

## BUSINESS AND FINANCE

### Davison Chemical to be merged into W. R. Grace . . . \$11 million net earnings reported by Grace for 1953

**W.** R. GRACE & CO. AND DAVISON CHEMICAL have announced plans for a merger of the two companies if stockholders approve. Special stockholder meetings to vote on merger will be held—Grace on May 12 and Davison on May 13.

Under terms approved by the boards of directors of the two companies, each share of Davison common would be exchanged for 1.4 shares of Grace common and each share of Davison preferred (\$50 par value) will be exchanged for \$50 principal amount of 4.25% convertible subordinate debentures issued by Grace plus \$5.00 in cash. Debentures would be convertible into 1.5 shares of Grace common at any time prior to May 1, 1959, and thereafter into 1.35 shares of Grace common prior to May 1, 1964. The debentures would mature on May 1, 1974, and be retired through a sinking fund which begins in 1965.

Grace's annual report shows a net income of \$10,959,077 in 1953, an increase of 39% over net income of \$7,882,878 in 1952. This represents per-share earnings of \$3.76, compared with \$2.65 in the previous year.

Officers of the company reported that substantial progress had been made during the year in the program of diversification and development, particularly in the chemical industry. This included purchase of a majority interest in Davison, purchase of Thurston Chemical Co., manufacturers of fertilizers, and construction of the ammonia and urea plant in Memphis, Tenn. The plant is expected to be ready for operation in the autumn.

#### American Home Foods Buys Dennison's Foods for Cash

American Home Foods has purchased Dennison's Food of Oakland, Calif., for cash. Amount of the sale, which became effective May 1, was not disclosed. The purchase includes the Dennison brand, business, and its multimillion dollar food processing plant in Oakland.

According to American Home Foods, the purchase will give the company a much needed modern processing plant on the West Coast and add to the company's supplies of tomato paste which must be enlarged to meet increasing re-

quirements of the Chef Boy-Ar-Dee plant at Milton, Pa.

Dennison's plant at Oakland is capable of turning out \$10 million worth of tomato products and processed foods each year. American Home Foods will use the plant to pack all Chef and Dennison's products for western markets. Most of Dennison's regular plant and sales employees will be retained and the sales organization will be maintained separately from other sales organizations of American Home Foods.

National sales of American Homes Foods lines in the first quarter of this year were reported to be 41% ahead of the same period in the 1953. The company had sales of more than \$204 million in 1953.

#### Mathieson's Sales Up 8.3%

Mathieson Chemical's sales improved 8.3% during the first quarter over the first quarter of the previous year. The sales total reported was \$65,556,997, compared with the previous year's first quarter total of \$60,515,173.

Earnings were also up—from \$4,668,645 or 82 cents a share in the first quarter of 1953 to \$4,753,819 or 83 cents a share in the quarter ended March 31, 1954. A 50-cent dividend was paid for the first quarter of both years.

#### Continental Can's Sales, Profits At Record Highs in 1st Quarter

Continental Can Co. reports record high sales and earnings for the quarter ended March 31. Earnings were \$3,000,317, compared with \$2,477,446 for the first three months of 1953.

Sales were up 18.5% to \$127,980,757 from the first quarter of last year when sales were \$107,977,816. The physical volume of sales was up about 10%.

At the stockholders' meeting, during which these results were reported, Hans A. Eggers, president, said that the company added about \$43 million worth of annual sales and 12 plants through last year's acquisition. All of these acquisitions were in fields not previously covered by the company—paper, cellophane, and plastic bags; polyethylene bottles, plastic pipe; molded plastics; paper and plastic-coated paper plates; and paper milk containers for the Canadian market.

Thomas C. Fogarty, executive vice president of the company's metal division, said that sales in his division were about 14% ahead of last year on April 15. He predicted that the company's development of a metal can for soft drinks may parallel the development of the can for beer. He said the total market potential for cans in the soft drink field is about 30 billion cans annually.

#### Atlas Reports 1st Quarter Earnings Up 13%

Atlas Powder Co. reports a net income of \$657,533 or \$1.08 a share for the first quarter. This was a 13% increase over the \$582,517 or 94 cents a share earned in the first quarter of 1953.

Sales totaled \$14,481,114, compared with \$14,271,077 in the same quarter of last year. Provision for taxes was \$681,000 for the first quarter, compared with \$1,044,000 a year ago.

#### Dewey & Almy Reports Sales Up 18%; Cryovac Sales Credited

Increased sales of Cryovac plastic packaging materials were credited by Dewey & Almy for its 18% sales increase in the first quarter of this year—sales were \$8,561,866 compared with \$7,243,846 for the same period last year.

Earnings of \$439,213 were reported for the first quarter of this year, compared with \$144,709 reported for the first quarter of 1953.

#### Jones & Laughlin Shareholders Eat Lunch from Tin Cans

At the recent stockholders meeting at its new tin mill warehouse in Aliquippa, Pa., Jones & Laughlin Steel served 700 shareholders and guests a luncheon served entirely from tin cans. Canned food industry is the largest outlet for J&L's tin plate, which constitutes about 10% of J&L shipments of finished steel

