

CHEMICALS — PIGMENTS — METALS DIVISION

BALANCE SHEETS

AND

INCOME AND EXPENSE STATEMENTS

THE GLIDDEN COMPANY

CONSOLIDATED

AUGUST 31, 1958

AUGUST 31, 1958

GLD019365

INDEX

CHEMICALS-PIGMENTS-METALS DIVISIONS

THE GLIDDEN COMPANY

August 31, 1958

	<u>Page</u> <u>Number</u>
Balance Sheet - Assets	1
Balance Sheet - Liabilities	2
Operating Statement	3
Detail of Operating Expense	4
Manufacturing Statement	5
Detail of Manufacturing Expense	6
Interdivision Sales	7
Other Income - (Deductions)	8
Depreciation Expense	9
Detail - Sundry Selling Expense	10
Chemicals-Pigments-Metals Inventory	11

GLD019366

BALANCE SHEET - CHEMICALS-PIGMENTS-METALS DIVISIONS

THE GLIDDEN COMPANY

August 31, 1958

	①	②	③	④	⑤	⑥	⑦
	St Helena No. 10	Adrian Joyce Works No. 32	Hammond No. 27	Collinsville No. 35		Barytes Mines No. 34	Lenoir No. 77
ASSETS							
CURRENT							
Cash on hand		250	750	50			
Cash on deposit and in transit		37832	2514	9240			
Trade notes receivable		46000	46000	—			
Trade accounts receivable		674717	329015	103763			
Reserve for doubtful accounts		(49025)	(9219)	(2959)			
Inventories:							
Raw materials and in process		4981493	319895	200769			
Finished stock		1340670	322927	162326			
Misc. current notes and accts. recd.		8343	4114	149			
Total Current Assets		7024280	1015496	473538			
OTHER ASSETS							
Salesmen's and managers' advances							
Claims against common carriers		1694	63	137			
Deposits with public utilities, etc.		25200					
Prepaid insurance and expenses		29283	23	546			
Total Other Assets		56182	86	683			
PROPERTY, PLANT AND EQUIPMENT							
Land - at cost or less	289154	645874	78869	41453		73609	15829
Bldgs., machy. and equip., etc. - at cost	2432835	20003585	760502	989033		1164	
Reserve for depreciation and depletion	(1537536)	(2355235)	(272462)	(675396)		(74172)	(10608)
Write-down to appraised sound value	(686769)	—	—	—		—	—
Unfinished construction	—	513603	1427	54		—	—
Total Property, Plant and Equipment	497684	18807827	528336	355144		578	52200
Total Assets	497684	25888287	1563918	829365		578	52200

BALANCE SHEET - CHEMICALS-PIGMENTS-METALS DIVISIONS

THE GLIDDEN COMPANY

August 31, 1958

	St. Helena No. 10	Adrian Joyce Works No. 32	Hammond No. 27	Collinsville No. 35	Soranton No. 28	Berries Mines No. 34	Lenoir No. 77	Private Ledger No. 30	Total
LIABILITIES									
CURRENT									
Accounts payable for purchases, etc.		435,544	46,372	24,552					506,470
Payroll taxes		11,116	2,266	3,528					16,910
Employees' income tax deductions		33,734	6,024	8,163					48,116
Customers' credit balances		22,268	27,422	8					49,698
Personal accounts									8
Accrued payrolls		20,763	7,700	1,363					29,826
Accrued commissions and bonuses		3,916		812					4,728
Accrued taxes		48,442	14,372	1,711					64,525
Accrued water, rent, etc.		16,482	627	480					17,589
Accrued state taxes on income-est.		31,800							31,800
Total Current Liabilities		625,017	104,988	56,018					786,023
INTERCOMPANY ACCOUNT									
Private Ledger - Cleveland	(672,744)	245,847	118,715	42,007	(105,231)	578	52,204	581,861	262,885
PROFIT AND (LOSS) - SURPLUS									
Net profit (loss) for the fiscal year									
ended Aug. 31, before providing for									
Federal income tax	11,706	734,793	2,717,777	111,280	105,231	578	52,204	(581,861)	1,717,120
Total Liabilities	497,684	2,588,284	156,291.8	129,365	-	578	52,204		2,832,028

