

MOODY'S

INDUSTRIALS

JOHN MOODY

1926

FOR KEY TO RATINGS SEE PAGES VII TO

2. American Furniture Mart Bldg. Corp., s. f. gold 7% notes: Authorized, \$1,000,000; outstanding, \$946,500. Dated, Dec. 1, 1923; due Jan. 1, 1933. Interest paid J&D 1, at Guardian Trust Co., Cleveland, O., Trustee; Guaranty Trust Co., New York; and Continental & Commercial Trust & Savings Bank, Chicago, Ill. Coupon, \$100, \$500 and \$1,000. Callable on 60 days' notice on any interest date at 107½ to Dec. 1, 1927; thereafter at 106½ to Dec. 1, 1928, and thereafter less 1% annually to maturity. A semi-annual sinking fund commencing Jan. 1, 1925, provides for retirement. Secured by a second closed mortgage on land and building at 666 Lake Shore Drive, Chicago subject to \$5,000,000 1st s. f. 6½ of 1943 (No. 1). Issued \$1,000,000, of which \$53,500 retired to Dec. 31, 1925. Pennsylvania, Connecticut and Maryland State taxes and Massachusetts income tax refunded. Company pays normal income tax up to 2%.

Offered (\$1,000,000) at 98¾ in Mar., 1924 by Otis & Co., Cleveland; Hemphill, Noyes & Co., New York and Hoagland, Allum & Co., Chicago.

CAPITAL STOCK: 1. American Furniture Mart Bldg. Corp. 7% cum. preferred: Authorized, \$5,000,000 (increased from \$2,500,000 in 1925); outstanding, \$2,966,100; par \$100. Has preference as to assets and dividends. In liquidation entitled to par and dividends. Callable on sixty days' notice at 110. Has full voting power as provided under Illinois laws. Consent of two-thirds of preferred outstanding necessary to create any stock ranking prior or on a parity with this issue or any mortgage indebtedness except purchase money mortgages. Regular dividends paid quarterly Jan. 1, etc.

Offered (\$2,500,000) in units of one share of preferred and one of common at \$100 per unit by Whiting & Co.

2. American Furniture Mart Bldg. Corp. common: Authorized, \$1,500,000; outstanding, \$1,500,000; par \$5. No dividends paid to April 15, 1926.

Transfer Agents: Whiting & Co., Chicago and Guaranty Trust Co., New York. Registrars: Continental & Commercial Trust & Savings Bank, Chicago and Equitable Trust Co., New York.

AMERICAN GREENHOUSE MFG. CO.: Incorporated in Illinois Nov. 12, 1915. Engaged in fabricating and erecting greenhouses, conservatories, swimming pools and solariums. Plants located at Pana, Ill. and Linden, N. J. Branches at Cleveland, Kansas City, St. Louis, Philadelphia and Denver. Employs about 100.

MANAGEMENT: OFFICERS: P. L. McKee, Pres. and Treas.; C. A. Andrews, Vice-Pres.; G. P. McKee, Sec., F. J. Impey, Gen. Mgr.; J. E. Mueller, Aud., Chicago. **DIRECTORS:** P. L. McKee, G. P. McKee, W. S. Dolan, Chicago, Ill.; C. A. Andrews, New York; J. P. Robinson, Pana, Ill. **GENERAL AUDITORS:** Pearce & Granata. **ANNUAL MEETING:** First Saturday in March. **OFFICE:** 159 North State St., Chicago, Ill.

SALES: 1922, \$1,020,534; 1923, \$1,028,843; 1924, \$943,682; 1925, \$1,059,761.

INCOME ACCOUNT, year ended Dec. 31, 1925: Sales, \$1,059,761; cost of sales \$766,922; operating expense, \$132,209; net income, \$160,630; other income, \$11,955; total income, \$172,585; fixed charges, \$56,737; balance, \$115,848.

