

MOODY'S

INDUSTRIALS

JOHN MOODY

1932

AMERICAN AND FOREIGN

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31

	1931	1930	1929
Sales	\$17,452,998	\$18,071,748	\$16,944,623
*Net profit	857,840	852,344	1,136,535
Preferred dividends	182,008	187,487	195,709
Common dividends	215,000	267,417	214,523
†Surplus	\$89,834	\$274,440	\$878,384
Earned per share, 1st pd.	\$25.13	\$48.10	\$61.48
Earned per share, 2nd pd.	4.01	6.92	9.51
Earned per share, common	1.78	3.21	4.72
1st pd. shares outstanding	17,580	18,558	18,200
2nd pd. shares outstanding	110,000	110,000	110,000
Common shares outstanding	210,000	210,000	210,000

* After deducting operating expenses, depreciation and Federal taxes. † Before credit adjustments: 1931, \$2,522; 1930, \$29,373; 1929, \$4,812.

CONSOLIDATED BALANCE SHEET, AS OF DEC. 31

	1931	1930
ASSETS:		
†Real property	\$1,453,921	\$1,459,792
†Machinery, fixtures, improve, etc.	1,612,848	1,597,202
Leaseholds (at cost), less amort.	517,951	167,088
Good-will	1	1
Investments in associated cos.	14,420	14,420
Cash	963,244	812,722
Accounts receivable (net)	2,174,468	2,055,116
Inventories	46,009	44,788
Cash value insurance	181,741	811,779
Adv. to assoc. cos. on sales purch.	26,526	26,526
Other assets	14,377	17,954
Employees stock subscriptions	19,322	19,728
Deposits on leaseholds, etc.	86,243	124,625
Prepayments	77,861,149	77,873,667
Total	\$7,861,149	\$7,873,667

	1931	1930
LIABILITIES:		
First preferred stock	\$1,788,000	\$1,824,200
Second preferred stock	1,100,000	1,100,000
*Common stock	930,000	930,000
Real estate mortgages	640,750	840,750
Lease deposits	650,496	809,094
Accounts payable and accrued	97,428	499,699
Notes and loans payable	129,674	129,674
Reserve for taxes	2,877	167,281
Dividends payable	89,873	7,500
Mortgage term loans	850,197	817,269
Mortgage deposits	1,576,611	1,518,446
Paid in surplus	77,361,149	77,873,667
†Earned surplus	\$8,714,812	\$8,428,863
Current assets	928,498	2,892,213
Current liabilities	\$8,792,648	\$8,893,846

* Represented by \$10,000 no par shares. † Less depreciation. ‡ Includes \$14,850 reserve for redemption of preferred stock. § At cost or market, whichever lower.

CAPITAL STOCK: 1. Diamond Shoe Corp. 6 1/2% cum. preferred: Authorized, \$5,000,000; outstanding, Dec. 31, 1931, \$1,786,000; in treasury, \$169,000; par \$100.

Has preference as to assets and dividends. In any liquidation entitled to 110 and dividends. Callable as a whole or in part on any dividend date on 80 days' notice at 110. Preferred may also be purchased or called for the sinking fund (which see). Entitled to exclusive voting power in the election of a majority of directors on default of six quarterly dividends. Sinking fund payable annually beginning July 1, 1929 of 3% of aggregate preferred thereafter issued to be used for purchase and/or redemption of preferred on Jan. 1 following. Additional preferred may be issued providing requirements in regard to earnings and assets are complied with. Without consent of three-fifths of preferred, corporation shall not (a) authorize or issue any new class of stock having priority or on an equality herewith, (b) change preference of preferred, (c) create any mortgages, liens or funded indebtedness maturing in more than twelve months, with exceptions as to purchase money mortgages, acquisition of property subject to mortgages and pledges of liquid assets in ordinary course of business. Holders of preferred have no preemptive rights to subscribe for additional issues of stock or securities of any class. Initial dividend of 1.62 1/2% paid Oct. 1, 1928. Regular dividends paid quarterly Jan. 1, etc., to stock of record Dec. 20, etc.

WARRANTS: Each preferred share issued with a warrant which entitled holder to subscribe for one share of no par common at \$50 per share on or before Dec. 31, 1931.

