

CHRISTMAS 1949

Dear Friends:

One of the pleasant duties of my busy life is to attend our Christmas Party. I look forward to it. It means a lot to me.

I am glad to see so many of you assembled here and I extend to you a hearty welcome. It is to be regretted that we cannot meet more often. This year I was not even able to celebrate with you our 4th of July Party because I was sick at home.

Christmas is the time of year when all of us should enjoy ourselves, but we also should, in a serious vein of thought, let the events of the past year pass before our eyes and make plans for the future.

As is my usual custom, I like to talk to you about the state of our business. I want to tell you first about the result of the year 1949. All of you who work within the gates know and have seen, and are familiar with the fact that out of our nine big machines only six have been in operation during the entire year. This in itself is proof to you that we have not been very busy, with the result that our volume has been smaller, because on the six machines we naturally turned out less paper than we would have on nine, and this smaller volume makes itself felt in smaller income. This must be quite clear to you. While the paper industry in all of its branches has shown a decline during the year, in as far as Ecusta is concerned, this decline has come about only because of the substantial reduction in our export business due to shortage of dollars abroad.

Great efforts have been made, especially on my part, to develop new types of paper which would put into operation our three idle machines, and also to give employment to more people. I am honest to tell you that we have not been successful in producing new types of paper which could have been sold in competition with others, but we still have hopes that one of these days the combined efforts of our Research, Manufacturing and Sales Departments will enable us to increase our volume of manufacturing. This is very necessary because the large amount of business we do, the lower our overhead expense and the lower our cost of doing business. This, also, must be very clear to you.

Due to the fact that the entire paper industry has suffered a setback in production, every manufacturer has concentrated on conquering what little new business was available, at such low prices which were beyond our reach. I, therefore, came to the conclusion that our only hope to find a profitable and attractive solution of our need for additional business, could come if we could find an article which is similar to the type of paper we are manufacturing and which would enable us to cater to a market which is not as overrun with competition and over-production as paper.

Through a chain of very fortunate circumstances, I have been successful in completing an arrangement with the Olin Industries, and Ecusta will erect here a large cellophane manufacturing plant. The designs and construction plans are being finished now and before long the bulldozers will begin to work and construction will start. I hope this plant will be finished and in operation before the year 1950 draws to a close.

We expect to give employment, in the beginning, to about 500, and hope to increase this to about 800 people, and it is my intention to see to it that all the help possible will be recruited from Transylvania County, and adjoining counties.