# BLISS & LAUGHLIN industries

## Annual Report 1969


## Contents


Financial Highlights **2**
Letter to Shareholders **3**
Marketing Growth **4**
Construction Group **6**
Land Development and Financial Services **8**
Metal Products Group **10**
Steel Group **12**
Financial Review **14**
Consolidated Financial Statements **16**
Ten-Year Financial Review **20**
Officers and Directors **22**
BLI Operations **23**


## Financial Highlights

| | 1969 | 1968 |
|---|---|---|
| Net Income | **$ 6,893,000** | $ 5,733,000 |
| Net Income Per Share | **2.52** | 2.20 |
| Net Sales and Rental Revenue | **128,566,000** | 114,061,000 |
| Cash Dividends | **2,712,000** | 2,496,000 |
| Cash Dividends Per Share | **1.00** | .975 |
| Shareholders' Investment | **41,845,000** | 37,672,000 |
| Average Shares Outstanding | **2,736,163** | 2,606,588 |
| Number of Shareholders | **6,090** | 5,985 |
| Number of Employees | **3,286** | 2,743 |

## Annual Meeting Notice

The annual meeting of shareholders of Bliss & Laughlin Industries will be held at 10:30 A.M., Wednesday, May 6, 1970, at the executive offices, 122 West 22nd Street, Oak Brook, Illinois. You are cordially invited to attend.

## Cover

Photo montage highlights some of the growing markets and products of BLI: construction, land development, furniture, electronic component packaging, cold finished steel bars, financial services.

# To The Shareholders

Your pleasure in reviewing the 1969 earnings figures elsewhere in this annual report can be exceeded only by the pleasure of the management people being able to report them.

In order to continue this growth and this upward trend in sales, revenues and earnings, certain specific actions are being taken to insure a continued strengthening of the company in every area of its activities. These actions generally take a number of directions. One is man-woman power or people.

About a year ago a program was instituted to computerize essential data about our management people. It is our policy wherever possible to promote from within, but to be able to do so we must have promotable and trained people. We must first know our people's potential, capabilities and especially their ambitions, their training and so on. This is a long-term program and is vigorously going forward.

We have instituted formal training programs for all our first line supervision. These people on the firing line, so to speak, are extremely valuable in the effective, efficient use of manpower. Furthermore, we have strengthened our executive staff by the addition of A. Bruce Matthews as executive vice president, a newly-created position.

Another direction our actions take is in products. At Faultless Caster we have designed and are about to market a new sanitary caster for the food industry. A new special textile caster is already on the market for 1970 and a large institutional caster is in the early stages of production.

The Goldblatt Tool Co. has added three new lines in both manufacture and distribution; these are "Flex Corner" tape, power troweler blades for the replacement market and a new power concrete troweler itself. At Waco Scaffold and Shoring Co. we have only just introduced Super Shore "X" which is capable of supporting one million pounds of concrete 40 feet in the air. In December Dyna-Lift unveiled the first of a new line of cranes with varying boom lengths.

Still another area is marketing and distribution where, for instance, Ames opened a factory-owned lease shop in Australia and set up new distributors in Norway and Italy. Our scaffold and shoring rental and sales are being increased in the Connecticut, New York and upper New Jersey areas by a new sales and service office in Greenwich. Boston and Seattle are poised to go in 1970. Tekform is adding to its product and market line by producing high reliability lens caps for photoelectric cells.

I could use this whole report to tell you about the many other new products and markets being pursued by our furniture hardware, steel and chair control divisions. One of the greatest strengths Bliss & Laughlin Industries possesses is the many and diversified markets in which it participates.

We continued this year to add to these strengths by acquiring The National Security Bank of Chicago which will contribute significantly to our earnings and allow us further entrance into the service areas of our economy which in the next decade is expected to be the fastest growing segment of the Gross National Product.

The company is busily engaged in organizing our land development program which in 1970 will see us building and selling condominium units on our properties around the Turtle Creek Country Club which is north of Palm Beach, Florida. We will be constructing industrial buildings on our property at Addison Industrial Park in Addison, Illinois. We are engineering and preparing for development the initial stages of our land use program at Wildwood in San Bernardino County in California.

These are but a few of the many things our people are engaging in to prepare for continued growth and profitability in the decade just now beginning. In spite of fiscal policies and financial programs designed to halt inflation, the company will continue to pursue its conservative plan of growth in product and market and in earning capability. At this point in time we believe, short of a recession in the national economy, we can expect to continue our minimum of 10 percent growth in earnings for 1970.

We could not do this in the past or anticipate it in the future without the continuing support of employees, customers and shareholders for which we are all indeed grateful.

Cordially,

F. J. Robbins
President

# Marketing Growth

**A look at the marketing opportunities for BLI products and services provides a solid foundation both for long-term optimism and the logic behind its acquisition program. This holds true despite the economic uncertainties faced by the country as it enters a new decade.**

For example, the Construction Group in general, and Ames Taping Tool Systems, Waco Scaffold and Shoring and Goldblatt Tools in particular, are in an ideal situation to serve the growing construction market. The same is true of the Metal Products Group. Every new space, be it residential or commercial, will require some type of furniture or material handling equipment.

Drywall construction continues to play an ever increasing role in new and remodeling projects. With rising costs one of the main factors for the decline of new home starts, the labor- and time-saving benefits of the Construction Group's products should provide an energetic growth pattern.

Multi-family dwelling units, such as high rises and townhouses, continue to increase their share of new housing in 1969. Here again, the cost-saving products of BLI's Construction Group from scaffolding to taping systems, place it in an ideal situation to capitalize on this trend.

The company's land development activities provide another source of income from the construction industry. The parcels of land will range from full communities to industrial parks, like the Addison Park development. Chicago suburbs have received more than twice as many new industries and plant additions as the city, and similar trends are in evidence in other cities.

Furniture, appliance and materials handling markets of the Metal Products Group also continue to expand. Furniture sales of both residential and office equipment that utilize casters, chair controls, chair bases and decorative hardware rose again in 1969. Sales of automatic dishwashers using the Nestaway-type rack also increased during the year and are projected to do so again in 1970.

Particularly favorable in the Metal Products Group are prospects for Tekform's cases for microminiature electronic circuits. Integrated Circuits (IC's) are expected to continue to replace discrete components in applications from computers to appliances.

Virtually anything that moves incorporates cold finished steel bars. The Steel Group finds vast markets in the automotive, machine tool, farm equipment, marine, aircraft, aerospace and electrical equipment industries. Typical applications range from drive shafts in automobiles to rotor shafts in electric motors of automatic washers and barbecue rotisseries.

Selected markets of the Steel Group continue to enjoy above average growth while others showed the effect of the government's restrictive monetary policies.

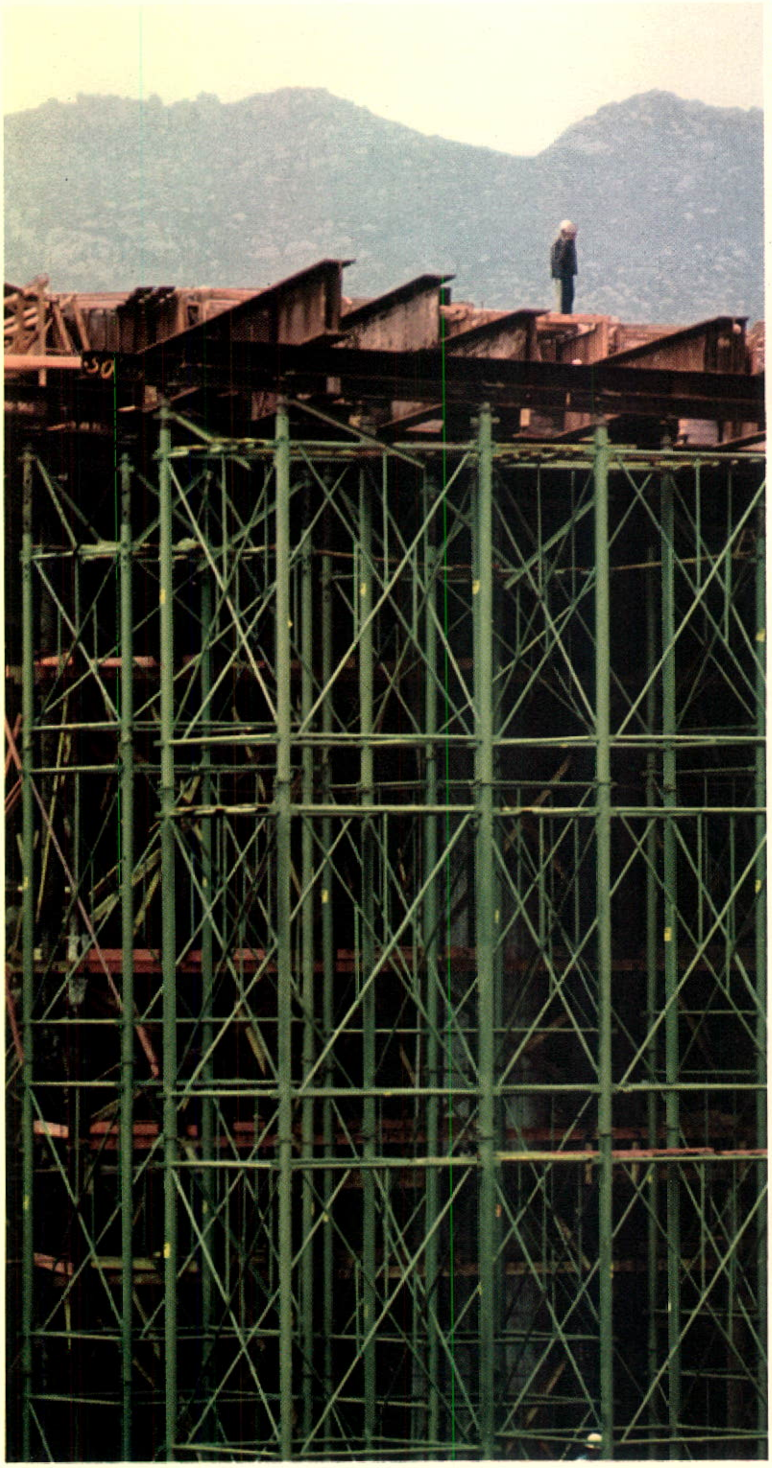
Shipments of cold finished steel bars for machinery used in capital goods investments were particularly strong. There also appears to be increasing opportunities for power equipment in the leisure market, such as snowmobiles, outboard and inboard motors, golf carts and hobby tools.

