

MOODY'S

INDUSTRIALS

JOHN MOODY

1934

AMERICAN AND FOREIGN

FUNDED DEBT: 1. Baltimore Steam Packet Co. 5% secured serial gold notes: Authorized, \$225,000; outstanding, \$450,000. Dated Aug. 1, 1927; due \$10,000, Aug. 1, 1934, and \$440,000, Aug. 1, 1937. (originally matured, \$225,000 each on Aug. 1, 1932 and 1933).

Under the readjustment plan promulgated on July 31, 1933 which became operative on Sept. 3, 1933, provision was made for extension of \$450,000 outstanding notes for five years from Aug. 1, 1933. (or until Aug. 1, 1937), the notes as so extended bearing same rate of interest and being additionally secured by pledge under a trust agreement of \$150,000 first gold 6s (No. 2). The holders of \$10,000 of these notes consented to the extension thereof only until Aug. 1, 1934, but said notes are not secured by pledge of the aforementioned first gold 6s.

Interest payable F&A 1 at Maryland Trust Co., Baltimore, and at Bankers Trust Co., New York. Trustee, Continental Trust Co., Baltimore, Md. Coupon, \$1,000. Callable at par on any interest date on 60 days' notice; if called in part, latest maturity must be called first. Unconditionally guaranteed as to principal and interest by Seaboard Air Line Ry. Co., by endorsement. Secured by a direct obligation of the company and specifically secured by a first preferred ship mortgage on the steamer, President Warfield, which was completed in 1928 and placed in service between Baltimore and Norfolk. The \$440,000 of notes extended until Aug. 1, 1937 are additionally secured by pledge of \$150,000 first gold 6s (No. 2). Issued to provide funds for construction of the above steamer. Company does not pay normal income tax.

Offered (\$225,000) in Aug., 1927, by Robert Garrett & Sons, Baltimore, to yield from 5.25% to 5.40%.

2. Baltimore Steam Packet Co. first gold 6s: Authorized, \$1,200,000; outstanding in hands of public, none; pledged to secure short term loan with Maryland Trust Co., Baltimore, \$850,000; pledged as additional security for 5% secured gold notes (No. 1), \$150,000; pledged as security for loan from receivers of Seaboard Air Line Ry. Co., \$85,000 (see Note below); held in company's treasury, \$385,000. Dated July 15, 1932; due July 15, 1942. Maryland Trust Co., Baltimore, Md., Trustee. Secured on all real property, franchises, good-will and assets (exclusive of cash, accounts and bills receivable, stocks, notes and similar intangible property) and all equipment, subject as to the steamer President Warfield to prior lien of 5% secured gold notes.

NOTE: On July 15, 1933, company issued its three 5% notes aggregating \$45,000, evidencing loan of like amount received from the Receivers of Seaboard Air Line Ry. Co. Said notes are in the face amount of \$15,000 each, are due in 1, 2 and 3 years after date and are secured by \$35,000 principal amount of Baltimore Steam Packet Co. first gold 6s due July 15, 1942. The funds obtained from this loan were used to convert the steamer "President Warfield" and "State of Maryland" from coal to oil burners.

CAPITAL STOCK: 1. Baltimore Steam Packet Co. stock: Authorized, \$400,000; outstanding, \$400,000; par value, \$1,000. All owned by Seaboard Air Line Ry. Dividends paid: May 8, 1925, and April 26, 1926, 87 1/2%; Sept. 30 and Dec. 18, 1926, 25%; Mar. 8, 1927, 45%; Aug. 6, 1927, 87 1/2%; Dec. 10, 1927, and Mar. 27, 1928, 50%; July 27, 1928, 30%; Mar. 20, 1929, 20%; Aug. 26, 1929, 25%; Feb. 12, 1930, 20%; Sept. 10, 1930, 25%; none thereafter.

