Annual R

NATIONAL LEA

for Fiscal Ye

December 3

Principal Of

1 Exchange Place, Jerse

Executive Of

111 Broadway, Ne

National Lead Company

1 Exchange Place, Jersey City, N. J.

Report Presented to the Stockholders at their Twenty-First Annual Meeting, April 17, 1913, for the Fiscal Year Ending December 31, 1912.

To the Stockholders of National Lead Company—

The following Balance Sheet shows the condition of the Company on December 31, 1912:

ASSETS.

Plant Investment	$24,551,637.08
Other Investments	14,578,601.14
Stock on hand, manufactured, in process and raw	7,579,811.78
Cash in Banks	700,957.73
Notes Receivable	158,382.34
Accounts Receivable	4,294,840.19
	$51,864,230.26

LIABILITIES.

Capital Stock—Common	$25,000,000.00		
Unissued	4,344,600.00	$20,655,400.00	
Preferred	25,000,000.00		
Unissued	632,400.00	24,367,600.00	
Surplus, December 31, 1912		5,068,419.91	
Notes Payable		1,450,000.00	
Accounts Payable		322,810.35	$51,864,230.26

A comparison with the preceding year is given in the following Statement:

ASSETS.

	Dec. 31, 1911	Dec. 31, 1912	Increase	Decrease
Plant Investment	$24,327,472.08	$24,551,637.08	$224,165.00	
Other Investments	14,365,277.26	14,578,601.14	213,323.88	
Stock on hand	7,173,439.28	7,579,811.78	406,372.50	
Cash in Banks	1,057,221.81	700,957.73		$356,264.08
Notes Receivable	104,555.37	158,382.34	53,826.97	
Accounts Receivable	3,142,255.88	4,294,840.19	1,152,584.31	
	$50,170,221.68	$51,864,230.26	$2,050,272.66	$356,264.08

LIABILITIES.

	Dec. 31, 1911	Dec. 31, 1912	Increase	Decrease
Common Stock	$20,655,400.00	$20,655,400.00		
Preferred Stock	24,367,600.00	24,367,600.00		
Surplus	4,901,581.11	5,068,419.91	$166,838.80	
Notes Payable		1,450,000.00	1,450,000.00	
Accounts Payable	245,640.57	322,810.35	77,169.78	
	$50,170,221.68	$51,864,230.26	$1,694,008.58	

SU

Surplus, December 31, 1911........	
Net Earnings during 1912.........	

DIVIDENDS PA

On Preferred Stock—

March 15,	Dividend	No. 81......$4	
June 15,	"	No. 82...... 4	
Sept. 16,	"	No. 83...... 4	
Dec. 16,	"	No. 84...... 4	

On Common Stock—

March 30,	Dividend	No. 33......$1	
June 29,	"	No. 34...... 1	
Sept. 30,	"	No. 35...... 1	
Dec. 31,	"	No. 36...... 1	

Surplus, December 31, 1912.

The foregoing statements
the Company at the close of i
1912. The net earnings for
the preceding year. The reg
was paid on preferred stock,
stock aggregating three per cen
which has been added to the su
of the surplus is now $5,068,41

Plant In

The Plant Account shows
which is explained as follows:

In the year 1909 the increas
White Lead had been packed
with a desire to secure a better
to make a radical change in th
steel kegs for the wooden kegs
at that time suitable in all res
existing productive capacity l
supply, your managers decided
manufacture the steel packag
This was speedily done. This
nected therewith have been ke
profits accruing from its ope
against the cost of the plant u
plant has been entirely paid f
writing off a conservative amou
gers that the steel package
plant account.

Other Investments

The increase in the item "Other Investments" is for the most part accounted for by the completion of our payments on account of the increase in the capital stock of the United States Cartridge Co., to which reference was made in the report of last year.

Notes Payable

With reference to this item, $1,450,000 increase compared to 1911, this is to be said:

The policy of the Company regarding the maintenance of its properties, the concentration of its plants and extraordinary reconstruction, as explained in detail in the report of last year, taken together with the additional requirements of its subsidiary companies, the business of all of which is increasing in volume, makes necessary at times additional working capital. Your managers believe that their policy of not making new issues of stock or other similar forms of financing is best, and expect to continue that policy at least until such time as the demands become greater than may be easily and conservatively met by temporary loans from the Company's bankers.