Offered (\$2,000,000) in July, 1928 by Merrill Lynch & Co., New York at 104 with warrants as above described.

2. Diamond Shoe Corp. 6% cum. second preferred: Authorized, \$1,100,000; outstanding, \$1,100,000; par \$10. Has second preference for assets and dividends. Callable, subject to rights of 6 1/2% preferred. In liquidation, entitled to \$10.40 per share and dividends. Subject to rights of 6 1/2% preferred (No. 1), callable as a whole or in part by lot at any time on 80 days' written notice at \$10.40 per share and accumulated dividends. Has voting rights with restrictions (see No. 1). Initial dividend of 80 cents per

share paid Jan. 2, 1929. Regular dividends J&J 1 to stock of record D&J 19.

3. Diamond Shoe Corp. common: Authorized, 300,000 shares; outstanding, Dec. 31, 1931, 210,000 shares; in treasury, 2,500 shares; no par. Has voting power with restrictions (see No. 1). Initial dividend of 37 1/2 cents per share paid Apr. 1, 1929, and quarterly thereafter to July 1, 1930, incl.; Oct. 1, 1930, 60 cents, and quarterly thereafter to Apr. 1, 1931, incl.; July 1 and Oct. 1, 1931, 37 1/2 cents each; Jan. 1 and Apr. 1, 1932, 25 cents each. Dividends payable quarterly, Jan. 1, etc., to stock of record Dec. 20, etc.

Transfer Agent: Guaranty Trust Co., New York. Registrar: Chemical Bank & Trust Co., New York. Number of stockholders, April 1, 1932: Preferred, 416; common, 257. Listed on New York Curb Exchange.

PRICE RANGE: 1931, 2 1/4 sale; 1930, 3 1/4-27.

HATHAWAY MANUFACTURING CO.: Incorporated in 1888, under the laws of Massachusetts. Manufacturers of plain and fancy shirtings, satens, twills, etc. Mill located at New Bedford, Mass., is equipped with 70,336 spindles and 3,374 looms.

MANAGEMENT: OFFICERS: Horatio Hathaway, Pres.; J. E. Stanton, Jr., Treas.; Seabury Stanton, Asst. Treas. DIRECTORS: H. H. Crapo, J. B. Strongman, H. Hathaway, H. S. Knowles, J. E. Stanton, Jr. ANNUAL MEETING: Third Thursday in Nov. OFFICE: New Bedford, Mass.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED

	Sept. 26, '31	Sept. 27, '30	Sept. 28, '29
Operating profit	\$77,189	\$23,619	\$108,000
Depreciation	90,000	80,000	81,000
Net income	(12,811)	(57,381)	\$27,000
Dividends	16,000	45,000	\$2,000
Surplus	(12,811)	(12,381)	\$29,000

* Receipts, \$2,110,191, less expenses, \$2,082,660.

COMPARATIVE BALANCE SHEET, AS OF

	Sept. 26, '31	Sept. 27, '30	Sept. 28, '29
ASSETS:			
Property account	\$888,517	\$888,517	\$888,517
Machinery	1,448,824	1,459,650	1,432,567
Inventories	732,598	799,729	892,288
Accounts receivable	128,288	128,288	128,288
Cash	368,189	268,288	21,991
Securities owned		5,997	67,878
Total	\$3,323,208	\$3,351,387	\$3,323,241
LIABILITIES:			
Capital stock	\$1,600,000	\$1,600,000	\$1,600,000
Res. reserve	112,284	112,284	112,284
Res. for dep. of inventories	822,511	799,108	744,523
Depreciation reserve	889,478	740,338	826,977
Total	\$3,323,208	\$3,351,387	\$3,323,241
Current assets	\$1,696,481	\$1,196,679	\$1,169,287
Current liabilities			412
Working Capital	\$1,696,481	\$1,196,679	\$1,169,287

CAPITAL STOCK: 1. Hathaway Mfg. Co. stock: Authorized and outstanding, \$1,600,000 (reduced from \$2,000,000 in June, 1928, by retiring 4,000 shares at par); par \$100. No bonded debt. Dividends at the rate of 10% per annum were paid quarterly, March 1, etc., for a number of years to and including 1916; 1917, 10% cash and 100% stock; 1918, 25%; 1919, 6% in cash and 10% in Liberty Loan bonds; 1920, 20%; 1921, 8%; 1922, 8% cash and 25% stock; 1923, 7%; 1924 to 1927, incl., 6% per annum; March 1, 1928, 1 1/2%; none thereafter to June 1, 1928, when 1% was paid and quarterly thereafter to June 1, 1930, incl.; Sept. 1, 1930, none; Dec. 1, 1930, 1%; none thereafter to April 15, 1932. Quoted in New Bedford, Mass.

