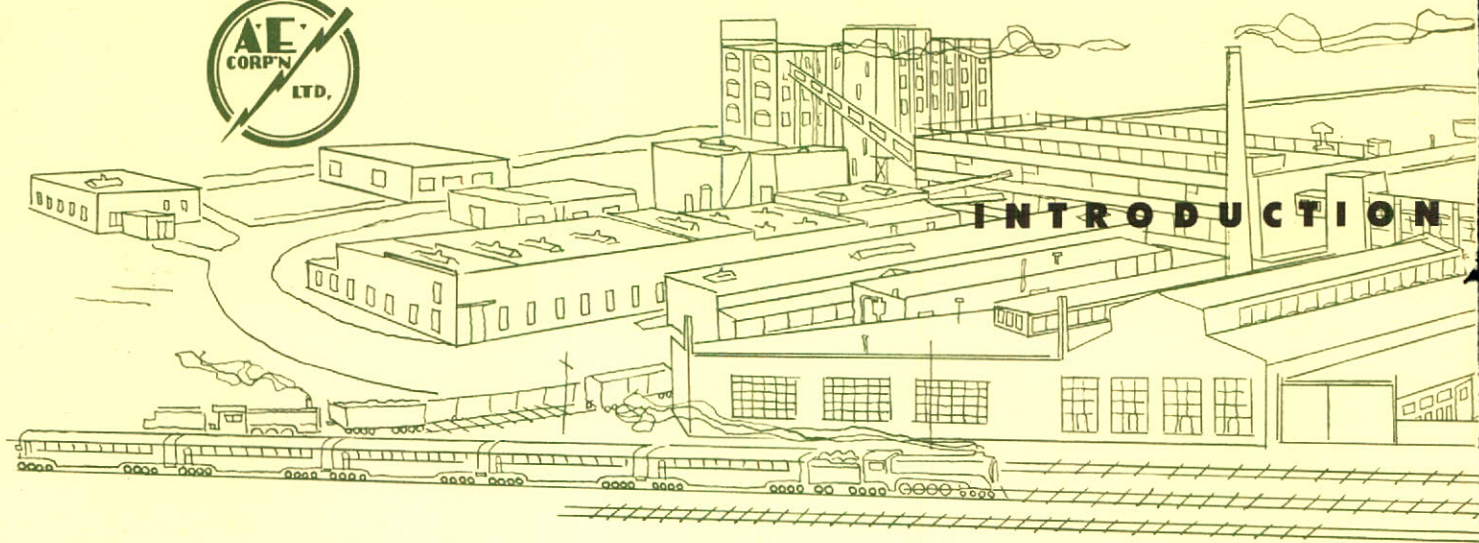


ANNUAL REPORT 1952

AMALGAMATED ELECTRIC CORPORATION, LIMITED

MAY 1953

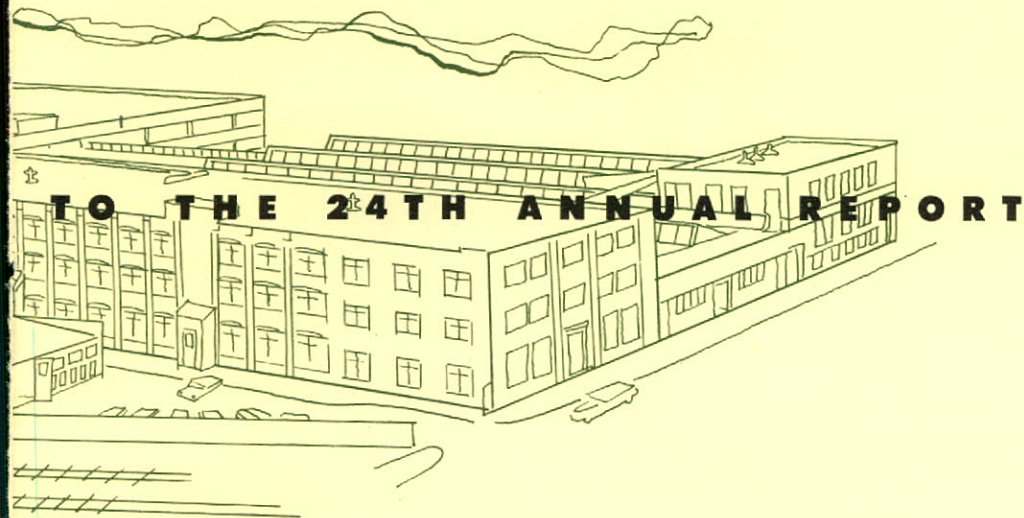


A M A L G A M A T E D E L E C T R I C C O R P O R A T I O N , L I M I T E D

Main Plant and Executive Offices • 384 Pape Ave.

TORONTO, CANADA

BRANCHES • Montreal, Winnipeg, Calgary, Vancouver



In presenting this Annual Report the Board of Directors of the Corporation has attempted to provide, in addition to financial statements, more information about the Corporation, its operations, and its products than has been its practice in former years.

Amalgamated Electric Corporation, Limited has been actively engaged in the manufacture of various electrical products for almost a quarter of a century. During this period new products have been added coinciding with the expansion in the use of electric power throughout the country.

For some years the Corporation has had manufacturing arrangements with such well known firms as Cutler-Hammer Incorporated of Milwaukee, Wisconsin, Benjamin Electric Manufacturing Company of Des Plaines, Illinois, BullDog Electric Products Company of Detroit, Michigan, Day-Brite Lighting Incorporated and Dazor Manufacturing Corporation of St. Louis, Missouri, Jefferson Electric Company of Bellwood, Illinois, and Silvray Lighting Incorporated of Bound Brook, New Jersey.

