PHELPS DODGE REFINING CORPORATION

(Controlled by Phelps Dodge Corp.)

History: Incorporated in May, 1905, in New York, as successor to the business of the Nichols Chemical Co., which succeeded G. H. Nichols & Co., established 1872. Original title was Nichols Copper Co. Present title adopted July 1, 1938.

In Apr., 1928, an agreement was entered into with Phelps Dodge Corp., Calumet and Arizona Mining Co., and New Cornelia Copper Co., whereby these companies acquired an interest in Phelps Dodge Refining Corp. for the purpose of refining their own copper at the latter company's new refinery at El Paso, Tex.

In Apr., 1931, Nichols Engineering & Research Corp. was formed to carry on an engineering, management and contracting business, but on Nov. 30, 1935, company disposed of its controlling interest to Mr. C. W. Nichols.

Business: Manufactures the "L. N. S." brand of electrolytic copper, "Triangle" brand of sulphate of copper and like products.

Company also acts as refinery managers for the Montreal plant of Canadian Copper Refineries, Ltd.

Property: Refinery located at Laurel Hill, L. I., together with water rights and real estate on the banks of Newtown Creek. Capacity of refinery, 500,000,000 lbs. per annum. Refinery at El Paso, Tex., with capacity of 547,945 lbs. per day was placed in operation in Jan., 1930.

Control: In Nov., 1930, Phelps Dodge Corp. acquired control of company through exchange of stock on a share for share basis.

Officers: W. C. Bennett, Pres.; C. E. Dodge, J. P. Dyer, Vice-Pres.; J. B. Beaty, Sec. and Gen. Counsel; J. E. Fisher, Treas.; G. R. Drysdale, Compt.; W. G. Gross, Aud.

Directors: J. B. Beaty, Cleveland, E. Dodge, F. Pisart, Edgar Sengier, L. S. Cates, J. F. McClelland, W. C. Bennett, G. R. Drysdale.

Annual Meeting: Second Wednesday in Feb.

General Office: 40 Wall St., New York.

Operating Statistics: Production of refined copper, years ended Dec. 31 (000 lbs.):

1931	330,114	1935	359,771
1932	182,965	1936	410,253
1933	152,013	1937	497,171
1934	257,896	1938	404,164

Capital Stock: 1. Phelps Dodge Refining Corp. class A; no par:

AUTHORIZED—100,000 shares; outstanding, 91,824 shares; no par. All owned by Phelps Dodge Corp.

FORMER PREFERENCE — Class A stock was entitled to preferential dividends at the rate of $1.75 per annum up to June 30, 1930. After June 30, 1930, class A and B are on a parity in all respects.

DIVIDENDS PAID—Initial dividend of 43¾ cents per share paid Oct. 1, 1928 and quarterly thereafter to July 1, 1930, incl.; Oct. 1, 1930, 75 cents; Dec. 31, 1930, 43¾ cents; Apr. 1, and July 1, 1931, 25 cents; later dividends, if any, not reported.

ISSUED—In 1928 in exchange for 7% cumulative preferred stock formerly outstanding on basis of four class A shares for each preferred share.

2. Phelps Dodge Refining Corp. class B; no par:

AUTHORIZED — 300,000 shares; outstanding, 210,000 shares; no par. Practically all owned by Phelps Dodge Corp.

PROVISIONS—See description of Class A stock.

DIVIDENDS PAID—On original $100 par common shares (changed to no par in Sept., 1924): At rate of 6% per annum to June, 1914, incl.; none thereafter until Dec. 20, 1916, when 4% was paid; none thereafter to June 15, 1928, when 50 cents was paid; Dec. 15, 1928, 50 cents.

On Class B stock: Initial dividend of 75 cents paid May 1, 1929, and semi-annually thereafter to May 1, 1930, incl.; Oct. 1, 1930, 75 cents; Dec. 31, 1930, 43¾ cents; April and July 1, 1931, 25 cents; later dividends, if any, not reported.

ISSUED—To the extent of 70,000 shares in exchange for the former 70,000 no par common shares on a share for share basis; issued to stockholders against subscription rights, 3,348; 136,652 shares issued to Phelps Dodge Corp., proceeds thereof used for construction of new electrolytic refinery located in El Paso, Tex.

PITTSBURGH PLATE GLASS COMPANY

CAPITAL STRUCTURE

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. 1939	Earned per Sh. 1938	Divs. per Sh. 1939	Divs. per Sh. 1938	Call Price	Price Range 1939	Price Range 1932-39
1. Common	$25	2,177,224 shs.	$4.94	$3.01	$4.00	$1.75	....	117-90	147½-12½

HISTORY

Incorporated in Pennsylvania Aug. 24, 1883 and reincorporated in Pennsylvania Nov. 3, 1920 upon merger with the Patton-Pitcairn Co. and Columbia Chemical Co., both incorporated in Pennsylvania in Nov., 1920. For details of stock issued in 1920 see Capital Stock—Issued. The Patton-Pitcairn Co. was a holding company owning all of the outstanding stocks of (1) Patton Paint Co. of Milwaukee, in which Pittsburgh Plate Glass purchased a 49% stock interest in 1900 and subsequently acquired a majority (2) Rennous, Kleinle & Co., brush manufacturers of Baltimore, in which Pittsburgh Plate Glass acquired a 48% stock interest in 1900 and subsequently acquired a majority (3) Pitcairn Varnish Co., and (4) Corona Chemical Co. In the latter two concerns, Pittsburgh Plate Glass acquired a majority stock interest as a result of stock dividends received. These subsidiaries owned the entire capital stocks of Red Wing Linseed Oil Co. and several smaller sub-companies. At the time of merger, Pittsburgh Plate Glass owned 54% of the capital stock of Patton-Pitcairn Co. Columbia Chemical Co. was first organized in 1899 by John Pitcairn, then Chairman of the Board of Directors of Pittsburgh Plate Glass Co. Its alkali plant at Barberton, O. began production in 1900.

