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MOODY'S
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AMERICAN and FOREIGN

FRANK J. ST. CLAIR, *Editor-in-Chief*

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MOODY'S INVESTORS SERVICE, INC.
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King William Street House, London E.C. 4

DIVIDEND RESTRICTIONS—See long term debt, above.

At Dec. 31, 1965, about $10,000,000 of consolidated retained earnings plus earnings after that date were free from dividend restrictions under most restrictive clause.

DIVIDENDS PAID—

On $1 par shares:

1942-44 $0.60

On $3 par shares:

[1]1945. 0.60 1946... $0.30 1947... $1.00
1948... 1.25 1949... 0.75 1950... 4.50
1951... [2]2.00 1952... 2.25

(On $3 par shares after 100% stock dividend paid July 30, 1952).

1952... 0.37½ 1953-59 1.50 1960... 0.75

On $3 shares after 2-for-1 split:

1960... 0.75 1961-64 1.00 [2]1965... 1.25
[3]1966. 0.50

[1]Prior to 2-for-1 split.

[2]Also stock dividends: 1951, 10%; 1965, 50%.

[3]To April 15.

TRANSFER AGENTS—Harris Trust & Savings Bank, Chicago, and Chemical Bank New York Trust Co., New York.

REGISTRARS—Continental Illinois National Bank & Trust Co., Chicago and Irving Trust Co., New York.

DIVIDEND DISBURSING AGENT — Harris Trust & Savings Bank, Chicago.

LISTED—New York and Midwest Stock Exchanges; unlisted trading on Boston, Pacific Coast and Philadelphia-B ton Stock Exchanges.

OFFERED—(40,000) shares Mar. 9, 1943 by Hickey & C Davis & Co., Chicago. Offe sent company financing.

(200,000 shares including by company) at $20 per sha underwriting group headed Inc., Chicago.

(32,800) shares at $43.62½ 1956 by Kidder, Peabody Offering did not represent c

Stock Options held by em 1965 on 109,810 shares at to $83.875 a share, expire to

CORNING GLASS WORKS

CAPITAL STRUCTURE

LONG TERM DEBT

Issue	Rating	Amount Outstanding	Times Charges Earned 1965	1964	Interest Dates	Call Price	
1. Income debenture 3¾s, due 2002	[1]..	$8,100,000	22.42	42.37	A&O 1	See Text	[1].

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. 1965	1964	Divs. per Sh. 1965	1964	Call Price	
1. 3½% cumulative pfd., 1945 series	$100	24,420 shs.	$1,584.30	$1,001.21	$3.50	$3.50	101	94
2. 3½% cumulative pfd., 1947 series	100				3.50	3.50	102½	98
3. Common	5	6,843,602 shs.	5.64	5.12	2.50	2.50	-----	247¾

[1]Privately held.

HISTORY

Incorporated in New York Dec. 24, 1936, as a consolidation of a New York company of same name originally incorporated in 1875 and Macbeth-Evans Glass Co. incorporated in Pennsylvania in 1899. Business established in 1851 and 1869.

On Sept. 12, 1945, merged Corning Realty Co., a wholly-owned subsidiary owning Corning Building at Fifth Ave. and 56th St., New York and certain realty at Corning, N. Y.

In Aug. 1956 purchased remaining 50% interest in Corning Fibre Box Corp., which was operated as a subsidiary until 1963 when it was merged; now operaetd as a division under name of Corning Packaging Co.

On Nov. 28, 1958, merged Steuben Glass Inc., a subsidiary, now a division.

SUBSIDIARIES & AFFILIATES

Corhart Refractories Co., Inc. (wholly-owned): Organized in Delaware in 1927. Owns and operates refractories plant at Louisville, Ky. and Buckhannon, W. Va. On Dec. 27, 1958, acquired refractories business of parent.

Corning Glass Works of Canada, Ltd. (wholly-owned): Organized in 1945. Owns 105,800 sq. ft. plant at Leaside, Ont. Corning ware for the Canadian market is processed at Leaside; and plant is used as a warehouse and distributing point for Canadian market.

Corning Glass International, S.A. (wholly owned): Incorporated in Panama in 1959 with offices at Panama, R.P., Zurich, Switzerland, 717 Fifth Ave., New York and Corning, N. Y. to coordinate export of all Corning and Corhart products in all countries outside of the U. S. and Canada.

Vidros Corning Brasil, S. A. (wholly-owned): Organized in Brazil in 1944 as a holding company. Became an operating company in 1965. Television bulb plant near Sao Paulo. Owns 31% of ordinary shares and 18% of preferred shares of Cia Vidraria Santa Marina, which operates a glass plant at Sao Paulo, Brazil.

Pittsburgh Corning Corp. (50% owned): Organized in Pennsylvania in 1937 in association with Pittsburgh Plate Glass Co. Owns and operates plant at Port Allegheny, Pa., Sedalia, Mo. and Tyler, Tex. for manufacture of hollow glass building blocks, also cellular glass products sold under trade name of Foamglass used in refrigeration chambers and as a flotation material

Owens-Corning Fiberglas Corp. (30.66% owned): See general index.

Dow Corning Corp. (50% owned): Incorporated in Michigan in 1943 in association with Dow Chemical Co. Operates plants at Midland, Mich., and at other locations for manufacture of electrical insulating resins, greases, fluids and elastomers resembling natural or artificial rubber, all generally known as silicones.

Dow Corning AG (50% owned): Incorporated in Switzerland in 1960 jointly with Dow Chemical Co., to finance and manage certain interests outside U. S.

Industrial Reactor Laboratories, Inc.: Formed jointly with nine other companies to provide facilities for atomic energy research programs of constituent companies. Began operation early in 1959.

Corning Mexicana S. A. (wholly owned) Organized in Mexico in 1951 (inactive).

James A. Jobling Co. Ltd. (England) (40% owned): Stock interest acquired by company in 1954 from Pilkington Brothers, Ltd. Manufactures Pyrex brand ovenware, tableware, chemical ware, and industrial specialties in a plant at Sunderland, England.

