Mr. R. D. [illegible]

CITY	Cleveland, Ohio	DATE	February 11, 1955	FOR	All Directors
SUBJECT	RETURN ON INVESTMENT AND COMPARISONS				
ANSWERING LETTER OF					

Ross

FEB 15 1955

In 1954 our company earned $14,235,043 before taxes, a return of 13.84% on total average assets of $102,818,307. This represents the lowest return on investment of the post-war years.

This low overall return is in large part due to the following operations:

	1954			7 Year Average 1948 - 54		
	Average Assets	Profit	% Profit to Avg. Assets	Average Assets	Profit Excl. LIFO	% Profit Excl. LIFO to Avg. Assets
San Francisco	$ 2,292,384	$158,709	6.92%	$ 2,014,116	$ 14,829	.71%
Buffalo Branch	79,152	3,496	4.42	54,607	2,200	4.03
New England Branch	333,765	25,472	7.63	277,494	5,167	1.86
Tampa Branch	100,475	4,620	4.60	81,380	(1,040)	(1.28)
Macon (6 Years)	983,227	(206,577)	(21.01)	680,872	(63,325)	(9.30)
Berkeley	4,997,894	(109,863)	(2.39)	4,581,270	(55,546)	(1.21)
Elmhurst	7,445,858	331,456	4.45	6,987,970	210,341	3.01
Norwalk	1,241,787	(105,177)	(8.47)	1,271,125	(46,236)	(3.64)
Scranton	532,285	53,720	10.09	764,623	27,546	3.60
Menlo Park	1,973,053	(79,519)	(4.03)	2,206,081	25,189	1.14
	$19,579,880	$ 76,337	.39%	$18,918,638	$118,525	.63%

The above operations represent 19.04% of our total company investment, but they produced only .54% of our total profit.

If the above were a one year result, it would be different but, over the past seven years, these same operations have shown an average annual profit of $118,525 or a return of only .63%. During the same period the balance of our assets earned at the rate of 20.33%.

Of the $19,579,880 average assets tied up in these operations during 1954, only $5,727,625 represented the depreciated book value of fixed assets. The balance -- $13,852,255 -- represented cash, inventories and receivables, all of which are easily converted into cash.

We stated in our 1954 annual report:

> "Your management has accelerated a basic decision for the elimination of activities or products which are ..... under present circumstances incapable of producing a return commensurate with the financial or managerial investments required."

RETURN ON INVESTMENT
AND COMPARISONS

We have made progress this past year:

	Assets 10/31/53	Average Assets Formerly Utilized	Former Average Annual Sales	Annual Return Last 3 Yrs.
Feed Mill	$2,183,136	$2,626,388	$4,722,700	(.69)%
Oakland	753,272	1,037,964	609,600	(9.82)
Durkee-Cambridge	794,704	903,105	1,107,300	(1.89)

By the elimination of these three operations we have released an average of $3,815,000 in working capital or liquid assets plus $388,000 which we received on the sale of the Oakland property and equipment.

A great amount of work remains in either improving results or elimination of units we cannot bring up. The amount tied up earning less than the interest we pay would finance a large part of our presently planned expansion program.

In 1954, $5,532,329 or 38.86% of our profit was earned by St. Helena, Louisville and Elston Avenue on only 13.68% of our total average assets. Excluding these three divisions and the above listed low profit divisions, the balance of our divisions earned at the rate of 11.10%.

Dividends require a profit before taxes of $9,550,000 or earnings on total average assets of 9.3%. We cannot grow and expand as long as 86% of our assets are earning at an average rate just about equal to that necessary to meet current dividend payments.

Return on investment is the net result of two factors:

1. Turnover of investment (sales divided by assets) times

2. Net profit margin on sales (%)

To measure performance by either of these two factors alone is completely misleading. This may best be illustrated by a comparison of 1954 operations within our own company:

	St. Helena	Louisville
Total Sales (Regular & Interhouse)	$8,869,216	$28,068,619
Net Report Profit	2,136,741	1,736,706
Average Assets	5,760,486	3,493,985
% Profit to Total Sales	24.09%	6.19%
Avg. Asset Turnover to Total Sales	1.54	8.03
% Profit to Average Assets	37.09%	49.70%

Here are two outstanding performances although achieved by different means. Based on profit margin alone, Louisville would not be judged as having a large profit potential. However, by turning over their average investment 8 times, they have realized a substantial return. On the other hand, St. Helena must maintain a relatively high fixed investment in plant and equipment in relation to the volume of sales obtainable, but this is offset by their high profit margin.

