

Adding of New Lines Shown in Earnings Gain by Monsanto

Net for Third Quarter and Nine-
Month Period Tops 1934 Figures
—Plant Improvements Made

Although Monsanto Chemical Co. in the third quarter showed a slight decline in earnings from the preceding three months, a substantial gain was shown over the corresponding quarter a year ago and over the first nine months of last year.

Nine months' earnings were \$2,732,999, equal to \$2.76 a share on 987,876 shares, against \$1,945,230, or \$2.25 a share on 864,000 shares last year.

Part of the increase was due to the inclusion of profits from Swann Chemical, a recently acquired subsidiary operating in the South, but the greater portion probably came from expanding demand for many of the newer lines of chemicals that Monsanto has been adding in recent years.

Company Shifts Its Lines

There has been an important shift recently in the character and scope of the company's markets. A few years ago pharmaceuticals, flavoring extracts, fine chemicals, dyes and textile and rubber chemicals were among its principal sources of income. Today the motor industry is indirectly one of Monsanto's largest customers. The new glyptol resins this year have come into general use in body finishes replacing to some extent the lacquers which use butyl alcohol as a solvent. These new resins consume a considerable amount of phenol and of phthalic anhydride, both products of Monsanto. Incidentally the latter is finding increasing uses in chemistry and industry. It is used as a plasticizer for non-shatterable glass. Phenol is gaining in volume as an ingredient of a number of varieties of plastics which are also rapidly forging ahead.

One of Monsanto's most interesting fields of development is the production of aliphatic chem-

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icals, from petroleum products. These include ethyl alcohol, butyl alcohol, used as solvents and acetone and acetic anhydride with a wide use in the rayon industry. All of these are being made from petroleum gases. The new solvent methods of refining lubricating oils are also taking increasing quantities of organic chemicals made by Monsanto. Other important developments are the production from oil of products which formerly came from coal tar.

\$4,000,000 For New Construction

A \$4,000,000 construction budget this year is bringing plants up to the required capacity for the growing new divisions. A new and more efficient steam and power plant is included.

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ST. LOUIS—Report of Monsanto Chemical Co. and subsidiaries, for quarter ended September 30, 1935, shows net profit of \$884,550 after depreciation, federal taxes, etc., equivalent to 89 cents a share on 987,876 shares (par \$10) of capital stock.

This compares with net profit in preceding quarter (including the Swann Corp.) of \$923,125 or 95 cents a share on 974,133 shares.

For the quarter ended September 30, 1934, net profit, excluding the Swann Corp., was \$566,195 or 65 cents a share on 864,000 shares.

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