

Report of
General Motors Corporation

FOR THE

Fiscal Year Ended December 31, 1920.

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General Motors Corporation
FOR THE
Fiscal Year ended December 31, 1920

GENERAL MOTORS CORPORATION

Board of Directors

PIERRE S. DU PONT, *Chairman*

GEORGE F. BAKER, JR.
HARRY H. BASSETT
ARTHUR G. BISHOP
DONALDSON BROWN
ARTHUR CHAMBERLAIN
RICHARD H. COLLINS
WILLIAM L. DAY
HENRY F. DU PONT
IRÉNÉE DU PONT
LAMMOT DU PONT
WILLIAM C. DURANT
J. AMORY HASKELL
LOUIS G. KAUFMAN
CHARLES F. KETTERING
SIR HARRY MCGOWAN

R. SAMUEL McLAUGHLIN
WILLIAM McMASTER
CHARLES S. MOTT
SEWARD PROSSER
JOHN J. RASKOB
ALFRED P. SLOAN, JR.
JOHN T. SMITH
EDWARD R. STETTINIUS
ALFRED H. SWAYNE
EDWARD VERLINDEN
FRED W. WARNER
WILLIAM H. WOODIN
CLARENCE M. WOOLLEY
OWEN D. YOUNG
KARL W. ZIMMERSCHIED

Finance Committee

JOHN J. RASKOB, *Chairman*

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DONALDSON BROWN
HENRY F. DU PONT
IRÉNÉE DU PONT

LAMMOT DU PONT
PIERRE S. DU PONT
J. AMORY HASKELL
SEWARD PROSSER

EDWARD R. STETTINIUS

Executive Committee

PIERRE S. DU PONT, *Chairman*

J. AMORY HASKELL

ALFRED P. SLOAN, JR.

JOHN J. RASKOB

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ARTHUR G. BISHOP, <i>Vice-President</i>	Flint
DONALDSON BROWN, <i>Vice-President</i>	New York
RICHARD H. COLLINS, <i>Vice-President</i>	Detroit
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FRANK TURNER, <i>Comptroller</i>	Detroit

REPORT TO THE STOCKHOLDERS
OF
GENERAL MOTORS CORPORATION

For the Fiscal Year ended December 31, 1920

DETROIT, MICHIGAN, MARCH 26, 1921.

TO THE STOCKHOLDERS:

The annual report for 1920 of the General Motors Corporation would be incomplete without a brief review of the history of the automobile during past years, as the progress of those years may prove an index of future development.

HISTORICAL

The automobile industry is new in every sense. Records show that the first garage for the storage and repair of motor cars was opened in Boston, Massachusetts, in the Spring of 1899. In that year the investment in the industry was \$5,768,000, with a production of 3,700 cars; while in 1919 the investment was estimated at \$1,800,000,000, and the car production at 1,974,300, a three hundred fold growth in capital during the twenty years and a five hundred fold increase in cars manufactured. The number of persons employed in 1899 is not available, but in 1904 there were 13,333 employes, with annual wages of \$8,416,000. In 1919 the number of employes had risen to 651,450 and salaries and wages to \$813,713,000. The value of the 1899 production of cars was \$4,750,000, and that of 1920 was \$2,136,183,000. The importance of the industry is shown by comparison with the value of the annual production of other lines, viz.:

Petroleum (1919).....	\$775,000,000
Pig iron (1919).....	809,246,000
Cotton and cotton seed (1920)	1,064,827,000
Wheat (1920).....	1,140,000,000
Metallic minerals (1919).....	1,372,770,000
Building expenditure (1920).....	1,386,000,000
Hay (1920).....	1,809,000,000
Bituminous and anthracite coal (1918).....	1,857,480,000
Men and women's clothing (1918).....	1,966,729,000

It is estimated that there are now 9,211,295 automobiles registered in the United States. These vehicles are serviced by 178,000 dealers, charging stations, garages and repair shops. The total registration and driver's license fees paid in the United States in 1920 were over \$81,000,000. The States and Counties of the United States have recently authorized \$635,000,000 bonds for road construction, \$391,000,000 bonds are passing through process of authorization, and the Federal Government has appropriated \$200,000,000 toward road construction, making an available fund of over \$1,200,000,000 for this purpose. When one realizes that the motor industry started not more than twenty years ago, the position now occupied is a great tribute to its stability and worth, and warrants the expectation that it will soon be firmly established as one of the greatest factors in economic development.

