

## Gallowhur Moves to Ossining; Gen'l Manager Appointed

Gallowhur Chemical Corp. moved its New York City office to the plant and laboratory office at Ossining, N. Y. The move is expected to facilitate commercial production of several products now in the laboratory stage and to fit in with the company's long range plan of integration.

The company has also announced the appointment of John H. Holton, Jr., as general manager of all phases of the company's operation. Holton was formerly with the Niagara Chemical Division of Food Machinery.

## Smith-Douglass Building New Headquarters at Norfolk

Construction of a new office building for Smith-Douglass Co. is now under way at Norfolk, Va. The company expects to occupy its new limestone and marble headquarters by the end of this year.

The building is located on a 25-acre site, with 245-foot frontage on Virginia Beach Blvd., outside of the Norfolk city limits. The building will be served by a large parking lot, contain recreation and meeting rooms, and provide 30,000 square feet of floor space for the headquarters staff of the company and its divisions.

## Atlas Forms British Affiliate to Make Sorbitol

Atlas Powder Co. and Honeywill & Stein, Ltd., British chemicals firm, announce the formation of a jointly owned company, Honeywill-Atlas, Ltd., to make and sell sorbitol and its derivatives.

The new company will make available from sterling sources sorbitol and a wide range of sorbitol derivatives and other surface active agents developed by Atlas. The American parent has pioneered in the production of these chemicals extensively used in major industries, and will make available to the new affiliate its experience in the manufacture, sale, and use of these materials.

Honeywill-Atlas Limited will make its headquarters at Devonshire House, London W. 1, with L. F. Harris as manager.

## Du Pont Completes Largest Sulfuric Unit at East Chicago

Du Pont announces completion of a sulfuric acid unit, said to be the world's largest single unit, at East Chicago, Ind. The plant will furnish Illinois, Indiana, and Wisconsin manufacturers of insecticides, synthetic detergents, steel products, petroleum products, medicines, explosives, chemicals, and storage bat-

teries. Started last August, the unit will produce more than a trainload of acid a week.

## Girdler Completes Urea Expansion for Allied Chemical

Girdler Co., a division of the National Cylinder Gas, has completed a formaldehyde and urea expansion program at South Point, Ohio, for the Nitrogen Division of Allied Chemical & Dye Corp. The program covered enlarged capacities of the formaldehyde- and urea-producing units and a new formaldehyde-urea concentrate plant.

## FOREIGN

### \$2.5 Million Israeli Plant to Produce Pesticides

A \$2.5 million chemical plant in Israel for producing insecticides and fungicides as well as other chemicals is expected to be in operation late this year, according to the Jewish Agency for Palestine. On a 75-acre site 10 miles from Haifa, the plant is to turn out 8.3 tons of caustic soda, 7.5 tons of chlorine, 3 tons of hydrochloric acid, 3 tons of sodium hypochlorite solution, and 5 tons of BHC each day. The plant is also to produce copper oxychloride fungicide.

The plant is being built by Electrochemical Industries (Frutarom) Ltd., which was furnished with nearly \$1 million in capital by American investors. The Israel government extended a long-term loan for \$1,250,000. The company is open to about \$200,000 in additional investment.

## BUSINESS AND FINANCE

### Dow's 9-Month Earnings Up 14 Cents a Share

Dow Chemical reports net sales of \$336,118,096 for the nine months ended Feb. 28, with earnings of \$1.17 per outstanding share of common stock.

This represented a substantial improvement over the comparable period in 1954 when Dow earned \$1.03 per common share on sales of \$312,080,993.

Earnings before taxes on income were \$52,837,680 as compared with \$44,857,917 in the preceding year, while earnings after tax rose from \$24,184,963 to \$26,931,398.

The company received dividends from associated companies amounting to \$1,350,000 and paid \$303,869 in dividends on preferred stock which was called in last Oct. 15.

For the three months ended Feb. 28 Dow recorded sales of \$114,021,290 against \$99,382,593 for the comparable period in the preceding year. After tax

earnings rose from \$7,421,409 to \$10,379,529. Earnings per common share for the quarter rose from 32 cents to 46 cents.