Upon formation of the company in 1883 the first commercial plate glass factory in the United States was constructed at Creighton, Pa.

In 1895 additional plate glass factories were acquired, including those of Diamond Plate Glass Co., with factories at Kokomo and Elwood, Ind.

Seven branch warehouses were inaugurated in 1896 and shortly thereafter the business was expanded to include the distribution of all kinds of sheet and window glass purchased from others.

In 1902 began the production of plate glass at Courcelles, Belgium.

In 1907 began operation of a plate glass factory at Ford City, Pa. and in 1909 at Crystal City, Mo.

Production of sheet and window glass began in 1907 at Mount Vernon, O., through acquisition of the plant of Chambers Window Glass Co. Additional sheet and window glass factories were built in 1914 at Clarksburg, W. Va.

In 1922 dissolved Red Wing Linseed Oil Co. and acquired its linseed oil and other properties.

At Creighton, Pa. late in 1924 completed the first unit of a new polished plate glass plant operating by a continuous process and in 1926 completed the second unit.

In May, 1924 completed construction of a Portland cement plant at Fultonham, O., with a daily capacity of 2,500 barrels. In May, 1927 plant capacity was increased to 5,000 barrels daily at a cost of about $1,500,000.

In early 1924 began the sale of nitrocellulose lacquers. In the same year increased the productive capacity of its Portland, Ore. paint factories and acquired the factories of Sunset Paint Co. of Los Angeles. In 1927 completed a four-year expansion program at the Milwaukee lacquer plant. In 1929 began operation of a lacquer plant at Newark, N. J.

In late 1927 the company and a subsidiary of E. I. du Pont de Nemours each acquired a 50% stock interest in Pittsburgh Safety Glass Co. (name subsequently changed to Duplate Corp.), which constructed a $1,000,000 plant at Creighton, Pa. for the manufacture of safety glass, using the company's plate glass and du Pont's plastic interlayer. In 1931 acquired full control of Duplate Corp.

In June, 1928 acquired Ditzler Color Co. of Detroit, manufacturers of automobile lacquers.

In July, 1929 completed the rebuilding and modernization of its Ford City, Pa. plate glass plant at a cost of $5,500,000 and in Mar., 1930 completed a similar program at the Crystal City, Mo. plate glass plant. These plants replaced old ones at these locations. In June, 1931 completed a plant at Ford City to manufacture Carrara glass, heavy polished plate glass and spectacle and special glasses.

In 1928-29 began production of sheet and window glass under a new process at Clarksburg, W. Va., and Mt. Vernon, O. In 1929 began operation of a new sheet and window glass plant at Henryetta, Okla. In 1934 additions were made to all three window glass plants.

In 1929 began production of "Wallhide," a new interior paint.

In 1931, jointly with American Cyanamid Co., formed Southern Alkali Corp. (see appended statement) (in which the company owns a 51% stock interest and American Cyanamid 49%). This company completed a $7,000,000 soda ash and caustic soda plant at Corpus Christi, Tex. in Oct., 1934. In Mar., 1938 Southern Alkali completed construction of a liquid chlorine plant at this location.

In Aug., 1936 began operation of a new liquid chlorine plant at the Barberton, O., factory of the Columbia Chemical Division and in Nov., 1936 at this location began operation of a bicarbonate of soda factory. In Oct., 1937 capacity of the liquid chlorine plant at Barberton was doubled.

In 1926 began fabricating safety glass at Crystal City, Mo.

In 1937 constructed a resin plant at Milwaukee and acquired the factory and business of The Thresher Varnish Co. at Dayton, O.

In Mar., 1937, jointly with Corning Glass Works (see general index) formed Pittsburgh Corning Corp. to manufacture glass building blocks, glass tile, etc., at a newly-constructed plant at Port Allegany, Pa. Each company owns 50% of the $1,000,000 capitalization of this concern.

In 1936 exercised an option to purchase 98,000 shares of American Cyanamid Co. class B stock at $20 per share under an option issued in 1931.

On June 10, 1938 dissolved Duplate Corp., a wholly-owned subsidiary, manufacturing safety glass, and acquired its assets.

SUBSIDIARIES

Parent functions chiefly as an operating company, the principal subsidiaries being Columbia Development Corp., which holds securities (incl. those of Southern Alkali Corp.), non-current receivables, etc.; Ditzler Color Co., which operates the lacquer plant at Detroit; and the Belgian subsidiary which operates the plate glass plant in that country. As of Dec. 31, 1939 owned 100% of the voting control of the following:

American Glass Corp.
Charleroi & Belle Vernon R.R. Co.
Crystal City Milling Co.
The Columbia Alkali Corp.
Columbia Development Corp.
Southern Alkali Corp. (51%). See appended statement.
Southern Minerals Corp. (100%)
Southern Pipeline Corp. (100%)
Ditzler Color Co.
The Good Hope Natural Gas & Oil Co.
The Hunter Wall Paper & Paint Co.
Ivoroid Mixed Paint Co.
H. W. Johns Paint Mfg. Co.
Kingston Paint & Glass Co., Inc.
Midland Glass & Paint Co.
Montana Glass & Paint Co.
Nevius Paints, Inc.
Paducah Paint & Glass Co., Inc.
Patton Paint Corp.
Pittsburgh Plate Glass Co. of Michigan
Pittsburgh Plate Glass Co. (Tenn.)
The Regal Mirror Co.
Sewickley Hardware & Paint Co.
St. Joseph Paint & Glass Co.
Societe Anonyme des Glaces de Courcelles (Belgium)
Sunset Paint Corp.
The Thresher Varnish Co.
Triplex Corp.
Wesco Paint & Glass Co., Inc.

