
National
Lead
Company
64th
Annual
Report
1955

The biggest "Dutch Boy" in the world—standing 110 feet above the ground. This sign, the largest outdoor sign in the metropolitan New York area, delivers three million messages a month to motorists passing by on the Garden State Parkway in northern New Jersey. The head of the "Dutch Boy" is 52 feet high, and the arm, which moves to give a constant brushing action, is 56 feet long and weighs four tons. The clock atop the sign, one of the largest of its type ever constructed, has 10-foot numerals and contains 1,000 bulbs. It can be read a distance of five miles. The "D" in "Dutch Boy" is 15 feet high and the other letters are 8 feet in height. Two miles of neon tubing and ten miles of wire were used in the sign.

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INCORPORATED DECEMI

64th ANNUAL

FOR THE YEAR ENDED DEC

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Board of Directors

LEONARD T. BEALE
ALFRED H. DREWES
FRANK J. KOEGLER
JOSEPH A. MARTINO
DAVID A. MERSON
GEORGE L. RATCLIFFE
JOSEPH H. REID
WINTHROP SARGENT, JR.
JAMES A. TAYLOR
HERMAN T. WARSHOW
WILLIAM J. WELCH
HARRY C. WILDNER

Executive Committee

Chairman
JOSEPH A. MARTINO

ALFRED H. DREWES
DAVID A. MERSON
JOSEPH H. REID
HERMAN T. WARSHOW
WILLIAM J. WELCH
HARRY C. WILDNER

Executive Officers

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JOSEPH A. MARTINO

Vice-Presidents
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FRANK J. KOEGLER
DAVID A. MERSON
JOSEPH H. REID
HERMAN T. WARSHOW
WILLIAM J. WELCH
HARRY C. WILDNER

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JOHN B. HENRICH

Assistant Secretary
JOHN J. LAWLOR

Treasurer
JOSEPH J. MORSMAN, JR.

Assistant Treasurer
MICHAEL USS

Comptroller
GEORGE A. DEWEY

Assistant Comptrollers
ALBERT H. HOFFMAN
THOMAS F. OWENS
ARCHER D. SARGENT

Executive Offices:
111 BROADWAY, NEW YORK 6, N. Y.

General Counsel:
ALEXANDER & GREEN, 120 BROADWAY, NEW YORK 5, N. Y.

Stock Transfer Agents:
THE CHASE MANHATTAN BANK, 11 BROAD ST., NEW YORK 15, N. Y.
OLD COLONY TRUST COMPANY, 45 MILK ST., BOSTON, MASS.
NATIONAL TRUST COMPANY, LIMITED, 14 KING ST. EAST, TORONTO, CANADA

Registrars of Stock:
BANKERS TRUST COMPANY, 16 WALL ST., NEW YORK 15, N. Y.
THE FIRST NATIONAL BANK OF BOSTON, 45 MILK ST., BOSTON, MASS.
THE ROYAL TRUST COMPANY, 66 KING ST. WEST, TORONTO, CANADA

FINANCIAL HIGHLIGHTS

	1955	1954
NET SALES	$533,728,730	$419,333,961
NET EARNINGS	$ 47,889,941	$ 36,618,651
PER COMMON SHARE	$4.02	$3.05
DIVIDENDS	$ 34,598,469	$ 25,916,999
COMMON DIVIDENDS PER SHARE	$2.85	$2.10
TAXES		
FEDERAL INCOME TAXES	$ 41,546,851	$ 30,534,665
OTHER TAXES	$ 6,307,704	$ 4,976,507
RETAINED EARNINGS	$ 13,291,472	$ 10,701,652

The President's Message

To the Shareholders of National Lead Company:

The year 1955 was a prosperous one for American industry. Operating in an atmosphere of complete confidence, business surged ahead to unprecedented levels and left its high water-mark on the nation's economy. It is indeed gratifying to report that your Company contributed materially to this impressive record and enjoyed the greatest year in its history, with new highs in earnings, sales, dividends, production and employment.

Highlights and details of the Company's widely diversified operations are presented for your review in this 64th Annual Report.

Earnings

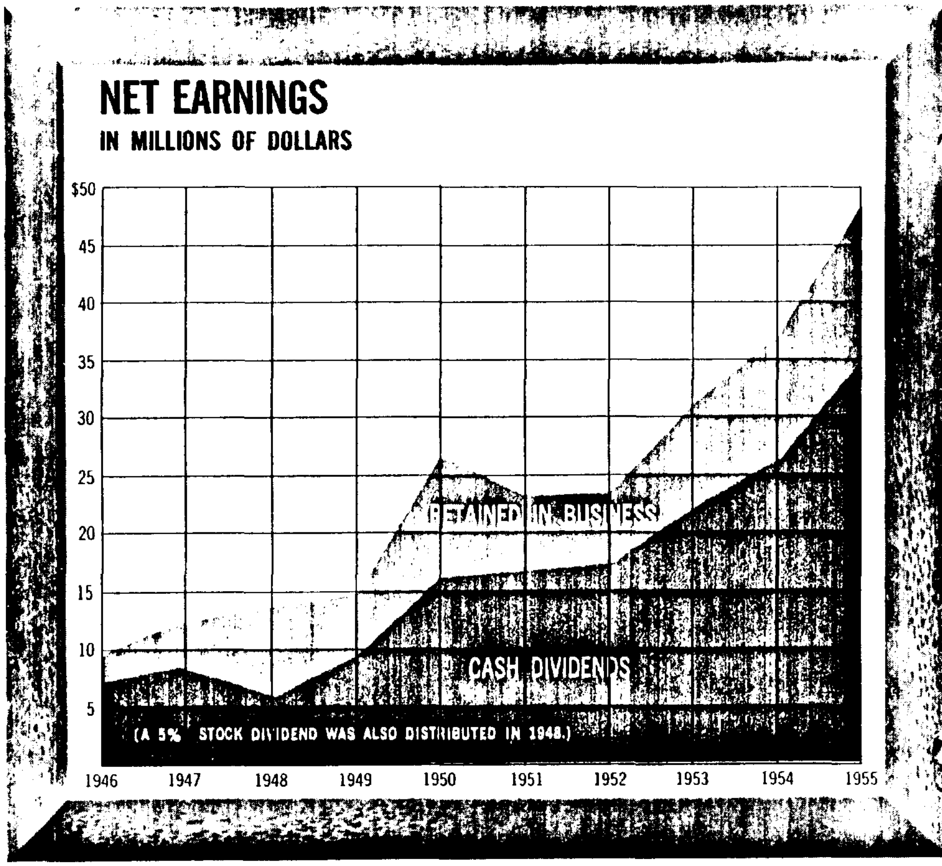
For the third successive year earnings set a new record, primarily as a result of the Company's high level of business activity. Net income in 1955 was $47,889,941, an increase of $11,271,290 or 31 per cent over 1954, and was more than double the net reported as recently as 1952. Net profit for the year represented a return of 9 per cent on the dollar sales.

Earnings in 1955 after providing for dividends on Preferred stock were $4.02 a share on 11,375,630 Common shares outstanding, which compared with $3.05 per share on 11,302,780 shares outstanding in 1954.

Foreign subsidiaries and partially owned domestic companies also enjoyed another successful year. The dividends received by the Company from these investments are included in the net income reported above.

Sales

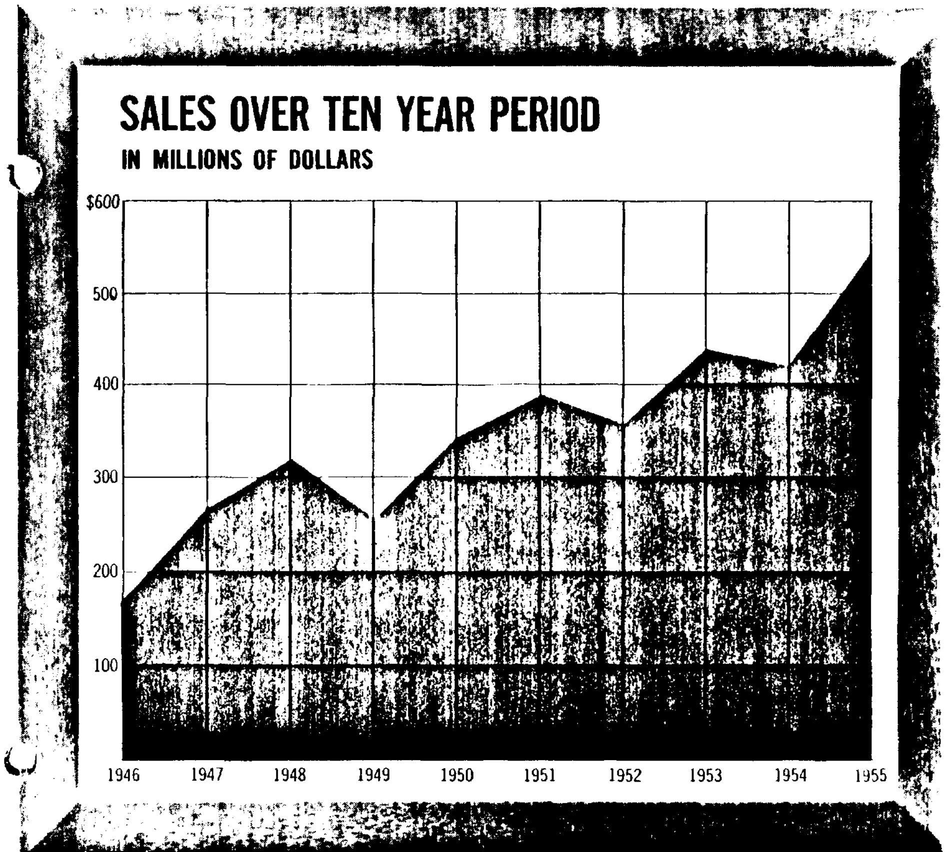
Sales in 1955 were the highest in Company history. Dollar volume increased $114,394,769 or 27 per cent over 1954 and reached a total of $533,728,730.



All segments of the Company's operations shared in the increased product demand, which in many instances taxed production facilities. The steady sales growth of the Company is the result of continued progress in developing and supplying new and improved products to all major industrial groups—automotive, aviation, ceramic, chemical, construction, electronics, paint, paper, petroleum, plastics, printing, railway, rubber and steel.