Maintenance and Repairs

There has been charged to Maintenance and Repairs for the year as follows:

Maintenance	$424,100.07
Machinery Repairs	148,098.68
Building Repairs	41,773.18
Total	$613,971.93

This amount has been deducted before the results shown are reached. The charge to maintenance, as heretofore, for the most part relates to the new plants, either now completed, or under construction, and follows the established policy of the Company of putting under the head of maintenance such reconstruction and writing it off gradually as earnings permit, instead of charging same to Plant Account.

In the report of last year, reference was made in detail to the conservative policy followed regarding maintenance, reconstruction and repairs.

Important reconstruction is now under way at the Carter Plant, Chicago, the Lewis Plant, Philadelphia, and the Jewett Plant, New York.

Conditions Affe

Despite severe competition enc
of your Company's business, the pr
have shown quite a considerable i
years were it not for two import
went far to neutralize the larger p
the increased volume of sales which

The first condition to which
constant trend of the flaxseed ma
the price of linseed oil. From th
price of flaxseed began to decline a
and constant that before flaxseed
could reach the mills and its prod
market, new and lower prices for
mary markets, and the effect of s
lower prices for oil prematurely
business. This unusual condition
linseed oil the most of the year in
or below its cost. The annual
interest in this business, recently
situation, which for them, as fo
duced heavy losses.

At the end of the year our inve
might be called drastic, so that this s

Since January 1, 1913, the in
somewhat higher prices for flaxs
proved conditions generally, lead u
normal conditions, and with them
oil branch of our business.

Heavy and repeated declines in
the late fall of the year 1912 made
conservative treatment in taking c
products.

When it is remembered that or
we have on hand in one form or a
one-eighth of this country's total
it will be easy to understand wha
a conservative figure such an imm

Volume of

There has been an increased
every department. Taking the bu
is again made to its diversified
under review the losses referred t
been more than overcome by th
departments.

Matheson Lead Co.

In June, 1912, at a time when the demand for White Lead was far beyond your Company's ability to meet, and no prospect in sight of immediate or future relief, the owners of the Matheson Lead Co. offered us their plant and business on favorable terms.

The Matheson Lead Works, situated at Long Island City, New York, has a valuable water-front, modern plant, and a going business; the offer made, involving no cash outlay, no allowance for good will, based entirely on appraised and inventoried values, seemed to bring relief to the situation and was accepted.

Your managers regard this acquisition of great value and the product of this works is used to supplement that of our other plants at New York.

St. Louis Smelting & Refining Co.

In the report of last year the operations of this Company were stated in detail. In addition to what was there said we have now to add that satisfactory progress is being made along the lines indicated.

Heath & Milligan Manufacturing Co.

The operations of this Company during the past year show satisfactory results. The volume of business has been largely increased and indications for the current year's business are highly favorable.

Magnus Metal Co.

With the increase of purchases by railroad and car building companies of equipment, this Company has enjoyed one of the most prosperous years in its history.

United States Cartridge Co.

This Company having passed through the preliminary period of construction referred to in last year's report, is now in the market with its complete line.

It is gratifying to record that in recent competitive trials under governmental supervision, the U. S. ammunition stood easily first, outranking all competitors.

The superiority of this Comp
maintained and a large increase
confidently anticipated.

United L

Despite competition of a seve
have been substantial increases b
done and in the profits secured.

Insuranc

Explanation of the foundatic
were made in last year's report.

After the payment of all char
the year, amounting to $29,137.
Fund on December 31, 1912, was
$627,953.41 one year ago.

Pension

After careful consideration of
examination of the various sys
Board of Directors have establi
is intended as an evidence of the
fidelity, efficiency and loyalty of
for those who by long and faith
able retirement.

Safety and Healt

The welfare of the Americar
prominent subject, by reason of
ances of those engaged in its i
that it seems proper to advise ou
position occupied by your Comp

In the manufacture of the v
are two sources of danger to t
employed; viz., the fumes arising
of metallic lead, and the dust ari
white lead and lead oxides.

To attempt to state, even in a
and studies conducted through
minimize and later to entirely e
be to give a history of the Compa
results attained are what really
here that in our new plants, by th

and air-suction, enclosed air-tight machinery and mechanical devices to replace men, we have practically banished the dangers from fumes and dust.

However, despite the employment of the best mechanical devices, there are at times weak spots in the system because of the human element involved. This human element is naturally careless, indifferent to known dangers, and extremely difficult to guide in the path wherein lies safety. The best, and in fact the only, way to neutralize this attitude and safeguard against its resultant dangers to health, is by teaching habits of personal cleanliness, and prohibiting as far as possible indulgences which tend to injure health.