The success of automatic nailing in the pallet industries continues to provide steady growth and opportunities for the newest member of the Steel Group, Threaded Nails Co.

Specialty nail fasteners are now being used in a wide variety of applications where speed and superior holding characteristics are important, such as the manufactured home industry. Introduction of more portable mechanized nailers is expected to contribute to wider use in the future.

**Top** High-style, decorative hardware by Faultless typifies the wide variety of products manufactured for the furniture industry.

**Bottom** The microelectronics industry provides growth opportunities for Tekform's line of precision components, like planar circuit leads.





**Left** The Simi Freeway bridge outside of Los Angeles is one of many major construction projects that benefit from the advantages of new Super Shore "X" shoring.

**Upper Right** Aviation and aerospace industries are among the many markets for Bliss & Laughlin's cold finished steel bars.

**Bottom Right** Power and versatility of Dyna-Lift cranes enabled the division to expand its marketing operations nationwide in 1969.

# Construction Group

**1969 Highlights: Three acquisitions and new products bolstered product lines. Rental revenues and sales set new record. Expansion of marketing and service operations increased points of customer contact. Major construction projects spotlighted new system design capabilities.**

Construction industry growth is reflected in the expanding operations of the Construction Group, which is composed of five principal companies. Three acquisitions were integrated into the Goldblatt division during the year to provide even a wider range of products for the trowel trades.

Five U.S. and one Mexican plant manufacture a variety of time-saving devices including automatic drywall taping equipment and related products, scaffolding and shoring, mobile cranes and more than 1200 products for cement finishers and other trowel trades. These products are rented and sold through company-owned service centers, jobbers, hardware stores and catalogs distributed to more than 300,000 customers.

The construction industry's long-term projected growth rate greatly exceeds that of the Gross National Product despite an anticipated decline in new building starts in 1970 due to the tight monetary situation. Products and services offered by the Construction Group are expected to participate in the industry's long-term growth.

For example, the industry is constantly seeking labor-saving devices, such as Ames Taping Tools, to speed construction and increase productivity.

Another important advantage is tool rentals that permit construction companies to obtain desired tools without capital investment. These factors make the Construction Group less sensitive to market swings and indicate sound growth prospects over the near and long term.

## Ames Taping Tool Systems Co.

Overseas expansion and increased penetration of domestic markets sparked a rise in Ames rental revenues for the eighth consecutive year.

Ames manufactures and rents a complete line of automated tools for taping and finishing drywall construction from single family dwellings to commercial buildings. It strengthened its Australian effort with a company-owned service center early in 1969. Designed to provide better internal control and service, the new operation is located in Sydney.

The company also opened distributorships in Norway and Italy, bringing the total international outlets to 13 countries.

A new Mexican operation utilizing existing facilities of Bliss & Laughlin Latinoamericana, S.A., is participating in the growing Mexican market.

The year also produced significant growth domestically. Ames lease shops were doubled in size in Berkeley, Ill., outside Chicago, and Eulese, Texas, between Dallas and Ft. Worth. A substantial addition was also completed on the manufacturing plant in Belmont, Calif.

A taping tool training program was inaugurated to both increase service and market penetration by familiarizing more contractors with the tools and their use.

## Goldblatt Tool Co.

Already one of the country's leading merchandisers of tools for the trowel trade, Goldblatt strengthened its line of products considerably last September with the acquisition of three well-known equipment producers. The operations, which were consolidated in Goldblatt's Kansas City, Kansas, plant are:

**Conquip, Inc.,** formerly of Melrose Park, Ill., manufacturer of a complete line of blades for power trowels used in finishing wet cement.

**Steel Corner Tape,** Richmond Hill, N.Y., producer and marketer of the patented "Flex Corner" tape, a convenient, time-saving combination of steel strips glued to regular drywall paper used to seal corners, arches, bay windows as well as angles impractical for ordinary tape.

**A line of power concrete trowelers** formerly manufactured by Skil Corporation's construction equipment division, Mansfield, Ohio.

Addition of the three product lines to Goldblatt's 1970 catalog is expected to contribute significantly to Goldblatt's growth in 1970. Company sales in 1969, excluding acquisitions, rose for the fifth consecutive year.

Goldblatt also took steps internally during the year to expand sales and service for existing lines. A new training program was instituted for field salesmen to provide better coverage of the 20,000-plus dealer organization and new production equipment was added.

## Waco Scaffold and Shoring Co.

Innovative design and service capabilities continue to make Waco a significant contributor to the Construction Group's growth. Last year was no exception as rental revenues rose significantly over 1968 results.

Waco manufactures a full line of sectional tubular scaffolding and shoring for rental and sale to new construction, building maintenance and repair industries. The scaffolding is used by trades requiring elevated work platforms while shoring supports the forms holding reinforced concrete.

Two products, a six-story rolling scaffold at Lockheed Aircraft's new jet facility and a new Super Shore "X" shoring system, typify the company's engineering expertise.

The rolling scaffolds at Lockheed, two of the largest ever built, are credited with saving an estimated four months from construction schedules with resultant savings of more than $300,000 at Lockheed's $30 million aircraft assembly plant at Palmdale, Calif.

Super Shore "X," introduced the latter part of the year, is one of the strongest shoring systems ever developed. Capable of supporting a load of 992,000 pounds in an extended position, the new system is ideal for bridge construction, temporary support of steel building columns, gas turbines and other heavy construction projects.

Before the introduction of Super Shore "X," heavy duty shoring required timber or custom steel work. Now, the contractor has a proven, well-designed system that can be reused.

Waco's Hi-load and Shore "X" systems owe their popularity to the ability to simplify and reduce costs for shoring commercial and industrial projects.

Waco also took steps during the year to increase its marketing capabilities. Regional marketing areas were established to cover the West, Central and Eastern United States under direction of marketing managers.

New sales and rental branches were established in Boston, Mass., Seattle, Wash., and Greenwich, Conn. All are expected to be fully operational in 1970, greatly expanding the company's penetration in the East and Northwest.

The company's Mexican facility, Andamios Atlas, S.A., continues to enjoy considerable success. It became fully-integrated and self-supporting during the year with the addition of an engineering and design staff. A new warehouse was leased, doubling storage capacity. The growing number of commercial and government projects in Mexico indicate a continuing opportunity for expansion of the company.

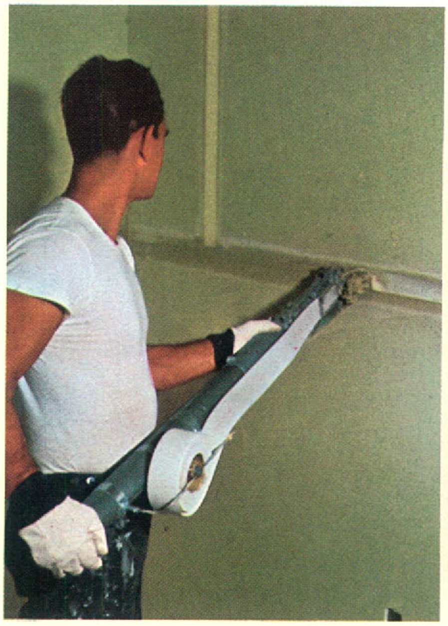
## Dyna-Lift Co.

