

C. P. M. & SO. CHEMICAL

59

AUGUST 31, 19

CHEMICALS — PIGMENTS — METALS DIVISIONS

AND

SOUTHERN CHEMICAL DIVISIONS

BALANCE SHEETS

AND

INCOME AND EXPENSE STATEMENTS

THE GLIDDEN COMPANY

CONSOLIDATED

AUGUST 31, 1959

N 2166

GLDC19186

THE GLIDDEN COMPANY

CHEMICALS-PIGMENTS-METALS AND ORGANIC CHEMICAL DIVISIONS

August 31, 1959

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THE GLIDDEN COMPANY
BALANCE SHEET - C-P-M AND ORGANIC CHEMICAL DIVISIONS
August 31, 1959

	Adrian Joyce Works No. 32	Hammond No. 27	Collinsville No. 35	Barytes Mines No. 34	Lenoir No. 77
ASSETS					
CURRENT					
Cash on hand	250	250	50		
Cash on deposit and in transit	20702.29	7891	(1157)		
Trade notes receivable - Not due	11000	22000			
- Past due					
Trade accounts receivable	72680.2	113725	76041		
Reserve for doubtful accounts	(20214)	(9219)	(2564)		
Reserve for discounts and allowances					
Inventories:					
Raw materials and in process	37196.53	500373	144683		
Finished stock	181375.2	89013	230655		
Misc. current notes and accts. rec.	72059	53235	107		
Prepaid insurance and expense	33461	222	180		
Total Current Assets	862477.2	1147790	474775		
OTHER ASSETS					
Salesmen's and managers' advances					
Claims against common carriers	1487		279		
Deposits with public utilities, etc.	86				
Total Other Assets	1522		279		
PROPERTY, PLANT AND EQUIPMENT					
Land - at cost or less	862987	78869	144851	73609	158293
Bldg., machy., and equip., etc. - at cost	24185915	808461	797487	1161	
Reserve for depreciation and depletion	(5994500)	(318912)	(697378)	(74308)	(100087)
Write-down to appraised sound value	(684769)				
Unfinished construction	789787	34558	200		
Total Property, Plant and Equip.	24357478	603016	345172	1162	52204
TOTAL ASSETS	29986083	1771002	820116	1162	52204

THE GLIDDEN COMPANY
BALANCE SHEET - C-P-M AND ORGANIC CHEMICAL DIVISIONS
 August 31, 1959

CURRENT	Adrian Joyce		Hammond		Collinsville		Beyton		Lenoir		Private		Total		Private		Total	
	No. 32	Works	No. 27	Works	No. 35	Works	No. 34	Works	No. 77	Works	No. 30	Works	C-P-M	Works	No. 30	Works	C-P-M	Works
Accounts payable for purchases, etc.	1,214,612		777,773		288,908								1,235,773				1,235,773	
Payroll taxes	19,197		12,944		4,774								24,912				24,912	
Employees' income tax deductions	63,352		78,841		3,232								146,425				146,425	
Customers' credit balances	644		14,460		2,123								17,227				17,227	
Personal accounts																		
Accrued payrolls	33,544		10,585		3,534								47,663				47,663	
Accrued commissions and bonuses																		
Accrued taxes	51,279		15,550		14,000								80,829				80,829	
Accrued water, rent, etc.	44,523		6,444		523								51,490				51,490	
Accrued state taxes on income - est.	74,700												74,700				74,700	
Total Current Liabilities	1,411,382		1,190,100		621,627								1,575,660				1,575,660	
INTROCOMPANY ACCOUNT																		
Private Ledger - Headquarters	24,811,192		10,512,118		5,355,379		44,611		5,220,404		4,822		24,478,087		(17,558)		10,105,999	
PROFIT AND (LOSS)																		
Net profit (loss) for the fiscal year ended Aug. 31, before providing for Federal income tax	3,761,822		5,737,774		2,245,535						(4,822)		11,558,830		1,775,822		6,249,222	
Total Liabilities	29,286,083		17,710,022		8,224,446		44,611		5,220,404		-4,822		32,637,917		1,775,822		11,272,786	

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First year ended August 31, 1959

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THE GLIDDEN COMPANY
OPERATING STATEMENT - C-P-M AND ORGANIC CHEMICAL DIVISIONS
Fiscal year ended August 31, 1959

