinc Residue | 269,932        |  |
| Muffle Dross         | 4,576,511      |  |
| Iron Dross           | <u>109,100</u> |  |

46,088,756

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OUTCOME OF NEW MATERIAL

YEAR 1939

EAST CHICAGO PLANT

FRENCH PROCESS

|                          | <u>TONS</u>    | <u>%</u>      |
|--------------------------|----------------|---------------|
| Tons Charged as Zinc     | 7,378.5        | 100.00        |
|                          | -----          | -----         |
| <u>Recovered As Zinc</u> |                |               |
| Merchantable Oxide       | 6,244.4        | 84.65         |
| Off Grade Oxide          | 1,107.1        | 15.00         |
| Metal Loss               | 27.0           | .37           |
|                          | <u>7,378.5</u> | <u>100.00</u> |
|                          | -----          | -----         |

MUFFLE FURNACE

|                                   |                |               |
|-----------------------------------|----------------|---------------|
| Tons Charged as Zinc              | 6,996.1        | 100.00        |
|                                   | -----          | -----         |
| <u>Recovered As Zinc</u>          |                |               |
| Merchantable Oxide                | 5,223.2        | 74.66         |
| Off Grade Oxide                   | 205.9          | 2.94          |
| Zinc Residue for Raritan          | 17.6           | .25           |
| Other Residue and Condensed Metal | 443.5          | 6.34          |
| Zinc Dross                        | 1,007.3        | 14.40         |
| Metal Loss                        | 98.8           | 1.41          |
|                                   | <u>6,996.1</u> | <u>100.00</u> |
|                                   | -----          | -----         |

AMERICAN PROCESS

|                          |                |               |
|--------------------------|----------------|---------------|
| Tons Charged as Zinc     | 3,823.8        | 100.00        |
|                          | -----          | -----         |
| <u>Recovered as Zinc</u> |                |               |
| Merchantable Oxide       | 3,219.4        | 84.19         |
| Metal Loss               | 604.4          | 15.81         |
|                          | <u>3,823.8</u> | <u>100.00</u> |
|                          | -----          | -----         |

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## WORKING COST PER TON MATERIAL CHARGED

YEAR 1939

## EAST CHICAGO PLANT

|                   | ENTIRE PLANT |          | FURNACING AND<br>COLLECTING |          | MUFTLK FURNACE |          | AMERICAN PROCESS |          |
|-------------------|--------------|----------|-----------------------------|----------|----------------|----------|------------------|----------|
|                   | TONS         | PER TON  | TONS                        | PER TON  | TONS           | PER TON  | TONS             | PER TON  |
| January           | 1,403.0      | \$23.176 | 649.8                       | \$14.309 | 557.5          | \$16.312 | 195.7            | \$22.965 |
| February          | 1,358.6      | 25.860   | 544.7                       | 17.002   | 567.6          | 15.923   | 246.3            | 30.083   |
| March             | 1,680.2      | 22.567   | 623.6                       | 14.081   | 542.2          | 15.726   | 494.4            | 18.496   |
| April             | 1,705.9      | 22.140   | 641.6                       | 14.727   | 587.4          | 15.076   | 476.9            | 16.799   |
| May               | 1,861.7      | 20.274   | 632.3                       | 15.558   | 744.5          | 12.536   | 482.9            | 16.783   |
| June              | 1,678.5      | 22.194   | 615.5                       | 14.640   | 583.6          | 14.933   | 473.6            | 18.927   |
| July              | 1,850.9      | 21.905   | 644.9                       | 14.196   | 697.4          | 12.701   | 508.6            | 22.976   |
| August            | 1,750.8      | 20.025   | 634.5                       | 13.025   | 698.9          | 13.605   | 417.4            | 17.974   |
| September         | 1,431.5      | 25.236   | 624.2                       | 13.438   | 493.0          | 17.953   | 510.3            | 26.672   |
| October           | 2,042.0      | 23.472   | 633.7                       | 13.956   | 584.5          | 20.028   | 521.8            | 19.726   |
| November          | 2,572.6      | 19.238   | 606.4                       | 16.667   | 1,485.2        | 11.684   | 520.1            | 18.684   |
| December          | 1,641.1      | 24.376   | 648.8                       | 15.219   | 715.8          | 13.256   | 237.4            | 25.859   |
| Total             | 20,970.8     |          | 7,500.9                     |          | 8,584.6        |          | 4,885.4          |          |
| Average per month | 1,747.6      | \$22.247 | 625.1                       | \$14.706 | 715.4          | \$14.648 | 407.1            | \$20.812 |
| Major Repairs     |              | .392     |                             |          |                | .958     |                  |          |
| Depreciation      |              | 1.845    |                             |          |                |          |                  |          |
| GRAND TOTAL       |              | \$24.484 |                             | \$14.706 |                | \$15.606 |                  | \$20.812 |

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## WORKING COST PER TON MATERIAL CHARGED