With this background together with the Corporation's own engineering and development work it is able to provide an important service in satisfying the ever increasing demand for electrical equipment of all types.



SUBSIDIARY COMPANIES

BENJAMIN ELECTRIC MANUFACTURING COMPANY
of CANADA LIMITED



BULLDOG ELECTRIC PRODUCTS
of CANADA LIMITED



CANADIAN CUTLER-HAMMER LIMITED



CANADIAN JEFFERSON ELECTRIC
COMPANY, LIMITED



PRODUCTS MANUFACTURED

DISTRIBUTION EQUIPMENT

Breakers—Nofuz, Pushmatic
Bus Duct
Cabinets—Gutter, Junction, Pull, Splitter, Telephone
Fuse Clamps and Grips
Panelboards—Distribution, Lighting, Residential
Switches—Industrial, Service
Switchboards—Lighting, Power
Trol-E-Duct
Wireways

LIGHTING EQUIPMENT

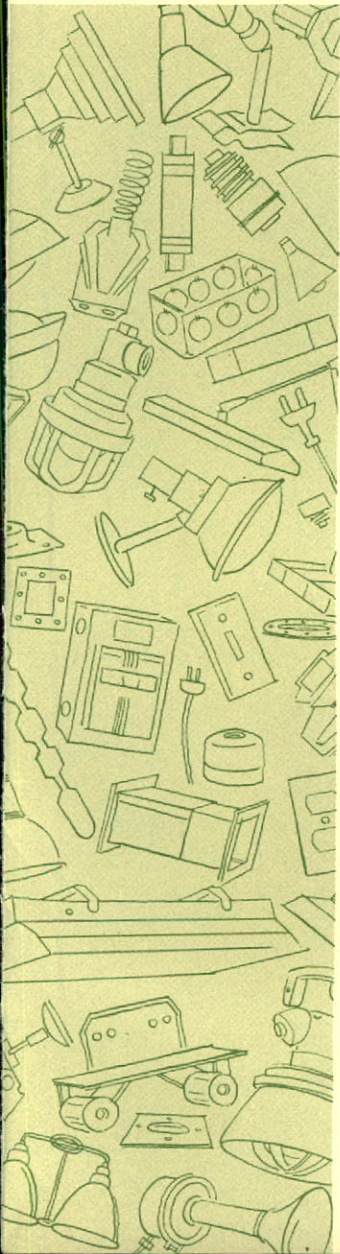
Display, Floodlighting, Spot
Floating Arm Lamps
Fluorescent, Incandescent
Porcelain Enamel Reflectors
Vapor-Proof, Dust-Tight, Explosion-Proof

MOTOR CONTROL

Float, Foot and Limit Switches
Magnetic Brakes
Mill Duty Control
Pushbutton Stations
Resistors
Starters
Unitrol Control Centres

WIRING SUPPLIES

Boxes—Outlet and Switch
Cable Clamps and Connectors
Fittings—Fixture, Ground
Fuses—Cartridge
Signals—Industrial
Transformers—Luminous Tube, Oil Burner Ignition
Wiring Devices



SALES POLICY

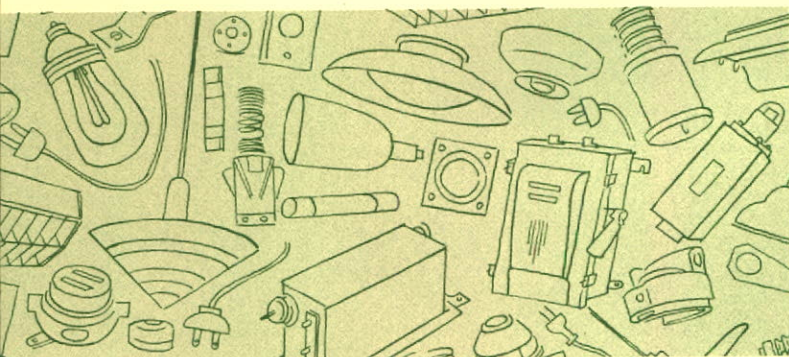


The Corporation continued its sales policy of general distribution through recognized wholesalers and distributors, who in turn supply the electrical contractors or electrical departments of other industries and commercial establishments.

Sales to firms in other countries were maintained through the Export Department of the Sales Division working through nineteen agents located in the British West Indies, the Caribbean countries, Central and South America. Despite import restrictions in many countries and low price competition, export business was increased over previous years.

New products introduced during the year included Pushmatic circuit breaker panelboards, *Springlox* sockets for fluorescent and *Slimline* fixtures, and new types of industrial and commercial lighting fixtures. Many additional features were added to industrial switches.

All of these have enabled the Corporation to keep in step with progress and to maintain a leading position in the industry.



TO THE SHAREHOLDERS:

Toronto, Ontario.
March 23, 1953.

On behalf of your Board of Directors there is submitted herewith the Twenty-fourth Annual Report on the operations of the Corporation covering the year ended December 31, 1952. With this report there will be found the Consolidated Balance Sheet and Consolidated Statements of Profit and Surplus.

RESULTS OF OPERATIONS

After providing for income taxes amounting to \$305,000, net profits for the year amounted to \$237,716. This compares with net profits of \$347,117 last year. The reduction in profits is due mainly to price reductions found necessary to meet competition as well as increases in labor and other costs during the current year.

A dividend of Thirty cents (\$0.30) per share was paid on June 30, 1952. A further dividend of Thirty cents (\$0.30) per share plus a special dividend of Thirty cents (\$0.30) was declared on November 4, 1952 payable on January 2, 1953. Total dividends charged against surplus for the current year were therefore \$75,970.

PLANT

Total net expenditures on plant and equipment after deducting plant scrapped or otherwise disposed of amounted to \$166,195.

