

BOARD OF OPERATORS - 1083rd MEETING

February 26, 1940

Present:

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

Absent:

E. E. Ware
N. E. Van Stone
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

8526 - RESUME OF FACTORY OPERATIONS:

Paint and varnish plants continued to operate on the basis of a forty hours with the exception of Cleveland which is on a four day week.

Orders for heavy liquids amounted to 92,000 gallons as compared with production of 156,000 gallons and shipments of 122,000 gallons. Stocks increased 46,000 gallons.

Sales for the week were ahead of last year by a margin of 12% with gains in all captions except trade and opex jobber which showed losses of 13% and 3% respectively.

8527 - REPORT ON NUMBER OF HOURS PLANTS HAVE OPERATED:

Chicago	P&V	-	Operated at 40 hour week
Newark	P&V	-	" " 40 " "
Cleveland	P&V	-	" " 32 " "
Oakland	P&V	-	" " 40 " "
Los Angeles	P&V	-	" " 40 " "
Dallas	P&V	-	" " 40 " "
Chicago Lacquer		-	" " 39 " "
Dry Color		-	" " 56 " "
Flushed Color		-	" " 40 " "
Acme		-	" " 38 " "
Lowe Brothers Company		-	" " 40 " "
Lucas		-	" " 42 " "
Martin-Senour Company		-	" " 40 " "
Chicago White Lead		-	" " 100% capacity
Lithoponc		-	" " 50% "
Tin Can		-	" " 80% "
Coffeyville Lithoponc & Leaded Zinc	<u>BOTH</u>	-	" " 100% "
Cleveland Linseed Oil & Castor Oil	<u>BOTH</u>	-	" " 100% "

8528 - ARSENATE OF LEAD PRICES:

Mr. Steudel advised the Board that competitive prices on arsenate of lead have been set at 8½¢ a pound in carload quantities with the carload price applying on fill-in orders. This price permits no allowance for jobbers. Since this low price will no doubt eliminate some of the marginal producers, the tonnage available for the remaining producers will be somewhat larger.

It was decided that we will operate our plant at capacity and that we should have no trouble in selling the entire output.

8529 - CENTENNIAL OF WESTERN RESERVE CHEMICAL COLLEGE:

The Board decided that we would not participate in the centennial exhibition of the Western Reserve Chemical College.

8530 - KEM PRODUCTION:

Mr. Mills reported that production to January 31st of all products under the Kem label amounted to 508,000 gallons which is an increase of 62% over last year. Kem Transport heads the list with total production of 107,000 gallons and is followed closely by Kem Lustral with production of approximately 100,000 gallons.

Mr. Steudel suggested that we might substantially reduce the number of special items that we are now producing if we enlarge our regular lines somewhat to include a wider range of colors. This would apply particularly to Kem Lustral since it is used for such a multitude of purposes. Mr. Mills will see to what extent we can simplify our line of Kem Air Dry enamels by adding a few more regular colors.

It was pointed out that if sufficient volume can be developed on all standard shades of Kem Lustral to make some reduction in production costs, it may be possible and advisable to consolidate Kem Lustral and "B" Lustral. Mr. Mills will have actual costs and selling prices of the two lines compared and will consult further with Messrs. Steudel and Robertson.

8531 - PERILLA OIL:

Mr. Davis reported that there is no perilla oil offered on the market.

8532 - DEHYDROL:

Production of Dehydrol last week amounted to 207,000 pounds as compared with factory consumption of about 98,000 pounds. From the consumption figures for individual factories, it is apparent that both Acme and Lowe Brothers are using substantial quantities of perilla rather than substituting Dehydrol. Mr. Mills was requested to see whether substitution of Dehydrol could not be made.

Mr. Coolidge reported that at the present time there are 18 tank cars of Dehydrol sold but as yet undelivered.

Mr. Mills was requested to write Dr. Holley outlining our position on raw castor and to ask his opinion on our probable requirements.

The Board discussed the advisability of lowering the price on Dehydrol both to the trade and to our own plants. It was suggested that a lower price would permit

use of more Dehydrol on bid business.

Mr. Hain will consult with Dr. Holley on the comparative merits and costs of Dehydrol and other treated castor oils.

8533 - SANDING MACHINES FOR RETAIL BRANCHES:

The Board approved Mr. Davis' suggestion that sanding edgers made by the American Floor Sanding Company be taken into a few of our retail branches on consignment on a trial basis.

