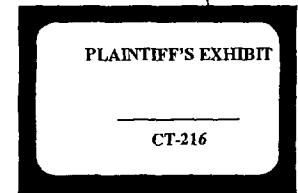
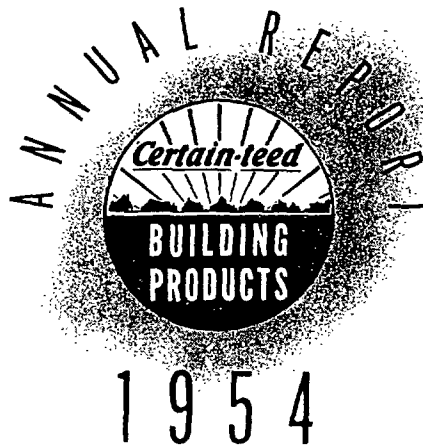


Return to - Oppress



CTD036940



Products

ASPHALT ROLL ROOFINGS
ASPHALT SHINGLES AND SIDINGS
ASBESTOS SHINGLES AND SIDINGS
ASPHALT ROOF COATINGS AND CEMENTS
SATURATED FELTS AND BUILDING PAPERS
PLASTISIZED GYPSUM WALL PLASTER
INDUSTRIAL PLASTERS
KALITE ACOUSTICAL PLASTER
GYPSUM WATER-REPELLENT SHEATHING
"FIRESTOP" GYPSUM WALLBOARD
GYPSUM WALLBOARD
GYPSUM LATH
GYPSUM ROOF DECKS
BEAVER FIBER WALLBOARD
BUILDING INSULATION
ROOF INSULATION BOARD
EXPANSION JOINTS
PAINT
"IDEAL" MILLWORK

USE AND RECOMMEND ***Certain-teed*** BUILDING PRODUCTS

REPORT
TO
Steelholders
JUNE 10, 1957

Certain-teed
BUILDING
PRODUCTS

CERTAIN-TEED BUILDING PRODUCTS CORPORATION
100 EAST BROADWAY AVENUE
NEW YORK, NEW YORK 10004

CTD036941

Certain-teed Products Corporation

and consolidated subsidiaries

COMPARATIVE CONSOLIDATED STATEMENT OF INCOME FOR THE SIX MONTHS ENDED JUNE 30, 1955 AND JUNE 30, 1954

	1955	1954
NET SALES	\$64,750,102	\$30,815,616
PROFIT ON CONTRACTUAL OPERATIONS	221,825	172,561
	64,971,927	30,988,177
COST OF GOODS SOLD, SELLING, ADMINISTRATIVE AND GENERAL EXPENSES, DEPRECIATION AND DEPLETION	57,578,723	27,060,884
	7,393,204	3,927,293
OTHER INCOME, NET	524,359	87,474
	7,917,563	4,014,767
PROVISION FOR FEDERAL AND CANADIAN TAXES ON INCOME	4,080,000	2,001,000
NET INCOME	3,837,563	2,013,767
EARNINGS PER SHARE - SIX MONTHS	\$1.79	\$1.19
EARNINGS PER SHARE - SECOND QUARTER	1.04	.74
SHARES OF COMMON STOCK OUTSTANDING AT JUNE 30	2,141,560	1,694,249
This statement is subject to audit by independent accountants.		

To our Shareholders

Included in the above statement of income for 1955, in addition to subsidiaries previously consolidated, are the accounts of Wm. Cameron & Co. which became a majority-owned subsidiary in October of 1954. The company's only unconsolidated subsidiary is The Valspar Corporation.

If you plan to build, remodel or redecorate, please specify Certain-teed building materials and Valspar paints and varnishes. Information concerning Valspar paints and varnishes may be secured from The Valspar Corporation, Ardmore, Pennsylvania.