Continuing increases in the demand for titanium pigments were reflected in new production and sales records for the Titanium Division. The Doehler-Jarvis Division enjoyed an exceptionally good year with sales of die castings considerably greater than in 1954. Operating at capacity levels to meet the accelerated demand for drilling mud materials, the Baroid Division chalked up its highest sales. Increased volume of railroad purchases in 1955 resulted in substantially improved sales for the Magnus Metal Division. Sales of "Dutch Boy" paints, paint pigments, lead chemicals and refractories also showed gains in 1955. The fabricated metal business, stimulated in part by new uses in the atomic energy field and by a firm price structure in lead, tin, zinc and antimony, maintained a favorable sales position.

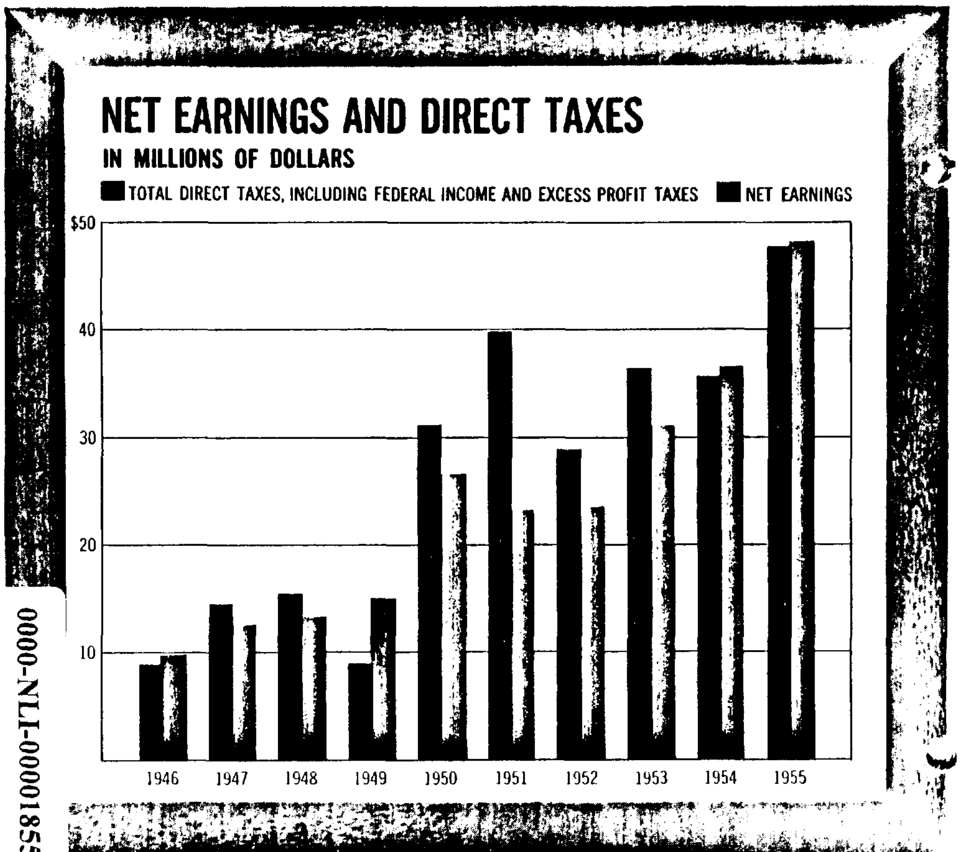
The year ended with a new quarterly record for sales established in the last three months.

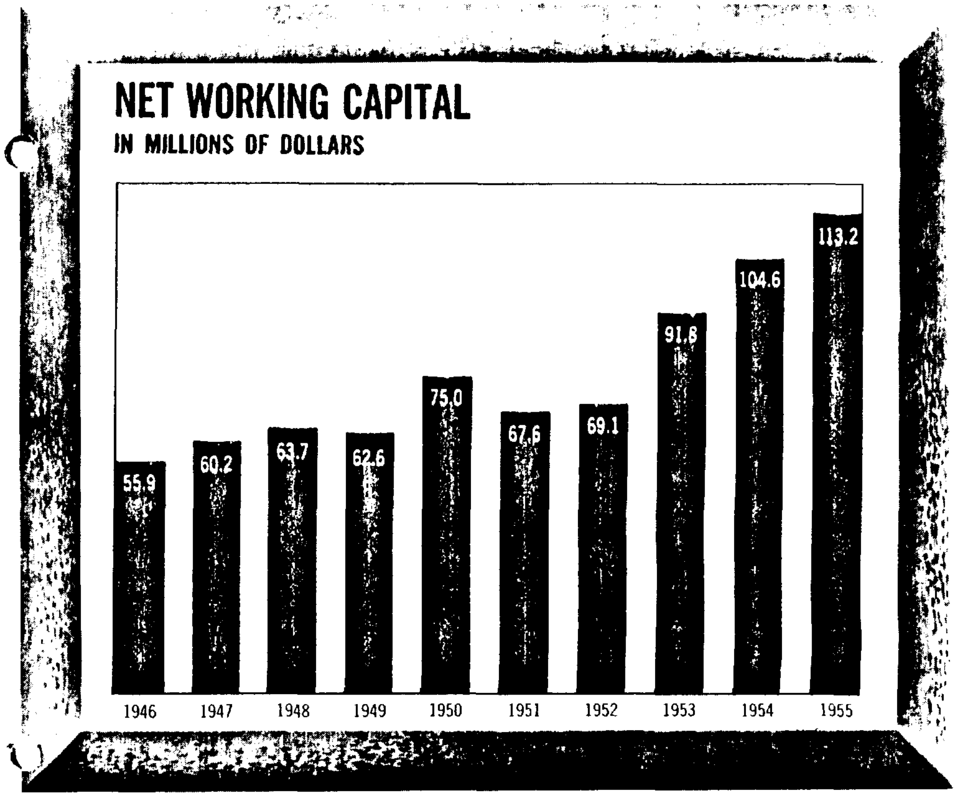


Dividends

In 1955 the Company's dividend payments to shareholders were the highest on record—$34,598,469 or 72 per cent of net earnings after taxes.

Regular quarterly payments to Preferred shareholders for the year totaled $2,181,161. Common shareholders received a total of $32,417,308, an increase of $8,681,470 or 37 per cent over 1954 payments. Common stock dividends were paid in cash as follows: 50¢ in March, 50¢ in June, 75¢ in September and $1.10 in December—a total of $2.85 per share compared with $2.10 disbursed in 1954.



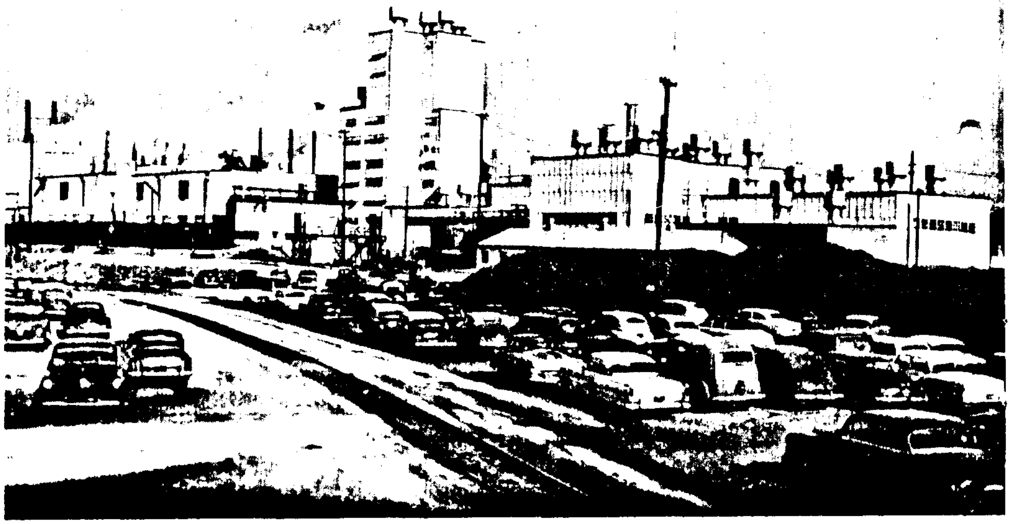


The year 1955 marked the completion of a half century of continuous dividend payments on the Common stock. Consecutive dividend payments have been received by Preferred stockholders since the issuance of the "A" shares 64 years ago and of the "B" shares 29 years ago.

Net income in the amount of $13,291,472 remaining after dividend payments was added to Earned Surplus account for future corporate needs.

Taxes

Provision for federal income and various other direct taxes totaled $47,854,555 or $4.21 per Common share and exceeded by $12,343,383 the requirements for 1954. The increase of



Plant of the Titanium Division in St. Louis, where titanium pigments are produced.

$11,012,186 in the provision for federal income taxes bears a direct relationship to the increase in taxable income, corporate tax rates having remained unchanged.

The steady increase in state and municipal taxes is gradually adding to the tax burden and before long may well assume significant proportions in the Company's tax picture.

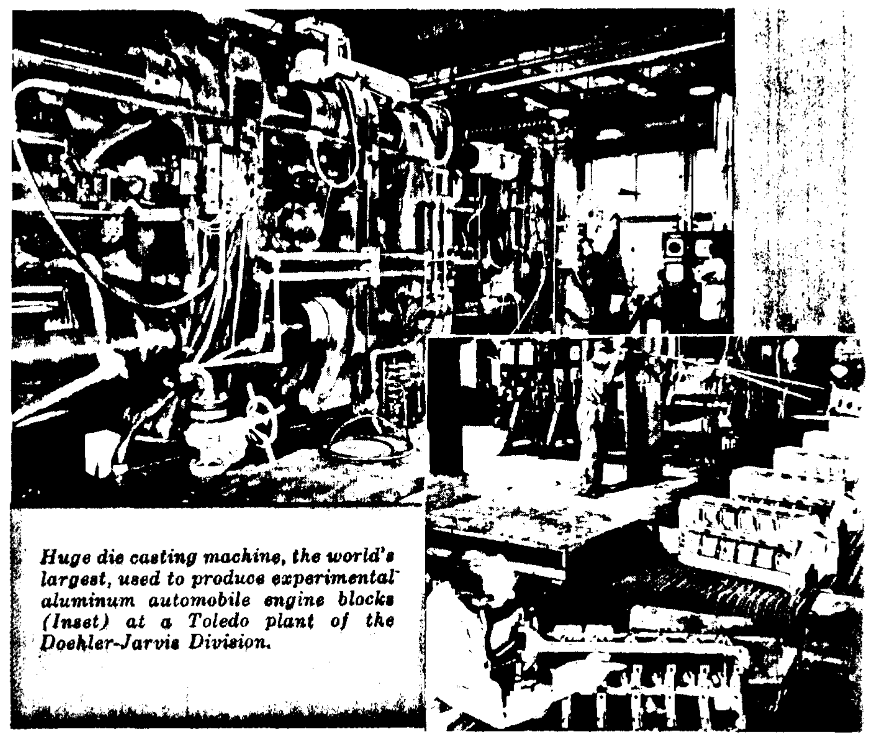
Plant Investment

Gross investment in plant, property and equipment, a measure of the Company's long-term progress, increased $17,548,970 during the year to a total of $228,267,837 at December 31, 1955.

