

Stockholders Meeting April 1974

N 1157

H-456

ANNUAL MEETING QUESTIONS

1. NAME CHANGE

Why is the company's name being changed?

What is the significance of "NL" in the new name? How much will adoption of the new name cost? (in terms of promotion, goodwill lost from the former name etc.?)

Answered

2. EMPLOYEES

Do you expect any difficult labor negotiations this year?

What major contracts are coming up for the Company in 1971?

How many people has National Lead laid off in the past year?

Are there any major labor contracts up for renewal this year?
What are our prospects in this area?

3. FINANCIAL

✓ What has the company done in the past year to cut costs? And increase profits?

Are there any cost reduction programs in effect and if so, what have they accomplished if anything? When will we see the results?

How come the company had lower earnings last year?

In times like we just experienced in 1970, how does the company justify pension programs in excess of \$10,000,000 as was reported?

✓ How has the company grown when 1970 profits were lower than in 1961?

✓ Why does the company continue to rack up impressive sales but lower earnings, year after year?

Please explain how you could spend \$319 million in improvements and still make less per share than 10 years ago?

~~Why hasn't the price of the stock increased any in the past year and a half?~~

Has the company completed its reorganization begun in 1968? If not, when will it be complete and how much will it cost? How much has it cost the company over the past three years?

4. DIVIDEND

Why did the company reduce the dividend?

How can the reduced dividend have an effect on the tremendous increase in our long term debt?

When will the dividend rate be restored to its former rate of \$1.70?

5. PERSONALITIES

Have the officers of the company taken pay cuts in view of lower earnings and a dividend reduction in 1970?

What has Cresap, Paget & McCormick done for National Lead? Is not having Mr. Paget on the Board of Directors a conflict of interest?

6. PUBLIC AFFAIRS

- a. Donations
- b. Pollution
- c. Legislation

How can the company, when its profits are down as they were in the past year, afford to "give away" a \$1.3 million plant as it did in San Francisco?

Due to zoning, the company had to cease operations at its San Francisco paint plant. We felt that donation of the plant to Synanon, a non-profit organization was a worthwhile contribution and from the tax viewpoint, such a donation was beneficial to the company.

How many minority employees does National Lead employ?

Concerning minority employees, how many are considered executives?

Would you describe the Company efforts in pollution control?

What is the status of the litigation in St. Louis concerning our plant pollution?

What are we doing to clean up the mess emitted from the Sayreville plant?

Have the new pollution abatement facilities been completed at the St. Louis titanium pigment plant? If not, when will they be?

How much did the company pollution control program cost in 1970?
How much will it cost this year and in the next five years?

What are we doing to prevent pollution at the magnesium plant now being built?

Will the removal of lead in gasoline have an effect on our earnings?
How much of an effect (per share)?

6. PUBLIC AFFAIRS (cont).

How does the pending legislation which prohibits lead in paints affect sales and earnings of Dutch Boy? How will it affect the Pigments & Chemicals Division line of anti-corrosive pigments?

Does the company still manufacture products for the Vietnam War?

7. ANNUAL REPORT ADVERTISING

How much did it cost to produce the annual report?

What were the costs of advertising last year and what are they this year?

8. OPERATIONS

There's been a noticeable slide in titanium pigment profits. What are you doing to rectify the situation?

Titanium pigment: there was supposed to be a price increase this year. What happened to it?

~~DuPont has a new process for making titanium pigment which is supposed to be better. Is that so?~~

9. MAGNESIUM

How much will the \$70 million magnesium project add to earnings and when?

When the magnesium plant comes on stream, won't there be an over-supply of magnesium? What will our production be used for?

10. TIMET

- D Does the company expect to receive dividends from TIMET in 1971?
If not when?

How does defeat of the SST in Congress affect TIMET? What are TIMET's prospects for this year in light of the depressed aerospace industry?

Has titanium found any applications which hold promise other than aerospace?

11. LAKE VIEW

How does the one bank holding legislation affect the company with regard to the Lake View Bank? Will the company sell the Bank and when?

12. FUTURE PROSPECTS

Is the company contemplating any new acquisitions or major new ventures in 1971?

If there is a steel strike this summer, will it affect the company and if so, to what extent?

What are the company's prospects for an improvement in earnings and sales this year?