FILE NAME: Philip Carey (PC)

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MOODY'S MANUAL OF INVESTMENTS

AMERICAN AND FOREIGN

INDUSTRIAL SECURITIES

1950

MOODY'S INVESTORS SERVICE

65 BROADWAY, NEW YORK 6, N. Y.

PHILADELPHIA	BOSTON	CHICAGO	LOS ANGELES	PITTSBURGH	SAN FRANCISCO
Stock Exchange Bldg.	75 Federal St.	105 W. Adams St.	Hollingsworth Bldg.	Union Trust Bldg.	Russ Bldg.

LONDON: MOODY'S INVESTORS SERVICE, LTD.

Balance Sheet, as of Nov. 30:

Assets:	1949	1948
Cash	$1,010,241	$846,920
Receivables net	578,174	799,113
Inventories, cost	1,184,443	1,503,117
Total current	$2,772,858	$3,149,150
Bldgs. & equip.	891,694	878,104
Depreciation	272,834	250,147
Net property	618,861	627,957
Land	64,044	64,044
Inv. Canada affil.	21,746	19,965
Patents, etc.	1	1
Life ins., cash val.	11,039	--------
Other assets	20,296	6,637
Prepayments	14,024	10,110
Total	$3,522,868	$3,877,864
Liabilities:		
Accounts payable	$145,510	$278,934
Empl. prof. sh. fd.	128,269	155,067
Accruals, etc.	137,301	156,290
Fed. inc. tax res.	156,986	346,931
Total current	$568,066	$937,222
Inventory res.	300,000	300,000
Capital stock ($1)	128,717	128,717
Paid-in surplus	660,146	660,146
Earned surplus	1,894,878	1,851,779
Total	2,683,741	2,640,642
[1]Reacq. stock	28,939	--------
Net stk. & surp.	2,654,802	2,640,642
Total	$3,522,868	$3,877,864
Net current assets	$2,204,792	$2,211,928

[1]2,100 shares at cost.

Accounts certified, Barrow, Wade, Guthrie & Co.

Capital Stock: 1. Binks Manufacturing Co. stock; par $1:

AUTHORIZED—200,000 shares (increased from 120,000 shares Mar. 31, 1937); outstanding, 126,-617 shares (including 1,339 shares held for exchange of old class A stock); in treasury, 2,100 shares; par $1.

ISSUED—In 1936 in accordance with recapitalization plan, 20 shares for each $100 of debentures, share for share for class A preference and one share for each 4 class B shares.

DIVIDENDS PAID—

1936	$0.75	1937	$0.70	1938	$0.10
1939	0.25	1940–41	0.60	1942	0.25
1943–44	0.60	1945	0.75	1946	nil
1947	1.20	1948	1.40	1949	1.50
[1]1950	0.90				

[1]To April 2.

OFFERED—(25,000 shares) at market in May, 1937, by Fusz-Schmelzle & Co., St. Louis. Proceeds used for expansion and additional working capital.

TRANSFER AGENT—City National Bank & Trust Co., Chicago.

REGISTRAR—First National Bank, Chicago.

LISTED—On Midwest Stock Exchange.

PRICE RANGE—	1949	1948	1947	1946	1945
High	14	15½	17¾	30½	23¾
Low	10	9½	11⅝	14½	7¼

CAREY (PHILIP) MANUFACTURING CO.

History: Incorporated under Ohio laws, Feb. 14, 1888. In Jan., 1942, company merged Carey Co., a subsidiary.

Business: Manufactures and sells asbestos-cement shingles and siding, asbestos-cement flat and corrugated roofing and siding, asbestos-cement wallboard and sheathing, asphalt shingles, roll roofing and siding, asphalt tile flooring, bridge plank, builtup roofings, Careyduct (air conditioning duct), expansion joints, industrial and rock wool insulations, Miami-Carey bathroom cabinets, accessories and electric bathroom heater, pipeline felt, roof coatings and cements, waterproofing materials and household fans.