A substantial portion of the 1955 capital expenditures was accounted for by the expansion of capacity to produce titanium pigments. The new facilities at the St. Louis plant were completed as scheduled and additional pigment reached the market in the latter part of 1955.

During the year the Company acquired Southern Screw Company — a producer of wood screws and a variety of metal screws and bolts — for which a new plant was completed in 1955 in Statesville, North Carolina. In this connection, the Company also acquired Anchor Screw Products Company, the Pacific Coast distributor for Southern Screw Company.

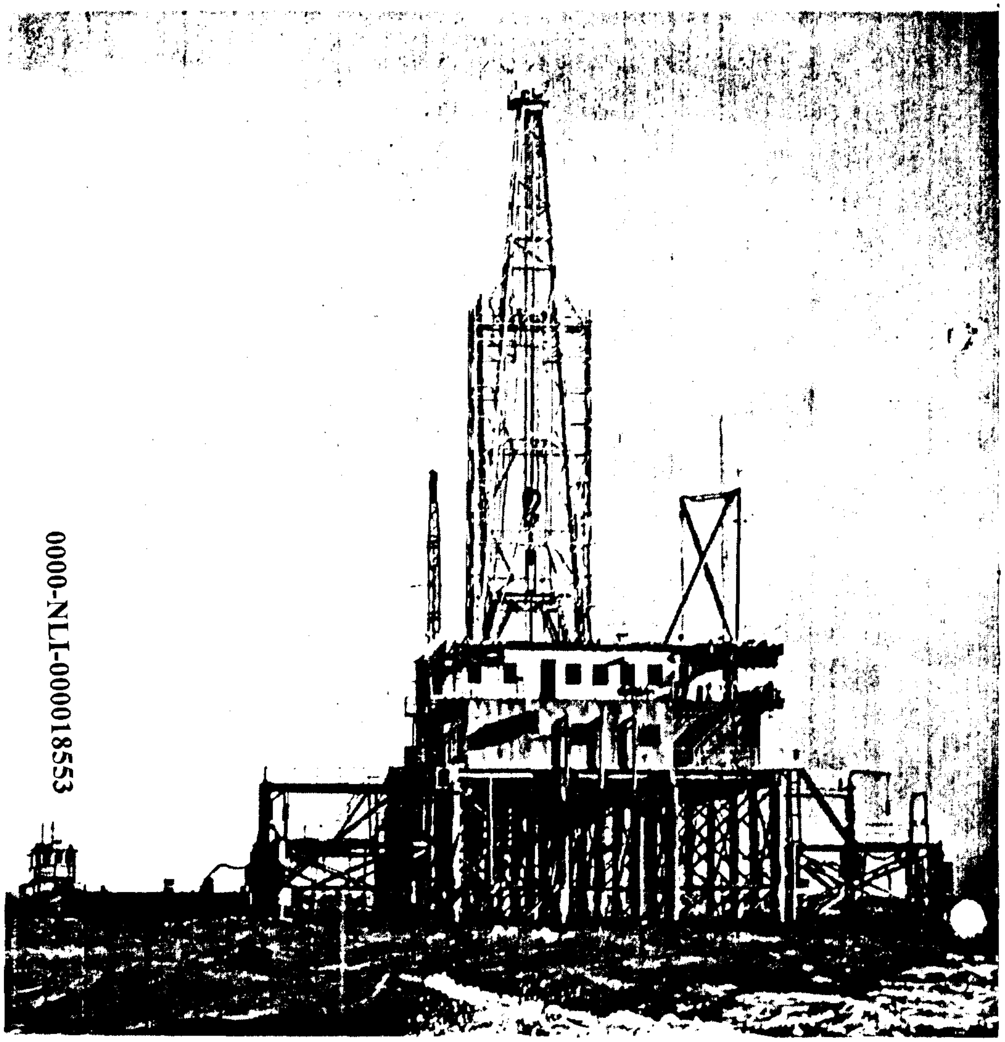
New facilities were added in the plants of the Doehler-Jarvis Division to meet increased demands for aluminum die castings by the automotive, home appliance and other industries. Of particular significance is the growing use of aluminum die castings for automatic transmission units, as well as the development of larger aluminum die castings to replace other metals formerly used.



Huge die casting machine, the world's largest, used to produce experimental aluminum automobile engine blocks (Inset) at a Toledo plant of the Doehler-Jarvis Division.

The Baroid Division further increased its capacity to produce oil well drilling materials during 1955. In addition, it has built a vessel specially designed for bulk shipments of these materials to offshore drilling rigs in the Gulf Coast area. This self-maneuvering vessel has five times the capacity of barges previously used for this purpose.

An offshore oil well drilling operation in the Gulf Coast area, supplied with drilling muds and materials by the Baroid Division.



Provision for depreciation, depletion and amortization resulted in a charge against earnings of $9,812,920, compared with the $7,206,551 provided in 1954. The higher depreciation charge reflects the continued growth of plant investment and the initial amortization and depreciation allowance for the government-financed metal refinery at Fredericktown, Missouri. Many of the new and complex process problems connected with the operation of this facility have been resolved, but others still remain. Indications are, however, that further development work may prove the value of the process and permit economic recovery of critically needed cobalt, nickel and copper, as was contemplated by the contract with the United States Government under which the Company agreed to construct and operate the plant.

New Plant Projects

Both production and construction moved ahead at the nickel plant in Nicaro, Cuba, owned by the United States Government and operated by Nickel Processing Corporation, in which National Lead Company owns the majority stock interest. This plant originally produced a nickel oxide powder. Later a high-nickel content oxide sinter was developed, which has been well received by the stainless steel industry. As another step forward the Company has signed a contract with the U. S. Government to equip and operate a metallic nickel refinery in the Philadelphia area. The nickel will be produced from nickel oxide sinter shipped from Nicaro.

A 25 per cent expansion in the capacity of the ilmenite (titanium ore) mine and mill in Tahawus, New York, the largest operation of its kind in the world, is to be completed in 1956. A fifth production line will be added in the mill, where the ore is concentrated for shipment to National Lead's titanium pigment plants in Sayreville, New Jersey, and St. Louis, Missouri.

The Company has for some years been carrying on a forward-looking program to maintain adequate reserves of ilmenite, the current raw material for titanium pigments and the future raw material for titanium metal. In 1955 several important discoveries were announced. A new deposit, within 1½ miles of the

Ilmenite (titanium ore) mine and mill at Tahawus, New York, which will undergo a 25 per cent expansion in 1956.

Company's operations at Tahawus, New York, is expected to add at least 50,000,000 tons of ore reserves. Additional deposits were found in Florida and Norway, totaling 5,000,000 tons and 100,000,000 tons, respectively.

The Chas. Taylor's Sons Company plant in Taylor, Kentucky, which manufactures special refractories mainly for the glass and metallurgical industries, is undergoing a major expansion. Installation of new equipment will increase production by about 35 per cent.

Personnel

By the end of 1955 the Company's roster of employees had increased to 24,963. Of these, six per cent had been employed 25 or more years and had been presented with gold watch awards, 20 per cent had service in excess of 15 years and 58 per cent had been with the Company for five years or more. Executive officers average more than 27 years of service.

During the year 153 employees were retired, bringing to 1,270 the number of former employees receiving annuities under the Company's pension plan. Group life insurance in the amount of $840,000 was paid on 170 claims. Again in 1955 a contribution out of earnings was made to the Company's profit sharing trust in accordance with established practice.

Relations with Company employees and their various union organizations continued on a normally satisfactory basis during the year.

Changes in Organization

On January 24, 1956, the Board of Directors accepted with regret the resignation from the Board of William V. Burley, a Company vice-president, who retired after thirty-three years of service. Mr. Burley was elected a director in 1940 and a member of the Executive Committee in 1948. At the time of his retirement he was general manager of the Magnus Metal Division and president of Magnus Metal Corporation.

Frank J. Koegler succeeded Mr. Burley as a director. Mr. Koegler was named a Company vice-president and general manager of the Doehler-Jarvis Division in February 1953, having previously been president of the Doehler-Jarvis Corporation which he joined in 1913.

New construction at the U. S. Government nickel plant in Nicaro, Cuba, operated by a Company subsidiary, should be completed this fall.

George L. Ratcliffe, a vice-president of the Company, retired on February 1, 1956. Mr. Ratcliffe, founder of the Baroid Division's predecessor company and pioneer in the development of oil well drilling muds, joined National Lead Company in 1929. He was general manager of that division from July 1939 to May 1954. In 1948 he was elected a member of the Board of Directors and became a Company vice-president in January 1952. He continues as a director of the Company.