8534 - ACME--SAN FRANCISCO:

Mr. Prescott was requested to see whether Acme could use their warehouse location in San Francisco for developing some retail business.

8535 - OIL , COLORS:

The possibility of manufacturing and filling oil colors in volume at Chicago in tubes as well as in larger sizes and of supplying them to other paint makers is to be thoroughly studied. The additional volume developed should result in a decided lowering of cost.

8536 - DEX AND FLO-WAX APPLICATORS:

Mr. Baldwin was instructed to consult with Mr. Burt on what can be done to sell the large supply we now have both of Dex and Flo-Wax applicators.

8537 - SLIDE FILM EQUIPMENT:

Mr. Stanton was requested to see that records are kept of all units of slide film and other expensive types of equipment so that there will be no possibility of any of it being lost.

Requisitions for all such types of equipment are to be submitted to the Board of Operators.

8538 - NEW RETAIL BRANCHES:

Mr. Steudel advised the Board that two new retail branches are to be established in Cleveland and one in Erie. Mr. Prescott will see that adequate store equipment is available.

8539 - TRAFFIC PAINT--OREGON BID:

Mr. Sieplein reported that even though we bid on a product formulated with Dehydrol rather than China Wood oil, our bid was not low enough to be awarded the contract for traffic paint for the State of Oregon.

8540 - RETAIL STORE INVENTORIES:

Mr. Baldwin reported that the increase in retail store inventories is due in a large measure to new stores and to carrying linseed oil on the store books rather than having it consigned.

Mr. Stanton was requested to see whether records can be kept and reports made up to show linseed oil separately instead of including it in the total of everything

except regular goods of our manufacture and wallpaper.

8541 - FIELD WORK ON ORGANIC INSECTICIDES:

The Board approved Mr. Steudel's recommendation that we appropriate \$1,500.00 for field tests on organic insecticides. This will cover the cost of manufacturing samples and of having men conduct the tests at Yakima, Washington and Winchester, Virginia.

8542 - FELLOWSHIP AT LOUISIANA STATE UNIVERSITY:

Mr. Steudel advised the Board that the fellowship at Louisiana State University is being discontinued.

8543 - SOYA BEAN OIL:

The Board discussed Mr. Hain's suggestion that we crush soya beans at the oil mill. Messrs. Hain and Mills will make a careful study to see what quantity of soya bean oil we could use of the quality that we could expect to obtain by crushing rather than by extraction.

8544 - INVENTORIES:

Mr. Mills reported that at current manufacturing rates we will continue to build up stocks for several weeks to come.

8545 - NEW GOODS:

Bulletin Fast Dry Blocking-Out Lt. Gray No. 24867 and White No. 25969 - Add quarts to package sizes now listed.

8546 - PUBLIC BID:

Since September 1, 1940, 1098 invitations to bid have been received. A total of 909 amounting to \$2,173,064 have been placed and of this total we have received awards on 100 amounting to \$185,676.

8523 - FACTORY OPERATIONS, week ending February 20, 1940
HEAVY LIQUIDS - S-W PLANTS

Total orders received	-	91,947	Total production	-	156,094
Total factory stocks	-	1,090,416	Inventory Inc.	-	46,000
CHICAGO	- Orders recd.	34,579	Production	77,680	Stocks 548,910 gallons
NEWARK	- Orders recd.	21,305	Production	33,562	Stocks 246,903 "
CLEVELAND	- Orders recd.	21,383	Production	37,394	Stocks 200,095 "
OAKLAND	- Orders recd.	14,680	Production	7,458	Stocks 94,508 "

TOTAL PLANT OUTPUT

CHICAGO	P&V	-	124,113 gals.	Operated at	80%
CLEVELAND	P&V	-	55,561 "	" "	88%
NEWARK	P&V	-	54,221 "	" "	70%
OAKLAND	P&V	-	16,428 "	" "	169%
LOS ANGELES	P&V	-	13,591 "	" "	65%
DALLAS	P&V	-	16,533 "	" "	
CHICAGO	LACQUER	-	36,788 "	" "	80%
	DRY COLOR	-	216,281 lbs.	" "	120%
	FLUSHED COLOR	-	67,229 "	" "	80%
	CHEM. PRODUCTS-			" "	87%

BOUND BROOK INSECTICIDE	-	Arsenate of Lead	101 tons
		Arsenic Acid	73 tons
		Calc. Arsenate	62 tons
		Dry Lime Sulfur	30 tons
		Postroy	9 tons
		Red River Mix	5 tons
		Zinc Arsenite	4 tons
		Paris Green	3 tons
		Basi-Cop	1 ton

OAKLAND INSECTICIDES - 5 days—three 8 hour shifts.