The factors affecting turnover and profit margins are:

Turnover	Profit Margins
Accounts Receivable	Raw Materials
Inventory	Labor
Property, Plant & Equipment	Factory Overhead
	Selling and Administrative Costs

Sales volume is a vital part in each factor. As volume increases, turnover should improve provided proportionate additional plant capacity or inventory is not necessary.

We all are fully aware of the potentialities of expense control, but are we aware of the values of turnover control? Great effort must be concentrated on the best utilization of capital to produce maximum sales and turnover. Inventories, receivables and plant investment must be controlled as well as costs and expenses if we expect to increase our return ratio.

The attached charts are self-explanatory. All divisions are shown exclusive of L. I. F. O. factors. The total company results on each page are on published profit compared against average total assets. On each page the results of other companies in related fields are compared to our divisions. Page 8 of the charts compares Glidden in total to a number of other companies.

It would be advantageous for all Directors to analyze the attached information in an effort to determine why other companies and some of our own divisions show better results. If we are going to realize our aims and potential we have to improve the undesirable conditions that exist in a number of our divisions.

R. W. MAXEY

RRA:des

Attach.

(1)

PAINT

RETURN ON TOTAL ASSETS - BEFORE FEDERAL TAXES

(Excludes LIFO Adjustments to Profit and LIFO Reserve)

	Average Total Assets 1954	% Avg. Profit to Avg. Total Assets 1948-1954 7 Yrs.	% Profit to Monthly Average Total Assets Each Year 1954	1953	1952	1951	1950	1949	1948
Cleveland	$ 5,155,394	18.02	12.33	16.25	19.80	25.27	28.26	9.82	14.77
Reading	4,554,229	12.18	10.23	14.29	15.43	14.92	18.81	4.68	6.45
New Orleans	1,616,223	18.80	18.32	14.07	20.36	15.83	27.93	18.40	19.92
St. Louis	1,278,374	24.02	23.45	33.08	27.95	23.49	27.14	11.75	20.04
Minneapolis	1,119,967	11.22	4.92	16.40	16.64	12.94	16.67	3.37	5.13
Rubian	4,237,215	25.40	13.77	27.00	24.60	26.86	43.80	15.63	31.42
Canada	4,403,347	19.20	16.82	24.60	23.10	22.81	19.62	9.75	11.56
San Francisco	2,292,384	.71	6.92	3.30	8.79	2.62	(.61)	(12.97)	(10.10)
Midwest Trade	1,847,766	15.46	16.77	22.63	25.13	21.51	13.63	(1.65)	.68
Atlanta	1,579,699	17.44	7.37	16.55	33.91	31.79	35.88	13.99	17.92
Metro. Branches **	4,974,796	21.97	22.43	22.76	22.28	30.47	24.56	10.85	19.89
Total	$33,099,394	17.42	14.74	19.52	20.37	21.06	23.57	7.47	13.09
Total Glidden Co. (Published Basis)	$102,816,307	16.10	13.84	14.78	14.60	16.31	18.27	14.31	22.65

	Average Year-End Total Assets 1954	1954	1953	1952	1951	1950	1949	1948
Sherwin-Williams	$135,279,000	16.3	15.5	14.1	16.4	16.6	11.9	18.1
Devoe & Raynolds	28,344,000	9.4	12.6	10.1	15.5	21.6	9.1	15.6
Amer. Marietta	~~47,470,000*~~ 61,798,000	19.4	19.7	16.2	20.4	23.1	6.5	10.1
Patterson Sargent	7,526,000	1.2	3.1	9.7	15.0	18.2	14.4	25.8
Pratt & Lambert	~~10,806,000*~~ 10,997,000	17.9	17.7	15.6	21.0	23.1	10.9	16.8
Cor os te-Not Weighted		12.8	13.7	13.2	17.7	20.5	10.6	17.3

Note:

* 1953

** Includes New York and New England for all years.

GLD023788

PAINT BRANCHES

RETURN ON TOTAL ASSETS - BEFORE FEDERAL TAXES

	Average Total Assets 1954	% Avg. Profit to Avg. Total Assets 1948-54 7 Yrs.	1954	1953	1952	1951	1950	1949	1948
Buffalo	$ 79,152	4.03	4.42	(.62)	6.01	18.40	(2.20)	(7.81)	10.83
Cleveland	45,877	85.30	83.61	50.29	79.58	102.91	86.20	83.22	133.15
Columbus	86,953	46.49	47.43	41.92	21.36	74.70	56.41	36.01	61.05
Detroit	135,254	47.16	48.02	60.25	77.31	73.63	23.95	(2.80)	29.31
Toledo	98,791	35.24	16.33	34.67	21.78	63.18	44.88	28.19	46.63
Louisville (6 yrs.)	93,698	28.30	30.24	36.49	39.63	44.82	(2.97)	(63.98)	-
Baltimore	102,191	15.38	17.26	16.13	9.55	27.68	30.88	(2.55)	9.66
Philadelphia (5 yrs.)	168,623	6.31	(1.54)	6.85	10.63	10.89	17.38	-	-
Richmond	79,775	12.88	32.60	17.78	.90	17.78	16.64	(11.42)	9.71
Scranton	57,989	16.55	14.79	32.66	15.48	27.54	23.40	(8.39)	11.33
Washington	195,818	31.22	28.85	42.53	37.95	31.56	34.53	12.68	24.26
Norfolk (5 yrs.)	139,710	21.06	12.11	23.53	17.94	33.35	26.88	-	-
New York	507,399	7.56	11.97	5.98	12.09	8.59	8.68	(6.05)	6.75
New England	333,765	1.86	7.63	3.74	7.76	7.86	3.43	(14.10)	(16.44)
Atlanta	77,581	57.49	44.00	55.97	53.61	72.01	56.73	48.68	80.40
Birmingham	79,248	27.57	25.98	27.36	30.72	28.19	45.56	16.59	21.49
Chattanooga	85,810	14.37	23.51	23.82	24.24	24.03	4.76	5.25	(67.14)
Knoxville	124,483	79.40	80.94	81.00	91.47	82.73	59.41	67.37	89.11
Nashville (2 yrs.)	66,336	12.22	18.48	(1.99)	-	-	-	-	-
Charlotte	104,002	79.65	64.58	103.54	67.25	90.84	89.96	67.89	72.76
Jacksonville	56,171	8.99	19.90	7.63	6.67	4.21	(1.10)	3.28	22.00
Miami	109,393	(21.12)	10.78	(20.97)	(52.76)	(37.97)	(43.97)	(25.58)	(10.52)
Orlando	56,376	28.53	43.19	17.25	37.10	31.84	15.65	9.35	40.82
Tampa	100,475	(1.28)	4.60	(.71)	1.97	.85	.68	(5.05)	(19.72)
West Palm Beach (6 yrs.)	-	3.75	-	(45.32)	(14.59)	2.94	4.18	13.32	43.87
St. Petersburg (5 yrs.)	-	(32.28)	-	-	(57.72)	(65.66)	(29.98)	(20.84)	(18.58)
Dallas	276,167	22.08	21.40	13.26	26.92	27.44	30.73	15.70	17.54
El Paso	87,835	30.54	24.82	26.43	18.44	39.27	36.13	34.25	36.65
Houston	230,725	39.32	23.75	30.20	36.15	54.74	68.28	41.08	27.76
San Antonio	82,258	23.71	3.51	12.76	37.67	40.78	27.95	13.00	44.92
Mobile	58,682	25.25	29.81	27.64	38.66	32.57	14.26	12.13	18.80
Ft. Worth (1 yr.)	-	(56.75)	-	-	-	-	-	-	(56.75)
Evansville	134,895	32.03	28.34	28.12	17.46	65.37	31.37	19.32	36.70
Mt. Vernon	11,499	59.06	40.78	28.03	21.63	74.22	61.12	111.50	97.39
Oklahoma City	112,789	14.92	10.56	24.32	.39	33.38	20.22	11.54	9.70
Memphis (5 yrs.)	87,480	48.40	31.28	42.51	61.72	65.86	49.23	-	-
Alhambra (3 yrs.)	66,634	(13.99)	(20.42)	(2.95)	(22.63)	-	-	-	-
Huntington Park (7 yrs.)	66,203	30.83	15.31	46.43	40.86	59.80	42.41	6.23	(53.41)
San Diego (5 yrs.)	78,035	12.10	26.39	15.73	15.88	5.75	(32.07)	-	-
Long Beach (5 yrs.)	77,251	6.06	18.99	14.34	1.10	(1.09)	(38.30)	-	-
North Hollywood (5 yrs.)	74,270	(5.56)	.29	(1.96)	(13.37)	(9.61)	(2.38)	-	-
Portland (2 yrs.)	121,541	23.32	16.85	35.48	-	-	-	-	-
Honolulu	139,233	16.18	11.22	10.43	13.16	17.77	18.88	11.92	29.02
Omaha (6 yrs.)	89,027	38.28	60.46	54.82	27.73	43.65	14.76	(55.18)	-
Indianapolis (4 yrs.)	112,842	34.34	32.77	40.97	38.69	(7.67)	-	-	-
[illegible]	[illegible]	[illegible]	12.27	[illegible]	22.32	23.67	27.43	11.92	(6.09)
[illegible]	$ [illegible]	[illegible]	22.43	[illegible]	[illegible]	30.47	24.56	[illegible]	[illegible]

