

Fertilizer tonnage sales expected to decline this season; increase expected on primary plant nutrient basis

THE OVER-ALL TONNAGE OF FERTILIZER materials moved into trade channels in the 1953-54 season may be slightly below the 1952-53 tonnage. On a primary plant nutrient basis, however, the 1952-53 record is expected to be topped, reflecting the trend to more concentrated materials and an actual increase in fertilizer usage.

This is the prediction made by the Department of Agriculture in a supplement to its earlier "Fertilizer Situation" report of last November (AG AND FOOD, Dec. 9, 1953, page 1178).

In its latest size-up of fertilizer supplies, USDA said that the total supply of the three primary plant nutrients (N, P₂O₅, and K₂O) available for agriculture will be about 2% over the 1952-53 supply, whereas it predicted an 11% increase in the November report.

Nitrogen as N available this season will run about 1,916,000 tons, an increase of 6.2% over the 1952-53 supply. Of this total supply 1.3 million tons will be in synthetic ammonia, 180,000 tons in by-product ammonia, and 35,000 tons of natural organics. Net imports of about 401,000 tons, mostly as ammonium nitrate, ammonium sulfate, and other solids, will contribute the remainder of total supplies.

The revised estimate of phosphate supplies (as P₂O₅) shows a decrease of 3.7% from the 1952-53 supply, or a phosphate total of 2,325,000 tons. Normal superphosphate is decreasing in production, while production of triple superphosphate and complex phosphates is expected to exceed the past season's supply.

The estimate of potash availability has been revised downward, but it is still expected to be higher than the supply during the 1952-53 season. Available potash as K₂O is expected to be 1,830,000 million tons, or 5.2% above last season. The downward revision is based on prospective demand rather than actual above-ground supplies.

USDA comments that supplies are expected to satisfy all demands, although there will probably be local shortages of specific materials, because of the reluctance of users to order in advance of time needed.

USDA's statements on usage check fairly well with the results of spot checks made by the National Fertilizer Association.

According to NFA, shipments to date appear to be 10 to 15% below last year at this time, except in the West and West North Central region, both of which appear to have recorded increase of about the same magnitude. The slowness with which spring movements got under way is partially responsible for the present showing to date. This decrease is expected to be made up between now and June 30, pulling the total for the year up to within 2 or 3% of last year.

Lion Oil Sales Hit Top of Almost \$90 Million in '53

Lion Oil Co., which has become a large producer of nitrogen fertilizer materials in the last few years, reports sales of \$89,959,405 for 1953, largest in its history. Income totaled \$10,688,260, an increase of over 4% from the previous year's \$10.2 million. Sales in the previous year were about \$88.6 million.

Lion produced 210,102 tons of anhydrous ammonia last year at its chemical plant in El Dorado, Ark., and is now engaged in constructing another nitrogen plant at Barton, La., which will increase its nitrogen producing capacity by better than 50%. The \$31 million Barton plant is expected to be completed in the second quarter of this year. Lion also manufactures ammonium sulfate, nitrogen solutions, and pelleted ammonium nitrate.

The company told stockholders in its annual report that receipts from its chemical operations increased 2.3% during 1953. Anhydrous ammonia volume increased 7.4%, ammonium nitrate increased 23.7%. On the other hand, nitrogen fertilizer solutions decreased 6.7% and ammonium sulfate dropped 31.7%. The latter drop was attributed to heavy imports of ammonium sulfate offered for sale at below domestic prices.

Parke, Davis Earnings at \$9 Million, Sales at \$109,852,079

Parke, Davis & Co. reports net earnings of \$9,344,017 for 1953. Net sales for the year, \$109,852,079, were the third highest in the company's history.

The net earnings equalled \$1.91 a share. A year ago, the firm reported net earnings of \$16,256,343 on net sales of \$126,313,461, or \$3.32 per share.

Harry J. Loynd, president, said in the annual report that "the decrease in sales volume and earnings . . . is due to a further reduction in antibiotic volume, notably Chloromycetin, from that reported last year."

However, Loynd pointed out that, apart from antibiotics, sales of Parke-Davis products generally show better than an 8% increase over 1952.

The pharmaceutical firm's 1953 earnings before taxes were \$17,744,017, compared with \$32,706,344 for 1952.

Current assets were listed at \$72,365,387 on Dec. 31, 1953, compared with a 1952 figure of \$81,537,508. Current liabilities at the end of last year were \$24,560,275, compared with \$33,545,886 at the close of 1952 business.

Victor Chemicals Reports Sales and Profits Up 20%

Sales of Victor Chemical Works increased 20% in 1953, to reach an all-time high, and earnings were also improved 20%, according to the annual report.

The net profit for 1953 was \$3,187,156, equivalent after preferred dividends to \$1.76 on the common shares. Net in 1952 was \$2,643,315 or \$1.39 per share. Operating profit was \$7,387,156 compared with \$5,443,315. Provision for taxes on income was \$4,200,000 against \$2,800,000 for 1952.

Total sales in 1953 were \$42,675,319 compared with \$35,653,015 in 1952. Volume of business in 1953 was consistent throughout the year with little variation between quarters, it was said, and the outlook for 1954 appears promising.

Although Victor's major expansion program was completed in 1952, additional facilities at the company's plants in Morrisville, Pa., Nashville, Tenn., and Chicago Heights, Ill., are now under construction.

Merck's Sales at \$160 Million

Merck & Co. reports sales of \$160 million for the 1953 year, a \$1 million drop from the previous year. Net earnings dropped \$500,000 to \$11.5 million. For comparative purposes, these figures for 1952 and 1953 include those of Sharp & Dohme, which was merged into Merck April 30, 1953.

A strike which affected five Merck plants in November and lasted until early this year was held responsible, along with inventory readjustments, for lowered sales and earnings.