As of Dec. 31, 1939 owned less than 100% of the voting control of the following subsidiaries:

Geneva Paint & Glass Co. (94.76%)
Gurley-Comstock Corp. (53.125%)
Walter D. Henne Paint & Wallpaper Co. (99.35%)
Thomas V. Lackaye Paint & Glass Co. (95.45%)
The Rainey Stores, Inc. (72%)
Southern Condensate Corp. (51%)
E. J. White Paint & Glass Co., Inc. (87.5%)

In addition, had voting control of Joseph J. Ball, Inc. by reason of holding all its preferred stock. This preferred assumed voting control upon dividend default.

Owns 50% of voting control of Pittsburgh Corning Corp. (see History).

PLAINTIFF'S EXHIBIT
U-677

BUSINESS & PRODUCTS

Principal industries served are the automobile, which consumes the company's safety glass and lacquers and the building, which uses paints, varnishes, brushes, window glass, plate glass and mirrors.

Ranks as one of the two leading producers of plate glass (capacity 100,000,000 sq. ft. yearly), which is used principally by the automobile industry in the form of safety glass which comprises two sheets of plate glass pressed together with a plastic interlayer. Plate glass is also used for store fronts, mirrors, etc. Ranks as one of the leading producers of sheet or window glass, sold under the trade name Pennvernon. Chief raw materials of this division are soda ash, sand, limestone and vinyl plastic.

Ranks as one of the leading producers of paint, varnish, lacquer and brushes, which are sold in large quantities to automobile companies and other industrial consumers as well as for general trade purposes in painting of new houses and in home rehabilitation. Chief raw materials of this division are linseed oil and other solvents, colors, metallic pigments, etc.

Ranks as one of the leading producers of soda ash, which is used in the manufacture of glass, soap, oil, textiles, drugs, pulp and paper, and in water softening, purification processes and cleaning operations, and of caustic soda, which is used in the manufacture of soap, chemicals, rayon, lye, textiles, and in petroleum refining and rubber reclaiming. Other products of the chemical division include (1) liquid chlorine, used largely in the production of chemicals, textiles and pulp, and in water purification (2) modified sodas (3) special alkalis (4) calcium chloride (5) whiting (6) Hennig's purifier, used for desulphurizing pig and cast iron (7) salt for industrial uses (8) Col-Rec, used for coal treatment, and (9) Calcene, used for rubber compounding. Principal raw materials of this division are salt, limestone and coal.

Relatively minor divisions of the business comprise the manufacture of Portland cement, dry colors, insecticides, fungicides and seed grain disinfectants. Products are distributed through approximately one hundred warehouses located throughout the country.

PRINCIPAL PLANTS & PROPERTIES

For details on property acquisition, construction, etc., see History.

Plate glass manufacturing plants are located at Creighton and Ford City, Pa.; Crystal City, Mo., and Courcelles, Belgium. Plate glass from the Creighton and Crystal City plants is used in the fabrication of the company's safety glass. Window glass factories are located at Henryetta, Okla.; Mount Vernon, O., and Clarksburg, W. Va.

Paints are manufactured at Milwaukee, Wis.; Detroit, Mich.; Newark, N. J.; Portland, Ore., and Los Angeles, Cal. Varnishes and lacquers are produced at Milwaukee, Dayton, Detroit, Newark and Los Angeles. Linseed oil mills are operated at Red Wing, Minn., and Newark, N. J. Paint and other brushes are produced at Baltimore, Md. and Keene, N. H.

Alkalis and other chemicals are produced at Barberton, O. and through a subsidiary, Southern Alkali Corp., at Corpus Christi, Tex.

Other activities include a cement plant at Fultonham, O.; the manufacture of dry colors, insecticides, fungicides and seed germ disinfectants at Milwaukee; coal mines at Creighton, Pa.; sand mines at Crystal City, Mo.; limestone quarries at Zanesville, O.; gas properties and gas lines at Ford City, Pa. and clay properties at St. Louis, Mo. In addition, approximately one hundred warehouses are operated for the distribution of products and also retail stores selling glass, paint, etc. Research laboratories are located as follows: Glass at Creighton, paints at Milwaukee and chemicals at Barberton.

Pittsburgh Corning Corp., a 50% controlled company, has a glass block producing plant at Port Allegany, Pa.

MANAGEMENT

Officers

[1]Clarence M. Brown, Chairman
[1]H. W. Wherrett, President
[1]E. T. Asplundh, Vice President
[1]R. L. Clause, Vice President
[1]H. B. Higgins, Vice President
J. H. Heroy, Vice-President
F. W. Judson, Vice-President
E. D. Griffin, Vice-President
F. W. Currier, Treasurer
H. B. Brown, Secretary
M. C. Spahr, Comptroller
Leland Hazard, General Counsel
[1]Member of Executive Committee.

