1930

THE GLIDDEN COMPANY

GLIDDEN

FACTORIES:

CLEVELAND NEW YORK CHICAGO ST. LOUIS SAN FRANCISCO
NEW ORLEANS SCRANTON READING BALTIMORE MINNEAPOLIS TORONTO

CLEVELAND, OHIO

TO THE PRIOR PREFERENCE STOCKHOLDERS OF
THE GLIDDEN COMPANY:

Enclosed with this letter you will find a notice of a special meeting of the holders of the Prior Preference Stock of The Glidden Company together with Proxy for use at that meeting. I feel it is very important for the future growth and development of our Company that we have the prompt approval of the holders of our Prior Preference Stock of our new financing program.

I wish to explain that during the calendar year 1929 the Company increased its capital assets by the acquisition of additional manufacturing and distributing facilities for the Paint Division, the Chemical and Pigment Division and Food Products Division in the amount of $7,464,606. The inventories appertaining to these acquisitions required an expenditure in the amount of $3,489,955, the total expenditure for all these items being $10,954,561. Through the sale of 174,347 shares of the common stock of the Company to its shareholders last year, the sum of $7,042,350 was realized; the difference between this sum and the expenditures above noted amounts to $3,912,211 which was taken out of the current assets of the Company.

The purpose of the proposed issue of Debentures, to an amount not exceeding $6,000,000, is that the Company's treasury may be reimbursed for these expenditures, that our outstanding bank indebtedness may be eliminated and our working capital increased.

Our present Prior Preference Stock was issued on April 30, 1924 and since that time the Company has enjoyed a tremendous growth. At the date of issue of our Prior Preference Stock the value behind each share of Prior Preference Stock, according to our Balance Sheet of that date, was $166.30. On March 31, 1930 the value behind each share of Prior Preference Stock, according to our Balance Sheet of that date, was $369.50, an increase in the net value behind each share of Prior Preference Stock of $203.20 per share in this five-year period. Net Current Assets of the Company as of March 31, 1930 were $109.60 for each share of Prior Preference Stock.

I feel sure that our Prior Preference Stockholders will heartily favor the elimination of bank indebtedness and the strengthening of our working capital position, and I shall very greatly appreciate it if each Stockholder will promptly sign the enclosed Proxy and return it to our Secretary by first mail. Please do not delay this.

Thanking you for your cooperation, I am

Yours truly,

ADRIAN D. JOYCE,
President.

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