

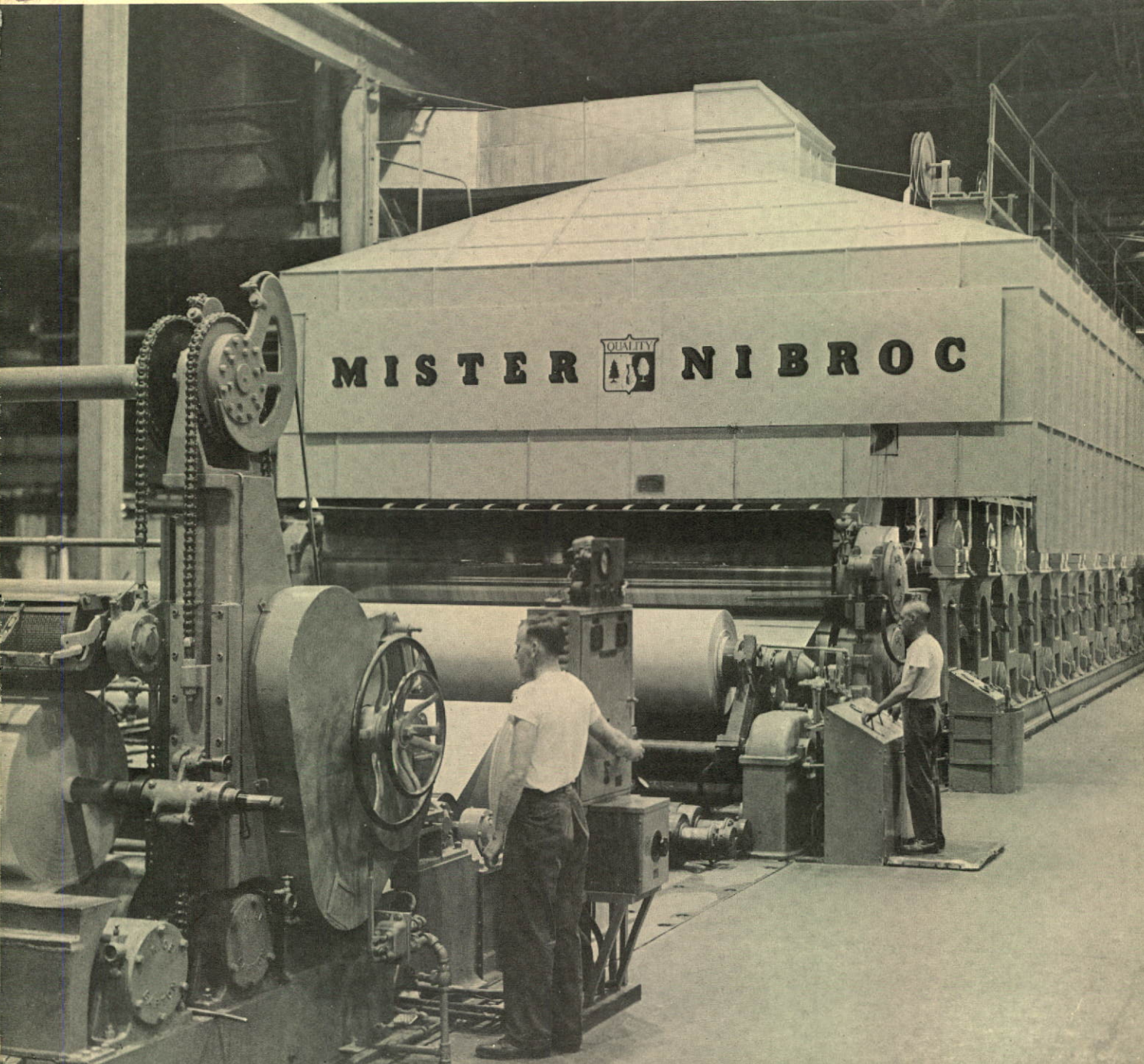
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# BROWN COMPANY



# ANNUAL REPORT 1962

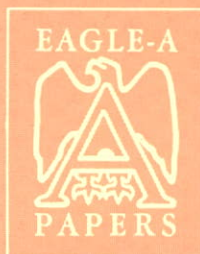
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*The front cover—MISTER NIBROC, Brown Company's largest paper machine, produces creped Kraft paper for NIBROC towels and wipers at the rate of a mile of paper, 15 ft. wide, every 4 minutes or the equivalent of 37,500,000 individual paper towels each 24 hours.*

