

Harvey S. Firestone, Jr. Reports Record-Setting Sales And Profits For 1957

Reviews Year At Annual Stockholders' Meeting

Directors Re-elected; Two New Vice Presidents Named

RECORD-SETTING SALES AND PROFITS of \$1,158,884,304 and \$61,692,152 respectively were reported by Harvey S. Firestone, Jr., chairman, at the annual meeting of stockholders of the company in Akron January 18.

"The year 1957 was the second consecutive year that the annual profits of the company exceeded 60 million dollars and the fourth in the last five years that sales amounted to more than one billion dollars," Mr. Firestone said in his annual address to the stockholders.

The largest program of expansion in Firestone's 57-year history was carried out during the fiscal year of 1957, he revealed. For this purpose, cash expenditures for investments in various parts of the world amounted to \$68,768,620.

"Our company's position for 1958 is excellent," Mr. Firestone said. "Our production facilities are equipped to turn out more and better products with greater economy and efficiency than ever before."

At the stockholders' meeting the nine members of the board of directors were re-elected. The board of directors at a later meeting re-elected all principal officers and named two new vice presidents.

Directors re-elected by the stockholders were: Harvey S. Firestone, Jr., Lee R. Jackson, Raymond C. Firestone, James E. Trainer, John J. Shea, Harvey H. Hollinger, Leonard K. Firestone, Roger S. Firestone and Joseph Thomas.

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THE NEW VICE PRESIDENTS are Joseph Thomas, who now becomes vice president, secretary and general counsel; and Joseph A. Meek, vice president, production. Mr. Meek formerly was director of industrial relations. (Additional details on Page 8.)

Officers re-elected were: Harvey S. Firestone, Jr., chairman; Lee R. Jackson, vice chairman; Raymond C. Firestone, president; James E. Trainer, executive vice president; John J. Shea, vice president; Harvey H. Hollinger, vice president; Harold D. Tompkins, vice president; Harold M. Taylor, vice president; John L. Cohill, vice president; Earl B. Hathaway, vice president; Elton H. Schulenberg, treasurer; Claude A. Pauley, comptroller; Elden H. Eaton, assistant treasurer; Henry S. Brainard, assistant secretary; Byron H. Larabee, assistant secretary; Laurence A. Frese, assistant comptroller; Robert P. Beasley, assistant comptroller; and Lee R. Shannon, assistant comptroller.

The complete text of the address of Harvey S. Firestone, Jr. to stockholders at their meeting follows:

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ON BEHALF OF the Board of Directors, it is my pleasure to report to you the progress of The Firestone Tire & Rubber Company for the fiscal year ended October 31, 1957.

Our net sales and net profits were the largest in our history.

Net sales amounted to \$1,158,884,304 compared with \$1,115,179,783 in fiscal 1956.

Net income amounted to \$61,692,152, equal to \$7.49 a share of Common Stock, compared with \$60,538,848, equal to \$7.44 per share of Common Stock in the previous year.

The year 1957 was the second consecutive year that the annual profits of the company exceeded sixty million dollars and the fourth in the last five years that sales amounted to more than one billion dollars.

Profits of foreign subsidiaries were \$17,445,456. Devaluation of foreign assets resulted in a charge of \$3,212,926 to a reserve provided from income in prior years.

Federal, state and foreign taxes totaled \$142,599,286 of which income taxes were \$58,150,000; excise taxes, \$69,107,878; social security taxes, \$6,691,157 and other taxes, \$8,650,251.

We redeemed \$4,450,000 of long-term debt and \$1,200,000 of Preferred Stock. Net working capital at the close of the year was \$329,064,436 compared with \$321,281,115 on October 31, 1956.

During the fiscal year, dividends of \$2.60 per share were paid on the Common Stock of the company, and an extra dividend in the form of a stock dividend of two per cent on the Common Stock was paid on October 31. Cash dividends on Common and Preferred Stock amounted to \$21,512,909. In connection with the stock dividend, \$1,030,150 was transferred from income invested in the business to Capital Stock and \$12,773,860 to additional capital.

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CASH EXPENDITURES for plant and equipment additions amounted to \$68,768,620, compared with \$58,570,529 last year. Provision for depreciation amounted to \$38,965,327, compared with \$36,933,867 for the previous year.

Major additions were made to our plants at home and abroad. New tire factories were opened in Cuba and in the Philippines. A new factory for the manufacture of Airide air springs began operation in Noblesville, Ind.

A new plant for making butadiene, used in the manufacture of synthetic rubber, started production as the first unit of a new Firestone Petrochemical Center which we are establishing on a 1,000-acre site at Orange, Tex.

We acquired the Electric Wheel Company at Quincy, Ill., in exchange for 112,500 shares of the Common Stock of the company, to enlarge the scope of our metal products activities.

The company purchased from the Government the experimental laboratories adjacent to our Akron synthetic rubber plant to provide additional synthetic rubber research and production facilities.

Production facilities were increased for tires, natural and synthetic



HARVEY S. FIRESTONE, JR. gave his address to stockholders attending the annual meeting in Akron January 18. Facing the stockholders are the directors, all of whom were re-elected. Left to right, H. H. Hollinger, J. J. Shea, Raymond C. Firestone, Joseph Thomas, Harvey S. Firestone, Jr., L. R. Jackson, J. E. Trainer, Leonard K. Firestone and Roger S. Firestone.