BELLANCA AIRCRAFT CORP.: Incorporated Dec. 31, 1927, in Delaware. Company is engaged in the manufacture and sale of airplanes for commercial, military and private use, manufacturing several types, including a six-place cabin monoplane, and a twelve to fifteen place passenger and heavy-duty transport. Is a contractor to the United States, Canadian and Brazilian Governments. Plant at New Castle, Del., with a capacity of one (1) plane per day is located on a wholly-owned tract of approximately 366 acres. A large part of this land has been developed into a modern flying field known as "Bellanca Field, Wilmington Airport," the obstructions and boundaries of which are completely lighted. Flood lights are also available for night flying. The entire field is available for use as well as 1,100 foot frontage on the Delaware River. Production for year ending Dec. 31, 1933, was 28 new planes as compared with 19 planes in 1932, 20 planes in 1931 and 37 planes in 1930. Number of employees, Dec. 31, 1933, 100.

SEABOARD AIR LINES, INC.: A wholly owned subsidiary, is inactive. Bellanca Aircraft Corp. of America (inactive since July, 1933) was dissolved on Jan. 27, 1933.

MANAGEMENT: OFFICERS: G. M. Bellanca, Pres.; Andrew Bellanca, Sec. DIRECTORS: L. Sherman Adams, Boston; G. M. Bellanca, Wilmington, Del.; Andrew Bellanca, Frank Bellanca, J. G. Rolph, U. V. D'Annunzio, Harry Hewett, New York. ANNUAL MEETING: First Wednesday in March. EXECUTIVE OFFICE: New Castle, Del.

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED Dec. 31

	1933	1932	1931
Net sales	\$281,584	\$395,595	\$500,882
Cost of sales	48,374	54,398	69,864
Selling and admin. expense	33,519	148,559	377,409
*Amort. of patents, etc.	12,892	23,574	127,368
Operating income	61,590	(d) 28,884	(d) 417,260
Other income (net)	11,500	(d) 1,317	18,974
Total income	73,090	(d) 29,861	(d) 397,234
Federal taxes	4,467		

Surplus for year \$53,023 (d) \$99,051 (d) \$297,233
 Earnings per share - common \$1.15 (d) .31 (d) 3.38
 Number of common shares 168,495 168,495 168,495

* Amortization of special development and patent expenses, loss from obsolescence, uncollectible notes and accounts, etc. † Before \$134,884 debit adjustment of deferred experimental expenses to estimated sound values.

COMPARATIVE CONSOLIDATED BALANCE SHEETS AS OF Dec. 31

	1933	1932	1931
Fixed assets (less deprec.)	\$414,233	\$438,563	\$441,017
Cash (not current)	30,000		
Investment	230		
Cash	19,423	99,423	197,999
Accounts receivable	88,701	61,590	69,178
Accounts and bills receivable			
Inventories	\$11,441	\$46,498	\$45,228
Investments (at market)		6,729	
Deferred charges	80,804	24,557	28,073
Total	\$910,681	\$955,424	\$967,026
LIABILITIES:			
Capital stock	\$100,495	\$1,989,375	\$1,989,375
Bills payable			250
Accounts payable		5,418	5,418
Customers' deposits	11,902	69,499	14,000
Accruals	9,338	9,338	1,278
Reserves		9,517	9,517
Deferred	6,517		
Surplus	705,938	(d) 1,065,096	(d) 965,574
Total	\$910,681	\$955,424	\$967,026

Current assets \$899,793 \$899,793 \$899,912
 Current liabilities 88,448 877,628 488,448
 Working capital 811,345

† Cash held by sheriff of New York County under writ of foreign attachment.

† As of Dec. 31, 1933: Land, \$80,874; buildings, \$307,451; machinery and equipment, \$101,879; total, \$489,194; less reserve for depreciation, \$144,961; balance, \$344,233.

† Capital surplus, arising from reduction in the stated value of no par common stock to a par value of \$1 per share, \$1,730,880; less operating deficit of Bellanca Aircraft Corp. to Dec. 31, 1932, \$1,046,174; balance, \$684,706; earned surplus of Bellanca Aircraft Corp. for year 1933, and Blue Star Airline, Inc. from date of organization to Dec. 31, 1932, \$68,224; total surplus, \$752,930.

* Represented by 168,495 no par shares.

† At lower of cost or market and for 1933: Used airplanes, \$7,868; work in process, \$6,931; material and supplies, \$4,441; total, \$19,240.

