

Edwards and Aberdeen Business Men Assist Maternal Welfare Work

Moore County Welfare circles of Aberdeen were heartened by the generous response of business men there, to the plea for help, in getting better clinic rooms for the monthly pre-natal clinics.

The Woman's Club, which is sponsoring the work under the leadership of Mrs. J. Talbot Johnson, one of the vice-chairmen of the county committee, had set aside a monthly sum for the clinic, but were hard put to it to raise the balance necessary. Hearing of the need, J. B. Edwards of Aberdeen offered to raise the extra amount among business friends, and came through in a very few days.

Great were the expressions of gratitude both from the local committee and from Mrs. McLeod and the other nurses of the Health Department, whose work in the present building, where conditions are crowded and the out-door stairs unsafe, was carried on under great difficulties, "Generous", "wonderfully kind", "such a real and practical help!" were among the many comments heard on receipt of the good news that the new rooms would be available through the businessmen's help.

Cigarette Prices Are Up But Not On Single Packs

The increase in cigarette prices does not affect "over the counter" sales of single packages. OPA pointed out that the half-a-cent boost per pack is effective only on over-counter sales of two or more.

These retail price increases result from increases granted cigarette manufacturers because of rising production costs, OPA said. Retail prices on the "economy" brands — Avalons, Marvels, Twenty Grands and Wings — now ceiling-priced at 13 cents a package, two packs for 25 cents, are increased to a straight 13 cent per pack, OPA said, adding that state taxes are not included in setting cigarette ceilings.

"Popular" brands — including Camels, Chesterfields, Lucky Strikes, Raleighs and all other cigarettes not specifically named — retain present ceilings on single-pack over-counter sales, but the price jump applies on sales of two packs or more.

Cigarettes sold through automatic vending machines are increased one cent per package, since data submitted by vending machine operators shows that their absorption of manufacturer's increase would drop their profits below pre-war base levels.

NIAGARA

Mrs. T. D. Mullis and sons returned Friday from a week's visit to her parents, Mr. and Mrs. H. C. Brogden in Mount Olive.

Miss Gladys Snipes and Jane spent Friday shopping in Raleigh. Bruce Garner spent the week end in Norfolk, Va.

Mr. and Mrs. Harold Tucker and family, also Miss Ola Cameron and Mrs. Alton Williams and sons of Sanford visited Mr. and Mrs. D. D. Cameron Sunday.

Mrs. C. E. Covington spent Monday in Raleigh with Mr. Covington who is a patient at Rex Hospital.

FOR RESULTS USE THE PILOT'S CLASSIFIED COLUMN.

Government House Rum

4/5 Quart
\$3.50
Retail

WHITE OR GOLD LABEL
86 Proof

Imported by
Munson G. Shaw Co.
New York City

C. P. & L. reports to you...

To Our Customers and Friends:

The information shown below is taken from our Annual Report for 1945, a copy of which has been mailed to each of the 6,780 holders of the Company's preferred stock.

The most important occurrence in 1945 was the end of the war. Inasmuch as the industries served by the Company were predominantly of the peacetime variety, the Company is faced with no major problem of reconversion or readjustment. Its property is in good condition in spite of the difficulties experienced in obtaining materials and manpower during the war years.

Following the removal of restrictions on the construction of lines after the end of the war, the Company began a rural electrification program which ultimately will result in the construction of some 3,300 miles of lines to serve approximately 15,000 new rural customers. The largest item in the 1946 construction budget is the appropriation of \$3,500,000 for the portion of this program expected to be completed during the year.

It should be of interest to our customers to know that no curtailment of the Company's service has been necessary as a result of the coal strike. Since the Company's generating facilities are predominantly hydro, it has been able to meet all the demands of its customers, and has supplied a substantial amount of power to a neighboring company.

The Company recognizes its responsibilities to its customers, its employees, and its security holders. It supplies first-class service to its customers at low cost, and it tries to induce them to make full use of its service facilities. It endeavors to promote the welfare of its employees by providing security and stability of employment under good working conditions. It is an integral part of every community in which it does business, striving at all times to be a good citizen, and by its tax payments substantially supporting the many public institutions so essential to health, education, and well-being of all citizens.

Respectfully submitted,
L. V. SUTTON, President.



