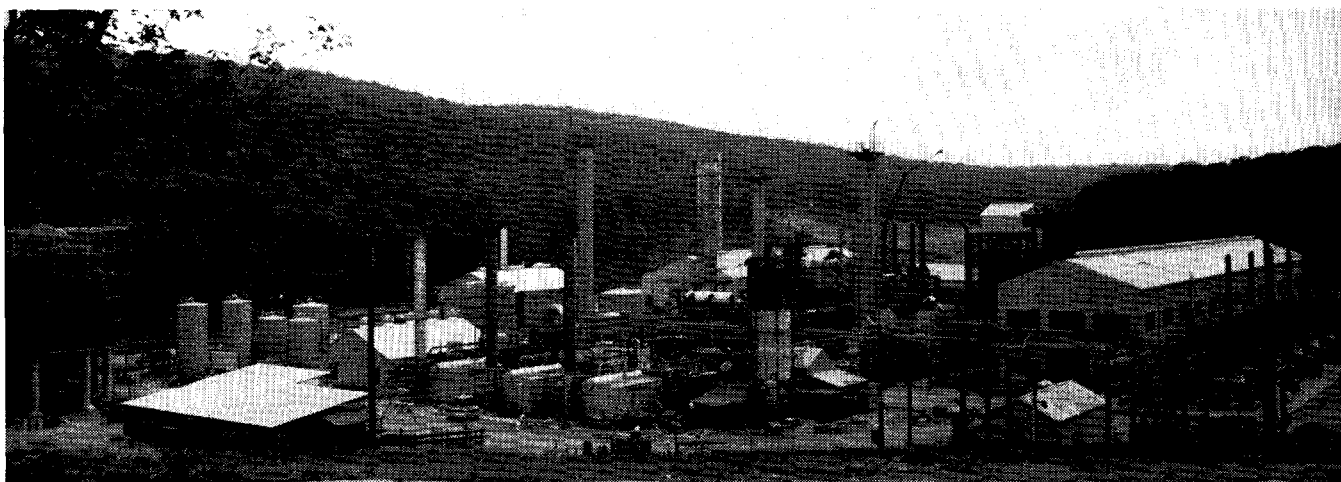


# News of the Month . . .



Ammonium nitrate plant of Mississippi River Chemical on a 4600-acre estate on the banks of the Mississippi near Selma, Mo.

## **INDUSTRY**

### **New Company to Build Nitrogen Plant at Savannah, Ga.**

A 250-ton-per-day ammonia plant is to be built at Savannah, Ga., according to plans announced recently by Southern Nitrogen Co., Inc. President of the newly organized firm is John R. Riley, former vice president in charge of sales and director of Spencer Chemical.

Construction of the plant is to start this fall and is expected to be complete before the end of next year. The \$14 million facilities will produce ammonia and convert it to nitric acid, urea, nitrogen solutions, and fertilizer grade ammonium nitrate. Natural gas will be supplied by Southern Natural Gas Co.

Part of the company's \$18 million capitalization comes from a long-term insurance company loan and part from the sale of securities.

Mr. Riley points out that the plant will be the first in the large nitrogen-consuming region of the south Atlantic states. He said location of the plant in that area will save farmers and the fertilizer industry there approximately \$3 million annually.

Two other officers of the company were formerly connected with Spencer: George V. Taylor, vice president of Southern Nitrogen, was formerly director of product sales for Spencer; and the new company's chairman of the board, Malcolm Smith, was on the Spencer board.

### **Mississippi River Chemical's Nitrogen Plant Near Completion**

Mississippi River Chemical's \$16 million nitrogen plant is nearing com-

pletion and expected to be completely in operation by the middle of this month. Thirty miles south of St. Louis, on a riverside site of 4600 acres, the plant can produce 200 tons a day of anhydrous ammonia. Production will be divided into 20,000 tons of anhydrous a year, 60,000 tons of solid ammonium nitrate, and 60,000 tons of solutions.