The history of the General Motors Corporation parallels, in a general way, the greater development. While complete annual reports were not issued until the year 1912, the comparison of the corporation's statement as of the 31st of July of that year with the statement of December 31st, 1920, after a lapse of eight and one-half years, sufficiently reveals the great progress that has been made. Thus we find the following comparative items:

	1920	1912
Net Working Capital.....	\$144,632,706	\$20,666,865
Capital Expenditures charged to		
Plants and Investments.....	79,008,217	2,124,185
Fixed Assets in Plants.....	248,788,765	19,280,888
Miscellaneous Investments.....	67,985,100	560,500
Goodwill and Patents.....	22,414,818	9,805,634

The corporation has not grown by the issue of securities only, for during the period from 1912 to 1920, there has been invested out of earnings \$128,070,238, as shown in the table on page 9, and the corporation has received in cash through sale of securities, largely on stockholders' rights, \$130,826,635, a total cash capital paid in of \$258,896,873. It is encouraging that the accumulated earnings and the cash subscriptions of new investors have added so largely to the corporation's development, showing on the one hand strength in earning capacity, and on the other faith of the investing public in the stability and prospects of the industry.

The growth of the business of the corporation is further reflected in the increased production of cars and trucks. In the year ending July 31st, 1912, 50,070 units were produced. In the year 1920, 401,610 units. The increase in number of employes is another indication of growth. At

the height of the manufacturing season of 1911, 11,474 were employed in the factories. In the season of 1912, this had risen to 16,984. In the height of the manufacturing season of 1920 the total employes had risen to 97,376.

This comparison of the annual production of car and truck units and number of employes is of interest. Although the amount of labor per car has undoubtedly decreased, the large proportionate increase in the number of employes reflects the added stability of the corporation brought about by the manufacture of many of the parts and accessories that were formerly purchased in the general market. On the latter point the General Motors Corporation has made distinct and valuable progress.

THE PRESENT POSITION

While in the year 1912 few of the component parts of the automobile were made by the various divisions, in the year 1920 all of the engines used in the corporation's cars were produced in its own factories and through the organization and development of the Central Axle Division, Central Forge Division, Central Gear Division, Central Products Division, Michigan Crank Shaft Division, Muncie Products Division, Northway Motor and Manufacturing Division, Saginaw Malleable Iron Company, Saginaw Products Division, Jaxon Steel Products Division and Lancaster Steel Products Corporation, well-nigh complete facilities in these special lines of manufacture have become an integral part of the corporation; and through ownership of the Harrison Radiator Corporation, Dayton Engineering Laboratories Company, Hyatt Roller Bearings Division, Klaxon Company, New Departure Manufacturing Company, Remy Electric Division, Champion Ignition Company, General Motors Corporation is the producer of the greater part of its requirements of accessories. In the year 1919 a controlling interest was acquired in the Fisher Body Corporation, the largest manufacturers of high-grade automobile bodies. This company is fully equipped, not only for the construction of bodies but also for components thereof, such as plate glass and hardware specialties. The Fisher Body Corporation is about to commence operations in its new factory at Cleveland, Ohio.

It is not possible to state accurately the percentage of the parts of an automobile manufactured by General Motors Corporation, but the field has been developed to insure an ample supply. Such additional quantities as may be needed can be purchased to advantage, so that no further substantial investment in facilities for the manufacture of parts will be necessary at a nearby date.

The officers and directors of the corporation have thought it unwise to undertake the production of materials that do not relate largely to the automobile. Thus: a comparatively small portion of the total tires produced are consumed by the automobile manufacturer, the larger percentage being sold directly to users of cars for replacement purposes; the greater part of the production of sheets and other forms of steel is consumed by trades other than the automotive industry; therefore investment in these fields has not been made. By the pursuit of this policy, General Motors Corporation has become firmly entrenched in lines that relate directly to the construction of the car, truck or tractor, but has not invested in general industries of which a comparatively small part of the product is consumed in the manufacture of cars.

The rapid development of the industry has called for equally rapid changes in the character of manufacturing plants, but by constant reinvestment and rebuilding, the General Motors Corporation has kept well in advance and its factories may now be considered in satisfactory condition. The great plant of the Cadillac Division, in Detroit, which will be fully occupied in the summer of 1921, is the last large item of reconstruction to be finished. There still remain several small and somewhat antiquated plants that have been relegated to minor manufacturing or assembly purposes, but these items are of little consequence and may be abandoned at a not distant date.

Constant change has necessitated careful study of customers' demands and possible improvement in the character of product. In addition to the studies conducted by the individual manufacturing divisions of the corporation, there has been organized and established at Dayton the General Motors Research Corporation with complete organization and facilities for systematic experimentation. The corporation has thereby insured the proper checking of all developments of the several divisions and has made possible independent research and study of the problems of the industry, abstract from the routine of manufacturing. While this laboratory work is in its infancy, important developments that promise to add materially to the strength of the corporation's position are already under way.

The growth of business has necessitated repeated enlargement of office force and office facilities, finally culminating in the acquisition of the General Motors Building at the corner of Broadway and 57th Street, New York City, and the erection of the General Motors Building, covering the entire block bounded by Grand Boulevard West, Cass Avenue, Milwaukee Avenue and Second Boulevard, in Detroit, Michigan, which is practically completed. The interior of one-half of the building is nearly

finished and will soon be entirely occupied by the corporation. It is intended that the interior of the other half of the building will be finished as the expansion needs of the corporation demand additional space, but it may be finished sooner and rented temporarily to other tenants.

