1959

SECURITIES AND EXCHANGE COMMISSION
Washington 25, D. C.

FORM 10-K

ANNUAL REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

For the Fiscal Year Ended August 31, 1959.

THE GLIDDEN COMPANY
900 Union Commerce Building, Cleveland, Ohio.

Item 1. Securities Registered on Exchanges

(1) Title of Class	(2) Name of each exchange on which registered
Common Stock, par value $10 per share	New York Stock Exchange
4-3/4% Sinking Fund Debenture Due November 1, 1983	New York Stock Exchange

Item 2. Number of Holders of Equity Securities

Title of Class	Number of Holders
Common Stock, par value $10 per share	20,993
4-3/4% Sinking Fund Debenture Due November 1, 1983	Unknown

Item 3. Parents and Subsidiaries of Registrant

There has been no change in the list as last previously reported.

Items 4-9 Inclusive

The registrant has filed with the Commission pursuant to Regulation X-14 and Rule X-14A-3, definitive copies of the proxy statement and annual report submitted to stockholders covering the same period as that of this report.

Item 10. Financial Statements and Exhibits

(a) Financial Statements:

The following financial statements of the registrant and subsidiaries contained in the annual report of the registrant to its stockholders for the year ended August 31, 1959 furnished to the Securities and Exchange Commission pursuant to the Commission's Rule X-14A-3, are incorporated herein by reference:

Consolidated balance sheet - August 31, 1959.
Statement of consolidated income and earnings retained for use in the business - Year ended August 31, 1959.

Notes to the financial statements and certain financial schedules, as listed in page F-1 hereinafter, are submitted in such following section of this report.

Individual financial statements of the registrant have been omitted herefrom, as permitted by the Instructions, as the registrant is primarily an operating company and the consolidated subsidiary is totally held.

(b) Exhibits:

Attached hereto and incorporated herein by reference as a part of this report are the following:

Exhibit A - Profit-sharing and deferred contingent compensation Agreement between registrant and Mr. Dwight P. Joyce.

Exhibit B - Deferred contingent compensation Agreement between registrant and Mr. Alexander D. Duncan.

Exhibit C - Deferred contingent compensation Agreement between registrant and Mr. Harvey L. Slaughter.

Exhibit D - Deferred contingent compensation Agreement between registrant and Mr. John H. Weeks.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

THE GLIDDEN COMPANY

By R. K. Dutton

R. K. Dutton
Assistant Secretary

December 28, 1959.

FINANCIAL DATA FOR ANNUAL REPORT ON FORM 10-K

THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

Year ended August 31, 1959

Consolidated financial statements are incorporated herein by reference, as set forth in response to Item 10 of this report.

The following consolidated financial information is submitted herewith:

- Accountants' report
- Notes to consolidated financial statements
- Schedule V - Property, plant, and equipment
- Schedule VI - Reserves for depreciation, depletion, and amortization of property, plant, and equipment
- Schedule XII - Reserves
- Schedule XVI - Supplementary profit and loss information

The other schedules (Nos. I, II, III, IV, VII, VIII, IX, X, XI, XIII, XIV, XV, and XVII) for which provision is made in the applicable regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore have been omitted.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Reference is made to the printed annual report for information on Chemurgy properties, dividend restrictions, stock options, and retirement plans)

THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

Year ended August 31, 1959

Note A - Principles of consolidation

The accounts of the Company and its Canadian subsidiary have been consolidated in the financial statements as in the preceding year. Upon consolidation, all inter-company accounts and transactions have been eliminated. Inter-company profit in the inventories is insignificant in amount and has not been eliminated.

Accounts of the Canadian subsidiary have been stated in United States dollars on a dollar-for-dollar basis. The equity of the Company in the net assets of the subsidiary at August 31, 1959, was $5,072,840 greater than the investment in the subsidiary, which difference has been included upon consolidation in earnings retained for use in the business.

The Company has one unconsolidated subsidiary, which is not significant as to assets, operations, or investment therein.

Note B - Stock Options (supplementing information in printed annual report)

Information relative to options granted, exercised, and canceled during the year and options outstanding at the end of the year is summarized in the following table:

	NUMBER OF SHARES	OPTION PRICE RANGE PER SHARE	OPTION PRICE TOTAL	MARKET PRICE RANGE PER SHARE	MARKET PRICE TOTAL
Options granted	7,050	$41.50	$ 292,575	$43.50	$306,675
Options exercised	9,680	35.00 to $38.00	351,033	39.00 to $49.75	451,095
Options canceled	2,240	35.00 to 38.00	83,430		
Options outstanding at year-end	82,640	35.00 to 41.50	3,088,383		

There have been no charges or credits to income in connection with the options.

Note C - Cost of products sold

Inventories (generally at the lower of accumulated-average cost or replacement market) used in computing cost of products sold for the year amounted to $36,771,649 and $39,588,415 at the beginning and end of the year, respectively.

