

BOARD OF OPERATORS - 1119th MEETING

November 1, 1940

Present:

A. W. Steudel
H. J. Hain
F. E. Davis
H. E. Van Stone
V. Mills
S. B. Coolidge
W. 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. Wolcott
K. H. Wood
C. A. Campbell
Z. E. Martin
W. M. Stuart
D. A. Kohr
W. A. Gorrell
P. C. Grigsby
D. A. Whittaker
L. C. deMerrall
F. Allen

9413 - REPORT ON FACTORY OPERATIONS:

Orders for heavy liquids amounted to 107,000 gallons as compared with production of 125,000 gallons and shipments of 110,000 gallons.

Mr. Mills reported that stocks at Chicago have improved and will be in satisfactory condition in another week.

Sales for the week were 3% under last year and included a loss of 1.3% in trade sales. Retail branch sales showed a gain of 19% in total and 9% for comparative stores.

9414 - REPORT ON NUMBER OF HOURS PLANTS HAVE OPERATED:

Chicago	P&V	-	Operated at 48 hour week
Cleveland	P&V	-	" " 48 " "
Oakland	P&V	-	" " 40 " "
Los Angeles	P&V	-	" " 44 " "
Dallas	P&V	-	" " 51 " "
Chicago Lacquer		-	" " 45 " "
Dry Color		-	" " 40 " "
Flushed Color		-	" " 120 " "
Acme White Lead and Color Works		-	" " 40 " "
Lowe Brothers Company		-	" " 40 " "
John Lucas & Company		-	" " 52 " "
Martin-Senour Company		-	" " 40 " "
Chicago White Lead and Tin Can	- BOTH	"	" 100% capacity
Coffeyville Lithopone and Leaded Zinc	- BOTH	"	" 100% "
Cleveland Linseed Oil and Castor Oil	- BOTH	"	" 100% "

9415 - SHELLAC:

Mr. Steudel suggested that our own cost of making shellac should be refigured before the contract with Southern Shellac is renewed.

9416 - DRAFT DEFERMENT:

The Board decided that all suggestions for draft deferment are to be submitted to headquarters before requests are actually made. Mr. Reese will issue a bulletin supplementing his bulletin No. 320. In order to have a clear picture of the number of employees that may be drafted, it was decided that a list is to be made up of all employees subject to draft and the order in which their numbers were drawn.

9417 - OPEX AUTOMOTIVE ENAMELS:

Mr. Griffiths reported that the oldest Opex Automotive colors carried in stock are the 1935 colors. In December the policy will be followed of calling back stocks that have been declared obsolete.

9418 - LOSS ON DUMPING 1939-40:

Mr. Steudel advised the Board that the loss on dumping and reworking goods amounted to \$239,000 last year. It was pointed out that a regular plan must be adopted for selling as much as possible of the materials that must be dumped if they cannot be sold. An effort will be made to dispose of a large part through our retail stores and also to have customers take over-runs that are normal in the production of special items.

9419 - TIN CANS--TEXAS CAN COMPANY:

Mr. Mills reported that the Dallas plant has been quoted lower than our regular prices by the Texas Can Company. It was decided that since our prices are in line with those of American and Continental that no change would be made.

9420 - NEW EQUIPMENT:

In discussing a requisition for large varnish kettles for Chicago, the Board asked Mr. Davis to see on what basis we could cover with the suppliers so that we would be protected against increases in the cost of stainless steel.

9421 - LINSEED OIL MILL:

It was reported that it will be necessary for the linseed oil mill to continue with seven pressings for another week to make room for a boatload of flax.

9422 - PERILLA OIL:

Mr. Davis reported that Detroit is the only plant using any quantity of perilla oil. Since the price is very high and the supply limited, Dr. Van Stone will see whether or not its use can be entirely eliminated.

9423 - DEHYDROL:

Production of Dehydrol last week amounted to 260,000 pounds as compared with factory consumption of 140,000 pounds. Mr. Davis reported that shipments are being made promptly from the mill and no stock being allowed to accumulate. It was pointed out that if any extra storage capacity is to be provided, it should be at the oil mill.

Mr. Hain reported that delayed delivery of steel will make it impossible to have

the new still in operation before the first of February.

9424 - TEST FOR IODINE VALUE:

Mr. Davis reported that he would soon have all details of the quick field-testing method for determining the iodine value of flaxseed.

9425 - RAW MATERIAL CONSUMPTION 1939-40:

Mr. Davis reported on the cost of raw materials used during last year. Eliminating the increased costs of oils, other costs were lower than the previous year.

9426 - LUMINOUS PAINT:

Mr. Davis reported that we have received a letter trying to interest us in a new process for making luminous paint. The Board decided that we are not interested.

9427 - LITHOPONE AND BARYTES AGREEMENT--GLIDDEN:

The Board gave tentative approval to an arrangement submitted by Mr. Coolidge under which we will supply Glidden with barytes ore and in turn will take lithopone from them for the Newark and Gibbsboro plants. The final arrangement will depend on our ability to supply ore and on the quality of their lithopone being acceptable. Messrs. Hain and Coolidge will work together to see that everything is satisfactory.