Workmen are provided with sanitary respirators, the wearing of which prevent the inhalation of dust. At the various plants are provided complete welfare equipment of the most modern type.

The daily routine of one of our workers who utilizes what is freely placed at his disposal is somewhat as follows:

On entering the works and after registering his arrival, the workman proceeds to the locker room and places his street clothes in his individual steel locker; a few steps takes him to another adjoining locker room where from another locker he gets and puts on his working clothes, and procures his sanitary respirator. Respirators are supplied and kept clean free of charge. Working clothes are at some places supplied free of charge, at others at a nominal cost, this being a minor detail of policy being worked out and relating to the care of clothes.

The clothes are laundered free of charge by the Company. When luncheon time arrives a thorough washing of the hands and face with soap and warm water is required; after which luncheon is eaten at tables in clean, well-lighted, airy dining-rooms, separate and removed from all manufacturing departments.

When quitting time arrives, after placing work clothes in the locker, a step takes the workman to large shower baths, so numerous as to be ample for the entire force. The water is tempered to the right point; after bathing and dressing in his street clothes, refreshed from his day's work, he is ready to start for home.

The Company provides soap and towels, and urges the men to use the baths as often as they will, and always on the Company's time. It is interesting, in passing, to remark on the great difficulty experienced, particularly with foreigners, in inducing them to use the baths. This is a study in itself and numerous ingenious devices are used. In one works men are actually paid five cents for each bath they may take. Each works has a regular physician who makes an examination of every workman

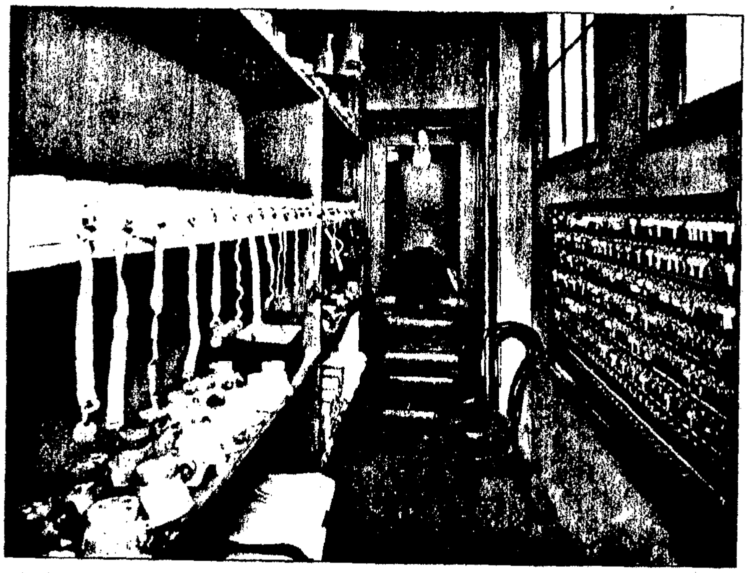
STERLING WORKS, PITTSBURGH. SHOWING WELFARE HOUSE (CORNER) WITH OPEN AIR REST ON ROOF.

LOCKER AND WASHROOM, SOUTHERN WORKS, CHICAGO.

WASHROOM AND LOCKERS FOR CO

WASHROOM FOR WHITE WORKMEN, ST. LOUIS.

WASHROOM AND SHOWER BATHS, ST



RESPIRATOR ROOM, SHOWING KEY AND CHECK SYSTEM.

REST AND READING ROOM, ST. LOUIS.