ACME	-	Produced 69,265 gals. Paint Dept. operated at 40%, Enamel & Lacquer at 31%, and Varnish & Thinner at 18%.
LOWE BROTHERS COMPANY	-	Manufactured 42,199 gals. with Paint Depts. operating at 82%, Enamel Dept. at 82%, and Varnish Dept. at 55%.
LUCAS	-	Manufactured 25,089 gals. Operated at 40%.
MARTIN-SENOUR COMPANY	-	Manufactured 21,358 gals. Paint Dept. operated at 62%.

2-26-40.

#8924 - PLANT REQUISITIONS APPROVED:

RETAIL STORES:

#1344 - Uniontown

1 - 40 gal. Color meter 179.50

#1358 - Nashville

1 - 1940 Chevrolet Master Coup, less trade-in 590.00

#1359 - Niagara Falls

2 Warner sample book racks 24.22

#1360 - Columbus

1 gummed tape machine 15.00

#1361 - Cincinnati

12 bottom pieces for lighting fixtures 60.00

#1362 - Uniontown

Remodeling and repairs 589.30

NORTH ATLANTIC DIST.

#424 - Export Dept.

1940 Dodge sedan, less trade-in 875.00

SOUTH ATLANTIC DIST.

#638 - Charlotte Whse.

1 - 4 drawer letter file 46.00

WESTERN DIST.

#5790 - Chicago

1 desk lamp 9.90

BOUND BROOK FACTORY:

#46 2 steel trucks 64.76

CHICAGO FACTORY

#135 2 - 900 gal. mixing tanks - "D" 161.25

#140 Extension ladders (2) for Mech. Dept. 46.00

#142 1 micrometer, complete - Mech. 144.45

#155 1 Bates numbering machine and cabinet - P&V 46.00

CLEVELAND ADMIN. OFFICES:

#1474 1 - 4 drawer metal letter file 36.00

CLEVELAND FACTORY

#3301 1 Do-More chair - Stockkeeping Dept. 12.50

#3302 1 Pneumix Air Motored Agitator - Varn.Mfg. 135.00

CLEVELAND P & S DEPT.

#1376 1 Sprayomatic offset eliminating gun 230.00

LOS ANGELES:

#109 Installing lights and plugs in Varnish Dept. 50.00

OKLAND

#129 2 Lightning Mixers with 2 varnish kettle covers 558.00

TOTAL PLANT REQUISITIONS APPROVED - - - - - \$ 3,872.88

#8525 LARGE EXPENSE REQUISITIONS APPROVED:

CHICAGO FACTORY

#9952 Additional material to replace agitator - Fuchsine 105.03

#133 Regrinding 3 rolls on Lehmann mill - P&V "F" Dept. 315.00

#136 Replace broken agitator on #2 fusion kettle - Beta 108.94

#145 Replace Viking Pump - "B" Filling 96.10

#150 Rewind 10 HP motor - Azo Dye 115.96

COFFEYVILLE

#613 Repair locomotives 115.00

LOS ANGELES

#110 Rebuilding varnish kettle and truck 135.76

TOTAL LARGE EXPENSE REQUISITIONS APPROVED - - - - - \$ 991.79

Total Plant Requisitions Approved to date \$ 709,071.00

Total Expense " " " " \$ 111,746.76

ACME - DETROIT

ES 905 Remington typewriter - Tech Service 81.37

BE 210 Painting walls and inside fixtures - Muskogee 76.50

BE 213 2 - display counters - Salt Lake City 60.20

BE 219 Retail store installation - San Francisco 138.49

BE 215 Repair Ford truck - Durham 69.23

JOHN LUCAS - Gibbsboro

#28 8 column adding machine 112.50

MARTIN-SENOUR - CHICAGO

#303 Ford Tudor Sedan, less trade-in 330.00