Depreciation of \$178,489 was provided on plant and equipment during the year. This was computed on the original cost of Fixed Assets at rates in conformity with Income Tax regulations. All properties of your Corporation have been maintained in a satisfactory operating condition by a continuing maintenance program.

DISPOSITION OF SALES DOLLAR

46.72%

MATERIALS AND SUPPLIES

34.23%

WAGES AND EMPLOYEE BENEFITS

12.44%

DISTRIBUTION AND OPERATING EXPENSES

3.72%

INCOME TAXES

2.03%

PROFITS LEFT IN BUSINESS

.86%

DIVIDENDS

INVENTORIES

Inventories as at December 31, 1952 valued at the lower of cost or market prices aggregated \$2,045,044 as compared with \$2,213,142 at the close of the preceding year.

Particular attention is being given to improvements in inventory control with a view to increasing the rate of turnover. It is of interest here to point out that many complex problems of procurement and control are involved in maintaining something over 16,000 stockroom items. This wide variety of materials and parts is required to produce approximately 3,000 products varying from cable clamps to large distribution switchboards.

FINANCIAL

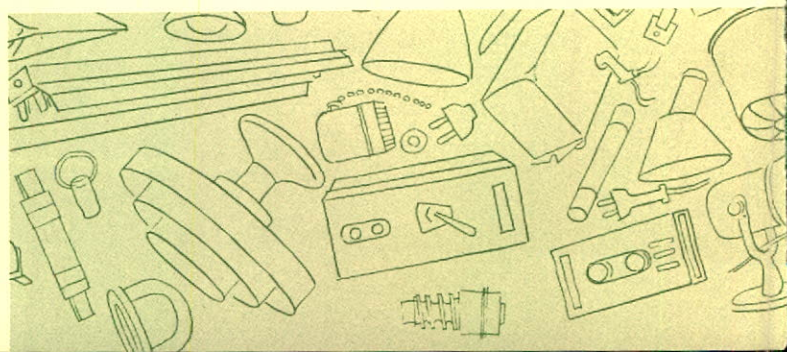
Net working capital as at December 31, 1952 increased \$161,588 over the preceding year. A comparison of net working capital of the Corporation for the years 1952 and 1951 is—

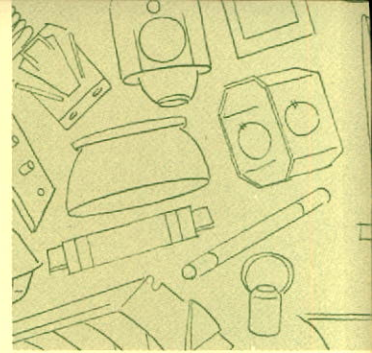
	1952	1951
Current Assets	\$2,752,204	\$2,690,834
Current Liabilities	1,070,759	1,170,977
	<u>\$1,681,445</u>	<u>\$1,519,857</u>

ORGANIZATION

During the past year careful attention has been given to the maintenance of efficient organization in all Divisions of the Corporation. Due to a marked increase in demand for specially engineered products, the Engineering Division was reorganized and strengthened. A co-ordinating Committee, with representatives from Sales, Engineering, and Manufacturing Divisions, meets monthly to assist production planning.

At the close of the year the total number of employees of the Corporation was 855.





DIRECTORS

In the latter part of the year, Northern Electric Company Limited sold its interest to Messrs. A. L. Mailman and J. L. Mailman who succeeded Mr. M. P. Murphy and Colonel R. D. Harkness as Directors. Your present Directors take this opportunity of expressing their appreciation to Mr. Murphy and to Colonel Harkness for the valuable services rendered by them as Directors of the Corporation.

On January 9, 1953 your Board sustained grievous loss in the death of Mr. H. M. Jaquays, who had been a Director since 1929 and whose wise counsel was at all times valued by his fellow Directors.

EMPLOYEES

Your Directors wish to express their sincere appreciation of the efficient and co-operative manner in which all employees have rendered service to the Corporation.

GENERAL

While continuing to serve the essential requirements of industry, the Corporation also received during the year orders for defence equipment, particularly in special motor control for Naval purposes.

The Company values highly the business entrusted to it by so many of the leading firms, and the co-operative support of distributors and wholesalers which contributed in large measure to the satisfactory operation of the enterprise.

PROSPECTS

There is at the present time an ever increasing demand for electricity as evidenced by the long term plans underway throughout the country for the building of new Power Plants and the development of new industries. By continuing to maintain the high quality of its products and its service to customers, the Corporation looks forward to securing its share of future business.

On behalf of the Board,

A handwritten signature in cursive script, appearing to read "W. Armstrong", written in dark ink.

PRESIDENT





C O N S O L I D A T E D
A S A T D E C E M

AMALGAMATED ELECTRIC
(and subsidiar

ASSETS

CURRENT ASSETS:

Cash.....	\$ 6,680	\$ 5,171
Accounts receivable less provision for doubtful accounts....	685,714	453,780
Inventories valued at the lower of cost or market.....	2,045,044	2,213,142
Prepaid expenses.....	14,766	18,741
	\$2,752,204	\$2,690,834

DEFERRED RECEIVABLE:

Balance in respect of sale of plant and equipment at Vancouver.....	36,900	\$ 41,000
--	--------	-----------

FIXED ASSETS:


Land, buildings and equipment at cost.....	\$2,214,696	\$2,048,501
Less provision for depreciation.....	1,741,174	1,579,237
	473,522	\$ 469,264

GOODWILL AND PATENTS	1	\$ 1
	\$3,262,627	\$3,201,099

AUDITORS' REPORT TO

We have examined the consolidated balance sheet of Amalgamated Electric Corporation, Limited and subsidiary companies as at December 31, 1952, and the consolidated statements of profit and surplus for the year ended on that date, and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