YEAR 1959

## EAST CHICAGO PLANT

## COST OF PORTION OF MAJOR ITEMS

|                     | ENTIRE PLANT |        | FURNACING AND<br>COLLECTING |        | PUFFLE FURNACE |        | AMERICAN PROCESS |        |
|---------------------|--------------|--------|-----------------------------|--------|----------------|--------|------------------|--------|
|                     | Amount       | % Cost | Amount                      | % Cost | Amount         | % Cost | Amount           | % Cost |
| Pay Roll - Direct   | \$140,718.22 | 27.39  | \$ 29,394.59                | 26.56  | \$ 30,615.92   | 22.85  | \$ 39,775.20     | 39.14  |
| Salaries - Direct   | 23,108.52    | 4.50   | 5,518.80                    | 5.00   | 7,048.12       | 5.25   | 4,978.08         | 4.69   |
| Fuel Oil            | 26,445.21    | 5.54   | 13,116.34                   | 11.89  | 15,328.87      | 11.45  |                  |        |
| Coal (Hard)         | 22,738.19    | 4.43   |                             |        |                |        | 22,738.19        | 22.36  |
| Coke                | 8,830.96     | 1.72   |                             |        |                |        | 8,830.96         | 8.68   |
| Carborundum Retorts | 6,591.42     | 1.25   | 6,591.42                    | 5.79   |                |        |                  |        |
| Muslin              | 1,580.36     | .30    | 630.75                      | .59    | 544.21         | .42    | 335.40           | .33    |
| Duck                | 427.45       | .08    | 161.25                      | .15    | 108.50         | .08    | 160.70           | .16    |
| Barrels             | 2,237.02     | .44    |                             |        |                |        |                  |        |
| Liners              | 553.66       | .11    |                             |        |                |        |                  |        |
| Drums               | 2,409.79     | .48    |                             |        |                |        |                  |        |
| Bags                | 26,665.10    | 5.19   |                             |        |                |        |                  |        |
| Electric Power      | 19,730.08    | 3.84   | 6,462.27                    | 6.04   | 4,761.59       | 3.56   | 5,505.31         | 5.41   |
| Taxes - All         | 18,018.00    | 3.51   | 4,445.04                    | 5.84   | 7,376.57       | 5.50   | 4,196.59         | 4.13   |
| Insurance - All     | 3,453.03     | .67    | 1,236.15                    | 1.12   | 1,413.67       | 1.05   | 804.21           | .78    |
| Other               | 169,475.35   | 33.00  | 40,832.86                   | 37.02  | 56,732.27      | 42.84  | 14,332.33        | 14.11  |
| Total               | \$474,752.16 | 92.45  | \$110,308.47                | 100.00 | \$133,986.72   | 100.00 | \$101,872.77     | 100.00 |
| Depreciation        | 58,701.46    | 7.59   |                             |        |                |        |                  |        |
| GRAND TOTAL         | \$515,453.62 | 100.00 | \$110,308.47                | 100.00 | \$133,986.72   | 100.00 | \$101,872.77     | 100.00 |

PNYC 00012365

DEPARTMENTAL OPERATING COST PER POUND OXIDEYEAR 1939EAST CHICAGO PLANT

|               | <u>ENTIRE<br/>PLANT</u> | <u>FURNACING<br/>AND<br/>COLLECTING</u> | <u>PACKING</u> | <u>MUFFLE</u> | <u>AMERICAN<br/>PROCESS</u> | <u>TOTAL OPER.<br/>AND ZINC<br/>COST ON<br/>TOTAL PROD.</u> |
|---------------|-------------------------|-----------------------------------------|----------------|---------------|-----------------------------|-------------------------------------------------------------|
| January       | 1.186                   | .678                                    | .272           | 1.078         | 1.490                       | 5.080                                                       |
| February      | 1.357                   | .822                                    | .281           | .996          | 1.984                       | 4.955                                                       |
| March         | 1.092                   | .660                                    | .272           | .933          | 1.115                       | 4.747                                                       |
| April         | 1.129                   | .710                                    | .262           | 1.142         | 1.144                       | 4.895                                                       |
| May           | 1.149                   | .751                                    | .270           | .928          | 1.121                       | 4.873                                                       |
| June          | 1.124                   | .721                                    | .278           | 1.052         | 1.132                       | 4.883                                                       |
| July          | 1.154                   | .686                                    | .243           | 1.015         | 1.385                       | 4.853                                                       |
| August        | .964                    | .629                                    | .252           | .828          | 1.073                       | 4.921                                                       |
| September     | 1.207                   | .654                                    | .301           | 1.028         | 1.673                       | 4.661                                                       |
| October       | 1.252                   | .682                                    | .266           | 1.315         | 1.207                       | 5.311                                                       |
| November      | 1.061                   | .618                                    | .250           | .696          | 1.152                       | 5.396                                                       |
| December      | 1.192                   | .735                                    | .301           | .993          | 1.551                       | 6.876                                                       |
| Average       | 1.145                   | .710                                    | .271           | .968          | 1.270                       | 5.127                                                       |
|               |                         |                                         |                |               |                             | -----                                                       |
| Depreciation  | .095                    |                                         |                |               |                             |                                                             |
| Major Repairs | .020                    |                                         |                | .065          |                             |                                                             |
|               | 1.260                   | .710                                    | .271           | 1.031         | 1.270                       |                                                             |
|               | -----                   | -----                                   | -----          | -----         | -----                       |                                                             |