## Hercules Reports Improved 1st Quarter

Hercules Powder reported, for the three months ended March 31, 1955, net income equal after preferred dividends, to \$1.54 a share of common stock. In the first quarter of 1954, the company reported net income of \$1.21 a share of common stock.

Net sales and operating revenues for the quarter were \$53,130,708, compared with \$43,564,002 in the first quarter of 1954.

## Olin Mathieson's Sales Top \$470 Million, Up Slightly

Olin Mathieson Chemical Corp. and its subsidiaries in the U. S. and Canada achieved 1954 net earnings of \$34,292,000, an improvement of nearly 14% over the 1953 earnings of \$30,093,000 on a pro forma basis. After preferred dividends, the 1954 net profit was equivalent to \$3.02 per share, as compared with \$2.77 per share on 10,495,599 common shares outstanding a year ago. Adding foreign earnings the 1954 net profit reached a total of \$38,584,000 or \$3.41 per share, up 17% over 1953's \$32,894,000, or \$3.04 per share.

Consolidated sales were \$470,108,000 against 1953's \$464,605,000. Excluded from these totals are sales of \$38,982,000 from foreign operations in 1954 and \$32,704,000 in 1953. On a world-wide basis, after elimination of inter-company transactions, the 1954 sales total was \$497,489,000, or an improvement of 2% over the 1953 total of \$488,245,000.

Olin Mathieson resulted from the merger of Olin Industries, and Mathieson Chemical on Aug. 31, 1954.

The report noted that sales of agricultural chemicals increased over those in 1953.

The corporation's current expansion program involves an estimated expenditure of \$50 million for new facilities, the report revealed, including a second cellophane plant at Olin, Ind., which will be completed in 1956.

## Pfizer Sets New High in Sales and Earnings

Sales of Chas. Pfizer in 1954 reached \$145,238,625, highest in the company's history and a gain of 14% over the previous year's figure of \$127,002,576, says the annual report.

Net earnings were at a record level of \$15,200,871, equivalent after payment of preferred dividends to \$2.95 per share

of common stock. This compared with earnings of \$14,159,604, equal to \$2.73 per share in 1953.

President John E. McKeen attributed the 5th consecutive annual sales increase to the further expansion and diversification of its product line.

Among the new products introduced in 1954 were Vigofac, a growth stimulant for hogs and poultry, and Agrimycin, an antibiotic spray formulation which controls a number of bacterial plant diseases. Pfizer announced recently that it was offering itaconic acid, produced by fermentation from a low-cost carbohydrate source. It also plans to introduce in the near future other industrial chemicals manufactured by fermentation methods.

Mr. McKeen stated that the company maintained a strong position in the field of broad spectrum antibiotics with sales of Terramycin reaching an all-time high and those for Tetracycline (tetracycline) increasing in volume as the year progressed.

According to the report, the chemical sales division increased its unit sales during the year but experienced a decline in dollar volume. A sharp drop in the price of several important vitamins attributable to foreign imports and a weakness in the prices of bulk antibiotics were mainly responsible for the decrease in dollar sales.

The company spent approximately \$8,250,000 for the construction of new plants, replacement of equipment, and renovation of existing facilities.

The company's research expenditures for 1954 totaled in excess of \$6 million. Mr. McKeen stated that research programs were continuing in radioactive isotopes, cancer, virology, parasitology, and other fields. In addition, he asserted, new veterinary products and feed supplements are under evaluation at the company's agricultural research and development farm at Terre Haute, Ind. The new fermentation methods which enabled the company to market hydrocortisone and other steroids continue to yield new useful compounds which the company expects to offer during the current year, he said.

The evolution of Pfizer's marketing program is traced by the report, showing progress made over the past few years in diversification and expansion of the company's business. Pfizer products are now being sold through five marketing divisions with a total field sales force of more than 1250 men.