Societe des Verreries Industrielles Reunies du Loing "Sovirel" (France) (formerly La Pyrex, S. A.) (30.8% owned): Manufacturers Pyrex brand ovenware, television bulbs, chemical ware and other products at plants at Bagneaux-sur-Loing and Aniche, France

Signetics Corp., Sunnyvale, Calif. Majority interest acquired in 1962. Operates plant at Sunnyvale, Calif. Manufactures microelectronic integrated circuits for the computer and communications industry.

Corning Glass International S. A.: Conducts sale of company products outside U. S. and Canada.

Corning, Nederlandse Fabrieken, N. V. Organized in 1963 to produce glass-ceramic cookware for Continent and United Kingdom. Plant at Groningen, The Netherlands.

Electrosil, Ltd., Buckinghamshire, England. Established in 1963 to manufacture electronic components.

Corning International Corp. formed in early 1966 for purpose of raising funds overseas, and plans to borrow $5,000,000 from London office of First National City Bank, NYC, and plans subsequent borrowing of up to $10,000,000 from banks; loans to be guaranteed by Co. Subsidiary has sought SEC exemption from Investment Co. Act.

Other associated companies are Cristalerias Rigolleau, S. A. (Buenos Aires), Cia. Vidraria Santa Marina, S. A. (Sao Paulo), Cristalerias de Chile, S. A. (Santiago), L'Electro Refractaire and Sovcor Electronique, S.A. (Paris) and Borosil Glass Works Ltd. (Bombay).

In 1965, acquired substantial minority interest in Iwaki Glass Co., Ltd., Japan. Iwaki is building a new factory near Tokyo for production of sealed beam headlamp lenses and reflectors.

BUSINESS & PRODUCTS

Engaged in manufacture of glass products, including fluorescent, electric light, television and radio bulbs, electronic components; tree ornaments, tumblers, lamp chimneys, tubing, vacuum bottle liners, tableware and lighting ware, Steuben line of stemware and art glass, cooking ware, laboratory ware, insulators, lantern globes, optical glass, refractory products for chemical, metallurgical and electronics industries, etc. Most of company's products are sold under trade marks, Corning, Pyrex, Pyroceram and Vycor.

Sales offices at Corning, N. Y., New York, Chicago, Dallas, Pittsburgh, Houston, Atlanta, Washington, D. C., Cleveland, Leaside, Ontario, Louisville, Ky., Raleigh, N. C., Sunnyvale and Orange, Cal., Bradford, Pa., Towson, Md., Sydney, Australia, Zurich, Switzerland and Brussels, Belgium.

PLANT AND PROPERTIES

Main Plant: Corning, N. Y.: Railroad, marine and aviation signal ware; thermometer and other tubing; coffee makers; piping, special industrial glassware; optical ware and technical glass filters, ovenware, top-of-stove cooking utensils. Pilot Plant No. 1 is located in this plant. Floor space, 1,021,800 sq. ft.

Pressware Plant: Corning, N. Y.: Television bulbs. Floor space, 387,000 sq. ft.

Fall Brook Plant: Corning, N. Y.: Machine-made tubing and small bulbs. Floor space 253,500 sq. ft.

Glass Center: Corning, N. Y.: Employee's recreation center and Hall of Science and Industry. Floor space, 57,500 sq. ft.

Mechanical Engineering Building: Corning, N. Y.: Central machine shop and machine development departments. Floor space, 57,700 sq. ft.

Houghton Park: Corning, N. Y. Includes in addition to Steuben Plant and Corning Glass Center administration buildings, 174,500 sq. ft.; product development workshop, 68,200 sq. ft.

Sullivan Park: Corning, N. Y. Researcch and development; 410,000 sq. ft.

Corning Packaging Co. (I N. Y.: Fibre boxes. Floor sp Foam plastic packing pla Md. and Marshall, Mich.

Big Flats, N. Y., Plant: Che tory glassware and other dustrial glassware. Floor sp

Wellsboro, Pa., Plant: Mac Christmas tree ornaments. 400 sq. ft.

Central Falls, R. I. Plan tubing, bulbs and vacuum b space, 441,400 sq. ft.

Charlerol, Pa. Plant: Ho ware. lighting ware, miscell Floor space, 612,100 sq. ft.

Bradord, Pa., Plant: Elec and fused silica proucts. 000 sq. ft.

Parkersburg, W. Va. Plan tubing; chemical and appar glasses; miscellaneous indu piping. Floor space, 272,600 s

Muskogee, Okla., Plant: coffee making ware. Floor sp

Albion, Mich. Plant: Ma vision bulbs. Floor space, 63

Danville, Ky. Plant: Manuf tubing. Floor area, 270,400

Harrodsburg, Ky. Plant: optical and ophthalmic glas 000 sq. ft.

Greenville, O.: Pyrex w area, 265,000 sq. ft.

Raleigh, N. C. Plant: Ma tronic components. Floor s

Martinsburg, W. Va. Pla Corning Ware skillets, per ers. Floor space, 244,000 sq.

Bluffton, Ind. Plant: Ma for color television bulbs. sq. ft.

Paden City, W. Va. Pla Centura tableware. Floor sp

Greencastle, Pa. Plant: F distribution of all consu space, 600,000 sq. ft.

New York Office: Office ben retail shop. Company cupy about 33⅓%, balance l 345,000 sq. ft.

Blacksburg, Va., Plant: M piping and components.

Medfield, Mass., Plant: temperature process instr trols. Floor space, 20,000 sq.

Newton, N. J., Plant: M ing plates from phoosen space, 6,000 sq. ft.

Danville, Va. Plant: Ma brand glass and other hig glasses.

Corning Glass Works of side, Ont.: Housewares; w tributing point. Floor spac

Corhart Refractories Plants at Louisville, Ky., Buckhannon, W. Va., 89,000

Liverpool, Australia: Sma facture of bulbs for telev space, 50,000 sq. ft.

New Construction: New costing over $3,000,000, will site near Wilmington, N. begin production of elec by end of 1966.

Productos Corning de C. V. (majority interest), 1965 and has started cons vision glassware plant at M [illegible] Capital Expenditures totaled $31,475,- [illegible] which included addition of 1,000,000 sq. [illegible] floor space, completion of 3 new plants, [illegible] expansion of 6 plants.

