

BOARD OF OPERATORS - 1089th MEETING

April 8, 1940

Present:

A. W. Steudel
H. J. Hain
I. E. Davis
N. E. Van Stone
V. Mills
S. B. Coolidge
F. R. Sieplein
F. A. Stanton
G. H. Griffiths
J. S. Prescott
E. C. Baldwin

Absent:

E. E. Ware
T. J. McDowell

Copies To:

G. A. Martin
H. D. Whittlesey
L. W. Folcott
K. H. Wood
C. A. Campbell
Z. E. Martin
W. M. Stuart
D. A. Kohr
W. A. Gorrell
P. C. Grigsby
D. A. Whittaker
L. C. deMerrall
F. Allen

8669 - REPORT ON FACTORY OPERATIONS:

Orders for heavy liquids amounted to 165,000 gallons as compared with 152,000 gallons last year. Shipments of 172,000 gallons resulted in a decrease in stocks of 15,000 gallons.

In spite of a loss of 9% in trade sales and a loss of 20% in insecticides, total sales for the week were 7% ahead of last year.

In general factories are continuing to operate on the basis of a forty hour week.

8670 - REPORT ON NUMBER OF HOURS PLANTS HAVE OPERATED:

Chicago	P&V	-	Operated at 32 hour week
Newark	P&V	-	" " 40 " "
Cleveland	P&V	-	" " 40 " "
Oakland	P&V	-	" " 48 " "
Los Angeles	P&V	-	" " 40 " "
Dallas	P&V	-	" " 40 " "
Chicago Lacquer		-	" " 40 " "
Dry Color		-	" " 40 " "
Flushed Color		-	" " 40 " "
Acme		-	" " 32 " "
Lowe Brothers Company		-	" " 40 " "
Lucas		-	" " 40 " "
Martin-Senour Company		-	" " 40 " "
Chicago White Lead		-	" " 100% capacity
Lithopone		-	" " 0% "
Tin Can		-	" " 80% "
Coffeyville Lithopone		-	" " 100% "
Leaded Zinc		-	" " 100% "
Cleveland Linseed Oil		-	" " 100% "
Castor Oil		-	" " 100% "

N 5221

8671 - LITHARGE FOR THE DRY COLOR PLANT:

The Board decided that effective immediately litharge for the dry color plant will be billed at \$1.25 over the price of pig lead.

8672 - OITICICA OIL:

The Board asked Mr. Coolidge to try to sell the drum stock of oiticica oil that we have at Cleveland.

8673 - CHINA WOOD OIL:

The Board discussed the possibility of reducing the August inventory of wood oil below the eight tanks that we had last August. An effort will be made to accomplish this by buying for several of the plants in compartment tank cars.

Mr. Griffiths was asked to see that inventories of products such as Mar-not and Rexpax that contain a lot of wood oil are reduced to a minimum before the end of the year.

8674 - DEHYDROL:

Production of Dehydrol last week amounted to 194,000 pounds as compared with factory consumption of about 65,000 pounds.

Dr. Van Stone reported that as yet no satisfactory way has been found of substituting Dehydrol for wood oil in wrinkle finishes.

8675 - RAW MATERIALS CONSUMED:

Mr. Davis reported that excluding china wood and perilla oils the cost of raw materials consumed is slightly under last year. Including these oils, average costs are up about 7% over last year.

8676 - LINSEED OIL:

Mr. Davis reported that the market price of linseed oil increased from 10.3¢ to 10.5¢.

8677 - STEEL PACKAGES--ARMSTRONG PAINT & VARNISH:

Mr. Coolidge reported that they are planning to manufacture steel containers and would like to supply us with our requirements. At present no commitment will be made.

8678 - POURING TYPE CANS:

Mr. Griffiths reported that the trade sales - manufacturing committee has decided to change from square cans to round pouring type cans in filling fifteen products with a resultant saving in cost of cans approximately \$4,000 a year.

Mr. Hain was requested to see whether the allied companies cannot make similar savings.

He is also making a thorough check to see whether costs will justify filling regular trade sales items in pouring type cans rather than regular double-tite cans.

8679 - ADVERTISING FEATURES:

Mr. Steudel advised the Board that in the future the affiliated companies would be asked to submit plans to Cleveland before producing any expensive advertising features since it is possible to make substantial savings in production by using plates, etc., that have already been made up.

8680 - NEW RETAIL BRANCHES:

Mr. Steudel advised the Board that the following new stores have been installed since February 1:

Waterloo, Iowa
Niagara Falls, N. Y. (Jenss Bros. Dept. Store)
Uniontown, Pa. (Kaufman's Dept. Store)
Danbury, Conn.
South Denver, Colo.
Tulsa, Okla.
Kansas City, Mo. (Troost Ave.)
Harlingen, Texas
Ithaca, N. Y.
Cleveland, Ohio. (East Side)

The additional stores are under way:

Salem, Mass.
Erie, Pa.
Queens Village, Long Island, N. Y.

