

MEETING OF DIRECTORS
OF
THE SHERVIN-WILLIAMS COMPANY.
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7-26-40

Mr. Martin then reviewed the purchase of the Burgess Titanium Unit at Madison, Wisconsin; the expenditures for the acquisition of patents, and expense incurred for research. He indicated technical men who conducted this research now are assured we have a satisfactory product and that the process has been sufficiently developed to warrant going ahead with the erection of a Titanium Unit at Gloucester City, N. J. His recommendation was for an initial unit with a capacity of three thousand (3,000) tons annually, at an estimated cost of \$1,000,000.

On motion by Mr. C. P. Jarden, seconded by Mr. Geo. T. Bishop, and carried, the expenditures for the Titanium Plant, with a capacity of 3,000 tons annually, were approved.

Mr. Martin then asked the Treasurer to outline how the new facilities would be financed. Mr. Schroeder thereupon read figures showing since 1937 additions to plant have not exceeded the amount set aside for depreciation for this period; further, that over the last four years the Company had added approximately \$4,000,000. to its working capital, being the excess of earnings over dividends paid and the redemption of its Preferred Stock amounting to about \$500,000. a year. In view of the strong cash position of the company, which it was assumed would exceed \$8,000,000. on August 31, 1940, it seemed proper to draw on the company's working capital for the financing of these plant extensions.

By order of the Chair the meeting adjourned.


Secretary.

RECORD BOOK PAGE _____ ATTEST _____

SECRETARY

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