

The type of bearing that we sell to the steel mills is very profitable. Our 1948 sales of these bearings decreased approximately \$30,000 from 1947. An analysis of the Carnegie-Illinois account discloses that 1948 bearing sales at the Gary, South Chicago and Irvin mills decreased from 1947 sales approximately \$52,000 which more than accounts for the total decrease in 1948 steel mill bearing sales. The reason seems to be that the Pittsburgh office of Carnegie-Illinois has put pressure on the mills to split the replacement bearing business among five suppliers. We are currently receiving our full 20% of the business, but we obviously need help with this account and plan to ask for it.

Our Marine sales increased \$13,000 during the year due to a replacement order from the Navy. As stated last year, the profit derived from sales of marine type bearings is not satisfactory, and we are very careful about quoting on this type of business so as to insure a satisfactory profit.

Our sales of A-B-K caster wheels increased \$14,000 in 1948 due in part to the addition of a new outlet, the Service Caster and Truck Manufacturing Company. Heretofore, we have had an exclusive distribution agreement with the Rapids-Standard Company which we cancelled in September so as to add the Service Caster and Truck Manufacturing Company to our distribution.

Prices for A-B-K bearings were raised 10% in 1946, 22% in 1947 and were not raised in 1948. Prices for A-B-K caster wheels were raised on an average of 25% in 1948 for the first time since the war.

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