

BOARD OF OPERATORS - 1091st MEETING

April 22, 1940

Present:

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

Absent:

E. E. Ware
T. J. McDowell

Copies To:

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

8709 - REPORT ON FACTORY OPERATIONS:

Sales for the week were 5.7% ahead of last year and included a gain of 4% in trade sales. With the exception of small losses in insecticides and industrial sales, all captions showed gains.

Orders for heavy liquids amounted to 167,000 gallons as compared to production of 144,000 gallons and shipments of 169,000 gallons. Stocks decreased 16,000 gallons.

Inasmuch as stocks are not being reduced by incoming orders as much as they should be, operations will be curtailed somewhat.

8710 - REPORT ON NUMBER OF HOURS PLANTS HAVE OPERATED:

Location	Product	Operated at 40 hour week
Chicago	P&V	" " 40 " "
Newark	P&V	" " 40 " "
Cleveland	P&V	" " 40 " "
Oakland	P&V	" " 48 " "
Los Angeles	P&V	" " 40 " "
Dallas	P&V	" " 42 " "
Chicago Lacquer		" " 40 " "
Dry Color		" " 40 " "
Flushed Color		" " 40 " "
Acme		" " 32 " "
Lowe Brothers Company		" " 40 " "
Lucas		" " 40 " "
Martin-Senour Company		" " 40 " "
Chicago White Lead		" " 95% capacity
Lithopone		" " 0%
Tin Can		" " 80%
Coffeyville Lithopone		" " 100%
Leaded Zinc		" " 65%
Cleveland Linseed Oil		" " 75%
Castor Oil		" " 50%

8711 - PAINT AND COLOR STYLE GUIDE ADVERTISING:

Mr. Steudel advised the Board that we have received 13,000 return post cards as a result of direct mail promotion and magazine insert on the Paint and Color Style Guide. Of the inquiries that have been followed up, 37% have resulted in sales of the Style Guide with \$100.00 orders for paint. It has been necessary to place an order for an additional supply of Guides.

8712 - BID BUSINESS:

Mr. Mills pointed out that a number of bids have been lost because costs have been figured on high replacement oil markets. The Board approved his suggestion that the daily price slips issued by Mr. Davis should show not only market price but also the price to be used in cost figuring if there should be any difference between the two.

On all bids for substantial quantities, Mr. Sieplein will consult with the purchasing and manufacturing departments to be sure that we secure the maximum amount of business at reasonable profit over actual costs.

8713 - DEHYDROL:

Production of Dehydrol amounted to 157,000 pounds last week as compared with factory consumption of approximately 90,000 pounds. Mr. Coolidge reported that there are fifteen tank cars sold but not yet delivered. The tank car price has been reduced to 15 $\frac{1}{2}$ ¢ a pound.

8714 - CHINA WOOD OIL SUBSTITUTES:

Mr. Mills reported on the relative cost of varnish made from the more important substitutes for China Wood oil. He was requested to have a chart made up showing the relative value of other vehicles compared with Dehydrol. It was pointed out that the high cost of Wood Oil has resulted in finding a number of low-cost satisfactory substitutes.

8715 - NEW TYPEWRITERS:

The Board discussed the relative merits of standard and noiseless typewriters. Messrs. Davis and Prescott were asked to check further and decide what our general policy should be.

8716 - CHAIN STORE TAXES AND NEW STORES:

Mr. Steudel advised the Board that we are going ahead with our store expansion program in spite of the possibility of legislation against chain stores. The average investment in store fixtures, improvements, and inventory for those stores established since the first of September is about \$7,000.00.

Factory sales branches are being planned in Boston, Philadelphia, Buffalo, Chicago, and probably Oakland, Portland, and Seattle.

8717 - PATENTS--RESINOUS PRODUCTS:

Dr. Van Stone was requested to study new patents granted to Resinous Products and report.

8718 - PATENT APPLICATION WORK:

In view of the fact that we spent 10,000 last year on patent application work,

it was decided we should have someone in our employ who can handle a large part of this work.

8719 - TRANSFER PRICES:

Mr. Sieplein reported that new transfer prices have been issued on insecticides and dry colors.

8720 - FLUSHED COLORS:

It was pointed out that profits on sales of flushed colors are somewhat lower than profits on dry colors. Mr. Sieplein was asked to check carefully to see whether prices should be revised.

8721 - PLANT REQUISITIONS APPROVED TO MARCH 31st:

Mr. Stanton reported as follows:

\$764,443 Or Plus Carry over \$969,998

L.Y. 333,388 " " " 414,237

8722 - INVENTORIES AT MARCH 31st:

Mr. Stanton reported the Inventories for The Sherin-Williams Company, excluding Retail Stores, as:

	<u>2-31-40</u>	<u>3-31-39</u>	<u>3-31-39</u>
	\$13,312,718	\$11,415,415	\$9,520,595
S-W Retail Stores	\$ 3,070,121	2,464,492	51,999,636
Martin-Senour	772,117	766,917	563,313
Acme	3,724,292	3,271,065	2,623,239
The Lowe Bros. Co.	1,568,229	1,487,014	1,142,039
Lucas	1,238,430	1,170,237	945,700
Lawrence	212,162	194,284	148,404

A report from Mr. Campbell explained that the large part of the increase in Acme inventories is in raw materials which he expects to be used up quickly as operations are speeded up about May 1st.

8723 - PUBLIC BID:

Since September 1, 1939, 1466 invitations to bid have been received. A total of 1239 amounting to \$3,115,791 have been placed and of this total we have received awards on 146 amounting to \$383,467.00.