### **Lion Oil Completes Best Quarter in History**

Earnings of Lion Oil Co. for the first quarter of 1955 were announced by T. M. Martin, president, as being the high-

est in any three-month period in the history of the company. Net income for the quarter, after provisions for taxes on income, was \$5,247,157 or \$1.70 per share of stock outstanding. This represents an increase of 51% over the similar figures for the same quarter of 1954 which were \$3,468,610 or \$1.12 per share.

Sales and operating revenues for the period were \$30,499,164 in comparison with \$26,285,357 for the first three months of the previous year. Net income before tax provisions amounted to \$7,089,795 as compared with \$5,249,107 for the same period a year ago.

### **Du Pont Sales Down; Profits Up 55%**

Du Pont reports that 1954 sales slipped 3.5% from the record high of 1953. The total in 1954 was \$1668 million, compared with \$1750 million in 1953. Despite the sales dip, Du Pont earnings were the highest on record, \$252 million, the increase being primarily due to expiration of the excess profits tax.

In addition to the \$252 million in earnings from Du Pont operation, the company also earned \$92 million in dividends from General Motors. In 1953, the company earned \$162 million from its own operation and \$74 million from General Motors, a total of \$236 million. Earnings from Du Pont operation increased 55% during the year, and total earnings increased 45%.

In the sales breakdown, Du Pont reported that about 2% of its total sales were to agriculture, while in 1950, the company's total sales to agriculture were about 3%. The company spent about \$61 million on research last year, exclusive of laboratory construction; this was about 3.6% of sales and \$4 million more than in the previous year. During 1954, Du Pont spent about \$120 million on new plants and laboratories, including the methionine plant at Beaumont, Tex.

### **Diamond Alkali's Sales Hit New Record at \$93.5 Million**

Sales of Diamond Alkali totaled \$93,505,530 in 1954, setting a new all-time peak, according to the company's annual report.

Sales of Diamond chemicals in 1954 increased \$6,771,251, or 7.8% above the total of \$86,734,279, the previous record high.

Earnings in 1954 were maintained on a substantially comparable basis with 1953, totaling \$5,528,600, equivalent, after preferred dividends, to \$2.21 per common share. This compares with earnings of \$5,939,189, or \$2.39 per common share in 1953.

Capital outlay covering new produc-

tive facilities and continued expansion, improvement, rehabilitation, and modernization of present plants totaled \$7,750,000. This figure includes a payment of \$2 million toward the purchase of the chlorine-caustic soda plant at Muscle Shoals, Ala., from the Government.

Reporting on the company's research development and exploratory engineering efforts, Raymond F. Evans, board chairman, said Diamond in 1954 had spent \$3,080,000, or 3.3% of sales, on such activities, and estimated that \$4 million, or 4.2% of sales, would be allocated for this purpose in 1955. During the past 15 years, research expenditures have increased from \$51,000 (0.3% of sales) in 1940 to \$3,080,000 (3.3% of sales) in 1954.

### **Phillips' Annual Report Reflects Fertilizer Expansion**

Phillips Petroleum Co. reports sales of \$796,129,752 for 1954, compared with 1953's \$765,221,149. Earnings, however, were down to \$76,234,679 from \$76,760,231 in 1953. Lower earnings were attributed mainly to the highly competitive situation that prevailed during most of the year and lower product prices.

Volume and value of fertilizer sales, however, increased by more than 50% during the year—total tonnage of fertilizer sold amounting to 590,831. Anhydrous production was up 67%, averaging 845 tons a day and reflecting operation of the new plant near Houston. Phillips upped its production of ammonium sulfate 123% to 789 tons daily, while ammonium nitrate and nitrate solutions climbed from 337 tons a day to 449 tons daily at the Cactus plant in the Texas Panhandle. The company also brought into production its new triple super plant near Houston and added nitrogen storage capacity at two locations. With Phillips entry into Potash production, via Farmers Chemical Resources Development Corp. which it will own with Kerr-McGee and National Farmers Union, the company will be basic in all three plant nutrients.

### **Eli Lilly Sales, Profits Down**

Eli Lilly's net income declined more than \$1 million in 1954, the annual report to stockholders shows. The total was \$11,342,000.