Shareholders

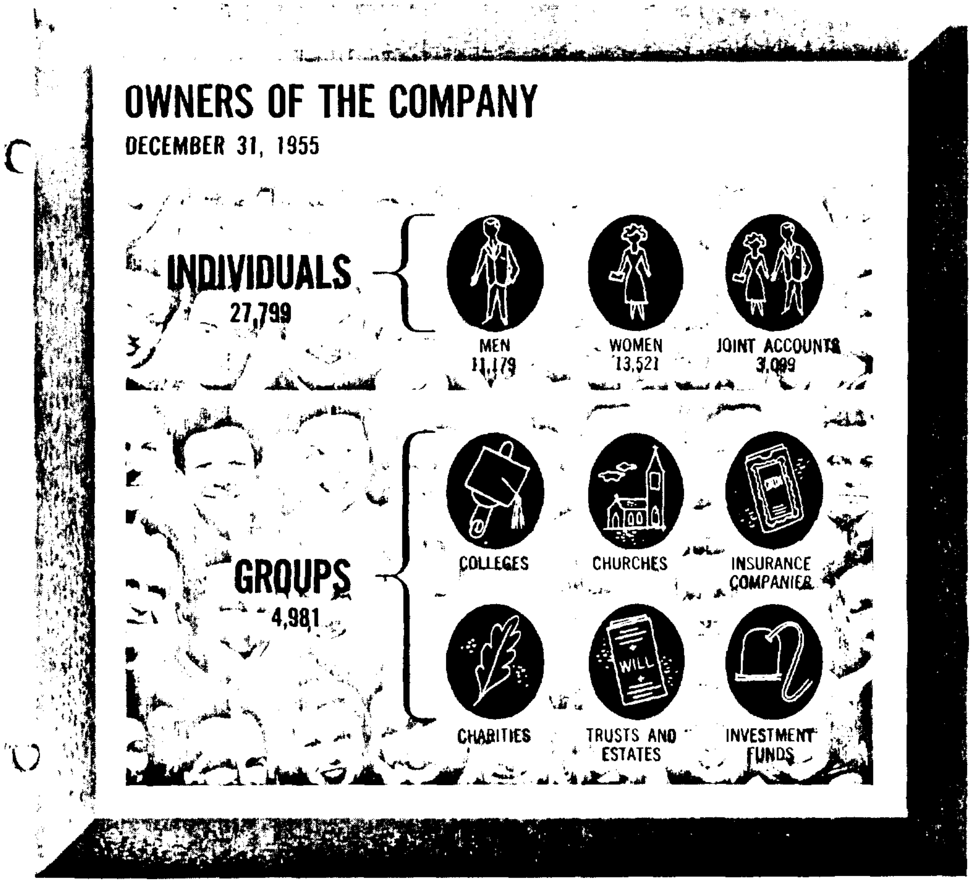
It is gratifying to note that the growth of the Company over the last five years has been accompanied by an increase in the number of shareholders—from 18,402 at the time of the 1951 Common stock split to the present 32,780. Individuals, including joint owners, make up approximately 85 per cent of the total number of shareholders. The remaining 15 per cent consists mainly of investment funds, trusts and estates, insurance companies, charitable, educational and religious institutions.

The Company deeply appreciates the active interest shown by shareowners, as evidenced by the high percentage of stock voted, the increased attendance at annual meetings, and the favorable response to the various communications addressed to them. It may be noted here that the Company was awarded an "Oscar of Industry" for the best 1954 annual report in the paint and coatings field. This represents the seventh time in the past nine years that the Company has received this recognition.

The Management looks forward to welcoming those stockholders who will attend the Annual Meeting to be held next month.

The National Lead Foundation, Inc.

Since its formation in 1953, The National Lead Foundation, Inc. has considered a wide variety of requests and made grants in response to appeals for financial assistance from charitable, educational, religious and scientific organizations. To enable the Foundation to carry on its functions, National Lead Company in 1955 made another contribution, consisting of cash and investment assets in the approximate value of $1,600,000. This amount is considered deductible in computing federal income tax for the year 1955.



New Products and Processes

The Company has always recognized the need for an alert and aggressive research and development organization. Company research and development facilities have increased in number and scope in recent years as the Company's activities have expanded, and new products are becoming increasingly important in sales and earnings.

The development of special metal-organic compounds for jet engine and guided missile fuels is underway. A Company pilot plant is now producing these products in limited quantities.

New paint products introduced into the "Dutch Boy" line contributed to increased sales in the Company's paint operations.

Top course of tar-rubber construction being laid at a U. S. Air Force Base, with materials supplied by Rubarite, Inc.

One of the most promising new paints for interior decoration introduced in 1955 is a latex wall finish called "Nalplex", which dries within two hours and is free from odor. Other items were added to the line during the year—masonry paint, shake paint, improved enamels and house paints.

Rubarite, Inc., owned jointly with Goodyear Tire and Rubber Company and Bird & Son, Inc., has continued to make strides in the development and marketing of a rubberized barites product for highway use, sold under the name of "Rubarite." Many roads throughout the country were paved in 1955 with tar or asphalt mixtures incorporating "Rubarite". This subsidiary has also developed and is actively marketing a new product for use in the protective surfacing of jet airfields called "Jetlock", which successfully resists the solvent action of jet fuels on paved tar surfaces.

In the metallurgical alloy field the Titanium Alloy Manufacturing Division now markets high-purity titanium carbide for jet engines and tool bits, and a magnesium-zirconium master alloy for high-strength and high-temperature magnesium castings. In the chemical field this division has developed sodium zirconium lactates and glycolates as ingredients for cosmetic preparations. Zirconium metal production techniques have been improved. The high-temperature strength of this metal has been increased by the addition of small amounts of other elements, resulting in new alloys of zirconium with significant industrial applications.

"Bentone" gelling agents are being sold in increased quantities to the paint and grease industries. A variety of uses offer promise and the Company is now giving thought to increasing output of these materials.

Further improvements were made in the 72-inch die casting machine developed by the Doehler-Jarvis Division for the production of aluminum engine blocks, now being studied by the automotive industry for future application.

The beneficiation program for the treatment of low-grade iron ores, developed in cooperation with Republic Steel Corporation, has advanced considerably during the past year, in a pilot plant at Birmingham, Alabama. Preliminary engineering studies are now in progress for the design of a commercial plant for the upgrading of these low-grade, non-magnetic iron ores to produce concentrates containing from 75 to 85 per cent iron.

Special high density zircon refractories, developed recently by The Chas. Taylor's Sons Company, have won wide acceptance by the glass fibers industry. New refractories have also been developed for use by the metallurgical industry in high frequency induction furnaces for melting stainless and high-nickel steel.

Atomic Energy Activities

The Company is participating actively in the atomic energy industrial program, and an advisory group has been created to promote and develop the sale of Company products in this new and rapidly growing field of business. National Lead Company, now operating three widely-separated Atomic Energy Commission facilities concerned with phases of the program ranging from ore to finished metallic shapes and forms, has an excellent opportunity to study at close hand the atomic energy field and its potential.

The $20,000,000 expansion of the Atomic Energy Commission's feed materials production center in Fernald, Ohio, is nearing completion. This plant, operated by a Company subsidiary, produces highly purified uranium and thorium metals, as well as their compounds. Fernald is the final link in the chain of uranium and thorium supply from mining to the fabrication of the metallic shapes and forms necessary in the Atomic Energy Commission program, as well as the private enterprise power program. The expanded facilities will increase substantially the nation's supply of these materials.

A new process for the recovery of uranium from its ores, involving the concentration of uranium by resin-ion exchange, has been developed under the direction of the laboratory at Winchester, Massachusetts, and in the pilot plant at Grand Junction, Colorado, which are operated for the U. S. Atomic Energy Commission by the Company. The process, producing concentrates in excess of 75 per cent uranium from ores containing as low as 0.2 per cent uranium, has been put into operation. This new technique offers much promise for improvement of present milling methods for the economic recovery of uranium as well as other metals from low-grade ores.

Titanium Metal

Titanium Metals Corporation of America, jointly owned with Allegheny Ludlum Steel Corporation, was the leading producer of titanium sponge and mill products in 1955. Six years after the industrial birth of titanium metal, TMCA continues to be the only integrated producer in the United States and is making noteworthy contributions to the rapidly maturing titanium metal industry.

A sharp increase in demand for titanium metal was experienced by producers during 1955. Shipments of mill products were about 46 per cent greater than in 1954. Indications in the industry are that shipments in 1956 will more than double 1955 deliveries.

Capacity operations were maintained during the year at the Henderson, Nevada, plant. Nevertheless, in order to meet the spiraling demand forecast for titanium metal, it will be necessary to further expand plant facilities for the production of sponge, ingot and mill products.

Continued progress in the solution of technical and production problems, coupled with increased output, brought about substantial reductions in the price of titanium metal during the year. Titanium sponge prices were reduced about 23 per cent and finished mill products by an average of 19 per cent—an important step in the direction of a competitive price relationship with other structural metals.

An intensive research program accelerated quality improvements and resulted in the development of outstanding new alloys. Although designed primarily for use in military aircraft, these alloys hold promise for many applications in chemical and other industries.

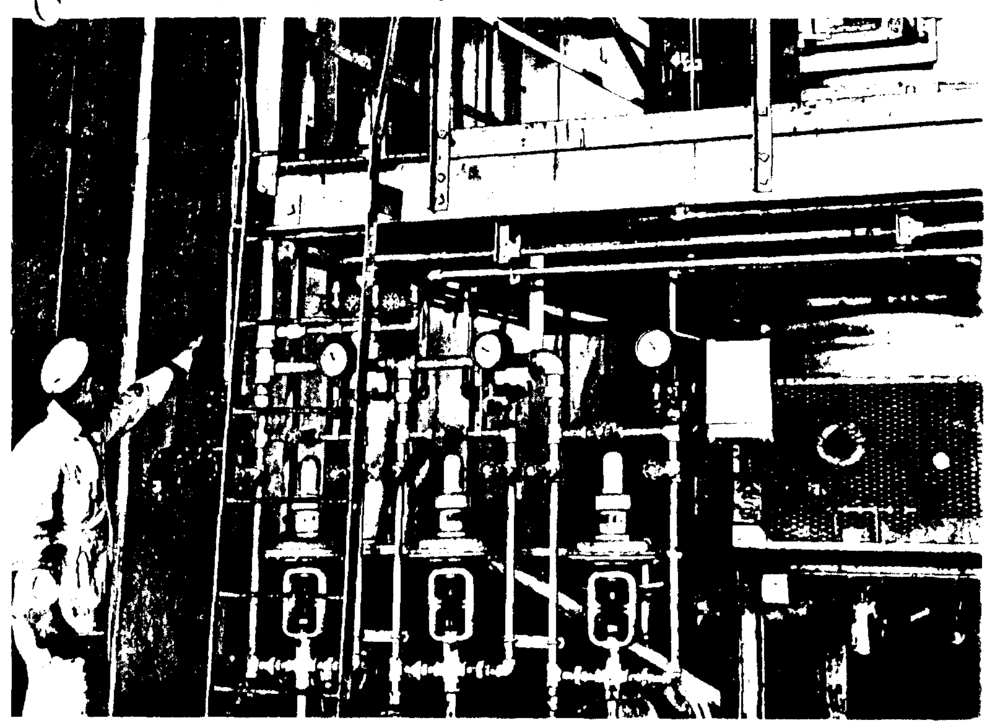
The potential of the titanium metal industry, which the Company recognized when it entered this field, is beginning to materialize. Dividends have not yet been declared by Titanium Metals Corporation of America, since it has been deemed advisable to retain the accumulated earnings for future development and growth of this subsidiary.