Ardmore, Pennsylvania
July 25, 1955

Paul J. Ryan
Chairman



Certain-teed
AND SUBSIDIARIES



Products

ASPHALT ROLL ROOFINGS
ASPHALT SHINGLES AND SIDINGS
ASBESTOS SHINGLES AND SIDINGS
ASPHALT ROOF COATINGS AND CEMENTS
SATURATED FELTS AND BUILDING PAPERS
PLASTISIZED GYPSUM WALL PLASTER
INDUSTRIAL PLASTERS
KALITE ACOUSTICAL PLASTER
GYPSUM WATER-REPELLENT SHEATHING
"FIRESTOP" GYPSUM WALLBOARD
GYPSUM WALLBOARD
GYPSUM LATH
GYPSUM ROOF DECKS
BEAVER FIBER WALLBOARD
BUILDING INSULATION
ROOF INSULATION BOARD
EXPANSION JOINTS
PAINT
"IDEAL" MILLWORK

WE ENDORSE AND RECOMMEND ***Certain-teed*** BUILDING PRODUCTS

REPORT
TO
Stockholders
SEPTEMBER 10, 1933

Certain-teed
BUILDING
PRODUCTS

CERTAIN-TEED PRODUCTS CORPORATION
201 EAST WASHINGTON AVENUE
PHILADELPHIA, PENNSYLVANIA

CTD036943

Certain-teed Products Corporation
and consolidated subsidiaries

COMPARATIVE CONSOLIDATED STATEMENT OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1955 AND SEPTEMBER 30, 1954

	1955	1954
NET SALES.....	\$102,581,316	\$49,954,881
PROFIT ON CONTRACTUAL OPERATIONS.....	329,205	265,190
	102,910,521	50,220,071
COST OF GOODS SOLD, SELLING, ADMINISTRATIVE AND GENERAL EXPENSES, DEPRECIATION AND DEPLETION.....	90,430,062	43,445,959
	12,480,459	6,774,112
OTHER INCOME, NET.....	716,087	136,608
	13,196,546	6,910,720
PROVISION FOR FEDERAL AND CANADIAN TAXES ON INCOME.....	6,752,000	3,490,000
NET INCOME.....	6,444,546	3,420,720
EARNINGS PER SHARE—NINE MONTHS.....	\$3.01	\$2.00
EARNINGS PER SHARE—THIRD QUARTER.....	1.22	.82
SHARES OF COMMON STOCK OUTSTANDING AT SEPTEMBER 30.....	2,142,870	1,707,849

This statement is subject to audit by independent accountants.

To our Shareholders

Included in the above statement of income for 1955 are the accounts of Wm. Cameron & Co. which became a majority-owned subsidiary in October of 1954. The company's only unconsolidated subsidiary is The Valspar Corporation.

If you plan to build, remodel or redecorate, please specify Certain-teed building materials and Valspar paints and varnishes. Information concerning Valspar paints and varnishes may be secured from The Valspar Corporation, Ardmore, Pennsylvania.

Ardmore, Pennsylvania
October 25, 1955

Paul G. Lizaris
Chairman



CTD036944



1954

CTD036945



Products

ASPHALT ROLL ROOFING
ASPHALT SHINGLES AND SIDINGS
ASBESTOS SHINGLES AND SIDINGS
GYPSUM PLASTERS
ACOUSTICAL PLASTER
"FIRESTOP" GYPSUM WALLBOARD
GYPSUM WALLBOARD AND LATH
GYPSUM SHEATHING
GYPSUM ROOF DECKS
FIBER WALLBOARD
BUILDING INSULATION
ROOF INSULATION BOARD
EXPANSION JOINTS
PAINT
"IDEAL" MILLWORK

USE AND RECOMMEND **Certain-teed** BUILDING PRODUCTS

To the Shareholders of

Certain-teed Products Corporation:

This report presents the results of the Company's operations during the year 1954. It has been a year of substantial activity in which major developments in the Company's affairs have taken place.