Rapid increase in production has also necessitated the building of houses for the accommodation of factory employes, notably at Flint and Pontiac, Michigan; Janesville, Wisconsin; and Walkerville and Oshawa, Canada. These houses are being sold to employes, as the corporation does not intend to carry the investment longer than necessary and already 76.7% have been sold.

The progress of the earning power of the corporation's properties and the disposition of the resulting cash is of interest, and follows:

	General Motors Proportion of the			
	Net Earnings Before Federal Taxes	Federal Taxes	Interest and Dividends	Retained in Business
1920.....	\$47,248,382	\$3,894,000	\$29,117,722	\$14,236,660
1919.....	91,182,222	30,000,000	22,713,792	38,468,430
1918*.....	35,285,597	20,113,548	13,504,296	1,667,753
1917 (8/1 to 12/31).....	17,145,156	2,848,574	2,788,189	11,508,393
1917.....	28,840,038	4,053,316	8,485,072	16,301,650
1916.....	28,812,288	.....	11,801,850	17,010,438
1915.....	14,796,690	.....	1,387,851	13,408,839
1914.....	8,042,861	.....	1,841,806	6,201,055
1913.....	8,541,494	.....	2,130,557	6,410,937
1912.....	5,108,557	.....	2,252,474	2,856,083
Totals.....	\$285,003,285	\$60,909,438	\$96,023,609	\$128,070,238

(*) Years 1912 to 1917 are fiscal years ending July 31, years 1918, 1919 and 1920 are calendar years.

Earnings retained in business to July 31, 1917, were capitalized in 1917 through the issue of common stock.

DISTRIBUTION OF STOCK OF THE CORPORATION

The following statistics in regard to the number of stockholders are of interest:

Year Ended Dec. 31	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
1917.....	1,927	2,525	2,669	2,920
1918.....	3,918	3,737	3,615	4,739
1919.....	8,012	12,523	12,358	18,214
1920.....	24,148	26,136	31,029	36,894

SALES

The net sales of the corporation for the year 1920 were \$567,320,603, being an increase of \$57,643,909 over sales of the preceding year. The

net income was \$93,150,308, from which, however, there has been deducted \$47,766,787 to cover various items, including Federal taxes, to write down inventories, for depreciation of plants, and for amounts written off in connection with operations conducted by the corporation pursuant to its policy of assisting employes to buy and own their own homes. The net profits, after these charges were made, were \$45,383,521. In addition to the above-mentioned deductions, reserves previously set up were utilized, with a view to providing for all contingencies and towards writing down the values of inventories and other accounts to a level which is unquestionably conservative.

INVENTORIES

The motor car business, in common with other lines of manufacture, suffered acutely from the conditions which obtained during the last four months of the year. The demand for the corporation's products, which had been very urgent during the first part of the year, was sharply curtailed in September. Inventories reached their peak about the middle of October, but during the ensuing ten weeks, to December 31st, the corporation was able, notwithstanding shrinkage in sales, to effect a net reduction in inventories of approximately \$25,000,000. In addition, inventories were further reduced by \$25,776,112 at December 31, as a result of charging off all obsolete materials as well as adjusting values to cost or market, whichever was the lower.

SPECIAL RESERVE FOR UNFORESEEN CONTINGENCIES

While all known losses and appropriate writedowns of inventories have been taken care of in closing the books as of December 31, 1920, nevertheless it has been deemed advisable to set up a special reserve of \$7,500,000 to take care of possible losses in respect to outstanding commitments for materials undelivered and for other unforeseen contingencies. This item is applied as a special charge against earnings of the year 1920 and appears in the statement of income following.

INVESTMENTS IN ALLIED AND ACCESSORIES COMPANIES, ETC.

Included in investments, totalling \$67,985,100 on the balance sheet, are the corporation's holdings in the following companies:

Bearings Service Company.....	Detroit, Michigan
Brown-Lipe-Chapin Company.....	Syracuse, New York
Doehler Die Casting Company.....	Brooklyn, New York
Fisher Body Corporation.....	Detroit, Michigan
General Leather Company.....	Newark, New Jersey
General Motors Acceptance Corporation..	New York, New York

CONSTRUCTION

The construction program, inaugurated in recent years, was about completed during the year 1920 by the expenditure of approximately \$79,161,951. There remains for expenditure during the year 1921, the sum of \$10,619,521, on authorized appropriations or approved projects, which will complete the building program. No further large appropriations for construction are needed in the near future.