Fluor Corp. handled over-all design and construction of the plant; Chemical and Industrial Corp. designed and built the nitric acid plant and the prilling tower. Mississippi River Chemical obtains its hydrogen from natural gas supplied by its parent company, Mississippi River Fuel. Because the gas is supplied on an interruptible basis, the plant is also equipped to utilize fuel oil as a hydrogen source and power.

Distribution and sale of nitrogen products will be handled by Bradley & Baker under Mississippi River Chemical's Steamboat brand name. The company's sales manager, John L. Sanders, reports that all of the company's production through next June is already contracted for.

Although docks and barge-loading facilities are not presently planned, the company says such facilities will definitely be included if the plant should be expanded. Space is available at the ammonia-plant site for a mirror image duplicate. No decision either for or against additional products such as urea has yet been made, the company indicates.

### **Dow Chemical Forms 3 Groups to Handle Pesticide Sales**

Dow Chemical has announced a realignment of its agricultural chemicals marketing. Under the new set-up, separate groups will handle marketing of pesticides for farm use and for industrial

use. A third group will handle long-range sales planning. This arrangement, Dow expects, will strengthen and expand its activities in the marketing of agricultural chemicals.

Head of the farm-use group will be Glenn Gullikson, who has been head of the merchandising section for the past two years. The group will coordinate the work of product managers responsible for marketing herbicides, insecticides, fungicides, and soil and grain fumigants for use on the farm.

Theodore L. Bendall, who has been head of ag chemicals sales in the New York area for the past eight years, will supervise the industrial products section. This section will coordinate activities of product managers handling Dow's herbicides, veterinary chemicals, food supplements, space and grain fumigants, and fertilizers for sale in the utility, highway, railroad, industrial property, and other fields.

The long-range planning staff will handle market development, educational activities for the sales staff, and contacts with extension service personnel and farmers. Hillard L. Smith, head of herbicide sales for the past seven years, will supervise this group.

Howard W. Sheldon has moved up as supervisor of the merchandizing section.

### **Velsicol Changes Name; Announces New Executive Titles**

Velsicol Corp., formerly a division of Arvey Corp., has changed its name to Velsicol Chemical Corp. With its own corporate structure, Velsicol feels its new title gives a more definite description to its products and industry relationships.

At the same time, the company announced the following title changes for

executive personnel: J. Regenstein, Sr., from president to chairman of the board; J. Regenstein, Jr., from vice president to president; E. T. Collinsworth, Jr., from vice president and general manager to executive vice president and general manager.

### V-C Building Three Midwestern Fertilizer Plants

Virginia-Carolina Chemical Corp. has announced plans to construct three new fertilizer plants in the Midwest.

The plants, each designed for the production of high analysis fertilizers, will be located at Orrville, Ohio; Remington, Ind., and Estherville, Iowa. The company said it plans to start construction immediately and expects each to be in production by next spring. With these facilities, V-C will have 39 fertilizer plants in operation.

### Lion Takes to the Water

More intercoastal transportation of ammonia is due soon when Lion Oil completes new loading facilities at its Barton Plant. By year-end a part of Lion's (equivalent) anhydrous ammonia production, 350 tons per day, will move to market via ocean-going tankers and river barges. Quick-loading facilities, it says, will fill tankers and barges in less than 17 hours.

### Phosphate Producers Reach Agreement with Striking Union

Seven of the eight Florida phosphate producers struck by the International Chemical Workers Union have reached an agreement with the union. Terms of the agreement include wage increases averaging 8.6 cents an hour now and an additional 4 cents next May 15.

At the International Minerals and Chemical plant near Bartow, Fla., the sulfuric acid plant control room was dynamited on the 19th day of the strike. Although the supervisory staff has been operating the plant during the strike there were no injuries to personnel because the crew had not yet reported for duty. Damage from the dynamiting was said to be in excess of \$50,000. The company has offered a reward \$5000 for information leading to the arrest and conviction of persons responsible for the damage.