You have previously been informed, in a footnote to our quarterly reports, that during the course of the year the Company increased its interest in the common stock of The Valspar Corporation from 6% to 53%. In the opinion of Management there is a great deal of rebuilding to be done, both of plant and sales, in The Valspar Corporation. Every effort is being made to make this investment more profitable.

In the latter half of the year negotiations were carried on and concluded on October 25, 1954, for the purchase of Wm. Cameron & Co. of Waco, Texas. At December 31, 1954, 98.77% of the total outstanding capital stock of that company was owned by Certain-teed Products Corporation. Wm. Cameron & Co. is an old, substantial enterprise, having been established in 1868. It is engaged in manufacturing, wholesaling and retailing building materials, principally in the States of Texas and Oklahoma. In addition, Wm. Cameron & Co. operates twenty-nine oil field yards, mostly in Western Texas and Eastern New Mexico. This

CTD036946

acquisition was accomplished by a cash payment of \$9,486,226 and the issuance of 407,806 shares of Certain-teed Products Corporation common stock. Certain-teed's conservative financial policy and substantial cash resources enabled it to effect this acquisition without recourse to borrowing or outside financing.

Sales and Earnings:

The 1954 report reflects sales of Certain-teed for twelve months in addition to sales of Wm. Cameron & Co. for the months of November and December, 1954. The balance sheets of the two companies (Certain-teed and Cameron) are consolidated in the report.

Net sales were the largest in the history of the Company, amounting to \$75,776,256 in 1954 compared with \$61,924,907 in 1953. Net sales of Wm. Cameron & Co. for the year 1954 were \$47,171,367 compared with \$42,706,648 in 1953.

Net earnings of the two companies (twelve months for Certain-teed and two months for Wm. Cameron & Co.) amounted to \$5,315,721, or the equivalent of \$3.02 per share on the average number of shares of Certain-teed stock outstanding during the year ended December 31, 1954. This compares with net earnings of Certain-teed in 1953 of \$3,940,943, or \$2.42 per share on 1,624,229 shares outstanding at the end of the year. On a pro forma basis, estimated net earnings of the two companies for 1954 were \$6,563,000, or \$3.07 per share on 2,138,080 shares of Certain-teed stock outstanding at December 31, 1954.

Working Capital and Retained Earnings:

The working capital at December 31, 1954 of Certain-teed Products Corporation and its subsidiaries (exclusive of The Valspar Corporation) was \$24,459,402. Retained earnings at December 31, 1954, after appropriate adjustments, were \$31,942,062.

Dividends:

During the year 1954, the Company declared and paid regular quarterly dividends of 25c per share on its common stock. An extra dividend of 25c per share was declared in November, 1954, and paid in January, 1955. In the aggregate, therefore, dividends amounting to \$1.25 per share were declared in 1954 compared with \$1.12½ per share declared in 1953.

Additions and Replacements:

The new felt mill adjacent to our paper plant at Pryor, Oklahoma, about which you were informed in last year's report, has been completed and is in operation. It is expected that increased benefits from this mill will be realized in 1955.

In 1954 the Directors authorized and construction was started of a new roofing plant in Tacoma, Washington. It is expected that this new plant will be in operation in May, 1955, and will better serve the Company's customers in the Pacific Northwest.

Additional production facilities to serve the Company's customers are under consideration, the construction of which will depend upon the needs of our customers and Management's opinion of the potential earnings to be derived therefrom.

Future Prospects:

Certain-teed Products Corporation has substantially expanded its sphere of activities, and with the continued loyalty and devotion of its employees it is expected that it will continue to grow and prosper. Every effort will be made to secure the greatest possible percentage of total business available in 1955.

The Board of Directors and the Management are grateful for the co-operation of the Company's many shareholders, its customers and its employees who have done so much for this enterprise in the past year.