Consolidated net sales were \$122,260,000, ranking third highest in company history but showing a drop of more than \$3 million from 1953's record sales of \$125,281,000.

Net earnings per share of common stock were \$4.44, or 41 cents less than in 1953.

The company reduced its long-term indebtedness by \$13,810,000 in 1954, it is revealed, leaving the total remaining long-term debt at \$20,025,000.

The message cites the large reduction in debt, the expansion of research and merchandising activities, and the expenditure of \$5,700,000 on new facilities and the improvement of facilities.

The message to shareholders lists as its particularly noteworthy developments in 1954: opening of the Tippecanoe Laboratories near Lafayette for production of antibiotics; the synthesis of lysergic acid, a basic portion of the organic structure of the ergot alkaloids; and the company's entry into the farm market with Stilbosol (Diethylstilbestrol Premix, Lilly), a feed additive which stimulates the growth of fattening cattle.

### W. R. Grace & Co.'s Net Income 17.5% above 1953

Exceeding the \$400 million mark for the first time, sales and operating revenues of 100-year-old W. R. Grace & Co. reached \$413,401,905 during 1954 as compared with \$330,979,665 in 1953, according to the company's annual report to stockholders.

Net income totaled \$14,794,326 compared to \$12,585,688 for the previous year, an increase of 17.5%. Based on the average number of common shares outstanding during 1954, per share earnings amounted to \$3.50. Per share earnings were \$3.27 in the previous year.

Including the equity in earnings in excess of dividends received from non-consolidated subsidiaries and 50% owned companies, total earnings for the year amounted to \$3.95 per common share compared with \$3.51 in 1953. All per share earnings are adjusted to reflect the merger of Dewey & Almy which was consummated during the year.

The centennial-year report of W. R. Grace disclosed that U. S. chemical properties now represent a total of \$71 million or 54.4% of total net fixed assets of the company and went on to declare that "there has been no lessening of the traditional activities of the Grace organization in Latin America, an area in which we are consistently making substantial new investments in diversified fields."

### Merck Earnings Higher Dollar Sales Volume Lower

Earnings of Merck & Co., Inc., and subsidiaries were \$12,614,000 in 1954, compared with \$11,389,000 the year before, or \$1.09 per share of common stock compared with 96 cents. Consolidated sales last year were \$145,460,000, compared with \$160,002,000 the preceding year.

According to James J. Kerrigan, president, unit sales of major product groups were the highest in the company's history. Over-all dollar sales were lower than in the previous year due to lower average selling prices, expiration of government defense contracts, and decreased sales of seasonal products during the first half of the year. The seven-week strike, which began in November 1953 and extended into early January 1954 also affected 1954 sales volume.

## EDUCATION

### MIT Offers 3-Week Review of Food Technology

A review of basic facts and a consideration of important recent and current scientific developments concerned with foods and the food industry will be offered in a three-week special summer program on food technology at MIT from June 20 through July 8 during the 1955 summer session.

"The program is planned to enable those in the food industry to refresh their knowledge of fundamentals and to study recent developments in food manufacture and control," says Prof. Ernest H.

Huntress, director of the summer session.

"It is also planned for advanced engineering and chemistry students who may desire to investigate opportunities open to them in the field."

Members of the MIT faculty and research staff will participate in the program.

After one week of general lectures on food origin and composition, handling, transportation, storage, and control, members of the program will choose one of five areas for specialized study during parts of the second and third weeks.

These special studies will be in sanitation, nutritional evaluation of food processing, food acceptance and flavor evaluation, radiation sterilization, and food engineering.

Lectures, demonstrations, conferences, and visits to food plants will cover such topics as food chemistry and nutrition, effects of microorganisms on foods and food products, flavor and food acceptance, equipment used in food processing, and new analytical tools and techniques. Emphasis will be placed on related chemical, microbiological, and engineering factors.

Full details and application blanks may be obtained from the Summer Session Office, Room 7-103, Massachusetts

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