*The back cover—The Kraft pulp mill, which supplies seven of the Company's paper machines, operates at maximum capacity on a year-around basis. Shutdowns are scheduled only for essential repairs.*



*The paper used for the cover of this Annual Report is EAGLE-A QUALITY COVER, Radiant White, Satin Finish, produced by the American Writing Paper Division at Holyoke, Massachusetts.*

*The inside pages are on Brown Company's BROOKSHIRE OFFSET, regular finish basis 80 produced at Berlin, New Hampshire.*



## **BOARD CHAIRMAN'S LETTER**

### **TO THE STOCKHOLDERS:**

I am delighted to join the Brown Company as a member and Chairman of the Board of Directors. I have been familiar with your Company for a number of years and believe that it possesses many unique and valuable assets. Most important are its established reputation within the industry for quality products and its manufacturing facilities which enjoy access to substantial, low cost raw materials and command a strong competitive position due to their close proximity to the major Northeastern markets.

Your Company's by-laws charge me with specific responsibilities for the formulation of long range policies and planning. During the past few months I have had an opportunity to tour the Company's facilities and meet with the operating personnel. Although much has been accomplished in recent years to improve and strengthen the long term outlook for your Company, much remains to be done.

In the near future my investigation will be completed. I then intend to recommend to the Board of Directors further plans and policies which your President and I, together with the rest of your officers, now have under active consideration. These plans and policies relate to the following matters:

- 1) Initiation of a strong cost reduction program;
- 2) Realignment of operating activities and organizational structure; and
- 3) Emphasis on the marketing of both existing and new products in the Paper Division.

In making these recommendations, our primary objective will be to realize the maximum benefits for the shareholders which can be derived from the substantial assets of the Company. Initial steps have already been undertaken in this direction which are evident in the operating results of the first quarter of the current fiscal year. Assuming maintenance of general economic conditions as they affect our industry, I am confident that our efforts will be reflected in a continually improving operating performance over the immediate future.

I plan to keep you informed as our plans come to fruition.

Sincerely,

A handwritten signature in cursive script that reads "William L. Feady". The signature is written in dark ink and is positioned to the right of the typed name "William L. Feady".

February 21, 1963



## PRESIDENT'S LETTER



### TO THE STOCKHOLDERS:

1962 has been an important year for Brown Company. During the past year, your management has effected a number of basic changes in the operations of your Company which substantially enhance its prospects and place it in a stronger competitive position. By the election of Mr. William L. Keady, an executive with extensive experience in our industry, as Chairman of our Board of Directors, our senior management has been appreciably strengthened.

During 1962, sales increased 2% over 1961. Earnings declined from \$1,471,071 to \$730,602. Part of the profit decline was attributable directly to depressed prices in sulphite pulp, paper and plywood which plagued the industry generally. A greater part reflected several other factors: a sharp reduction of non-operating profits from the sale of timberland and excess properties; losses from the sulphite pulp operation (now being terminated); substantial start-up expenses on new plant and equipment installed to broaden our product line and reduce operating costs. Most of these factors are of a non-recurring nature, and their absence will be reflected in improved results for the current year. In the analysis of the start-up expenses, it is important to note that they were largely an essential counterpart to the outlay of approximately \$5,000,000 during the year for additions and improvements to our facilities. With these expenses behind us and with the new equipment in place, our prospects for improved earnings in 1963 and thereafter have been notably strengthened.

Perhaps the most important basic change in the operations of your Company during 1962 was that, after careful consideration, your Board of Directors decided to shut down the sulphite mill and to dispose of the sulphite facilities and the hardwood sawmill. The Company has been advised that the loss will result in approximately \$1,235,000 in federal tax refunds for prior years, and establish a loss carry-forward for federal tax purposes of about \$5,000,000.

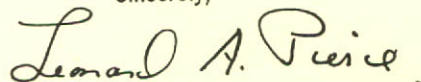
Another important basic change in the operation of your Company was that in December 1962, after the close of our fiscal year, we purchased certain assets of the American Writing Paper Corporation in Holyoke, Massachusetts. Now operated as a division of your Company, this business (based upon its past operating record) is expected to provide additional annual sales of about \$14,500,000 and to contribute materially to profits. We welcome to our staff, as Vice Presidents, Mr. Peter Freedman and Mr. Charles Kirkpatrick, former senior officers of American Writing Paper Corporation.