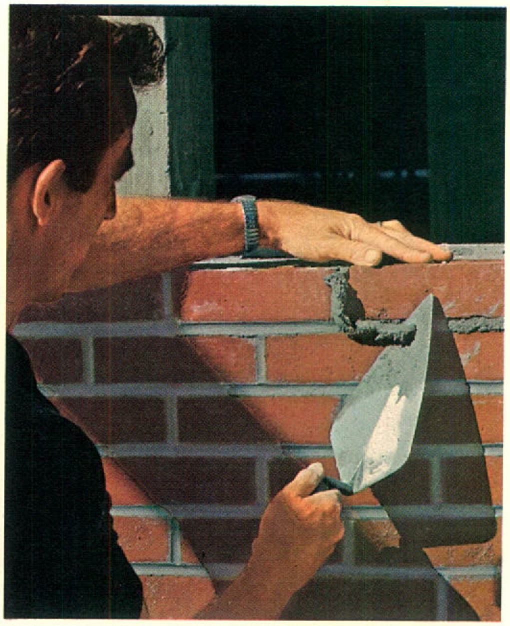
The success of the Dyna-Lift A-100 high-capacity crane in January, 1969, led to the introduction of two new models during the year.

The new cranes, one with an 85-foot boom the other a 65-footer, offer many of the same features as the initial product and are expected to increase the company's penetration of the specialized crane market.

All Dyna-Lift cranes feature 360 degree rotation. This flexibility makes them ideal for a wide range of heavy-duty applications, including sign erection and maintenance, erection of single-family dwellings in the rapidly growing factory-built home market and a host of other material handling jobs.

Dyna-Lift's line, originally marketed on the West Coast, now is being offered nationally. The company's production facilities were increased during the year as the cranes continued to gain recognition as the most versatile products in the industry.





**Upper Left** Efficient, time saving benefits of Ames Taping tools stimulate their use among drywall contractors.

**Upper Right** Goldblatt reinforced its leadership in "trowel trade" products in 1969 with the acquisition of three new product lines.

**Bottom** Waco scaffolding, shown rising on the Hyatt House near Chicago's O'Hare airport, is a common sight to "sidewalk superintendents" throughout the country.

## Land Development

**1969 Highlights: Purchase of four major parcels of land—two in Southern California and one each in suburban Chicago, Ill., and north of Palm Beach, Fla.—highlighted BLI's entry into the land development field during the year.**

Demand for raw land and the need for new construction ventures are growing increasingly important. Land purchases, coupled with activities in the construction industry, enable BLI to participate more fully in the rapidly-growing commercial, industrial and residential development field.

**Southern California**—The properties were acquired through the purchase of A.S.D. Corporation, Pasadena, Calif., a highly-successful land acquisition and development company.

One tract, called Wildwood, consists of 1,100 acres in Yucaipa in San Bernardino County. The other totals 600 acres in the Carmel Valley, one mile from the Pacific Ocean in the northern part of the city of San Diego.

Construction of improvements are underway in the Wildwood development. Current plans call for a total, self-contained small community around a lake and golf course to afford pleasant, relaxing living away from the population core of Los Angeles. The complex will include single-family dwellings, apartments and mobile home sites.

The Carmel Valley properties will be developed in the future, with prime concentration on a balanced community including both commercial and residential structures.

**Addison, Illinois** — Significant progress has been made on development activities in Addison Industrial Park, a 170-acre tract of land some 25 miles west of Chicago.

Ideal for both industrial and commercial development, the property has a complete sewer system and all utilities installed. It has its own water tower, wide, heavy-duty paved streets and street lights, and surrounds a lake to provide an attractive setting.

The attractive setting in combination with local transportation advantages is expected to accelerate development of the property.

**Jupiter-Tequesta, Florida**—BLI has begun construction of a model apartment condominium, the first of many units slated for the 111-acre site. The balance of the property will be subdivided into building sites to be sold for single family residences.

Turtle Creek Village is located in prime land 20 miles north of Palm Beach and surrounds the Turtle Creek golf course now under construction. The 156-acre, 7,000-yard championship golf course, designed by famous golf architect, Joe Lee, will be ready for play in early April.

Both the homes and apartments are designed for discriminating buyers with interests in outdoor sports, such as golf and fishing. Each home will be built on large sites in an area fenced-in to prevent trespassing. Underground wiring will be installed to preserve the beauty of the area.

BLI's participation in actual construction on the land development sites, such as the Turtle Creek Village, will be on a selective basis. Present directions call for prime emphasis to be on planning and financing.

The company's participation in land development is expected to provide important growth opportunities.

More and more individuals and businesses are turning away from overcrowded cities to suburban areas. The leisure or retirement home communities also are playing an increasingly important role in the development of new areas, particularly those with temperate and favorable year-round climates. Significantly, BLI's involvement in the field encompasses all the important areas of the land development market.

The move into land development is a logical outgrowth of the company's diversification program. Acquisitions of property are being undertaken in an orderly, planned fashion. Studies of population shifts, trends, and property end-use are being employed so that each purchase will be meaningful.

## Financial Services

**1969 Highlights: The acquisition of The National Security Bank of Chicago represents both another step in BLI's diversification program and further expansion into services.**

A cash tender offer for outstanding shares of the bank was originally announced in October, 1969. It was successfully completed early in January, 1970. The bank's figures are not included in the 1969 financial statement. However, details concerning the terms are included in the notes accompanying the financial section.

The 64-year-old financial institution is located in a business community just northwest of Chicago's Loop. It is headquartered in a modern, three-story building constructed in 1956.

The shift to new headquarters was made from a building the bank had occupied across the street for 30 years and thus did not alter its services to existing customers.

The bank offers customers a wide range of services including savings, checking, safe deposit, mortgage and commercial banking. Three parking lots, drive-in teller windows and special after-hours windows provide convenient, flexible banking for customers.

A member of the Federal Reserve System, the bank has a long and distinguished record of growth. As of December 31, 1969, the bank's total resources were $135.7 million. Ten years ago, the bank's total resources were $83.0 million.

Its growth in terms of total deposits and earnings is equally impressive. Total deposits have grown 75 percent in a ten year period, rising from $76.5 million in 1959 to $121 million in 1969. Net earnings after taxes have more than tripled in the same period.

In January, 1970, the bank paid its 143rd consecutive dividend to shareholders.



**Upper Left** The National Security Bank of Chicago occupies this modern 3-story building just northwest of Chicago's Loop.

**Upper Right** The bank offers customers a wide range of commercial and retail services in addition to its large savings operations.

**Bottom** Prime development property acquired by BLI includes Wildwood Mesa in the Yucaipa Valley outside of San Bernardino, California.

# Metal Products Group

**1969 Highlights: Volume reaches new peak. Expanded R & D and stylish industrial design combine to increase market opportunities. All existing production facilities enlarged and ground broken for new plant in Kentucky. Sales and marketing programs realigned and expanded to increase market penetration.**

The Metal Products Group, comprised of six companies, operates 11 facilities in the U.S., two in Canada and one in Mexico. Principal products are decorative furniture hardware, industrial and furniture casters, chair bases and controls, vinyl-coated and metal plated racks for major appliances and material handling equipment and precision miniature metal cases for electronic components.

Approximately 75 percent of the Group's sales are to original equipment manufacturers, the balance to retail and hardware outlets across the country. International sales are through factory representatives in Mexico and Canada and manufacturers reps in 40 countries throughout the world.

The group's backlog increased substantially during 1969 and ended the year on a strong note. Its product diversity reduces the Group's susceptibility to a rise or fall in any one market, and its strengthened production and marketing capabilities place it in an excellent position for continued growth.

### Faultless Caster Co.

Sales of Faultless, one of the world's largest manufacturers of decorative hardware, industrial and furniture casters, rose considerably during the year to set a new record.

New product development, improved industrial design and an expanded marketing program all contributed to Faultless' performance.

R & D activities were greatly increased and led to the introduction of a variety of important new products including a quick-clean swivel caster for textile applications, a large, heavy-duty industrial caster and a special sanitary model for food handling and hospital markets.

Removal and cleaning in seconds of the textile caster's wheel eliminates the traditional fouling problem caused by accumulation of threads and permits smoother, effortless truck handling. The sanitary caster's clean, smooth design prevents food and particle accumulation to assure compliance of customer operations, such as restaurants and hospitals, with strict sanitation standards of government and consumer protection agencies.

Increased emphasis was placed on styling for such functional components as casters and chair glides for hospital, school and other institutional furniture markets. Faultless designers demonstrated that functional products also can be attractive. The pleasing aesthetic effects of redesigned products has increased their acceptance by the growing institutional market.

New product-line managers were appointed to strengthen product line support to the field organization, accelerate penetration of new markets, and increase critical feed-back from various customers on possible new applications.

Ground was broken in November on a 64,000-sq.-ft. plant in Hopkinsville, Ky., that will initially produce decorative hardware for the growing furniture industry. Faultless Casters Ltd. moved into new facilities in early 1969, and the company's Evansville plant currently is being extensively modernized.

The new Canadian operation, and success of the three-year-old Bliss & Laughlin Latinoamericana, S.A., in Mexico City, has significantly increased the company's international sales. Current plans call for introduction of more Faultless products to this growing market in 1970.