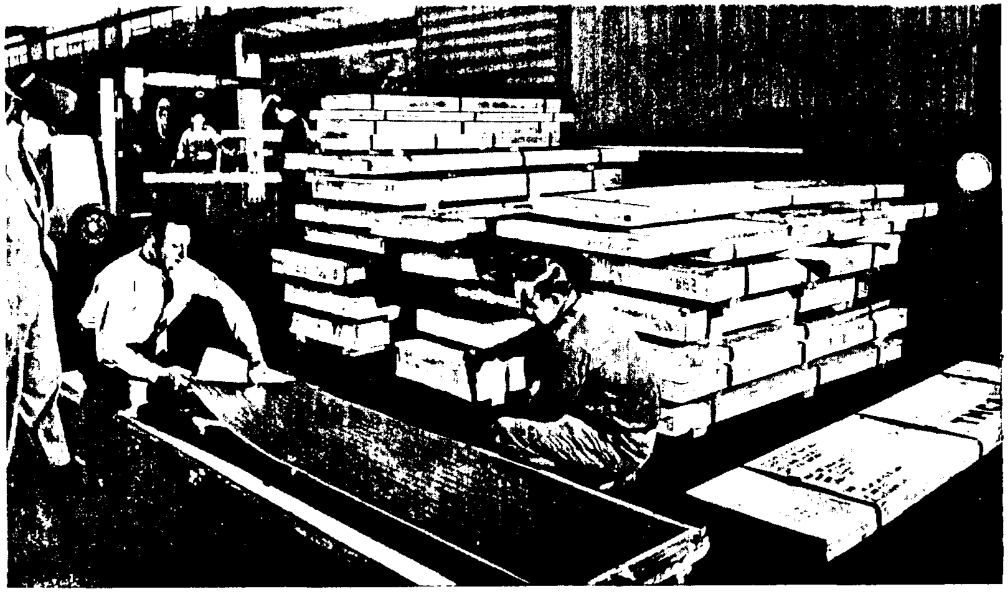
Operations Outside the United States

The Company's foreign units enjoyed a successful year in 1955, and steps are being taken to expand their scope where market conditions indicate the desirability of such action.

Canadian Titanium Pigments Limited, a subsidiary, will construct Canada's first titanium pigment plant on a site near Varennes, Quebec, about fifteen miles northeast of Montreal. The new plant is designed to supply the Canadian market with titanium pigments and will cost approximately $15,000,000.

One of several furnaces utilized in the uranium scrap recovery plant at the Atomic Energy Commission plant, operated by a Company subsidiary in Fernald, Ohio.





A carload of titanium metal sheet and strip, produced by Titanium Metals Corporation of America, is readied for shipment to a West Coast aircraft company.

Barber Die Casting Company, Ltd., a newly-acquired subsidiary, manufactures die castings for the automotive, electrical appliance and hardware industries in Canada at a plant in Hamilton, Ontario. Zinc and aluminum die castings for these industries are also manufactured by Lakeshore Die Casting Ltd., of Oakville, Ontario, another subsidiary.

Arrangements have been made to manufacture and market industrial chemicals, including stabilizers for vinyl plastics, gelling agents and pigments for the paint and other industries, in England and in Continental Europe. These products, manufactured by National Lead Company in the United States, have found wide acceptance in the domestic market. Abbey Chemicals, Ltd., a partially owned subsidiary formed in 1955 with headquarters in London, will supply the British market with these chemicals, and French and German companies under license with the Company will produce them in Continental Europe for marketing under the direction of Titan Co. A/S, a Company subsidiary.

At Leverkusen, Germany, the Titangesellschaft, m.b.H. titanium pigment plant was further enlarged during 1955 to meet world market demand.

In anticipation of greatly-increased consumption of rutile for the production of titanium metal, the Company in 1955 completed a new concentrating plant at Cudgen, New South Wales, Australia. In addition, a majority interest was acquired in Mineral Deposits Pty. Ltd., which mines, concentrates and exports rutile, zircon and monazite from its plant at Southport, Queensland, Australia.

The development of the Argentine lead-zinc-silver mining property, Mina Castaño, is progressing satisfactorily, and the new mill will be in operation by mid-1956. Concentrates produced will be sent to the Company's smelter at Puerto Vilelas, which ships pig lead to the metal fabricating plant in Buenos Aires.

Future Outlook

The accelerated tempo of business which marked the year just passed has carried forward into 1956, although certain economic barometers seem to indicate that a leveling off period is ahead. Beyond this possible temporary adjustment, the future looks bright for increased industrial activity. National Lead Company's business volume continues on the upgrade and it is reasonable to assume that 1956 will be another good year.

Continuing success of the Company reflects the initiative and loyalty of its employees and the confidence and support of its shareowners and customers. The Management is confident that these highly valued assets will enable National Lead Company to move steadily forward to even greater accomplishments in the years ahead.

By Order of the Board of Directors

J. A. Martino

March 16, 1956 *President*

The sixty-fourth Annual Meeting of the stockholders of National Lead Company will be held at the principal office of the Company in Sayreville, New Jersey, at the foot of Chevalier Avenue, on Thursday, April 19, 1956, at 11:00 o'clock A. M.

National Lead Company

and its Wholly Owned Domestic Subsidiaries

Consolidated Balance Sheets

DECEMBER 31, 1955 AND 1954

ASSETS

	1955	1954
Current assets:		
Cash	$ 45,924,996	$ 36,818,924
United States Government, state and municipal obligations, at cost (approximately equivalent to amounts at market quotations) (Note 1)	22,134,872	27,069,864
Other marketable securities, at cost, less reserve of $109,181 (at market quotations: 1955, $399,350; 1954, $888,685)	148,837	646,632
Accounts and notes receivable, less reserves of: 1955, $2,062,419; 1954, $2,042,297	50,601,674	41,565,009
Notes receivable from employees	378,411	346,959
Inventories (Note 2)	77,569,948	72,122,060
Total current assets	196,758,738	178,569,448
Notes receivable under Stock Purchase Plan (Note 3)	582,824	825,646
Investments (at cost or below) in and advances to unconsolidated subsidiaries, less reserve of $3,801,088 (Note 4)	10,535,111	10,560,190
Miscellaneous investments and advances, at cost or below, less reserve of $41,455	2,924,640	4,306,664
Plant, property and equipment, at 1915 appraised values, subsequent additions at cost (including intangibles of $20,692,311 not being amortized), less reserves for depreciation, depletion and amortization of: 1955, $105,437,451; 1954, $97,553,116	122,830,386	113,165,751
Prepaid expenses, deferred charges, etc.	2,779,933	3,041,197
	$336,411,632	$310,468,896

The accompanying notes to financial statements are integral parts of these statements.

National Lead Company

and its Wholly Owned Domestic Subsidiaries

Consolidated Balance Sheets

DECEMBER 31, 1955 AND 1954

LIABILITIES

	1955	1954
Current liabilities:		
Accounts payable and accrued liabilities	$ 29,311,634	$ 25,791,091
Payable to unconsolidated subsidiaries	489,648	509,424
Provisions for taxes, including federal taxes on income	53,662,338	47,544,938
Dividends on Class B preferred stock	135,277	135,277
Total current liabilities	$ 83,598,897	$ 73,980,730
Note payable and accrued interest, United States Government (Note 5)	$ 8,302,337	$ 8,002,337
Inventory reserves (Note 2)	$ 11,551,918	$ 12,871,821

CAPITAL

	1955	1954
Capital stock:		
Preferred Class A, 7 per cent cumulative, non-callable, par value $100; shares authorized 250,000, issued 243,676	$ 24,367,600	$ 24,367,600
Preferred Class B, 6 per cent cumulative, non-callable, par value $100; shares authorized 250,000, issued 103,277	10,327,700	10,327,700
Common, par value $5; shares authorized 20,000,000, issued 11,380,493 (including shares issued under Stock Purchase Plan, Note 3)	56,902,465	56,902,465
	91,597,765	91,597,765
Capital surplus	3,807,260	——
Earned surplus:		
Appropriated:		
Fire insurance reserve	4,797,284	4,797,284
Employer's liability reserve	426,664	426,664
Contingencies reserve	4,080,358	4,080,358
Unappropriated	130,881,752	117,590,280
	235,591,083	218,492,351
Less, Reacquired capital stock, at cost (Note 6)	2,632,603	2,878,343
	$232,958,480	$215,614,008
	$336,411,632	$310,468,896

National Lead Company

and its Wholly Owned Domestic Subsidiaries

Consolidated Statements of Income and Earned Surplus Unappropriated

FOR THE YEARS ENDED DECEMBER 31, 1955 AND 1954

	1955	1954
Sales, less returns and allowances	$533,728,730	$419,333,961
Cost of sales (Note 2)	$364,581,425	$285,725,422
Depreciation, depletion and amortization	9,812,920	7,206,551
Administrative, selling and general expenses	67,003,819	57,498,537
Taxes, other than federal taxes on income	6,307,704	4,976,507
	$447,705,868	$355,407,017
	$ 86,022,862	$ 63,926,944
Other income (Note 7)	3,494,625	3,349,999
	89,517,487	67,276,943
Other charges	80,695	123,627
Income before provisions for federal taxes on income	89,436,792	67,153,316
Provisions for federal taxes on income (Note 8)	41,546,851	30,534,665
Net income for the year	$ 47,889,941	$ 36,618,651
Earnings per share of common stock	$4.02	$3.05

Earned surplus unappropriated, January 1	$117,590,280	$106,888,628
Net income for the year	47,889,941	36,618,651
	$165,480,221	$143,507,279
Dividends:		
On Class A preferred stock, $7 per share	$ 1,640,051	$ 1,640,051
On Class B preferred stock, $6 per share	541,110	541,110
	2,181,161	2,181,161
On common stock, $2.85 per share in 1955, $2.10 per share in 1954	32,417,308	23,735,838
	$ 34,598,469	$ 25,916,999
Earned surplus unappropriated, December 31	$130,881,752	$117,590,280

The accompanying notes to financial statements are integral parts of these statements.

