

BOARD OF OPERATORS - 1099th MEETING

June 10, 1940

Present:

A. W. Steudel
F. E. Davis
N. E. Van Stone
V. Mills
S. E. Coolidge
W. R. Sieplein
F. A. Stanton
G. H. Griffiths
J. S. Prescott
E. C. Baldwin

Absent:

H. J. Main
E. E. Ware
T. J. McDowell

Copies To:

G. A. Martin
H. D. Whittlesey
L. W. Wolcott
K. H. Wood
C. A. Campbell
Z. E. Martin
W. M. Stuart
D. A. Kohr
W. A. Gorrell
P. C. Grigsby
D. A. Whittaker
L. C. deMerrall
F. Allen

8868 - REPORT ON FACTORY OPERATIONS:

Orders for heavy liquids amounted to 204,000 gallons as compared with production of 171,000 gallons. Shipments totaled 239,000 with a resulting decrease in inventory of 63,000 gallons.

Factories operated 40 hours a week on the average.

Sales for the week were 7.3% ahead of last year with gains in all captions except insecticides. Trade sales had a gain of 7.7% and retail stores a gain of 19.6%.

8869 - REPORT ON NUMBER OF HOURS PLANTS HAVE OPERATED:

Location	Product	Operated at 40 hour week
Chicago	P&V	" " 35 " "
Newark	P&V	" " 35 " "
Cleveland	P&V	" " 40 " "
Oakland	P&V	" " 40 " "
Los Angeles	P&V	" " 40 " "
Dallas	P&V	" " 40 " "
Chicago Lacquer		" " 41 " "
Dry Color		" " 32 " "
Flushed Color		" " 32 " "
Acme		" " 40 " "
Lowe Brothers Company		" " 32 " "
Lucas		" " No Report
Martin-Senour Company		" " 32 hour week
Chicago White Lead		" " 75% capacity
Lithopone		" " 0% "
Tin Can		" " 80% "
Coffeyville Lithopone		" " 100% "
Leaded Zinc		" " 66% "
Cleveland Linseed Oil		" " 100% "
Castor Oil		" " 0% "

8870 - NORTH DAKOTA PAINT RATINGS:

Mr. Mills reported that the state of North Dakota rating on Martin-Senour house paint was apparently on a special formula manufactured for the Bank of North Dakota rather than on "Monarch" house paint.

He reported further that the North Dakota law does not apparently authorize paint testing although there is a law which calls for testing varnishes.

8871 - STONE MILLS:

Mr. Mills reported that the percent of materials ground on stone mills is as follows:

	<u>Last Year</u>	<u>This Year</u>
NEWARK	37%	33%
CLEVELAND	12%	9%
CHICAGO	20%	13%

8872 - LINSEED OIL MILL:

Mr. Coolidge reported that we have enough seed on hand to operate the linseed oil mill to August 1st.

8873 - DEHYDRATED CASTOR OIL:

Mr. Davis reported that factory consumption of Dehydrol amounted to 135 bbls. last week. Stock of Dehydrol was reduced by shipment of three tank cars to Devco and Reynolds.

8874 - NEOFAT:

Mr. Davis pointed out to the Board that our contract for Neofat calls for 600,000 pounds which is very much larger than current requirements. New developments have made it relatively far less important.

Mr. Davis will see whether any arrangement can be worked out to relieve us of taking the amount included in the contract..

8875 - LEAD STOCKS:

Mr. Davis reported that stock of pig lead had been increased somewhat because of a strike in Chicago which necessitated ordering direct from St. Joseph.

8876 - H T S LEAD:

Mr. Steudel advised the Board that the Devco and Reynolds contract with National Lead terminates August 31st and that we could expect them to buy their requirements of H T S lead from us provided we can supply a satisfactory grade.

Mr. Coolidge will get a report for next week from Mr. Stevens on how soon we can expect to be producing H T S lead and also an estimate on requirements of pig lead for the rest of the fiscal year.

Mr. Prescott reported that a complete requisition for the changes in the white lead plant is not yet available.

8877 - TIN PLATE:

In view of the possible war shortage of tin plate, the Board asked Mr. Davis to cover for our requirements up until the end of December. If possible shipment is to be deferred until after September first. It was pointed out that work should be done to find a satisfactory substitute for tin plate in the event there is a real shortage. Dr. Van Stone will ask Mr. Bingham to investigate and report on several possibilities. Mr. Davis will find out what substitutes American and Continental Can Companies have developed.