Directors

Clarence M. Brown, Chairman, Philadelphia
E. T. Asplundh, Barberton, O.
R. L. Clause, Pittsburgh
H. A. Galt, Barberton, O.
E. D. Griffin, Pittsburgh
J. H. Heroy, New York
H. B. Higgins, Pittsburgh
Richard K. Mellon, Pittsburgh
Harold F. Pitcairn, Philadelphia
Raymond Pitcairn, Philadelphia
H. W. Wherrett, Pittsburgh

General Counsel: Leland Hazard.
Annual Meeting: First Wednesday in April.
Number of Stockholders: Dec. 31, 1939, 6,886.
Number of Employees: Dec. 31, 1939, 16,928.
General Office: Grant Bldg., Pittsburgh.

INCOME ACCOUNTS

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31
(Taken from reports to Securities and Exchange Commission)

	1939	1938	1937	1936	1935	1934
[1]Net sales	$83,189,621	$64,355,034	$93,315,307	$86,110,486	$68,528,174	$51,761,130
[2]Cost of goods sold	45,366,945	36,404,244	48,133,452	44,699,676	35,028,297	28,673,683
Other manufacturing costs	9,927,435	10,020,006	9,742,449	9,670,414	8,036,664	6,174,543
[2]Selling, general & admin. expenses	15,107,547	13,026,900	15,307,672	14,896,702	12,665,631	10,639,149
Operating profit	12,787,692	4,903,884	20,131,735	16,843,693	12,795,582	6,273,755
Interest and dividends received	822,293	770,923	856,204	650,011	586,955	580,923
Royalties received	146,701	326,460	776,381	604,256	544,233	264,653
Proceeds, sale of rights	--------	1,582,500	--------	--------	--------	--------
[3]Other income	756,588	608,246	880,006	712,156	474,900	488,397
Gross income	14,513,274	8,192,015	22,644,327	18,810,116	14,401,670	7,607,728
[4]Income deductions	1,227,539	159,445	74,385	39,528	684,809	622,581
Balance	13,285,734	8,032,570	22,569,942	18,770,588	13,716,861	6,985,147
Federal and state capital stock tax	--------	--------	--------	--------	--------	166,525
Income taxes, Federal and state	2,519,323	1,543,663	3,793,960	3,185,727	2,318,122	1,054,938
Surtax on undistributed profits	--------	--------	488,013	263,027	--------	--------
Net income to surplus	10,766,412	6,488,907	18,287,969	15,321,834	11,398,739	5,763,684
Earned surplus beginning of year	47,313,306	44,406,388	41,140,663	37,198,836	32,098,942	29,271,356
[5]Other surplus credits	36,170	188,283	--------	435,238	177,191	324,117
Dividends	8,672,611	3,770,272	13,928,415	11,783,121	6,426,070	3,104,614
[6]Other surplus charges	669	--------	1,093,829	32,124	49,966	155,600
Earned surplus, end of year	$49,442,609	$47,313,307	$44,406,388	$41,140,663	$37,198,836	$32,098,942
SUPPLEMENTARY P. & L. DATA						
[7]Depreciation, depletion & amort.	$4,427,430	$4,192,317	$3,839,401	$3,592,502	$3,582,100	$3,494,658
[8]Maintenance and repairs	3,599,361	3,466,080	4,239,289	3,648,534	3,928,848	2,795,353
Taxes, other than income	2,368,451	2,343,674	2,412,060	1,403,789	682,237	820,499
Rents	475,149	457 657	403,383	368,510	322,163)	461,777
Royalties	115,534	109,755	144,861	123,106	191,676(	
Provision for bad debts (net)	264,610	192,359	165,120	88,946	197,150	270,516
Losses from retirement of property	499,976	--------	513,952	842,282	530,710	281,643
Parent company's net sales	$76,306,295	$58,498,638	$84,702,218	$77,886,003	$66,271,416	$50,580,814
Parent company's net income	10,054,832	6,030,247	17,511,665	14,776,696	11,226,576	5,533,696
Equity in earnings of subs. consol.	1,647,403	1,396,832	2,552,971	2,024,847	1,663,073	1,094,386
Dividends from subs. consolidated	741,452	860,824	2,191,984	1,474,365	1,691,544	--------
[9]Equity in earnings of subs. not cons.	502,614	395,103	686,351	267,681	d 46,489	d 116,622
Dividends from subs. not consolidated	87,325	--------	531,750	201,244	3,230	--------

[1]Gross sales less discounts, returns and allowances and includes following sales to unconsolidated subsidiaries: 1934, $161,068; 1935, $220,475; 1936, $136,560; 1937, $242,256; 1938, 108,-331; 1939, $61,704.

[2]Includes related portions of items shown under "Supplementary P. & L. Data" below statement.

[3]Includes equity in aggregate net earnings of non-consolidated subsidiaries 1936, $267,681; 1937, $686,351; 1938, $395,103; 1939, $502,614 (1934 and 1935 proportion of losses of non-consolidated subsidiaries of $116,622 and $46,489 respectively are included in "Income deductions").

[4]In 1939 includes $1,000,000 provision for pensions and relief; in 1934 and 1935 includes $500,000 provision for pensions and relief to be expended in future years. See also note (3) above.

[5]In 1936, 1938 and 1939 represents net adjustments of securities and investments.

[6]In 1937, comprised: Adjustment of foreign subsidiary's property, $563,895; net adjustment of marketable securities and miscellaneous investments, $489,238; miscellaneous surplus charges, $40,696; total, $1,093,829.

[7]Including amortization but excluding depreciation charged to reserve for contingencies: 1934, $271,971; 1935, $236,015; 1936, $3,-890; 1937, $7,556; 1938, $6,891; 1939, $4,081.