8706 - FACTORY OPERATIONS, week ending April 10, 1940.
HEAVY LIQUIDS - S-W PLANTS

Total orders received	-	167,101	Total production	-	144,195
Total factory stocks	-	1,138,961	Inventory Dec.	-	16,000
CHICAGO	-	Orders recd. 81,332	Production	59,678	Stocks 593,976 gals.
NEWARK	-	Orders recd. 30,551	Production	36,262	Stocks 247,082 gals.
CLEVELAND	-	Orders recd. 35,942	Production	33,426	Stocks 212,024 gals.
OAKLAND	-	Orders recd. 19,276	Production	14,829	Stocks 85,879 gals.

TOTAL PLANT OUTPUT

CHICAGO	P&V	-	116,126 gals.	Operated at	93%
NEWARK	P&V	-	56,518 "	" "	75%
CLEVELAND	P&V	-	56,467 "	" "	83%
OAKLAND	P&V	-	26,845 "	" "	201%
LOS ANGELES	P&V	-	13,766 "	" "	63%
DALLAS	P&V	-	10,570 "	" "	85%
CHICAGO LACQUER		-	53,254 "	" "	100%
DRY COLOR		-	159,390 lbs.	" "	91%
FLUSHED COLOR		-	67,913 "	" "	88%
CHEM. PRODUCTS		-		" "	94%

BOUND BROOK INSECTICIDE	-	Arsenic Acid	72 tons	Basi-Cop	8 tons
		Boro	58 "	Red River	
		Dry Lime Sulfur	84 "	Mix	7 "
		Lead Arsenate	112 "		
		Paris Green	12 "		

Continuous operation.

OAKLAND INSECTICIDE - 5 days - 3 eight hour shifts.

ACME - Produced 42,287 gals. Paint Dept. operated at 14%, Enamel & Lacquer at 21%, and Varnish & Thinner at 12%.

LOWE BROS. CO. - Manufactured 49,885 gals. with Paint Depts. operating at 95%, Enamel Dept. at 95%, and Varnish Dept. at 29%.

LUCAS - Manufactured 59,488 gals. Operated at 85%.

MARTIN-SENOUR COMPANY - Manufactured 16,022 gals. Paint Dept. operated at 64%.

4-22-40.

#8707 - PLANT REQUISITIONS APPROVED:

RETAIL STORES:

#1323 - Salem, Mass.

2 - 2½ gal. fire extinguishers @ 8.50 each 17.00

#1420 - Tulsa

Adding machine, less trade-in 57.50

#1421 - Spartanburg

Water cooler 108.00

#1422 - Elmira

2 wallpaper book stands 24.22

SOUTHWESTERN DIST.

#369 - Kansas City, Mo.

Furniture for girls' rest room 89.32

WESTERN DIST.

#5796 - Chicago

Electric typewriter 231.75

CHICAGO FACTORY

#250 Sprinkler lines and heads - Fuchsine - C.P. 110.02

#251 Sprinkler lines and heads - Fuchsine - C.P. 117.74

#294 Oak desk and swivel chair - Resin Research 9.50

#295 Vaporizing fire extinguisher - Safety 20.00

#296 Howe platform scale - Ink - C.P. 58.00

#297 Reduction gear between motor and sulfonator - C.P. 433.00

#299 New office equipment - Purchasing 190.00

#302 Brick pier in Bg. 18-1 - P&V 272.00

#312 2 discharge turrets for #308 tester - Tin Can 438.50

CLEVELAND ADMIN. OFFICES:

#1439 16 drawer 5"x8" filing cabinet (second hand) Isham 20.00

#1496 Typewriter, desk and chair - Statistical 153.56

#1498 Typewriter, desk and chair - Stockkeeping 151.06

CLEVELAND LINSEED OIL MILL:

#750 Centrifuge cover 350.00

0007-SWP-000022061

CONFIDENTIAL

NEWARK FACTORY

#628	Water line to Lunch Room and Tech Service	216.60
#630	6 lockers for Tech Service	51.90
#636	4 shades for Export Dept.	7.00

TOTAL PLANT REQUISITIONS APPROVED - - - - - \$ 3,123.67

#C702 - LARGE EXPENSE REQUISITIONS APPROVED:

RETAIL STORES:

#1423 - Lancaster

Relocating wallpaper department	40.00
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CHICAGO FACTORY

#252	Washing windows in Varnish Dept. P&V	160.00
#266	Cleaning White Lead sewers - W.L.	192.00
#283	Repair bearings and shaft on ink mill - C.P.	129.70
#289	Replace aluminum nitrator - Toluidine C.P.	59.85
#304	Reline 1 stack - White Lead	342.00

CLEVELAND LINSEED OIL MILL

#751	Replace Inconel condenser head	480.00
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COFFEYVILLE

#623	Replace gutter on Barium Sulphide Bldg.	100.00
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TOTAL LARGE EXPENSE REQUISITIONS APPROVED - - - - - \$ 1,503.55

Total Plant Requisitions approved to date \$ 846,680.16

Total Expense " " " " \$ 143,322.41

ACME - Detroit

#ES 961	1 Infra Red Unit	278.00
BE 239	Adding machine for Topeka branch	58.75

JOHN LUCAS - Gibbsboro

#37	Painting 11 outside storage tanks	800.00
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MARTIN-SENOUD - Chicago

#308	10 column comptometer	395.00
#310	1 Comptometer	340.00
	1 Royal typewriter	<u>93.56</u>
		433.56