8878 - EQUIPMENT FOR NEW RETAIL STORES:

In discussing the possibility of reducing the cost of installation of small new stores, it was suggested that in the two man stores the electric water cooler could probably be eliminated. Mr. Prescott will consult with Mr. Krimbill on this suggestion.

Mr. Davis reported that a saving of \$40.00 has been effected in the cost of store fixtures.

8879 - TRADE SALES LINES--SHERWIN-WILLIAMS AND LOWE BROTHERS:

Dr. Van Stone advised the Board that Sherwin-Williams trade sales line contains some 36% more items than Lowe Brothers. The relatively compact line no doubt at least partially accounts for the better turnover that Lowe Brothers gets as compared with the other affiliated companies.

A check will be made to see where Sherwin-Williams line is larger and whether it can be reduced.

8880 - STORAGE IN-TRANSIT--RATES ON INSECTICIDES:

It was reported that storage-in-transit rates have been obtained for all warehouse points from which outgoing shipments as well as incoming shipments are in carload quantities.

8881 - PRICE OF LITHARGE--OAKLAND INSECTICIDES PLANT:

Mr. Steudel pointed out to the Board that the extremely low price of arsenate of lead makes it extremely important for us to get a lower cost than we now have on litharge for our Oakland insecticide plant.

Mr. Davis will consult with Fuller to see what reduction can be obtained.

8882 - BUSINESS CONDITIONS:

Mr. Steudel advised the Board that in view of the extremely uncertain business prospects, inventories must be reduced as much as possible before the end of August.

8883 - PAINTER SALESMEN:

Mr. Steudel advised the Board that painter sales territories are being established in a number of metropolitan centers prior to the opening of retail branches.

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The cost of operating these territories will be carefully compared with the extra profit from sales which are made at substantially over dealer net prices. In all probability, the extra profit will more than cover the total expense which will have the same net result as selling at dealer cost with no selling expense.

3884 - PUBLIC BID:

Since September 1, 1939, 1856 invitations to bid have been received. A total of 1573 amounting to \$4,161,313 have been placed and of this total we have received awards on 194 amounting to \$509,891.00

3885 - NEW GOODS:

Zinc Chromate Primer - Rx 25996—Drop from O-K Automotive line.

Kem Warm Weather Reducer - Rx 03917—Add to regular O-K Line (Qts., Gals. - 5's) to replace present Kem Retarder Reducer Rx 02968.

8865 - FACTORY OPERATIONS, week ending June 4, 1940

HEAVY LIQUIDS - S-W PLANTS

Total orders received - 204,309	Total production - 170,832
Total factory stocks - 821,749	Inventory Dec. 63,044
CHICAGO - Orders recd. 120,258 Production 85,497 Stocks 395,570 gals.	
NEWARK - Orders recd. 30,309 Production 29,446 Stocks 182,723 gals.	
CLEVELAND - Orders recd. 40,029 Production 44,710 Stocks 161,262 gals.	
OAKLAND - Orders recd. 15,733 Production 11,179 Stocks 82,194 gals.	

TOTAL PLANT OUTPUT

CHICAGO	P&V	- 129,773 gals.	Operated at 85%
NEWARK	P&V	- 43,977 "	" " 55%
CLEVELAND	P&V	- 70,172 "	" " 86%
OAKLAND	P&V	- 25,329 "	" " 133% (New Basis)
LOS ANGELES	P&V	- 15,789 "	" " 70%
DALLAS	P&V	- 14,045 "	" " 172%
CHICAGO LACQUER	-	45,829 "	" " 95%
DRY COLOR	-	117,496 Lbs.	" " 67%
FLUSHED COLOR	-	51,972 "	" " 61%
CHEM. PRODUCTS-			" " 70%
BOUND BROOK INSECTICIDES - Lead Arsenate 150 tons			
		Arsenic Acid 125 "	
		Calcium Arsenate 112 "	
		Basi-Cop 27 "	
		Dry Lime Sulfur 15 "	
		Paris Green 6 "	7 days-3 shifts.
OAKLAND INSECTICIDES	-	5 days @ 2 - 6 hour shifts.	
ACME	-	Produced 56,551 gals. Paint Dept. operated at 44%, Enamel & Lacquer at 19%, and Varnish & Thinner at 15%.	
LOWE BROTHERS COMPANY	-	Manufactured 41,333 gals. with Paint Depts. operating at 82%, Enamel Dept. at 82%, and Varnish Dept. at 46%.	
MARTIN-SENOUR COMPANY	-	Manufactured 20,678 gals. Paint Dept. operated at 102%.	