[8]Includes provisional charges for repairs and maintenance: 1935, $1,308,560; 1936, $1,-234,881; 1937, $1,346,365; 1938, $1,154,092; 1939, $1,499,473. Does not include amounts charged to reserve for contingencies as follows: 1935, $48,315; 1936, $38,270; 1937, $52,143; 1938, $29,390; 1939, $52,117.

[9]Reflected in above accounts in other income or income deductions.

Note: (a) Operations of one foreign subsidiary in 1939 were included for only 11 months to Nov. 30 as company's fiscal year was changed. The results were converted at the average of semi-monthly rates of exchange prevailing during the twelve months ended Nov. 30, 1939. The difference arising through conversion of the accounts is shown in this statement under income deductions.

BALANCE SHEETS

COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF DEC. 31

(1934 to 1939 from SEC reports—1933 from company's annual report)

	1939	1938	1937	1936	1935	1934	1933(a)
ASSETS							
Cash	$10,476,680	$12,125,917	$6,256,410	$7,738,884	$10,773,608	$7,940,962	$5,344,344
[4] U. S. Government securities	5,321,656	614,813	3,138,585	10,261,343	7,983,384	5,540,995	3,343,832
[5] Other marketable securities	8,673,209	6,912,852	4,940,737	4,881,427	2,673,981	2,483,573	1,655,842
[6] Notes & accts. receiv. accrued, etc.	8,609,286	7,274,797	6,965,104	7,747,706	7,175,357	5,682,418	5,885,935
[7] Inventories	20,385,039	19,742,728	23,890,164	16,528,772	16,397,569	13,790,036	13,214,565
Total current assets	$53,465,871	$46,671,107	$45,191,000	$47,158,112	$45,013,898	$35,437,984	$29,444,238
[8] Sec. & advances to income subs.	$7,127,810	$6,242,823	$6,875,190	$4,896,272	$3,968,073	$3,921,717	$2,723,400
[9] Miscellaneous investments	1,114,251	1,375,126	1,081,457	677,438	672,340	2,696,140	2,733,235
Non-current notes & accounts (net)	742,380	501,978	539,779	376,857	662,179	524,633	955,817
[10] Property account	60,603,223	62,358,536	63,391,636	60,271,439	58,393,755	56,863,755	58,782,982
Patents	6,486	8,988	11,490	13,783	16,286	18,788	60,071
Deferred charges	1,090,529	988,577	1,033,442	845,073	723,857	662,392	632,914
Total	$124,150,550	$118,147,136	$118,123,994	$114,438,975	$109,650,488	$100,125,409	$95,332,657
LIABILITIES							
Accounts payable, trade	$2,992,189	$2,337,441	$2,486,016	$3,518,699	$3,431,630	$1,754,268	$1,518,109
Notes payable	121,113	146,360	183,608	221,717	93,500	60,000	170,000
Dividend payable		--------	--------	--------	1,071,176	856,768	535,201
Accrued taxes	3,853,089	2,731,004	5,348,255	4,386,830	2,680,573	1,327,867	1,443,869
Other payables and accruals	1,425,941	1,255,973	1,453,746	1,320,494	1,784,609	876,765	
Total current liabilities	$8,392,332	$6,520,778	$9,471,625	$9,447,740	$9,061,488	$4,875,665	$3,667,179
[11] Collected on installment sales	$909,113	$1,114,177	$1,407,218	$1,152,703	$685,947	$433,987	$247,470
Deferred credits	173,155	122,132	145,508	48,810	51,840	36,822	--------
Reserve for contingencies	4,931,365	5,003,107	4,611,442	4,687,613	4,746,495	5,838,629	5,963,588
Insurance reserve	1,796,324	1,674,211	1,998,995	1,855,143	1,705,685	1,549,840	1,470,685
Pension and relief reserve	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	500,000	--------
Reserve for maint. & repairs, etc.	1,544,132	1,424,472	1,506,322	1,538,418	1,634,736	1,437,346	1,158,229
Minority interest	5,920	5,852	5,670	6,810	6,635	6,327	34,025
Capital stock (par $25)	54,430,600	53,969,100	53,570,825	53,561,075	53,558,825	53,547,850	53,520,125
[12] Surplus	49,967,609	47,313,307	44,406,388	41,140,663	37,198,836	32,098,942	29,271,356
Total	$124,150,550	$118,147,136	$118,123,994	$114,438,975	$109,650,488	$100,125,409	$95,332,657
Net current assets	$45,073,539	$40,150,329	$35,719,375	$37,710,372	$35,952,509	$30,562,319	$25,777,059
PROPERTY ACCT.—ANALYSIS							
Additions at cost	$3,191,739	$3,633,490	$8,489,151	$6,554,145	$7,239,040	$2,182,629	Not stated
Retirements or sales	518,043	469,874	889,735	1,282,571	1,797,749	397,164	--------
[13] Depreciation and depletion	4,429,009	4,196,716	3,915,323	3,593,891	3,815,633	3,766,630	--------
Other additions	--------	--------	cr 563,895	--------	104,342	61,937	--------

[4] Including $286,000 face amount deposited with State Insurance Commissions and $100,000 pledged as collateral to a note. Market value, Dec. 31, 1939, $5,386,844; 1938, $639,563.

[5] Lower of cost or market. Market values: 1934, $2,696,364; 1935, $2,992,232; 1936, $5,201,432; 1937, $5,037,930; 1938, $7,827,551; 1939, $10,413,612.

[6] After reserves: 1939, $1,076,373; 1938, $1,078,089.