DIVIDENDS

The regular dividends on the preferred and debenture stock have been paid during the year and also \$1.05 in cash and three-fortieths shares in stock to each outstanding share of General Motors Corporation common stock. A detailed record of the quarterly dividend payments during 1920 is as follows:

Dividends		Period	Payable	Stock of Record
Cash	Common Stock			
COMMON STOCK (\$100 par value):				
\$3.00.....		Quarterly	Feb. 2, 1920	Dec. 31, 1919
2.50	¼ share.....	Final	May 1, 1920	Apr. 5, 1920
 COMMON STOCK (no par value):				
\$0.25	1/40 share.....	Initial	May 1, 1920	Apr. 5, 1920
.25	1/40 share.....	Quarterly	Aug. 2, 1920	Jul. 15, 1920
.25	1/40 share.....	Quarterly	Nov. 1, 1920	Oct. 5, 1920
 6% PREFERRED STOCK:				
\$1.50.....		Quarterly	Feb. 2, 1920	Dec. 31, 1919
1.50.....		Quarterly	May 1, 1920	Apr. 5, 1920
1.50.....		Quarterly	Aug. 2, 1920	Jul. 5, 1920
1.50.....		Quarterly	Nov. 1, 1920	Oct. 5, 1920
 6% DEBENTURE STOCK:				
\$1.50.....		Quarterly	Feb. 2, 1920	Dec. 31, 1919
1.50.....		Quarterly	May 1, 1920	Apr. 5, 1920
1.50.....		Quarterly	Aug. 2, 1920	Jul. 5, 1920
1.50.....		Quarterly	Nov. 1, 1920	Oct. 5, 1920
 7% DEBENTURE STOCK:				
\$1.75.....		Initial	May 1, 1920	Apr. 5, 1920
1.75.....		Quarterly	Aug. 2, 1920	Jul. 5, 1920
1.75.....		Quarterly	Nov. 1, 1920	Oct. 5, 1920

BONUS PLAN

Under the Bonus Plan of the corporation there was available \$1,558,950 for distribution for the year 1920 which will be invested in 7% debenture and common stock of the corporation. The amount of awards for the year 1920 has not yet been determined, and therefore is not available for publication in this report.

EMPLOYEES' SAVINGS AND INVESTMENT PLAN

Under the Employees' Savings and Investment Plan, established by the corporation, \$4,500,505 was contributed by the employes during the year 1920, making a total for the two years during which the plan has been in operation of \$6,750,450. The interest on the above contributions has been \$198,572, making a total fund of \$6,949,022. Of this \$463,410 has been applied against housing contracts and \$2,408,242 has been withdrawn, leaving a net fund of \$4,077,370. The amount contributed during the two years to the Savings and Investment Plan by the corporation stood on December 31st at 146,134 ³⁹/₄₀ shares of stock and \$3,058,110 in cash. These amounts include the income on the fund and deductions on account of death benefits paid.

THE OUTLOOK

In the early months of the year 1920 there was promise of increasing annual sales and net profits. As stated above, the volume of sales reached this expectation notwithstanding the sudden diminution of business during the latter quarter of the year, but the net profits fell somewhat short of the previous year's record, although far in excess of any other year of the corporation's history. The dullness of the latter months of 1920 has continued during the early months of 1921, but as this report goes to press there is evidence that the year will show a substantial recovery and a reasonably satisfactory business with foundation well laid for future prosperity.

The efficiency and loyalty of the officers and employes of the corporation has been maintained throughout the year and it is appropriate to acknowledge the appreciation of the Directors and bespeak for the corporation earnest effort during the year 1921.

By Order of the Board of Directors,

PIERRE S. DU PONT,
President.

CONDENSED COMPARATIVE CONSOLIDATED BALANCE SHEET
OF GENERAL MOTORS CORPORATION AND SUBSIDIARY COMPANIES
AS OF DECEMBER 31, 1920 AND 1919