GLD019368

**OPERATING STATEMENT
CHEMICALS-PIGMENTS-METALS DIVISIONS**

THE GLIDDEN COMPANY

Fiscal year ended August 31, 1958

	St. Helena No. 10	Adrian Joyce Works No. 32	Total Baltimore	Hammond No. 27	Soranton No. 28	Collinsville No. 35	Private Ledge No.
SALES - REGULAR	3,878,388	6,110,849	9,999,237	2,971,332	5,518,377	1,513,039	
LESS:							
Return sales	95,812	24,653	118,465	8,986.7		104,57	
Overcharges and sales credits	694	4,114	4,808	8,930		504	
Freight and cartage	14,616	24,881	39,497	36,627	36,676	24,005.3	
Sales tax							
TOTAL DEDUCTIONS	249,022	253,648	496,670	135,424	366,762	231,014	
NET SALES	3,635,366	5,867,201	9,502,567	2,855,907	5,151,615	1,292,025	
COST OF SALES (Mfg. Statement)	2,325,339	4,471,764	6,797,103	2,370,847	4,552,188	1,091,423	
GROSS PROFIT	1,310,027	1,395,437	2,705,464	485,060	599,427	200,602	
SELLING, GENERAL AND ADMIN. EXPENSE							
Total Optrg. Exp. (Detail-next page)	249,233	372,140	621,373	139,377	281,115	216,938	
35. National advertising							
36. Interest charge	107,170	531,440	638,610	5,1960	111,000	288,600	
37. Headquarters administration	11,935	53,120	65,055	73,200	650	13,200	111,500
38. Research	73,064	45,639	118,703	21,286	4,100		
Total Expense	441,402	1,000,539	1,443,941	219,943	440,655	247,118	111,500
Operating Profit (Loss)	868,625	392,900	1,261,525	265,117	158,772	(465,166)	(111,500)
PROFIT ON INTERDIVISION SALES	390,530	566,824	957,354	175,1	150,27	203,600	
OTHER INCOME (DEDUCTIONS) - NET	(74,667)	(205,277)	(279,944)	470,4	(17,976)	137,436	(470,4)
Net Profit (Loss) Before Taxes on Inc.	1,184,488	754,447	1,938,937	271,777	123,31	111,280	(501,8)
PROVISION FOR STATE TAXES ON INCOME	13,860	19,656	33,516		1808		
Net Profit (Loss)	1,170,628	734,793	1,905,421	271,777	105,23	111,280	(501,8)
Percent to Net Sales	32.20	12.52	20.05	9.52	2.04	8.61	

OPERATING STATEMENT
CHEMICALS-PIGMENTS-METALS DIVISIONS

THE GLIDDEN COMPANY

Fiscal year ended August 31, 1958

		St. Helena	Adrian Joyce Works	Total	Hammond	Scranton	Collinsville	Priv Led
		No. 10	No. 32	Baltimore	No. 27	No. 28	No. 35	No.
1	SELLING, GENERAL AND ADMIN. EXPENSE							
2	Salesmen's salary and commission	5439.1	4893.4	10333.2	12494.5	9485	6601.1	
3	Salesmen's expense	2456.2	1988.4	4444.6	1612.9		3863.3	
4	Other territorial charges	10545.9	7574.3	18120.2	936.2		3709.9	
5	Salaries - office	3339.0	2426.2	5765.2	2453.5	900.1	2093.1	
6	Local administration	1085.0	775.0	1860.0	1915.2		413.9	
7	Advertising (local)	2514.5	1123.0	3637.5	910.5	406.6	836.2	
8	Promotion expense							
9	Bad debts provision	600.0		600.0	1500	(41.99)		
10	Depreciation	3.2	4.2	7.4	191.6	9.9	72.1	
11	Discount - cash	4131.8	3511.2	7643.0		548.5	1548.5	
12	Employees' welfare	231.4	157.2	388.6	74.8	30.4	173.0	
13	Heat, light and power				97.5			
14	Insurance	259.8	253.9	513.7	60.7	55.1	38.6	
15	Legal expense and collection fees	175.5	74.0	249.5	2.8	18.3	8.2	
16	Maintenance	53.0	61	59.1	76.5	7	8.2	
17	Office supplies	7.5	17.8	25.3	30.8	12.7	41.7	
18	Postage	198.3	65.9	264.2	84.0	31.2	99.1	
19	Printing and stationery	221.0	39.4	260.4	155.3	8.2	177.3	
20	Rent	1801.3	144.5	1945.8		28.0	31.2	
21	Sales development letters	748.1	801.0	1549.1	470.8			
22	Samples and allowances	298.9	206.9	505.8	162.4	4	156.6	
23	Storage	645.1	572.3	1217.4	73.7	11.13	759.8	
24	Taxes	82.2	160.0	242.2	39.2	97.8	23.5	
25	Telephone - regular	112.2	82.0	194.2	191.0	31.9	104.8	
26	Telephone - long distance	67.0	69.1	136.1	200.2	31.9	46.9	
27	Telegraph	39.4	41.1	80.5	69.1	9.0	45.4	
28	Traveling expense	29.8	20.0	109.8	456.7	13.6	26.2	
29	Watchman and janitor service	554.0	10.9	564.9	245.0	7.2		
30	Sundries	1271.9	14.5	1413.4	429.8	134.9	46.2	
31	Interdivision charge	(1205.47)	1205.47					
32	Total Operating Expense	24923.3	3721.40	62137.3	13937.7	2821.5	2169.8	