We also welcome Mr. William Keady as Chairman of the Board of the Brown Company. He has a distinguished record of corporate activity. He comes to us after eight years as President of Fibreboard Paper Products Corporation, a leading manufacturer of paperboard and packaging products. Previously, he served as President of Marathon Corporation, paper and paperboard manufacturers, and before that was President of U. S. Gypsum Company for seven years. I personally believe that his wide experience, mature judgment and stature within the industry are substantial benefits to our Company.

Your Board of Directors unanimously voted to pay quarterly dividends for 1962 aggregating 40¢ per share—the first since 1959. A further quarterly dividend of 10¢ per share will be paid on March 1, 1963. This reflects the confidence of your Board of Directors in the immediate prospects of the Brown Company. I am happy to report that the operating results for the present year to date substantiate this conviction and that profits for the full year should, with the help of the tax benefit mentioned above, be appreciably higher than those reported for any of the last five years.

In closing I would like to extend management's appreciation to all of our employees for their loyalty and efforts during the past year.

Sincerely,

A handwritten signature in cursive script that reads "Leonard A. Peirce". The signature is written in dark ink and is positioned above the printed name "President".

*President*

February 21, 1963



## SUMMARY REPORT

### SALES AND EARNINGS

Sales rose 2% in 1962 to \$57,455,000. Paper and plywood sales rose 6% and 19%, respectively, while modest increases were recorded in sales of towels and tissue, resins and Floc. Volume for the Bermico Division remained at the level of the prior year. The overall gains were offset, in part, by a decline in the sales of sulphite pulp.

Earnings for the Company in 1962 were \$730,602 (29¢ per share) compared with \$1,471,071 (57¢ per share) for the prior year. However, cash flow in 1962 continued at a relatively high level, amounting to \$4,581,411 (\$1.81 on average shares outstanding). Reduced profits were partially attributable to the depressed market prices of sulphite pulp, paper and plywood which prevailed throughout the industry during the year. The following non-recurring losses and expenses, however, were the primary cause of reduced earnings and their absence will be reflected in improved profitability for the current year:

- 1) Start-up costs with respect to the new tissue machine and related converting equipment;
- 2) Start-up costs with respect to new equipment installed to reduce costs of towel conversion and plywood production; and
- 3) Losses on the sulphite pulp mill which is scheduled for permanent shutdown on March 30, 1963, (and for which reserves for termination and other expenses already have been established).

Also affecting the year-to-year earnings decline were the lower non-operating profits from the sale of timberland in 1962 and the inclusion in 1961 of a non-recurring profit from the sale of the Company's minority interest in Bermico Products Limited of Canada. Together these items reduced earnings on a comparative basis by approximately \$250,000.

### FINANCIAL

During 1962 the Company's financial position remained strong. At the year end, current assets totalled \$23,260,789, including \$12,754,578 of cash, marketable securities and receivables, compared with current liabilities of \$5,969,978, leaving working capital at \$17,290,811. While there was no marked change in total inventories, the inventory of pulpwood and logs was reduced \$1,143,513 during the year to the lowest level in the past ten years.

At the close of the year, the Company's only long-term indebtedness, after a reduction of \$206,600 during the year, was \$3,821,900, representing the amount of 4½% Debentures outstanding.

In 1962 the Company's net worth declined from \$58,019,814 to \$50,127,773 or on a per share basis from \$22.64 to \$20.20. This results substantially from the decision to permanently close down the Company's sulphite mill in Berlin, New Hampshire.

Due to the concomitant decline in the importance of market sulphite pulp and over-capacity within the industry generally, the sulphite mill had been operating unprofitably for several years with little prospect of any material improvement. Accordingly, your Board of Directors decided in September to dispose of this facility. In addition, it also was decided to dispose of the hardwood sawmill which has been idle since 1960. As a result, our investment in these mills of \$8,855,649 has been eliminated from the year-end balance sheet; the salvage value and anticipated tax refunds have been included as assets, while reserves have been established for terminal and other costs. The net effect of these items, including other adjustments related to this matter, was to reduce retained earnings by \$6,942,136.

An additional, although relatively minor, factor affecting the reduction in net worth was the declaration of dividends in excess of net income to the extent of \$280,994. However, the Company repurchased at less than book value and retired 81,681 of its common shares in the open market during the year, at an average cost of \$11.19, with the result that the decline in net asset value per share was limited to \$2.44.