February 23, 1953.
Toronto, Canada,



BALANCE SHEET

DECEMBER 31, 1952

CORPORATION, LIMITED

(by companies)

LIABILITIES

CURRENT LIABILITIES:

Bank advances.....	\$ 369,328	\$ 373,090
Accounts payable and accrued expenses.....	426,838	492,995
Dividend payable January 2, 1953.....	50,647	
Provision for taxes.....	223,946	304,892
	<u>\$1,070,759</u>	<u>\$1,170,977</u>

CAPITAL STOCK AND SURPLUS:

Common stock of no par value		
Authorized—100,000 shares		
Issued—84,415 shares.....	\$ 844,150	\$ 844,150
Capital surplus.....	138,684	138,684
Earned surplus		
Appropriated for plant replacement.....	181,508	181,508
Unappropriated.....	1,027,526	865,780
	<u>2,191,868</u>	<u>\$2,030,122</u>
	<u>\$3,262,627</u>	<u>\$3,201,099</u>

Approved on behalf of the Board:

A. V. ARMSTRONG, *Director*

A. H. ELDER, *Director*

THE SHAREHOLDERS

In our opinion, the accompanying consolidated balance sheet and consolidated statements of profit and surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies as at December 31, 1952 and the results of their operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the companies.

McDONALD, CURRIE & CO.,
Chartered Accountants

AMALGAMATED ELECTRIC CORPORATION, LIMITED
(and subsidiary companies)

CONSOLIDATED STATEMENT OF PROFIT

FOR THE YEAR ENDED DECEMBER 31, 1952

		1951 COMPARATIVE FIGURES
Sales.....	\$8,233,163	\$9,245,647
Cost of sales, selling and administrative expenses.....	7,690,447	8,460,654
Profit before provision for taxes on income.....	\$ 542,716	\$ 784,993
Provision for taxes on income.....	305,000	437,876
Net profit for the year.....	<u>\$ 237,716</u>	<u>\$ 347,117</u>


Note: Costs and expenses for the year include the following: provision for depreciation \$178,489; remuneration of executive officers \$41,085; fees of directors \$3,130; legal fees \$3,731.

**CONSOLIDATED STATEMENT
OF UNAPPROPRIATED EARNED SURPLUS**

FOR THE YEAR ENDED DECEMBER 31, 1952

Balance December 31, 1951.....	\$ 744,875
<i>Add:</i>	
Net profit for the year.....	237,716
Inventory reserve no longer required.....	120,905
	<u>\$1,103,496</u>
<i>Deduct:</i>	
Dividends.....	75,970
Balance December 31, 1952.....	<u>\$1,027,526</u>

Note: The 1951 figures on the consolidated balance sheet reflect the inventory reserve transfer of \$120,905.



AMALGAMATED ELECTRIC CORPORATION, LIMITED

DIRECTORS AND OFFICERS

DIRECTORS

*A. V. ARMSTRONG

HOMER M. JAQUAYS (*Died January 9, 1953*)

*AUBREY H. ELDER

RICHARD O. JOHNSON

*D. M. FARISH

*A. L. MAILMAN

C. W. FINDLOW

*J. L. MAILMAN

**Members of the Executive Committee*

OFFICERS

A. V. ARMSTRONG, *President*

M. K. DOUGLAS, *Secretary-Treasurer*

P. A. ELLEMENT, *Assistant Secretary*

S. LANGLEY, *Technical Manager*

C. W. FINDLOW, *Works Manager*

C. E. McROBERTS, *Chief Engineer*

C. D. McCAIG, *General Sales Manager*

J. V. CUFF, *Manager—Industrial & Public Relations*

SOLICITORS

WAINWRIGHT, ELDER, LAIDLEY, LESLIE, CHIPMAN & BOURGEOIS—*Montreal*

BLAKE, ANGLIN, OSLER & CASSELS—*Toronto*

**TRANSFER
AGENTS**

MONTREAL TRUST COMPANY—*Montreal*



INDUSTRIAL AND PUBLIC RELATIONS

EMPLOYEE WELFARE

Group life insurance, cost shared between employees and the Corporation.

Blue Cross Plan for Hospital Care, subscribed to by employees on a group basis.

Sickness and non-occupational accident cash benefits provided by the Corporation.

Contributory pension plan for salaried employees.

EMPLOYEE RECREATION

Bowling.
Hockey.
Softball.
Annual Picnic.