Properties: Plants located at Lockland and Middletown, Ohio; Perth Amboy, N. J.; Plymouth Meeting, Pa.; and Lennoxville, Que. Asbestos mines and mills, East Broughton, P. Q. Canada.

Company has sales offices in many cities of the United States.

Lesher division (manufacturers of wiping rags) with plant at Hamilton, O. was sold in 1947.

Subsidiaries: General Magnesite and Magnesia Co., Quebec Asbestos Corp., Ltd. and Philip Carey Co., Ltd.

Officers: R. S. King, Chairman; J. W. Humphrey, Pres.; H. R. Barrett, Vice-Pres. and Contr.; C. B. Pooler, Vice-Pres. (Mfg.); L. W. Clarke, Vice-Pres. (Sales); W. L. Steffens, Vice-Pres.; E. J. Fasold, Sec.; S. E. Breuleux, Treas and Asst. Sec.

Directors: H. R. Barrett, J. W. Humphrey, R. S. King, C. C. Merrifield, C. B. Pooler, J. J. Rowe, G. A. Rentschler, L. W. Clarke, H. E. Coombe.

General Counsel: Taft, Stettinius and Hollister.

Annual Meeting: Last Monday in March.

No. of Stockholders: Dec. 31, 1949: Preferred, 625; common, 3,510.

No. of Employees: Dec. 31, 1949, 3,387.

General Office: Lockland, Cincinnati 15, O.

New York Office: Lincoln, Bldg., 42nd Street.

Retirement Plan: Under terms of employees retirement plan company at Dec. 31, 1949 had a liability of $562,417 for contributions for past service which is payable over 19 years.

Consolidated Income Account, years ended Dec. 31:

	1949	1948
Net sales	$39,902,929	$45,180,477
Cost of sales	30,593,135	39,432,529
Selling, etc., exp.	4,607,620	
Operating profit	4,702,174	5,747,948
Other income	67,224	63,789
Total income	4,769,398	5,811,737
Interest & amort.	196,707	132,193
Can. exch loss	65,703	--------
Pension trust res.	179,382	168,246
Loss, prop. sold	29,537	79,625
Other deductions	75,763	103,396
Income taxes	1,666,000	2,110,000
[2]**Net profit**	2,556,306	3,218,277
Contingency res.	--------	200,000
Balance	2,556,306	3,018,277
Earn. surplus, 1-1	8,586,992	6,627,039
5% pfd. divs.	93,660	93,660
Common divs.	1,274,725	1,234,463
Credits	44,873	[1]269,799
Contingency res.	cr 244,751	--------
Pr. yrs inc. tax	161,394	--------
Other debits	1,668	--------
Earn. surpl., 12-31	9,901,475	8,586,992
Earn., pfd. share	$136 52	$171.81
No of pfd. shares	18,725	18,732

[1]Proceeds of insurance life of deceased officer.

[2]After depreciation (1949, $810,347).

Sales & Earnings, years to Dec. 31 (in $):

	Net Sales	Net Profit	No. of Shares	Earn. on Com.
1949	39,902,929	2,556,306	800,000	3.08
1948	45,180,477	3,018,277	796,428	[1]3.67
1947	41,567,101	2,806,692	796,428	3.41
1946	40,340,679	2,149,411	796,428	2.58
1945	30,586,005	648,663	390,114	1.42
1944	28,942,110	709,716	390,114	1.58
1943	28,956,035	765,902	390,180	1.72
1942	26,043,707	717,331	390,180	1.58
1941	25,273,189	1,364,848	390,806	3.23
1940	15,677,338	424,058	394,741	0.81

[1]After contingency reserve. Before would be $3.92.