CHEMICALS-PIGMENTS-METALS DIVISIONS
THE GLIDDEN COMPANY

Fiscal year ended August 31, 1958

	St. Helene No. 10	Adrien Joyoe Works No. 32	Total Baltimore	Hammond No. 27	Soranton No. 28	Collinsville No. 35	Total
MATERIAL USED							
Raw material, etc.	1512351	21957935	3708476	1853199	350113	574311	6493905
Packages, cartons, etc.	30204	58557	88761	56426	13391	22776	182554
Total Material Cost	1542555	2254482	3797037	1909825	363504	596093	6666459
LABOR							
Productive labor	218521	354251	573372	127494	34615	115992	853473
Non-productive labor	35092	59056	94148	41441	10309	43319	189248
Supervision and clerical	22600	174143	248743	60772	14416	40293	264225
Total Labor	331213	585050	916263	249708	61331	199604	1406906
MANUFACTURING EXPENSE (Detail-next page)	959445	1817593	2777038	245832	45791	318773	3357534
FIXED CHARGES							
Taxes	41094	123282	164376	10320	3836	24415	202947
Insurance:							
Fire, use and occupancy	6183	13943	20126	1523	3531	16271	41151
Liability and compensation	3931	9548	13479	4095	2575	2954	23503
Group life	4993	5393	10386	2189	1072	3222	16869
Hourly employees' retirement plan	15594	5750	21344	6480	5400	7920	41144
Depreciation:							
Buildings and yards	45989	252226	298215	5161	1752	7224	314353
Equipment - furniture and fixtures	170395	565253	735648	42866	2320	15225	796123
Total Fixed Charges	288179	925395	1213574	74634	20904	79281	1436395
Total Labor, Exp. and Fixed Chgs.	1578837	3378038	4956875	518174	128028	597658	6200835
Less: labor and expense redistributed	143137	302426	435363			33362	528725
Net Labor, Exp. and Fixed Chgs.	1385700	3075812	4461512	518174	128028	564296	5672110
Cost of Goods Manufactured	2928255	5330354	8258549	2448099	491532	1160389	12338529
Add: Finished stock, purchases and changes in inventory	65556	1486842	1572398	(51592)	61325	112796	1593227
Total Cost of Goods Sold	3013811	6817136	9830947	2374507	552857	1171685	13931996
Less: Cost of interdivision sales	128472	2345374	3033846	15666	97039	80442	3216809
Cost of Regular Sales	2335339	4471762	6797101	2370847	455818	1091423	10715189

