Organic Materials Group

(S Millions)	1978	1977	1976	1975	1974
Sales	**$482.5**	$427.8	$384.4	$323.3	$285.8
Operating profit	**$ 43.3**	$ 48.0	$ 53.0	$ 47.6	$ 47.2
Other income	**.2**	1.8	2.8	1.8	1.6
Operating income	**$ 43.5**	$ 49.8	$ 55.8	$ 49.4	$ 48.8
Total assets	**$316.2**	$282.5	$216.9	$174.3	$150.6
Depreciation	**$ 18.3**	$ 14.5	$ 12.0	$ 8.6	$ 6.9
Capital investment	**$ 65.1**	$ 46.4	$ 34.0	$ 26.6	$ 27.3

See also Table 4 on page 51.

1978 Operating Review

- Operating income decreased by 13% on a sales increase of 13%. Although severe winter weather and effects from the prolonged coal strike contributed to the decline, the major impact resulted from production problems and equipment write-offs that significantly reduced sales and profits of important industrial chemicals.
- Income improved for industrial products—foundry coke, creosote and carbon pitch. All coke produced in 1978 was shipped as a result of strong demand in the foundry market, but the volume was slightly lower than in the prior year because of coal shortages due to strikes in the coal and rail industries and to a high inventory position that benefited

"Our aggressive expansion program in new and upgraded facilities has created an efficient manufacturing base in a set of highly capital-intensive businesses."
—Edward D. Losch, President