#### **CAPITAL EXPENDITURES**

Total expenditures for new plant and equipment in 1962 were \$5,011,504. The principal items comprised \$1.3 million for a new Bermico Division plant in New Jersey, \$1.1 million for the new tissue machine, and related converting equipment, and \$1.3 million for new facilities for sheeting and trimming paper, a 200-ton storage tank, and many paper machine improvements. The impact of some of these expenditures has already been reflected in the improved profitability of the Company for the first quarter of the current year.

Capital expenditures for 1963, including the purchase of certain assets of the American Writing Paper Corporation in Holyoke, Massachusetts, should be less than those for 1962.

#### **AMERICAN WRITING PAPER ACQUISITION**

On December 31, 1962, the Company purchased the inventories, fixed assets and business of the American Writing Paper Corporation in Holyoke, Massachusetts for approximately \$3 million in cash. This company has a well-known reputation as a producer of quality papers. These include the famous "Eagle-A" business, safety and technical papers. The combination of these grades with the present Brown Company product line will serve to strengthen the Company's marketing position. This business, now operated as a Division of the Company, retains all of its former personnel and their experience and competence will help to insure its future success.

Based on the recent past operating record of American Writing Paper Corporation, this Division is expected to add sales of approximately \$14.5 million on an annual basis and to add materially to profits.

#### **LABOR RELATIONS**

Stability in labor relations is assured for 1963 as a result of contract negotiations which took place during 1962. Agreements reached at Berlin and North Stratford, New Hampshire; Corvallis, Oregon; Birmingham, Alabama and at the American Writing Paper Division, Holyoke, Massachusetts will not expire until 1964.





# BROWN COMPANY

## ASSETS

	November 30	
	<u>1962</u>	<u>1961</u>
Current assets:		
Cash . . . . .	\$ 1,632,205	\$ 1,559,440
Short-term marketable securities, at cost (approximate market) . . . . .	3,592,327	5,586,341
Accounts receivable, trade, less allowance for doubtful balances . . . . .	6,255,418	5,472,785
Accounts receivable, other . . . . .	39,628	85,898
Refundable federal income taxes . . . . .	1,235,000	—
Inventories (Note 1):		
Pulpwood, logs and logging operations in progress . . . . .	\$ 1,783,913	\$ 2,927,426
Other materials and supplies . . . . .	3,553,006	3,895,491
Paper, pulp and other manufactured products . . . . .	4,327,375	4,141,372
Total inventories . . . . .	<u>\$ 9,664,294</u>	<u>\$10,964,289</u>
Prepaid insurance, taxes and other expenses . . . . .	841,917	769,019
Total current assets . . . . .	<u>\$23,260,789</u>	<u>\$24,437,772</u>
Fixed assets (Note 2):		
Land and buildings . . . . .	\$18,539,036	\$20,616,262
Machinery and equipment . . . . .	50,806,111	63,402,581
Construction in progress . . . . .	1,950,375	1,177,582
	<u>\$71,295,522</u>	<u>\$85,196,425</u>
Less—Depreciation . . . . .	37,812,503	44,116,217
	<u>\$33,483,019</u>	<u>\$41,080,208</u>
Timberlands . . . . .	\$ 8,647,576	\$ 8,691,087
Less—Depletion . . . . .	6,116,100	6,057,565
	<u>\$ 2,531,476</u>	<u>\$ 2,633,522</u>
Total fixed assets . . . . .	<u>\$36,014,495</u>	<u>\$43,713,730</u>
Investments and other assets:		
Investments in associated companies, at cost . . . . .	\$ 255,000	\$ 255,000
Estimated salvage value of facilities to be disposed of (Note 2) . . . . .	1,100,000	—
Other assets and deferred charges . . . . .	849,367	943,865
	<u>\$ 2,204,367</u>	<u>\$ 1,198,865</u>
	<u>\$61,479,651</u>	<u>\$69,350,367</u>