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COST OF ZINC MATERIAL PURCHASEDYEAR 1959EAST CHICAGO PLANT

|              | <u>ELECTROLYTIC ZINC</u> |       | <u>SECONDARY ZINC</u> |       | <u>TOTAL</u> |
|--------------|--------------------------|-------|-----------------------|-------|--------------|
|              | <u>Cost</u>              |       | <u>Cost</u>           |       | <u>Cost</u>  |
|              | <u>Per</u>               |       | <u>Per</u>            |       | <u>Per</u>   |
|              | <u>Lb.</u>               |       | <u>Lb.</u>            |       | <u>Lb.</u>   |
|              | <u>Zinc</u>              |       | <u>Zinc</u>           |       | <u>Zinc</u>  |
|              | <u>Pounds</u>            |       | <u>Pounds</u>         |       |              |
|              | <u>Gross</u>             |       | <u>Gross</u>          |       |              |
| January      | 1,603,327                | 4.539 | 591,183               | 4.064 | 4.431        |
| February     | 2,388,356                | 4.527 | 701,498               | 3.961 | 4.410        |
| March        | 1,211,676                | 4.552 | 745,767               | 3.894 | 4.328        |
| April        | 1,202,989                | 4.543 | 1,383,614             | 3.923 | 4.241        |
| May          | 1,200,048                | 4.541 | 1,253,585             | 3.864 | 4.227        |
| June         | 1,200,064                | 4.541 | 1,068,286             | 4.067 | 4.544        |
| July         | 2,205,957                | 4.523 | 1,540,997             | 3.799 | 4.248        |
| August       | 1,157,278                | 4.714 | 1,971,372             | 3.947 | 4.254        |
| September    | 1,606,601                | 5.675 | 1,434,173             | 4.920 | 5.547        |
| October      | 1,548,225                | 6.501 | 1,820,736             | 5.436 | 5.918        |
| November     | 333,041                  | 6.647 | 2,077,828             | 5.335 | 5.541        |
| December     | 334,066                  | 6.142 | 1,605,561             | 5.408 | 5.549        |
| Total        | 15,811,628               |       | 16,294,500            |       |              |
|              | -----                    |       | -----                 |       |              |
| Average Cost |                          | 4.915 |                       | 4.520 | 4.728        |
|              |                          | ----- |                       | ----- | -----        |

PNYC 00012367

INTRODUCTION  
EAST CHICAGO AND AKRON PLANTS  
YEAR 1939

|                                                                |                |
|----------------------------------------------------------------|----------------|
| Total Profit after Depreciation                                | \$ 124,448.02  |
| Production in Tons                                             |                |
| All Grades Zinc Oxide                                          | 20,369.2       |
| Capital Expenditures in 1939 for<br>Extensions and Betterments | \$ 40,186.48   |
| Total Sales Zinc Oxide in Tons                                 | 21,163.8       |
| Amount of Total Gross Sales                                    | \$2,642,944.69 |
| Net Return on Average 1939 Investment                          | 11.12 %        |
| Cumulative Return on Investment<br>Since 1921                  | 245.3 %        |

PNYC 00012368

GROSS SALES TO VARIOUS INDUSTRIES SINCE 1929

| <u>YEAR</u> | <u>PAINT</u>    | <u>RUBBER</u>   | <u>MISCELLANEOUS</u> | <u>TOTAL</u>    |
|-------------|-----------------|-----------------|----------------------|-----------------|
| 1929        | \$ 2,300,149.79 | \$ 1,332,329.65 | \$ 365,288.84        | \$ 3,995,768.08 |
| 1930        | 1,716,592.15    | 1,425,992.54    | 309,524.09           | 3,449,908.76    |
| 1931        | 1,464,813.92    | 1,347,972.10    | 366,409.59           | 3,179,195.41    |
| 1932        | 1,016,651.70    | 1,051,306.95    | 299,942.15           | 2,367,920.80    |
| 1933        | 1,354,164.62    | 1,905,634.04    | 464,662.95           | 3,722,461.59    |
| 1934        | 1,010,089.75    | 1,409,011.79    | 371,109.62           | 2,790,211.16    |
| 1935        | 969,661.55      | 1,538,170.01    | 478,887.92           | 2,986,719.48    |
| 1936        | 1,163,465.10    | 1,328,356.94    | 606,773.43           | 3,098,595.47    |
| 1937        | 820,826.41      | 1,108,771.20    | 398,643.42           | 2,328,241.03    |
| 1938        | 495,695.88      | 994,044.44      | 323,305.87           | 1,813,046.19    |
| 1939        | 719,912.83      | 1,474,181.42    | 448,850.44           | 2,642,944.69    |