Consolidated Balance Sheet, as of Dec. 31:

Assets:	1949	1948
Cash	$2,269,376	$3,890,968
Govt. securities	1,550,343	1,053,930
Receivables, net	4,351,023	4,987,340
[1]Inventories	5,267,914	5,119,243
[2]Contr. in prog.	245,992	313,034
Total current	$13,684,648	$15,364,515
Land, bldgs., etc.	25,099,913	22,968,690
Depr. & depl., etc.	10,649,424	10,077,405
Net property	14,450,489	12,891,285
Mineral lds., etc.	145,497	145,497
Depletion	24,414	24,414
Net min lds., etc.	121,083	121,083
Construction	2,890,605	2,013,627
Life ins., cash val.	22,288	21,160
Tax claims	40,828	133,570
Misc. receivables	151,190	218,134
Deferred charges	259,005	237,818
Total	$31,620,136	$31,001,192
Liabilities:		
Accounts payable	$1,244 429	$1,298,556
Accr. payrolls, etc.	488,501	585,591
Accr. taxes, etc.	201,354	169,707
Inc. tax reserve	1,548,672	1,888,220
Sink. fund due	425,000	--------
Total current	$3,907,956	$3,942,074
Deb. 3¼s, 1962	5,575,000	6,000,000
Conting. reserve	270,000	595,000
Roofing guar. res.	400,000	300,000
Misc. reserve	130,000	195,000
5% pfd. stk. ($100)	1,872,500	1,873,200
Common stk. ($10)	8,000,000	7,964,280
Paid-in surplus	1,563,205	1,544,646
Earned surplus	9,901,475	8,586,992
Total	$31,620,136	$31,001,192
Net current assets	$9,776,692	$11,422,441

[1]Generally at standard costs which were not in excess of market.

[2]Less advance billings: 1949, $654,713; 1948, $1,490,788.

Accounts certified, Haskins & Sells.

Bonded Debt: 1. Philip Carey Mfg. Co. sinking fund debenture 3¼s, due 1962:

AUTHORIZED—$6,000,000; outstanding, Dec. 31, 1949, $5,575,000.

DATED—Nov. 1, 1947.

MATURITY—Nov. 1, 1962.

INTEREST—M&N 1 at office of trustee. Principal and interest payable in U. S. legal tender.

TRUSTEE—Chase National Bank, New York.

CALLABLE—As a whole, or in part by lot at 102¾ to Oct. 31, 1950; premiums decreasing thereafter.

Also callable for sinking fund (which see) at 100.

SINKING FUND—Annually (a) Oct. 31, 1950-61, incl., sufficient to redeem on next ensuing Nov. 1, $325,000 of debentures, and (b) April 30, 1950-62, incl., 10% of consolidated net income (to next highest multiple of $5,000) for next preceding fiscal year but not to exceed $100,000; to redeem debentures.

SECURITY—Not secured by any lien.

DIVIDEND RESTRICTIONS—Company will not declare any dividends (except in stock, and on preferred) or make any distribution on or acquire for value (except in exchange for or from proceeds of stock) unless thereafter (1) consolidated net working capital is at least $7,500,000; (2) consolidated current ratio (as defined) is at least 2 to 1; and (3) consolidated net income from Jan. 1, 1947 exceeds the greater of all such disbursements (including preferred dividends) plus fixed debenture sinking fund payments.

PURPOSE—Proceeds used to retire debenture 3¾s, due 1954, and for capital improvements.

OFFERED—($4,000,000) sold privately in Nov., 1947 and $2,000,000 in Dec. 48, to Equitable Life Assurance Society of the United States.

Capital Stock: 1. Philip Carey Mfg. Co. 5% cumulative preferred, initial series; par $100:

AUTHORIZED—All series 75,000 shares; this series, 20,000 shares; outstanding, Dec. 31, 1949, 18,725 shares; in treasury, 850 9/20 shares; par $100.

PREFERENCES—Has preference for assets and dividends.

DIVIDEND RIGHTS—Entitled to cumulative dividends at rate of $5 per share annually payable quarterly Jan. 1, etc.

DIVIDEND RECORD—Initial quarterly dividend of $1.25 paid Sept. 29, 1945 and regularly thereafter.

VOTING RIGHTS—Has no voting power unless four quarterly dividends are in arrears, when preferred, voting as a class, shall be entitled to elect two directors.