PRICE RANGE:	1931	1930	1929	1928	1927	1926
Stock	35-37	45-28	64-44	95-84	110-104	112-96

HAWKEYE PORTLAND CEMENT CO.: Incorporated under the laws of W. Virginia, Jan. 15, 1916, as successor, Feb. 23, 1916 to Iowa Portland Cement Co., incorporated, Aug. 11, 1906. Manufactures, purchases and sells Portland cement. Quarry located at Earlham, Iowa. Plant located at Des Moines, Iowa, has a capacity of 4,500 barrels per day. Annual production about 1,675,000 bbls. Number of employees, Dec. 31, 1931, 157.

MANAGEMENT: OFFICERS: L. F. Crofoot, Pres., Omaha, Neb.; J. H. Colman, Vice-Pres., Minneapolis, Minn.; C. W. Hull, Treas., Omaha, Neb.; C. B. Condon, Sec. and Gen. Mgr., Des Moines, Iowa. DIRECTORS: J. H. Colman, C. B. Condon, Des Moines, Iowa; C. W. Hull, L. F. Crofoot, W. T. Page, Omaha, Neb.; C. E. Colman, La Crosse, Wis.; J. H. Colman, Minneapolis, Minn. GENERAL COUNSEL: L. F. Crofoot, Omaha, Neb. GENERAL AUDITORS: Ernst & Ernst. ANNUAL MEETING: Fourth Wednesday in Feb. GENERAL OFFICE: 802 Hubbell Bldg., Des Moines, Iowa.

COMPARATIVE BALANCE SHEETS, AS OF DEC. 31

	1931	1930	1929
ASSETS:			
*Property and equipment...	\$1,602,217	\$1,562,707	\$1,531,800
Stocks and bonds.....	5,000	2,500	5,500
Cash.....	1,181	1,181	1,181
Marketable securities.....	191,983	977,191	899,933
Inventories.....	888,878	888,878	187,878
Notes & accounts receivable.....	191,748	898,889	878,889
Prepaid items.....	10,884	11,889	4,974
Total.....	\$3,288,864	\$3,706,181	\$3,844,030
LIABILITIES:			
Capital stock.....	\$2,188,878	\$2,188,878	\$2,188,178
Accounts payable.....	89,889	78,878	189,889
Reserves for losses.....	87,889	119,889	119,889
Contingent liabilities.....	897
Surplus.....	21,889	348,843	410,897
Total.....	\$2,288,864	\$2,706,181	\$2,844,030
Current assets.....	\$789,818	\$1,188,889	\$1,219,181
Current liabilities.....	\$1,884	389,814	889,848
Working Capital.....	889,889	889,889	\$1,877,181

* After depreciation and depletion to Dec. 31: 1931, \$1,867,784; 1930, \$1,748,493; 1929, \$1,628,778. † At cost; includes \$300,000 par U. S. Government bonds.

CAPITAL STOCK: 1. Hawkeye Portland Cement Co. stock: Authorized, \$2,500,000 (increased from \$2,000,000 in 1927); outstanding, \$2,185,876; par \$100. Dividends at rate of 10% per annum paid from 1918 to 1921, incl.; 1922, 5%; 1923 to 1930, incl., 10% per annum; March 10, 1931, 2 1/2%; none thereafter to April 26, 1932.

Stock transferred and registered at company's office. Number of stockholders, Jan. 30, 1932, 258.

HERSCHEL (R.) MANUFACTURING CO.: Incorporated in Illinois Oct. 13, 1893; established in 1886. Manufactures cutting parts for mowers, reapers, self-binders and grain headers, also lawn mowers and a general line of agricultural accessories. Company also jobs many other articles of farm necessities such as leather, rubber and canvas belting, haying tools, ploughs and cultivator shovels. Main plant and malleable foundry located in East Peoria, Ill., on 18 acres of land, has 240,510 sq. ft. of floor space. Company also owns plant in East Peoria, located on six acres of land, with a floor space of approximately 45,000 sq. ft.