MEDICAL CENTRE

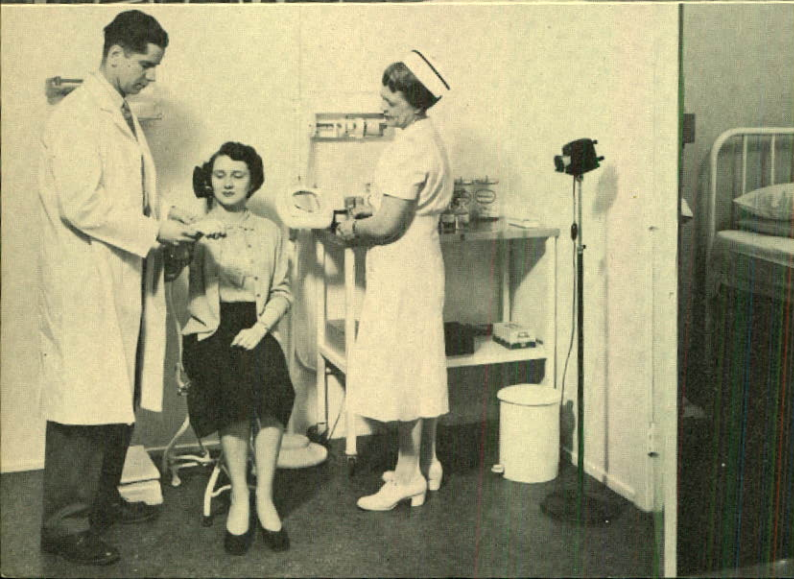
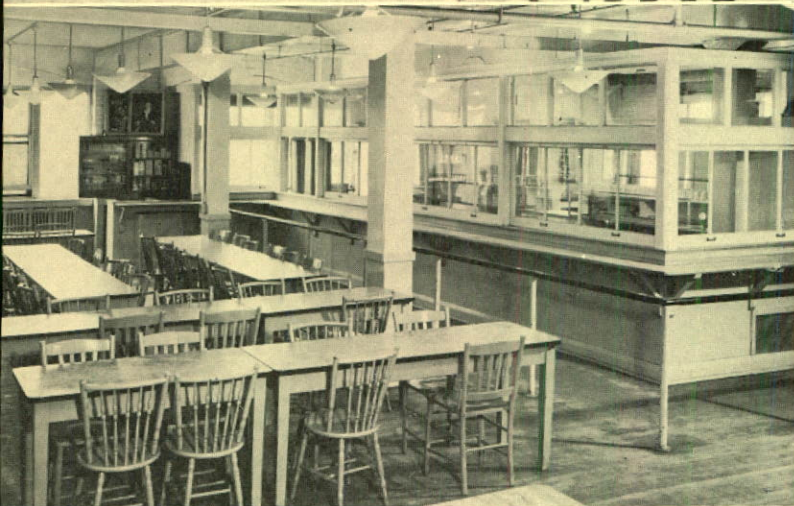
Doctor in daily attendance.
Two full-time registered nurses.

CAFETERIA

Full course meals available, the cost subsidized by the Corporation.

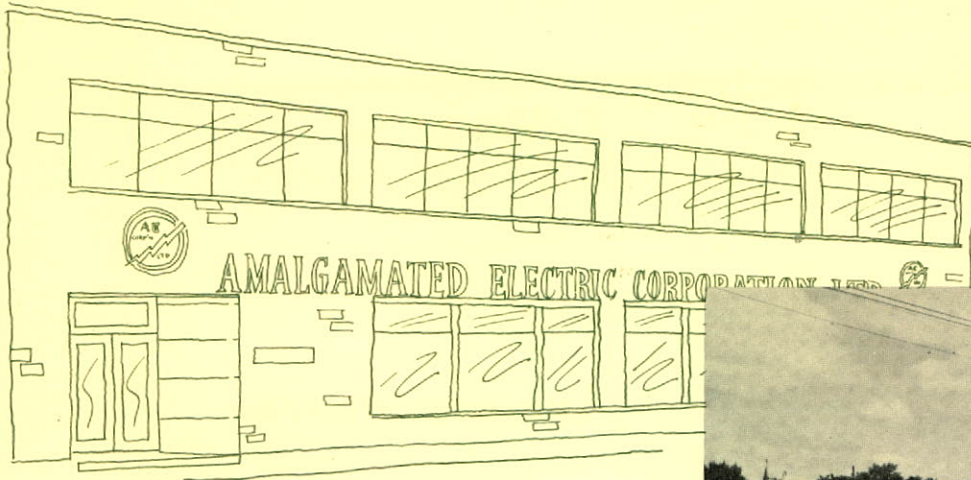
PUBLIC RELATIONS

Plant tours for teachers, students and other visitors.

