Employee Relations

AN average of 11,300 men and women were employed by Brake Shoe and its subsidiaries in North America and Europe. Our relations with employees continued favorable and no work stoppages of any consequence occurred during the year.

The company established, on January 1, 1963, a new profit sharing and savings plan for all salaried employees. In previous years, when earnings permitted, salaried employees who did not participate in the company's incentive compensation plan received extra compensation in the form of a Christmas bonus. The new plan replaces this old method with a formal and more equitable arrangement and additionally provides a convenient method for employees to save systematically a percentage of their income through payroll deductions. Salaried employees who receive incentive compensation will not receive additional compensation as a result of the new plan.

Management Changes

WILLIAM B. GIVEN, JR. retired as chairman of the board on February 1, 1963, following almost 52 years of service with the company.

Kempton Dunn was elected chairman of the board and chief executive officer effective February 1, 1963 succeeding Mr. Given. Mr. Dunn had been president of the company since 1954 and chief executive officer since 1957. He started his business career with the company in 1932.

John S. Hutchins was elected president of the company effective February 1, 1963. He had been executive vice president since 1956. Mr. Hutchins joined Brake Shoe in 1925 in the sales department of one of the railroad products divisions.

WILLIAM C. DENISON, founder and former president of Denison Engineering Division died on February 5, 1963. He had served as a director, vice-president and a member of the Management Committee prior to his retirement. Mr. Denison's keenness of foresight and business acumen enabled him to build a successful company. In bringing his company and his abilities into Brake Shoe he contributed greatly to our company.

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