Annual Report
1930

THE SHERWIN-WILLIAMS CO.

THE SHERWIN-WILLIAMS CO.
GEORGE A. MARTIN
PRESIDENT

To the Stockholders:

Herewith is the Annual Report for the fiscal yea[r] ending August 31, 1930, consisting of a Certifie[d] Balance Sheet, Statement of Consolidated Income together with an Analysis of the Consolidated Sur[-] plus Account.

The Balance Sheet shows on hand $7,223,638.5[7] in cash and United States Government Securities, an[d] no indebtedness to banks—the strongest cash posi[-] tion in the history of the Company. Its cash resource[s] alone exceed by $4,380,000 all its liabilities.

Total Sales were $75,010,471.00, a decrease o[f] 8.8% under $82,266,035.00 for last year.

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Net Profits for the year were $3,551,294.29.

The amount earned on the outstanding Common Stock as of August 31, 1930, was $4.14 per share. This Net Profit compares with $6,019,475.17 for the previous year, or $8.25 per share on the Common. The loss is due entirely to the condition of the times, including the writing down of inventories to market prices where they were less than cost.

Our Organization has been adjusted to meet the conditions.

Properties have been maintained to the standard of highest efficiency, as well as economy in operations and, as has been the custom, additions have been made where they would prove profitable to the business.

During the month of March this year, the Company acquired all of the Common Stock of John Lucas & Company, Inc., an old established Institution with a splendid organization, and reasonably large distribution of goods of quality carrying with it much good will.

The Organization in all sections and departme of the business has given its best in faithful a wholehearted service, and has left nothing unde to serve the Company in every possible way in me ing the depressing conditions which confronted industry during the year in question.

The results for the first month of our new fis year show a rather healthy improvement, and unl something very unforeseen presents itself, we exp satisfactory results for the year closing August 1931.

Yours very truly,

Cleveland, Ohio
October 17, 1930

CONDENSED CONSOLIDATED BALANCE SHEET

THE SHERWIN-WILLIAMS COMPANY—CLEVELAND, AND SUBSIDIARIES

As of the close of business August 31, 1930.

Assets

CURRENT		
Cash, including Certificates of Deposit	$ 6,372,047.57	
U. S. Government Securities	851,591.00	
Notes and Acceptances Receivable	318,400.13	
Accounts Receivable	8,327,368.79	
Inventory—Raw Materials and Supplies, In Process and Finished Merchandise	12,475,895.95	
		$28,345,303.44
INVESTMENTS IN ASSOCIATED COMPANIES, ETC.		932,358.53
OTHER ASSETS		
Miscellaneous Notes and Accounts Receivable, Claims, Advances, etc.	$ 262,550.13	
Advances to Associated Company	324,256.27	
		586,806.40
PLANTS AND EQUIPMENT		
Depreciated Book Value		17,547,624.66
PATENTS AND TRADE MARKS		
Valued at $1.00 each on books		267.00
DEFERRED		
Advertising Stock, Stationery, etc.	$ 652,482.46	
Prepaid Insurance, Taxes, etc.	235,260.04	
		887,742.50
		$48,300,102.53

NOTE—The Companies were reported as being contingently liable at August 31, 1930 on letter of credit and discounted items in the amount of $19,893.72.

Liabilities

CURRENT			
Accounts Payable		$ 760,438.68	
Preferred Dividends—Payable September 1, 1930		224,448.00	
Accrued Federal Income, State and County Taxes, etc.		902,849.42	
Deposits—Officers and Employees		955,862.55	
			$ 2
RESERVES FOR CONTINGENCIES, ETC.			
CAPITAL STOCK OUTSTANDING			
Series "AA" 6% Cumulative Preferred (149,632 shares par value $100.00 each)	$14,963,200.00		
Less: In Treasury 778 shares	77,800.00		
		14,885,400.00	
Common (635,583 shares — par value $25.00 each)		15,889,575.00	
		$30,774,975.00	
CONSOLIDATED SURPLUS			
Balance August 31, 1930		13,897,344.77	
			44
			$48

WE HEREBY CERTIFY, that we have examined the general books of account and record pertaining to the Assets and Liabilities of THE SHERWIN-WILLIAMS COMPANY—CLEVELAND, AND SUBSIDIARIES, as of the close of business August 31, 1930, and that, in our opinion, subject to the inclusion of Permanent Assets at book value without independent appraisal, the above Consolidated Balance Sheet sets forth the financial position of the Companies at the date named.

October 17, 1930

ERNST & ERNST,
Certified Public Accountants.

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CONSOLIDATED INCOME STATEMENT

For the Fiscal Year Ended August 31, 1930

Trading Profit		$5,179,717.29
Interest and Dividends from Investments and Other Miscellaneous Income . .		244,771.00
		$5,424,488.29
Deductions:		
Plant Depreciation and Maintenance . . .	$1,443,194.00	
Federal Taxes . . .	430,000.00	
		1,873,194.00
Final Net Profit		$3,551,294.29

ANALYSIS OF CONSOLIDATED SURPLUS ACCOUNT

For the Fiscal Year Ended August 31, 1930

Surplus—August 31, 1929			$14,631,186.67
Add—Net Profit for year ended August 31, 1930			3,551,294.29
			$18,182,480.96
Deduct:			
Dividends paid on Preferred Stock . . .		$ 918,618.00	
Dividends paid on Common Stock . . .		2,858,404.89	
		$3,777,022.89	
Reserve for Contingencies . .		500,000.00	
		$4,277,022.89	
Premium in redemption of Preferred Stock . $24,265.30			
Less: Premium on Common Stock .	16,152.00	8,113.30	
			4,285,136.19
Surplus—August 31, 1930			$13,897,344.77

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THE SHERWIN-WILLIAMS CO.

101 Prospect Ave. N. W. *Founded 1866* Cleveland, Ohio

Manufacturers of

Paints, Varnishes, Colors, Stains, Enamels, Lacquers, Lead Products, Dyes, Chemicals, Lithopone, Litharge, Dry Colors, Insecticides, Coal Tar Products, Disinfectants, Cleaners, Polishes.

Main Plants

Cleveland - Chicago - Dayton - Detroit - Newark
Oakland - Bound Brook - Lincoln - Dallas
Los Angeles - Boston

Sales Offices and Warehouses in Principal Cities

Directors

C. G. BULL	C. P. JARDEN	E. M. RICHARDSON
HARRIS CREECH	D. A. KOHR	E. T. TRIGG
CYRUS EATON	GEO. A. MARTIN	H. D. WHITTLESEY
H. J. HAIN	Z. E. MARTIN	E. M. WILLIAMS
	L. W. WOLCOTT	

Officers

GEO. A. MARTIN, *President*
H. D. WHITTLESEY, *First Vice President*
C. G. BULL, *Vice President*
L. H. SCHROEDER, *Treasurer*
A. W. STEUDEL, *Vice President*
T. G. MURPHEY, *Secretary*

Transfer Agents

CLEVELAND TRUST COMPANY
Cleveland, Ohio

BANKERS TRUST COMPANY
New York, N. Y.

Registrars

UNION TRUST COMPANY
Cleveland, Ohio

GUARANTY TRUST COMPANY
New York, N. Y.

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