COMPARATIVE BALANCE SHEET, AS OF DEC. 31

ASSETS:	1925	1924	1923
†Rl. est., plant, etc.	\$397,073	\$443,486	\$268,725
Investments	31,130	31,450
Cash	19,320	8,354	17,583
Accounts receivable	203,723	141,450	188,955
Notes receivable	68,374	82,323	157,923
Inventories	123,041	132,558	152,934
Miscellaneous	70,889	66,830	6,145
Total	\$914,050	\$906,451	\$792,270
LIABILITIES:			
Preferred stock	\$200,000	\$200,000	\$200,000
*Com. stk. & surp.	257,125	272,143	194,886
Bonded debt	256,102	223,000	16,000
Notes payable	70,996	112,634
Accounts payable	100,651	96,733	323,548
Accrued int., etc.	25,176	1,391
Dividends payable	4,000
Depreciation reserve	52,863
Total	\$914,050	\$906,451	\$792,270

* Represented by 15,000 no par shares. † After depreciation reserve, \$92,332, Dec. 31, 1925.

WORKING CAPITAL. \$214,135 \$153,377 \$188,352

BONDED DEBT: 1. American Greenhouse Mfg. Co., 1st serial gold 6s and 7s: Authorized, \$135,000; outstanding, \$33,000 6s and \$102,000 7s. Dated Mar. 1, 1925, due 6s, \$15,000, Dec. 1, 1933 and \$18,000 Dec. 1, 1934; 7s \$102,000, due Dec. 1, 1935. Interest paid J&D 1, at Republic Trust Co., Philadelphia, Pa. Trustee. Coupon, \$100, \$500 and \$1,000; registerable as to principal. Callable at 110. Sinking fund, 7½% of net profits for 1928 to 1930 incl. and 15% thereafter. Secured by a first closed mortgage on property at Linden, N. J. Massachusetts, Connecticut, New York and Pennsylvania State Taxes refunded. Company pays normal income tax up to 2%.

CAPITAL STOCK: 1. American Greenhouse Mfg. Co. 8% cum. preferred: Authorized, \$200,000; outstanding, \$200,000; par \$100. Has preference for assets and dividends. Callable at \$110. Sinking fund of \$11,000 per annum. Company agrees to maintain net quick assets equal to \$100 per share of preferred. Without consent of 75% of preferred, company cannot create a mortgage or any other issue having priority over or on a parity with this issue. No voting power. Regular dividends paid quarterly Jan. 15, etc.

Offered (\$200,000) at par in Jan., 1920 by Radon, French & Co., Chicago.

2. American Greenhouse Mfg. Co. common: Authorized, 15,000 shares; outstanding, 15,000 shares; no par. Has sole voting power except as noted under preferred (No. 1). Dividends paid: 1921, \$1; 1922 and 1923, 50 cents each; none thereafter to May 1, 1926.

Transfer Agent and Registrar: Central Trust Co. of Illinois, Chicago.

AMERICAN HOME PRODUCTS CORP.: Incorporated in Delaware Feb. 4, 1926 as a holding company for subsidiary companies engaged in manufacture and sale of medicines and preparations known as Hills Cascara Bromide Quinine, Jad Salts, Tiz, St. Jacob's Oil, Wyeth's Sage & Sulphur, Freezone, Petrolagar, etc. Subsidiaries own plants at East Detroit and Los Angeles and lease plants in Cincinnati and Chicago; aggregate floor space about 58,000 sq. ft. Employs about 250. Owns entire capital stock (except directors qualifying shares) of the following:

SUBSIDIARIES: Whitehall Pharmacal Co.; Mentho-Sulphur Co.; The Larned Co., (entire stock owned by Whitehall Pharmacal Co.); Wyeth Chemical Co.; Jads Salts Co.; The Cream Balm Co.; Limestone Phosphate Co.; Wyeth Chemical Co., Inc.; Whitehall Pharmacal Co., Inc.; The St. Jacobs Oil Co.; The St. Jacobs Oil Co., Inc.; The Walter Luther Dodge Co.; Deshell Laboratories, Inc.; Edward Wesley & Co.; W. D. Dodge, Ltd., (Eng.) and St. Jacobs Oil, Ltd. (Eng.).

