

Shipments of friction products in 1964 amounted to \$35,500,000, representing a 13 per cent gain over 1963. Brake Shoe manufactures these products at eight plants located in the United States, Canada, Mexico and France. Sales increases were posted in each of these locations.

Industrial friction products are used in clutches, transmissions and brakes for earth-moving and construction equipment, farm machinery and numerous other mobile vehicles and industrial machines. Brake Shoe is also an important supplier of braking materials for all types of aircraft in private, commercial and military service.

In the automotive field, brake lining for passenger cars, trucks and buses provides the major market, while our high energy materials are used in clutches and transmissions for trucks and military equipment.

Brake Shoe has a group of friction products used on automotive disc brakes, and these materials are being manufactured and sold in Europe, where disc brakes are quite common. Should U.S. car manufacturers follow the European trend toward disc brakes, our research and manufacturing experience will place us in a favorable position.

The automotive parts business is highly competitive both in the original equipment and replacement markets, and brake lining is no exception. Intense competition comes from other brake lining manufacturers, automobile companies that manufacture and sell brake lining and many new distribution organizations. Nevertheless, because of the quality of our products and the effectiveness of our marketing, American Brakeblok continues to increase sales and grow with the demand in North America and Europe.

The demand for industrial friction products in 1964 was strong from original equipment manufacturers and the replacement market as well. In both the industrial and transportation fields, success depends in large measure upon our ability to provide materials with specific performance characteristics to meet the requirements of particular applications. Here our excellent research facilities, coordinated with an effective engineering and field sales force, supply the essential ingredients necessary to continued growth.

Requirements for automotive and industrial friction products are expanding on a world-wide basis and we plan to continue aggressive efforts in this field.

Thick blocks for truck brakes are manufactured by American Brakeblok Division at Winchester, Va.