GLD023789

FOOD

(5)

RETURN ON TOTAL ASSETS - BEFORE FEDERAL TAXES

(Excludes LIFO Adjustments to Profit and LIFO Reserve)

	Average Total Assets 1954	% Avg. Profit to Avg. Total Assets 1948-1954 7 Yrs.	% Profit to Monthly Average Total Assets Each Year 1954	1953	1952	1951	1950	1949	1948
Elston Avenue	$ 4,808,750	38.81	34.50	42.82	43.91	16.93	42.07	28.63	71.84
Cambridge (5 Yrs.)		(2.51)	-	(6.73)	(1.64)	4.23	(6.09)	(10.74)	-
Portland (5 Yrs.)		(6.35)	-	-	(40.57)	8.03	(21.58)	(13.21)	12.72
Macon (6 Yrs.)	983,227	(9.30)	(21.01)	(10.54)	(7.63)	(5.76)	2.94	(4.89)	-
Louisville	3,493,985	31.59	49.70	43.71	25.63	9.28	53.91	8.44	42.43
Berkeley	4,597,894	(1.21)	(2.39)	(2.93)	1.53	(17.76)	11.11	(8.11)	12.77
Elmhurst (Incl. Hillside)	7,445,858	3.01	4.45	3.13	4.44	(13.67)	14.15	5.05	7.66
Iron Street	1,528,829	24.90	15.74	26.65	29.76	(12.49)	38.77	37.54	40.93
Norwalk	1,241,787	(3.64)	(8.47)	4.98	5.31	(15.58)	1.47	(7.26)	(4.71)
Total	$24,100,330	12.91	14.74	14.47	14.45	(4.45)	22.33	7.81	25.51
Total Glidden Co. (Published Basis)	$102,818,307	16.10	13.84	14.78	14.6	16.31	18.27	14.31	22.65
	Average Year-End Total Assets 1954								
Wesson Oil	$97,276,000		15.8	10.3	9.3	12.2	18.4	9.6	41.9
Mrs. Tucker**	-		-	-	-	19.6	21.5	17.5	56.7
Best Foods	48,998,000		20.7	17.5	21.0	19.4	25.6	17.5	40.2
Capital City Prod.	7,650,000		15.7	13.9	18.9	16.8	30.5	6.8	31.4
McCormick	~~16,681,000*~~ 16,894,000		6.6	9.2	9.5	8.9	7.9	-	-
Natl. Dairy Prod.	~~417,081,000*~~ 430,716,000		17.6	19.5	17.8	17.9	19.7	18.2	13.9
Standard Brands	~~157,770,000*~~ 164,698,000		13.1	12.4	11.9	12.1	13.7	9.3	7.3
Procter & Gamble	460,362,000		24.9	20.8	22.9	31.2	32.7	14.7	38.8
General Foods	341,930,000		18.4	16.8	16.7	19.7	21.1	19.5	18.6
Composite-Not Weighted			19.0	15.9	16.9	18.6	22.9	14.1	31.1

Note:

* 1953
** Merged with Anderson, Clayton.