ASSETS	DEC. 31, 1920	DEC. 31, 1919
Cash in banks and on hand.....	\$ 47,608,949.90	\$ 48,231,200.04
United States Government Bonds.....	41,262.21	213,218.49
Marketable securities.....	34,096.31	989,448.36
Sight drafts against B/L attached.....	9,534,264.37	10,945,061.06
Due from United States Government on war contracts..	—	304,334.80
Notes receivable.....	13,449,376.90	1,776,104.31
Accounts receivable, customers and others.....	22,091,095.33	24,668,766.74
Inventories at cost or less.....	164,684,678.72	128,696,651.70
Prepaid expenses.....	1,891,854.06	582,355.64
Total Current Assets.....	<u>\$259,335,577.80</u>	<u>\$216,407,141.14</u>
Investments in allied and accessory companies, etc.....	\$ 67,985,100.31	\$ 53,398,491.26
Real estate, plants and equipment.....	248,788,765.63	176,888,467.00
Deferred expenses.....	6,282,606.27	2,719,357.18
Goodwill, patents, copyrights, etc.....	22,414,818.11	20,323,888.81
	<u>\$345,471,290.32</u>	<u>\$253,330,204.25</u>
TOTAL ASSETS.....	<u>\$604,806,868.12</u>	<u>\$469,737,345.39</u>
LIABILITIES, RESERVES AND CAPITAL		
Accounts payable and trade acceptances.....	\$ 30,140,278.35	\$ 37,846,313.36
Notes payable.....	72,421,451.45	6,812,318.68
Taxes, payrolls, and sundries accrued not due.....	11,122,197.78	11,521,770.64
Accrued dividends on Preferred and Debenture Stock, payable February 1.....	1,018,943.73	889,882.00
Total Current Liabilities.....	<u>\$114,702,871.31</u>	<u>\$ 57,070,284.68</u>
Purchase Money Bonds.....	\$ 1,629,070.14	\$ 150,000.00
Purchase Money Notes, account Fisher Body Corporation stock purchase.....	9,840,000.00	21,840,000.00
	<u>\$ 11,469,070.14</u>	<u>\$ 21,990,000.00</u>
Reserve for depreciation of real estate, plants and equip- ment.....	\$ 33,285,988.04	\$ 23,084,824.58
Reserve for employes' investment fund and sundry contingencies.....	5,123,100.01	4,041,072.69
Reserve for Federal taxes and extraordinary expenses...	4,942,116.42	36,262,472.70
Reserve for bonus to employes.....	1,558,950.87	505,579.85
Special reserve for unforeseen contingencies.....	7,500,000.00	—
Total Reserves.....	<u>\$ 52,410,155.34</u>	<u>\$ 63,893,949.82</u>
Capital Stock:		
Debenture Stock 7%.....	\$ 25,153,500.00	—
Debenture Stock 6%.....	56,366,900.00	\$ 68,339,300.00
Preferred Stock 6%.....	16,183,400.00	16,957,000.00
Common Stock, no par value:		
20,284,580 21/40ths shares issued and outstanding at \$10 per share	\$202,845,805.25	
254,764 shares held in reserve ac- count of subscriptions not fully paid, at \$10 per share.....	2,547,640.00	
Common Stock (\$100 par value).....	239,500.00	153,411,000.00
Total Capital Stock.....	<u>\$303,336,745.25</u>	<u>\$238,707,300.00</u>
Bonus Stock awarded.....		7,848,570.00
Interest of minority stockholders in subsidiary companies, with respect to capital and surplus.....	1,614,809.08	1,585,343.57
Surplus.....	121,273,217.00*	78,641,897.32
Total Capital Stock and Surplus.....	<u>\$426,224,771.33</u>	<u>\$326,783,110.89</u>
TOTAL LIABILITIES, RESERVES AND CAPITAL...	<u>\$604,806,868.12</u>	<u>\$469,737,345.39</u>

Note—The corporation had a contingent liability of \$1,416,332.11 on December 31, 1920, on account of sight drafts discounted

*Included in this amount is \$68,332,415.90, covering paid in surplus growing out of the issuance of stock for cash and for acquisition of properties.

Statement 2
INCOME ACCOUNT

	YEAR ENDED DEC. 31, 1920	YEAR ENDED DEC. 31, 1919
Net earnings for year before deducting interest, but after all expenses of manufacturing (including maintenance), selling and administration, as well as ordinary taxes, insurance, depreciation (\$10,388,245.17 in 1920) of plant and equipment	\$ 82,762,063.38	\$103,667,699.59
Less: Provision for employes' bonus.....	\$ 1,488,558.48	\$ 8,025,939.85
Provision for employes' investment fund.....	4,502,185.00	1,935,391.61
Interest on notes and trade acceptances.....	5,604,006.47	1,176,737.62
	\$ 11,594,749.95	\$ 11,138,069.08
	\$ 71,167,313.43	\$ 92,529,630.51
Less: Special write-offs and write-down of inventory in excess of reserves available set up in previous years.....	\$ 18,502,188.43	—
Employes' housing development.....	3,387,603.42	\$ 2,012,111.13
	\$ 21,889,791.85	\$ 2,012,111.13
	\$ 49,277,521.58	\$ 90,517,519.38
Less: Provision for Federal taxes and extraordinary expenditures.....	3,894,000.00	30,000,000.00
	\$ 45,383,521.58	\$ 60,517,519.38
Less: Special reserve for unforeseen contingencies...	7,500,000.00	—
	\$ 37,883,521.58	\$ 60,517,519.38
General Motors Corporation proportion thereof....	\$ 37,750,375.01	\$ 60,005,484.49
Debenture dividends at rate of 7%.....	\$ 1,476,721.11	—
Debenture dividends at rate of 6%.....	3,169,957.00	\$ 3,180,136.60
Preferred dividends at rate of 6%.....	973,748.00	1,032,376.00
	\$ 5,620,426.11	\$ 4,212,512.60
Amount earned on Common Stock.....	\$ 32,129,948.90	\$ 55,792,971.89