8681 - P & S MERCHANDISE INVENTORY--ACME:

A report from Mr. Campbell showed that a decrease in the advertising and stationery merchandise inventory offsets the increase in P & S inventory so that by the end of the year total of the two should be about the same as it was last August.

8682 - PAINTER SALES--METROPOLITAN CENTERS:

Mr. Steudel advised the Board that plans have been made to develop painter sales in Philadelphia, Boston, St. Louis, Oakland, and Portland by selling direct from warehouses at those points. The same credit and billing system that is used in retail branches will be set up at each warehouse point and painter sales territories will be established.

8683 - TRANSFER PRICES:

Mr. Sieplein reported that new transfer prices will be issued on dry colors tomorrow (April 9) and new transfer prices on insecticides the next day.

8684 - CORRUGATED OR FIBRE BOARD CONTAINERS--5 GALLON CANS:

A report from Mr. Sanford stated that Interstate Commerce Commission and Bureau of Explosives approval has been given to shipping five gallon cans containing materials flashing between 20 and 80 degrees in corrugated or fibre board cartons. This is effective immediately.

8685 - PAPER BAGS FOR INSECTICIDES:

Pending a formal hearing before the Interstate Commerce Commission in Washington, tentative approval has been given for use of container bags to handle five - 4 pound inside bags or two - 24 pound inside paper bags, eliminating the necessity of more expensive cartons. Tentative approval was also given to use five ply paper bags for shipment of 50 pounds in bulk.

8686 - WHITE LEAD PLANT OPERATIONS:

The Board discussed the advisability of continuing full operation of the White Lead plant. It was pointed out that we must make H.T.S. lead if we expect to increase our own use and increase also outside sales. No decision was made as to whether operations should be curtailed.

8687 - PUBLIC BID:

Since September 1, 1939, 1367 invitations to bid have been received. A total of 1146 amounting to \$2,855,026 have been placed and of this total we have received awards on 131 amounting to \$357,554.00.

8688 - NEW GOODS:

SWP Trimbrite Colors--two shades to be added to Trade Sales Trimbrite Line. Suitable names will be chosen later.

Fast Dry Blocking Out Colors (White and Gray)--are to be filled in special 1/2 gallon and gallon seamless lead kegs.

Hull Finishes--all items to be dropped except black, and except the flat, semi-gloss, and gloss whites.

Deck Finishes--following colors of deck finishes are to be dropped:

Cream	Rex 6143
Buff	6126
Brown	6129
Shamrock Green	6152

Name of Deck Finishes to be changed to "Craft and Deck Finishes".

Varnish Stains--dropped:

Mahogany	Rex 6174
Walnut	6170

8666 - FACTORY OPERATIONS, week ending April 2, 1940

HEAVY LIQUIDS - S-W PLANTS

Total orders received	-	164,666	Total production	-	151,504
Total factory stocks	-	1,161,098	Inventory Dec.		15,000
CHICAGO	-	Orders recd. 63,714	Production 61,911	Stocks 615,164	gals.
NEWARK	-	Orders recd. 40,305	Production 35,470	Stocks 248,434	gals.
CLEVELAND	-	Orders recd. 37,016	Production 35,083	Stocks 212,738	gals.
OAKLAND	-	Orders recd. 23,631	Production 19,040	Stocks 89,762	gals.

TOTAL PLANT OUTPUT

CHICAGO	P&V	-	112,204 gals.	Operated at	75%
NEWARK	P&V	-	57,796 "	"	80%
CLEVELAND	P&V	-	59,418 "	"	79%
OAKLAND	P&V	-	26,895 "	"	208%
LOS ANGELES	P&V	-	16,312 "	"	62%
DALLAS	P&V	-	14,682 "	"	64%
CHICAGO LACQUER		-	42,141 "	"	90%
DRY COLOR		-	158,393 lbs.	"	82%
FLUSHED COLOR		-	62,029 "	"	82%
CHEM. PRODUCTS		-		"	96%
BOUND BROOK INSECTICIDE		-	Arsenic Acid 85 tons		
			Calcium Arsenate 85 "		
			Lead Arsenate 81 "		
			Basic Copper Sul. 26 "		
			Dry Lime Sulfur 37 "		
			Miscellaneous 26 "		
OAKLAND INSECTICIDE		-	5 days, 3 eight hour shifts.		
ACME		-	Produced 40,837 gals. Paint Dept. operated at 11%, Enamel & Lacquer at 20%, and Varnish & Thinner at 13%.		
LOWE BROTHERS COMPANY		-	Manufactured 52,553 gals. with paint depts. operating at 94%, Enamel Dept. at 94%, and Varnish Dept. at 53%.		
LUCAS		-	Manufactured 65,832 gals. Operated at 80%.		
MARTIN-SENOUR COMPANY		-	Manufactured 20,832 gals. Paint Dept. operated at 65%.		