6-10-40.

##8866 - PLANT REQUISITIONS APPROVED:

RETAIL STORES:

<u>#1457 - San Antonio</u>	
2 Westinghouse fans	54.00
<u>#1458 - Altoona</u>	
Wallpaper display furniture	52.66
<u>#1459 - Danbury</u>	
New installation	2,357.17
<u>#1460 - ElDorado</u>	
New installation	2,696.85
<u>#1461 - Daytona Beach</u>	
New installation	2,338.53
<u>#1462 - Champaign</u>	
New installation	3,312.92
<u>#1463 - San Antonio</u>	
Window neon sign	12.25
<u>#1464 - Lancaster</u>	
Mail scale	4.50

NORTH ATLANTIC DIST:

<u>#644 - Charlotte Whse.</u>	
Royal typewriter	93.56

WESTERN DIST:

<u>#5802 - Chicago</u>	
1 typewriter desk	30.00

CHICAGO FACTORY

<u>#240</u>	Kerrick Hydro Steam Kleaner - C.P.	97.50
<u>#272</u>	8 Trumbull safety switches and 3 Square D starters C.P.	390.44
<u>#338</u>	Install vents over charging doors of furnaces - Red Lead	315.45
<u>#389</u>	Install spare pump and motor for filter presses-Dry Color	397.85
<u>#400</u>	2 - Figure 12 rotameters - Coal Tar	147.00
<u>#401</u>	200 - 10 gauge aluminum drying trays - Azo Dye	930.00
<u>#405</u>	2 Surety #2-L illuminating shield for emery wheel-W.L.	25.00
<u>#406</u>	25 - 1/3 H.P. motors - Sales	929.75
<u>#409</u>	1 Cordley water cooler - Varn.Lab.	13.50
<u>#419</u>	Beta fusion kettle - C.P.	714.59

CLEVELAND ADMIN.OFFICES:

<u>#1502 - Mailing Dept.</u>	
1940 Plymouth commercial panel truck, less trade-in	387.00

HAVANA, CUBA.

#387 Laboratory fume hood and exhaust fan 306.00

LOS ANGELES FACTORY

#119 Reconditioning 30 inch mill, and ship from Detroit 506.90

NEWARK FACTORY

#646 Flat truck 34.25

TOTAL PLANT REQUISITIONS APPROVED - - - - - \$ 16,147.67

#8867 - LARGE EXPENSE REQUISITIONS APPROVED:

NEW ENGLAND DIST.

#125 - Boston Whse.

Repairing shipping room floor 115.00

CHICAGO FACTORY

#270 Repair speed reducer - Beta Qxy 125.90

#386 Replace worn out wood stack - Beta 80.00

#394 Replace broken agitator - Beta 121.60

#402 Repair 4" return steam line from Bg. #200 - W. L. 89.60

CLEVELAND FACTORY

#3332 Replace 1,000 lbs. steel balls for #60 mill 155.00

CLEVELAND LINSEED OIL MILL

#766 Repair centrifuge bowl 125.00

TOTAL LARGE EXPENSE REQUISITIONS - - - - - \$ 812.10

Total Plant Requisitions to date \$ 960,425.62

Total Expense " " " \$ 166,948.55

ACME - DETROIT

ES 1021 Canopy installed over platform Bg. #21 405.00

BE 339 Dodge sedan for Greensboro branch 493.52

BE 345 2 tires - Joplin branch 51.00

BE 346 Ford Pickup truck - Ponca City branch 538.85

BE 362 Remodeling warehouse - Salt Lake City 1,095.14

W.W.LAWRENCE CO. - Pittsburgh

#6 1 Patterson typhoon portable agitator 221.00

MARTIN-SENOUR - Chicago

#312 Repair 3 varnish trucks from S-W Co. 270.00

#315 Roto Plane Speed Strainer 432.85

#316 Plymouth sedan, less trade-in 483.32

#317 Chevrolet sedan, less trade-in 225.00