GLD023790

FOOD

(4)

RETURN ON TOTAL ASSETS - BEFORE FEDERAL TAXES

(Excludes LIFO Adjustments to Profit and LIFO Reserve)
(Excludes Market Variation Gains and Losses)

	Average Total Assets 1954	% Avg. Profit to Avg. Total Assets 1948-1954 7 Yrs.	% Profit to Monthly Average Total Assets Each Year 1954	1953	1952	1951	1950	1949	1948
Elston Avenue	$ 4,808,750	35.93	35.76	38.54	41.14	30.03	31.29	33.94	41.48
Cambridge (5 Yrs.)	-	(2.22)	-	(5.84)	(1.64)	4.23	(6.09)	(10.74)	-
Portland (5 Yrs.)	-	(6.25)	-	-	(40.57)	7.13	(16.78)	(13.21)	9.29
Macon (6 Yrs.)	983,227	(8.72)	(20.31)	(10.36)	(8.74)	2.16	(3.94)	(1.71)	-
Louisville	3,493,985	31.78	39.02	38.57	24.64	28.16	35.68	31.16	29.43
Berkeley	4,597,894	3.70	(1.41)	(3.79)	1.80	3.89	10.99	3.86	12.77
Elmhurst	7,445,858	7.71	4.76	3.75	4.75	[illegible]	13.68	18.42	7.89
Iron Street	1,528,829	29.22	16.58	27.04	26.39	11.37	30.09	51.94	40.93
Norwalk	1,241,787	(.05)	(7.71)	4.49	2.73	(2.45)	(2.03)	[illegible]	[illegible]
Total	$24,100,330	15.34	13.85	13.14	11.61	12.13	17.04	20.78	18.80
Total Glidden Co. (Published Basis)	$102,818,307	16.10	13.84	14.78	14.60	16.31	18.27	14.31	22.65

	Average Year-End Total Assets 1954	1954	1953	1952	1951	1950	1949	1948
Wesson Oil	$97,276,000	15.8	10.3	9.3	12.2	18.4	9.6	41.9
Mrs. Tucker**	-	-	-	-	19.6	21.5	17.5	56.7
Best Foods	48,998,000	20.7	17.5	21.0	19.4	25.6	17.5	40.2
Capital City Prod.	7,650,000	15.7	13.9	18.9	16.8	30.5	6.8	31.4
McCormick	~~16,681,000*~~ [illegible]	6.6	9.2	9.5	8.9	7.9	-	-
Natl. Dairy Prod.	~~417,081,000*~~ [illegible]	17.6	19.5	17.8	17.9	19.7	18.2	13.9
Standard Brands*	~~157,770,000*~~ [illegible]	13.1	12.4	11.9	12.1	13.7	9.3	7.3
Procter & Gamble	460,362,000	24.9	20.8	22.9	31.2	32.7	14.7	38.8
General Foods	341,930,000	18.4	16.8	16.7	19.7	21.1	19.5	18.6
Composite-Not Weighted		18.0	15.9	16.9	18.6	22.9	14.1	31.1

Note:

* 1953
** Merged with Anderson, Clayton.

GLD023791

CHEMICALS-PIGMENTS-METALS

RETURN ON TOTAL ASSETS - BEFORE FEDERAL TAXES

(Excludes LIFO Adjustments to Profit and LIFO Reserve)

	Average Total Assets 1954	% Avg. Profit to Avg. Total Assets 1948-1954 7 Yrs.	% Profit to Monthly Average Total Assets Each Year 1954	1953	1952	1951	1950	1949	1948
St. Helena	$ 5,760,486	34.16	37.09	38.07	28.00	43.53	43.40	22.16	25.28
Oakland	560,692	7.78	.14	(20.54)	(2.30)	38.05	24.47	(3.81)	29.88
Collinsville	895,625	33.48	21.86	27.71	19.07	65.38	47.74	3.90	65.06
Hammond	1,024,396	1.27	42.52	38.64	19.98	21.67	(11.66)	(35.19)	4.26
Scranton	532,285	3.60	10.09	6.21	(24.17)	18.79	3.46	(19.36)	36.11
Zinc Mines	37,050	-	-	-	-	-	-	-	-
Barytes Mines	64,395	-	-	-	-	1.87	-	-	-
Yadkin	52,204	-	-	-	43.33	13.87	9.26	17.49	21.64
Total**	$ 9,068,073	21.96	28.41	26.54	18.25	37.52	23.46	(1.54)	25.16
Total Glidden Co. (Published Basis)	$102,818,307	16.10	13.84	14.78	14.60	16.31	18.27	14.31	22.65

	Average Year-End Total Assets 1954	1954	1953	1952	1951	1950	1949	1948
Amer. Cyanamid	~~$431,516,000*~~ 471,546,000	10.8	12.2	11.7	24.2	25.4	11.8	8.5
National Lead	~~259,279,000*~~ 302,146,000	22.2	24.2	21.3	27.0	28.7	12.0	15.4
Amer. Smelting	~~366,173,000*~~ 392,303,000	8.8	9.4	15.9	23.0	22.2	14.9	21.9
Dow Chemical	736,842,000	7.8	12.3	20.6	29.0	17.2	14.6	13.9
Composite-Not Weighted		12.4	14.5	17.4	25.8	23.3	13.3	14.9

Note:

* 1953
** Total includes Metals Refining Co. assets taken over.