Respectfully submitted,

Sam G. Lizaris

Chairman of the Board

Ardmore, Pennsylvania
February 23, 1955

Certain-teed

PRODUCTS CORPORATION
and consolidated subsidiaries

COMPARATIVE CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS

	Year Ended December 31	
	1954	1953
Net sales	\$75,776,256	\$61,924,907
Profit on contractual operations	366,235	380,108
	<u>76,142,491</u>	<u>62,305,015</u>
Cost of goods sold	59,199,395	49,134,103
Selling, general and administrative expenses	7,408,726	5,090,788
	<u>66,608,121</u>	<u>54,224,891</u>
	<u>9,534,370</u>	<u>8,080,124</u>
Other income, including \$440,886 on the sale of nonoperating properties in 1954 (less other deductions of \$268,925 in 1954 and \$326,925 in 1953)	772,351	112,819
	<u>10,306,721</u>	<u>8,192,943</u>
Provision for Federal and Canadian taxes on income	4,991,000	4,252,000
Net income	5,315,721	3,940,943
Retained earnings at December 31, 1953-1952 (from October 1, 1944)	28,968,357	26,854,656
	<u>34,284,078</u>	<u>30,795,599</u>
Dividends on common stock	2,342,016	1,827,242
	<u>\$31,942,062</u>	<u>\$28,968,357</u>
Retained earnings at December 31, 1954-1953 (from October 1, 1944)		
Total depreciation and depletion charges amounted to \$2,129,819 in 1954 and \$1,771,154 in 1953.		

The accompanying Notes to Consolidated Financial Statements are an integral part of this statement and should be read in conjunction herewith.

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Certain-teed

PRODUCTS CORPORATION
and consolidated subsidiaries

CONSOLIDATED BALANCE SHEET AT DECEMBER 31, 1954

Assets

CURRENT ASSETS:		CURRENT LIABILITIES:	
Cash	\$ 8,340,396	Accounts payable and accrued expenses	\$ 5,743,202
Accounts and notes receivable (less estimated uncollectibles of \$475,768)	12,368,794	Dividends payable	534,607
Inventories at the lower of cost or market:		Current installments on long-term debt	700,000
Raw materials and supplies	\$ 4,042,803	Accrued taxes:	
Finished goods and work in process	12,442,606	Federal and Canadian taxes on income	\$ 6,362,073
Improved real estate (for sale)—at cost		Other	614,911
Total current assets	38,414,195	Total current liabilities	13,954,793
		LONG-TERM DEBT—Note 2	5,900,000

INVESTMENTS (at cost or less):

The Valspar Corporation—Note 1	2,149,925
Other	112,704

DEFERRED CHARGES AND OTHER ASSETS

PROPERTY, PLANT AND EQUIPMENT (at cost, less reduction in 1939 to appraised values):	
Land and mineral deposits (less depletion of \$275,381)	1,708,880
Buildings and equipment (less depreciation of \$21,515,185)	25,899,242
Construction in progress	837,734

INTANGIBLE ASSETS (at nominal amounts)

Retained earnings (from October 1, 1944)	5
	\$71,222,561

CTD036949

Liabilities

RESERVE FOR PRODUCT GUARANTEES	224,739
MINORITY INTEREST IN SUBSIDIARY COMPANY	234,524

STOCKHOLDERS' EQUITY—Notes 2, 3 and 4:

Capital:	
Capital assigned to shares:	
4½% Cumulative Prior Preference Stock, \$100 par value, authorized and unissued 50,000 shares	2,138,080
Common Stock, \$1 par value, authorized 3,000,000 shares, issued and outstanding 2,138,080 shares	16,828,363
Capital in excess of par value	18,966,443
Retained earnings (from October 1, 1944)	31,942,062
	50,908,505
	\$71,222,561

The accompanying Notes to Consolidated Financial Statements are an integral part of this statement and should be read in conjunction herewith.

Notes TO CONSOLIDATED FINANCIAL STATEMENTS

AT DECEMBER 31, 1954

1 PRINCIPLES OF CONSOLIDATION:

The accompanying consolidated financial statements include, in addition to subsidiaries previously consolidated, the accounts of Wm. Cameron & Co. which became a majority-owned subsidiary during the year.