GLD019371

MANUFACTURING STATEMENT
CHEMICALS-PIGMENTS-METALS DIVISIONS

THE GLIDDEN COMPANY

Fiscal year ended August 31, 1958

		①	②	③	④	⑤
		St. Helena	Adrian Joyce			Scranton
		No. 10	Works	Total	Hammond	No. 28
			No. 32	Baltimore	No. 27	
MANUFACTURING EXPENSE						
1.	Heat, light and power	158332	520657	778989	23385	10845
2.	Fuel - coal, coke, gas, oil	91516	137886	229402	58891	9867
3.	Maintenance	223980	547587	771567	183576	9390
4.	Rent and storage					
5.	Factory supplies, etc.	29757	79504	109261	5627	2368
6.	Water	12863	40514	53377	2552	
7.	Freight, express and cartage	940	4293	5233	229	1506
8.	Material and return goods loss					
9.	Telephone and telegraph	2053	4426	6479	360	
10.	Traveling expense	234	4790	5024	282	
11.	Employees' welfare	12483	18416	30899	5820	
13.	Laboratory expense	162441	228400	391341	3461	4793
14.	Laundry		638	638	2953	
17.	Local administration	37517	44189	81706	8400	
18.	General factory administration	95900	92100	188000	14400	4000
19.	Social security taxes	9746	19185	28931	5253	2399
20.	Sundries	21183	75008	96191	743	621
	Total Manufacturing Expense	959445	1817593	2777038	215932	45791

CHEMICALS-PIGMENTS-METALS DIVISIONS

THE GLIDDEN COMPANY

Fiscal year ended August 31, 1958

		Sales	Cost of Sales	Gross Profit (Loss) Amount	Per Cent to Sales		
1	St. Helena	1079002	688472	390530	36.19		
2							
3	Adrian Joyce	291220	234537	56683	19.46		
4	Total Baltimore	3991202	3033846	957356	23.99		
5							
6	Hammond	72114	5660	1954	25.66		
7							
8	Geranton	112066	97039	15027	13.41		
9							
10	Collinsville	100622	80262	20360	20.33		
11							
12	Total	41211504	3216807	994697	23.64		
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							

GLD019373

OTHER INCOME - (DEDUCTIONS)
CHEMICALS-PIGMENTS-METALS DIVISIONS

THE GLIDDEN COMPANY

Fiscal year ended August 31, 1958

	①	②	③	④	⑤	⑥
	St. Helena	Adrian Joyce	Total	Hammond	Soranton	Collinsvil
	No. 10	No. 32	Baltimore	No. 27	No. 28	No. 35
<u>OTHER INCOME</u>						
Recovery of accounts prev. charged off	1061	1061	2122	154	45	165
Commissions earned	—	—	—	—	—	—
Royalty income	—	—	—	—	—	—
Saran sales	2415	862	3277	819	6909	821
Miscellaneous income	—	—	—	241	15000	71
INTEREST EARNED	—	—	—	617	—	—
Total Other Income	3476	1923	5399	1831	21954	1057
<u>OTHER DEDUCTIONS</u>						
Idle plant expense	981.20	223.196	3213.16	—	9730	29604
(Profit) loss capital asset disposal	—	1355	1355	—	—	—
Penny elimination	—	(154)	(154)	(41)	(13)	(14)
Miscellaneous deductions	—	301	301	—	—	—
DEPRECIATION EXP. - ADRIAN JOYCE WORKS	—	—	—	—	—	—
PREMIUM ON TITANIUM DIOXIDE TRANSFERS	—	—	—	—	—	—
Total Other Deductions	981.20	224.692	3228.18	(41)	9717	29588
Net Other Income (Deductions)	(946.44)	(222.775)	(3174.19)	1872	12237	(28536)
Redistributed Items	19777	17493	37475	2832	(30213)	165967
Total Other Income (Deductions)	(74667)	(205277)	(279944)	4704	(17976)	137436

DEPRECIATION EXPENSE
CHEMICALS-PIGMENTS-METALS DIVISIONS

THE GLIDDEN COMPANY

Fiscal year ended August 31, 1958

	①	②	③	④	⑤	⑥	⑦
	St. Helena	Adrian Joyce		Hammond		Soranton	Collinsville
	No. 10	Works No. 32	Total Baltimore	No. 27		No. 28	No. 35
EXPENSE							
Land improvements	3549	9592	13141	857		192	974
Buildings	42632	275011	317643	4201		1560	6220
Building improvements		21320	21320				
Railroad sidings	168	5896	6064	123			164
Marine equipment	1973	7085	9058				
Machinery and equipment	167440	595866	763306	43397		2346	20875
Furniture and fixtures	6941	14244	21185	1916		99	2052
Autos and trucks		15231	15231				
Sub-Total	222703	944245	1166948	50474		4191	30287
Transfers							
Total	222703	944245	1166948	50474		4191	30287
DISTRIBUTION OF EXPENSE							
MANUFACTURING STATEMENT							
Depr. - buildings and yard	45989	252226	298215	5161		1752	9224
Depr. - equipment - furn. and fixt.	170395	565253	735648	42866		2340	15275
Laboratory	1228	14096	15324	280			208
Heat, light and power	3397	96208	99605				3132
Maintenance		11757	11757				1327
Raw material	1662	7396	9058				
Departments charged out		(5979)	(5979)				
Total	222671	940957	1163628	48307		4092	29166
OPERATING STATEMENT							
Furniture and fixtures	32	42	74	1916		99	721
Rent - office and warehouse							400
RESEARCH				191			
SALES DEVELOPMENT				60			
Misc. profit and loss:							
Idle plant		3246	3246				
Total	32	3288	3320	2167		99	1121
Total Expense	222703	944245	1166948	50474		4191	30287

