In the early part of 1948 Mr. Andre' Belin was made President of FADIL, and Mr. Given became Honorary President. Mr. Marcel Poulain continued as General Manager. One of Mr. Poulain's sons, Mr. Jacques Poulain, spent eight months in Detroit with our brake engineers and technicians, and upon his return to France was hired by Ducellier as a brake engineer in their American Brakeblok department.

FADIL operated during 1948 with a staff of 17 people in the Paris office. The manufacturing company, FABRIQUE de GIF, employed 45 people in the plant at Gif-sur-Yvette.

ENGLAND

In 1948 an agreement was made with Small and Parkes, Limited, of Manchester, England by which we would give them our formulae, machine designs, and manufacturing methods for producing rolled and pressed brake lining, A-B-K bearings, and A-B-K Safety Tile in return for 5% of their total net sales of these products with no deductions allowed for taxes. This agreement will continue for 15 years.

Small and Parkes' Chief Chemist and Chief Engineer spent a month visiting our Detroit, Winchester, and Lindsay Plants. Their Sales Manager for laminated fabric bearings spent a month in Detroit, New York and Pittsburgh with our A-B-K Salesmen.

The General Purchasing Department is acting as their agent in the U. S. for purchasing equipment. A standard duty rolling machine of our design will be shipped to them in March, 1949. It is estimated that they will be able to commence production of our products by 1950. Minimum quarterly royalty payments of £ 625 commence in September, 1950; however, payments will be due on any sales made prior to this date.

DENMARK

An agreement similar to the Small and Parkes agreement was made with Roulunds Fabriker, Limited, of Odense, Denmark. This agreement pertained only to wire back, air cured brake lining. Our royalty is 5% of total net sales before taxes with minimum quarterly payments of $2500 (U.S.) commencing in February 1950. The agreement will continue for 15 years.

The General Purchasing Department is also acting as their agent for purchasing equipment and materials in the U. S. Approximately $50,000 worth of machinery and materials was shipped to them during 1948. They also should be in production by 1950.

EXPORT

Our export sales to countries other than Canada and France decreased from $316,195 in 1947 to $244,409 in 1948, which is a decrease of 23%.

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