PNYC 00012369

EAST CHICAGO AND AKRON PLANTS  
BUSINESS STATEMENT  
YEAR 1939

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| PERIOD | CAPITAL *<br>INVESTMENT | PROFIT            | LOSS        | NET                    | % RETURN     |
|--------|-------------------------|-------------------|-------------|------------------------|--------------|
| 1922   | \$ 20,631.61            |                   | \$ 3,334.38 |                        | 15.65        |
| 1923   | 352,499.06              |                   | 15,162.15   |                        | 4.30         |
| 1924   | 523,706.07              | \$ 362,983.56     |             |                        | 69.31        |
| 1925   | 643,896.84              | 101,305.94        |             |                        | 15.74        |
| 1926   | 665,654.13              |                   | 68,591.84   |                        | 10.27        |
| 1927   | 703,749.09              | 41,132.98         |             |                        | 5.85         |
| 1928   | 769,786.09              | 456,962.75        |             |                        | 59.36        |
| 1929   | 826,150.09              | 64,140.98         |             |                        | 7.76         |
| 1930   | 838,363.12              | 503,976.46        |             |                        | 60.11        |
| 1931   | 904,566.89              | 910,876.68        |             |                        | 100.70       |
| 1932   | 919,216.40              | 638,089.60        |             |                        | 69.42        |
| 1933   | 921,612.13              | 460,150.04        |             |                        | 49.92        |
| 1934   | 934,506.13              | 243,936.90        |             |                        | 26.10        |
| 1935   | 968,248.00              | 240,120.61        |             |                        | 24.80        |
| 1936   | 1,010,159.54            |                   | 451,122.09  |                        | 44.66        |
| 1937   | 1,046,623.13            |                   | 851,567.54  |                        | 81.34        |
| 1938   | 1,072,792.43            |                   | 6,674.56    |                        | .62          |
| 1939   | <u>1,112,978.96</u>     | <u>124,446.02</u> |             | \$ <u>2,730,120.14</u> | <u>11.18</u> |

Total  
Investment  
and Return  
to Date

\$1,112,978.96    \$4,188,172.50    \$ 1,398,052.36    \$ 2,730,120.14    245.3

RETURN ON INVESTMENTS BY PLANTS

|              | <u>Investment</u>     | <u>Profit</u>          | <u>%</u>     |
|--------------|-----------------------|------------------------|--------------|
| East Chicago | \$ 603,413.87         | \$ 1,137,583.77        | 188.5        |
| Akron        | <u>509,565.09</u>     | <u>1,592,536.57</u>    | <u>312.5</u> |
| Total        | <u>\$1,112,978.96</u> | <u>\$ 2,730,120.14</u> | <u>245.5</u> |

\* No allowances made for depreciation charges of \$1.85 per ton of merchantable oxide sold.

PNYC 00012370

COMBINED - EAST CHICAGO AND AKRON PLANTS  
INCOME AND PROFIT AND LOSS  
1939 vs 1938

|                               | <u>YEAR ENDING DECEMBER 31st</u> |                 | <u>DIFFERENCE</u> |
|-------------------------------|----------------------------------|-----------------|-------------------|
|                               | <u>1939</u>                      | <u>1938</u>     |                   |
| <u>GROSS SALES</u>            |                                  |                 |                   |
| East Chicago                  | \$ 2,622,562.87                  | \$ 1,667,435.84 | \$ 955,127.03     |
| Akron                         | 80,381.82                        | 145,610.35      | 155,228.53        |
| TOTAL                         | 2,642,944.69                     | 1,813,046.19    | 829,898.50        |
| Less: Freight, etc.           | 164,399.39                       | 122,408.18      | 41,991.21         |
| Net Sales                     | \$ 2,478,545.30                  | \$ 1,690,638.01 | \$ 787,907.29     |
| <u>COST OF GOODS SOLD</u>     |                                  |                 |                   |
| East Chicago                  | \$ 2,148,547.14                  | \$ 1,418,071.99 | \$ 730,475.15     |
| Akron                         | 14,109.00                        | 118,764.92      | 104,655.92        |
| TOTAL                         | \$ 2,162,656.14                  | \$ 1,536,836.91 | \$ 625,819.23     |
| Gross Margin                  | 316,089.16                       | 153,801.10      | 162,288.06        |
| <u>SELLING EXPENSE</u>        |                                  |                 |                   |
| East Chicago                  | 117,371.70                       | 90,664.19       | 26,707.51         |
| Akron                         | 765.97                           | 9,794.24        | 1,028.27          |
| TOTAL                         | \$ 118,137.67                    | \$ 100,458.43   | \$ 17,679.24      |
| Gross Profit from Sales       | 197,951.49                       | 53,342.67       | 144,608.82        |
| Other Income                  | 1,118.44                         | 2,613.57        | 1,495.13          |
| Shut Down Expense - Akron     | 10,675.36                        | 15,705.42       | 5,030.06          |
| TOTAL                         | \$ 188,394.57                    | \$ 40,250.62    | \$ 148,143.95     |
| <u>INCOME CHARGES</u>         |                                  |                 |                   |
| Cash Discounts on Sales       | 25,048.69                        | 14,718.42       | 10,330.27         |
| Bad Debts (Reserved For)      | 5,280.56                         | 3,683.82        | 1,596.74          |
| Agency Stock Expense          | 6,802.05                         | 5,403.77        | 1,398.28          |
| General Expense (Selling)     | 19,229.90                        | 16,246.07       | 2,983.83          |
| Credit and Collection Expense | 7,587.35                         | 6,873.10        | 714.25            |
| TOTAL                         | \$ 63,948.55                     | \$ 46,925.18    | \$ 17,023.37      |
| NET PROFIT                    | \$ 124,446.02                    | \$ 6,874.56     | \$ 117,571.46     |
| East Chicago                  | 151,615.04                       | 5,861.57        | 145,753.47        |
| Akron                         | \$ 7,139.02                      | \$ 10,596.13    | \$ 3,457.11       |
| <u>POUNDS OXIDE SOLD</u>      |                                  |                 |                   |
| East Chicago                  | 42,011,107                       | 27,210,560      | 14,800,547        |
| Akron                         | 316,400                          | 2,494,925       | 2,178,525         |
| TOTAL                         | 42,327,507                       | 29,705,485      | 12,622,022        |