[7] At less than cost or market. At Dec. 31, 1939 comprised: raw materials, $3,988,987; work in process, $1,505,699; finished goods, $11,055,932; supplies, $3,834,420; total, $20,385,039.

[8] In 1939 includes $2,561,232 due from unconsolidated subsidiaries.

[9] In 1933 and 1934 included, $1,960,000 collateral notes due in 1938 secured by equal face amount of Southern Alkali Corp. bonds.

[10] At depreciated cost. Annual statement 1933 reported gross book values, $95,074,927; depreciation reserves, $36,291,945; net book value, $58,782,982. Subsequently reported (to SEC) at depreciated values, with annual provisions for depreciation and depletion credited to asset accounts (see changes shown below balance sheet). Net values of factories and facilities not in operation were: 1933, $2,963,429; 1934, $1,482,342; 1935, $424,889; 1936, $310,517; 1937, $282,961; 1938, $595,983; 1939, $606,851. Property account, Dec. 31, 1939 comprised: Foreign subsidiary's property, $353,425; company and domestic subsidiaries' land, including mineral deposits, $4,712,818; building, $18,384,487; machinery & equipment, $32,726,519; construction in progress, $1,601,709; property not used in operation, $606,851; other properties, $2,217,413; total property account, $60,603,223.

[11] Includes subscriptions under officers and employees' stock purchase plan (31,499 shares at Dec. 31, 1939, of which 15,600 were available in treasury): 1933, $48,378; 1934, $257,511; 1935, $518,271; 1936, $982,182; 1937, $1,251,128; 1938, $974,192; 1939, $787,475.

[12] Includes capital surplus: 1934, $3,694; 1935, $3,003; 1936, $2,862; 1937, written off; 1938, nil; 1939 (paid in), $525,000. Amounts invested in treasury stock: 1934, $765,250; 1935, $754,275; 1936, $752,025; 1937, $742,275; 1938, $520,000; 1939, $390,000.

[13] Credited to asset accounts. Includes amounts charged to contingency reserve (note 7 to consolidated income account).

General Notes:

(a) Accounts certified by Haskins & Sells.

(b) Above consolidated statements include all subsidiaries whose business policies and operations are directed by the parent through its organization (excludes Southern Alkali Corp. 51% owned). In 1937, 1938 and 1939 accounts of one foreign subsidiary included as of Nov. 30th. In 1939 net current assets of foreign subsidiary were converted at rate of exchange prevailing at Nov. 30, 1939. The fixed assets were converted generally on the basis of dollar cost.

(c) Contingent liabilities at Dec. 31, 1939 were: Federal additional income tax claims of $925,000 for years 1929 to 1932 incl., and tentative claims for additional taxes for years 1933 to 1936, incl., contingent upon decision to be reached for years 1929-32.

FINANCIAL & OPERATING DATA

	1939	1938	1937	1936	1935	1934	1933
Statistical Record							
Earned per share	$4.94	$3.01	$8.53	$7.15	$5.32	$2.69	$1.87
Dividends per share	$1.00	$1.75	$6.50	$6.00	$2.90	$1.30	$0.70
Price range	117-90	115½-55	147½-77	140-98¼	99⅞-46¾	57½-39	39⅞-13
Net assets per share	$47.95	$46.92	$45.72	$44.20	$42.36	$39.39	$38.67
Financial and Operating Ratios							
Current assets ÷ curr. liabilities	6.37	7.16	4.77	4.99	4.97	7.27	8.03
% cash & securities to curr. assets	45.77	42.11	31.72	48.52	47.63	45.11	35.13
% inventory to curr. assets	38.13	42.30	52.86	35.05	36.43	38.91	44.88
% net curr. assets to net worth	43.17	39.64	36.45	39.82	39.61	35.68	31.12
Capitalization:							
% common stock & surplus	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Sales ÷ inventory	4.08	3.26	3.91	5.21	4.18	3.75	--------
Sales ÷ receivables	9.66	8.85	13.40	11.11	9.55	9.11	--------
% sales to net property	137.27	103.20	147.21	142.87	116.95	91.03	--------
% sales to total assets	67.01	54.47	79.00	75.25	62.50	51.70	--------
% net income to total assets	8.67	5.49	15.48	13.39	10.40	5.76	--------
% net income to net worth	10.31	6.41	18.66	16.18	12.56	6.73	--------
Analysis of Operations	%	%	%	%	%	%	%
Net sales	100.00	100.00	100.00	100.00	100.00	100.00	Not Stated
Costs, goods & mfg.	66.47	72.14	62.02	63.14	62.84	67.33	----
Sell., gen. & adm. exp.	18.16	20.21	16.40	17.30	18.48	20.55	----
Operating profit	15.37	7.62	21.57	19.56	18.67	12.12	----
Proceeds, sale of rights		2.46		----	----		----
Other income	2.08	2.65	2.69	2.28	2.34	2.58	----
Gross income	17.45	12.73	24.27	21.84	21.02	14.70	----
Income deductions	1.48	.25	.08	.05	1.00	1.20	----
Balance	15.97	12.48	24.19	21.80	20.02	13.49	----
Cap. stock & income tax	3.03	2.40	4.59	4.00	3.38	2.36	----
Net income	12.94	10.08	19.60	17.79	16.63	11.14	----

CAPITAL STOCK

1. Pittsburgh Plate Glass Co. stock; par $25:

AUTHORIZED, 2,500,000 shares; issued, 2,179,564 shares; outstanding, Dec. 31, 1939, 2,177,221 shares, excl. in treasury 15,600 shares; par $25 (changed from $100 par Oct. 9, 1928, four $25 par shares issued in exchange for each $100 par share).