The Company's only unconsolidated subsidiary is The Valspar Corporation. The underlying book equity of the Company's investment therein, representing 3.7 percent of the preferred stock and 53.5 percent of the common stock, approximated \$1,995,000 at November 30, 1954, based on financial statements as at that date and after ascribing a liquidating value of \$100.00 a share to preferred stock.

2 LONG-TERM DEBT:

The long-term debt at December 31, 1954, exclusive of current installments, consists of 3% Promissory Notes payable as follows:

Parent Company — due in annual installments of \$325,000 with final payment of \$775,000 on April 1, 1966	\$4,025,000
Wm. Cameron & Co. — due on or before May 1, 1960 in annual installments of \$375,000	1,875,000
	<u>\$5,900,000</u>

The loan agreements of each company contain certain restrictions relating, among other things, to the declaration of dividends or to the right of each company to purchase any of its capital stock. At December 31, 1954 unrestricted consolidated retained earnings approximated \$12,100,000.

3 STOCK OPTIONS:

Pursuant to an incentive plan, options to purchase 7,655 shares of the Company's common stock (granted to officers and key employees) were outstanding at December 31, 1954 at option prices of \$13.30 a share for 4,080 shares and \$14.14 a share for 3,575 shares. During the year 37,595 shares were issued under the plan.

4 STOCKHOLDERS' EQUITY:

Pursuant to action taken by the stockholders at the annual meeting in May 1954, the authorized common stock was increased from 2,000,000 to 3,000,000 shares.

During the year 513,851 shares of common stock were issued resulting in an increase of \$613,851 in capital assigned to shares and \$10,077,920 in capital in excess of par value. The latter amount resulted from (1) the issuance of common stock in connection with the acquisition in 1954 of investments in subsidiary companies (\$9,591,574) and (2) the issuance of common stock under the stock option plan (\$486,346).

5 CONTINGENCIES AND OTHER COMMENTS:

A suit is pending against the Company in the amount of \$650,000 arising out of the use of a patent during the period from April 1948 to May 1951. The Company denies any liability in this matter.

The accompanying consolidated financial statements are subject to final determination of Federal, Canadian, state and local taxes.

Accountants' Report

S. D. LEIDESDORF & CO.
CERTIFIED PUBLIC ACCOUNTANTS
NEW YORK, N. Y.

TO THE BOARD OF DIRECTORS
CERTAIN-TEED PRODUCTS CORPORATION
Ardmore, Pennsylvania

We have examined the consolidated balance sheet of Certain-teed Products Corporation and consolidated subsidiaries as at December 31, 1954 and the related consolidated statement of income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and consolidated statement of income and retained earnings, together with the notes to consolidated financial statements, present fairly the consolidated financial position of Certain-teed Products Corporation and consolidated subsidiaries at December 31, 1954, and the consolidated results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

S. D. LEIDESDORF & Co.

New York, N. Y.
February 16, 1955

Certain-teed

PRODUCTS CORPORATION
and consolidated subsidiaries

Facts AT A GLANCE

YEAR END FINANCIAL POSITION

	Cash and Government Securities	Working Capital	Property, Plant and Equipment	Long-term Debt	Stockholders' Equity		Book Value Per Share of Common Stock
					Common	Preferred	
1954	\$ 8,340,396	\$24,459,402	\$28,445,856	\$5,900,000	\$50,908,505	—	\$23.81
1953	10,812,944	16,474,092	23,063,051	4,350,000	37,343,029	—	22.99
1952	9,429,701	15,347,408	22,776,354	4,675,000	35,224,255	—	21.69
1951	9,558,733	13,908,762	21,623,896	5,000,000	33,414,284	—	20.58
1950	5,793,044	10,535,536	18,679,229	—	29,977,107	—	18.46
1949	8,599,626	10,085,636	14,682,109	—	26,101,803	\$1,850,000	16.10
1948	8,447,257	12,883,397	14,086,695	3,100,000	23,130,737	1,850,000	14.26
1947	6,015,030	10,089,193	10,601,868	3,325,000	18,588,397	1,500,000	11.47
1946	5,228,065	8,825,796	9,037,401	3,550,000	13,470,113	1,501,900	8.31
1945	5,407,590	7,482,036	6,987,684	3,775,000	9,410,777	1,671,300	5.81