9428 - DISBURSEMENTS DURING OCTOBER:

Mr. Stanton reported October disbursements as follows:

October month 1940	\$3,971,436	October year 1940	\$6,613,076
" " 1939	4,349,408	" " 1939	6,282,224

While there are many miscellaneous increases and decreases, the largest principal increase is for Linseed Oil and Flaxseed.

9429 - WHITE LEAD:

Mr. Coolidge reported that this year's total expected requirements for white lead are 12,500 tons as compared with current production capacity of 9,500 tons. In view of the probable shortage of 3,000 tons, he suggested that we partially open up the old Dutch plant.

Mr. Stanton was requested to study costs carefully and report on costs with and without operating the old Dutch stacks. If his report shows that the old Dutch stacks should be set, it was decided that 500 tons of lead should be purchased to take care of our partial requirements.

9430 - ELECTRIC WELDER--OIL MILL:

The Board approved Mr. Hain's recommendation that we buy an electric welder for use at the oil mill. A requisition will be submitted later.

9431 - VIRGINIA LABEL LAW:

Mr. Steudel advised the Board that questions regarding the Virginia label law should be referred to the paint, varnish, and lacquer association.

9432 - STATE PRISON PAINT PLANTS:

Mr. Steudel pointed out that several additional states are planning to operate prison

paint plants to manufacture paints used by the states themselves and that these plants should be good outlets for our colors, vehicles, etc.

9433 - HALF-GALLON CONTAINERS:

Mr. Steudel suggested that a great many if not all of our half-gallon packages might be eliminated and that a large investment in stock of halves could be released. Mr. Griffiths was requested to calculate the value of inventories of half gallon packages at factories and warehouses.

It was suggested further that items should be eliminated from our line whenever they fail to show a satisfactory turnover.

9434 - PUBLIC BID:

Since September 1, 1940, 401 invitations to bid have been received. A total of 309 amounting to \$684,985 have been placed and of this total we have received awards on 71 amounting to \$167,149.00.

9435 - NEW GOODS:

Opex Display Lacquer Thinner Rx 05323--New Rx assignment to replace regular Opex Thinner Rx 04884. (Old number to be retained; same formulation)

Kem Flock & Metallic Adhesive Reducers (Rx 03906 - Rx 03904) 1s and 1s--Add to Graphic Arts line. Already listed and recommended in present price lists and catalogs, but not packaged for resale under G. A. label.

Kem Sign and Background Reducer #500--To be packaged under Graphic Arts labels. (New Rx to be assigned to parallel Kem Reducer #50 - Rx 02966)

Retarder - Rx 03919 (V-14079)--To be added to Graphic Arts line to take care of definite demand.

Kem Striping & Lettering Enamels--Discontinue filling this line in tubes. To be filled only in 1/2 pt. pour-top cans.

Opex O-K Lacquers--Announce changes in 1941 Motor Car Colors to supplement record of Product Notice No. 225-U. as follows:

<u>No.</u>	<u>Color</u>	<u>Car</u>	<u>Mfg's. No.</u>
32527	Cedar Green	Buick	Comb. No. 579
32542	Morgan Green	"	Comb. No. 579

The following Rx assignments shown in Record of Products No. 225-U, dated 9-25-40 have since been voided.

<u>No.</u>	<u>Color</u>	<u>Car</u>	<u>Mfg's. No.</u>
32545	Allendale Blue (Opal)	Pontiac	Comb. No. 4106
32594	Packard Maroon	Packard	Color Scheme E, G
*32553	Santone Beige (Opal)	Pontiac	Comb. No. 4115

*Voided in favor of 32561 which is identical in color. Rx. 32561 will be identified in the future as follows:

<u>No.</u>	<u>Color</u>	<u>Car</u>	<u>Mfg's. No.</u>
32561	Santone (Opal)	Chevrolet	Comb. No. 301
		Pontiac	Comb. No. 4115

9410 - FACTORY OPERATIONS, week ending October 29, 1940
HEAVY LIQUIDS - S-W PLANTS

Total orders received	-	107,405	Total production	-	125,190
Total factory stocks	-	539,471	Inventory Inc.	-	21,659
CHICAGO	-	Orders recd. 75,174	Production	84,506	Stocks 278,445 gals.
GIBBSBORO	-	Orders recd. 8,763	Production	13,268	Stocks 84,038 "
CLEVELAND	-	Orders recd. 18,008	Production	16,668	Stocks 115,027 "
OAKLAND	-	Orders recd. 5,460	Production	10,748	Stocks 61,961 "

TOTAL PLANT OUTPUT

CHICAGO	P&V	-	195,683 gals.	Operated at	95%
CLEVELAND	P&V	-	82,066 "	" "	92%
OAKLAND	P&V	-	22,364 "	" "	133%
LOS ANGELES	P&V	-	16,659 "	" "	63%
DALLAS	P&V	-	20,249 "	" "	247%
CHICAGO LACQUER		-	54,074 "	" "	100%
DRY COLOR		-	169,049 lbs.	" "	86%
FLUSHED COLOR		-	56,535 "	" "	86%
CHEM. PRODUCTS		-		" "	100%

<u>BOUND BROOK INSECTICIDES</u>	-	Lead Arsenate	144 tons	Basi-Cop	20 tons
		Arsenic Acid	102 "	Blends	16 "
		Bordo Mixture	41 "	Paris Green	1 "
		Dry Lime Sulfur	27 "		

CONTINUOUS OPERATIONS

OAKLAND INSECTICIDES

- 3 days - 2 eight hour shifts.