Statement 3
SURPLUS ACCOUNT

	YEAR ENDED DEC. 31, 1920	YEAR ENDED DEC. 31, 1919
Surplus at the beginning of the year.....	\$ 78,641,897.32	\$ 36,408,937.43
Additions through acquisition of properties and other adjustments.....	—	3,764,529.00
Addition arising through adjustment of no par value common stock outstanding to a basis of \$10.00 a share.....	7,625,180.00	—
Addition arising from sale of common stock in excess of \$10.00 a share.....	33,709,915.23	—
Amount earned on common stock as per income account above.....	32,129,948.90	55,792,971.89
	\$152,106,941.45	\$ 95,966,438.32
Less: Cash dividends paid on common stock:		
February 1, 1920—3%.....	\$ 4,734,923.60	\$ 4,431,438.00
May 1, 1920—\$0.25 share on no par value..	4,149,015.35	4,028,001.00
August 1, 1920— .25 share on no par value..	4,449,353.25	4,215,147.00
November 1, 1920— .25 share on no par value..	4,559,997.00	4,649,955.00
Stock dividends paid on common stock:		
May 1, 1920—2½%.....	3,931,086.50	—
August 1, 1920—2½%.....	4,449,348.25	—
November 1, 1920—2½%.....	4,560,000.50	—
	\$ 30,833,724.45	\$ 17,324,541.00
Surplus, December 31.....	\$121,273,217.00	\$ 78,641,897.32

STATEMENT OF RECEIPTS FROM ALL SOURCES AND DISPOSITION THEREOF FOR
THE THREE YEARS 1918 TO 1920 INCLUSIVE

RECEIPTS

Net income as per income account.....	\$175,299,616	
Charged to depreciation reserve.....	21,660,948	
Employees' bonus.....	12,849,498	\$209,810,062
Less: Decrease in miscellaneous reserves.....		8,266,702
Total received from operations.....		<u>\$201,543,360</u>
Proceeds from sale of common stock.....	\$ 98,494,835	
Proceeds from sale of 6% debenture stock.....	25,425,000	
Proceeds from sale of 7% debenture stock.....	10,998,700	
	<u>\$134,918,535</u>	
Less: Purchase of debenture stock.....	4,091,900	130,826,635
Properties acquired and paid for in:		
Common stock (at \$10 a share).....	\$ 51,291,700	
Debenture stock (par value).....	41,248,200	
Value of such property in excess of foregoing amounts, accounted for as paid in surplus.....	<u>29,601,620</u>	122,141,520
Amount contributed by corporation to Investment Fund.....	\$ 6,437,577	
Payments made by employes in Savings Fund.....	3,903,344	10,340,921
Purchase money notes issued in payment for common stock, Fisher Body Corporation.....		9,840,000
Miscellaneous mortgage obligations assumed in purchase of properties.....		<u>1,629,070</u>
Total to account for.....		<u><u>\$476,321,506</u></u>

DISPOSITION

Permanent investment increased:		
Real estate, plant and equipment.....		\$198,505,888
Investment in allied and accessory companies:		
General Motors Building Corporation.....	\$ 13,082,521	
Modern Housing Corporation.....	11,161,523	
Fisher Body Corporation.....	27,651,311	
General Motors Acceptance Corporation.....	4,000,000	
General Leather Company.....	1,250,000	
Securities in escrow, covering optional purchase of property.....	3,980,700	
Miscellaneous.....	<u>4,828,771</u>	65,954,826
Goodwill, patents, etc., acquired in connection with acquisition of properties.....		<u>10,443,215</u>
Total increase in permanent investment....		<u>\$274,903,929</u>
Deferred expenses.....		5,656,722
Working capital increased:		
Cash and marketable securities.....	\$ 27,563,662	
Sight drafts, notes and accounts receivable, inven- tories and prepaid expenses.....	<u>151,267,784</u>	
Total.....	<u>\$178,831,446</u>	
Less: Increase in accounts and acceptances payable and accrued items.....	21,835,088	
Increase in notes payable.....	<u>72,421,451</u>	
Total.....	<u>\$ 94,256,539</u>	
Increase in net working capital.....		84,574,907
Payment of Federal taxes.....		47,274,750
Payment of preferred and debenture dividends.....	10,931,230	
Payment of common dividends.....	<u>46,455,140</u>	57,386,370
Invested under the Employees' Investment Fund Plan....		3,392,977
Payment to minority interests in subsidiaries and purchase of minority interests.....		995,453
Payments to bonus beneficiaries in cash and purchase of stock for bonus.....		<u>2,136,398</u>
Total accounted for.....		<u><u>\$476,321,506</u></u>

NEW YORK
CHICAGO
PHILADELPHIA
DETROIT
CLEVELAND
SAINT LOUIS
BOSTON
BALTIMORE
PITTSBURGH
SAN FRANCISCO
LOS ANGELES
BUFFALO
CINCINNATI
NEW ORLEANS

HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS
CABLE ADDRESS "HASKBELLS"
30 BROAD STREET
NEW YORK

KANSAS CITY
SEATTLE
PORTLAND
DENVER
ATLANTA
DALLAS
SALT LAKE CITY
TULSA
WATERTOWN
LONDON
PARIS
HAVANA
SHANGHAI

GENERAL MOTORS CORPORATION,
Detroit, Michigan.

