

Chairman Sees Great Prospects For Business, Both At Home, Abroad

★ ★ ★

Stockholders Meet, Hear Report on 1959-60

The company's business has great possibilities for increased sales and profits during the Sixties both at home and abroad, Chairman Harvey S. Firestone, Jr., said in his report to stockholders at their annual meeting at the home offices in Akron on January 21.

President Raymond C. Firestone gave the report in the absence of Mr. Firestone, Jr., who was ill with a virus infection. Vice Chairman Lee R. Jackson presided.

The meeting was marked by the retirement of John J. Shea as a director. The stockholders re-elected the 10 other directors: Harvey S. Firestone, Jr., Mr. Jackson, Raymond C. Firestone, James E. Trainer, Harvey H. Hollinger, Leonard K. Firestone, Roger S. Firestone, Joseph Thomas, Elton H. Schulenberg and Earl B. Hathaway.

* * *

AT A MEETING OF THE BOARD of directors which followed the stockholders' meeting, the retirement of Mr. Jackson as vice chairman was announced. Mr. Jackson served as president of the company from 1948 to 1957 and as vice chairman from 1957 to his present retirement. He will continue as a director and serve as executive consultant for the company, and will remain on the executive and other important committees.

It was also announced that Claude A. Pauley was promoted from comptroller to the newly created post of administrative director of insurance, pensions and salary compensation; Lee R. Shannon, formerly assistant comptroller, becomes comptroller; and Reid J. Montgomery, formerly manager, budget department, was promoted to assistant comptroller.

The directors re-elected the other incumbent officers, including: Harvey S. Firestone, Jr., chairman; Raymond C. Firestone, president; Mr. Trainer, executive vice president; Mr. Schulenberg, vice president and treasurer; Mr. Thomas, vice president and secretary; Mr. Hathaway, Joseph A. Meek, Louis J. Campbell and Herbert H. Wiedenmann, vice presidents; John F. Floberg, general counsel; Elden H. Eaton and Robert P. Beasley, assistant treasurers; Henry S. Brainard and Byron H. Larabee, assistant secretaries; and John K. Smucker, assistant comptroller.

* * *

FIRESTONE CELEBRATED its 60th anniversary in 1960 with record sales and profits for the second straight year, and sales exceeded a billion dollars for the sixth consecutive time.

The company reported \$1,207,247,997 in net sales and \$65,029,463 in net income in the fiscal year which ended last October 31. These compared with sales of \$1,187,784,024 and earnings of \$64,596,848 in the previous fiscal year.

"We have confidence in the future of our country and in the future of our company, and with good reason, since all signs point to a long-range period of progress and prosperity for many years to come," Chairman Harvey S. Firestone, Jr., said in his report.

★
THE YEARLY REPORT of Harvey S. Firestone, Jr., chairman and chief executive officer, was given to stockholders attending their annual meeting in Akron, January 21. Raymond C. Firestone made the report in the absence of Mr. Firestone, Jr., who was ill with a virus infection. The retirement of John J. Shea as a director was announced at the meeting. He is pictured with the other directors who were re-elected: (left to right) Mr. Shea, Harvey H. Hollinger, Elton H. Schulenberg, Joseph Thomas, Lee R. Jackson, Raymond C. Firestone, James E. Trainer, Roger S. Firestone and Earl B. Hathaway. Directors not pictured are Harvey S. Firestone, Jr., and Leonard K. Firestone.

★

The complete text of the report, given by President Raymond C. Firestone, follows:

* * *

YOU HAVE before you a copy of our annual report for the fiscal year ended October 31, 1960, and you also have heard the treasurer's report. I would like to emphasize that we celebrated the sixtieth anniversary of the founding of our Company with the largest volume of both sales and profits in our history and that this was the sixth consecutive year in which our sales exceeded one billion dollars. But other than that, I shall not take the time to repeat the contents of those reports. Instead, I would like to tell you about some of our activities which will, I feel certain, make important contributions to the future progress of the Firestone organization.

As you know, the standards of living have been raised substantially in many countries of the world, principally through American assistance programs. As a result, more people now own automobiles in those nations, as evidenced by the fact that while the demand for rubber in the United States decreased slightly in 1960 from the previous year, world consumption of rubber was the highest in history. Furthermore, the growth in car ownership abroad seems destined to continue for many years to come. Consequently, the market for tires outside of the United States has increased in importance during the past several years and the future potential appears most promising. To take advantage of the opportunities for sales and profits in these markets, we have accelerated the expansion of our manufacturing facilities in some countries and established new plants in others.

During the past fiscal year, our expenditures for new plants and for additions and improvements to existing plants and equipment amounted to nearly \$83,000,000, a substantial part of which was spent on our foreign facilities. However, we have been keenly aware of the necessity for conserving United States gold reserves and, wherever possible, we have paid for this expansion program with accumulated earnings in local currencies.

* * *

OUR NEW TIRE PLANT at Calgary, Alberta, Canada, was built to serve the fast-growing western Canadian markets. Our new tire plant which is nearing completion at Bethune, France, and our new synthetic rubber plant which is under construction at Port Jerome, France, are strategically located to take full advantage of sales and profit opportunities in the European Common Market. In association with local businessmen in India, we are building plants for the manufacture of butadiene, styrene and synthetic rubber at Bareilly, India. In addition, programs of expansion and modernization are continuing in our other foreign factories.