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SUMMARY OF PLANT EXPENSE  
YEAR 1 9 3 9

| <u>PAYROLL</u>                  | <u>EAST CHICAGO</u> |
|---------------------------------|---------------------|
| Operating                       | \$ 185,713.07       |
| Other                           | 45,579.89           |
| TOTAL                           | \$ 231,292.96       |
|                                 | -----               |
| <u>SALARIES</u>                 |                     |
| Operating                       | \$ 83,920.95        |
| Other                           | 87,021.87           |
| TOTAL                           | \$ 140,942.82       |
|                                 | -----               |
| <u>SUPPLIES (Operating)</u>     |                     |
| Fuel Oil                        | \$ 28,445.81        |
| Hard Coal                       | 22,758.19           |
| Coke                            | 8,880.98            |
| Retorts                         | 6,391.43            |
| Fire Clay                       | 804.14              |
| Duck                            | 427.45              |
| Muslin                          | 1,550.36            |
| Barrels                         | 2,237.02            |
| Liners                          | 553.66              |
| Bags - Paper                    | 26,665.10           |
| Drums                           | 2,409.79            |
| Miscellaneous                   | 59,471.80           |
| TOTAL                           | \$ 140,525.80       |
|                                 | -----               |
| <u>EXPENSES</u>                 |                     |
| Electric Power                  | \$ 20,934.25        |
| Insurance - Property            | 1,440.67            |
| Insurance - Group               | 2,009.33            |
| Taxes - Property                | 7,154.18            |
| Taxes - Unemployment Insurance  | 8,195.77            |
| Taxes - Old Age Annuity         | 2,662.05            |
| Liability and Compensation      | 5,014.82            |
| Gas                             | 5,234.47            |
| Mr. F. O. Case - Chicago Office | 1,127.33            |
| New York Office                 | 2,824.34            |
| Departmental - New York Office  | 3,016.48            |
| Telephone and Telegraph         | 1,353.91            |
| Miscellaneous                   | 53,619.34           |
| TOTAL                           | \$ 94,592.94        |
|                                 | -----               |

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SUMMARY OF PLANT EXPENSE  
YEAR 1939

CHARGED

|                                   | <u>EAST CHICAGO</u>   |
|-----------------------------------|-----------------------|
| Electrolytic Zinc                 | \$ 553,908.49         |
| Condensed Metal                   | 91,877.43             |
| Remelt Zinc                       | 104,515.08            |
| Great Falls Dress                 | 256,924.07            |
| Scrap Zinc                        | 36,766.48             |
| Die Cast Slabs                    | 226,841.82            |
| Die Cast Scrap                    | 128,453.54            |
| Galvanizer's Zinc Dress           | 127,735.88            |
| Zinc Dress (Schultz Co.)          | 1,752.09              |
| Galena Lead Ore                   | 8,961.94              |
| Anasconda Zinc Cathodes           | 4,657.04              |
| Die Cast Dress                    | 667.86                |
| Zinc Bearing Lead                 | 474.95                |
| Zinc Carbonate Ore                | 1,469.83              |
| Zinc Anodes                       | 2,112.94              |
| Zinc Ore (American Zinc Co.)      | 7,679.40              |
| Zinc Clips                        | 10,418.81             |
| Zinc Dress from Scrap             | 614.52                |
| Zinc Skimmings                    | 69.50                 |
| Lead Sulphate (American Zinc Co.) | 11.42                 |
| TOTAL                             | <u>\$1,885,692.33</u> |

REMIKED

|                                |                     |
|--------------------------------|---------------------|
| Zinc Fume                      | \$ 22.82            |
| Sublimed White Lead (National) | 81,135.63           |
| Zinc Dress                     | 933.18              |
| Zinc Skimmings                 | 593.15              |
| TOTAL                          | <u>\$ 82,684.78</u> |

|                                                     |      |
|-----------------------------------------------------|------|
| Average number of men employed for year 1939,       |      |
| East Chicago Plant Pay Roll                         | 144  |
| Average number of hours worked per week             | 37.9 |
| Average number of men employed for year 1939,       |      |
| Akron Plant Pay Roll                                | 8    |
| Average number of hours worked per week             | 30.6 |
| Average number of men on salary roll for year 1939, |      |
| East Chicago and Akron                              | 50   |