0000-NLI-000018560

National Lead Company

and its Wholly Owned Domestic Subsidiaries

Consolidated Statement of Capital Surplus

FOR THE YEAR ENDED DECEMBER 31, 1955

Capital surplus, January 1, 1955	——
Excess of amounts based on market quotations over costs of 72,850 shares of common treasury stock issued for capital stocks of other companies	$ 3,807,260
Capital surplus, December 31, 1955	$ 3,807,260

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. United States Government, state and municipal obligations comprise the following at the respective balance sheet dates:

	1955	1954
United States Government	$ 5,635,111	$ 9,131,557
State and municipal	16,499,761	17,938,307
	$22,134,872	$27,069,864

Included in the preceding totals are cost amounts of securities which were on deposit in connection with self-insurance of workmen's compensation risks and a bank loan of an unconsolidated subsidiary: 1955, $3,025,409; 1954, $3,013,490.

2. Inventories are priced at the lower of cost (on various "average," "first-in, first-out" or "last-in, first-out" bases) or market.

The inventory reserve has been maintained on the basis of the following quantities and prices of normal stocks:

	Normal Quantities (Short Tons) December 31 1955	1954	Fixed Inventory Price per Pound
Lead	49,687½	49,687½	$.03
Tin	1,124½	1,124½	.21
Antimony	1,400	1,400	.05
Linseed oil	--	3,125	.06

The company discontinued the normal stock principle as applied to linseed oil, and likewise considers the maintenance of the general inventory reserve of $800,000 no longer necessary. Accordingly, during 1955, $1,266,513 was released to income.

3. Under the company's Stock Purchase Plan for Officers and Other Key Employees, adopted in 1950, certain officers and employees contracted to purchase common stock of the company. The purchase prices are evidenced by promissory notes bearing interest at 3 per cent, payable within 10 years from dates thereof, the shares serving as collateral. Shares held as collateral aggregated 42,750 at December 31, 1955, and 63,850 at December 31, 1954.

4. *Unconsolidated* subsidiaries comprise domestic subsidiaries more than 50, but less than 100 per cent owned, and foreign subsidiaries.

Based upon financial statements of the major unconsolidated subsidiaries (other than those in Continental Europe) as of the close of their respective fiscal years, the equity of National Lead Company in the net tangible assets of those subsidiaries and amounts relating to such equity approximated the following:

	1955	1954
Equity in net tangible assets	$23,841,000	$23,267,000
Excess of equity over National Lead Company's net investments and advances	14,205,000	13,839,000
Increase or decrease* in excess equity during year	366,000	706,000*

The equity in net tangible assets, shown in the preceding paragraph, includes $10,941,000 for 1955 and $10,602,000 for 1954, represented by foreign net tangible assets, translated into U. S. dollars at appropriate rates of exchange.

National Lead Company's net investments in and advances to Continental European subsidiaries were $899,137 and $1,131,682 at December 31, 1955 and 1954, respectively. Unaudited financial statements as of September 30, 1955 and 1954 received from the Continental European subsidiaries indicate that National Lead Company's equity in the net assets thereof approximated the following foreign currency amounts at the respective dates:

	1955	1954
Norwegian kroner	16,209,000	14,571,000
Belgian francs	24,265,000	21,746,000
Dutch florins	2,221,000	1,798,000
French francs	47,623,000	42,409,000
German deutsch marks	28,333,000	22,809,000

The realization of foreign assets and foreign earnings is subject to various exchange and other restrictions imposed by the respective foreign governments.

Dividends were received from unconsolidated subsidiaries and are included in consolidated net income as follows:

	1955	1954
Subsidiaries other than Continental European	$1,239,907	$2,589,477
Continental European subsidiaries	58,650	48,873
	$1,298,557	$2,638,350

5. The company has issued to the United States Government a note for $7,500,000 bearing interest at 4 per cent covering advances received for new production facilities. The principal of the note, together with interest accrued thereon up to a date six months subsequent to commencement of production, is payable thereafter in twenty equal quarterly instalments. The note is secured by a mortgage on the new facilities.

6. Reacquired capital stock, carried at first-in, first-out costs, comprises:

	1955		1954	
	No. of Shares	Costs	No. of Shares	Costs
Preferred Class A	9,383	$1,147,727	9,383	$1,147,727
Preferred Class B	13,092	1,435,354	13,092	1,435,354
Common	4,863	49,522	77,713	295,262
		$2,632,603		$2,878,343

7. Other income comprises:

	1955	1954
Dividends received (including dividends from unconsolidated subsidiaries, see Note 4)	$1,388,612	$2,822,873
Inventory reserves no longer required (see Note 2)	1,266,513	
Interest and miscellaneous, net	839,500	527,126
	$3,494,625	$3,349,999

8. Numerous differences exist between taxable income and book income, including certain fluctuations in the inventory reserves, percentage depletion and depreciation charges. Contributions to a charitable foundation formed by the company are claimed for income tax purposes in amounts greater than the book amounts of the contributed assets.

General:

Under agreements with the Atomic Energy Commission, certain consolidated subsidiaries operate plants constructed with funds supplied by the Commission. The accompanying financial statements do not include the assets, liabilities or results of operations of such plants. Annual fixed fees received by such subsidiaries as contract-operators are included in other income in the accompanying financial statements.

Renegotiation refunds, if any, are not considered to be material and no provision has been made therefor.

No provision has been made for such taxes as may be paid if and when accumulated earnings of subsidiaries are distributed to the parent company, since such taxes may never accrue.

LYBRAND, ROSS BROS. & MONTGOMERY
Certified Public Accountants
90 Broad Street, New York City

To the Stockholders of
NATIONAL LEAD COMPANY,
New York, N. Y.

We have examined the consolidated and individual balance sheets of NATIONAL LEAD COMPANY and its Wholly Owned Domestic Subsidiaries as of December 31, 1955 and the related statements of income and surplus for the year then ended. We have also examined or have received reports of other public accountants upon their examinations of the balance sheets and related statements of income and surplus of the major domestic subsidiaries more than 50, but less than 100 per cent owned and the major foreign subsidiaries other than Continental European, for their respective 1955 fiscal years. Our examinations were 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. Similar examinations were made for the 1954 fiscal years.

In our opinion, based upon the above-outlined examinations and the above-mentioned reports of other public accountants, the accompanying consolidated balance sheets and related consolidated statements of income and surplus present fairly the consolidated financial position of National Lead Company and its wholly owned domestic subsidiaries at December 31, 1955 and 1954 and the consolidated results of their operations for the respective years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

LYBRAND, ROSS BROS. & MONTGOMERY

New York, March 1, 1956.

TEN YEAR REVIEW OF OPERATIONS

	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946
Net Sales	**$533,728,730**	$419,333,961	$436,050,592	$358,048,435	$389,941,313	$342,727,911	$257,461,599	$320,457,301	$268,026,394	$167,447,243
Net Income before Taxes	**89,436,792**	67,153,316	62,836,357	48,386,163	59,607,540	54,557,799	21,191,579	26,606,510	23,904,417	16,713,479
Federal Taxes on Income	**41,546,851**	30,534,665	31,987,429	25,326,109	36,613,823	28,067,155	6,442,568	13,302,155	11,724,285	7,036,395
Net Income	**47,889,941**	36,618,651	30,848,928	23,060,054	22,993,717	26,490,644	14,749,011	13,304,355	12,180,132	9,677,084
Preferred Dividends	**2,181,161**	2,181,161	2,181,161	2,181,161	2,157,806	2,134,451	2,134,451	2,085,512	2,059,323	2,059,323
Common Dividends	**32,417,308**	23,735,838	19,779,867	14,729,644	14,381,756	13,430,651	7,317,900	8,671,502*	6,181,328	4,635,996
Total Dividends	**34,598,469**	25,916,999	21,961,028	16,910,805	16,539,562	15,565,102	9,452,351	10,757,014	8,240,651	6,695,319
Retained Earnings	**13,291,472**	10,701,652	8,887,900	6,149,249	6,454,155	10,925,542	5,296,660	2,547,341	3,939,481	2,981,765
Earnings Per Common Share	**4.02**	3.05	2.[illegible]	2.06	2.05	2.41	1.29	1.21	1.09	0.82
Dividends Per Common Share	**2.85**	2.10	1.75	1.45	1.41⅔	1.33⅓	0.75	0.93⅓*	0.66⅔	0.50
Total Current Assets	**196,758,738**	178,569,448	164,812,640	122,870,494	133,634,210	131,450,877	88,450,767	99,067,247	90,465,930	78,265,033
Total Current Liabilities	**83,598,897**	73,980,730	72,983,811	53,767,414	66,051,113	56,402,753	25,864,583	35,359,277	30,252,412	22,410,068
Net Working Capital	**113,159,841**	104,588,718	91,828,829	69,103,080	67,583,097	75,048,124	62,586,184	63,707,970	60,213,518	55,854,965
Gross Property Account	**228,267,837**	210,718,867	203,511,823	161,540,966	154,012,668	135,578,755	133,252,879	133,879,240	122,739,173	106,793,660
Reserves for Depreciation, Depletion and Amortization	**105,437,451**	97,553,116	91,281,692	75,944,349	71,215,202	67,390,015	64,080,311	59,856,625	57,407,848	56,018,905
Net Property Account	**122,830,386**	113,165,751	112,230,131	85,596,617	82,797,466	68,188,740	69,172,568	74,022,615	65,331,325	50,774,755
Total Assets	**336,411,632**	310,468,896	294,647,263	223,910,550	230,315,668	211,681,467	168,941,278	183,461,104	162,854,438	145,143,057

