

WHITE'S DRESS SHOPPE HERTFORD, N. C.

Mrs. Herbert Nixon and son, Herbie, left Monday to spend a few days in Richmond. From Edenton

Newby.

In Richmond

Miss Frances Bennett from Edenton spent the week-end with Mrs.

Miss Frances Newby from Belha

Mr. and Mrs. Robert Brinn 'and

Mr. and Mrs. Jack Edwards from

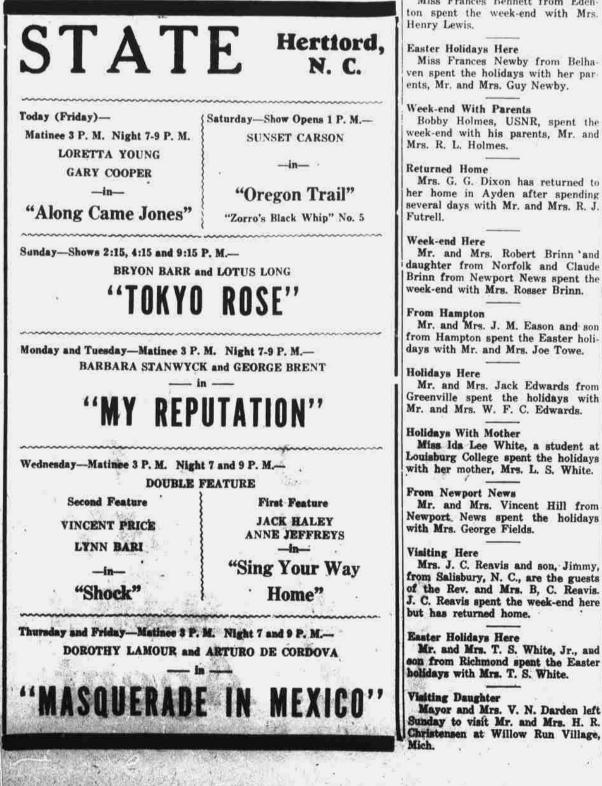
Mr. and Mrs. Vincent Hill from

in from Richmond spent the Easter

Mayor and Mrs. V. N. Darden left

SOMETIMES, although an idea is wrong, it does no harm. Like the idea that a square jaw is the sign of will power. That winters aren't as severe as they used to be, or that red hair denotes quick

nearly all of every dollar Harvester takes in from sales. A Government board has recommended and the Company has agreed to pay a general wage increase of 18 cents per hour for Harvester factory employees. The Government has also allowed price increases on raw materials which we purchase in large quantities steel has had an average increase of 8.2%



But there are other wrong ideas, which are definitely harmful to public confidence in and understanding of industry. One such idea is the current "guessing" about profits made by large business organizations.

on our profits...

Many people are apt to grossly exaggerate the money made by business. So Opinion Research Corporation (an independent organization) made a survey to learn just what the public thinks about profits. Compare these guesses and yours with the International Harvester profit figures given below.

(5)(5)(5)(5)(5)Public guess on war profits ... 30.04 I H four war year average profit . . 4.9\$ (5)

In this survey, the average of the guesses by the public of the wartime profits made by industry was thirty per cent (30%).

But in the four war years of 1942, 1943, 1944, and 1945, the profits of International Harvester Company averaged only ... 4.9% les. Less than one sixth of on he general public "guessed"



In the four peace years of 1938, 1939, 1940, and 1941, the profits of International Harvester Company averaged ... 7.17%. This is well under half of what the public "guessed" for all industry.

(5) FAIR (5) (5) I H (1)

think fair profit

The survey indicates the public knows that in our economy prof-its are indispensible. And the majority regard 10% as a

rate of profit in normal times. Many large businesses, including ourselves, would consider it a banner year if we could reach this figure. Our average profit for the last ten years-four war and six peace-was 6.43%-more than a third less than what the public considers fair.

All these figures show that our profits are not high. As a matter of fact, the entire farm machinery industry is a low profit industry. In 1944, the Federal Trade Commission published a list of 76 industries ranked in order of their ratio of profits to sales. The farm machinery industry was 57th on the list.

What About Current I II Prices 7

When the War ended and we planned our peace-time produc-tion, we had hoped to be able to serve our farmer customers at the e level which has held since 1942, regardless of war-time increases in costs of wages and ma-



terials up to that time. But relopments have forced a cent deve bange in our plana



frozen by the Government early in So our situation today i hint

We will be paying average wages 56% above 1941. For such we SELL we get only 194. 080 This condition cannot | ... be met out of our present los mie of profit.

Future Prices on I N Products

It is plain that price relief will be needed to meet the increased wage and material costs which we must e ry

We regret this necessity We prefer to lower prices, when possible, rather than raise them and we know our customers prefer to have us do that. We had hoped to be able to "hold the line," at least.

But we do not see how we can avoid operating at a loss if our prices continue to remain at their resent frozen levels. We will NOT "cut corners" on any of our products, because QUALITY IS THE FOUNDATION OF OUR BUSINESS.

Our customers can be certain that we will seek no more than a moderate profit, both because of our policies and because we have approximately 300 competitors fighting us vigorously for your business. Our request for price relief will be no more than is necessary to insure continued service to our customers, continued work for our employees, and a reasonable return for our stockholders.



for all industry. For this period, the year by

year per cent of profits on sales was: 1942-7.34, 1943-5.59, 1944-3.95, 1945-3.93.