ACME

- Produced 233,791 gals. Paint Dept. operated at 58%, Enamel & Lacquer at 29%, and Varnish & Thinner at 12%.

LOWE BROTHERS COMPANY

- Manufactured 44,712 gals. with Paint Depts. operating at 82%, Enamel Dept. at 82%, and Varnish Dept. at 34%.

LUCAS

- Manufactured 61,965 gals. Operated at 90%.

MARTIN-SENOUR COMPANY

- Manufactured 26,845 gals. Paint Dept. operated at 109%.

#9411 - PLANT REQUISITIONS APPROVED:

RETAIL STORES:

#1548 - White Plains

2 fire extinguishers

17.00

#1549 - Chicago-LaSalle

1 fire extinguisher

8.50

#1535 - Montgomery

1941 Ford 1/2 ton panel truck, less trade-in

596.00

#1607 - Saginaw, Mich.

New installation

2,977.69

#1614 - Petersburg, Va.

New installation

1,949.65

#1615 - Janesville, Wis.

New installation

2,338.20

#1616 - Bloomington, Ind.

New installation

2,183.06

NEW ENGLAND DIST.

#156 - Worcester Store

Building bins

32.00

NORTH ATLANTIC DIST.

#437 - New York PC&C

Royal typewriter, less trade-in

76.06

TEXAS DIST.

#505

4-drawer stack file

23.00

WESTERN DIST.

#5819 - Chicago

2 desk lamps

24.00

CLEVELAND ADMIN. OFFICES.

#1536

2 guest chairs - Gen. Sales

31.00

#1540

1 Royal typewriter, less trade-in - Graphic Arts

109.76

#1541

500 Color Keys @ 12.95 each

6,475.00

CHICAGO FACTORY

#785

New steam regulator on heating system - P&V

126.90

#787

Nickel pipe line to recover distillate - Varnish

108.65

#789

Compressor with 7 1/2 HP motor - Tin Can

743.00

#792

Overrun on heqn. 585 - Stainless steel - Beta

175.50

#799

High speed Mikro Pulverizer - W.L.

860.50

CLEVELAND LINSEED OIL MILL

#796

Electric welder - with accessories

475.00

CLEVELAND ADMIN. OFFICES REQN. - for GLOUCESTER CITY PLANT #1542

Purchase and installation of new equipment

\$ 1,250,000.00

TOTAL PLANT REQUISITIONS APPROVED - - - - - \$ 1,269,335.47

#9412 - LARGE EXPENSE REQUISITIONS APPROVED:

CHICAGO FACTORY

#780	Repair fire doors throughout plant	243.60
#782	Replace Viking pump - "B"	76.97
#793	Replace copper gutters - Tobias	109.50
#800	Repair small carbonator - Beta	103.30

CLEVELAND LINSEED OIL MILL

#795	Belting to be made from scraps	950.00
#797	Repairing tank for Castor Oil storage	100.00

OAKLAND

#150	Overrun on Reqn. #139 - Elevator repairs	95.24
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TOTAL LARGE EXPENSE REQUISITIONS APPROVED - - - - - \$		
Total Plant Requisitions approved to date	\$ 1,450,336.91	1,688.61

Total Expense	" " " "	\$ 34,454.22
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Acme - Detroit

ES 1024	Replace open wiring on lighting in conduit	196.28
ES 1102	Replace tubes #1 boiler	101.74
ES 1112	Dismantle roller mill in "B" Dept.	135.34
ES 1121	Install automatic regulating valve on ball mill #18	89.95
ES 1125	Make new body for coal car in boiler room	80.40
ES 1161	Overhaul stoker	154.43
ES 1166	Replace chain drive on #10 ball mill	77.72
ES 1177	Resurface concrete driveway	480.00
ES 1182	8 bank calculating machine, less trade-in	210.00
ES 1184	Overhaul mixer #32	56.70
ES 1186	Repair corrugated iron sheeting	75.96
ES 1188	Dig trench for gasoline storage tank	75.24
ES 1190	8 bank comptometer, less trade-in - Gen. Office	279.00
ES 1192	Repack valves and repair housing on 2 indicator posts	66.01
ES 1193	Overhaul mixer #61	50.95
BE 32	Material and labor for building bins in whse.-Buffalo	158.96

JOHN LUCAS CO. - Gibbsboro

#54	Repairs to auto truck scale	75.00
#56	Repairs to boiler feed pump	75.00

MARTIN-SENOUR CO. - Chicago

#353	1941 Plymouth coach - less trade-in	250.00
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