MANAGEMENT

Officers:
[illegible] Houghton, Jr., Chmn. and Chief Exec. Officer
R. Lee Waterman, President
[illegible] A. Amylon, Staff Vice-Pres.
[illegible] Allen, V.-P. (Dir. Manpower Devel.)
William H. Armistead, V.-P. (Tech. Staff)
[illegible] T. Clark, Vice-Pres. (Lighting Prod.)
[illegible] W. Dawson, V.-P. (Tech. Prod.)
[illegible] P. Hunt, Vice-Pres. (Ind. Rel.)
Malcolm H. Hunt, V.-P. (Electron. Prod.)
Arthur W. Weber, V.-P. (Mfg. Svces.)
Thomas S. Wood, Jr., V.-P. (Purchases)
Oakes Ames, V-P. (T.V. Prod. Div.)
J. H. Bierer, V.-P. (Consumer Prod. Div.)
Frederick H. Knight, Secretary
Thomas Waaland, Treasurer
Robert W. Foster, Controller

Directors:
W. C. Decker, Corning, N. Y.
Amory Houghton, Corning, N. Y.
Amory Houghton, Jr., Corning, N. Y.
Arthur A. Houghton, Jr., New York
Charles D. LaFollette, Corning, N. Y.
George D. Macbeth, Corning, N. Y.
George Murnane, New York
Robert D. Murphy, New York
Howard C. Sheperd, New York
John R. Kimberly, Neenah, Wisc.
John B. Coburn, Cambridge, Mass.
R. Lee Waterman, Corning, N. Y.
William H. Armistead, Corning, N. Y.
Paul T. Clark, Corning, N. Y.
Roswell L. Gilpatric, New York

Auditors: Price Waterhouse & Co.
Corporate Counsel: Frederick H. Knight.
Annual Meeting: Second Tuesday in Apr.
No. of Stockholders: Dec. 31, 1965: Pfd., 294; common, 14,200.
Number of Employees: Dec. 31, 1965, 18,430.
Main Office: Corning, N. Y.

INCOME ACCOUNT

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED

	Jan. 2,'66	Jan. 3,'65	Dec. 29,'63	Dec. 30,'62	Dec. 31,'61	Jan. 1,'61	Jan. 3,'60
Net sales	$340,471,141	$327,612,307	$289,217,438	$262,199,886	$229,568,819	$214,871,286	$204,887,424
Cost of sales	237,048,270	229,432,187	183,784,809	171,154,450	150,058,528	148,931,976	133,887,424
Selling, gen. & adminis. exps.	45,611,651	44,525,631	40,012,756	35,087,885	28,972,485	25,538,706	25,379,666
Research & development expenses	--------	------	15,425,935	12,945,628	10,714,482	9,360,782	8,132,645
Operating profit	57,811,220	53,654,489	49,993,938	43,011,923	39,823,324	31,039,822	37,861,411
Other income	12,488,946	10,093,354	10,554,273	9,592,589	8,835,473	10,159,769	8,071,216
Total income	70,300,166	63,747,843	60,548,211	52,604,512	48,658,797	41,199,591	45,932,627
Interest, etc.	3,135,545	1,504,534	1,708,690	1,407,903	731,897	710,850	875,728
Federal income tax	28,476,000	27,221,000	27,264,000	23,100,000	21,490,000	18,026,000	20,300,000
State income tax	--------	------	--------	--------	511,000	408,000	421,000
Net income	38,688,621	35,022,309	31,575,521	28,096,609	25,925,900	22,054,741	24,335,899
Special charge or credit	cr1,279,499	------	--------	--------	--------	2,334,924	--------
Net income less special charge plus credit	39,968,120	35,022,309	31,575,521	28,096,609	25,925,900	19,719,817	24,335,899
Earned surplus, Jan. 1	144,384,180	126,531,551	112,126,448	97,789,264	85,617,225	79,627,130	66,470,956
Preferred dividends	103,680	128,285	164,848	179,346	194,133	201,252	216,582
Common dividends	17,084,980	17,041,395	17,005,570	13,580,079	13,559,728	13,528,470	10,963,143
Earned surplus, Dec. 31	$167,163,640	$144,384,180	$126,531,551	$112,126,448	$97,789,264	$85,617,225	$79,627,130
SUPPLEMENTARY P. & L. DATA							
Maintenance & repairs	$22,160,908	$22,692,601	$20,113,272	$20,093,621	$16,406,029	$19,703,401	$17,052,335
Depreciation, depl. & amort.	18,232,583	14,871,260	13,692,397	13,054,664	10,853,435	9,478,793	8,427,873
Taxes, other than income	9,145,793	8,310,784	8,833,491	7,567,011	6,711,882	6,515,625	5,396,080
Rents	4,266,414	3,972,753	3,309,765	2,983,178	2,515,043	3,401,836	1,550,156

[illegible] Includes related portions of items shown [illegible] "Supplementary p. & l. data" shown [illegible] amount.

[illegible] 1964 and 1965 figures not separately shown

[illegible] Jan. 1, 1961, loss; Jan. 2, 1966, gain; on [illegible] of investments in associated companies.

[illegible] Included with interest, etc. in 1957-64.

[illegible] Includes payroll taxes (1965, $5,458,724).

General: (a) Company's equity in undistributed earnings of its major domestic affiliated companies (Dow Corning Corp., Owens-Corning Fibreglas Corp., Pittsburgh Corning Corp. and Sylvania-Corning Nuclear Corp.) was: 1965, $6,252,107; 1964, $5,134,800; [illegible] $3,072,730; 1962, $3,626,438; 1961, $3,243,105; [illegible] $3,310,209; 1959, $2,372,730.

(b) Company's share in undistributed earnings of its wholly owned foreign associates and subsidiary companies not consolidated was: 1965, $1,837,937; 1964, $943,341; 1963, $532,-275; 1962, $696,412; 1961, $1,045,964; 1960, $1,028,-099; 1959, $1,436,319.

(c) Commencing Jan. 1, 1954, parent company adopted the sum-of-the-years-digits method of computing depreciation of fixed assets as permitted by the Internal Revenue Code of 1954. The effect of this change on income for 1954 was not material.