### Doerner Products Co. Ltd.

Doerner, manufacturer of high-quality, stylish chair controls and bases for office furniture, posted its finest year in history.

Doerner chair controls permit adjustment of chair seat and back to individual needs. The company's ability to design chair bases that are strong, yet comfortable and highly-styled, has played a major role in its growth.

Two new products introduced last year typify its creative design approach; a new highly-styled chair base and special "hidden" chair control.

The chair base features strong, steel legs with a brushed chrome or bright chrome finish ideal for commercial furniture applications such as offices and restaurants. The new chair control's extremely low silhouette hides mechanical parts while providing chair designers with numerous styling choices.

Doerner continued to expand its design and production facilities. The change-over from single stage to progressive dies, begun late in 1968, was completed and greatly increased production capacity and flexibility.

Export sales, particularly to the U.S., rose considerably during 1969. The current U.S. trend of frequent creative changes in base and chair designs is expected to increase opportunities in the States. Sales of products through Faultless' distribution system in Mexico also increased substantially, and more designs are scheduled for introduction there during 1970.

### Tekform Products Inc.

Demand for Tekform's highly-specialized line of metal cases for electronic components in such applications as computer systems continued to exceed projections.

Tekform engineers design the case needed to house a customer's component or circuit, then build the cases to the close tolerances required.

Tekform reinforced its leadership in the electronic metal package field by introducing standardized versions of its highly-successful butterfly and platform cases for sealing integrated circuits. The compact cases, about the size of a matchbook, are highly-reliable, close-tolerance products that simplify IC assembly yet increases their dependability.

The company further broadened its product base by producing precision lens caps for photo electric cells and a unique cold welding system for sealing selected electronic circuits.

The cold welding system demonstrates again the company's ability to respond to customer needs. Many IC's are sensitive to heat-treating sealing techniques that occasionally damage circuits. Tekform's cold welding system is expected to solve the problem.

Tekform's administrative and marketing programs were restructured during the year in order to extend its marketing base. A network of manufacturer's representatives was established for Tekform's first national sales representation. Tekform's production facilities also were increased, and plans call for another addition to its Anaheim, Calif. facility during 1970.

**Nestaway Co.**

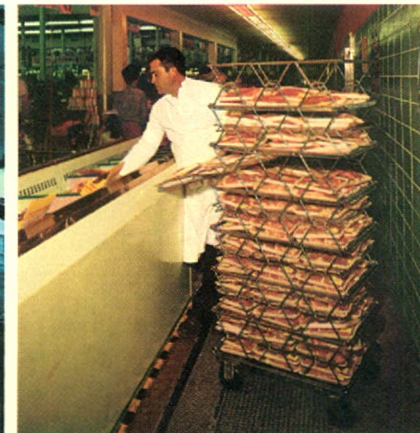
Despite a strike that continued into early 1969, Nestaway added significantly to the company's earnings. Its strengthened marketing and production operations place Nestaway in a favorable position to recapture and expand its role in the appliance and materials handling markets.

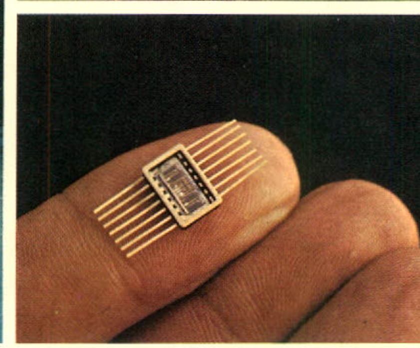
Nestaway's sales engineering force was significantly increased and restructured. Sales engineers are now assigned to cover specific industries, such as food handling, chain store and hotel/motel markets, where growth prospects and Nestaway's material handling capabilities offer mutual advantages.

Nestaway's line of vinyl-coated racks for automatic dishwashers and plated racks and baskets for refrigerators and freezers continue to be widely used in the appliance industries.

Several limited lines of racks and material handling products were dropped from production during the year. The lines, which were serving low-margin, highly-competitive markets, were eliminated to permit expansion into growing, more profitable market areas.

An addition to the company's plant in Beaver Dam, Ky., was completed in May, 1969. Coupled with the addition of new, modern equipment, Nestaway's production facilities now are ideally suited to respond to the changing needs of the marketplace.





**Upper Left** Textile caster introduced in 1969 by Faultless increases materials handling equipment efficiency in textile mills.

**Upper Right, top** Nestaway's line of material handling racks are winning widespread acceptance in such growing markets as food handling.

**Upper Right, bottom** Microelectronic circuit packs of Tekform combine reliability and durability to meet demanding needs of the electronic industry.

**Bottom** Doerner chair bases and controls are found in modern offices where styling and comfort are playing important roles.

# Steel Group

**1969 Highlights: Cold finished steel bar volume sets record. Ground broken on new wire plant. Mexican plant surpasses sales goals. Threaded Nails Co. products now marketed nationally.**

Bliss & Laughlin Steel Co., cornerstone of our rapidly-changing company, its Mexican operation, Bliss & Laughlin Latinoamericana, S.A., and Threaded Nails Co. make up the Steel Group.

Bliss & Laughlin, a non-integrated steel company, is one of the country's largest producers of cold finished steel bars.

The markets for precision, high-tolerance steel bars produced by Bliss & Laughlin are as diverse as the 4,000 sizes and shapes it inventories. Steel bars are found in virtually anything that moves, from household appliances to automobiles, heavy industrial machinery and jet aircraft.

Eight of the company's mills are in the U.S. and one in Mexico. Sales offices are located in 22 major U.S. cities. The Mexican operation, begun in 1964, is a joint venture with Altos Hornos de Mexico, S.A., the largest integrated steel company in Mexico.

Threaded Nails Co., headquartered in Skokie, Ill., outside Chicago, produces a reliable line of specialized threaded nail fasteners for automatic nailing equipment in three U.S. plants.

The long-range outlook for specialty steel products appears quite favorable with growth prospects matching or slightly exceeding the rate of the Gross National Product. The long-term earning power trend of the group remains strong due to a continuing program of cost-reducing modernization and ever increasing contributions from the Mexican and Threaded Nail operations.

### Bliss & Laughlin Steel Co.

Bliss & Laughlin has substantially increased its sales volume in the past eight years and has opened three new plants. Earnings reflect a similar trend.

Backlog at year-end equaled that of 1968. Near-term prospects presently indicate a relatively flat period in 1970 with volume matching or slightly exceeding last year's record. The company's traditional competitive strengths, coupled with several significant steps taken last year in both manufacturing and marketing areas, are expected to help offset declines in selected markets.

Adjacent to its cold-finished steel bar plant, Bliss & Laughlin is building a 27,000-sq.-ft. plant in Medina, Ohio, just outside of Cleveland. The new facility will concentrate initially on producing products for other BLI operations. Long-range plans call for it to develop new product lines to supplement what it now supplies to BLI units.

A significant investment again was made last year in modern, automated production equipment for bar plants. A central engineering staff continually analyzes and evaluates production, material handling and inventory procedures to assure maximum efficiency, quality and control.

Bliss & Laughlin's continuing expansion in sales and service was highlighted in the Steel Service Center market during 1969.

Steel Service Centers represent the largest single market for cold finished steel bars. These service centers give B & L a geographic distribution pattern and depth of market penetration unparalleled in the industry. Service centers in turn can offer customers distinct advantages through their close tie-in with B & L.

For example, they are assured the most complete product line available in the industry. B & L's eight mills across the country can guarantee prompt and efficient delivery at any location. Finally, since B & L salesmen sell only cold finished steel bars, their technical knowledge of a customer's needs provides service unequalled by integrated steel companies.

Bliss & Laughlin Latinoamericana, S.A., exceeded expectations with volume after five years at the Mexico City plant running at a rate originally targeted for eight years. Factors contributing to the plant's excellent record include growth in Mexico's overall economy, similarity to the U.S. market and traditional confidence of customers in BLI products.

Mexico's rate of economic growth is running at about 10 percent per annum, double the U.S. rate. The resultant standard of living rise has fostered increased demand for durable goods that use cold finished steel bar products, such as automobiles and appliances.

Mexican law requires that the major value of a wide variety of durable goods be of Mexican manufacture. BLI's strength with the manufacturers of similar products in the U.S., such as automobiles, makes BLI a dominant factor in the Mexican market.

The absence of any major inflationary trends in Mexico and strong industrial growth combine to create a sound base for optimism in the Mexican steel industry in general, and Bliss & Laughlin Latinoamericana in particular.