MANAGEMENT: OFFICERS: W. H. Kirn, Pres.; S. P. Jadwin, Vice-Pres.; J. F. Murray, Sec. and Treas. **DIRECTORS:** W. H. Kirn, Detroit, Mich.; S. P. Jadwin, J. F. Murray, A. H. Diebold, A. R. Meyer, H. S. Marston, New York; L. B. Beckwith, Toledo, O. **GENERAL AUDITORS:** Ernst & Ernst. **OFFICE:** Wilmington, Del.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31

	1925	1924	1923
Net sales	\$4,711,809	\$4,193,509	\$4,576,888
Cost of sales & exp.	3,542,466	3,292,985	3,516,986
Other deductions	143,957	98,518	62,459
Depreciation	20,379	13,102	7,761
Net income	\$1,005,007	\$788,904	\$989,682
Margin of profit	21.33%	18.81%	21.62%
Other incomes	35,342	72,932	59,165
Total income	\$1,040,349	\$861,836	\$1,048,847
Interest	60,720	18,744	13,009
Federal taxes	103,921	67,615	101,499
Balance	\$875,708	\$775,477	\$934,339
*Net adjustments	(cr) 140,442	(cr) 67,134	(cr) 33,633
Adjusted bal.	\$1,016,150	\$842,611	\$967,972
†Earned per share.	\$3.39	\$2.81	\$3.23

* After adjustment to give effect to elimination of interest on notes payable not assumed and of income on securities not acquired; adjustment of officers compensation together with other non-recurring charges and including estimated earnings of \$10,000 for month of Dec., 1925 of Wyeth Chemical Co., Inc., and affiliated companies. † Based on new capitalization.

BALANCE SHEET, (giving effect to new financing and acquisitions mentioned above): Capital and surplus (represented by 300,000 no par shares), \$1,548,344; mortgage payable, \$86,060; notes and accounts payable, \$257,595;

accrued accounts, \$66,606; tax reserve, \$113,206; dividends payable, \$3,799; reserve for advertising, \$26,500; property purchase, \$35,200; reserve for contingencies, \$150,000; total, \$2,287,310. Contra: Property and equipment, (after depreciation reserve), \$318,335; good-will, etc., \$1; investments, \$59,851; inventories, \$428,868; accounts receivable, \$708,196; marketable securities, \$63,072; cash, \$572,387; other assets, \$69,810; deferred charges, \$66,790; total, \$2,287,310.

MORTGAGES: As of Feb. 5, 1926 there were outstanding \$86,060 mortgage, payable \$1,000 monthly, and \$35,200 property purchase obligation, payable \$210 monthly.

CAPITAL STOCK: 1. American Home Products Corp. stock: Authorized, 1,000,000 shares; outstanding 300,000 shares; no par. Initial monthly dividend of 20 cents paid May 1, 1926; June 1, 1926, 20 cents. Rating, *Caa*
Transfer Agent: Central Union Trust Co., New York.
Registrar: American Trust Co., New York. Listed on New York Stock Exchange.

Offered (225,000 shares) at \$26.50 per share in Feb., 1926 by Hornblower & Weeks, Blair & Co., Inc., and Bell & Beckwith, New York.

AMERICAN INSULATOR CORP. (DEL.): Incorporated under Delaware laws in June, 1925, as successor to Massachusetts corporation of same title, organized in 1916. Manufactures articles for electrical and heat insulating purposes by hot and cold molded process. Products sold under trade names of Aico, Amerine and Bakelite. Plants located at New Freedom, Pa., and Danbury, Conn. Sales offices in seven cities.