CONTINGENT LIABILITY: as of Dec. 31, 1933: Company was defendant in litigation in New York, N. Y., involving claims of approximately \$36,000 principally for commissions alleged to be due to former employees.

NOTE: 1933 accounts certified by Haskins & Sells and 1932 accounts by Lybrand, Ross Bros. & Montgomery.

CAPITAL STOCK: 1. Bellanca Aircraft Corp. stock: Authorized, 500,000 shares; outstanding, 168,495 shares; held in treasury, 6,255 shares; par \$1 (changed from no par in Mar., 1933, on a share for share basis). No dividends paid. Rating, C

VOTING TRUST: The five-year voting trust agreement expired on Nov. 22, 1933.

Offered (126,500 shares [v.t.c.] at \$23.50 per share in Nov., 1928 by L. Sherman Adams, Boston.

Transfer Agent: Bank of The Manhattan Co., New York. Registrar: Commercial National Bank & Trust Co., New York. Number of stockholders, Mar. 15, 1934, approximately 810. Listed on New York Curb Exchange.

PRICE RANGE	1933	1932	1931	1930	1929
Stock	7-1	1 1/2 - 4	5-1	18 1/2 - 30	24-44
					v.t.c.

NOTE: There is also authorized an issue of \$1,000,000 preferred, par \$100. None issued to Dec. 31, 1933.

BERKSHIRE FINE SPINNING ASSOCIATES, INC.: Incorporated under Massachusetts laws in 1889 under name of Berkshire Cotton Manufacturing Co., and pursuant to plan of consolidation and reorganization dated Feb. 26, 1929, changed its name to Berkshire Fine Spinning Associates, Inc. and acquired the properties and good-will of Valley Falls Co., Coventry Co., The Greylock Mills and Fort Dunmore Mills.

In April 1930 King Philip Mills and Parker Mills were acquired. The King Philip Mills was acquired through exchange of stock on basis of 1/2 share of Berkshire preferred, 2 1/2 shares of Berkshire common and \$40 in cash for each share of King Philip Mills. The Parker Mills was acquired through an exchange of stock on basis of 1 1/2 shares of common and 1/2 of a share of preferred of Berkshire for each share of Parker Mills preferred; 1/2 share of Berkshire common for each share of Parker common and 9 shares of Berk-

share preferred for each \$1,000 bond of Parker Mills first 5s of 1923 and Hargraves Mills first 5s of 1922.

The mills of the constituent companies are located at Adams, Fall River, North Adams and Williamstown, Mass.; at North Pownal and Brattleboro, Vt.; and at Albon, Anthony, and Warren, R. I., and are equipped with 900,000 spindles and 20,000 looms. Plant manufacturers fine grades of cotton textiles and specializes in fine lawns, batistes, nainsooks, organdies, dimities, handkerchief cloths, broad-cloths, oxfords, satens, rayon and silk mixtures. Number of employees April 2, 1934, 12,000.

MANAGEMENT: OFFICERS: John McMahon, Pres.; E. G. Chace, Vice-Pres. and Treas.; W. E. Stoddard, Vice-Pres.; C. H. Sherrill, Vice-Pres.; L. V. Dodge, E. H. Arnold, H. S. Newcombe, Asst. Treas.; H. C. Halle, Clerk and Sec. DIRECTORS: Charles H. Sherrill, F. L. Moore, W. C. Plunkett, John H. McMahon, A. N. Winalow, Jr., Henry C. Halle, Herbert G. Beede, M. G. Chace, Seth A. Sprague, Wm. H. Jennings, Oliver S. Hawes, Sanford A. Daniels, W. R. L. McBee, Ralph H. Paige, Charles T. Plunkett, Jr., Philip Stockton, S. B. Chace and Charles N. Stoddard. ANNUAL MEETING: Third Thursday in Oct. OFFICE: 271 Church St., New York and Fall River, Mass.