GLD023792

CHEMURGY

RETURN ON TOTAL ASSETS - BEFORE FEDERAL TAXES

(Excludes LIFO Adjustments to Profit and LIFO Reserve)

	Average Total Assets 1954	% Avg. Profit to Avg. Total Assets 1948-1954 7 Yrs.	% Profit to Monthly Average Total Assets Each Year 1954	1953	1952	1951	1950	1949	1948
Chicago Soya	$14,628,171	19.79	11.39	8.71	15.44	38.07	19.77	25.22	23.46
Feed Mill	1,890,502	(1.00)	(.55)	2.50	(4.66)	2.87	3.15	.33	(12.83)
Ind. Soya (6 Yrs.)	7,870,741	5.15	(.06)	3.28	8.05	14.33	4.02	(3.17)	-
Buena Park	1,973,053	1.14	(4.03)	(.10)	(6.77)	4.62	8.53	8.72	1.14
Total	$26,362,467	11.78	6.36	5.61	7.50	24.35	11.51	15.88	14.57
Total Glidden Co. (Published Basis)	$102,818,307	16.10	13.84	14.78	14.60	16.31	18.27	14.31	22.65

	Average Total Assets 1954	% Avg. Profit 7 Yrs.	1954	1953	1952	1951	1950	1949	1948
Central Soya	$54,770,000		14.5	13.6	15.5	21.0	24.0	27.0	22.1
A. E. Staley	~~81,458,000~~* 90,163,000		12.2	11.5	8.9	11.0	11.7	11.3	18.0
Spencer Kellogg	51,034,000		10.7	.6	3.6	13.1	8.6	10.3	19.4
A-D-M	102,703,000		9.8	6.1	12.1	15.1	16.3	21.7	20.1
Ralston Purina	151,247,000		22.9	15.2	16.3	23.6	25.0	27.4	14.8
Arcady Milling	3,520,000		3.4	(8.8)	4.0	16.0	17.6	16.1	18.0
Composite-Not Weighted			12.4	6.4	10.0	16.8	17.2	19.0	18.8

NAVAL STORES

	Average Total Assets 1954	% Avg. Profit 7 Yrs.	1954	1953	1952	1951	1950	1949	1948
Naval Stores	3,461,255	17.11	16.53	9.74	10.75	33.40	21.56		
Colledge (3 Yrs.)	22,064	94.15	161.29	115.60	102.42	83.52	63.25		
Total	$ 3,483,319	17.75	17.54	10.67	11.16	34.31	22.33	12.03	14.49
Newport Ind.	~~$19,542,000~~* 20,717,000		2.2	7.5	7.1	26.2	15.0	4.1	13.3

Note:

* 1953

RETURN ON INVESTMENT

% Profit Before Taxes

	% Avg. Profit to Avg. Total Assets 1948-1954 7 Yrs.	% Profit to Monthly Average Total Assets Each Year 1954	1953	1952	1951	1950	1949	1948
Glidden *								
Paint	17.42	14.74	19.52	20.37	21.06	23.57	7.47	13.09
Food	12.91	14.74	14.47	14.45	(4.45)	22.33	7.81	25.51
Food (Excl. Mkt.)	15.34	13.85	13.14	13.61	12.13	17.04	20.78	18.80
C-P-M	21.96	28.41	26.54	18.25	37.52	23.46	(1.54)	25.16
Chemurgy	11.78	6.36	5.61	7.50	24.35	11.51	15.88	14.57
Naval Stores	17.75	17.54	10.67	11.16	34.31	22.33	12.03	14.49
Glidden Published Profit	16.10	13.84	14.78	14.60	16.31	18.27	14.31	22.65

	% Profit to Average Year-End Total Assets 1954	1953	1952	1951	1950	1949	1948
5 Composite Paints	12.8	13.7	13.2	17.7	20.5	10.6	17.3
7 Composite Foods	18.0	15.9	16.9	18.6	22.9	14.1	31.1
4 Composite Chemicals	12.4	14.5	17.4	25.8	23.3	13.3	14.9
6 Composite Chemurgy	12.4	6.4	10.0	16.8	17.2	19.0	18.8
1 Naval Stores	2.2	7.5	7.1	26.2	15.0	4.1	13.3