(d) In accordance with the investment tax credit provisions of the Revenue Act of 1962, the company has taken a credit in the amount of $529,522 against income tax payable for the year 1962. This credit is to be reflected in income over the life of the related property and the amount of the tax reduction has been charged to income as additional depreciation for the year.

Sources and Disposition of Funds (in $1000):

Sources of Funds:	1965	1964
Net income	$38,689	$35,022
Depr. & amort.	18,233	14,871
Sale of com. stk.	3,794	2,284
Other, net	3,961	700
Total	$64,677	$52,877
Disposition of Funds:		
Dividends	$17,189	$17,169
Capital expend.	31,475	38,423
Pfd. shares ret.	1,038	463
L. t. debt red.	200	200
Invest. in sub. cos.	6,707	1,819
Total	$56,609	$58,074
Work. cap. incr.	$8,068	d$5,197

Record of Earnings, years ended about Dec. 31 (in $):

Year	Net Sales	Cost and Expenses	Operating Profit	Oth. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstand.	Earn. Per Com. Sh.
[illegible]	55,851,710	50,572,664	5,279,046	817,701	4,461,345	1,660,700	2,800,645	1,317,254	2,634,308	1.00
[illegible]	61,295,727	57,145,718	4,150,009	d 549,100	3,600,909	1,382,500	2,218,409	1,317,154	2,634,308	0.73
[illegible]	67,866,101	60,609,294	7,256,807	d 1,161,264	6,095,543	2,447,290	3,648,253	1,317,154	2,634,308	1.25
[illegible]	73,197,782	61,618,194	11,579,588	236,848	11,816,436	4,738,052	7,078,384	2,634,308	2,634,308	2.56
[illegible]	116,473,981	81,573,689	34,900,292	770,495	35,670,787	18,058,432	17,612,355	5,287,366	2,649,533	6.53
[illegible]	115,750,172	93,052,059	22,698,113	1,164,551	23,862,664	13,721,500	10,141,164	5,318,016	2,659,008	3.70
[illegible]	126,455,784	98,811,014	27,644,770	871,386	28,516,156	18,193,000	10,323,156	5,318,016	2,659,008	3.77
[illegible]	149,294,036	116,779,396	32,514,640	1,524,755	34,039,395	21,358,000	12,681,395	5,318,016	2,659,008	4.66
[illegible]	147,938,842	113,839,904	34,098,938	1,892,253	35,991,191	18,501,000	17,490,191	7,977,024	2,659,008	6.48
[illegible]	157,663,837	121,559,461	36,104,376	2,792,295	38,896,671	20,270,000	18,626,671	9,980,655	6,660,020	2.76
[illegible]	163,053,554	128,446,217	34,607,337	3,125,416	37,732,753	19,300,000	18,432,753	9,991,530	6,681,202	2.72
[illegible]	159,069,721	132,854,207	26,215,514	4,817,890	31,033,404	14,500,000	16,533,404	10,052,653	6,707,252	2.43
[illegible]	159,137,729	131,786,614	27,351,115	5,412,428	32,763,543	15,600,000	17,163,543	10,076,503	6,722,052	2.52
[illegible]	204,887,424	167,026,013	37,861,411	7,195,488	45,056,899	20, 721,000	24,335,899	10,963,143	6,754,600	3.57

BALANCE SHEET

CONSOLIDATED BALANCE SHEET, AS OF

ASSETS	Jan. 2,'66	Jan. 3,'65	Dec. 29,'63	Dec. 30,'62	Dec. 31,'61	Jan. 1,'61	Jan. 3,'60
Cash	$14,628,614	$17,214,651	$21,127,163	$15,488,887	$13,329,286	$12,845,580	$15,017,506
U. S. & Cdn. Govt. securities (at cost)	28,371,740	21,137,375	30,643,008	25,506,663	25,971,004	18,562,832	30,217,606
Receivables, net	37,330,130	35,899,254	28,874,060	26,044,236	22,483,754	20,143,562	21,435,936
Inventories	47,841,705	43,353,639	40,991,020	35,878,226	33,396,041	35,374,930	28,169,480
Prepaid expenses	1,075,851	524,221	740,798	712,869	638,765	738,384	898,988
Total current assets	$129,248,040	$122,376,949	$103,630,881	$95,818,850	$87,665,288	$95,739,516	$82,362,252
Plant & equipment	254,004,997	225,473,295	189,095,306	174,306,039	159,777,060	143,094,379	118,246,291
Depreciation & amortization	126,976,997	110,930,009	98,737,628	86,954,214	77,091,652	68,558,999	60,628,750
Net property	127,028,000	114,543,286	90,357,678	87,351,825	82,685,408	74,535,380	57,617,541
Investment in foreign affil. & subs.	15,150,659	8,443,591	6,626,888	5,752,329	4,451,871	3,739,222	3,454,378
Investment in affiliates	4,579,623	4,601,158	4,601,158	4,601,158	4,601,158	4,601,158	9,322,201
Other investments	212,068	212,017	209,575	203,114	201,459	171,324	161,000
Other assets	5,250,376	4,636,502	4,425,381	4,364,163	3,639,153	3,665,954	1,781,740
Total	$281,468,766	$250,565,694	$228,597,629	$205,903,470	$191,397,898	$174,378,326	$168,076,376
LIABILITIES							
Notes & accounts payable	$12,555,613	$11,492,194	$10,167,024	$8,529,648	$7,178,088	$7,696,768	$9,372,710
Accrued income taxes	19,931,596	18,858,434	19,172,984	15,909,433	15,515,311	13,193,548	13,550,215
Sundry accrued liabilities	12,871,764	11,957,087	12,019,010	9,515,468	10,642,802	8,457,395	8,047,775
Total current liabilities	$45,358,973	$42,307,715	$41,359,018	$33,954,549	$33,336,201	$29,347,711	$30,970,700
Deferred investment credit	2,402,485	1,434,791		--------	--------	--------	--------
Debenture 3¾s, 2002	8,100,000	8,300,000	8,500,000	8,700,000	8,900,000	9,[illegible]00,000	9,300,000
Furnace repair reserve	5,603,303	4,054,645	3,944,085	3,402,736	3,962,115	3,924,173	2,818,574
3½% preferred 1945 series ($100)	2,442,000	3,498,000	3,986,000	2,085,000	2,281,500	2,536,000	2,688,000
3⅛% preferred 1947 series ($100)				2,913,500	3,130,000	3,165,000	3,185,000
Common stock ($5 par)	34,218,010	34,105,635	34,027,735	33,959,425	33,928,310	33,850,015	33,773,000
Capital surplus	16,180,355	12,480,728	10,249,240	8,761,812	8,070,508	6,838,202	5,713,972
Retained earnings	167,163,640	144,384,180	126,531,551	112,126,448	97,789,264	85,617,225	79,627,130
Total stockholder equity	220,004,005	194,468,543	174,794,528	159,846,185	145,199,582	132,006,442	124,987,102
Total	$281,468,766	$250,565,694	$228,597,629	$205,903,470	$191,397,898	$174,378,326	$168,076,376
Net current assets	83,889,067	$75,821,425	$81,017,931	$69,676,332	$62,482,649	$58,317,577	$64,768,816