### Gulf Consultants Offer Specialized Weather Service

Gulf Consultants, a firm operating out of College Station and Houston, Tex., is offering weather forecasts interpreted

to meet specialized needs. Weather forecasts, they say, will be issued on a fee or contract basis from the Houston airport.

The new firm plans to interpret weather conditions for agricultural chemical producers who want to anticipate sales. A similar service will be offered to companies, for advertising purposes, which will be made available to farmers through dealers. Gulf Consultants is maintaining its headquarters at 313 Main St., College Station, Tex.

### Coronet Names Distributor in West for Feed Supplements

Schroeder Sales Co. of Long Beach, Calif., has been named distributor of Coronet Phosphate Co.'s defluorinated phosphate feed supplements in California and Arizona. Schroeder will maintain warehouse stocks of the supplement at its Long Beach facility.

## BUSINESS AND FINANCE

### Spencer Sales Hit New High; Competition Expected in Nitrogen

Sales of Spencer Chemical Co. in the fiscal year ended June 30 set a new record but net income was down somewhat because of nonrecurring charges incident to the start-up of a new polyethylene operation, Kenneth A. Spencer, president, told stockholders in the annual report.

Net sales for the fiscal year were \$36,154,921, compared with \$34,104,178 a year earlier and the gain was accounted for by the larger volume of products sold, primarily from the Vicksburg (Miss.) works.

Net income for the fiscal year amounted to \$5,118,454, equal to \$4.04 a share, as compared with \$5,287,084, or \$4.53 a share in the year earlier.

Commenting on various product lines, Mr. Spencer said that:

"Although the market for nitrogen products has become more competitive and more seasonal as the result of the increase in national nitrogen capacity, Spencer, by virtue of its favorable plant locations, its production of nitrogen in desirable forms, adequate storage facilities, and its well-established marketing program, anticipates very satisfactory results for these products in the current fiscal year."

Spencer spent about \$1 million on research and development in the year and an additional \$400,000 on the related programs of agronomy, product improvement, and market research. The current fiscal year's budget for research is \$1 million plus \$425,000 for these related programs.

### IM & C's Sales Up 3%; Sales of DCP Disappointing

For the 16th consecutive year net sales of International Minerals & Chemical Corp. have shown an increase over the preceding year, according to the annual report for the fiscal year ended June 30.

Net sales for the fiscal year were \$96,485,017—the highest in International's history and 3.1% higher than sales of \$93,591,934 for the fiscal year ended June 30, 1954.

Net earnings of the corporation for the fiscal year ended June 30 were \$6,321,903 compared with \$6,043,979 for the preceding year. This was equivalent to \$2.55 per share of common stock outstanding, compared with \$2.44.

In a letter to stockholders, Louis Ware, president, said that the higher sales volume was realized because of the sale of additional products manufactured in new facilities.

Profits of the phosphate minerals division were ahead of last year. Sales would have reached an all time high had it not been for the general phosphate strike in Florida. Improved efficiency in mining and beneficiation contributed to the favorable record, Mr. Ware said.

Potash division sales and earnings were higher as shipments from new and enlarged facilities increased, although the profit improvement was somewhat retarded by higher costs.

The plant food division realized better earnings from slightly lower shipments, largely as a consequence of increased sales of more valuable, higher analysis materials, he reported.

Sales and earnings of the amino division decreased due to a decline in export business and new foreign and domestic production of monosodium glutamate which has caused price reductions in the bulk Ac'cent market.

"The phosphate chemicals division substantially increased its sales in its first full year of operations but its burden on corporate earnings remained disappointingly large," Mr. Ware told stockholders.

"The products of this division come from two small, older plants producing phosphate mineral feed ingredients and from the large Bonnie plant. Bonnie was constructed to produce, as the major product, dicalcium phosphate, . . . then selling at approximately \$100 per ton. Before the plant was completed, farm income dropped, and there was an over-production of electric furnace phosphorus, manufactured for other purposes, which was dumped in the new feed phosphate market. Large volume production of dicalcium phosphate became unattractive at the prevailing prices and production costs.