YEARLY EARNINGS AND DIVIDENDS

	Income	Federal	Net Income	Dividends		Earnings Per Share of Common Stock
	Before Taxes	Income Taxes		Common	Preferred	
1954	\$75,776,256	\$10,306,721	\$5,315,721	\$2,342,016	—	\$3.02*
1953	61,924,907	8,192,943	3,940,943	1,827,242	—	2.42
1952	58,626,319	7,383,413	3,636,843	1,826,872	—	2.23
1951	62,507,590	10,100,183	5,060,153	1,623,879	—	3.11
1950	55,951,908	11,283,428	6,380,009	2,435,268	\$ 20,700	3.92
1949	43,686,966	7,945,132	4,684,809	1,621,729	83,025	2.83
1948	51,457,968	10,584,292	6,599,907	1,621,566	54,562	4.01
1947	48,707,089	11,015,717	6,867,876	1,215,188	67,500	4.19
1946	34,959,302	6,931,587	4,323,269	729,000	89,798	2.63
1945	24,311,362	2,946,163	1,353,303	—	267,699	.78

*Based on average number of shares outstanding during the year.

CTD036951

Introducing...

WM. CAMERON & CO.

Subsidiary Acquired in 1954

President - F. R. WEDDINGTON

General Offices

Ardmore, Pennsylvania

Research Laboratory

PAOLI, PENNSYLVANIA

Sales Offices

ARDMORE, PENNSYLVANIA
ATLANTA, GEORGIA
CHICAGO, ILLINOIS
CLEVELAND, OHIO
DALLAS, TEXAS

DES MOINES, IOWA
DETROIT, MICHIGAN
EAST ST. LOUIS, ILLINOIS
JACKSON, MISSISSIPPI
KANSAS CITY, MISSOURI
MINNEAPOLIS, MINNESOTA
NEW YORK, N. Y. (EXPORT SALES)
NIAGARA FALLS, NEW YORK
RICHMOND, CALIFORNIA
SALT LAKE CITY, UTAH
TACOMA, WASHINGTON
THOROLD, ONTARIO, CANADA