### Threaded Nails Co.

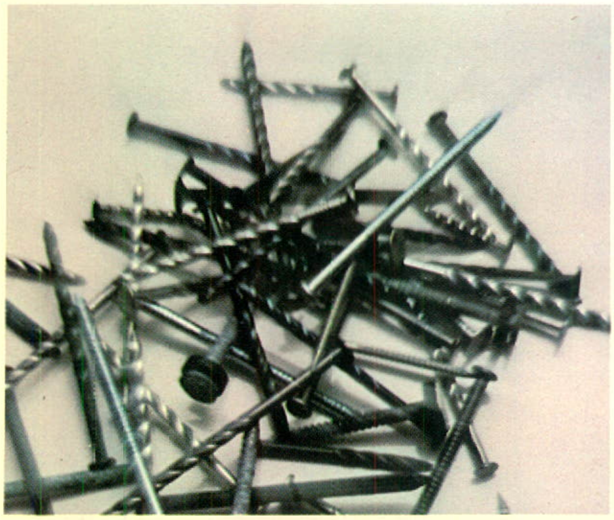
The newest member of the Steel Group, Threaded Nails Co., took steps during the year to increase its penetration of the rapidly-growing power nailing market.

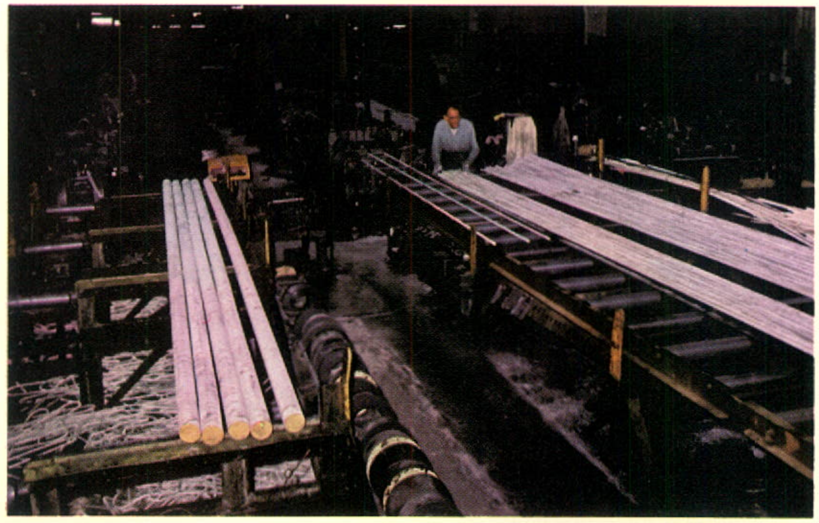
Threaded Nails produces a wide variety of threaded nail fasteners for automatic nailing equipment. The largest single market is the pallet industry where high-speed assembly and superior holding qualities are critical.

The success of automatic nailing equipment in pallets has spawned important applications in other industries.

Factory-built homes and mobile home manufacturers are just two of the industries taking advantage of the speed, performance and economy characteristics of automatic nailers. Portable automatic nailers are expected to create additional markets in residential and commercial construction for threaded nail fasteners.

The company expanded beyond its traditional Midwest market last year by setting up a national sales force. Expanded customer contacts, combined with the demand for automatic nailing and related equipment, are expected to accelerate the company's growth.





**Upper Left** Superior holding characteristics and product variety have increased customer demand for fasteners produced by Threaded Nails Co.

**Upper Right** Precision cold finished steel bars produced by Bliss & Laughlin feature the widest variety of sizes and shapes in the industry.

**Bottom** Exciting new power sports make the leisure time industry one of the fastest growing markets for cold finished steel bars.

# Financial Review

**Bliss & Laughlin Industries posted record sales, revenues and earnings for the year-ended Dec. 31, 1969, surpassing records established the year earlier.**

Sales and revenues in 1969 reached $128,566,000, a 13 percent increase over 1968's total of $114,061,000. The company's sales now are nearly double the total 10 years ago.

Net income rose 20 percent during 1969 to a new peak of $6,893,000, compared with $5,733,000 the previous year.

Earnings per share in 1969 amounted to a record $2.52 on 2,736,163 average shares outstanding, 15 percent above 1968's results of $2.20 per share on 2,606,588 average shares outstanding.

Of particular importance, this marks the eighth consecutive year the company's net income and earnings per share have increased. BLI's earnings per share have tripled in the past eight years.

All operating groups made important contributions to earnings. Sales and earnings of the Steel Group once again set a new record. Total sales, revenues and income from the Construction and Metal Products groups also exceeded previous highs with construction equipment rentals, furniture products and electronic products pacing the advance.

Cash dividends on common stock during 1969 amounted to $2,712,000, equal to $1.00 per share, reflecting the higher rate voted by directors in 1968.

The dividend rate has increased 37 percent in the past five years and shareholders have received a cash dividend every year since the company's listing on the New York Stock Exchange in 1939. Additionally, a 100 percent stock distribution was made to shareholders on May 29, 1968, and a 10 percent stock dividend on April 14, 1967.

Shareholders' equity during 1969 rose 11 percent to $41,845,000 from $37,672,000 in 1968 and now is nearly double the investment 10 years ago. The company's return on shareholders' investment was 17.4 percent, considerably above the national average for major industrial companies.

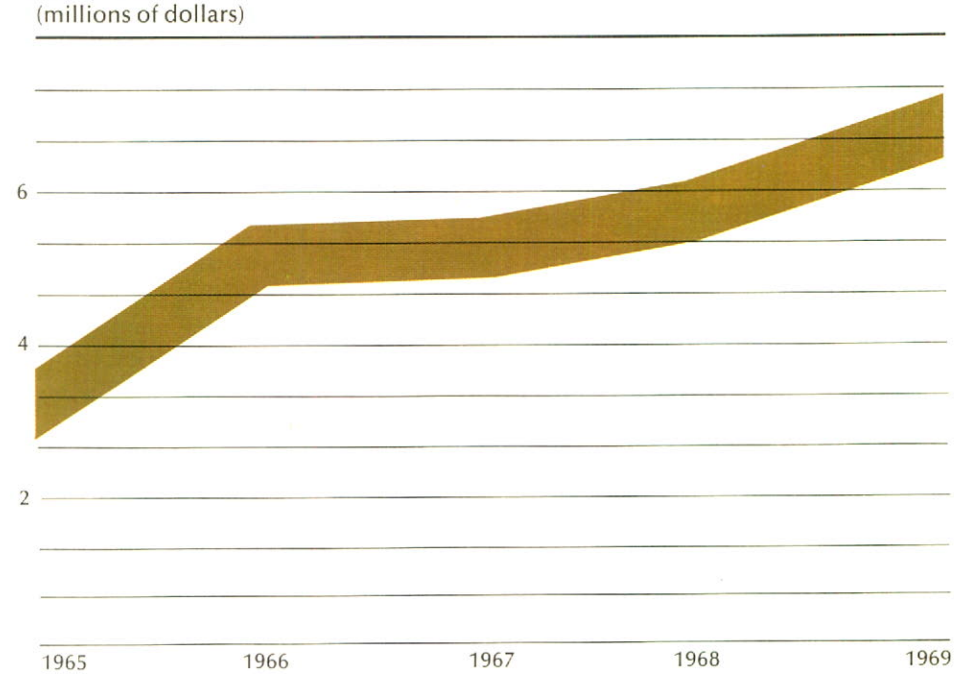
Capital expenditures for plant and equipment of $5,549,837 in 1969 were 52 percent higher than the 1968 investment of $3,662,771. Major factors contributing to the increase were construction of new plants for Nestaway, a new wire facility in Cleveland, and new production equipment.

Depreciation and amortization charges for the year amounted to $3,444,000, a slight increase over 1968's total of $3,289,000.

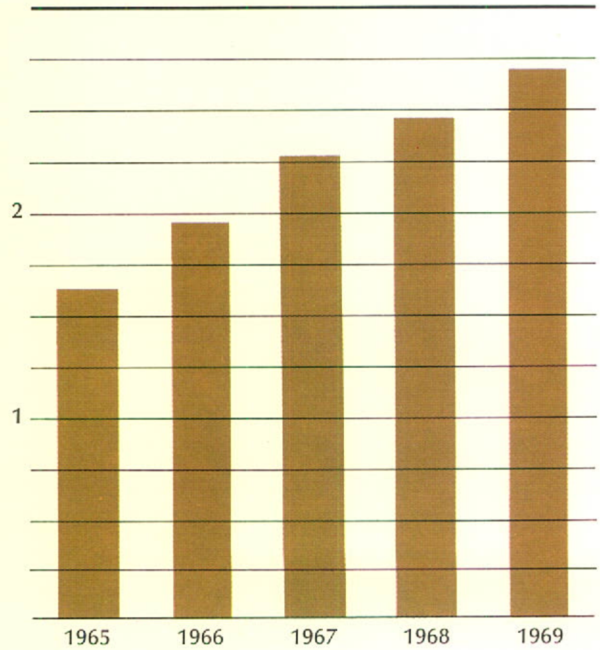
The company acquired $7,511,583 in land for resale during 1969 as part of its land development program. It also completed a cash tender offer for the shares of The National Security Bank of Chicago in January, 1970.

Because the bank was not formally acquired until January, 1970, its results have not been included in the company's 1969 financial statement. Additional details concerning the financing of these acquisitions may be found in the notes accompanying the financial statement in this report.