(118,341 shares) issued in Apr., 1952, in exchange for entire capital stock (6,363 $100 par shares) of Wesco Waterpaints, Inc., Berkeley, Cal.

(238,000 shares) issued in Jan. 1953, in exchange for entire capital stock of Asbestone Corp.

(27,907 shares) issued in Mar., 1953, for assets of Smith Asbestos Products, Inc.

(292,101 shares) issued between July 17, 1958 and Mar. 13, 1959, in exchange for 701,042 shares (99.5%) of American Encaustic Tiling Co., Inc. stock.

(45,000 shares) issued Feb. 27, 1959, in exchange for entire capital stock of Olean Tile Co., Inc.

(1,014,300 shares) issued in May, 1959, in exchange for entire capital stock of Huron Portland Cement Co.

(583,170 shares) issued in 1960-61 for 1,154,535 shares (99.8%) capital stock of Allentown Portland Cement Co.

OFFERED—(275,000 shares) at $29.50 per share on June 20, 1946, by a syndicate headed by W. E. Hutton & Co. and Blyth & Co., Inc., New York.

Subscription Rights: Common stockholders of record May 10, 1948 had right to purchase 422,467 common shares at $13.50 per share on basis of one share for each four shares held. Rights expired May 24, 1948. P... sale of shares added to workin...

Common stockholders of rec... 1955, had right to subscribe to 4... shares at $40 a share on basis of... each 6 shares held. Rights expire...

Common stockholders of rec... 1956, had right to subscribe to 4... shares at $47 a share on basis... for each 8 shares held. Rights... 25, 1956.

Stock Options held by key... Dec. 31, 1965 on 126,357 comm... prices from $58.15 to $28.87 per... to 1973.

OWENS-CORNING FIBERGLAS CORPORATION

CAPITAL STRUCTURE

LONG TERM DEBT Issue	Rating	Amount Outstanding	Times Charges Earned 1965	1964	Interest Dates	Call Prices	P... 1965
1. 4.2% note, due 1988	[1]--	$50,000,000	18.65	20.54	--------	-----	[1]...
2. 6.8% note, due 1973	[1]--	6,000,000			--------	-----	[1]...
3. 7.75% note, due 1980	[1]--	6,500,000			--------	-----	[1]...

CAPITAL STOCK Issue	Par Value	Amount Outstanding	Earned per Sh. 1965	1964	Divs. per Sh. 1965	1964	Call Prices	P... 1965
1. Common	$1	6,723,004 shs.	$2.90	$2.56	$1.30	$1.00	-----	71⅞-...

[1]Privately held.

HISTORY

Incorporated under Delaware laws Oct. 31, 1938, by Owens-Illinois Glass Co. and Corning Glass Works to continue development of fibrous glass products.

On Nov. 30, 1954, Fiberglas Contracting & Supply Co. and Fiberglas Engineering & Supply Co., former subsidiaries, were dissolved; now operated as divisions.

SUBSIDIARIES

Fibras y Lana de Vidrio Fibra-Glass S. A., Bogota Colombia (55%); Owens-Corning Fiberglas U. K. Ltd., London, England; Owens-Corning Fiberglas Europe, S. A., Brussels, Belgium; Owens-Corning Fiberglas International (Del.); Owens-Corning Fiberglas (Italy) S.p.A., Milan, Italy; Owens-Corning Fiberglas Venezuela. C. A., Caracas, Venzuela.

INTERNATIONAL DIVISION

Owens-Corning Fiberglas International, N. Y.

AFFILIATES

Company is affiliated with Owens-Illinois Glass Co. and Corning Glass Works, see general index, through stock ownership (see common stock, below).

Affiliates—Partly Owned:

Fiberglas Canada Limited, Toronto, Canada (48% of common; 50% of pfd.); plants at Sarina and Guelph, Ont. Edmonton, Alta. and Candiac, Que.

Asahi Fiber Glass Company, Ltd., Tokyo, Japan (40%); plant at Chigasaki.

Vitro-Fibras, S.A., Mexico City (40%); plant at Mexico City.

Australian Fibre Glass Pty. Ltd., Sydney (40%); plants at Melbourne and Sydney.

New Zealand Fibre Glass Ltd. (wholly-owned by Australian Fibre Glass), Auckland; plant at Auckland.

Fibreglass South Africa Pty. Ltd., Johannesburg (24.5%); plant at Springs (near Johannesburg).

Scandinavian Glasfiber AB, Vasteras, Sweden (40%); plant at Falkenberg.

BUSINESS & PRODUCTS

Company is engaged in development and manufacture of fibrous glass products, distributed by its own sales organization which has 78 sales offices located in cities throughout the United States.

Company's products can be classified into the following five groups: (1) Fiberglas "wool" products, used for thermal insulation and acoustical applications; (2) Fiberglas textile products, consisting of strands, yarns and cords, used by other companies in manufacture of electrical insulation and decorative and industrial fabrics, as reinforcements for plastics, papers, twines and rubber goods and for other industrial purposes; (3) Fiberglas Aerocor, an extremely light weight wool product used as an insulating and sound control materials; (4) Fiberglas filter products used in heating, air conditioning and ventilating systems and in industrial processes; and (5) Fiberglas mat products, consisting of porous thin sheets used principally in manufacture of storage batteries and as protective wrapping for underground pipes.