Plants

Roofing

EAST ST. LOUIS, ILLINOIS
KANSAS CITY, MISSOURI
YORK, PENNSYLVANIA

MARSEILLES, ILLINOIS
NIAGARA FALLS, NEW YORK
TACOMA, WASHINGTON
RICHMOND, CALIFORNIA
SAVANNAH, GEORGIA
DALLAS, TEXAS

Gypsum

FORT DODGE, IOWA
GRAND RAPIDS, MICHIGAN
BLUE RAPIDS, KANSAS

ACME, TEXAS
AKRON, NEW YORK
SIGURD, UTAH

Paper

PRYOR, OKLAHOMA

Fiberboard

BUFFALO, NEW YORK

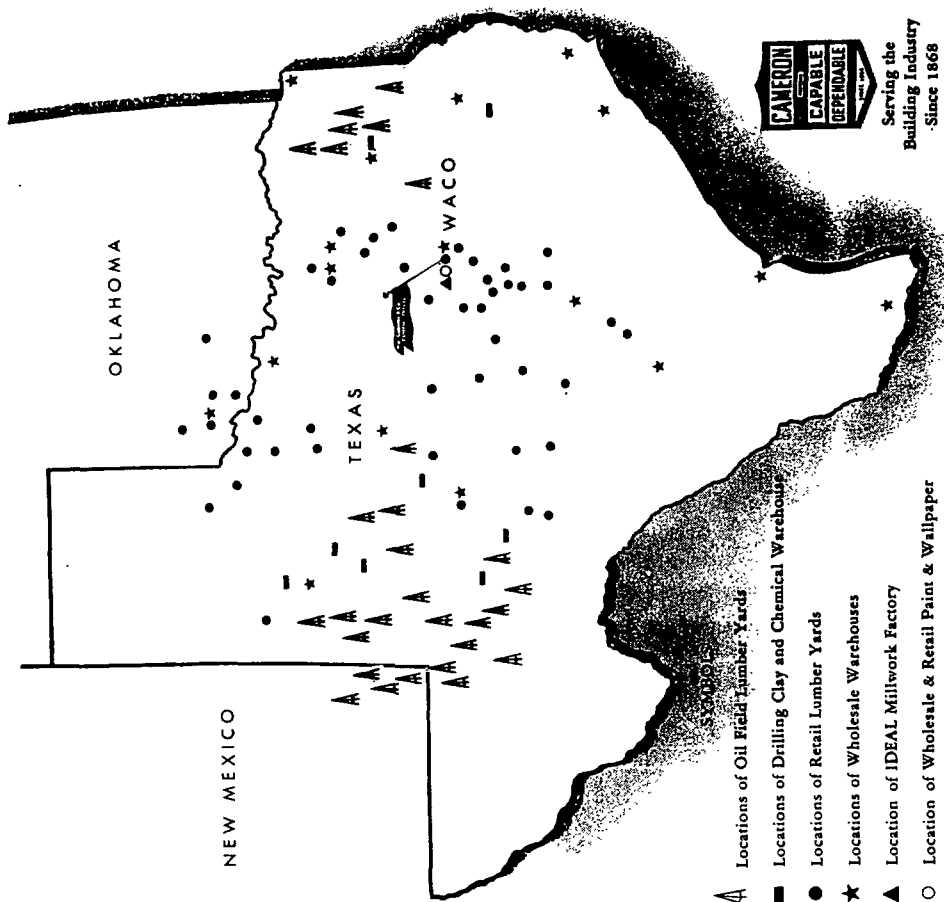
Fiberboard, Boxboard and Newsprint

THOROLD, ONTARIO, CANADA

Wm. Cameron & Co.

General Offices

WACO, TEXAS



CTD036952

Board of Directors

WILLIAM C. BAIRD	RAWSON G. LIZARS, <i>Chairman</i>	HERBERT W. HIRSH
RALPH A. BARD		C. KENNETH HOBSON
THOMAS F. BROWN		I. S. KAMPMANN, JR.
H. B. CAMPBELL		HAMILTON PELL
ALBERT J. HETTINGER, JR.	W. W. F. SHEPHERD	
	F. R. WEDDINGTON	

Executive Committee

THOMAS F. BROWN, <i>Chairman</i>	HAMILTON PELL
RAWSON G. LIZARS	HERBERT W. HIRSH

Officers

RAWSON G. LIZARS	<i>Chairman of the Board and President</i>
C. KENNETH HOBSON	<i>Vice President</i>
PAUL E. FISCHER	<i>Vice President</i>
JOHN R. JOHNSTON	<i>Vice President and Comptroller</i>
MALCOLM MEYER	<i>Vice President</i>
ANDREW R. CRAVEN	<i>Assistant Vice President</i>
ARTHUR O. GRAVES	<i>Secretary</i>
MELLOR HARGREAVES	<i>Treasurer</i>

Transfer Agent

BANKERS TRUST COMPANY, NEW YORK

Registrar

THE NEW YORK TRUST COMPANY, NEW YORK

General Counsel

CLAUSEN, HIRSH & MILLER, CHICAGO

Auditors

S. D. LEIDESDORF & Co., NEW YORK