# BALANCE SHEET

		November 30	
		<u>1962</u>	<u>1961</u>
<b>LIABILITIES AND CAPITAL</b>	Current liabilities:		
	Accounts payable . . . . .	\$ 4,577,555	\$ 4,209,165
	Accrued payrolls, interest and other expenses . . . . .	861,487	564,445
	Dividend payable . . . . .	249,680	256,268
	Federal income taxes . . . . .	281,256	597,175
	Total current liabilities . . . . .	<u>\$ 5,969,978</u>	<u>\$ 5,627,053</u>
	Funded debt:		
	4½% debentures due June 15, 1975, less \$215,700 at November 30, 1962 (\$222,100 at November 30, 1961) purchased in anticipation of \$213,000 annual sinking fund requirement . . .	<u>\$ 3,821,900</u>	<u>\$ 4,028,500</u>
	Deferred income taxes . . . . .	<u>\$ 1,560,000</u>	<u>\$ 1,675,000</u>
	Capital and retained earnings:		
	Common stock, par value \$1 per share:		
	Authorized—3,500,000 shares		
	Issued—2,518,650 shares at November 30, 1962, 2,600,331 at November 30, 1961 (Note 4) . . . . .	\$ 2,518,650	\$ 2,600,331
	Other capital, in excess of par value of common stock . . . . .	9,307,168	10,139,398
	Retained earnings (Note 5) . . . . .	38,943,310	45,921,440
		<u>\$50,769,128</u>	<u>\$58,661,169</u>
	Less—Cost of 37,650 shares of issued common stock held in treasury . . . . .	641,355	641,355
	Total capital and retained earnings . . . . .	<u>\$50,127,773</u>	<u>\$58,019,814</u>
		<u>\$61,479,651</u>	<u>\$69,350,367</u>



## BROWN COMPANY

### STATEMENT OF INCOME

	Year ended November 30	
	1962	1961
Sales, less discounts, returns and allowances . . . . .	\$57,454,679	\$56,272,121
Materials, services and other manufacturing costs, selling, general, administrative and research expenses—including depreciation and depletion of \$3,850,809 in 1962, \$3,891,718 in 1961 . . . . .	56,458,205	54,056,673
Net operating income . . . . .	<u>\$ 996,474</u>	<u>\$ 2,215,448</u>
Other charges (income):		
Portion of loss on disposal of sulphite pulp and sawmill facilities (Note 2) . . . . .	\$ 245,000	—
Net gains on disposal of other plant and timberland properties . . . . .	(28,439)	\$ (292,150)
Interest on funded debt . . . . .	176,597	181,971
Other interest—net . . . . .	(106,923)	(34,901)
Miscellaneous—net . . . . .	(20,363)	69,457
	<u>\$ 265,872</u>	<u>\$ (75,623)</u>
Net income before federal income taxes . . . . .	\$ 730,602	\$ 2,291,071
Provision for federal income taxes (Note 2) . . . . .	—	820,000
Net income . . . . .	<u>\$ 730,602</u>	<u>\$ 1,471,071</u>

### STATEMENT OF OTHER CAPITAL AND RETAINED EARNINGS

YEAR ENDED  
NOVEMBER 30, 1962

	Other capital	Retained earnings
Balance, November 30, 1961 . . . . .	\$10,139,398	\$45,921,440
Net income . . . . .		730,602
Anticipated loss (except portion charged to income) on disposal of sulphite pulp and sawmill facilities (Note 2) . . . . .		(6,697,136)
Cash dividends declared—\$.40 per share . . . . .		(1,011,596)
Excess of cost over par value of 81,681 shares of common stock purchased and retired . . . . .	(832,230)	
Balance, November 30, 1962 . . . . .	<u>\$ 9,307,168</u>	<u>\$38,943,310</u>



**NOTES TO  
FINANCIAL  
STATEMENTS**

**Note 1—Inventories**

Inventories of pulpwood and pulpwood content of pulp, amounting to \$1,190,461 as at November 30, 1962, are stated at cost determined by the last-in, first-out method of valuation. Otherwise the inventories are stated on the basis of cost or market, whichever is lower, cost representing actual, current average or current standard cost.

**Note 2—Fixed Assets**

Land, buildings, machinery and equipment are carried substantially at cost, less depreciation provided. Timberlands are carried at appraisal value determined in 1904, plus subsequent purchase acquisitions at cost, less depletion based on timber cut.

In 1962 a decision was made to dispose of the company's sulphite pulp and sawmill facilities carried on the books, net of related depreciation, at \$8,855,649. The anticipated loss therefrom, amounting to \$6,942,136, after giving effect to estimated salvage, expenses to be incurred in connection with the discontinuance of sulphite operations, and related federal income tax effects, has been charged to 1962 income (\$245,000) and retained earnings (\$6,697,136). The portion charged to 1962 income is equivalent to the amount of federal income taxes which, except for the loss, would have been incurred for the year. The disposal loss, after offsetting 1962 and prior years' taxable income under the loss carry-back provisions, results in a loss carry-over of approximately \$5,000,000 which is available to offset taxable income of future years.

