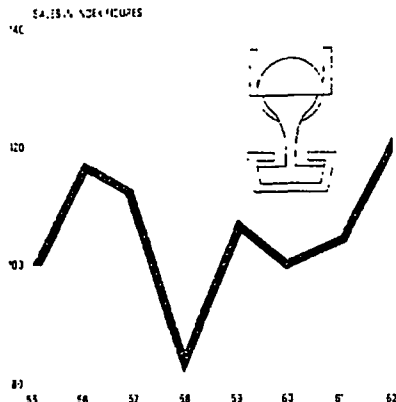


Castings and Forgings

FOR ALL INDUSTRY



SALES of castings and forgings in the United States and Canada increased 16 per cent to \$79,600,000 for the year. Sales increases were registered in most types of castings and forgings, even though both of these industries suffer from a great deal of excess capacity which encourages severe competition and soft prices.

However, Brake Shoe has succeeded in doing reasonably well because of our specialization. Each metalworking division concentrates on special alloys and aggressively seeks the types of work which require a high degree of technological skill and special equipment.

For example, several years ago we began the development of alloys and methods for the manufacture of tire molds. Today the combined capabilities of our Engineered Castings and Bridgwater Divisions enable the company to supply finished molds for the manufacture of tires for any requirement from small passenger car tires to tires nine feet in diameter for tremendous off-the-road industrial equipment. This product line has grown to significant volume in the



United States and Canada. A new tire mold plant went into production this year in England to supply the European market.

Electro-Alloys Division obtained increased tonnage in heat and corrosion-resistant alloys from sales of centrifugally cast tubing for heat treating equipment and the petro-chemical industry. Higher volume was also obtained in specialized castings for heat transfer equipment and iron ore processing machinery.

In industries where impact and abrasion are important wear factors, American Manganese Steel Division supplies a wide range of manganese steels and special alloys to meet the specific wear problems of the application. Although several new producers have entered this field, Amsco products in the United States and Canada are maintaining their leading position in these types of castings.

In the brass and bronze casting business, National Bearing Division has had difficulty in competing with the many small local foundries with low prices. In the last two years, several steps have been taken to contract

our facilities and obtain more specialized items which the local foundries are unable to make because of size or intricacy. These moves should improve results in this area during the coming year.

The AmForge Division obtained a higher volume of steel forgings, mainly from the automotive, construction machinery and farm equipment industries. Also, the additional forging equipment which was purchased in late 1961 was installed and integrated into production operations. The business which was obtained from car and truck manufacturers because of this equipment increased the volume of the division, and with installation and start-up costs behind it, this division anticipates an improved profit situation in 1963.

Research to develop new alloys, taking advantage of modern production methods, and continued specialization are maintaining Brake Shoe's position as a major source of castings and forgings for industry.