#8667 - PLANT REQUISITIONS APPROVED:RETAIL STORES:#1318 - Danbury

2 - 2½ gal. foam extinguishers	17.00
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#1319 - Kansas City

1 - 2½ gal. foam extinguisher	8.50
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#1320 - Waterloo

3 - 2½ gal. foam extinguishers	25.50
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#1321 - Cleveland

2 - 2½ gal. foam extinguishers	17.00
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#1413 - Waterloo

Cash drawer, adding machine, safe, hand truck and typewriter	251.70
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#1414 - Miami

Postal scale	7.50
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#1415 - Macon

Awning	124.90
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#1416 - Tampa

Postal scale	7.50
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NO. ATLANTIC DIST.#1490 - Newark

Numbering stamp for Stockkeeping Dept.	17.60
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TEXAS DIST.#497 - Houston Whse.

2 - 4 drawer stack files	46.00
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PACIFIC COAST DIST.#602 - Seattle

Electric billing machine	230.00
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SO. PACIFIC DIST#695 - Phoenix Whse.

1 Red Devil paint conditioner	47.50
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SOUTHWESTERN DIST.#388 - Kansas City

1 second hand comptometer	135.00
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CHICAGO FACTORY

#226 Heavier light circuits, due to added wattage - P&V	231.80
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#255 Enlarging drafting room to handle new work.-Mech.	896.30
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#256 Lift truck - Mech.	106.50
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#265 Turpentine storage equipment - insurance requirement	253.00
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CLEVELAND ADMIN.OFFICES:

#1493	Typewriter for Gen. Acctg. Dept.	93.56
#1491	2 steel transfer cases for Insurance Dept.	5.14
#1492	5 transfer files for Personnel Dept.	15.00
#1494	1 - 2 drawer mahogany file cabinet for Personnel Dept.	36.55

CLEVELAND FACTORY

#3510	Stainless steel varnish kettle	190.00
#3311	Fire alarm system in Bg. #15	107.90
#3312	2 - 1/2" gate valves on tanks	97.08
#3313	Extending fire alarm system	101.10

CLEVELAND LINSEED OIL MILL

#743	Storage tank	2,000.00
#747	Baffles on continuous castor still	450.00

COFFEYVILLE

#617	4 ton gasoline locomotive	2,427.00
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DALLAS FACTORY

#42	2 Colson drum trucks	55.00
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HAVANA FACTORY

#385	Varnish manufacturing equipment	291.40
#383	Laboratory equipment	112.00

TOTAL PLANT REQUISITIONS APPROVED - - - - - \$ 8,405.03

#8668 - LARGE EXPENSE REQUISITIONS APPROVED:

RETAIL STORES

#1412 - Lincoln

Repairing and repainting signs	80.75
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CHICAGO FACTORY

#239	Repair and replace weight scales - P&V	234.35
#263	Replace conduit on north wall of Bldg. 511	93.19
#202	Replace agitator paddle for label varnish tank	80.50

COFFEYVILLE

#619	Repair parts for Morris pump	200.00
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NEWARK FACTORY

#625	Repairs to elevator in Bg. #11	185.73
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TOTAL LARGE EXPENSE REQUISITIONS APPROVED - - - - - \$ 874.52

ACME - Detroit

ES 723	Repair Lehmann mill rolls	107.59
ES 728	Conveyor repairs	57.30
ES 821	Westinghouse electric water cooler	160.00
ES 915	Repaint Miss Morgan's office	55.57
ES 928	Hoover mulling machine	260.00
ES 940	New discharge line from pump house to Bg. #41	800.00
ES 946	Spraying varnish works laboratory	99.02
ES 947	Rearrange lighting over tanks on 2nd floor	51.20
ES 948	Repairing floors	128.51
ES 949	Repair air compression on inert gas machine	74.89
BE 200	Plymouth pick-up truck - Hutchinson branch	406.16
BE 267	Ford 1/2 ton pickup	425.00

JOHN LUCAS CO. - Philadelphia

#125	3 typewriters, less trade-ins	259.18
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Gibbsboro:

#32	Decorating and re-wiring two offices	200.00
#33	25 - 60" grate bars	100.00
#34	Replace floor in main aisle of Bg. 7-1 and 7-2	350.00

MARTIN-SENOUR CO.

#307	Plymouth tudor sedan, less trade-in	198.00
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Total Plant Requisitions approved to date \$ 815,471.90

Total expense " " " " \$ 127,212.01