	Adrian Joyce			Private	Chemical-Figments-Metals		Organic
	Works	Harmond	Collinsville	Ledger	Total	Per Cent to	Chemical
	No. 32	No. 27	No. 35	No. 30		Net Sales	No. 71
<u>OPERATING EXPENSE</u>							
2. Salesmen's salary and commission	186922	224725	60995		270412	159	135085
3. Salesmen's expense	70150	23225	42222		135597	70	29327
4. Other territorial charges	23225	—	47222		70447	146	—
5. Salaries - office	65910	25019	23481		114410	59	157077
6. Local administration	12100	21224	7122		51446	27	35449
7. Advertising (local)	45224	7291	15421		73776	38	4352
8. Promotion expense	—	—	—		3	—	—
9. Bad debts provision	1700	—	400		2100	01	200
10. Depreciation	72	2025	1220		3377	02	7275
11. Discount - cash	127411	—	17242		144653	74	1972
12. Employees' welfare	6222	542	514		8045	04	2953
13. Heat, light and power	—	700	—		900	—	254
14. Insurance	4302	556	433		7767	04	1653
15. Legal expense and collection fees	497	7	26		622	—	122
16. Maintenance	(2)	2112	1827		9955	05	4303
17. Office supplies	511	520	403		1734	01	3494
18. Postage	591	1022	1351		7964	02	6264
19. Printing and stationery	1446	1726	2094		5266	03	11892
20. Rent	7281	—	3477		10751	06	4521
21. Sales development letters	29004	3721	—		32725	17	22019
22. Samples and allowances	3276	2572	112		7960	04	32235
23. Storage	20225	812	12222		33059	17	21593
24. Taxes	2422	5547	757		9726	05	2261
25. Telephone - regular	2012	1896	603		4509	02	10334
26. Telephone - long distance	1740	2456	540		4736	02	15655
27. Telegraph	657	997	617		2271	01	6881
28. Traveling expense	2270	2940	697		5907	03	2924
29. Watchman and janitor service	—	2540	—		2540	01	8858
30. Employees' pension plan	—	—	—		—	—	3561
31. Sundries	3122	4220	4722		12064	25	73287
<u>Total Operating Expense</u>	252227	176925	247567		1372763	677	515225

THE GLIDDEN COMPANY
MANUFACTURING STATEMENT - C-P-M AND ORGANIC CHEMICAL DIVISIONS
Fiscal year ended August 31, 1959

	Adrian Joyce Works No. 32	Hammond No. 27	Collinsville No. 35	Total C-P-M	Organic Chemical No. 71
MATERIAL USED					
Raw material, etc.	6,227,085	2,667,507	6,392,311	9,544,496	6,444,496
Packaging, cartons, etc.	1,524,117	734,005	295,553	2,570,255	2,870,188
Total Material Cost	6,527,200	2,740,932	6,687,864	9,814,711	6,933,654
LABOR					
Productive labor	1,771,436	1,429,311	1,416,661	1,742,078	4,331,120
Non-productive labor	1,075,005	439,775	483,281	1,998,061	1,080
Supervision and clerical	274,294	48,650	424,645	947,589	2,287,226
Total Labor	1,632,287	2,606,566	2,324,587	1,654,450	4,621,346
MANUFACTURING EXPENSE					
Fixed charges	2,928,277	2,614,777	3,600,000	4,240,395	1,096,045
Taxes	166,587	1,227,000	237,499	450,666	44,944
Insurance	27,795	15,188	16,182	49,165	30,178
Fire, use and occupancy	1,073,377	5,072	25,975	1,094,424	1,436,000
Liability and compensation	93,144	2,309	3654	15,777	6,241
Group life	25,700	12,246	14,760	52,706	5,520
Hourly employees' retirement plan					
Depreciation:					
Buildings and yards	54,186	1,116	7854	55,056	124,422
Equipment - furniture and fixtures	14,502	40,402	16,891	14,502	52,728
Total Fixed Charges	2,990,795	7,922,222	2,825,222	2,558,622	721,091
Total Labor, Exp. and Fixed Chgs.	7,222,222	5,714,555	6,722,222	5,554,055	2,447,222
Less: Labor and expense redistributed	27,322		40,122	35,405	115,499
Net Labor, Exp. and Fixed Chgs.	6,700,946	5,714,555	6,722,222	5,554,055	2,336,693
Cost of Goods Manufactured	13,222,222	13,222,222	13,222,222	13,222,222	13,222,222
Add: Finished stock, purchases and changes in inventory					
Total Cost of Goods Sold	13,222,222	13,222,222	13,222,222	13,222,222	13,222,222
Less: Cost of interdivision sales					
Cost of Regular Sales	13,222,222	13,222,222	13,222,222	13,222,222	13,222,222