Any interested person in the territory served by the Company may obtain a copy of this Annual Report so long as the supply is available, by writing to the General Offices of the Company in Raleigh, N. C.

INCOME DURING 1945



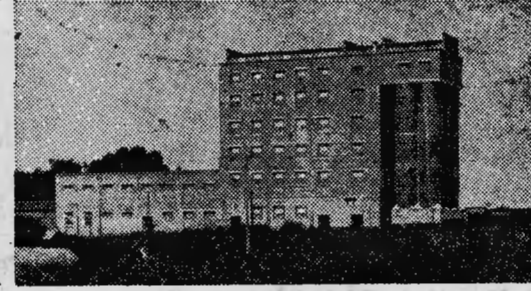
In 1945, the Company received from residential customers 22.7 per cent of its total revenues.



Revenues from rural customers amounted to 7.2 per cent of the total.



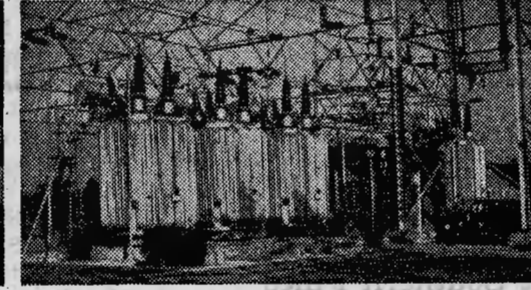
Revenues from stores, offices, service stations, restaurants, military camps, were 17.9 per cent.



Manufacturing plants and industries furnished the largest share—31.1 per cent.



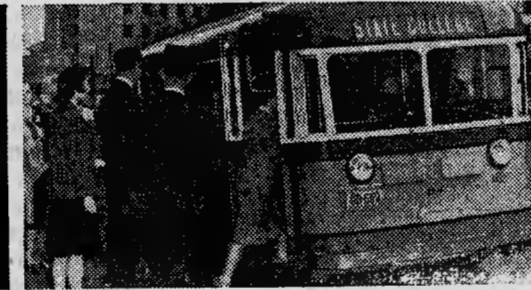
Municipal pumping, street lighting and traffic signals accounted for 2.7 per cent of total revenues.



Power sold at wholesale to other public utilities amounted to 14.9 per cent.



Revenues from miscellaneous sources, including non-operating income, were 7 per cent.



Revenues from operating the bus system amounted to 2.8 per cent.

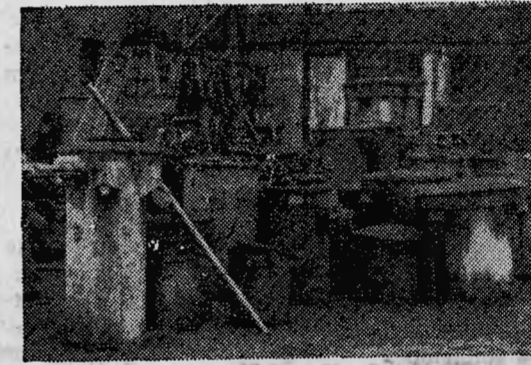
EXPENSES DURING 1945



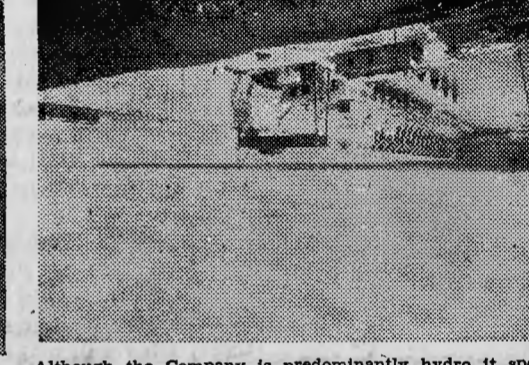
Taxes applicable to electric and motor coach operations for 1945 amounted to 29.8 per cent of all revenues.



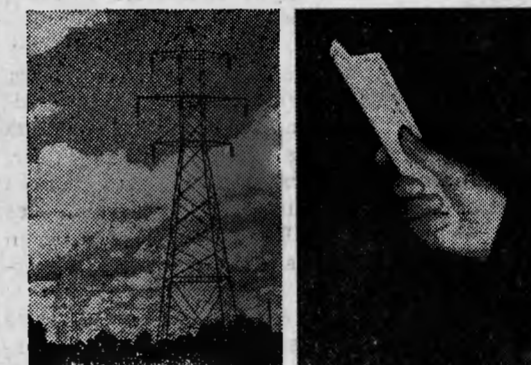
Wages and salaries charged to operations represented 11.8 per cent of revenues. This amount does not include wages and salaries charged to construction.