PLANTS & PROPERTIES

Company owns plants at Newark, O., Kansas City, Kan., Santa Clara, Cal., Barrington and Berlin, N. J., Anderson and Aiken, S. C., Ashton, R. I., Huntington, Pa. and Waxahachie, Tex. also research center at Granville, O. In addition 4 product and research laboratories are connected with the Anderson, Ashton, Granville and Santa Clara plants.

Toledo office and sales offices in principal cities are leased.

Affiliate Plants: See Affiliates above.

Company has 51 supply and contracting locations and sales offices throughout the U. S.

Capital Expenditures: 1965, $29,602,821; 1964, $8,576,000.

MANAGEMENT

Officers:

Harold Boeschenstein, Chairman
Gen. Lauris Norstad, President
J. M. Briley, Vice-President
B. S. Wright, Vice-Pres. (Purch. & Trans.
W. W. Boeschenstein, Vice-Pres. (Mktg.)
B. E. Boyd, Vice-Pres. (Mfg.)
E. J. Detgen, Vice-Pres. (Home Bldg. Prod.)
W. H. Curtiss, Jr., Vice-Pres. Pacific Coast Division
T. V. Fowler, Vice-Pres. (T... & appliance materials)
J. H. Thomas, Vice-Pres. (... Dev.)
B. F. Leaman, Jr., Vice-Pre...
J. A. McKay, Vice-Pres. (Nat'...
Fowler Blauvelt, Vice-Pr... Ind. Mats.)
R. E. Brown, Vice-Pres. (... Sales)
R. K. Biggers, Vice-Pres. (... Defense)
G. O. Mabry, Vice-Pres. (... oper.)
R. P. Mulligan, Vice-Pres. ... Sales)
F. L. Purtill, Vice-Pres. (... Div. Sales)
D. W. Ladd, Jr. Vice-Pr... comm'l. Const. Mat.)
Roger van den Perre, Vic... Int'l.)
W. M. Keller, Vice-President
L. W. Saxby, Vice-Pres. ... contracting)
W. E. Munsey, Vice-Pres. (... ply, Pac. Coast Div.)
H. M. Cranston, Vice-Pres. (I...
C. F. Scarbrough, Vice-Pres. ...
Wayne Ketner, Comptroller
C. G. Staelin, Vice-Pres. & S...

Directors:

Harold Boeschenstein
J. E. Bierwirth
L. W. Cabot
J. M. Kemper, Jr.
D. W. Malott
H. J. Morgens
H. C. Nolen
Gen. Lauris Norstad
H. R. Winkle
W. J. Murray (Honorary)

Auditors: Arthur Andersen & ...

Annual Meeting: Third Thursd...

No. of Stockholders: Jan. 5, 196...

No. of Employees: 1965 average...

General Offices: National Ban... ledo 1, O.

New York Office: 717 Fifth Ave...

INCOME ACCOUNTS

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DEC. 31

	1965	1964	1963	1962	1961	1960
Net sales	$335,337,976	$299,812,261	$274,227,443	$253,258,218	$226,940,262	$218,178,030
Cost of sales	250,483,653	224,145,496	207,974,506	187,338,241	165,643,964	156,747,513
Research & devel. expenses	7,632,605	6,882,801	7,566,847	6,627,501	5,827,158	5,382,477
Selling expenses	25,378,405	22,171,590	21,547,693	19,212,419	16,954,972	16,348,336
General & admin expenses	12,687,287	11,852,730	10,569,473	10,084,171	9,674,417	9,419,304
Operating profit	39,156,026	34,759,644	26,568,924	29,995,886	28,839,751	30,279,900
Royalties	1,957,880	1,924,595	2,639,968	2,816,769	2,353,863	2,432,248
[2]Other income (net)	*dr*1,890,219	*dr*1,425,024	*dr* 1,494,208	*dr* 1,428,869	*dr* 1,372,694	*dr* 819,256
Total income	39,223,687	35,259,215	27,714,684	31,383,786	29,820,920	31,892,892
Interest on borrowed funds	2,102,832	1,716,167	1,494,598	1,342,192	1,455,000	1,233,090
Federal income tax	17,606,000	16,379,000	13,740,000	15,670,000	14,087,000	16,025,000
Net income	19,514,855	17,164,048	12,480,086	14,371,594	14,278,920	14,634,302
Earned surplus, Jan. 1	107,080,706	96,633,679	90,866,669	83,201,457	75,619,149	67,645,567
Common dividends	9,405,568	6,717,021	6,713,076	6,706,382	6,696,612	6,661,220
[3]Earned surplus, Dec. 31	$117,189,993	$107,080,706	$96,633,679	$90,866,669	$83,201,457	$75,619,149
SUPPLEMENTARY P. & L. DATA						
Maintenance & repairs	Not stated	$20,100,500	$18,806,143	$16,149,793	$12,954,807	$13,094,339
Depreciation, depl. & amort.	13,446,181	14,111,600	12,835,457	12,519,962	12,784,903	10,217,963
[1]Taxes, other than income	--------	6,695,046	5,948,676	5,427,600	4,593,527	4,607,093
Rents and royalties	--------	5,876,591	4,509,300	3,955,506	3,901,159	4,293,536

[1]Includes payroll taxes (1964, $3,447,867).

[2]Includes state income and franchise taxes (1965, $1,335,317; 1964, $1,080,328; 1963, $889,475;

Payrolls and direct fringe benefits (U. S. operations) (in $):

1965	110,500,000	1961	70,100,000

General Notes

(a) For company's equity in of affiliates, not included above

OWENS-ILLINOIS, INC.