We have audited your general accounts and those of your subsidiary manufacturing companies for the year ended December 31, 1920, and, subject to our not having examined the minutes of your governing bodies,

WE HEREBY CERTIFY that, in our opinion, the accompanying Condensed Consolidated Balance Sheet, December 31, 1920, and related Summaries of Income and Surplus for the year ended that date, are correct.

HASKINS & SELLS.

New York,
March 30, 1921.

GENERAL MOTORS CORPORATION

	AUTHORIZED	ISSUED	HELD IN TREASURY	HELD BY PUBLIC
1% PREFERRED STOCK (A)	\$0,000,000	18,188,400	-	18,188,400
7% PREFERRED STOCK (B)	\$0,000,000	80,000,000	4,438,100	75,561,900
7% PREFERRED STOCK (C)	\$0,000,000	20,000,000	1,778,100	18,221,900
COMMON STOCK (D)	\$0,000,000	3,028,000,000	-	3,028,000,000
COMMON STOCK (E)	\$0,000,000	3,028,000,000	-	3,028,000,000

(A) - \$100 PAR VALUE (B) - NO PAR VALUE
DECEMBER 31, 1920

MANUFACTURING UNITS

SALES UNITS

BUICK MOTOR

BUICK MANUFACTURING CO.
COMMON \$100,000 ALL OWNED BY BUICK MOTOR

CADILLAC MOTOR CAR

OAKLAND MOTOR CAR

OLDS MOTOR WORKS

SHERIDAN MOTOR CAR

GENERAL MOTORS TRUCK

SAMSON TRACTOR

CENTRAL AXLE

CENTRAL FORGE

CENTRAL GEAR

CENTRAL PRODUCTS

MICHIGAN CRANKSHAFT

SAGINAW PRODUCTS

NORTHWAY MOTOR AND MFG

COMPANY	STOCK TYPE	OUTSTANDING	HELD BY G.M.C.	HELD BY PUBLIC
BUFFALO METAL WORKS COMPANY	PREFERRED COMMON	\$125,000	\$125,000	-
FRIGIDAIRE CORP.	COMMON	45,000	45,000	-
MUNCIE PRODUCTS CORP.	COMMON	100,000	100,000	-
SAMSON TRACTOR CO. OF CALIFORNIA	COMMON	100,000	100,000	-
CHAMPION IGNITION COMPANY	COMMON	100,000	75,000	25,000

COMPANY	STOCK TYPE	OUTSTANDING	HELD BY G.M.C.	HELD BY PUBLIC
GENERAL MOTORS RESEARCH	COMMON	100,000	100,000	-
DAYTON-WRIGHT CO.	COMMON	100,000	100,000	-
DELCO-LIGHT CO.	COMMON	100,000	100,000	-
BIRNBYHOK ELECTRIC CO.	COMMON	10,000	10,000	-
SAGINAW WALLEABLE IRON CO.	PREFERRED COMMON	\$40,000	\$40,000	-
SCRIPPS-BOOTH CORP.	COMMON	\$5,275,000	\$4,900,000	\$375,000

BUICK MOTOR CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

CADILLAC MOTOR CAR CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

OAKLAND MOTOR CAR CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

OLDS MOTOR WORKS
COMMON \$10,000 ALL OWNED BY G.M.C.

GENERAL MOTORS TRUCK CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

SAMSON TRACTOR CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

JANESVILLE MACHINE CO. (MICHIGAN)
COMMON \$10,000 ALL OWNED BY G.M.C.

CENTRAL AXLE CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

CENTRAL FORGE CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

CENTRAL GEAR CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

CENTRAL PRODUCTS CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

NORTHWAY MOTOR AND MFG. CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

CENTRAL FOUNDRY CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

CENTRAL MOTOR CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

JACKSON-CHURCH-WILCOX CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

SAGINAW PRODUCTS CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

GENERAL MOTORS EXPORT CO.
COMMON \$100,000 ALL OWNED BY G.M.C.

GENERAL MOTORS (EUROPE) LTD.
REFERENCE SHARES \$20,000 ALL OWNED BY G.M.C.
ORDINARY SHARES 70,000 SHARES OWNED BY G.M.C.

OVERSEAS MOTOR SERVICE CORP.
COMMON \$10,000 ALL OWNED BY G.M.C.