**Note 3—Retirement Plan for Employees**

The currently estimated amount required to complete the funding of past service cost under Brown

Company's retirement plan for employees is approximately \$4,500,000.

**Note 4—Stock Options**

At November 30, 1961 options to purchase 89,214 shares of the company's common stock were held by certain officers and employees under the company's restricted stock option plan. During the year ended November 30, 1962 options for 13,260 shares expired due to termination of employment. No options were exercised during the year. At November 30, 1962 options were outstanding for 75,954 shares at prices ranging from \$10.41 to \$17.72 per share, an aggregate of \$932,830. The options, granted from 1955 to 1961, are exercisable during a nine year period beginning one year from the date granted. In January 1963 an option for 24,694 additional shares was granted at \$9.46 per share, leaving a balance of 11,060 shares available for possible future option under the plan, at a price not less than 85% of the fair market value of the stock at the time an option is granted.

**Note 5—Dividend and Other Restrictions**

In the indenture covering the company's 4½% debentures there are restrictions on the payment of cash dividends on the company's common stock and on the application of any property or assets to the purchase or retirement of its common stock. As of November 30, 1962 such payments and applications were restricted to approximately \$3,000,000.

**Note 6—Acquisition of American Writing Paper Corporation Assets and Business**

Subsequent to November 30, 1962 Brown Company acquired for approximately \$3,000,000 in cash (the amount has not been finally determined) the inventories, fixed assets and business of American Writing Paper Corporation.

**REPORT OF  
INDEPENDENT  
ACCOUNTANTS**

**To the Board of Directors and  
Stockholders of Brown Company**

In our opinion, the accompanying balance sheet and statements of income and of other capital and retained earnings present fairly the financial position of Brown Company at November 30, 1962 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Boston, Massachusetts  
January 19, 1963

**PRICE WATERHOUSE & CO.**



# BROWN COMPANY

		1962	1961	1960
<b>OPERATING DATA</b>	Net Sales . . . . .	\$57,455	\$56,272	\$59,173
	Operating Income . . . . .	996	2,215	2,604
	Income Before Taxes . . . . .	731	2,291	2,287
	Income Taxes . . . . .	—	820	940
	Net Income . . . . .	731	1,471	1,347
	Depreciation and Depletion . . . . .	3,851	3,892	3,699
	Cash Flow (income plus depreciation and depletion) . . . . .	4,581	5,363	5,046
	Capital Expenditures, gross . . . . .	5,012	2,660	2,565
<b>BALANCE SHEET DATA</b>	Working Capital . . . . .	\$17,291	\$18,811	\$16,890
	Current Ratio . . . . .	3.9	4.3	4.1
	Plant and Equipment, net . . . . .	33,483	41,080	42,322
	Timberlands, net . . . . .	2,531	2,634	2,743
	Total Fixed Assets, net . . . . .	36,014	43,714	45,065
	Total Assets . . . . .	61,480	69,350	68,877
	Long-Term Debt (due after one year) . . . . .	3,822	4,028	4,229
	Stockholders' Equity			
	Preferred Stocks . . . . .	—	—	—
	Common Stock . . . . .	50,128	58,020	57,632
<b>COMMON STOCK</b>	Common Shares Outstanding—end of year . . . . .	2,481,000	2,562,681	2,621,981
	Number of Stockholders . . . . .	7,895	7,929	8,593
	Per Share			
	Earnings . . . . .	\$ .29	\$ .57	\$ .51
	Dividends Paid . . . . .	.40	—	—
	Book Value (equity) . . . . .	20.20	22.64	21.98
Cash Flow . . . . .	1.81	2.08	1.91	

Note: Amounts for 1953 and 1954 include the operations of Brown Corporation, Brown Company's wholly-owned subsidiary, which sold its assets on December 1, 1954.

(a) In addition, a stock dividend of 2% was paid on March 1, 1959.

(b) Includes 12¢ per share attributable to refunds received of prior years' Federal income taxes.