CAPITAL STRUCTURE

LONG TERM DEBT

Issue	Rating	Amount Outstanding	Times Charges Earned 1965	Times Charges Earned 1964	Interest Dates	Call Price
1. Promissory notes	[2]--	[1]$143,841,137			-----	-----
2. Debenture 3¾s, due 1988	A	45,000,000	21.66	21.39	J&D 1	[5]104.20
3. Foreign subs. debt	----	17,205,601			--------	-----

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. [3]1965	Earned per Sh. 1964	Divs. per Sh. 1965	Divs. per Sh. 1964	Call Price
1. 4% cum. preferred	$100	554,727 shs.	$94.02	$74.20	$4.00	$4.00	[5]103.25
2. Common	3.12½	14,765,290 shs.	3.38	[4]2.72½	[6]2.02½	2.50	-----

[1]Includes $100,000,000 sold in Feb., 1966. [2]Privately held. [3]Earned per share after special items: preferred $4.40. [4]Adjusted for 2-for-1 split in Apr., 1965. [5]Subject to change—see text. [6]Includes $1.35 paid prior to 2-for-1 split; before 120½-103¾.

HISTORY

Incorporated in Ohio, Dec. 16, 1907 as The Owens Bottle Machine Corp., successor to a New Jersey corporation of the same name, incorporated Sept. 3, 1903. Charter is perpetual. Name changed to The Owens Bottle Co Apr. 9, 1919 and to Owens-Illinois Glass Co. Apr. 17, 1929. Present title adopted May 1, 1965.

For subsequent acquisitions, see Moody's 1948 and 1949 Industrial Manuals.

In 1951 company purchased Sameric, Inc., Riverdale, N. J., manufacturer of thermoplastic caps and closures for glass and metal containers and plastic articles.

On Apr. 1, 1952 company sold American Coating Mills division to Robert Gair Co., Inc., for $6,170,701 and 400,000 shares of Gair common stock. Transaction involved paperboard mills at Elkhart, Ind., and Middletown, O., and carton plants at Elkhart, Chicago and Grand Rapids, Mich.

On Dec. 16, 1952, formed Owens-Illinois Inter-America Corp., wholly-owned.

On Sept. 16, 1953, acquired 50% interest in Plax Corporation (Del.), from Emhart Manufacturing Co. at a cost of $8,000,000 (sold in 1957).

On Oct. 4, 1956, merged National Container Corp. (Del.); reincorporated in Ohio and operated as a subsidiary (liquidated in July 1958, now Forest Products Division). Under the plan each common share was exchanged for one-fifth share of $100 4% preferred and one-fourth common share and each preferred share for 352/1000 of a preferred share and 44/100 of a common share. Exchange required 822,991 preferred shares and 1,028,739 common shares.

Company's Kaylo Division, manufacturing a fireproof insulating hydrous calcium silicate material, was sold to Owens-Corning Fiberglas Corp. in May, 1958.

In Sept., 1959, properties and inventories of Owens-Illinois Plywood, Inc. (Vt.) were sold to Roddis Plywood Corp, and subsidiary liquidated. Also in 1959, company liquidated Glasco Products Co. (Ill.), National Container Corp. of Mich. (Mich.), and Toledo Automatic Brush Machine Co. (Ohio), former subsidiaries. Also formed Bristol Paper Products Corp. (Pa.) (liquidated Dec. 1961) and Northeastern Container Corp. (now Forest Products Corp.) (Pa.), as wholly-owned subsidiaries. On Nov. 2, 1959, acquired entire capital stock of Keystone Brass Works (Pa.) for 19,459 common shares; renamed Libbey Plastics, Inc., a wholly-owned subsidiary.

Early in 1960, majority interests were acquired in two European companies—Gerresheim in Germany (increased to 76% in 1965) and Durobor in Belgium (99%). During same year, Owens-Illinois International, S.A., a Swiss corporation, was formed, and serves as liaison between company and European subsidiaries.

In 1961, company jointly with National Distillers and Chemical Corp. formed National Petro Chemicals Corp. New company built a plant at Houston for manufacture of high-density polyethylene. Kimble Italiana, S.p.A., an Italian corp., was formed in Nov. to manufacture glass tubing. Additional shares of Cisper, a Brazilian glass container manufacturer, were purchased by company in 1962 increasing their investment to a majority interest. Also, as a result of transfer of a Colombian plant and an additional cash investment, company acquired a 50% interest in Peldar, a Colombian company manufacturing glass containers, tableware, and window and other glass products.

On April 16, 1965, sold kraft paperboard mill at Jacksonville, Fla., and five corrugated shipping container plants at Aurora, Ind., Dallas, Tex., Jacksonville, Fla., Long Island City, N. Y., and Milwaukee, Wisc. in final settlement of an anti-trust suit filed by U. S. Department of Justice against Owens-Illinois in 1956.

Proposed Acquisition of interest in United Glass Ltd., England, involving purchase of 4,553,507 (16%) shs. over next 2 years at price equivalent of $1.54 a sh.; plus option to acquire up to 4,553,507 additional shs. over 10-year period at prices ranging from $1.54 to $2 a sh. was reported in Feb. 1966. Pact was subject to approval of United's stockholders. Exercise of option would raise Co.'s interest to 28.6%.

Co., in addition, would provide technical assistance to the British concern for at least 10 years, for a 1¼% share in net sales of all products affected by the agreement.

SUBSIDIARIES

Company is primarily an operating company.

On Dec. 31, 1965: held 100% voting power in the following subsidiaries (except as noted):

Name, place of incorporation and business:

Owens Inc. (Ohio) formerly Closing Machines, Inc.

Owens-Illinois Inter-America Corp. (Ohio)—Sells company products in Western Hemisphere outside of the U. S.

Marinette, Tomahawk & Western R.R. Co. (Wisc)—(see Moody's Transportation Manual).

Forest Products Corp. (formerly Northeastern Container Corp.) (Pa.)

O-I Services, Inc. (Ohio)

O-I Timber Corp. (Wisc.)

Sabine River & Northern R.R. Co. (Texas)

Valdosta Southern R.R. Co. (Fla.)