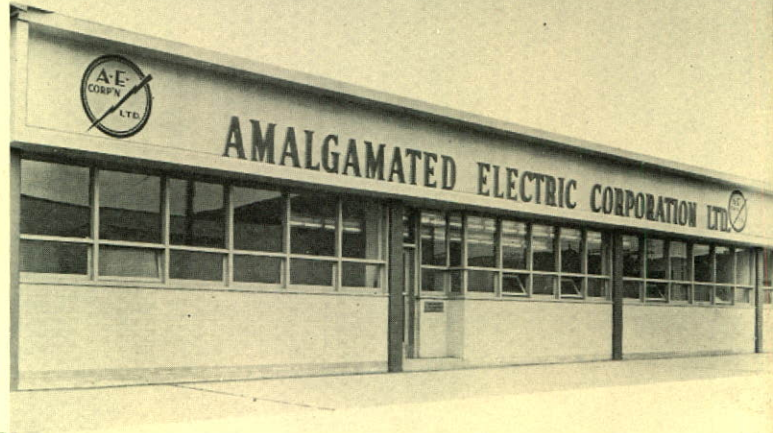


◀ Montreal Sales Office

Winnipeg Sales Office
and Plant
▼

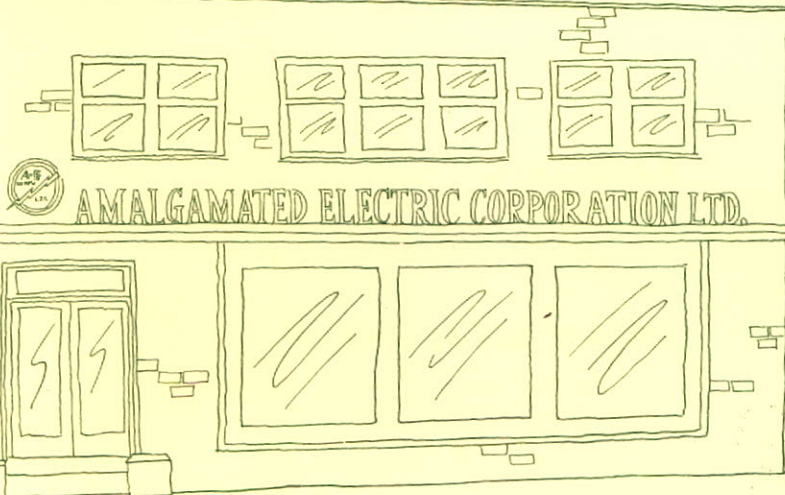


**SALES OFFICES
ACROSS CANADA**



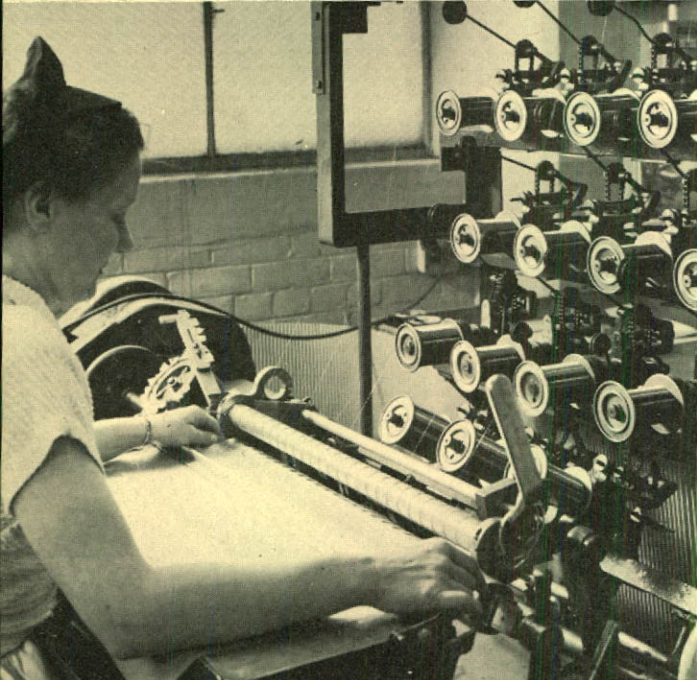
▲ Vancouver Sales Office

◀ Calgary Sales Office





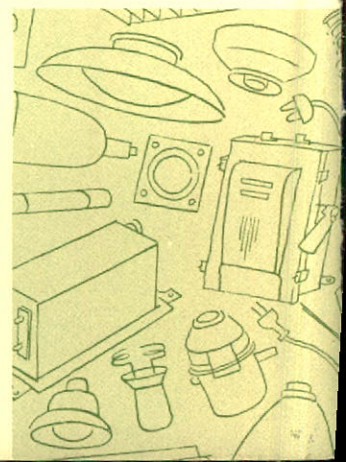
