Canning industry reports smaller carryover into new season, expects smaller vegetable pack, bigger fruit pack, some shortages

THE TOTAL of carryover stocks of canned goods in canners' warehouses at the end of the 1952–53 season was lower than a year ago, according to a compilation made by the National Canners Association. Shipments for the season were above those of last year, NCA says.

The carryover value was 12% below the value reported at the same point in the previous year, the Department of Commerce states. NCA notes that this is in contrast to total business and total manufacturing inventories for June 1953, each of which is 6% above the value of inventories on hand in June of 1952.

NCA expects that the 1953–54 packs of canned foods will probably be about the same as a year ago, with the fruit pack slightly higher and the vegetable pack slightly lower. This situation, combined with the smaller carryover, will mean a lower total supply in 1953–54 than that in the previous year, indicating some probable shortages in certain items before the year is over.

Demand in the past year was termed by NCA as strong. It predicts that per capita consumption of some items will reach a record high for 1952–53, an outstanding example being canned corn which is expected to approach six pounds per capita. NCA expects that the strong demand will continue next year.

The canning industry's expansion and modernization program will continue at a high level throughout 1953. In the first nine months of 1952, the industry spent $402 million on plant and equipment. For the same period this year, total expenditure is expected to decline about 5% to $381 million.

Total shipments during the 1952–53 season were about the same as the previous year and 7% above the 1948–52 five year average. Canned fruit carryovers amounted to 8.2 million cases, a third less than a year ago. Fruit shipments were 58 million cases, 4% above the previous year. For canned vegetables, the carryover was 20% above the 18.8 million cases of a year ago. Vegetable shipments during the year were also off, 4% less than the 150.2 million of the previous year.

Canned juices in the canners' warehouses were 16% less than the previous year, at 10.5 million cases, while shipments were 5% above the previous year's shipments of 62.7 million.

Canned baby food is expected to reach a new high this year. Shipments up to Aug. 1 indicate an annual total of 150 million dozens, compared with the previous record of 134 million dozens in 1952, an increase of more than 10%.

Virginia-Carolina's Sales Over $80 Million, New High

Virginia-Carolina Chemical Corp.'s annual report for the 1953 fiscal year ended June 30 shows a new high in net sales—$82,126,077. This record was a gain of 5.7% over the previous year's $77,668,678. Net profits after taxes were also higher—up 5.3% to $4,215,874, compared with $4,003,661 in the 1952 period. Profit before taxes, however, slipped back to 10% less than in the previous year, chiefly because of the poor year experienced by the insecticide division and an increase in interest charges.

Extreme drought conditions in the Southwest were blamed for the poor insecticide year and the high production of basic raw materials affected the price structure adversely. The company reports, however, that domestic sales of nicotine insecticide products were better than in the previous year.

Operations of the company's fertilizer division were described as satisfactory and the annual report notes that, despite a reduction in farm income and adverse conditions in the drought areas, fertilizer consumption remained at peak levels. The company is now building a concentrate superphosphate plant and enlarging phosphate rock mining facilities at Nichols, Fla.

Virginia-Carolina spent $463,405 on research and development during the year, approximately 0.5% of its total sales. The rapid growth and changing technology of fertilizer use and manufacture is the subject of many of the company's research projects, Joseph A. Howell, V-C president, told stockholders in the report. Protein fibers, of which the company's Vicara is an example, also received much attention. Among specific developments noted was a nematocide, which the company has in pilot plant production and is now testing in the field.

IM&C Profits Up 6%, Sales Up 5% to $88 Million

Net earnings of International Minerals & Chemical Corp. for the fiscal year ended June 30, 1953, increased nearly 6% to $7,030,176 from $6,653,251 for the previous year, according to the annual report.

Net sales for the year ended June 30, 1953, amounted to $88,837,456, an increase of 5% over sales of $84,570,447 in the preceding year.

Earnings were equivalent to $2.87 per common share compared with $2.90 per share on the smaller number of shares outstanding a year earlier.

Commenting on the outlook for the current fiscal year, Louis Ware, president, said that further sales and profit growth should be achieved as the new and expanded plants obtain full operations.

Expenditures for construction during the year aggregated $19,567,779, major portion of which was the completion of the phosphate chemical plant at Bonnie, Fla., expansion of the potash chemical plant at Carlsbad, and expanded Ac'cent production at San Jose.

Reporting on the phosphate division, Mr. Ware said that dollar sales of phosphate rock exceeded sales for the previous year; tons, however, were slightly lower. Both shipments and profits from sales of chemical phosphates for use by manufacturers of animal feed improved. Partly reflecting lower farm income, sales and profits of plant food were less this year than the previous year.

Production and sales of potash salts for agriculture and industry continued at maximum capacity during the year, he said. During the year construction proceeded on a new chemical unit at Carlsbad for the production of special high grades of magnesium oxides and hydrochloric acid, the raw material for this plant being the waste brines from the sulfate of potash chemical unit. The plant began operations in August. Construction also is nearly completed on a large pilot plant at Carlsbad for the testing and development of a new dry beneficiation process for potash ores.

Ac'cent producing plants at San Jose and Toledo both operated at capacity throughout the year and sales of the product were reported ahead of last year.