*Includes 5% Stock Dividend

BRANCHES AND DIVISIONS

AMERICAN BEARING DIVISION 429 SOUTH HARDING STREET, INDIANAPOLIS
FRANK LAMBERTUS, MANAGER...PRECISION BEARINGS

ATLANTA BRANCH 400 BISHOP STREET, N.W., ATLANTA
G. W. PENDERY, MANAGER...PAINTS, PIGMENTS AND METAL PRODUCTS

ATLANTIC BRANCH 111 BROADWAY, NEW YORK
GEORGE DIEHLMAN, GEORGE SATHRE, J. A. SOUTHWORTH, MANAGERS...PAINTS, PIGMENTS AND METAL PRODUCTS

BALTIMORE BRANCH 214 WEST HENRIETTA STREET, BALTIMORE
C. A. SCHNEIDER, MANAGER...METAL PRODUCTS

BAROID DIVISION 2404 DANVILLE STREET, HOUSTON
G. B. COALE, GENERAL MANAGER...OIL WELL DRILLING MATERIALS AND SERVICE

CHICAGO BRANCH 900 WEST EIGHTEENTH STREET, CHICAGO
P. J. PATER, MANAGER...PAINTS, PIGMENTS AND METAL PRODUCTS

CINCINNATI BRANCH 659 FREEMAN STREET, CINCINNATI
S. R. HOLLINGSWORTH, W. W. HOWARD, C. J. SURMAN, MANAGERS...PAINTS, PIGMENTS AND METAL PRODUCTS

CLEVELAND BRANCH 1776 COLUMBUS ROAD, CLEVELAND
R. M. BENNETT, H. A. GETZ, W. W. HOWARD, MANAGERS...PAINTS, PIGMENTS AND METAL PRODUCTS

DE LORE DIVISION CARONDELET STATION, ST. LOUIS
A. J. WETZEL, MANAGER...BARIUM AND CALCIUM PIGMENTS

DOEHLER-JARVIS DIVISION 1945 SMEAD AVENUE, TOLEDO
F. J. KOEGLER, GENERAL MANAGER...DIE CASTINGS

EVANS LEAD DIVISION CHARLESTON, W. VA.
R. M. EVANS, MANAGER...LEAD OXIDES

MAGNUS METAL DIVISION 111 BROADWAY, NEW YORK
J. P. BORDA, GENERAL MANAGER...RAILWAY CAR JOURNAL AND ENGINE BEARINGS

NATIONAL LEAD CO. OF MASS. 800 ALBANY STREET, BOSTON
KARL FISCHER, G. A. SAVAGE, MANAGERS...PAINTS, PIGMENTS AND METAL PRODUCTS

PACIFIC COAST BRANCH 2240 TWENTY-FOURTH STREET, SAN FRANCISCO
D. D. ROBERTS, MANAGER...PAINTS AND PIGMENTS

PHILADELPHIA BRANCH 2607 CUMBERLAND STREET, PHILADELPHIA
J. W. GARDINER, JR., G. A. WATTS, MANAGERS...PAINTS, PIGMENTS AND METAL PRODUCTS

ST. LOUIS BRANCH 722 CHESTNUT STREET, ST. LOUIS
E. E. BUSSE, R. J. FERREE, R. R. STAMM, MANAGERS...PAINTS, PIGMENTS AND METAL PRODUCTS

ST. LOUIS SMELTING & REFINING DIVISION
H. A. KRUEGER, MANAGER...LEAD AND ZINC CONCENTRATES

SOUTHWESTERN BRANCH 959 TERMINAL STREET, DALLAS
J. K. CAMPBELL, R. R. STAMM, MANAGERS...PAINTS, PIGMENTS AND METAL PRODUCTS

STEEL PACKAGE DIVISION 722 CHESTNUT STREET, ST. LOUIS
W. T. TRASK, MANAGER...SMALL STEEL CONTAINERS

TEXAS MINING & SMELTING DIVISION LAREDO, TEXAS
J. C. ARCHIBALD, JR., MANAGER...METALLIC ANTIMONY AND ANTIMONY OXIDE

TITANIUM ALLOY MANUFACTURING DIVISION 111 BROADWAY, NEW YORK
J. M. JOHNSTON, MANAGER...TITANIUM AND ZIRCONIUM PRODUCTS

TITANIUM DIVISION 111 BROADWAY, NEW YORK
J. H. REID, MANAGER...TITANIUM PIGMENTS; ILMENITE AND MAGNETITE IRON ORE

0000-NLI-000018563

CORPORATIONS

in which National Lead Company is interested through ownership of all or part of the capital stock

ABBEY CHEMICALS, LTD. LONDON
C. H. TANNER, CHAIRMAN OF THE BOARD...GELLING AGENTS AND STABILIZERS

AMERICAN BEARING CORPORATION* INDIANAPOLIS
FRANK LAMBERTUS, PRESIDENT...PRECISION BEARINGS

BAKER CASTOR OIL COMPANY NEW YORK
E. G. ORLING, PRESIDENT...CASTOR OIL AND DERIVATIVES

BARBER DIE CASTING CO., LTD.* HAMILTON, CANADA
D. C. BARBER, PRESIDENT...DIE CASTINGS

BAROID OF CANADA, LTD.* TORONTO
G. B. COALE, VICE-PRESIDENT...OIL WELL DRILLING MUD MATERIALS AND SERVICE

CANADIAN TITANIUM PIGMENTS LIMITED* MONTREAL
C. J. STOPFORD, VICE-PRESIDENT...TITANIUM PIGMENTS

DOEHLER-JARVIS CORPORATION* TOLEDO
F. J. KOEGLER, PRESIDENT...DIE CASTINGS

EVANS LEAD CORPORATION* CHARLESTON, WEST VIRGINIA
R. M. EVANS, PRESIDENT...LEAD OXIDES

HOYT METAL COMPANY OF GREAT BRITAIN, LTD.* LONDON
J. C. HART, MANAGING DIRECTOR...ANTI-FRICTION METALS

MORRIS P. KIRK & SON, INC. LOS ANGELES
J. P. KIRK, PRESIDENT...LEAD OXIDES AND METAL PRODUCTS

MAGNUS BRASS MFG. CO.* CINCINNATI
E. M. VAN WINKLE, PRESIDENT...LOCOMOTIVE SPECIALTIES

MAGNUS METAL CORPORATION* NEW YORK
E. M. VAN WINKLE, PRESIDENT...RAILWAY CAR JOURNAL AND ENGINE BEARINGS

MASTER METALS, INC. CLEVELAND
L. H. HERTHNECK, VICE-PRESIDENT...SECONDARY METALS

MINERAL DEPOSITS PTY. LTD. SYDNEY, AUSTRALIA
A. M. WATSON, MANAGING DIRECTOR...RUTILE AND ZIRCON ORES

MINNESOTA LINSEED OIL CO. MINNEAPOLIS
E. H. RUSSELL, PRESIDENT...LINSEED OIL

NATIONAL LEAD COMPANY, INC.* NEW YORK
ALEX STEWART, VICE-PRESIDENT...CONTRACT-OPERATOR, ATOMIC ENERGY COMMISSION

NATIONAL LEAD COMPANY (PHILIPPINES), INC. MANILA
D. D. ROBERTS, PRESIDENT...MIXED PAINTS

NATIONAL LEAD COMPANY OF OHIO* NEW YORK
ALEX STEWART, VICE-PRESIDENT...CONTRACT-OPERATOR, ATOMIC ENERGY COMMISSION

NATIONAL LEAD COMPANY, S. A.* BUENOS AIRES
C. M. MERRELL, PRESIDENT...METALLIC LEAD, LEAD PRODUCTS

NICKEL PROCESSING CORPORATION NICARO, CUBA
H. C. WILDNER, PRESIDENT...NICKEL OXIDES

RUBARITE, INC. TULSA
E. R. ALBERT, JR., PRESIDENT...RUBBERIZED BARITES

SOUTHERN SCREW COMPANY* STATESVILLE, NORTH CAROLINA
FRITZ JENSEN, PRESIDENT...WOOD AND METAL SCREWS

THE CANADA METAL COMPANY, LTD.* TORONTO
J. A. TAYLOR, PRESIDENT...LEAD OXIDES, METAL PRODUCTS

THE CHAS. TAYLOR'S SONS COMPANY* CINCINNATI
R. W. KNAUFT, PRESIDENT...REFRACTORIES

TITAN CO. A/S FREDRIKSTAD, NORWAY
ERIK ANKER, MANAGING DIRECTOR...TITANIUM PIGMENTS

SOCIETE BELGE DU TITANE, S. A. BRUSSELS

TITAN COMPANY, INC.* WILMINGTON, DELAWARE
C. J. STOPFORD, EXECUTIVE VICE-PRESIDENT; ERIK ANKER, VICE-PRESIDENT...TITANIUM PIGMENTS

SOCIETE INDUSTRIELLE DU TITANE, PARIS

TITAAN N. V. ROTTERDAM, NETHERLANDS

TITANGESELLSCHAFT m.b.H., LEVERKUSEN, GERMANY

TITANIUM ALLOY MANUFACTURING CO. PTY. LTD.* TWEED HEADS, AUSTRALIA
GIDEON BOERICKE, MANAGER...RUTILE AND ZIRCON ORES

TITANIUM METALS CORPORATION OF AMERICA NEW YORK
E. R. ROWLEY, PRESIDENT...TITANIUM METAL PRODUCTS

TITANIUM PIGMENT CORPORATION* NEW YORK
J. H. REID, VICE-PRESIDENT...TITANIUM PIGMENTS

*Wholly Owned

MAJOR PRODUCTS of NATIONAL LEAD COMPANY

For the Atomic Power Industry

Feed Materials (Under U. S. Government Contract) Thorium, Uranium
Process Metals
  Cobalt, Nickel, Titanium, Zirconium
Shielding Materials
  Barites, Lead, Magnetite

For the Automotive Industry

Bearing Metals
Die Casting Alloys
Die Castings
Forming Dies
Solders and Fluxes
Storage Battery Metals and Oxides
Titanium Pigments

For the Aviation Industry

Bearing Metals
Die Casting Alloys
Die Castings
Solders
Storage Battery Metals and Oxides
Titanium Metal