MANUFACTURING FACILITIES

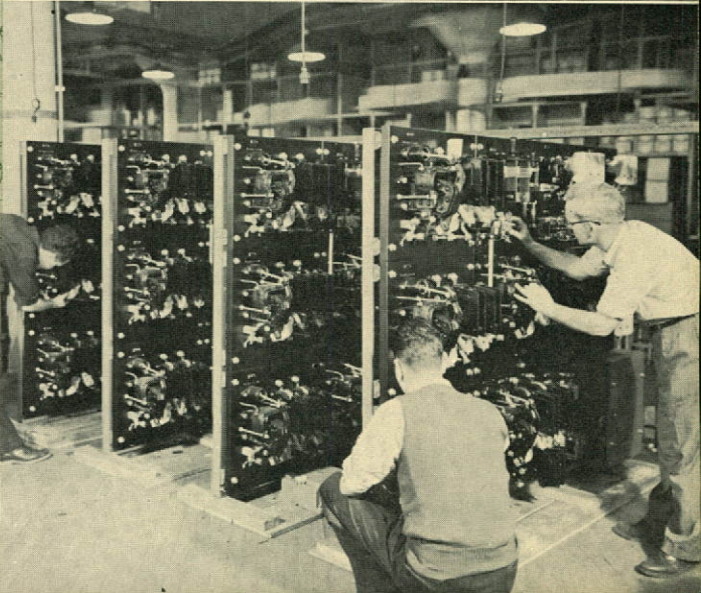
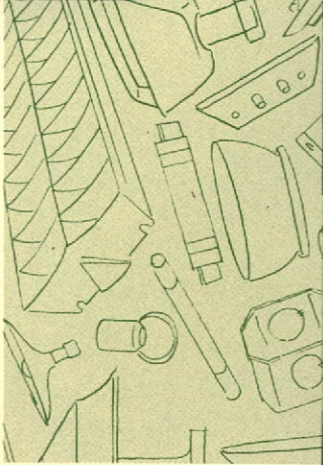
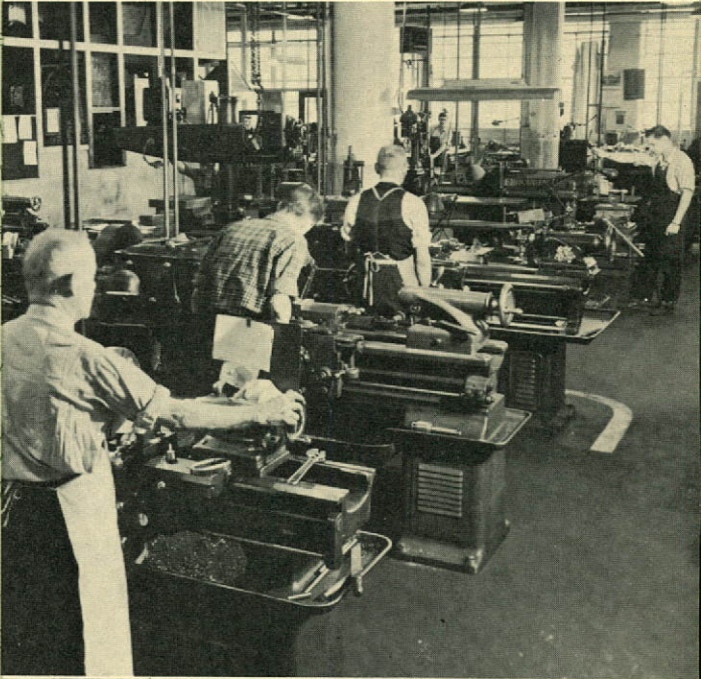
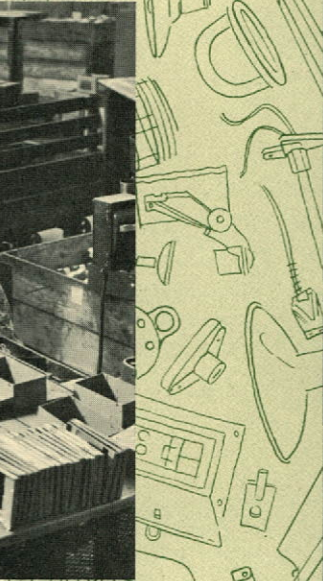
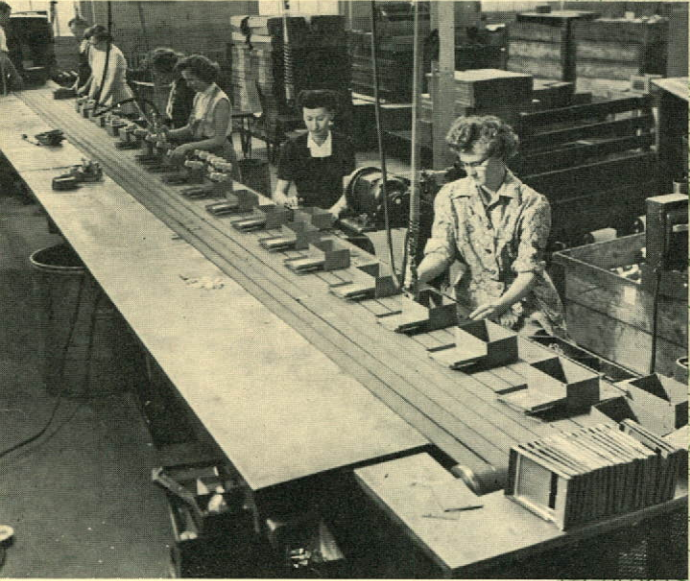
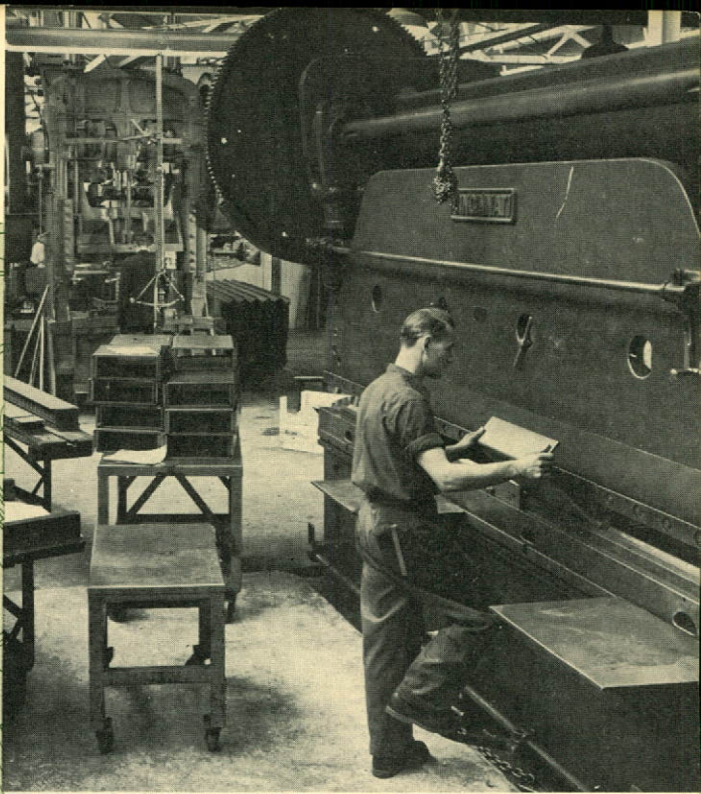
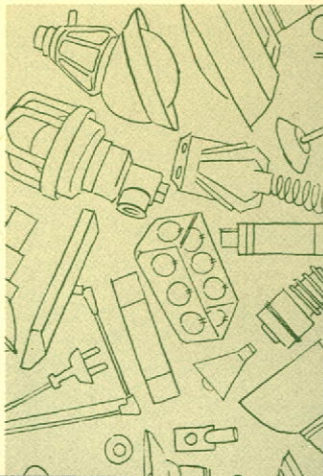