Sao Raimundo, Participacoes e Representacoes, Limitada (Brazil)

Owens-Illinois de Venezuela, C.A. (Venezuela)

Owens-Illinois of Canada Ltd. (Canada)

Owens-Illinois of the Bahamas, Ltd. (Bahamas)

Durobor S.A. (Belgium) (99%)

Owens-Illinois International S.A. (Switzerland and Panama)

Manufacturera de Vidrios Planos, C. A. (Venezuela) (96%)

Actien-Gesellschaft der Gerresheimer Glashuttenwerke vorm. Ferd. Heye (Germany) (76%)

Kimble Italiana, S.p.A. (Italy) (60%)

Other Investments: As of Dec. 31, 1965, Owens-Illinois Inc. owned 2,099,927 common shares (about 31%) of Owens-Corning Fiberglas Corp. (see general index). Amount includes 554,727 shares reserved for exchange —see 4% preferred, below.

Also owned 60,000 shares of Container Corp. of America (see general index), 88,030 shares of Monsanto Co. (see general index) and 74,428 shares of Pennsylvania Glass Sand Corp. (see general index).

Company also has a 50% interest in Cristaleria Peldar, S. A. (Colombia), 50% interest in National Petro Chemicals Corp. and a 60% interest in Companhia Industrial Sao Paulo e Rio "Cisper" (Brazil) and minority interest in Nippon Electric Glass Co., Ltd. (Japan).

BUSINESS AND PRODUCTS

The general organization is composed of an administrative division and five operating divisions.

Glass Container Division: glass containers, corrugated and wood shipping containers, for Company products, molds, machines, machine parts, inks, dies, sand, blown plastic containers, metal and plastic closures, and plastic fitments for glass containers.

Forest Products Division: containerboard (kraft and linerboard, semi-chemical corrugating medium, and lightweight chip), corrugated and solid fiber shipping containers, multiwall paper bags, plastic shipping sacks, composite fibre cans, pulpwood and products of tall oil fractionation.

Consumer and Technical Products Division: Kimble Products-scientific and laboratory glassware, KIMAX borosilicate glassware, glass pipe, glass tubing and rod and products made from them—such as ampuls, vials and syringe cartridges; Libbey Products-glass tumblers, stemware, and tableware, and melamine dinnerware; Industrial and Electronic Products-glass television bulbs (black and white and color), special property glasses for fibre optics and electronic components, line insulators.

Plastic Products Division: blown and pressed plastic containers, plastic closures, and sheet-formed and injection-molded plastic products.

International Operations: Glass containers, rolled glass, glass block, glass tableware, glass tubing, window glass, plastic and metal closures, plastic containers, corrugated shipping cartons, and assembly of television bulb components provided from domestic plants.

PRINCIPAL PLANTS & PROPERTIES

Operating facilities are located as follows:

Alton, Ill.	Bristol, Pa.
Atlanta, Ga.	Brockport, N. Y.
Baltimore, Md.	Charlotte, Mich.
Big Island, Va.	Charlotte, N. C.
Bradford, Pa.	Chicago, Ill.
Bridgeton, N. J.	Circleville, O.
Chicago Heights, Ill.	
Cincinnati, O.	
City of Industry, Cal.	
Clarion, Pa.	
Columbus, O.	
Corona, Cal.	
Detroit, Mich.	
Durham, N. C.	
Edison, N. J.	
Fairmont, W. Va.	
Flint, Mich.	
Gas City, Ind.	
Glassboro, N. J.	
Godfrey, Ill.	
Huntington, W. Va.	
Ione, Cal.	
Jaite, O.	
No. Kansas City, Mo.	
Oakland, Cal.	
Jersey City, N. J.	
Kansas City, Mo.	
Lakeland, Fla.	
Los Angeles, Cal.	
Madison, Ill.	
Memphis, Tenn.	
Miami, Fla.	
Minneapolis, Minn.	

Company has, in West Vir... ded half interest in 169,857 ... acres of gas rights on whi... wells supplying its Charlest... ton plants and Charleston ... Owens-Ford Glass Co.

Nineteen factories of for... in which company holds a 50... terest, are located as follow... Colombia (3), two each in ... and Venezuela and one each ... Italy.

MANAGEMENT

Officers

J. P. Levis, Chmn. of Bo...
R. H. Mulford, President
H. C. Laughlin, Exec. Vic...
S. L. Rairdon, Exec. Vic...
R. E. Graham, Exec. Vice-...
E. C. Jones, Exec. Vice-Pr...
E. D. Dodd, Exec. Vice-Pr...
A. M. Turner, Exec. Vice-...
F. M. Canter, Exec. Vice-...
G. S. Babcock, Vice-Pre...
K. K. Hepp, Vice-Preside...
R. F. Miller, Vice-Preside...
J. W. Hackett, Vice-Presid...
H. S. Wade, Vice-Preside...
W. J. Stewart, Vice-Presi...
P. W. Hancock, Vice-Pres...
M. G. Beishline, Vice-Pr...
S. F. Davis, Vice-Preside...
W. B. Owen, Vice-Presid...
E. R. Owens, Vice-Presid...
W. A. Schaich, Vice-Presi...
J. F. Ryley, Vice-Preside...
G. W. Cook, Vice-Preside...
W. F. Spengler, Vice-Pre...
R. T. Wallace, Vice-Presi...
C. F. Babbs, Vice-Pres., ... Counsel
J. A. Bohland, Treasurer
K. E. Tigges, Comptroll...

Directors

E. C. Arbuckle, Stanford...
[1]H. E. Collin, Toledo
G. A. Costanzo, New Yo...
E. D. Dodd
R. E. Graham, Toledo
[1]A. J. Hettinger, Jr., ...
[1]J. A. Hill, Hartford, ...
C. E. Janssen, Brussels, ...
E. C. Jones
H. C. Laughlin, Toledo
[1]J. P. Levis, Toledo
R. H. Levis, II, Alton, Ill...
H. McIntosh, Toledo
[1]R. H. Mulford, Toledo
S. L. Rairdon, Toledo
[1]J. T. Rohr, Toledo
R. L. Snideman, Pebble...
A. M. Turner, Toledo
[1]Member of Executive C...

Directors Emeritus

W. H. Boshart, W. W. Kn...

Auditors: Arthur Young ...

General Counsel: Fred ...

Annual Meeting: Third ... at Toledo, O.

No. of Stockholders: D... ferred, 4,843; common, ...

No. of Employees: Dec...

General Office: Owens-I... son Ave., Toledo, Ohio 4360...

Mailing Address: P. O. ... Ohio 43601.