	1933	1932
Sales	\$12,608,879	Not stated
Costs and expenses	12,405,192	.....
Depreciation	285,778	.....
Operating profit	(d) 916,907	.....
Other income	214,737	.....
Total income	359,840	.....
Interest	123,402	.....
Net income	97,591	(d) 1,118,139
Deficit, beginning of year	2,675,211	Not stated
Deficit, Sept. 30	107,133	.....
Deficit, Sept. 30	\$3,085,976	.....
Earned per share, preferred	\$1.16	Nil
Earned per share, common	\$29,906	(d) \$4.71
Number of common shares	282,178	292,178

	1933	1932
ASSETS:		
Plant and equipment (net)	\$9,340,859	\$9,358,632
Cash	719,412	525,006
Notes and accounts receivable	1,789,288	1,899,288
Marketable securities	92,689	195,556
Investments	4,097,525	3,926,872
Other receivables, mortgages, etc.	112,405	112,406
Deferred items	471,974	497,534
Organization charges	137,400	178,148
Goodwill, trademarks	86,243	78,047
Total	\$16,506,026	\$16,257,042
LIABILITIES:		
7% preferred stock	\$2,399,200	\$2,399,200
*Common stock	7,582,632	7,582,632
Notes payable	1,789,288	2,899,000
Accounts payable	122,619	369,317
Acceptances payable	487,939	.....
Floor and process taxes	297,221	277,126
Local taxes payable	5,000	5,000
Reserve for Federal taxes	4,325	4,325
Minority interest	222,441	.....
Capital surplus	3,086,276	3,078,728
Profit and loss deficit .....	.....	.....
Total	\$16,506,026	\$16,257,042
Current assets	\$6,289,989	\$6,249,889
Current liabilities	5,256,422	5,270,218
Working capital	\$1,033,567	\$,979,671

* Represented by no par shares: 1933, 289,006; 1932, 292,178.

CONVENTIONAL LIABILITIES: Stock purchase warrants—55,000 shares of common stock outstanding. Machinery and electrification contracts, \$14,183; cotton commitments for future delivery contracts, \$573,943; unadjusted claims outstanding—\$52,400; 11.1% call—\$573,943; unadjusted claims outstanding—\$52,400; callable balance of subscription to General Cotton Corp. capital stock—\$123,700 (although improbable that call will be exercised); total, \$973,736.

NOTES: Accounts certified by Comery, Davison & Jacobson.

CAPITAL STOCK: 1. Berkshire Fine Spinning Associates, Inc. 7% convertible cum. preferred. Authorized, \$12,500,000; outstanding, Sept. 30, 1933, \$3,899,300; par \$100.

Has preference as to assets and in involuntary liquidation, 100. Callable as a whole or in part on any dividend date on 80 days' notice at 107%. Convertible up to fifth business day prior to date of redemption, into common stock on a basis of 2 units for each preferred share; each unit consists of one share of common and a whole or fractional share which represents a change in proportion of equity by reason of rights, stock dividend or the like. Has one vote per share after 6 quarterly dividends have been defaulted and then with certain restrictions. Consent of over 75% of preferred holders is necessary to issue stock ranking prior to or on parity with preferred or issuance any other debt, etc., except purchase money mortgages. Initial dividend of 1% paid June 1, 1929 and quarterly thereafter to Sept. 2, 1930, incl.; none thereafter. Arrears at Mar. 1, 1934, amounted to 24 2/3%. Rating, Caa

2. Berkshire Fine Spinning Associates, Inc. common: Authorized, 750,000 shares (increased from 600,000 shares in Mar., 1930); outstanding, 289,906 18/100 shares; reserved for conversion of preferred, 174,544 shares; reserved for exercise of stock purchase warrants (see below), 55,000 shares; no par. Dividends exempt from Massachusetts income taxes. Initial dividend of 75 cents per share paid; June 1, 1929, and quarterly thereafter to Mar. 1, 1930, incl.; none thereafter. Rating, Caa

Offered (28,000 common shares) at \$40 per share in March, 1929, by Baker, Young & Co., Old Colony Corp., Boston.

Transfer Agents: Old Colony Trust Co. Boston, and Chase National Bank, New York.