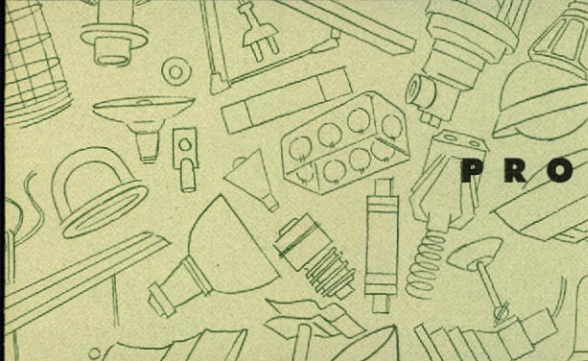
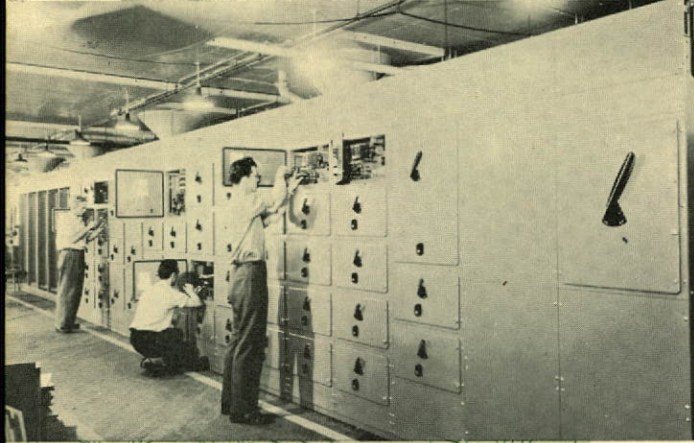
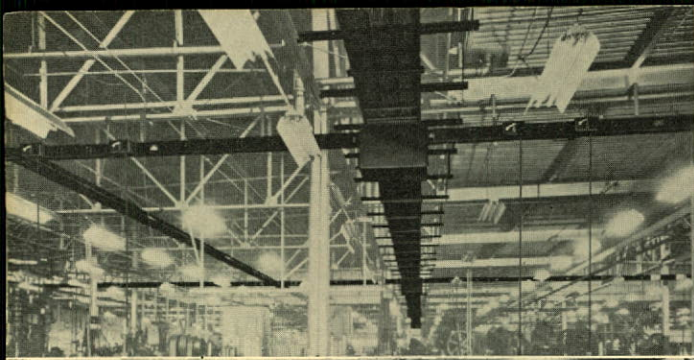
The Toronto plant is located in the east end of the city on approximately five acres of land. The property is situated adjacent to railway lines and has shipping and receiving facilities by both rail and truck. The floor space of the buildings amounts to approximately 185,000 square feet. In Western Canada the Corporation owns and operates a branch plant at Winnipeg, Manitoba, with floor space of approximately 20,000 square feet.

During the year an addition of approximately 7,000 feet was erected which provided a shipping room for custom built products and also additional storage space. This released manufacturing floor space for panelboard and switchboard business.

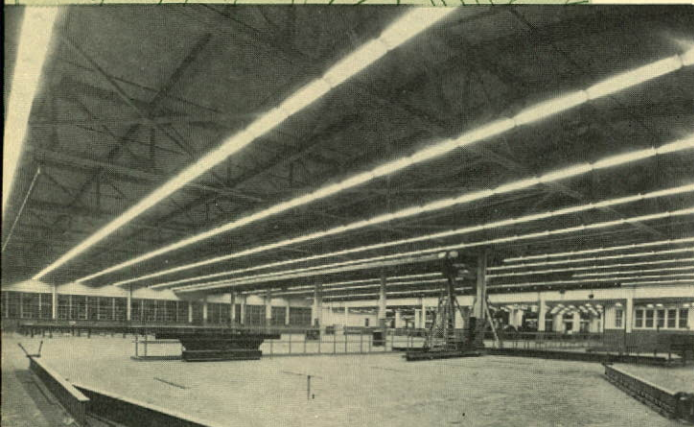
In order to improve production facilities, additional equipment was procured and installed.



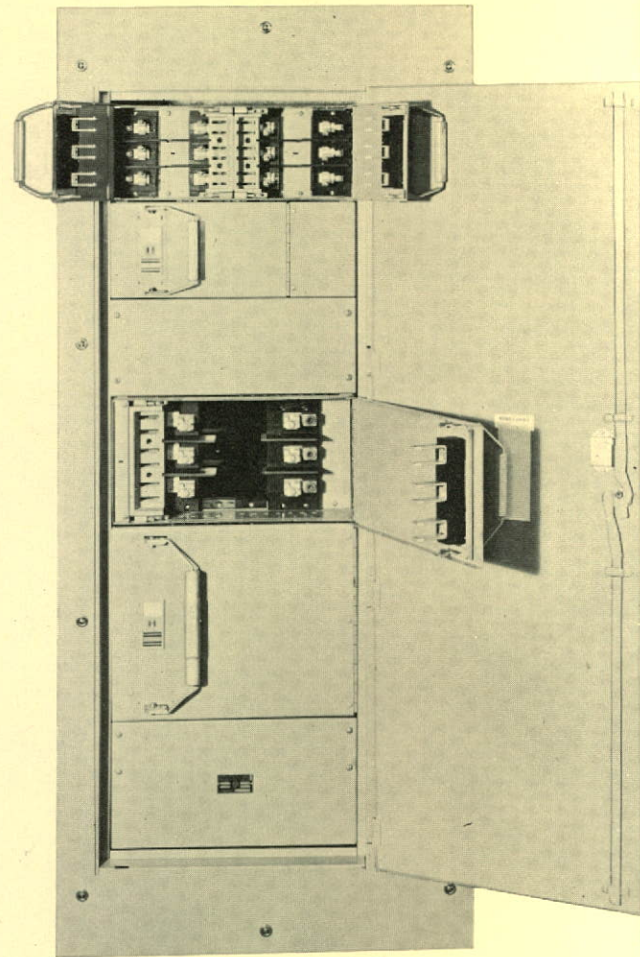




PRODUCTS



Bus Duct Distribution System
A *Unitrol* Motor Control Centre



Power Distribution Panelboard

Industrial Fluorescent Lighting
Commercial Fluorescent Lighting



AMALGAMATED
ELECTRIC
CORPORATION,
LIMITED

MONTREAL
TORONTO
WINNIPEG
CALGARY
VANCOUVER