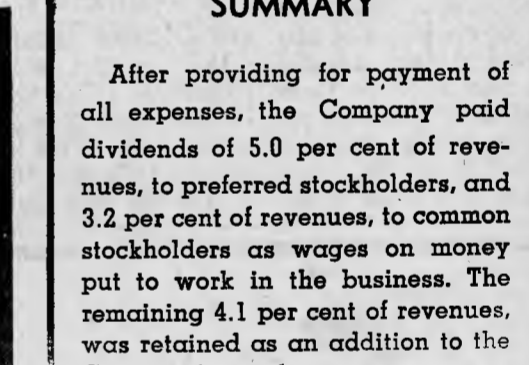
Eight per cent of all revenues was set aside for replacement of worn-out or obsolete equipment.



Although the Company is predominantly hydro it spent for fuel at its steam-driven generating stations, for materials and supplies, and for other operating expenses, 18.0 per cent of revenues.



The power purchase program amounted to 10.3 per cent of revenues.



Interest on bonds and other deductions took 9.8 per cent of revenues.

SUMMARY

After providing for payment of all expenses, the Company paid dividends of 5.0 per cent of revenues, to preferred stockholders, and 3.2 per cent of revenues, to common stockholders as wages on money put to work in the business. The remaining 4.1 per cent of revenues, was retained as an addition to the Company's surplus.

TAXES

The Company's 1945 tax bill was \$5,875,374. Deductions from revenues for taxes were \$5,555,108, or equivalent of approximately 30 cents out of every dollar of its operating revenues. Approximately two-thirds of the Company's 1945 tax bill will be paid to the Federal Government.

Included in Federal taxes is the so-called excess profits tax. This was an emergency wartime tax levied on an arbitrary basis and assigned a most misleading caption in so far as it applied to this Company, since the Company had no excessive wartime profits.

Saving to the Company by the elimination of the excess profits tax will be substantially less than the amount of such tax, since that portion of revenues which has been subject to excess profits tax will now be subject to Federal normal income tax and Federal surtax. Even with the reduction in taxes resulting from the revision of the Federal Revenue Act, the proportion of Company revenues that will be absorbed by taxes in 1946 will be substantially higher than for most other types of industry.

RATES

The average price paid for electric service by household customers throughout the nation in 1945 was 25 per cent higher than the average price of 2.7 cents per kilowatt-hour paid to the Company for household electricity. Electricity is one of the very few items that did NOT INCREASE in price during the war years. Today household customers served by the Company can use, on the average, more than THREE TIMES as much electricity as they used twenty years ago for the SAME AMOUNT OF MONEY.

In view of the fact that rates charged by business-managed companies must pay for all the costs of doing business, including interest on borrowed money and taxes, Carolina Power & Light Company has made a noteworthy record in keeping the price of electricity DOWN while prices generally are going UP.

The FUTURE

An appropriation of \$3,500,000, to be spent for rural electrification, is the largest item in the Company's 1946 construction budget of \$5,993,866.

Upon the removal of restrictions on the construction of lines in the fall of 1945, the Company began a new rural electrification program which, when completed, will result in an expenditure of more than \$4,000,000 and in the construction of 3,300 miles of rural lines to serve more than 15,000 new rural customers. It is expected that the Company will be able to complete at least three-fourths of this program during 1946. On this basis, the Company will be serving 64,000 rural customers from approximately 3,300 miles of rural lines.

The construction budget as approved, containing nearly 90 different items, includes funds for high-voltage transmission lines, substations, transformers, substation improvement and enlargement, additional equipment for protection against lightning, and plant improvement. Provision was made for the extension of electric lines in towns and cities throughout the system to add about 5,000 new urban customers. Funds also were approved for the purchase of new buses, trucks, and automobiles. The Company has had buses on order for several years, but those available were diverted to defense areas.

CAROLINA POWER & LIGHT COMPANY

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