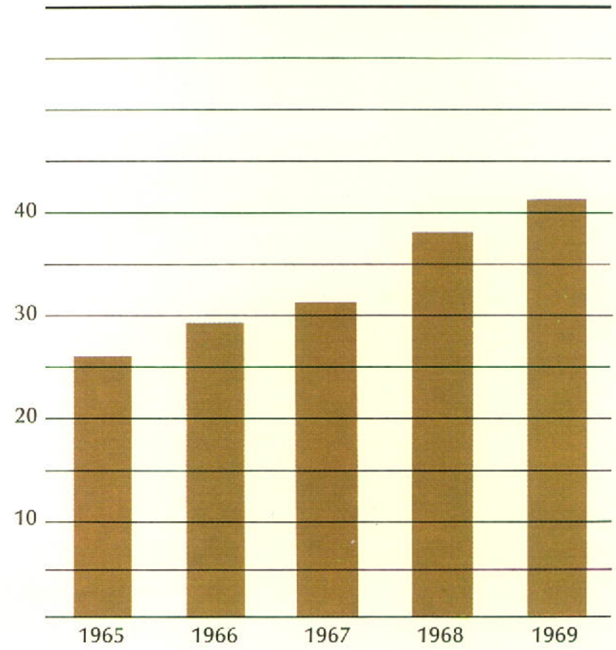
**Net Income**
(millions of dollars)



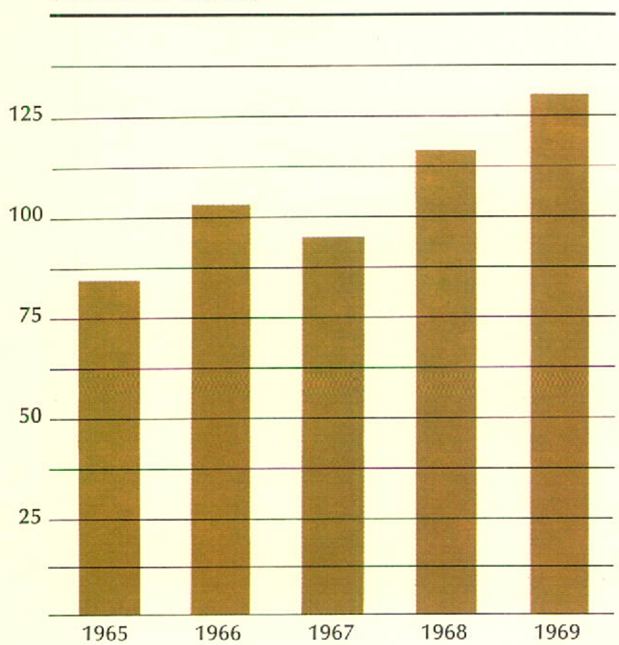
**Cash Dividends**
(millions of dollars)



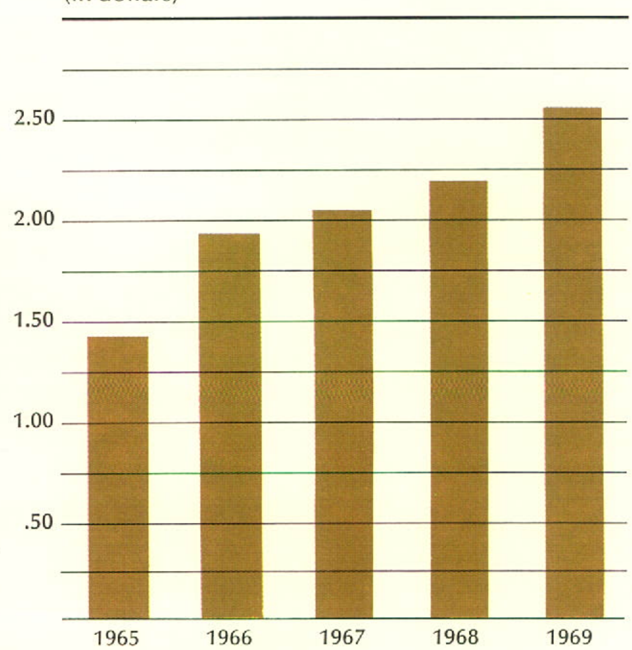

**Shareholders' Investment**
(millions of dollars)




**Net Sales and Rental Revenue**
(millions of dollars)




**Net Income Per Share**
(in dollars)



## Consolidated Statement of Income

| For the years ended December 31 | 1969 | 1968 |
|---|---|---|
| NET SALES AND RENTAL REVENUE | $128,565,576 | $114,061,149 |
| COST AND EXPENSES: | | |
| Cost of sales and rentals | $ 98,331,230 | $ 88,310,171 |
| Selling, general and administrative expenses | 15,588,141 | 13,299,470 |
| Other expenses, net | 852,775 | 618,063 |
| | $114,772,146 | $102,227,704 |
| INCOME BEFORE INCOME TAXES | $ 13,793,430 | $ 11,833,445 |
| PROVISION FOR INCOME TAXES | 6,900,000 | 6,100,000 |
| NET INCOME | $ 6,893,430 | $ 5,733,445 |
| NET INCOME PER SHARE | $ 2.52 | $ 2.20 |
| FULLY DILUTED NET INCOME PER SHARE, assuming conversion of the Company's convertible subordinated debentures as of the beginning of the year | $ 2.20 | $ 1.87 |

## Consolidated Statement of Source and Application of Funds

| For the years ended December 31 | 1969 | 1968 |
|---|---|---|
| SOURCE OF FUNDS: | | |
| Net income | $ 6,893,430 | $ 5,733,445 |
| Provision for depreciation (principally straight line method) and amortization | 3,444,469 | 3,288,808 |
| Increase in long-term debt excluding $2,320,000 debenture conversions | 6,219,953 | — |
| Marketable securities held for acquisitions and expansion | — | 10,100,000 |
| Other, net | — | 485,332 |
| | $ 16,557,852 | $ 19,607,585 |
| APPLICATION OF FUNDS: | | |
| Net additions to plant and equipment: | | |
| Regular | $ 5,549,837 | $ 3,662,771 |
| Through companies acquired | — | 6,931,000 |
| Acquisitions of land held for resale | 7,511,583 | — |
| Cash dividends | 2,711,785 | 2,496,306 |
| Purchase of treasury stock | 1,928,599 | 299,895 |
| Decrease in long-term debt, excluding $1,452,000 debenture conversions | — | 585,358 |
| Increase in notes receivable, deferred charges and investments | 1,553,324 | 211,925 |
| Increase in intangible assets arising from acquisitions | — | 3,166,676 |
| Other, net | 270,757 | — |
| | $ 19,525,885 | $ 17,353,931 |
| Increase (decrease) in working capital | $ (2,968,033) | $ 2,253,654 |
| WORKING CAPITAL: | | |
| Beginning of year | 24,585,809 | 22,332,155 |
| End of year | $ 21,617,776 | $ 24,585,809 |

The accompanying notes are an integral part of the financial statements

# Consolidated Balance Sheet
**December 31**

| **Assets** | **1969** | **1968** |
|---|---|---|
| CURRENT ASSETS: | | |
| Cash | $ 1,434,539 | $ 2,415,772 |
| Marketable securities, at cost which approximates market | 279,000 | 488,900 |
| Receivables, less reserve | 14,841,546 | 11,223,355 |
| Inventories, principally at the lower of average cost or market | 26,608,612 | 23,994,114 |
| Prepaid expenses | 662,972 | 717,034 |
| Total current assets | $43,826,669 | $38,839,175 |
| OTHER ASSETS: | | |
| Land held for resale, at cost (Note 2) | $ 7,511,583 | $ — |
| Investment in foreign subsidiaries, at cost plus equity in undistributed earnings since acquisition | 1,720,946 | 1,510,008 |
| Notes receivable, deferred charges and investments, at cost | 2,446,449 | 893,126 |
| Intangible assets arising from acquisitions | 4,948,502 | 5,357,938 |
| Patents, at cost, less amortization of $1,602,783 in 1969 and $1,344,159 in 1968 | 1,910,108 | 1,387,693 |
| | $18,537,588 | $ 9,148,765 |
| PLANT AND EQUIPMENT, at cost (Note 2): | | |
| Land | $ 1,384,540 | $ 1,345,040 |
| Buildings | 9,595,154 | 9,025,758 |
| Machinery and equipment | 20,523,903 | 19,620,205 |
| Equipment rented to others | 13,443,566 | 10,466,211 |
| Reserves for depreciation | (19,869,720) | (17,713,845) |
| | $25,077,443 | $22,743,369 |
| | $87,441,700 | $70,731,309 |
| **Liabilities** | | |
| CURRENT LIABILITIES: | | |
| Short-term bank loans | $ 4,500,000 | $ 2,000,000 |
| Current portion of long-term debt | 1,046,879 | 1,503,720 |
| Accounts payable and accrued liabilities | 13,789,999 | 8,207,959 |
| Federal income taxes | 2,872,015 | 2,541,687 |
| Total current liabilities | $22,208,893 | $14,253,366 |
| LONG-TERM DEBT (Note 2) | $22,006,095 | $18,106,142 |
| DEFERRED FEDERAL INCOME TAXES | $ 850,000 | $ 700,000 |
| MINORITY INTEREST | $ 531,473 | $ — |
| SHAREHOLDERS' INVESTMENT: | | |
| Capital stock: | | |
| Preferred stock, no par value; authorized 1,000,000 shares; no shares issued | $ — | $ — |
| Common stock, $2.50 par value; authorized 5,000,000 shares; issued 2,767,975 shares in 1969 and 2,656,281 shares in 1968 (Note 4) | 6,919,938 | 6,640,702 |
| Additional capital (Note 4) | 5,304,109 | 3,570,516 |
| Retained earnings (Note 2) | 29,644,533 | 27,556,992 |
| Treasury stock, at cost, 899 shares in 1969 and 5,271 shares in 1968 | (23,341) | (96,409) |
| | $41,845,239 | $37,671,801 |
| | $87,441,700 | $70,731,309 |