Note D - Depreciation and related policies

The policy of the companies is to provide for depreciation by systematic charges to income in amounts considered to be fair and reasonable to amortize the cost of the depreciable properties over their estimated useful lives. Useful lives have been estimated on the basis of the anticipated wear, tear, obsolescence, and deterioration of the properties. As to principal asset classifications, depreciation rates are predicated, in general, on useful lives of 20 to 25 years for machinery and equipment and of 40 years for buildings. Cost of grain-storage facilities (pertaining to the Chemurgy Division) placed in service since 1954 is being amortized over a period of five years. Rates have been applied by the straight-line method to properties acquired prior to January 1, 1954, and to grain storage facilities acquired after that date, and by the sum-of-the-years-digits method to other properties acquired on or after that date.

Expenditures for maintenance and repairs are charged to income. Expenditures for betterments and renewals are added to the property accounts.

The costs of properties retired or sold (less proceeds) are charged against amounts accumulated for depreciation if such retirements or disposals were contemplated in the determination of depreciation rates. If such retirements or disposals were not so contemplated, the costs of the assets and the related accumulations for depreciation are eliminated from the accounts and the resulting gains or losses are credited or charged to income.

Note E - Supplementary profit and loss information

Reference is made to Schedule XVI for information regarding maintenance and repairs, depreciation and amortization, taxes other than taxes on income, rents, and royalties.

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SCHEDULE V—PROPERTY, PLANT, AND EQUIPMENT

THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

Year ended August 31, 1959

COL. A	COL. B	COL. C
CLASSIFICATION	Balance at Beginning of Period	Additions at Cost
Properties utilized in Glidden operations:		
Ore lands and leases		
Other land		
Land improvements		
Railroad sidings		
Buildings		
Machinery and equipment		
Furniture and fixtures		
Automotive equipment		
Construction in progress		
Chemurgy properties leased to Central Soya Co.:		
Land		
Land improvements		
Railroad sidings		
Buildings		
Machinery and equipment		
Furniture and fixtures		
Automotive equipment		

TOTAL PI

Note - Additions to property, plant, and equipment during the year amounted to $7,607,001, or sales amounted to $818,907. The information required by Columns B, C, D, and E is therefore because neither the additions nor the deductions amounted to more than 10% of the closing balan

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SCHEDULE VI—RESERVES FOR DEPRECIATIO[illegible] DEPLETION, AND OF PROPERTY, PLANT, [illegible] QUIPMENT

THE GLIDDEN COMPANY AND C[illegible] BSIDIARY

LE V—PROPERTY, PLANT, AND EQUIPMENT

IDDEN COMPANY AND CANADIAN SUBSIDIARY

Year ended August 31, 1959

COL. B	COL. C	COL. D	COL. E	COL. F
Balance at Beginning of Period	Additions at Cost	Retirements or Sales	Other Changes—Debit and/or Credit*—Describe	Balance at Close of Period
				$ 229,535
				2,936,587
				1,022,953
				243,937
				23,163,987
				41,278,713
				3,665,730
				269,977
				1,483,531
				$74,294,950
				$ 451,216
				170,342
				198,451
				9,764,565
				11,436,126
				467,279
				16,963
				$22,504,942
			TOTAL PROPERTY, PLANT, AND EQUIPMENT	$96,799,892

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ıt during the year amounted to $7,607,001, and retirements
red by Columns B, C, D, and E is therefore omitted,
nted to more than 10% of the closing balance.

ʀVES FOR DEPRECIATION, DEPLETION, AND AMORTIZATION
ıF PROPERTY, PLANT, AND EQUIPMENT

·GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

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SCHEDULE VI—RESERVES FOR DEPRECIATION, DEPLETION, AND AM OF PROPERTY, PLANT, AND EQUIPMENT

THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

Year ended August 31, 1959

COL. A	COL. B	COL. C		DE
		ADDITIONS		
DESCRIPTION	Balance at Beginning of Period	(1) Charged to Profit and Loss or Income	(2) Charged to Other Accounts—Describe	Reti Rene Repl
Reserves for properties utilized in Glidden operations:				
Ore lands and leases	$ 177,329	$ -o-	$ -o-	$
Land improvements	391,596	62,325	-o-	15,
Railroad sidings	53,288	8,753	-o-	5,
Buildings	6,793,451	958,860	-o-	127,
Machinery and equipment	11,371,115	3,107,421	19,888	401,
Furniture and fixtures	1,531,895	307,202	4,757	
			7,808	71,
Automotive equipment	148,742	34,696	-o-	21,
Allowance to reduce abandoned St. Helena plant to estimated realizable value	686,769	-o-	-o-	
	$21,154,185	$4,479,257	$ 32,453	$ 642,
Reserves for properties leased to Central Soya Co.:				
Land improvements	$ 86,918	$ 19,379	$ -o-	$
Railroad sidings	76,686	27,251	-o-	
Buildings	3,272,895	1,105,673	7,368	
Machinery and equipment	5,130,586	909,475	1,072	48,
Furniture and fixtures	240,296	35,104	-o-	1,
Automotive equipment	9,672	3,174	-o-	
	$ 8,817,053	$2,100,056	$ 8,440	$ 50,
TOTALS	$29,971,238	$6,579,313	$ 40,893	$ 693,

The amounts shown in Columns C(2) and D(2) represent miscellaneous adjustments and reclassific

$22,504,942

TOTAL PROPERTY, PLANT, AND EQUIPMENT $96,799,892

nd equipment during the year amounted to $7,607,001, and retirements
tion required by Columns B, C, D, and E is therefore omitted,
tions amounted to more than 10% of the closing balance.