MANAGEMENT: OFFICERS: Emile Hemming, Pres.; Prescott Huidekoper, Vice-Pres.; W. S. Grove, Treas.; Vassar Pierce, Sec. **DIRECTORS:** Emile Hemming, Norwalk, Conn.; Prescott Huidekoper, Puxton, Mass.; W. S. Grove, New Freedom, Pa.; Vassar Pierce, Milton, Mass.; C. B. Hibbard. **GENERAL AUDITORS:** C. F. Rittenhouse & Co. OFFICE: New Freedom, Pa. NEW YORK OFFICE: 52 Vanderbilt Ave.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DEC. 31
(Predecessor Corporation)

	1924	1923	1922
Net sales	\$852,242	\$815,789	\$667,543
Net profit	119,109	182,311	136,322
Depreciation	45,714	39,321	38,873
Taxes	6,662	14,163	4,966
Net income ...	\$66,733	\$128,827	\$92,483
Interest	22,989	18,505	18,454
Balance	\$43,744	\$110,322	\$74,029
Class A dividends..	24,062	23,267	5,730
Surplus	\$19,682	\$87,055	\$68,299

BALANCE SHEET, as of Dec. 31, 1924 (predecessor company): Class A stock, \$339,800; class B stock, \$10,000; bonded debt, \$300,000; current liabilities, \$43,508; surplus, \$294,175; total, \$987,483. Contra: Plant and equipment, (after depreciation), \$530,546; equity in molds, \$32,049; investments, \$10,003; good-will, \$1; inventories, \$151,361; accounts and notes receivable, \$181,357; cash, \$27,089; deferred charges, \$55,077; total, \$987,483; contingent liabilities—notes and acceptances receivable discounted, \$51,330.

BONDED DEBT: 1. American Insulator Corp. (Mass.) 1st serial gold 7s: Authorized, \$300,000; outstanding, \$290,000; retired to Apr. 2, 1926, \$10,000. Dated April 1, 1925; due April 1 as follows: 1927 and 1928, \$15,000; 1929 and 1930, \$20,000; 1931, \$25,000; 1932, \$35,000; 1933, \$40,000; 1934, \$50,000; 1935, \$70,000.

Interest paid A&O 1, at Farmers Loan & Trust Co., New York, Trustee. Callable in reserve order of maturities at par plus premium of 1% for each year of unexpired term. Annual sinking fund based on net earnings provides for redemption of bonds. Secured by first mortgage on fixed assets of company and \$300,000 life insurance policies. Issued to refund indebtedness and for additional working capital. Pennsylvania, Connecticut and Maryland state taxes, District of Columbia tax and Massachusetts income tax refunded. Company pays normal income tax up to 2%.

Offered (\$300,000) in May, 1925, by Peabody, Houghtling & Co., Inc., New York and F. R. Sawyer & Co., Inc., Boston, to yield from 5½ to 7% according to maturity.

CAPITAL STOCK: 1. American Insulator Corp. (Del.) 8% cum. preferred: Outstanding, \$424,750; par \$50. Callable at \$55 per share. Issued, with no par common in June, 1925, in exchange for class A stock of Delaware corp., 2½ shares each of preferred and common for each old share.
2. American Insulator Corp. (Del.) common: Outstanding, 8,495 shares; no par.

Transfer Agent: First National Bank, Boston, Mass.

AMERICAN INVESTMENT CO. OF ILLINOIS: Incorporated Oct. 29, 1925 in Delaware as a consolidation of the American Investment Co. and the Continental Discount Co. Business established in 1917. Engaged in purchase of motor-
lien obligations, in Illinois, Iowa, Indiana, Missouri, Michigan and Kansas.

MANAGEMENT: OFFICERS: A. H. Rankin, Chairman; D. L. Barnes, Pres.; L. V. Barnes, J. E. George, L. R. Bristow, A. G. Curtis, Vice-Pres.; A. E. Ryan, Sec.; J. H. Young, Treas. **DIRECTORS:** A. H. Rankin, J. E. George, D. L. Barnes, H. L. Ide, C. J. Barber, L. R. Bristow, A. G. Curtis, L. V. Barnes, A. E. Ryan. **GENERAL AUDITORS:** Kessler, Cartall & Co., La Salle Bldg., St. Louis, Mo. OFFICE: American Banking Bldg., Springfield, Ill.

NET EARNINGS, after Federal taxes: 1921, \$34,897; 1922, \$58,654; 1923, \$91,296; 1924, \$121,541.