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THE GLIDDEN COMPANY

MANUFACTURING STATEMENT - C-P-M AND ORGANIC CHEMICAL DIVISIONS

Fiscal year ended August 31, 1959

MANUFACTURING EXPENSE	Adrian Joyce Works		Hommond		Collinsville		Total C-P-M	Organic Chemical	
	No. 32	No. 27	No. 35				No. 71		
1. Heat, light and power	1,161,500	252,277	9,172,85			12,785,42	5,225,78		
2. Fuel - coal, coke, gas, oil	3,132,299	738,50	25,650			4,197,99	320		
3. Maintenance	1,180,348	24,747	1,042,205			1,579,500	2,609,59		
4. Rent and storage	—	—	—			—	—		
5. Factory supplies, etc.	1,470,87	11,05	2,477,2			201,964	555,18		
6. Water	1,162,299	40,52	1,114,0			1,514,91	6,83		
7. Freight, express and cartage	171,63	248	1,262			1,867,3	360		
8. Material and return goods loss	—	—	—			—	—		
9. Telephone and telegraph	94,83	380	1,557			1,137,2	1,391,2		
10. Traveling expense	30,51	1,37	200			43,88	697,1		
11. Employees' welfare	256,52	46,55	1,211,43			524,50	1,655,50		
12. Royalties and licenses	—	—	—			—	99,00		
13. Laboratory expense	574,678	414,49	2,688,7			545,708	353,06		
14. Laundry	74,45	350,1	1,360			530,6	—		
17. Local administration	641,31	71,50	307,50			1,040,31	233,78		
18. General factory administration	204,000	144,00	108,00			529,200	—		
19. Social Security taxes	601,38	647,3	1,385,53			804,64	11,766		
20. Sundries	(36,648)	137,3	1,711			(63,594)	778,14		
21. Vacation Shutdown	145,271	—	—			148,271	—		
Total Manufacturing Expense	3,922,877	251,477	36,004			454,6395	1,096,015		

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THE GLIDDEN COMPANY
INTERDIVISION SALES - C-P-M AND ORGANIC CHEMICAL DIVISIONS
Fiscal year ended August 31, 1959

	Net Sales	Cost of Sales	Gross Profit	Selling Expense	Interdivision Profit (Loss)	
					Amount	% to Sales
Adrian Joyce	463,431.9	325,084.2	138,347.7		138,347.7	29.85
Hammond	19,333	13,767	5,566		5,566	28.79
Collinsville	94,063	73,187	20,876		20,876	22.19
<u>Total C-P-M</u>	<u>474,775</u>	<u>333,796</u>	<u>140,979</u>		<u>140,979</u>	<u>29.70</u>
Organic Chemical	1,658,752	1,434,169	224,583		224,583	13.52

THE GLIDDEN COMPANY

OTHER INCOME - (DEDUCTIONS) - C-P-M AND ORGANIC CHEMICAL DIVISIONS

Fiscal year ended August 31, 1959

	Adrian Joyce Works No. 32	Hammond No. 27	Collinsville No. 35	Private Ledger No. 30	Total C-P-M	Organic Chemical No. 71	Private Ledger No. 30	Total Organic Chemical
OTHER INCOME								
Recovery of accounts prev. charged off	3767				3767	3767		3767
Interest earned		1749			1749	6		14
Commissions earned						445		445
Rental income - net				1001.55	1001.55		1040.2	1040.2
Royalty income								
Dividends received								
Joint venture income								
Scrap sales	4830	323	2334		8445	91		91
Miscellaneous income	(200)	440			710	817.57	23.56	591.13
Total Other Income	8425	2512	3334	1001.55	11440.6	24651	17758	100409
OTHER DEDUCTIONS								
Idle plant expense								
(Profit) loss capital asset disposal	1125.27				1125.27	2790.9		790.9
Penny elimination	(210)				(110)	(965)		(965)
Miscellaneous deductions						44		44
Premium on Titanium Dioxide Transfers				413.56	413.56			
Total Other Deductions	1125.27			413.56	1537.47	18229		18229
Net Oth. Income (Deductions)	(283.22)	2512	3334	587.99	(3793.46)	54352	17758	82110
Redistributed Items	45774	(2716)	44554		779412	(80841)		(80841)
Total Other Income (Deductions)	(521.22)	(4207)	348430	587.77	736076	(18429)	17758	10663

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THE GLIDDEN COMPANY
DEPRECIATION EXPENSE
Fiscal year ended August 31, 1959