Branches and distributing agencies in Kansas City, Minneapolis, Omaha, New York, Dallas, Philadelphia, Boston, Baltimore, Los Angeles, Memphis, Louisville, Sioux City, Des Moines and Milwaukee. Number of employees, Nov. 21, 1931, 249.

MANAGEMENT: OFFICERS: Martin Sehm, Pres. and Oper. Mgr.; P. E. Herschel, Jr., Vice-Pres. and Sales Mgr.; H. E. Herschel, Jr., Vice-Pres.; C. E. Edes, Treas.; A. D. Herschel, Sec.; O. F. Becker, Gen. Mgr.; J. R. Dimmocks; H. E. Herschel, Jr., P. E. Herschel, Jr., Martin Sehm, O. F. Becker, C. E. Edes, A. D. Herschel, C. A. Schmitt, Peoria, Ill. GENERAL COUNSEL: J. A. Weil, Peoria, Ill. GENERAL AUDITORS: Oscar A. Saal, Peoria, Ill. ANNUAL MEETING: Third Monday in Oct. GENERAL OFFICE: Peoria, Ill.

COMPARATIVE BALANCE SHEETS, AS OF AUG. 31

	1931	1930	1929
ASSETS:			
*Plant and property.....	\$844,421	\$897,784	\$944,647
Investments.....	880	2,365
Inventories.....	647,888	784,421	761,219
Notes and accounts rec.....	889,889	889,889	489,889
Life insurance, cash value.....	89,813	81,884	87,888
Cash.....	14,981	84,888	181,987
Deferred charges.....	48,824	47,701	48,903
Total.....	\$1,845,807	\$2,128,716	\$3,342,033
LIABILITIES:			
Capital stock.....	\$1,680,000	\$1,680,000	\$1,500,000
Bonded debt.....	70,000	105,000	140,000
Notes payable.....	5,889	17,889	11,889
Accounts payable.....	89,889	89,889	98,889
Accrued accounts.....	18,889	18,889	18,889
Surplus.....	50,809	989,121	587,033
Total.....	\$1,845,807	\$2,128,716	\$2,342,033
Current assets.....	\$881,883	\$1,179,811	\$1,346,889
Current liabilities.....	74,889	191,889	144,881
Working Capital.....	889,889	\$1,078,889	\$1,801,878

* After depreciation and amortization to Aug. 31: 1931, \$634,138; 1930, \$578,893; 1929, \$530,818.

BONDED DEBT: 1. R. Herschel Mfg. Co., first serial gold 6 1/2%: Authorized, \$350,000; outstanding, \$70,000; retired, \$280,000. Dated Feb. 1, 1923; due \$350,000 each Aug. 1, to 1933, inclusive. Interest paid F&A 1, at First Union Trust & Savings Bank, Chicago, Trustee. Coupon, \$1,000; registrable as to principal. Callable on any interest date upon 60 days' notice at 102. Secured by a first lien on all property. Mortgage provided for maintenance of net quick assets at least equal to largest amount of bonds at any time outstanding. Issued to reduce floating debt incurred in the

erection of the foundry plant. Company pays normal income tax up to 2%.

Offered (\$350,000) at par in Feb., 1923 by F. E. Hitchcock & Co., Chicago.

CAPITAL STOCK: R. Herschel Mfg. Co. stock: Authorized and outstanding, \$1,650,000; par \$100. All held by officers and employees. Dividends paid, but rate not reported. Stock transferred at company's office. Number of stockholders, Nov. 28, 1931, 25.

LA SALLE EXTENSION UNIVERSITY: Incorporated under the laws of Illinois, Oct. 17, 1908. A university institution teaching law, traffic management, salesmanship, business management, accounting, etc., both in Chicago and through correspondence. Also special corporation training course. Also publishes educational, professional, business and technical books and other series, publications relating to subjects taught. In May, 1927, the University purchased the rights, equipment and plant of the Stenotype Co. of Indianapolis, Ind., manufacturers of the stenotype, the machine that writes shorthand. In 1931 acquired The School of the Chain Store, Los Angeles, offering four courses in chain store management.