I—RESERVES FOR DEPRECIATION, DEPLETION, AND AMORTIZATION OF PROPERTY, PLANT, AND EQUIPMENT

THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

Year ended August 31, 1959

OL. B	COL. C		COL. D		COL. E
	ADDITIONS		DEDUCTIONS FROM RESERVES		
at Beginning Period	(1) Charged to Profit and Loss or Income	(2) Charged to Other Accounts—Describe	(1) Retirements, Renewals, and Replacements	(2) Other—Describe	Balance at Close of Period
7,329	$ -o-	$ -o-	$ -o-	$ -o-	$ 177,329
1,596	62,325	-o-	15,623	-o-	438,298
3,288	8,753	-o-	5,528	-o-	56,513
3,451	958,860	-o-	127,215	177	7,624,919
1,115	3,107,421	19,888	401,706	4,323	14,092,395
1,895	307,202	4,757			
		7,808	71,073	-o-	1,780,589
8,742	34,696	-o-	21,842	-o-	161,596
36,769	-o-	-o-	-o-	-o-	686,769
4,185	$4,479,257	$ 32,453	$ 642,987	$ 4,500	$25,018,408
36,918	$ 19,379	$ -o-	$ -o-	$ -o-	$ 106,297
76,686	27,251	-o-	-o-	-o-	103,937
72,895	1,105,673	7,368	939	-o-	4,384,997
30,586	909,475	1,072	48,178	257	5,992,698
40,296	35,104	-o-	1,408	-o-	273,992
9,672	3,174	-o-	-o-	-o-	12,846
17,053	$2,100,056	$ 8,440	$ 50,525	$ 257	$10,874,767
71,238	$6,579,313	$ 40,893	$ 693,512	$ 4,757	$35,893,175

D(2) represent miscellaneous adjustments and reclassifications.

SCHEDULE XII—RESERVES

THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

Year ended August 31, 1959

COL. A.	COL. B	COL.
		ADDITI
DESCRIPTION	Balance at Beginning of Period	(1) Charged to Profit and Loss or Income
For doubtful accounts	$ 425,042	$ 216,836
For discounts	104,353	-o-
	$ 529,395	$ 216,836

Description of amounts in Column D:

A - Accounts charged off.

B - Net change in account during year.

SCHEDULE XII—RESERVES

THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

Year ended August 31, 1959

	COL. B	COL. C		COL. D	COL. E
		ADDITIONS			
	Balance at Beginning of Period	(1) Charged to Profit and Loss or Income	(2) Charged to Other Accounts—Describe	Deductions from Reserves—Describe	Balance at Close of Period
	$ 425,042	$ 216,836	$ -o-	$ 225,064A	$ 416,814
	104,353	-o-	-o-	9,299B	95,054
	$ 529,395	$ 216,836	$ -o-	$ 234,363	$ 511,868

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SCHEDULE XVI—SUPPLEMENTARY PROFIT AND LOS

THE GLIDDEN COMPANY AND CANADIAN SUBSII

Year ended August 31, 1959

COL. A	COL. B	
	CHARGED DIRECTLY TO PROFIT AND LOSS	
ITEM	(1) To Cost of Goods Sold or Operating Expenses	(2) Other
Maintenance and repairs	$2,849,913	$ 235,677
Depreciation and amortization	4,146,731	2,432,582
Taxes:		
Payroll	$ 380,362	$ 351,700
Real and personal property and miscellaneous	801,858	223,727
	$1,182,220	$ 575,427
Management and service contract fees	-0-	-0-
Rents	200,619	1,100,278
Royalties	140,485	-0-

XVI—SUPPLEMENTARY PROFIT AND LOSS INFORMATION

THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

Year ended August 31, 1959

	COL. B		COL. C		COL. D
	CHARGED DIRECTLY TO PROFIT AND LOSS		CHARGED TO OTHER ACCOUNTS		
	(1) To Cost of Goods Sold or Operating Expenses	(2) Other	(1) Account	(2) Amount	Total
	$2,849,913	$ 235,677		$ -o-	$3,085,590
	4,146,731	2,432,582		-o-	6,579,313
	$ 380,362	$ 351,700		$ -o-	$ 732,062
	801,858	223,727		-o-	1,025,585
	$1,182,220	$ 575,427		$ -o-	$1,757,647
	-o-	-o-		-o-	-o-
	200,619	1,100,278		-o-	1,300,897
	140,485	-o-		-o-	140,485

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