% Profit Before Taxes to Years' Sales

	7 Yrs.	1954	1953	1952	1951	1950	1949	1948
Glidden *								
Paint	8.5	7.8	9.6	9.7	10.0	10.3	3.9	6.4
Food	3.3	4.0	4.0	4.3	(1.1)	5.4	2.1	4.7
Food (Excl. Mkt.)	3.9	3.7	3.6	4.1	3.1	4.1	5.7	3.5
C-P-M	16.6	20.9	22.5	19.5	22.7	14.5	(1.5)	16.3
Chemurgy	6.6	4.3	3.3	3.9	13.9	5.8	8.6	7.2
Naval Stores	8.1	9.3	5.4	5.7	12.9	9.0	5.5	6.6
Glidden Published Profit	7.1	6.8	7.0	6.9	7.0	7.7	6.3	7.6
2 Composite Paints		7.7	8.1	7.3	9.3	[illegible]	5.5	8.4
7 Composite Foods		8.4	7.4	8.0	7.8	[illegible]	5.3	10.1
4 Composite Chemicals		12.3	13.9	16.3	21.0	18.9	14.9	[illegible]
6 Composite Chemurgy		5.4	2.3	4.1	6.1	6.4	6.3	[illegible]
1 Naval Stores		2.6	8.1	7.8	21.0	13.7	4.9	[illegible]

Note:
* Glidden Division Profit Excludes LIFO Adjustments to Profit and LIFO Reserve.

GLD023794

% PROFIT BEFORE TAXES

	To Year-End Total Assets					To Year-End Net Worth				
	1954	1953	1952	1951	1950	1954	1953	1952	1951	1950
Glidden Published*	13.84	14.78	14.60	16.31	18.27	18.50	19.96	19.83	22.94	21.81
DuPont	30.97	34.68	34.30	37.09	36.49	33.70	38.48	38.33	42.93	42.93
Monsanto	11.30	13.66	11.70	23.70	24.31	18.09	21.92	19.40	37.63	34.85
Dow Chemical	8.20	11.26	17.26	25.64	16.32	17.35	27.07	37.87	43.00	24.38
American Cyanamid	10.21	11.84	11.10	22.27	21.45	16.26	21.18	19.61	36.48	35.68
Union Carbide	13.76	19.13	21.20	27.44	27.36	25.51	35.19	36.97	45.93	44.46
Minnesota Mining	26.48	28.12	27.00	27.76	31.66	36.35	40.41	39.21	40.77	47.03
Diamond Alkali	9.88	10.81	11.59	19.94	13.66	15.22	16.85	16.52	30.18	20.00
Owens-Illinois Glass	16.44	15.85	16.90	23.47	24.43	26.79	23.59	23.08	34.34	34.63
Pittsburgh Plate Glass	16.69	17.25	18.03	28.50	27.39	24.79	31.07	33.73	50.55	40.34
Hercules Powder	23.08	23.88	25.49	35.47	27.57	34.99	38.22	40.94	61.96	42.82
Allied Chemical (General Chem. Div.)	16.83	11.74	16.78	24.45	20.13	19.79	23.95	28.16	39.26	30.13
Eastman Kodak	25.94	25.45	25.97	29.79	27.74	30.99	31.82	31.53	35.78	33.16
Spencer Kellogg	10.36	.62	3.56	13.15	8.79	11.89	.69	4.36	15.81	11.48
Commercial Solvents	7.10	7.13	3.38	19.56	19.66	13.37	13.31	6.19	30.10	24.77
Procter and Gamble	24.06	19.95	22.59	28.78	31.15	32.32	26.54	29.17	38.09	37.02
Harshaw Chemical	12.56	9.29	2.50	20.28	13.46	18.81	14.03	3.63	35.75	22.92
Archer-Daniels-Midland	9.55	6.21	13.38	14.25	15.87	11.22	7.08	15.55	20.95	19.48
Interchemical	15.61	15.50	13.76	13.31	17.81	27.24	24.40	22.31	21.13	29.94
Olin-Mathieson**	9.77	13.36	8.61	15.21	17.91	24.11	23.25	15.18	25.54	28.79
Spencer Chemical	17.08	16.30	20.31	25.83	28.44	35.39	34.32	36.16	40.49	57.66
Dewey & Almy	—	14.13	1.38	18.30	25.94	—	28.42	2.69	33.82	64.40
Heyden Chemical	3.35	6.52	5.57	16.96	14.75	4.28	8.16	7.35	23.04	21.54
Inter. Min. & Chem.	6.10	8.51	11.23	12.64	12.40	8.96	12.75	14.01	15.97	16.73
Victor Chem.	16.75	~~16.53~~ 17.50	13.08	17.34	27.65	23.01	~~22.68~~ 24.23	18.19	24.64	32.32

Note:

* Glidden to years monthly average total assets.