## TEN-YEAR FINANCIAL REVIEW

Years ending November 30  
(\$000 omitted)

1959	1958	1957	1956	1955	1954	1953
\$58,888	\$55,408	\$61,158	\$59,683	\$53,821	\$66,970	\$67,197
1,328	1,776	3,504	4,611	3,343	6,573	6,363
944	1,390	3,180	4,572	3,380	5,941	5,661
230	94	1,100	1,960	1,350	2,530	2,610
714	1,296	2,080	2,612	2,030	3,411	3,051
3,460	3,185	2,856	2,433	2,116	3,081	3,134
4,174	4,481	4,936	5,045	4,146	6,492	6,185
3,600	2,302	8,059	10,827	5,966	5,108	3,444
\$14,696	\$14,918	\$13,350	\$19,126	\$27,070	\$17,484	\$19,438
2.9	3.2	2.4	3.1	3.7	2.6	3.2
43,542	43,243	44,065	38,813	30,398	34,994	33,173
2,812	2,914	2,909	3,053	3,129	5,315	5,295
46,354	46,157	46,974	41,866	33,527	40,309	38,468
70,070	69,259	71,390	71,867	71,390	70,073	67,137
4,377	4,677	4,863	5,059	5,181	12,000	12,800
—	—	—	—	—	17,051	18,643
56,546	56,644	56,012	56,587	55,374	29,263	26,678
2,638,981	2,588,651	2,588,651	2,592,451	2,606,765	2,000,727	1,992,817
8,173	7,622	7,648	7,114	5,852	N.A.	N.A.
\$ .27	\$ .50(b)	\$ .80	\$ 1.01	\$ .81	\$ 1.24	\$ 1.04
.30(a)	.55	1.00	1.00	.25	—	—
21.43	21.88	21.64	21.83	21.24	14.63	13.39
1.59	1.73	1.91	1.95	1.73	2.79	2.61

**DIRECTORS**

IRVING B. HAASS . . . . . New York, N. Y.  
Partner, David J. Greene and Company, Members  
New York Stock Exchange

CHARLES L. HOLBERT . . . . . Pittsburgh, Pa.  
President, H. K. Porter Company, Inc.

WILLIAM L. KEADY Berlin, N. H. and New York, N. Y.  
Chairman of the Board

CHARLES P. McTAGUE, Q.C. . . . . Toronto, Ontario  
Counsel: White, Bristol, Beck & Phipps

LEONARD A. PIERCE . . . . . Berlin, N. H.  
President

EVERETT H. PIXLEY . . . . . Pittsburgh, Pa.  
Senior Vice President, Mellon National Bank and  
Trust Company

HENRY F. SCHEETZ, JR. . . . . Pittsburgh, Pa.  
Partner, Penn Pacific Company

JOHN L. SULLIVAN . . . . . Manchester, N. H.  
Lawyer—Sullivan & Wynot (Manchester, N. H.)  
Sullivan, Shea & Kenney (Washington, D. C.)

GENE TUNNEY . . . . . New York, N. Y.  
Chairman of the Board, The McCandless Corp.