Total Akron Pay Roll for year 1939 - \$ 9,205.40

EAST CHICAGO AND AKRON PLANTS  
APPROPRIATION EXPENDITURES  
YEAR 1939

|                     | <u>APPROPRIATION<br/>AMOUNT</u> | <u>COST</u>              |
|---------------------|---------------------------------|--------------------------|
| Total to Year 1938  | \$ 894,157.14                   | \$ 1,072,792.48          |
| New Investment 1939 | <u>59,734.72</u>                | <u>40,186.48</u>         |
| Total Investment    | \$ 953,891.86<br>-----          | \$ 1,112,978.96<br>----- |

EXPENDED - YEAR 1939

|                                                                                                                          |                       |                       |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| 126 - Re-erect Akron Warehouse<br>at East Chicago                                                                        | \$ 19,940.00          | \$ 20,612.71          |
| 127 - Furnace Building, Bag House and<br>Flues for completion of Six Door<br>American Block Unit -<br>East Chicago Plant | 350.47                | 1,849.23              |
| 128 - Four 16 Ft. Bags Oxide Bag House<br>Extension - East Chicago                                                       | 12,180.00             | 12,666.75             |
| 132 - One and one-half Ton GMC Truck,<br>Model 40 802 - East Chicago                                                     | 854.50                | 854.50                |
| 133 - Addition of Reading Room to<br>Paint Laboratory                                                                    | 1,172.55              | 1,172.55              |
| 135 - Charger for Storage Batteries -<br>East Chicago                                                                    | 405.00                | 180.00                |
| 136 - Equipment for Securing Correct<br>Inventory of Custom Materials and<br>Merchantable Zinc Oxide -<br>East Chicago   | <u>4,812.20</u>       | <u>2,950.74</u>       |
|                                                                                                                          | \$ 59,734.72<br>----- | \$ 40,186.48<br>----- |

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COLLECTIONS - YEAR 1939  
ZINC OXIDE SALES

EAST CHICAGO AND  
AKRON PLANTS

| <u>MONTH</u> | <u>GROSS SALES</u><br><u>ZINC OXIDE</u> | <u>GROSS SALES</u><br><u>OTHER</u><br><u>MATERIAL</u> | <u>GROSS SALES</u><br><u>TOTAL</u> | <u>COLLECTIONS</u> | <u>OVERDUE</u><br><u>ACCOUNTS</u> |
|--------------|-----------------------------------------|-------------------------------------------------------|------------------------------------|--------------------|-----------------------------------|
| January      | \$ 181,738.44                           | \$ 2,589.62                                           | \$ 184,328.06                      | \$ 198,254.83      | \$ 10,876.04                      |
| February     | 159,616.57                              | 69.35                                                 | 159,685.92                         | 194,461.88         | 10,390.27                         |
| March        | 203,911.44                              | -                                                     | 203,911.44                         | 152,921.65         | 8,186.25                          |
| April        | 213,525.03                              | -                                                     | 213,525.03                         | 200,377.21         | 5,305.80                          |
| May          | 204,865.51                              | 1,766.21                                              | 206,631.72                         | 214,156.59         | 6,622.12                          |
| June         | 219,955.58                              | 1,046.13                                              | 221,001.71                         | 195,868.60         | 7,868.20                          |
| July         | 220,114.68                              | 9,349.05                                              | 229,463.73                         | 238,970.07         | 8,818.51                          |
| August       | 205,383.94                              | 7,827.52                                              | 213,211.26                         | 230,400.47         | 7,077.23                          |
| September    | 270,129.00                              | 11,211.12                                             | 281,340.12                         | 223,358.90         | 7,832.20                          |
| October      | 239,006.68                              | 14,050.81                                             | 253,057.49                         | 245,916.69         | 7,956.58                          |
| November     | 279,388.97                              | 21,948.78                                             | 301,337.75                         | 266,653.33         | 12,341.54                         |
| December     | 245,308.85                              | 55,042.24                                             | 300,351.09                         | 339,826.25         | 13,607.17                         |
|              | \$ 2,642,944.69                         | \$ 124,920.63                                         | \$ 2,767,865.32                    | \$ 2,699,047.07    | \$ 8,905.18                       |

Cash Discounts \$ 25,048.69

Accounts Receivable \$ 258,266.66

Percent Receivable to Gross Sales 9.33

BAD DEBT LOSSES CHARGED OFF 1939

| <u>ZINC OXIDE DEPT.</u>         | <u>STATE</u> | <u>YEAR</u><br><u>ACCURED</u> | <u>AMOUNT</u> |
|---------------------------------|--------------|-------------------------------|---------------|
| E. M. Waldo                     | Ind.         | 1937                          | \$ 41.61      |
| Tri State Paint & Varnish Works | Ind.         | 1938                          | 49.30         |
| Perfect Rubber Company          | Ohio         | 1938                          | 7.75          |
| Swavely Varnish Company         | Mich.        | 1937                          | 42.63         |
| TOTAL - CHARGED OFF             |              |                               | \$ 141.29     |