The accompanying notes are an integral part of the financial statements

# Consolidated Statements of Additional Capital and Retained Earnings

| For the years ended December 31 | 1969 | 1968 |
|---|---|---|
| ADDITIONAL CAPITAL: | | |
| Balance at beginning of year | $ 3,570,516 | $ 5,489,691 |
| Pooling adjustments (Note 1) | (92,000) | — |
| | $ 3,478,516 | $ 5,489,691 |
| Add (Deduct): | | |
| Principal amount of convertible debentures in excess of par value of common stock issued upon conversion (Note 4) | 2,040,765 | 1,248,477 |
| Portion of cost in excess of par value of treasury shares issued for companies acquired (Notes 1 and 4) | (120,232) | (11,597) |
| Par value of common stock issued in 100% common stock distribution, transferred to common stock account | — | (3,154,870) |
| Other, net | (94,940) | (1,185) |
| Balance at end of year | $ 5,304,109 | $ 3,570,516 |
| RETAINED EARNINGS: | | |
| Balance at beginning of year | $27,556,992 | $24,081,361 |
| Pooling adjustments (Note 1) | (645,548) | 466,396 |
| | $26,911,444 | $24,547,757 |
| Add (Deduct): | | |
| Net income | 6,893,430 | 5,733,445 |
| Cash dividends paid ($1.00 per share in 1969 and $.975 per share in 1968) (Note 4) | (2,711,785) | (2,496,306) |
| Portion of cost in excess of par value of treasury shares issued for companies acquired (Note 1 and 4) | (1,448,556) | (227,904) |
| Balance at end of year (Note 2) | $29,644,533 | $27,556,992 |

## Notes to Financial Statements

1. In 1969 the Company acquired the business and net assets of two companies for 64,000 shares of common stock. These transactions were accounted for on a pooling-of-interest basis and the results of their operations have been included in the accompanying consolidated financial statements for the full year ended December 31, 1969. The consolidated financial statements for the year ended December 31, 1968 have not been restated to include the results of operations or financial position of the pooled companies as these amounts were not significant. Had the 1968 consolidated financial statements been restated the change in earnings per share would have been less than 2%.

   The accompanying consolidated financial statements include all U.S. and Canadian subsidiaries. Investments in other foreign subsidiaries are stated at cost plus equity in undistributed earnings since acquisition. All significant intercompany accounts and transactions have been eliminated. The accounts of foreign subsidiaries have been included at their U.S. dollar equivalent.

| | 1969 | 1968 |
|---|---|---|
| 2. At year end, long-term debt was as follows: | | |
| Long-term notes payable: | | |
| 5% term loan, due $625,000 annually through 1973 | $ 2,500,000 | $ 3,125,000 |
| 5% term loan, final installment due in 1969 | — | 500,000 |
| 5¾% notes, due $276,000 annually through 1972 and $75,500 in 1973 | 903,500 | 1,041,500 |
| Other, with various interest rates, annual installment amounts and maturity dates | 806,345 | 895,362 |
| Mortgage loans (secured by land held for resale): | | |
| 7% term loan, due in 1972 | 2,600,000 | — |
| Other, with interest rates from 4% to 10% and various annual installment amounts through 1992 | 4,219,600 | — |
| Plant and equipment purchase obligations: | | |
| 4% due $40,000 annually through 1990 | 840,000 | 880,000 |
| 5% to 5½% due $14,000 to $48,000 annually through 1991 | 623,000 | 637,000 |
| 5½% to 5.8% due $20,000 to $65,000 annually through 1993 | 349,529 | — |
| Convertible subordinated debentures 5¾% due in 1987 | 10,211,000 | 12,531,000 |
| | $23,052,974 | $19,609,862 |
| Less current maturities | 1,046,879 | 1,503,720 |
| | $22,006,095 | $18,106,142 |

The provisions of the loan agreements and the indenture for the 5¾% convertible subordinated debentures require, among other things, that the Company restrict the use of funds for the payment of cash dividends or reacquisition of the Company's capital stock. At December 31, 1969, $12,900,000 of retained earnings was free of such restriction. In addition to the above, the Company must maintain consolidated working capital of at least $20,000,000. At December 31, 1969, consolidated working capital was $21,617,776.

At December 31, 1969, the Company has reserved 491,762 shares of unissued common stock for conversion of the debentures. Annual sinking fund payments of $1,200,000 for redemption of the debentures are required commencing in 1978. The debentures may be called at any time at prices decreasing from 105.14% of face value currently to 100% in 1987. At December 31, 1969, debentures in the principal amount of $1,017,000 were held in the treasury and have been applied as a reduction of long-term debt.

3. The Company and subsidiaries provide pension benefits for substantially all employees under various plans. The provision for pension costs was $930,830 in 1969 ($829,574 in 1968) and includes normal costs and interest on prior service costs. The Company's policy is to fund pension costs. At December 31, 1969, the aggregate total of the pension funds was in excess of the actuarially computed value of vested benefits for all plans.

4. The Company issued 111,694 shares of previously unissued common stock in 1969 in connection with the conversion of the 5¾% convertible subordinated debentures. The Company acquired 69,428 shares of treasury stock in 1969, issued 64,000 treasury shares for the business and net assets of two companies, and sold 9,800 treasury shares to employees under a stock purchase plan.

5. In January 1970 the Company acquired 97% of the issued and outstanding common shares of The National Security Bank of Chicago for $13,657,000. This acquisition was financed by a combination of long- and short-term borrowings at an average interest rate of 9% for 1970 plus a loan fee of $285,000 on the short-term borrowing.

## Ten-Year Financial Review

(In thousands of dollars except per share amounts and statistics)

| FOR THE YEAR | 1969 | 1968 | 1967 |
|---|---|---|---|
| Net Sales and Rental Revenue | **$128,566** | $114,061 | $ 95,112 |
| Depreciation and Amortization | **3,444** | 3,289 | 2,290 |
| Income Before Taxes | **13,793** | 11,833 | 9,756 |
| Percentage to Net Sales and Rental Revenue | **10.7%** | 10.4% | 10.3% |
| Provision for Income Taxes | **6,900** | 6,100 | 4,650 |
| Net Income | **6,893** | 5,733 | 5,106 |
| Net Income Per Share | **2.52** | 2.20 | 2.02 |
| Cash Dividends | **2,712** | 2,496 | 2,264 |
| Cash Dividends Per Share | **1.00** | .975 | .90 |
| **FINANCIAL POSITION** | | | |
| Working Capital | **$ 21,618** | $ 24,586 | $ 22,332 |
| Plant and Equipment, Net | **25,077** | 22,743 | 15,234 |
| Long-Term Debt | **22,006** | 18,106 | 20,144 |
| Shareholders' Investment | **41,845** | 37,672 | 32,676 |
| Return on Average Shareholders' Investment | **17.4%** | 16.5% | 16.3% |
| **STATISTICS** | | | |
| Average Shares Outstanding | **2,736,163** | 2,606,588 | 2,520,860 |
| Number of Shareholders | **6,090** | 5,985 | 5,717 |
| Number of Employees | **3,286** | 2,743 | 2,428 |

| 1966 | 1965 | 1964 | 1963 | 1962 | 1961 | 1960 |
|---|---|---|---|---|---|---|
| $105,324 | $ 83,813 | $ 80,748 | $ 73,546 | $ 71,197 | $ 59,458 | $ 65,163 |
| 2,143 | 1,945 | 1,811 | 1,662 | 1,271 | 1,047 | 958 |
| 9,627 | 6,796 | 6,264 | 5,060 | 4,296 | 3,675 | 4,316 |
| 9.1% | 8.1% | 7.8% | 6.9% | 6.0% | 6.2% | 6.6% |
| 4,750 | 3,250 | 2,968 | 2,597 | 2,175 | 1,832 | 2,224 |
| 4,877 | 3,546 | 3,296 | 2,463 | 2,121 | 1,843 | 2,092 |
| 1.93 | 1.42 | 1.33 | .99 | .85 | .74 | .84 |
| 1,996 | 1,617 | 1,400 | 1,394 | 1,392 | 1,391 | 1,388 |
| .80 | .73 | .73 | .73 | .73 | .73 | .73 |

| | | | | | | |
|---|---|---|---|---|---|---|
| $ 18,443 | $ 18,557 | $ 16,025 | $ 16,124 | $ 16,244 | $ 14,879 | $ 14,832 |
| 14,545 | 12,017 | 10,914 | 10,353 | 9,308 | 9,182 | 8,818 |
| 7,637 | 8,094 | 4,619 | 5,372 | 6,127 | 2,371 | 2,238 |
| 29,738 | 26,568 | 24,744 | 23,220 | 22,267 | 21,585 | 21,274 |
| 17.3% | 13.8% | 13.7% | 10.8% | 9.7% | 8.5% | 9.8% |

| | | | | | | |
|---|---|---|---|---|---|---|
| 2,516,544 | 2,495,050 | 2,475,498 | 2,483,758 | 2,481,426 | 2,480,150 | 2,476,003 |
| 5,639 | 5,787 | 6,067 | 6,175 | 6,193 | 5,814 | 5,834 |
| 2,573 | 2,232 | 1,936 | 1,926 | 1,926 | 1,769 | 1,969 |