** Years prior to 1954 are Mathieson Chemical only.

THE GLIDDEN COMPANY
PROFIT GOALS - ALL DIVISIONS
For the Fiscal Year Nov. 1, 1954 to Oct. 31, 1955

	1954				1955
	Ahead (Behind) Goal	Profit Goal	Profits*	% Earned	Profit Goal
Central Region	$ (443,875)	$ 1,272,000	$ 828,125	14.5%	$ 1,080,000
Eastern Region	(320,707)	996,000	675,293	11.0	903,000
Southern and Texas Region	(15,878)	468,000	452,122	19.2	528,000
Mississippi Region	(131,014)	513,000	381,986	23.5	468,000
Northwestern Region	(168,743)	234,000	65,257	5.4	198,000
Southeastern Region	(62,583)	486,000	423,417	17.4	492,000
Nubian Region	(526,417)	1,110,000	583,583	13.8	864,000
Canadian Region	(309,164)	1,050,000	740,836	16.8	876,000
Pacific Region	(31,185)	258,000	226,815	7.8	300,000
Midwest Trade Region	(133,322)	534,000	400,678	19.6	474,000
Royalties	22,745	72,000	[illegible]	-	120,000
Total Paints	$(2,120,143)	$ 6,993,000	$ 4,872,857	14.7%	$ 6,303,000
Elston Ave.	$ 159,766	$ 1,560,000	$ 1,719,766	35.6%	$ 1,662,000
Macon	(259,706)	60,000	(199,706)	(20.3)	-
Louisville	(4,739)	1,368,000	[illegible]	17.0	1,368,000
Berkeley	(425,031)	360,000	[illegible]	(1.4)	204,000
Elmhurst	(216,696)	600,000	[illegible]	4.8	480,000
Iron Street	(166,557)	420,000	[illegible]	16.6	492,000
Norwalk	(197,778)	108,000	[illegible]	(9.7)	108,000
Market Gains (Incl.-D.T.A.)	215,801	-	215,801	-	-
Royalties	7,500	-	7,500	-	-
Total Foods	$ (916,440)	$ 4,476,000	[illegible]	14.7%	$ 4,314,000
St. Helena	$ (239,259)	$ 2,376,000	$ 2,136,741	38.1%	$ 2,304,000
Oakland	(107,210)	108,000	790	-	-
Collinsville	(104,197)	300,000	195,803	21.9	270,000
Hammond	75,535	360,000	435,535	42.5	450,000
Scranton	(6,280)	60,000	53,720	10.1	60,000
Zinc Mines	(38,606)	(216,000)	(254,606)	-	(120,000)
Barytes Mines	(3,596)	-	(3,596)	-	-
Royalties	3,885	8,400	12,285	-	9,000
Total Chemicals	$ (419,727)	$ 2,996,400	$ 2,576,673	20.1%	$ 2,973,000
Chicago - Chemurgy	$ (926,190)	$ 2,592,000	$ 1,665,810	11.4%	$ 2,400,000
Indianapolis - Chemurgy	(808,481)	804,000	(4,481)	(.1)	720,000
Feed Mill	(142,355)	132,000	(10,355)	-	-
Buena Park	(253,519)	174,000	(79,519)	(4.0)	48,000
Royalties	100,400	3,600	104,000	-	396,000
Total Chemurgy	$(2,030,145)	$ 3,705,600	$ 1,675,455	6.4%	$ 3,564,000
Naval Stores	$ 92,014	$ 480,000	$ 572,014	16.5%	$ 600,000
E. W. Colledge	11,588	24,000	35,588	161.3	36,000
Royalties	3,473	-	3,473	-	-
Total Naval Stores	$ 107,075	$ 504,000	$ 611,075	17.5%	$ 636,000
Net Division Profit	$(5,379,380)	$18,669,000	$13,289,620	13.6%	$17,790,000

* Individual Division figures are operating profits with market gains or (losses) excluded.