MISCELLANEOUS CREDITS TO RESERVE None

NET LOSSES - 1939 \$ 141.29

Percentage Loss to Gross Sales - 1939  
(\$2,642,944.69) .0053

CUMULATIVE - TO DATE

Gross Sales 1923 to 1939, inclusive \$ 50,190,016.17

Total Bad Debt Losses 19,676.88

Percentage Loss .039

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COLLECTIONS - YEAR 1939  
WHITE LEAD SALES  
 (DRY, IN OIL, AND LEAD SULPHATE)

| <u>MONTH</u>                      | <u>GROSS SALES<br/>(DRY)</u> | <u>GROSS SALES<br/>(IN OIL)</u> | <u>GROSS<br/>SALES<br/>(LEAD<br/>SULPHATE)</u> | <u>TOTAL GROSS<br/>SALES</u> | <u>COLLECTIONS</u>    | <u>OVERDUE<br/>ACCOUNTS</u> |
|-----------------------------------|------------------------------|---------------------------------|------------------------------------------------|------------------------------|-----------------------|-----------------------------|
| January                           | \$ 29,585.75                 | \$ 17,384.04                    |                                                | \$ 46,969.79                 | \$ 82,453.58          | \$22,653.96                 |
| February                          | 15,881.91                    | 14,001.08                       |                                                | 29,882.93                    | 34,916.54             | 22,875.29                   |
| March                             | 36,756.41                    | 73,515.26                       |                                                | 110,271.67                   | 51,000.13             | 23,108.40                   |
| April                             | 51,103.01                    | 15,935.59                       |                                                | 67,038.60                    | 64,065.98             | 23,209.96                   |
| May                               | 62,538.75                    | 34,309.50                       |                                                | 96,848.25                    | 84,062.55             | 24,481.85                   |
| June                              | 71,232.88                    | 51,322.69                       |                                                | 122,555.57                   | 101,278.82            | 20,733.94                   |
| July                              | 39,628.79                    | 40,954.31                       |                                                | 80,583.10                    | 99,046.08             | 17,672.04                   |
| August                            | 71,739.38                    | 46,700.17                       |                                                | 118,439.55                   | 109,832.38            | 14,862.61                   |
| September                         | 93,248.00                    | 85,939.65                       |                                                | 179,187.65                   | 122,799.98            | 17,612.38                   |
| October                           | 52,139.39                    | 76,464.27                       |                                                | 128,603.66                   | 166,937.79            | 16,229.98                   |
| November                          | 68,391.56                    | 20,098.95                       |                                                | 88,490.51                    | 98,264.86             | 21,097.24                   |
| December                          | <u>42,898.13</u>             | <u>15,734.32</u>                |                                                | <u>58,632.45</u>             | <u>76,912.17</u>      | <u>26,246.78</u>            |
|                                   | <u>\$635,143.96</u>          | <u>\$492,359.77</u>             |                                                | <u>\$1,127,503.73</u>        | <u>\$1,091,570.86</u> | <u>\$20,898.70</u>          |
| Cash                              |                              |                                 |                                                |                              |                       |                             |
| Discounts                         |                              |                                 |                                                |                              |                       |                             |
| Allowed                           | \$ 5,690.93                  | \$ 6,693.49                     |                                                | \$ -                         | \$ 12,384.42          |                             |
| Accounts Receivable               |                              |                                 |                                                |                              | \$ 106,728.00         |                             |
| Percent Receivable to Gross Sales |                              |                                 |                                                |                              | 9.46                  |                             |

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COLLECTIONS - YEAR 1939  
WHITE LEAD SALES  
(DRY, IN OIL, AND LEAD SULPHATE)