KITCHEN, CH

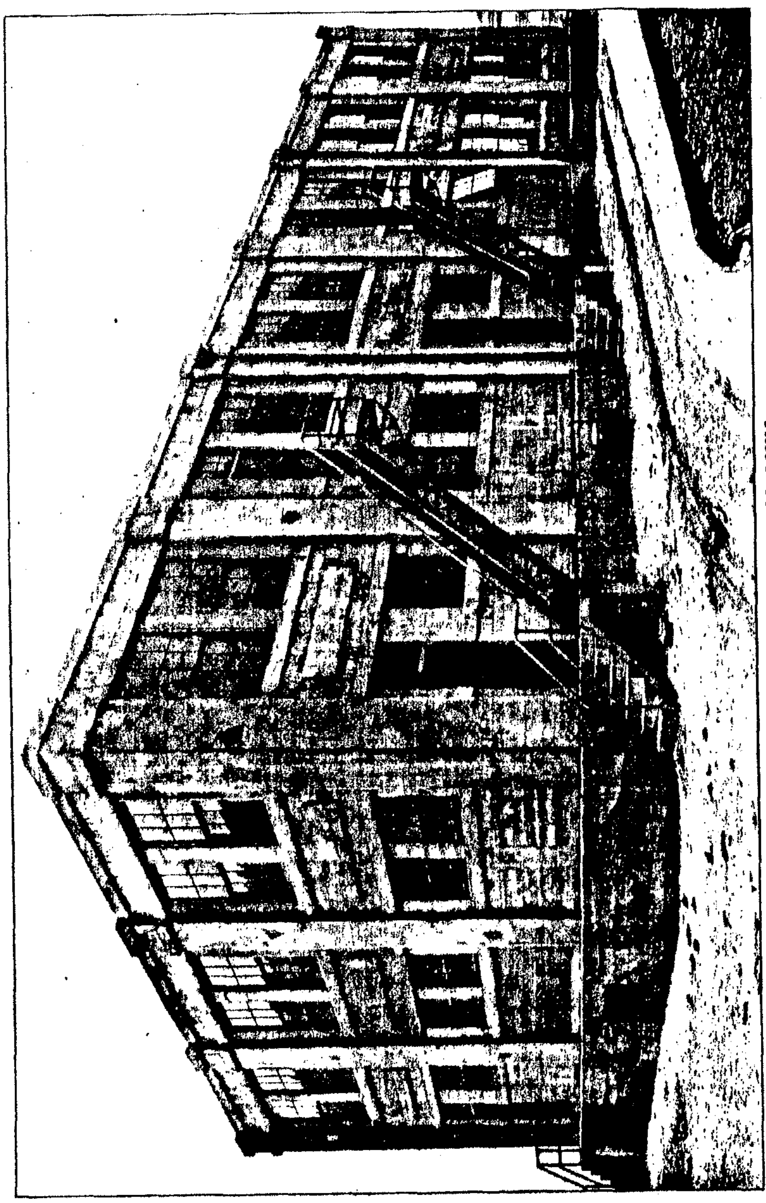
WORKMEN AT LUNC

OFFICE FORCE AT LUNCHEON, CHICAGO.

MEN'S DINING ROOM, ATLANTIC WORKS, BROOKLYN, N. Y.

WHITE WORKMEN AT LUNC

COLORED WORKMEN AT LUNC



WELFARE HOUSE, FIREPROOF, ST. LOUIS.

once a week; a card index histo
showing his health history as far
ailments receive instant attentio
of the workmen's health is far m
in his ordinary private life. All t
workmen.

Rest rooms are provided, and
structions printed in various lang
to co-operate with the Company in
strong and constantly employed at

No women are employed in
occasional capacity as messenger,
ployed.

With this report are incorpora
equipment provided at various pl

Every device that we have p
improve the sanitary side of the
the disposal of our competitors.
sult of years of study and large
cost as part of our contribution to
and Health of Workmen engaged

Stockho

The total number of stockho
pany's records on December 31, 19

Of this number, 49% are wom

As has been previously stated,
have exceptionally large holdings.

Officers and

In the various branches of
are employed. Whether in the f
offices, all are in the highest degr
pany's interests. It is to this
operation that your managers con
continued success and prosperity,
tion of faithful services rendere

Respect

Wi

Directors

National Lead Company

EDWARD F. BEALE,	Philadelphia
GEO. O. CARPENTER,	St. Louis, Mo.
FRED M. CARTER,	Chicago, Ill.
R. R. COLGATE,	New York City
E. J. CORNISH,	New York City
G. D. DORSEY,	Madison, N. J.
CHAS. E. FIELD,	Chicago, Ill.
GEO. W. FORTMEYER,	E. Orange, N. J.
E. C. GOSHORN,	Cincinnati, O.
WILLIAM W. LAWRENCE,	New York City
A. J. MEIER,	St. Louis, Mo.
R. P. ROWE,	Brooklyn, N. Y.
W. N. TAYLOR,	Pittsburgh, Pa.
WALTER TUFTS,	Boston, Mass.
J. R. WETTSTEIN,	Mt. Vernon, N. Y.

Executive Committee

WILLIAM W. LAWRENCE, Chairman.