STOCK PURCHASE WARRANTS: The syndicate (consisting of Baker, Young & Co. as syndicate managers, Old Colony Corp. and Valley Buying & Trading Co.) agreed to underwrite at \$95 and \$85 for each preferred and common share respectively such preferred and common stock of the new company as the five original companies could not require their stockholders to take. As compensation for this underwriting the syndicate received transferable 10-year stock purchase warrants entitling it to buy 55,000 additional shares of the common stock of the company at \$45 per share for the first two years, \$47.50 per share the second two years, \$52.50 per share the third two years, \$57.50 per share the fourth two years and \$60 per share the fifth two years. Cash received by the company upon exercise of stock purchase warrants will be used to retire preferred stock, at not exceeding call price and accrued dividends, if any can be secured by purchase or call within 6 months after receipt of cash.

BLACK & DECKER MFG. CO. (THE): Incorporated Sept. 20, 1910 in Maryland to manufacture special machinery, tools and gauges. The principal products of the company consist of portable electric drills, electric valve grinders, electric screw-drivers and socket wrenches. Company owns a number of patents, including a device known as the "Pistol Grip and Trigger Switch" control. Controls as Black & Decker Mfg. Co., Ltd., incorporated in April, 1922, under Canadian laws with \$40,000 authorized capital, of which \$25,000 is paid in, and Black & Decker, Ltd., incorporated in England in 1925 with capital of \$50,000, of which \$10,000 paid in. In May, 1928, company purchased patents and plants of Marschke Mfg. Co. of Indianapolis, manufacturer of grinders. In Jan., 1928, acquired Van Dorn Electric Tool Co. of Cleveland for approximately \$1,000,000 and in 1929 acquired the Domestic Electric Co. of Cleveland (name changed to Black & Decker Electric Co. on Sept. 25, 1930). On Oct. 1, 1929 purchased the Loadometer Co. and Fleming Machine Co., Inc., Worcester, Mass., manufacturers of portable electric tool accessories and other related services of equipment. Loadometer Co. and Fleming Machine Co., Inc. were dissolved in early 1933. On Oct. 31, 1929 formed Black & Decker (Australia, Ltd.), Sydney, Australia. Manufacturing plants located at Towson, Md., Indianapolis, Ind. and Kent, O., and warehouse in Oakland, Cal. Company has 18 branch offices and service stations. Products distributed through 2,200 jobbers or supply houses. Number of employees, Dec. 15, 1933, 600.

MANAGEMENT: OFFICERS: S. D. Black, Pres.; A. G. Decker, Vice-Pres. and Gen. Mgr.; C. J. Fox, B. T. Ridgely, Vice-Pres.; C. A. Sacra, Sec., Towson, Md.; F. J. Nagall, Treas.; W. L. Reed, Jr., Asst. Treas.; W. B. Coe, General Counsel, Baltimore; E. L. Johnson, Pur. Agent, Towson, Md. DIRECTORS: S. D. Black, A. G. Decker, W. A. Rowe, R. D. Black, J. M. Fox, Towson, Md.; L. S. Zimmerman, R. G. Kimberly, E. L. Johnson, C. M. Peter, H. B. Thomas, C. F. Hockley, Baltimore; C. J. Fox, Rasperburg, Md.; B. T. Ridgely, Cocheysville, Md.; M. H. Spielman, R. J. Lamb, Cleveland, Ohio; F. J. Nagall. ANNUAL MEETING: Last Monday in Jan. OFFICE: Towson, Md.

	1933	1932	1931
Net sales	\$1,705,414	\$3,021,813	\$4,327,681
Cost of sales	1,282,784	1,524,212	2,754,127
Expenses	616,284	1,113,295	2,024,719
Operating loss	225,224	582,912	501,224
Interest loss	57,554	78,047	88,279
Other deductions (net)	400,432	116,261	119,212
Income tax reserve .....	.....	.....	1,225
Balance	(d) 989,410	(d) 798,212	(d) 709,858
Dividends .....	.....	.....	60,000
Deficit for year	\$668,210	\$798,212	\$769,858
Earned on preferred	Nil	Nil	Nil
Earned on common	(d) \$2.56	(d) \$2.94	(d) \$3.66
Number of pfd. shares	40,000	268,254	1,225
Number of common shares	282,254	268,254	268,254