	Adrian Joyce Works No. 32	Hammond No. 27	Collinsville No. 35	Total	Organic Chemical No. 71
Land improvements	12,725.00	507	974	34,031	46,088
Buildings	4,846.60	4,206	6,248	17,511.4	11,731
Building improvements	27,27			27,27	234.8
Railroad sidings	5612	103	166	5881	826
Marine equipment	5592			5592	
Machinery and equipment	14,110.77	4,120.3	2,186.4	16,741.44	60,284.2
Furniture and fixtures	2,446.8	2085	1,994	12,847	10,488
Autos and trucks	23503			23503	585
Sub-Total	211,128.9	48,104	31,246	2,770,719	6,334.28
Transfers					
Total	211,128.9	48,104	31,246	2,770,719	6,334.28
DISTRIBUTION OF EXPENSE					
MANUFACTURING STATEMENT					
Dep. - buildings and yard	54,563.6	5116	7654	55560.6	1,748.2
Dep. - equipment - furn. and fixt.	140,502.6	4049.5	16,991	146,251.2	55,787
Laboratory	20073	410	325	20,608	1,615.3
Heat, light and power	126,654		3,174	129,828	6,982
Maintenance	13,591		1,262	14,853	
Raw material					214.6
Depreciation charged out					
Total	211,078.0	46,021	29,606	2,766,07	65,553.2
OPERATING STATEMENT					
Furniture and fixtures	72	2085	1,220	3577	7876
Rent - office and warehouse			420	420	
Sundries		241		241	
Research		57		57	
Sales development					
Miscellaneous profit and loss:					
Job plant	237			237	
Rental income					
Total	309	235.2	1,640	4,332	7576
Total Expense	211,128.9	48,104	31,246	2,770,719	63,342.8

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THE GLIDDEN COMPANY
 DETAIL - SUNDRY SELLING EXPENSE - C-P-M AND ORGANIC CHEMICAL DIVISIONS
 Fiscal year ended August 31, 1959

	Adrian Joyce Works No. 32	Hammond No. 27	Collinsville No. 35	Total	Organic Chemical No. 71
Bank service charge - check tax					
Conference expense	723	9		9	37
Donations	8165	211	215	723	1107
Messenger service		360		5591	1040
Moving expense	7315			360	5287
Want ads, agency fees	223	41	151	7518	957
Credit reports	2151	530	213	415	1197
Organization dues	3408	136	158	2924	2604
Periodicals, lists, books	785	559	184	3672	2095
Tabulating	1997	1041	1870	1528	
Supper		3		3308	
Public relations				3	301
Sales tax on capital purchases			275	3	354
Social security taxes	11563	1161	2349	275	13647
Tank car rental				14812	7793
Suggestion awards			75	47627	101
Net local recoverable charge-off				75	
Prizes to salesmen	46			46	
Charge-out - Valdosta and Trading Acct.	4728	229	97	4651	< 10552 >
Miscellaneous sundries					
Total Sundries	39674	4280	4967	48921	73257

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THE GLIDDEN COMPANY
INVENTORY - C-P-M AND ORGANIC CHEMICAL DIVISIONS
Final - August 31, 1959

	Adrian Joyce Works No. 32	Hammond No. 27	Collinsville No. 35	Total	Organic Chemical No. 71
Raw material	2798531	283663	56986	337980	749179
In transit raw material			234	234	13872
Feeding material	22054	8801	10048	40903	91364
Miscellaneous	282820	2107	25573	312500	111309
Work in process	416248	266302	48943	731493	723258
Total Raw	3719653	560873	144683	4422509	1588992
Inor. (deor.) over prior month	(237733)	99846	(271610)	(164948)	120601
Inor. (deor.) over Aug. 31, 1958	(1361840)	240878	(56236)	(1071148)	771551
Days Inventory - Aug. 31, 1959	AVG. 105	AVG. 57	AVG. 41	AVG. 91	AVG. 31
Finished stock					
In transit finished stock	1498744	35457	184540	1778721	979558
Warehouse stocks	111862		58274	20736	
Complements	303146	11052	46241	36049	133317
Jobbed stores		51169		51169	21703
Freight and express clearance		361		361	
Total Finished		994		994	
Inor. (deor.) over prior month	1513752	99013	239655	2152420	1134578
Inor. (deor.) over Aug. 31, 1958	185732	(32510)	113611	166833	260233
Days Inventory - Aug. 31, 1959	AVG. 51	AVG. 10	AVG. 67	AVG. 44	AVG. 49
Total Per Division	553495	659586	384338	6577639	3023560
Inor. (deor.) over prior month	(520011)	67456	(13550)	1285	380834
Inor. (deor.) over Aug. 31, 1958	(788758)	117064	21043	(750651)	947527
Days Inventory - Aug. 31, 1959	AVG. 156	AVG. 67	AVG. 108	AVG. 135	AVG. 130
Days Inventory - prior month	161	62	130	139	98
Days Inventory - Aug. 31, 1958	AVG. 232	AVG. 97	AVG. 112	AVG. 189	AVG. 92

C-P-M Days Inventory computed using Regular and Intercompany Comp. of Sales.

Organic Chemical Days Inventory computed using Regular and Trading Account Cost of Sales.

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