MANAGEMENT: OFFICERS: J. G. Chapline, Pres.; I. R. Allen, R. L. Swats, Vice-Pres.; William Bethke, Sec.; L. G. Elliott, Treas.; W. W. Allan, Asst. Treas., Chicago, Ill. DIRECTORS: J. G. Chapline, William Bethke, H. E. Farquharson, J. D. Morris, Arthur B. Hall, W. A. Buttolph, L. G. Elliott, Chicago, Ill.; Arnold B. Hall, Eugene, Ore.; F. E. Gilman, Chicago. GENERAL AUDITORS: Castenhols & Dittmar. ANNUAL MEETING: First Saturday in Feb. OFFICE: 4101-18 South Michigan Ave., Chicago.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DEC. 31

	1931	1930	1929
Gross sales.....	\$8,989,710	\$4,289,729	\$4,610,951
Operating expenses.....	2,421,789	2,727,868	2,889,572
Res. for cancellation, etc.....	1,821,884	1,402,887	1,578,543
*Net profit.....	789,887	187,889	341,916
Preferred dividends.....	48,088	67,714	70,000
*Surplus.....	\$27,082	\$98,889	\$371,916
Earned per share preferred.....	\$8.22	\$17.72	\$8.11
Earned per share, common.....	0.12	0.46	1.34
Number of preferred shares.....	9,187	9,447	10,000
Number of common shares.....	230,000	230,000	230,000

* Before Federal taxes.

COMPARATIVE BALANCE SHEETS, AS OF DEC. 31

	1931	1930
ASSETS:		
†Patents, copyrights, etc.....	\$1,558,300	\$1,568,563
*Furniture, fixtures and autos.....	40,815	47,189
†Building improvement, etc.....	170,189	187,719
Cash.....	52,076	80,108
†Notes and accounts receivable.....	2,884,884	2,887,884
Inventories.....	178,848	304,894
Life insurance, cash value.....	5,730	4,582
Deferred charges.....	81,890	48,913
Total.....	\$4,414,686	\$4,626,336
LIABILITIES:		
Preferred stock.....	\$912,700	\$944,700
Common stock.....	2,800,000	2,800,000
Notes and accounts payable.....	38,889	181,844
Dividends declared.....	16,803
Accrued interest and expenses.....	48,082	24,097
Res. for retirement of preferred.....	28,776
Surplus.....	884,784	1,089,188
Total.....	\$4,414,686	\$4,626,336

† After depreciation to Dec. 31: 1931, \$238,872; 1930, \$236,471. * After depreciation to Dec. 31: 1931, \$308,817; 1930, \$286,471. † Less reserve for doubtful accounts to Dec. 31: 1931, \$1,961,875; 1930, \$1,887,986. † After reserves to Dec. 31: 1931, \$37,030; 1930, \$38,972.

CAPITAL STOCK: 1. La Salle Extension University 7% cum. pref.: Authorized, \$1,500,000; outstanding, \$912,700; held in treasury, \$11,800; par \$100. Has preference as to assets and dividends. Callable on any dividend date on 30 days' notice on or after April 1, 1927, at 110. Semi-annual sinking fund beginning April 1, 1930, 5% annually of greatest amount of preferred stock issued to purchase or call preferred at not exceeding 110. No stock having preference or any indebtedness except purchase money obligations or renewal mortgages may be created or authorized amount increased except with consent of two-thirds of preferred outstanding. Has one vote per share. Issued in Mar., 1926, to retire indebtedness, provide additional working capital, and for other corporate purposes. Initial dividend of 1 1/2% paid July 1, 1925. Regular dividends paid quarterly, Jan. 2, etc., to stock of record about Dec. 20, etc. to Oct. 1, 1931, incl.; none thereafter to Apr. 1, 1932.

Rating, Caa Offered (\$1,000,000) at par in March, 1925, by George H. Burr & Co., and Shields & Co., New York.

2. La Salle Extension University common: Authorized, \$3,500,000 (increased from \$450,000 to \$2,450,000 early in 1925 and to \$3,500,000, Sept. 11, 1925); outstanding, \$3,