## Report of Independent Public Accountants

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS,
BLISS & LAUGHLIN INDUSTRIES INCORPORATED:

We have examined the consolidated balance sheet of BLISS & LAUGHLIN INDUSTRIES INCORPORATED (a Delaware corporation) AND SUBSIDIARIES as of December 31, 1969, and the related consolidated statements of income, additional capital, retained earnings, and source and application of funds for the year then ended. Our examination 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. We have previously examined and reported on the consolidated financial statements for the preceding year.

In our opinion, the accompanying consolidated balance sheet and consolidated statements of income, additional capital, retained earnings, and source and application of funds present fairly the financial position of Bliss & Laughlin Industries Incorporated and Subsidiaries as of December 31, 1969, and the results of their operations and source and application of funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

ARTHUR ANDERSEN & CO.

Chicago, Illinois
February 5, 1970

# Officers

**F. J. Robbins**
President and Chief Executive Officer

**A. Bruce Matthews**
Executive Vice President

**Richard K. Klink**
Vice President, Secretary and Treasurer

**Frank W. Aughnay**
Vice President, Construction Group

**John C. Hansen**
Vice President, Steel Group

**Joseph W. Rose**
Vice President, Metal Products Group

**Walter C. Cannon**
Assistant Secretary

## Directors

**Henry P. Albrecht**
President, Gale Realty, Inc.

**Even T. Collinsworth, Jr.**
Group Vice President, Armour & Co.

**James W. Coultrap**
Chairman
MGD Graphics Systems Inc.

**Paul R. Doelz**
Director
Dain, Kalman & Quail, Incorporated

**G. Findley Griffiths**
Chairman
Interlake Steel Corporation

**C. Arnold Kalman**
Vice President
Booz, Allen & Hamilton, Incorporated

**A. Bruce Matthews***
Executive Vice President
Bliss & Laughlin Industries
*Effective March 1, 1970

**F. J. Robbins**
President and Chief Executive Officer
Bliss & Laughlin Industries

**Keith Shay**
Partner, Schiff Hardin
Waite Dorschel & Britton

## Executive Committee

**C. Arnold Kalman,** Chairman
**Paul R. Doelz**
**F. J. Robbins**
**Keith Shay**


**A. Bruce Matthews**


**Richard K. Klink** **Walter C. Cannon**


**Frank W. Aughnay**


**John C. Hansen**


**Joseph W. Rose**

TRANSFER AGENTS

Continental Illinois National Bank and
Trust Company, Chicago, Illinois
Morgan Guaranty Trust Company
New York, New York

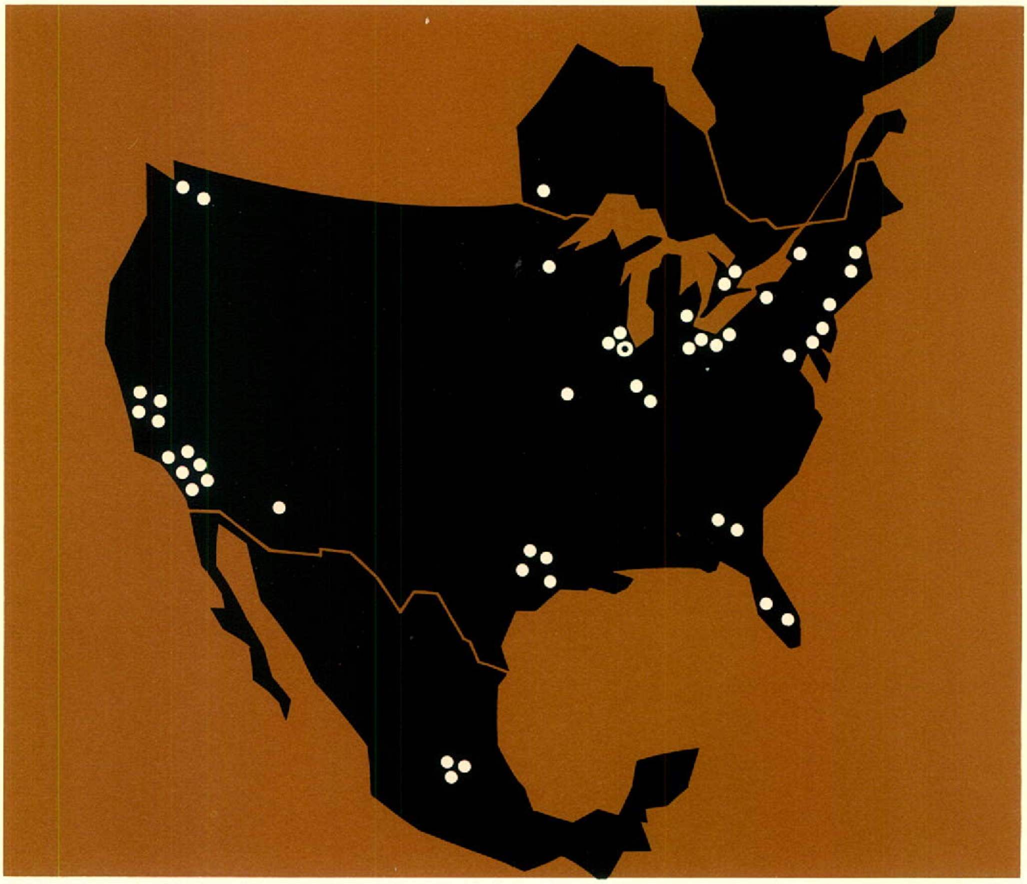
REGISTRARS

Harris Trust and Savings Bank,
Chicago, Illinois
Bankers Trust Company,
New York, New York

COMMON STOCK LISTINGS

New York Stock Exchange
Midwest Stock Exchange
(Stock Exchange Symbol—BLI)

# Division & Subsidiary Addresses



## CONSTRUCTION GROUP

**Ames Taping Tool Systems Co.**
Belmont, California
Taping Tools and Products for Drywall Construction

**Dyna-Lift Co.**
Los Angeles, California
Mobile Cranes

**Goldblatt Tool Co.**
Kansas City, Kansas
Tools and Equipment for Construction Industry

**Waco Scaffold and Shoring Co.**
Schiller Park, Illinois
Scaffolding and Shoring

**Andamios Atlas, S.A.**
Mexico City, Mexico
Scaffolding and Shoring

## METAL PRODUCTS GROUP

**Faultless Caster Co.**
Evansville, Indiana
Industrial & Furniture Casters
Furniture Hardware

**Faultless Casters Ltd.**
Stratford, Ontario, Canada
Industrial and Furniture Casters

**Doerner Products Co., Ltd.**
Waterloo, Ontario, Canada
Chair Controls & Chair Bases

**Bliss & Laughlin Latinoamericana, S.A.**
Mexico City, Mexico
Industrial & Furniture Casters and Chair Controls

**Tekform Products Co.**
Anaheim, California
Cases for Microminiature Electronic Circuits

**Nestaway Co.**
Cleveland, Ohio
Handling Systems and Coated Metal Products

## STEEL GROUP

**Bliss & Laughlin Steel Co.**
Oak Brook, Illinois
Cold Finished Steel Bars

**Bliss & Laughlin Latinoamericana, S.A.**
Mexico City, Mexico
Cold Finished Steel Bars

**Threaded Nails Co.**
Skokie, Illinois
Specialty Fasteners

## LAND DEVELOPMENT & FINANCIAL SERVICES

**Addison Industrial Park, Inc.**
Addison, Illinois
Land Development

**A.S.D. Corporation**
Pasadena, California
Land Development

**Turtle Creek Village**
Jupiter-Tequesta, Fla.
Land Development

**The National Security Bank of Chicago**
Chicago, Illinois
Financial Services

**BLISS & LAUGHLIN Industries**
Executive Offices: 122 West 22nd Street,
Oak Brook, Illinois 60521 • (312) 654-3350