Consent of two-thirds of preferred necessary to increase authorized preferred or create any security having, or convertible into shares having, priority or parity with preferred except for retirement of preferred.

LIQUIDATION RIGHTS—In liquidation, entitled to current redemption price if voluntary and to $100 per share if involuntary, plus accrued dividends in all cases.

PREEMPTIVE RIGHTS—None.

CALLABLE—As a whole or in part on not less than 30 nor more than 90 days' notice on any dividend date to July 1 incl. as follows: 1948, $110; 1951, $107.50, and thereafter at $105 per share, plus dividends in all cases.

ADDITIONAL PREFERRED—May be issued in any series at any time provided that thereafter net tangible assets would be at least 2½ times funded debt plus outstanding preferred.

PURPOSE—Issued in June, 1945, in exchange for former outstanding $100 par 6% and 5% preferred on basis of 1¼ new shares for each 6% preferred share and on a share-for-share basis for the 5% preferred according to recapitalization plan.

PRICE RANGE—	1949	1948	1947	1946	1945
High	95	101	109	110	108
Low	85	96	100	106	105

2. Philip Carey Mfg. Co. common; par $10:

AUTHORIZED—1,500,000 shares; outstanding, Dec. 31, 1949, 800,000 shares, par $10 (changed from $100 par to no par in July, 1937; five no par shares issued for each $100 par share; from no par to $20 par in June, 1945, share for share and to $10 par in Sept., 1946, two $10 shares issued for each $20 share).

VOTING RIGHTS—Has exclusive voting power.

DIVIDEND RESTRICTIONS—See debenture 3¼s above.

DIVIDENDS PAID—

On $100 par shares:

[1]1909–13	$5.00	1914–16	Nil	[1]1917–26	$6 00
[1]1927–31	8.00	1932	$2.25	1933–35	Nil
1936	0.25	1937	0.75		

On no par shares:

1937	0.25	1938–39	nil	1940	0.10
1941	0.65	1942–44	0.60	1945	0.30

On $20 par shares:

1945	0.40	1946	0.40

On $10 par shares:

1946	0.70	1947	1.10	1948	1.55
1949	1.60	[2]1950	0.40		

[1]Paid stock dividends as follows: 1902, 300%; 1906, 105%; 1920, 50%; 1922, 30%; 1929, 2%.

[2]To April 1.

PRICE RANGE—	1949	1948	1947	[1]1946	1945
High	16¼	21	20½	20¼	35
Low	9¾	15¾	14¼	13½	18

[1]$10 par shares; $20 par, 44½-33.

Transfer and Dividend Disbursing Agent: Fifth Third Union Trust Co., Cincinnati.

Registrar: Preferred, Fifth Third Union Trust Co., Cincinnati; common, First National Bank, Cincinnati.

CENTRAL CHEMICAL CORP.

History: Incorporated in Maryland Dec. 23, 1947 pursuant to consolidation of Central Chemical Corp. of Maryland and Central Chemical Corp. of Pennsylvania. Business established in 1910.

Business: Manufactures and distributes fertilizer, insecticides, paint and livestock feed.

Property: Owns plant at Hagerstown, Md., on 30-acre site; also plants at Butler, Everett, Gettysburg, Milton and Lebanon, Pa.; with combined annual capacity of 120,000 tons of fertilizer and 21,500,000 lbs of insecticides. The Lebanon plant is subject to a purchase option granted to Central Chemical Corp. of Lebanon, a subsidiary.

Central Chemical Corp. of Virginia, a subsidiary, owns plants at Harrisonburg, Crimora and Oranda, Va., with combined annual capacity of 15,000 tons of fertilizer and 5,-000,000 lbs. insecticides; also capacity for processing 22,000 tons of livestock feed.

Subsidiaries: Central Chemical Corp. of Virginia, 97% owned; Central Mills, Inc., Wholly-owned; Central Chemical Corp. of Lebanon, 50% owned. Company owns 75% of voting stock and 45 shares ($10 par) preferred of Barker Chemical Co.