DETAIL - SUNDRY SELLING EXPENSE
CHEMICALS-PIGMENTS-METALS DIVISIONS

THE GLIDDEN COMPANY

Fiscal year ended August 31, 1958

	Adrian Joyce				
	St. Helena	Works	Total	Hammond	Soranton
	No. 10	No. 32	Baltimore	No. 27	No. 28
Bank service charge - check tax	-	-	-	20	-
Conference expense	469	-	469	-	-
Donations	230	105	335	269	360
Messenger service	78	-	78	360	-
Moving expense	2597	-	2597	-	-
Want ads, agency fees	340	-	340	-	-
Credit reports	2187	185	2372	600	447
Organization dues	885	400	1285	129	218
Periodicals, lists, books	1254	299	1553	572	57
Tabulating	580	424	1004	1044	-
Suppers	-	-	-	2	-
Sales tax on capital purchases	205	161	366	-	-
Social security taxes	3663	2952	6615	1035	267
Suggestion awards	-	-	-	-	-
Net local receivable charge-off	-	-	-	-	-
Miscellaneous sundries	231	687	918	267	-
PRIZES TO SALESMEN	-	(3798)	(3798)	-	-
Total Sundries	12719	1415	14134	4298	1349

INVENTORY
CHEMICALS-PIGMENTS-METALS DIVISIONS
THE GLIDDEN COMPANY

Final - August 31, 1958

		Adrian Joyce Works	Hammond	Collinsville	Total
	No. 32	No. 27	No. 35		
Raw material	435,231	12,196	105,268	455,845	
In transit raw material	15083	-	744	15866	
Packaging material	14567	5405	6731	26703	
Miscellaneous	161,282	1664	36,892	199,838	
Work in process	434,331	190,866	51,239	681,491	
Total Raw	498,443	314,895	200,969	550,235	
Inor. (deor.) over prior month	(160,111)	17,888	(2,736)	(144,959)	
Inor. (deor.) over Aug. 31, 1957	(743,950) *	15,465	(54,510)	(788,935)	
Days Inventory - Aug. 31, 1958	Avg. 183	Avg. 48	Avg. 62	Avg. 42	
Finished stock	1,008,618	271,611	129,033	1,409,262	
In transit finished stock	69,337	-	-	69,337	
Warehouse stocks	462,715	50,601	6,543	499,859	
Consignments	-	24,355	24,750	49,105	
Jobbed stores	-	360	-	360	
Total Finished	1,340,670	322,927	162,336	1,825,923	
Inor. (deor.) over prior month	(168,762)	(53,022)	(5,421)	(227,005)	
Inor. (deor.) over Aug. 31, 1957	(1,761,312) *	51,337	(7,605)	(1,709,580)	
Days Inventory - Aug. 31, 1958	Avg. 49	Avg. 49	Avg. 50	Avg. 47	
Total Per Division	6,322,163	6,448,222	3,632,995	7,330,284	
Inor. (deor.) over prior month	(328,873)	(36,134)	(6,857)	(371,964)	
Inor. (deor.) over Aug. 31, 1957	(2,501,262) *	66,792	(62,115)	(2,496,585)	
Days Inventory - Aug. 31, 1958	Avg. 232	Avg. 97	Avg. 112	Avg. 189	
Days Inventory - prior month	213	140	102	157	
Days Inventory - Aug. 31, 1957	Avg. 373	Avg. 53	Avg. 103	Avg. 259	
Days Inventory computed using Regular and Intercompany Cost of Sales, (Scranton incurred in Term Only)					
* Includes Net Scranton Deckette No. 153, 123.					

GLD019377

GLD019377