INCOME ACCOUNT, year ended Dec. 29, 1925: Gross earnings, \$707,225; operating expenses, \$282,586; net earnings, \$424,639; interest, \$144,125; taxes, \$36,075; insurance premiums, \$3,425; reserve for losses, \$62,020; net income, \$173,994.

BALANCE SHEET, as of Dec. 29, 1925: Preferred stock, \$250,000; class A common, \$650,000; class B common (represented by 51,500 no par shares), \$290,235; collateral trust notes, \$3,704,350; notes payable, \$90,000; accrued items, \$144,517; tax reserve, \$26,671; reserve for contingencies, \$44,699 unearned discounts, \$373,703; total, \$5,574,175. Contra: Property (after depreciation reserve, \$7,175), \$15,414; motor lien notes, \$4,761,101; due from banks, \$75,000; notes and accounts receivable, \$133,035; repossessed cars, \$93,165; due from dealers, \$26,777; life insurance—cash value, \$4,900; certificates of deposit, \$23,250; cash, \$312,230; other assets, \$77,246; prepaid items, \$52,057; total, \$5,574,175.

FUNDED DEBT: 1. American Investment Co. of Ill. 6% collateral gold notes, series A: Outstanding, \$500,000. Dated Dec. 1, 1925; due each Dec. 1, as follows: 1926 and 1927, \$50,000; 1928 and 1929, \$100,000; 1930, \$200,000.

Interest paid J&D 1. First State Trust & Savings Bank, Springfield, Ill., Trustee. Coupon, \$500 and \$1,000; registerable as to principal. Callable on any interest date on 30 days' notice at par plus 1% for each year prior to maturity, but not over 105. A direct obligation of the company and secured equally with series B (No. 2) by notes receivable and other collateral aggregating \$4,767,827, such collateral to equal 120% of notes outstanding and/or cash or U. S. Government securities equal to 100% of notes outstanding. Company agrees to limit its total liability to five times its capital and surplus. Issued to retire current indebtedness and for expansion. Company does not pay normal income tax.

Offered (\$500,000) in Dec., 1925 by First National Co., St. Louis, Mo. to yield from 5¼% to 6¼%, according to maturity.

2. American Investment Co. of Ill. 6% collateral gold notes, series B: Outstanding, \$3,204,350. First State Trust & Savings Bank, Springfield, Ill., Trustee. Equally secured with \$500,000 series A 6s (No. 1) by pledge of \$4,767,827 notes receivable and other collateral. No further details available.

CAPITAL STOCK: 1. American Investment Co. of Ill. 7% cum. preferred: Authorized, \$750,000; outstanding, \$250,000; par \$25. Has preference as to assets and dividends. In liquidation, entitled to \$25 per share and dividends. Callable on any dividend date on 60 days' notice at \$27 per share. Annual sinking fund, after 1927, of 5% of earnings, after taxes and preferred dividends. Additional preferred may be issued with consent of holders of 75% of preferred provided: (1) net assets are 2½ times preferred outstanding and to be issued; (2) earnings for two years preceding are at least 3 times dividend requirements on preferred outstanding and to be issued. Has no voting power. No dividends can be paid on common unless one year's preferred dividends have been set aside out of earnings. Regular dividends paid quarterly, Jan. 1, etc.

Offered (\$219,400) at \$25 per share in Dec., 1925 by Knight, Dysart & Co., St. Louis.

2. American Investment Co. of Ill. 8% cum. participating class A common: Authorized, \$750,000; outstanding, \$650,000; par \$25. Has second preference as to dividends and participates equally with class B after latter has received \$2 per share in any year. Callable on Feb. 1, 1927 or any dividend date thereafter on 60 days' notice at \$50 per share. Regular dividends paid quarterly, Feb. 1, etc. Offered (\$650,000) at \$27.50 per share in Dec., 1925 by American Banking Co., Springfield, Ill.

3. American Investment Co. of Ill. class B common: Authorized, 60,000 shares; outstanding, 51,500 shares; no