



THE GLIDDEN COMPANY

*shareholder information
and dividend notice*

July, 1962

N 2170

GLD002412

Summer Promotion Features Credit Plan

Most people recognize the warm spring and summer months as the best time to paint their homes, and Glidden is in the midst of an intensive advertising and sales promotion program to bring these customers to Glidden dealers and company stores for their painting needs.

A special feature this year is a "Paint Now - Pay Later" plan, which offers the homeowner liberal credit terms for purchase of paints and related items.

Easy credit terms can be a significant factor in persuading potential customers not only to use Glidden products, but also that painting their houses need not be an unusual

The laboratory is vital in the development and quality control of all Glidden paints. Outside the lab, exterior field tests are made in widely scattered geographical areas to test the paints under various kinds of weather. Professional painters also test the products to evaluate ease of brushing, hiding qualities and all-round performance.



financial drain. Glidden customers will have six months to pay, no interest, down payment or carrying charges. We tested the credit plan last year in ten cities. Results were successful, and this year it is being promoted nationally.

Glidden offers a house paint for virtually every need and application. This year's campaign is designed to increase the sales of these products, all with familiar names: Spred House Paint, Endurance House Paint, Endurance Non-Chalking Trim, Endurance Mildew and Fume Resistant Paint, Endurance Velvet, Endurance Imperial One-Coat, and Spred Glide-On.

Spred House Paint, Glidden's acrylic latex paint, is receiving a major portion of the promotional effort. It features many qualities to make it especially attractive to the householder who has experienced blistering and peeling of old paint.

Blistering is caused by moisture. It is estimated that the amount of moisture vapor added to the air in a household of four may be as much as six gallons of water a day. This moisture comes from use of hot water for showers, laundry units, cooking and uncounted other kitchen and household activities. Even breath contains moisture.

Moisture-laden air, especially in the cold winter months, seeks a low pressure area, such as the colder outside air. Finding its way into the inner wall area of a structure, moisture condenses on the back side of the cooler outside wall, accumulates until the wood fibers are saturated, and then moves to the outer surfaces of the wood. Heating and sun aid this movement, creating vapors with sufficient steam-like pressure to blow blisters in the paint. These blisters soon dry out, crack and peel.

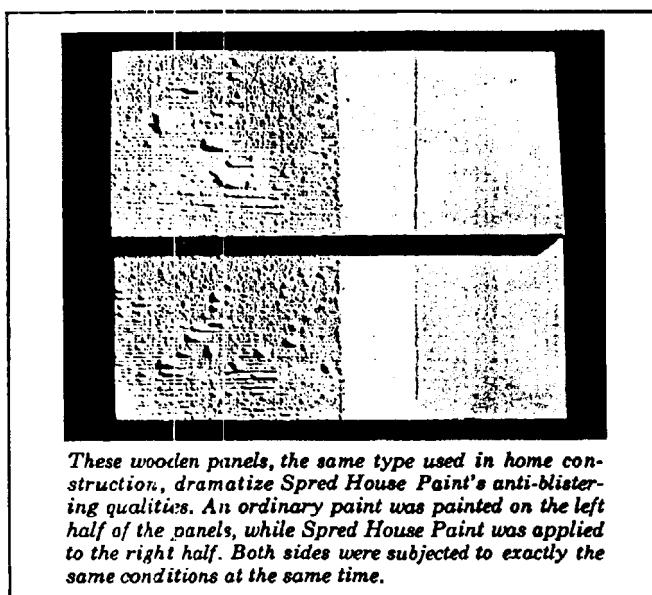
The latex film of Spred House Paint literally "breathes," allowing the moisture to escape without breaking the protective skin of paint.

However, in order to enjoy the full benefits of Glidden's Spred House Paint, the old peeled or blistered oil-based paint must be scraped and sanded down to the bare wood. Customers who apply this product correctly are assured that blistering problems are over.

For areas such as Florida, southern California and other warm regions where masonry houses are common, Spred Glide-On vinyl latex paint is receiving intensive promotion. Spred Glide-On, with many of the same characteristics as Spred House Paint, is formulated for application on brick, stucco, concrete and asbestos shingle siding, and

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lets the surface "breathe" to reduce blistering and peeling. It is especially resistant to fading — a feature especially important in warm, sunny climates — and it holds up well under extremes of heat and cold, salt water spray, mildew, smog and chemical fumes. It can also be used as a finish for basement painting.

In addition, Glidden is actively promoting a full line of Endurance products:

- Endurance House Paint is a well-established oil-base product. It comes in many colors, has excellent hiding characteristics, is self-cleaning and long-lasting.
- Endurance Imperial white, especially designed for one-coat paint jobs, gives extra hiding and coverage with a "built-in" second coat. It is self-cleaning and will last for several years' hard use.
- Non-Chalking Trim white will not chalk or streak on masonry or dark painted areas. It can be tinted to obtain modern pastel tones.
- Mildew and Fume Resistant white protects against chemical fumes, salt spray, heavy smog, smoke or mildew.
- Pastel-toned Velvet gives a flat finish for shingles, shakes and siding. It has a breather-type finish to guard against blistering, flows on easily and dries in an hour. It is available in white and 24 pastel tones.



Spred House Paint is applied as easily as Spred Satin. It has little brush drag, dries dust- and bug-free and rainproof in 20 minutes. Painting tools can be easily cleaned with soap and water. It can be applied to wood siding, shingles, stucco, concrete or metal and is offered in white and 38 colors.

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President's Letter

June 29, 1962

To the Shareholders:

Net sales for the nine months which ended May 31, 1962, were \$172,709,305 compared with sales of \$148,393,233 for the similar period in the previous fiscal year.

Net income for this period amounted to \$4,164,807 equal to \$1.68 per share after providing for preferred dividend requirements. Last year, net income for the similar nine months was \$3,386,279 or \$1.47 per share.

The figures for the current year include operating results of Pemco Corporation which was acquired through a pooling of interests.

For the full nine months, net sales were up 16 per cent and net income increased 23 per cent. During the third quarter, sales increased 14 per cent and net income 8 per cent. This slowdown in the rate of gain was anticipated since we experienced a very rapid business recovery in the spring of 1961 and are now comparing against the better operating results obtained during the latter part of the past fiscal year. Both the Chemicals and the Foods Groups registered sizeable gains in sales and profits. While sales of the Coatings and Resins Group also increased, a reduction in margins resulted in lower profits for the third quarter.

The regular cash dividend of fifty cents a share was declared at the May meeting of the Board of Directors. It is payable July 2, 1962, to shareholders of record at the close of business June 8, 1962.



Chairman and President

**CONSOLIDATED INCOME STATEMENT
THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY**

	Nine Months Ended May 31, 1962	Nine Months Ended May 31, 1961
Net sales	\$172,709,305	\$148,393,233
Operating costs:		
Cost of products sold	\$128,708,012	\$109,199,551
Selling and administrative expense	35,091,747	31,786,598
	<u>\$163,799,759</u>	<u>\$140,986,149</u>
Income from Operations	\$ 8,909,546	\$ 7,407,084
Other income — net	783,011	646,632
Interest expense	1,068,750	1,113,437
Income before Income Taxes ...	\$ 8,623,807	\$ 6,940,279
Provision for income taxes	4,459,000	3,554,000
Net Income	<u>\$ 4,164,807</u>	<u>\$ 3,386,279</u>
Net income available per common share after providing for seven months' preferred dividend re- quirement	\$1.68	\$1.47

This is an unaudited interim statement.