TRANSATLANTIC MOTOR STORAGE CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

JAXON STEEL PRODUCTS CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

HYATT ROLLER BEARING CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

REMY ELECTRIC CO.
COMMON \$10,000 ALL OWNED BY G.M.C.

UNITED MOTORS SERVICE, INC.
COMMON \$5,000 ALL OWNED BY G.M.C.

HYATT ROLLER BEARING

REMY ELECTRIC

LANCASTER STEEL PRODUCTS CORP.
CAPITAL STOCK \$1,000,000

DAYTON ENGINEERING LABORATORIES
PREFERRED COMMON \$100,000

BLAXON COMPANY
PREFERRED COMMON \$400,000

JAXON STEEL PRODUCTS

HARRISON HARRISON CORP.
PREFERRED COMMON \$700,000

NEW DEPARTURE MFG. CO.
PREFERRED COMMON \$500,000

CHEVROLET MOTOR OF ATLANTA
COMMON \$5,000 ALL OWNED BY G.M.C.

CINCINNATI CHEVROLET MOTOR CO.
COMMON \$5,000 ALL OWNED BY G.M.C.

CHEVROLET MOTOR OF ILLINOIS
COMMON \$6,000 ALL OWNED BY G.M.C.

CHEVROLET MOTOR OF KANSAS CITY
COMMON \$3,000 ALL OWNED BY G.M.C.

CHEVROLET MOTOR OF NEW ENGLAND
COMMON \$10,000 ALL OWNED BY CHEVROLET MOTOR OF NEW YORK

CHEVROLET MOTOR OF MARYLAND
COMMON \$7,000 ALL OWNED BY G.M.C.

CHEVROLET MOTOR OF MINNESOTA
COMMON \$10,000 ALL OWNED BY G.M.C.

CHEVROLET MOTOR OF NEW JERSEY
COMMON \$10,000 ALL OWNED BY G.M.C.

CHEVROLET MOTOR OF OREGON
COMMON \$8,000 ALL OWNED BY G.M.C.

CHEVROLET MOTOR OF PENNSYLVANIA
COMMON \$5,000 ALL OWNED BY CHEVROLET MOTOR OF NEW YORK

COMPANY	STOCK TYPE	OUTSTANDING	HELD BY G.M.C.	HELD BY PUBLIC
CHEVROLET MOTOR OF DAY CITY	COMMON	100,000	100,000	-
CHEVROLET MOTOR OF CALIFORNIA	COMMON	100,000	100,000	-
CHEVROLET MOTOR OF MICHIGAN	PREFERRED COMMON	225,100	225,100	-

COMPANY	STOCK TYPE	OUTSTANDING	HELD BY G.M.C.	HELD BY PUBLIC
CHEVROLET MOTOR OF NEW YORK	COMMON	272,000	272,000	-
CHEVROLET MOTOR OF ST. LOUIS	COMMON	250,000	250,000	-
CHEVROLET MOTOR OF TORONTO	CLASS. A STOCK	250,000	250,000	-
TOLDO CHEVROLET MOTOR CO.	COMMON	250,000	250,000	-

CANADIAN PRODUCTS

M^{rs} LAUGHLIN MOTOR CAR

CHEVROLET MOTOR CAR [OF CANADA]

OLDS MOTOR WORKS [OF CANADA]

SAMSON TRACTOR [OF CANADA]

GENERAL MOTORS OF CANADA LTD.

PHYSICAL ASSETS OWNED

ALL STOCK OWNED

CHEVROLET MOTOR CAR CO.-LTD.
COMMON \$10,000 ALL OWNED BY G.M. OF CANADA-LIMITED

OLDS MOTOR WORKS OF CANADA-LTD.
COMMON \$10,000 ALL OWNED BY G.M. OF CANADA-LIMITED

M^{rs} LAUGHLIN MOTOR CAR CO.-LTD.
COMMON \$10,000 ALL OWNED BY G.M. OF CANADA-LIMITED

FISHER BODY CORPORATION

STOCK TYPE	OUTSTANDING	HELD BY G.M.C.	HELD BY PUBLIC
1% SERIAL BOND NOTES, 1921-1922	\$2,000,000	-	\$2,000,000
PREFERRED (A)	3,475,000	-	3,475,000
COMMON	5,000,000	3,000,000	2,000,000

1921 AUTHORIZED \$6,000,000 ISSUED \$5,000,000

GENERAL MOTORS ACCUMULATOR CO. (INCORPORATED IN CANADA)
COMMON \$10,000 ALL OWNED BY G.M.C.

GENERAL EXCHANGE CORPORATION
COMMON \$10,000 ALL OWNED BY G.M.C.

GENERAL MOTORS BUILDING CORPORATION
COMMON \$10,000 ALL OWNED BY G.M.C.

MODERN HOLDING CORPORATION
COMMON \$10,000 ALL OWNED BY G.M.C.

CONTROLLED COMPANIES (NOT CONSOLIDATED)