18

BAD DEBTS CHARGED OFF 1939

|                                               | STATE | YEAR<br>ACCURED | DRY WHITE LEAD  | WHITE<br>LEAD-IN-OIL | TOTAL           |
|-----------------------------------------------|-------|-----------------|-----------------|----------------------|-----------------|
| <u>WHITE LEAD DEPARTMENT</u>                  |       |                 |                 |                      |                 |
| <u>WHITE LEAD AND WHITE LEAD-IN-OIL SALES</u> |       |                 |                 |                      |                 |
| Jamestown Wood Finishing Co.                  | N. Y. | 1937            | \$ 25.10        |                      | \$ 25.10        |
| Lehr Hardware Company                         | Mich. | 1937-1938       | 61.28           |                      | 61.28           |
| Trent Tile Company                            | N. J. | 1937            | 159.00          |                      | 159.00          |
| Eckert Palmer Hardware Co.                    | Ind.  | 1937            |                 | \$ 30.12             | 30.12           |
| Fu-Art Paint & Wallpaper Co.                  | Ill.  | 1938-1939       |                 | 10.42                | 10.42           |
| Shinn Wallpaper & Paint Co.                   | Mich. | 1938-1939       |                 | 274.89               | 274.89          |
| Halderman Paint & Supply Co.                  | N. J. | 1939            |                 | 1,335.00             | 1,335.00        |
| King Paint Mfg. Company                       | N. Y. | 1937            | 496.44          |                      | 496.44          |
| Swavely Varnish Company                       | Mich. | 1937            | 131.25          |                      | 131.25          |
| C. H. Becker Paint Co.                        | Ind.  | 1937            |                 | 372.68               | 372.68          |
| Brill Paint Company                           | N. Y. | 1937            |                 | 15.00                | 15.00           |
| Buckeye Pottery Company                       | Ill.  | 1937            | 17.00           |                      | 17.00           |
| Tri State Paint & Varnish                     | Ind.  | 1938            | 53.12           |                      | 53.12           |
| Wallston Lumber Company                       | Ohio  | 1936            |                 | 64.40                | 64.40           |
| Best Hardware Company                         | Ohio  | 1939            |                 | 20.34                | 20.34           |
| Total - Charged Off                           |       |                 | \$ 944.19       | \$ 2,122.85          | \$ 3,067.04     |
|                                               |       |                 | -----           | -----                | -----           |
| <u>MISCELLANEOUS CREDITS TO RESERVE</u>       |       |                 |                 |                      |                 |
| Kramer's Paint Store                          | Ill.  | 1936            | \$ 72.38        | \$ 85.12             | 157.50          |
| Fenton Paint Company                          | N. Y. | 1937            |                 | 18.78                | 18.78           |
| Total Credits                                 |       |                 | \$ 72.38        | \$ 103.90            | 176.28          |
|                                               |       |                 | -----           | -----                | -----           |
| NET LOSSES - 1939                             |       |                 | \$ 871.81       | \$ 2,018.95          | 2,890.76        |
|                                               |       |                 | -----           | -----                | -----           |
| Percentage of Loss to Gross Sales - 1939      |       |                 |                 |                      |                 |
| (WL \$635,143.96) (LIO \$492,359.77)          |       |                 | .137            | .410                 | .25             |
|                                               |       |                 | ----            | ----                 | ----            |
| <u>CUMULATIVE</u>                             |       |                 |                 |                      |                 |
| Gross Sales 1926 to 1939, Incl.               |       |                 | \$12,075,253.67 | \$                   | \$12,075,253.67 |
| Gross Sales 1932 to 1939, Incl.               |       |                 |                 | 2,706,907.23         | 2,706,907.23    |
| TOTAL SALES                                   |       |                 | \$12,075,253.67 | \$2,706,907.23       | \$14,782,160.90 |
|                                               |       |                 | -----           | -----                | -----           |
| Total Bad Debts                               |       |                 | \$ 9,909.85     | \$ 7,840.15          | \$ 17,750.00    |
|                                               |       |                 | -----           | -----                | -----           |
| Percentage of Loss                            |       |                 | .082            | .290                 | .12             |
|                                               |       |                 | ----            | ----                 | ----            |

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COLLECTIONS - YEAR 1939DETAIL OF RESERVE FOR BAD DEBTSZINC OXIDE SALES

|                                          |              |              |
|------------------------------------------|--------------|--------------|
| Balance in Reserve - January 1st, 1939   | \$ 31,258.69 |              |
| Credited to Reserve in 1939              | None         |              |
| Total                                    | 31,258.69    |              |
| Bad Debt Loss Charged Off in 1939        | 141.29       |              |
| Balance in Reserve - December 31st, 1939 |              | \$ 31,117.40 |
| Doubtful Accounts - December 31st, 1939  | \$ 795.97    |              |

WHITE LEAD SALES

|                                                           |             |             |
|-----------------------------------------------------------|-------------|-------------|
| Balance in Reserve - January 1st, 1939                    | \$ 3,236.41 |             |
| Credited to Reserve in 1939<br>(1/4 of 1% on Gross Sales) | 1,587.86    |             |
| Total                                                     | 4,824.27    |             |
| Bad Debt Loss Charged Off in 1939                         | 871.81      |             |
| Balance in Reserve - December 31st, 1939                  |             | \$ 3,952.46 |
| Doubtful Accounts - December 31st, 1939                   | \$ 8.75     |             |

WHITE LEAD IN OIL SALES

|                                                           |             |              |
|-----------------------------------------------------------|-------------|--------------|
| Balance in Reserve - January 1st, 1939                    | \$ 114.08   |              |
| Credited to Reserve in 1939<br>(3/4 of 1% on Gross Sales) | 3,692.70    |              |
| Total                                                     | 3,806.78    |              |
| Bad Debt Loss Charged Off in 1939                         | 2,018.95    |              |
| Balance in Reserve - December 31st, 1939                  |             | \$ 1,787.83  |
| Doubtful Accounts - December 31st, 1939                   | \$ 3,395.74 |              |
| TOTAL RESERVE FOR BAD DEBTS - December 31, 1939           |             | \$ 36,857.69 |
| TOTAL DOUBTFUL ACCOUNTS - Dec. 31st, 1939                 | \$ 4,198.46 |              |

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