Dividend Record (in $)

($100 par shares)

[illegible]

[2] 1920	12.00	1921	8.00	1922	13.00
[3] 1923-26	18.00	1927	13.00	1928	6.00

($25 par shares)

[4] 1928	0.50	1929	3.00	1930	2.00
1931	1.75	1932	0.75	1933	0.70
1934	1.50	1935	2.90	1936	6.00
1937	6.50	1938	1.75	1939	1.00
[5] 1940	1.00				

[1] Plus 10% in stock Apr., 1917.
[2] Plus 20% in stock Dec., 1920.
[3] Plus 20% in stock Jan., 1923.
[4] Plus 10% in stock Dec. 1, 1928.
[5] To Apr. 2.

Dividends payable quarterly Apr. 1, etc., to stock of record about Mar. 15, etc.

PREEMPTIVE RIGHTS—As provided by the statutes of the Commonwealth of Pennsylvania.

LISTED—Pittsburgh Stock Exchange; also traded in unlisted section of New York Curb Exchange.

TRANSFER AGENTS—Peoples-Pittsburgh Trust Co., Pittsburgh; City Bank Farmers Trust Co., New York.

REGISTRARS—Union Trust Co., Pittsburgh; Guaranty Trust Co., New York.

Locks
Many kinds of locks for special purposes

Electric road trucks
Other Products.
Electric door operators
Bank protection equipment
Rotary pumps

In connection with the foregoing products, the company has developed and owns several trade marks, the most important of which is the trade name "Yale" which is registered as its trade mark on a wide list of products in practically every country in the world. The company also owns a great number of patents

space

Detroit, Mich.—The company occupies under lease and operates a plant having approximately 26,000 square feet of floor space, situated on one acre of land.

St. Catharines, Ontario, Canada—This plant consists of nine and one-half acres of land, on which are located buildings with approximately 82,700 square feet of floor space.

Willenhall, Staffordshire, England—Plant consists of one and one-half acres of land, on which are located buildings with approximately 174,000 square feet of floor space.

of net profits of the company in excess of 6% and under 20% on the par value of the outstanding capital stock. The directors have the right to determine the percentage of contingent compensation for each employee, but the sum of the individual percentages may not exceed 15. A comparable plan operates for important men at the company's various plants. In 1939, payments were made to 48 employees, the largest single payment being $16,317; in 1938 payments were made to 18 employees, the largest single payment being $6,383; in 1937 payments were made to 88 employees, the largest single payment being $38,914

ISSUED—Upon reincorporation in 1920, 307,342 shares of new $100 par stock were issued as follows: 247,500 shares to holders of old $100 par common on a share for share basis; 1,540 shares to holders of old 12% preferred on the basis of two shares for each share held; 47,728 shares to stockholders of Columbia Chemical Co. on the basis of 8/10 of a share for each share held; 10,574 shares to minority stockholders (46%) of Patton-Pitcairn Co. on a share for share basis.

PRICE RANGE:	1939	1938	1937
Stock	117-90	115½-55	147½-77

Stock Options: On May 17, 1933 directors allocated 67,120 shares to certain executive officers and key employees to be sold at $25 per share with payments of at least 50c per share quarterly on account of the purchase price. As of Dec. 31, 1939 there were 31,499 shares under this option of which 15,600 shares will be issued from treasury stock and 15,899 shares from unissued stock. Substantially one-quarter of each group will be issued on each Oct. 1, 1940-42, incl.

SOUTHERN ALKALI CORPORATION

(Controlled jointly by Pittsburgh Plate Glass Co. (51%) and American Cyanamid Co. (49%))

History: Incorporated in Delaware on April 20, 1931.

Business: Manufactures heavy chemicals.

Property. Plants, located in Corpus Christi, Texas, are served by 3 railroad trunk lines. Plant for the production of soda ash, caustic soda and other alkalis went into operation in the fall of 1934; liquid chlorine plant and the refined salt plant opened in 1938. Salt brine for manufacture is piped from company's own wells and natural gas for power is provided from company's near-by field.

Control: Capital stock jointly owned (51% and 49%, respectively) by Pittsburgh Plate Glass Co. (see preceding statement) (through Columbia Development Corp., wholly-owned subsidiary) and American Cyanamid Co. (see general index). Entire issue of bonds of Southern Alkali Corp. is also jointly owned by said companies.

Subsidiaries (wholly-owned): Southern Minerals Corp. and Southern Pipe Line Corp.

Officer: H. F. Pitcairn, Pres.

Consolidated Income Account, years ended Dec. 31 (as reported to the SEC):

	1939	1938
Net sales	$6,957,541	$6,807,491
Cost of sales	3,632,815	3,877,039
Depreciation	825,860	657,759
Depletion	362,605	316,504
Sell. exp., etc.	377,643	395,691
Net oper. profit	1,758,618	1,560,438
Margin of profit	25.28%	22.92%
Other income	24,380	22,070
Gross income	1,782,998	1,582,508
Bond interest	286,008	304,600
Other interest	195,007	185,023
Prop. retirement	54,119	102,554
Loss, sale of assets, etc.	10,288	12,215
Federal inc. tax	204,337	154,257
Net income	1,033,238	823,858
Dividends paid	150,000	--------
Surplus for year	883,238	823,858
Surplus, Jan. 1	884,690	60,043
Surplus credit	22,513	788
Surplus charges	82,469	--------
Surplus, Dec. 31	1,707,972	884,690