**OFFICERS**

WILLIAM L. KEADY  
Chairman of the Board

LEONARD A. PIERCE  
President

JOSEPH HILL TORRAS  
Executive Vice President

GEORGE CRAIG  
Vice President—Engineering

PETER FREEDMAN  
Vice President—American Writing Paper Division

CLARENCE S. HERR  
Vice President—Woodlands

HUGH D. JORDAN  
Vice President and Treasurer

JOHN W. JORDAN  
Vice President, Secretary and General Counsel

CHARLES L. KIRKPATRICK  
Vice President—American Writing Paper Division

JOHN J. McDONALD  
Vice President—Sulphite Pulp and Floc Divisions

MALCOLM T. MURRAY  
Vice President—Bermico Division

H. A. RAYMOND, JR.  
Vice President—Resi-Chem Division

ALLIE E. SALLS  
Vice President—Plywood Division

CONRAD T. WALDIE, JR.  
Vice President—Towel and Tissue Divisions

HARRIS O. WARE  
Vice President—Technical Department

ALEXANDER B. WALKER  
Assistant Treasurer

WILLIAM J. OLESON, JR.  
Controller

EDWARD J. REICHERT  
Assistant Secretary

CHARLES W. ALLEN  
Clerk

**TRANSFER AGENTS**

State Street Bank and Trust Company, Boston  
Principal Transfer Agent

Chemical Bank New York Trust Company, New York

Guardian Trust Company, Montreal

The Royal Trust Company, Toronto

**REGISTRARS**

The First National Bank of Boston  
Principal Registrar

First National City Bank, New York

Montreal Trust Company, Montreal

Montreal Trust Company, Toronto

**General Offices**  
Berlin, New Hampshire

**General Sales Offices**  
733 Third Avenue, New York 17, New York

**Regional Sales Offices**  
150 Causeway Street, Boston 14, Massachusetts  
Prudential Plaza, Chicago 1, Illinois

**REGISTRAR  
FOR DEBENTURES**

Old Colony Trust Company, Boston

**AUDITORS**

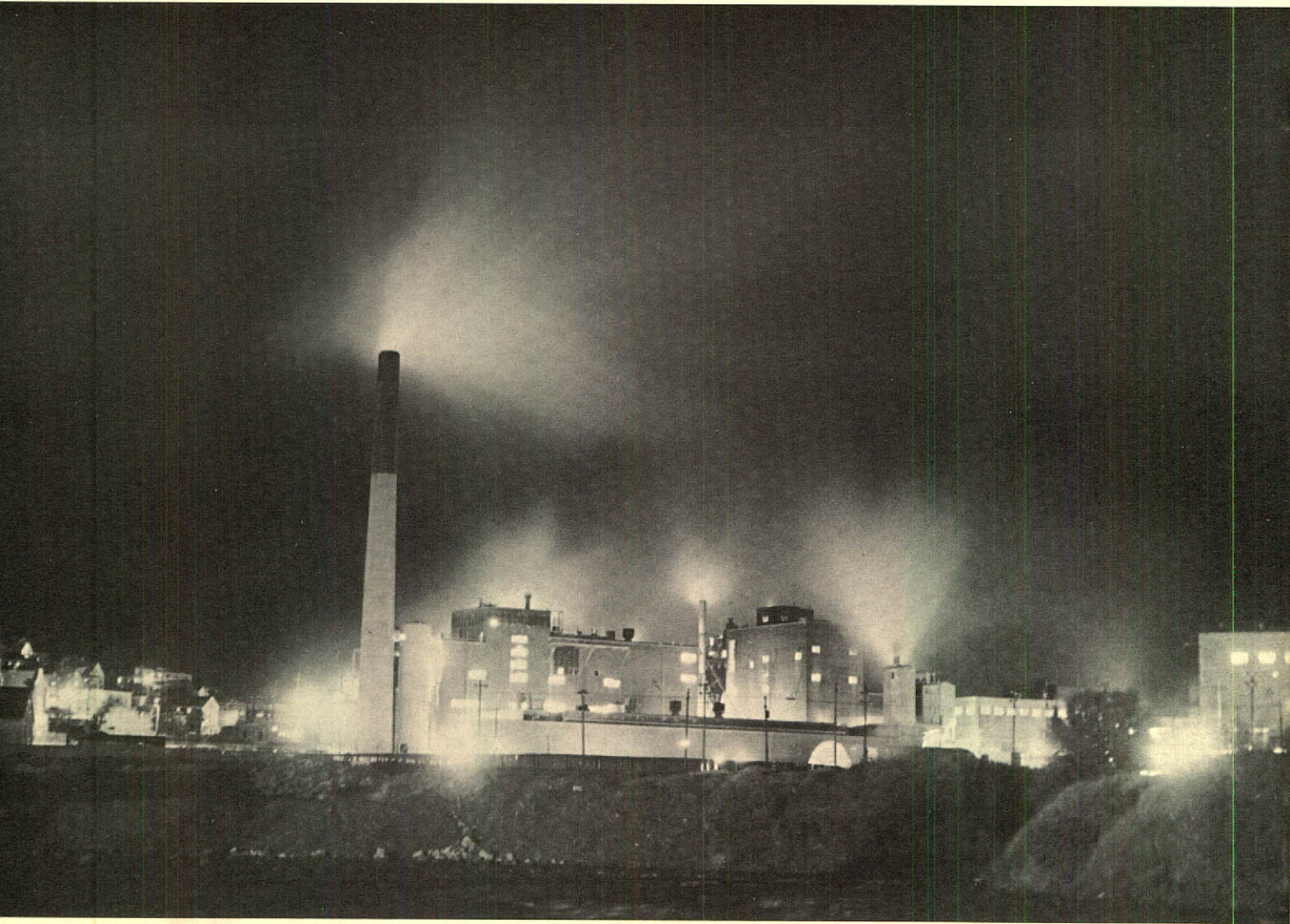
Price Waterhouse & Co., Boston

**Principal Plants**

Berlin, Gorham and North Stratford, New Hampshire; Corvallis, Oregon; Birmingham, Alabama; Swanton, Ohio; Lenoir, N. C.; Mount Holly, New Jersey







**BROWN COMPANY**