E. F. BEALE	E. J. CORNISH
R. P. ROWE	R. R. COLGATE

Executive Off

National Lead Con

President

WILLIAM W. LA

Vice-Preside

GEO. O. CARPE

R. P. ROW

E. J. CORNI

Secretary

CHARLES DAV

Treasurer

M. D. COL

Assistant Secr

JOHN B. FROTH

Assistant Trea

FRED R. FORT

General Cou

Messrs. ALEXANDE

165 Broadway, New

Registrar of S

BANKERS TRU

14 Wall St., New

Departments

National Lead Company

Manufacturing Committee
C. P. TOLMAN, Chairman
A. J. MEIER
G. W. THOMPSON

Laboratory
G. W. THOMPSON, Chief Chemist
A. H. SABIN, Consulting Chemist

Advertising Department
O. C. HARN, Manager

Metal Department
A. B. HALL, Manager

Flaxseed Department
CHAS. T. NOLAN, Manager

Insurance Department
I. M. STETTENHEIM, Manager

Branch

National Lead (

ATLANTIC BRANCH,
R. P. ROWE, Manager,

BUFFALO BRANCH,
SHELDON THOMPSON, Manager,

CLEVELAND BRANCH,
C. C. FOERSTNER, Manager,

CINCINNATI BRANCH,
E. C. GOSHORN, Manager,

CHICAGO BRANCH,
CHAS. E. FIELD, Manager,

ST. LOUIS BRANCH,
GEO. O. CARPENTER, Manager,

JOHN T. LEWIS & BROS. CO.,
EDWARD F. BEALE, Pres., Lafayett

NATIONAL LEAD & OIL CO., OF PI
W. N. TAYLOR, President, Common

NATIONAL LEAD CO., OF MASSAC
WALTER TUFTS, Treasurer, Boa

NATIONAL LEAD CO., OF CALIFO
JOHN P. NEVILLE, Vice-President,

ST. LOUIS SMELTING & REFININ
A. J. MEIER, 2d Vice-Pres. & Gen. M

Warehouses

National Lead Company

BALTIMORE, MD.,	1015 E. Fayette Street
ST. PAUL, MINN.,	354 to 360 East Sixth Street
DETROIT, MICH.,	Corner Fourth and Larned Streets
OMAHA, NEB.,	1102 Dodge Street
KANSAS CITY, MO.,	1406 and 1408 West Thirteenth Street
LOUISVILLE, KY.,	202 Equitable Bldg., Fourth and Jefferson Sts.
NASHVILLE, TENN.,	225 Tenth Avenue, South
NEW ORLEANS, LA.,	513 South Peters Street

Corporations in Which This Company is Interested

CARTER WHITE LEAD COMPANY, Chicago and Omaha
FRED. M. CARTER, President.

HEATH & MILLIGAN MANUFACTURING CO., Chicago
NORRIS B. GREGG, President.

MAGNUS METAL COMPANY, New York
H. H. HEWITT, President.

MATHESON LEAD CO., Long Island City
W. J. MATHESON, President.

UNITED LEAD COMPANY, New York
J. R. WETTSTEIN, President.

UNITED STATES CARTRIDGE COMPANY, Lowell, Mass.
PAUL BUTLER, Treasurer.

Products Manufactured by N

Painters' Mat

White Lead, Dry
White Lead in Oil
Linseed Oil, American
Raw, Boiled, Refined, V

Bearing Me

Phœnix Metal
Pressure Die C

Plumbers' Mat

Lead Pipe
Block Tin Pipe
Tin-lined Lead Pipe
Soldering F

Printers' Met

Linotype Metal
Monotype Metal

Canners' Mat

Bar Solder
Wire Solder
Soldering F

Lead Oxid

Red Lead
Litharge
Orange Mineral
Glassmakers' Oxides
Colormakers' Oxides

Miscellaneous Lead

Sheet Lead
Glaziers' Lead
Bar Lead

General Prod

Brown Sugar of Lead
White Sugar of Lead

National Lead Company Brands
Pure White Lead

(Dutch Boy Painter Trade-Mark)

Anchor
Armstrong & McKelvy
Atlantic
Beymer-Bauman
Bradley
Brooklyn
Collier
Cornell
Davis-Chambers
Fahnestock
Jewett
Lewis
Morley
Phœnix (Eckstein)
Red Seal
Salem
Selby
Shipman
Southern
Sterling
Ulster
Union