Consolidated Balance Sheet, as of Dec. 31 (as reported to the SEC):

Assets:	1939	1938
Cash	$318,904	$365,096
Working funds	1,750	1,750
Receivables, net	627,494	404,402
1 Finished chem.	175,461	146,346
1 Crude oil	343,813	503,724
1 Mater. & suppl.	368,922	171,028
Total current	$1,836,345	$1,592,346
2 Prop. & equip.	12,146,014	10,965,453
Investment	3,251	3,251
Notes receivable	175,000	--------
Deferred charges	74,442	81,890
Total	$14,235,052	$12,642,941
Liabilities:		
Notes pay.	$1,995,000	$2,250,000
Accts. payable	3,021,985	1,821,937
Accrued interest	64,363	63,179

Liabilities (cont'd)	1939	1938
Accrued taxes	232,733	216,584
Accr. sal. & wages	22,380	20,017
Total current	$5,336,463	$4,371,717
1st mtge. 6s, 1948	4,540,000	4,770,000
Extraord. maint. reserve	150,617	116,533
3 Capital stock	2,125,000	2,125,000
Paid-in surplus	375,000	375,000
Earned surplus	1,707,972	884,690
Total	$14,235,052	$12,642,941
Net current assets	d $3,500,118	d $2,779,371

1 Finished chemicals, at cost; crude oil, at market; materials and supplies at lower of cost or market.

2 After depreciation and depletion: 1939, $4,265,740; 1938, $3,057,202.

3 100,000 no par shares.

Bonded Debt: Southern Alkali Corp. first sinking fund 6s, due 1948:

AUTHORIZED—$7,000,000; outstanding, $4,540,000 (of which $2,315,000 owned by Pittsburgh Plate Glass Co. and the balance by American Cyanamid Co.).

No further details available.

Capital Stock: Southern Alkali Corp. stock; no par:

AUTHORIZED — And outstanding, 100,000 shares; no par.

51% of stock is owned by Pittsburgh Plate Glass Co. and 49% by American Cyanamid Co.

DIVIDENDS PAID—1936, $12.50; 1937, $46.25; 1938, Nil; 1939, $1.50.

TIDE WATER ASSOCIATED OIL COMPANY

CAPITAL STRUCTURE

FUNDED DEBT

Issue	Rating	Amount Outstanding	Times Charges Earned 1939	1938	Interest Dates	Call Price	Price Range 1939	1932–39
1 Sinking fund deb. 3½s, 1952	A	$36,250,000	7.25	8.33	J1&J	1 105	107¼–98	2 107¼–96¾

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. 1939	1938	Divs. per Sh. 1939	1938	Call Price	Price Range 1939	1932–39
1 $4.50 cum. conv. preferred	no par	500,000 shs.	$17.92	$20.85	$4.50	$4.50	$107	96 –83	98½–72
2 Common	$10	6,368,667 shs.	1.05	1.28	0.80	1.00	----	14¼– 9½	21⅝– 2

1 Also for sinking fund at 102½. 2 1937 to 1939, incl.

HISTORY

Incorporated in Delaware, March 5, 1926. Shortly thereafter through an exchange of stock acquired control of Associated Oil Co. on the basis of [illegible] share of $6 preferred and [illegible] share of common for each share of Associated Oil Co.; control of Tide Water Oil Co. on the basis of [illegible] shares of common for each share of Tide Water Oil Co. common. All outstanding [illegible] San Francisco and McKittrick [illegible] the basis of $27.925 per share [illegible] payable [illegible] in cash, [illegible] at $47.50 per share and [illegible] at $50 per share; all outstanding [illegible] Tide Water Associated Oil [illegible] basis of $50 per share [illegible] common taken [illegible]

In [illegible] organized in Delaware as a [illegible] Tide Water Associated [illegible] and operate [illegible]

SUBSIDIARIES

Is an operating and holding company, owning as of Dec. 31, 1939, 100% voting control of the following:

Name, place of incorporation and business:

Associated Oil Co. of Ariz., Ariz.—Inactive.

The Associated Service Stations, Ariz.—Inactive.

Associated Oil Co., Cal.—Inactive.

Tide Water Associated Oil Co. of Cal., Cal.—Inactive.

Associated Water Co., Cal.—Operates water system.

Granberg Meter Corp., Cal.—Manufactures meters.

Pennsylvania Oil Marketers, Inc., Del.1

Tide Water Oil Company, Del.—Inactive.

Certified Auto Service, Inc., Nev.—Retail marketing.1

East Jersey Railroad & Terminal Co., N. J.—Railroad facilities.

The Tide-Water Pipe Co., Ltd. (99.99%), Pa.—Crude oil lines.

Hamburg - Amerikanische Mineralol - Gesellschaft m.b.H. (93.50%), Germany—Markets lubricants.

1 See separate statement following Tide Water Associated Oil Co.

Other Investments: Investments in other companies not controlled include a 50% interest in Mitsubishi Oil Co., Ltd., which owns a refinery in Japan; a 50% interest in Bradford Transit Co. (Pa.), which owns crude gathering lines in the Pennsylvania fields; a 50% interest in California Coast Oil Co. and Vaughan Gas Process, Inc. (Del.). Also has a minority holding in South Penn Oil Co. (Pa.) of 172,743 shares (17.27%) (see general index), and in Mission Corp. (Nev.) of 101,969 shares (7.40%) (see general index). Also, owns 25% of class "A" and 42.91% of class "B" stock of The Texas-Empire Pipe Line Co. of Texas and 10% of class "A" and 8.49% of class "B" stock of