For the Ceramics Industry

Lead and Antimony Oxides
Refractory Products
Titanium Dioxide (Technical Grade)
Zirconium Compounds

For the Chemical Industry

Acid Concentrating Plants
Acid Handling Equipment
Chemical Lead Pipe and Sheet Lead
Lead-lined Pipe, Valves and Fittings
Lead, Titanium and Zirconium Chemicals
Tin-lined Pipe, Valves and Fittings
Titanium and Zirconium Metals

For the Construction and Maintenance Industry

Bearings
"Dutch Boy" Paints
  (Enamels, Exterior House Paints, Interior Wall Paints, Metal Protective Paints, Stains, Varnishes)
Expansion Bolts
Lead Pipe and Sheet Lead
Rubberized Barites
  (For Asphalt Materials)
Solders and Fluxes
Traps and Bends
Wood and Metal Screws

For the Electronics Industry

Die Castings
Solders and Fluxes
Titanates
Zirconium Metal

For the Paint Industry

Antimony, Barium, Calcium, Lead, and Titanium Pigments
Castor Oils and Derivatives
Gelling Agents
Linseed Oils
Small Steel Containers

For the Petroleum Industry

Gelling Agents for Greases
Oil Well Drilling Materials
Oil Well Logging Service
Small Steel Containers
Testing Equipment

For the Plastics Industry

Castor Oils and Derivatives
Gelling Agents
Stabilizers
Titanium Pigments

For the Printing and Paper Industry

Oils for Inks
Printing Base
Screen Plates for Paper Mill Filter
Titanium Pigments for Inks and Pa
Type Metals
Varnish Finishes for Paper Stock

For the Railroad Industry

Diesel Engine Bearings
Journal Bearings
Lubricator Devices
"Satco" Bearing Metal

For the Steel Industry

Cobalt and Nickel
Ferro Alloys
Iron Ore Concentrates
Lead Shot
Refractory Products

National Lead Company

Facilities in the United States and Canada

PLANTS MINES OFFICES LABORATORIES

Location	BAROID	MAGNUS	METAL	OIL	PAINT	PIGMENT	TITANIUM	MISCELLANEOUS	LABORATORIES
1 ALBANY, NEW YORK		■							
2 ATLANTA, GEORGIA		■	■			■	■	■	
3 BALTIMORE, MARYLAND			■					■	
4 BATAVIA, NEW YORK			■						
5 BATTLE MOUNTAIN, NEVADA	▣								
6 BAXTER SPRINGS, KANSAS			◣						
7 BAYONNE, NEW JERSEY				■					
8 BOSTON, MASSACHUSETTS			■				■	■	
9 BROOKLYN, NEW YORK						■			
10 CALGARY, ALBERTA	■		■						
11 CHARLESTON, WEST VIRGINIA						■		■	
12 CHICAGO, ILLINOIS	■	■	■		■	■	■	■	
13 CINCINNATI, OHIO		■	■					◣	
14 CLEVELAND, OHIO			■				■	■	
15 COLFAX, CALIFORNIA	▣								
16 COLONY, WYOMING	◣								
17 CORPUS CHRISTI, TEXAS	■								
18 DALLAS, TEXAS			■			■		■	
19 DENVER, COLORADO	■	■							
20 DEPEW, NEW YORK		■	■						
21 DETROIT, MICHIGAN			■						
22 EDSON, KANSAS						◣			
23 FITCHBURG, MASSACHUSETTS		■							
24 FORT WORTH, TEXAS		■							
25 FREDERICKTOWN, MISSOURI			◣						
26 GRANITE CITY, ILLINOIS			■						
27 GRAND RAPIDS, MICHIGAN			■						
28 HAMILTON, ONTARIO			■						
29 HAYNES, NORTH DAKOTA	▣								
30 HECTOR, CALIFORNIA	▣								
31 HENDERSON, NEVADA							■		
32 HOUSTON, TEXAS	■	■					■	■	
33 INDIANAPOLIS, INDIANA			■						
34 JACKSONVILLE, FLORIDA									
35 JERSEY CITY, NEW JERSEY				■					
36 LAREDO, TEXAS			■						
37 LOS ANGELES, CALIFORNIA	■	■	■	■	■	■	■	■	
38 MALVERN, ARKANSAS	◣								
39 MERCED, CALIFORNIA	■								
40 MICHIGAN CITY, INDIANA		■							
41 MIDLAND, TEXAS	■								
42 MILWAUKEE, WISCONSIN		■							
43 MINNEAPOLIS, MINNESOTA				■					
44 MONTCLAIR, NEW JERSEY									
45 MONTREAL, QUEBEC			■			■	■		
46 MULDOON, TEXAS	▣								
47 NEW ORLEANS, LOUISIANA	■								
48 NEW YORK CITY, NEW YORK		■	■	■	■	■	■	■	
49 NIAGARA FALLS, NEW YORK							■		
50 OAKLAND, CALIFORNIA						■			
51 OAKVILLE, ONTARIO			■						
52 OMAHA, NEBRASKA			■						
53 OSAGE, WYOMING	◣								
54 PERTH AMBOY, NEW JERSEY			■		■	■			
55 PHILADELPHIA, PENNSYLVANIA			■	■		■	■	■	
56 PITTSBURGH, PENNSYLVANIA			■				■	■	
57 PORTLAND, OREGON		■	■				■	■	
58 POTOSI, MISSOURI	◣								
59 POTTSTOWN, PENNSYLVANIA			■						
60 ROCHESTER, NEW YORK				■					
61 ST. LOUIS, MISSOURI		■	■			■	■	■	
62 ST. LOUIS PARK, MINNESOTA			■						
63 SALT LAKE CITY, UTAH			■						
64 SAN FRANCISCO, CALIFORNIA					■		■	■	
65 SAYREVILLE, NEW JERSEY							■		
66 SAYVILLE, NEW YORK									
67 SCARBOROUGH, ONTARIO			■						
68 SEATTLE, WASHINGTON					■				
69 STATESVILLE, NORTH CAROLINA			■					■	
70 TAHAWUS, NEW YORK							◣		
71 TAYLOR, KENTUCKY								■	
72 TEXARKANA, TEXAS	■								
73 TOLEDO, OHIO			■					■	
74 TOPEKA, KANSAS		■							
75 TORONTO, ONTARIO			■			■		■	
76 TULSA, OKLAHOMA	■								
77 VANCOUVER, BRITISH COLUMBIA			■						
78 WASHINGTON, D. C.								■	
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80 WINNIPEG, MANITOBA			■						

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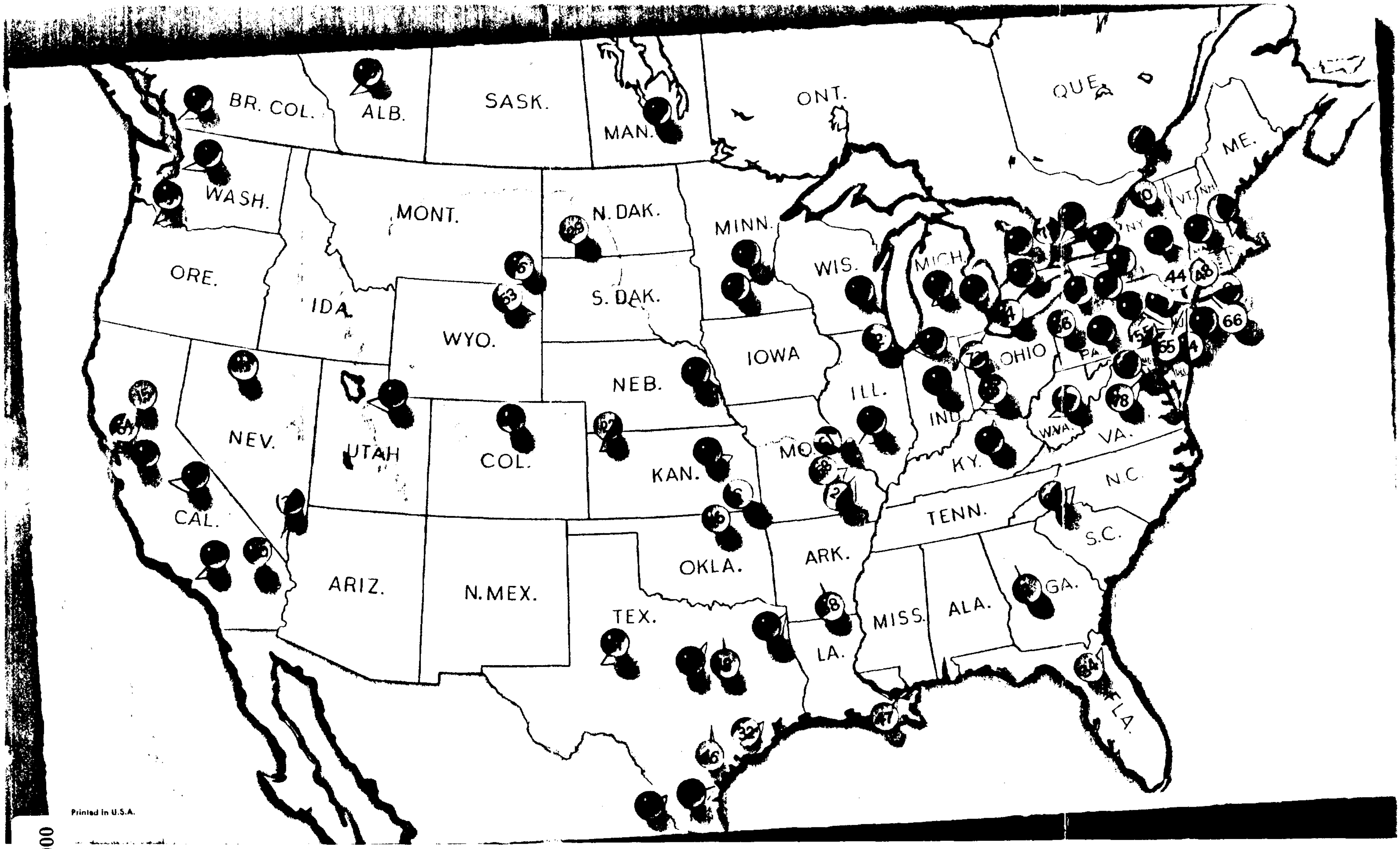
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