

THE GOODYEAR TIRE & RUBBER COMPANY

OF CANADA, LIMITED

NEW TORONTO, ONTARIO



ANNUAL REPORT

1927

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The Goodyear Tire & Rubber Company
of Canada, Limited

ANNUAL REPORT

TO THE SHAREHOLDERS

Upon the Examination of the Books and Accounts

by

Price, Waterhouse & Co.

Chartered Accountants

For the Fiscal Year ending September 30th, 1927

New Toronto, Ont.

ANNUAL REPORT OF THE DIRECTORS
OF
The Goodyear Tire and Rubber Company
of Canada, Limited

Toronto, November 18th, 1927.

To The Shareholders:

Your Board of Directors submits the Company's Balance Sheet, which shows the financial position of the Company at the close of its fiscal year as of September 30th, 1927.

The year just closed has been the most successful in the history of the Company. Your Company is in a strong financial position, both as to working capital and cash on hand, and has no indebtedness, excepting bills not due for discount.

Your two rubber plants have worked to their maximum capacity twenty-four hours per day throughout the year. Your inventories are comparatively low and your stocks are free from defective or slow moving goods. The turnover of both crude and manufactured stocks has been greater than in any other year. It was necessary to add to our buildings, both at the Bowmanville and New Toronto plants, so that we might better take care of our business for the present fiscal year.

The cotton plant at St. Hyacinthe has operated twenty-two hours per day for each working day during the year. This

plant enables us to control our own fabric construction and provides us with a superior product at a much lower price than current market. The cotton company is operating on a conservative plan and is making a satisfactory profit.

Your export business is well distributed and profitable. It has been the means of keeping a constant and balanced production. This results in lower costs, which in turn affords lower selling prices in the home market.

Your Company has been built on a policy of a good product, good service, economy, low margin of profit and rapid turnover of both crude and manufactured stocks. It may be of interest to you to know that 93% of our shareholders reside in Canada and their investment in the Company amounts to over seven millions of dollars.

Your Company is entering a fiscal year which will likely show increased unit production, but a year that will show the keenest competition, both in home and foreign market.

Since your Company is in a strong position it should at least maintain its place in the industry.

I wish to give recognition to our work people and to our staff who year by year give their best effort and loyal support to the Company, and to thank the shareholders for granting every request we have made of you and also to thank you for the many letters received of helpful criticism and encouragement and the interest that you have shown in the furthering of sales of our product and your support in general.

Respectfully yours,

C. H. CARLISLE,

President and General Manager.

PRICE, WATERHOUSE & CO.

Chartered Accountants

ROYAL BANK BUILDING

TORONTO, CANADA

November 2nd, 1927.

To the Shareholders of

THE GOODYEAR TIRE AND RUBBER COMPANY OF CANADA, LIMITED

We have examined the books and accounts of The Goodyear Tire and Rubber Company of Canada, Limited for the year ending September 30th, 1927.

We have satisfied ourselves that all charges to Property Accounts are in respect of actual additions, and sufficient provision has been made for accruing depreciation. The stocks on hand have been taken and valued by the Company at prices not in excess of cost or market; the bad debt reserve is considered sufficient to provide for all doubtful accounts; the bank balances were confirmed by certificates, and we have taken all reasonable precautions to satisfy ourselves that all liabilities as at September 30, 1927 are included in the Balance Sheet.

And we certify that the annexed Balance Sheet is drawn up so as to show the true financial position of the Company as of that date and the results from the operations for the year ending September 30, 1927 according to the best of our information and the explanations given to us and as shown by the books of the Company.

PRICE, WATERHOUSE & CO.,

Auditors.

THE GOODYEAR TIRE & RUBBER COMPANY OF CANADA, LIMITED

BALANCE SHEET

SEPTEMBER 30, 1927

ASSETS

LIABILITIES

CURRENT AND WORKING ASSETS:

Cash:—		
In banks	\$ 1,641,294.77	
On hand and in transit from branches	143,706.16	
Call loans	1,350,000.00	
	\$ 3,135,000.93	
Accounts receivable:—		
Customers	\$ 2,330,359.20	
Miscellaneous	159,792.97	
	\$ 2,490,152.17	
Less—Reserve for bad and doubtful accounts	94,334.32	
	2,395,817.85	
Inventories:—		
Stocks on hand—		
Finished goods	\$ 2,015,448.28	
Goods in process	481,883.12	
Raw materials and supplies	985,839.58	
	3,483,170.98	
	\$ 9,013,989.76	

INVESTMENTS IN AND ACCRUED EARNINGS OF SUBSIDIARY COMPANIES:

366,332.52

REAL ESTATE, BUILDINGS, PLANT, MACHINERY AND EQUIPMENT:

8,242,011.16

DEFERRED CHARGES TO OPERATIONS:

Insurance, taxes and rents, paid in advance

47,117.72

\$17,669,451.16

CURRENT LIABILITIES:

Accounts payable	\$ 1,173,369.74	
Miscellaneous	218,982.38	
Dividends on Preferred and Common Stocks payable October, 1927	305,745.25	
	\$1,698,097.37	

RESERVES:

For depreciation of buildings, plant, machin- ery and equipment	2,916,569.23	
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CAPITAL STOCK:

Seven per cent. Cumulative Preferred Stock—		
Authorized—195,000 shares of \$100.00 each	\$19,500,000.00	
Issued and fully paid— 79,498 shares of \$100.00 each	7,949,800.00	
Common Stock—		
Authorized—150,000 shares of no par value of which 133,299 shares have been issued	\$ 133,299.00	
Capital surplus	479,880.00	613,179.00

SURPLUS of predecessor com- pany as of October 1, 1926

\$ 3,105,025.61

Profit for the year ending
September 30, 1927, be-
fore providing for depre-
ciation, but after deducting
income tax

\$ 2,870,610.15

Less—Reserve for depre-
ciation

699,219.45 2,171,390.70

\$ 5,276,416.31

Deduct—Dividends:

In full of arrears

\$ 78,750.00

Current year's dividends
on Prior Preference and
Preferred Stocks

539,237.00

On no par value Common
Stock, at \$1.25 a share

166,623.75

784,610.75

4,491,805.56

\$17,669,451.16

BOARD OF DIRECTORS

C. H. CARLISLE
TORONTO

C. B. McNAUGHT
TORONTO

E. G. WILMER
DETROIT

P. W. LITCHFIELD
AKRON

J. E. McALLISTER
TORONTO

P. A. THOMSON
MONTREAL

F. K. ESPENHAIN
AKRON

EXECUTIVE OFFICERS

C. H. CARLISLE
President and General Manager

C. B. McNAUGHT
Vice-President

J. G. LANE
*Assistant to the President
Treasurer and
Acting Comptroller*

R. C. BERKINSHAW
*Secretary and
General Counsel*

W. H. JEEVES
Assistant Treasurer

H. A. TIPPLE
*Assistant Secretary and
Assistant Comptroller*

B. W. LANG
Assistant Comptroller

H. C. LOWER
General Sales Manager

E. H. KOKEN
General Superintendent

R. P. D. GRAHAM
Manager, Export Department

GOODYEAR PRODUCTS

TIRES:—Automobile, Truck, Bus and Motorcycle.

TUBES:—Automobile, Truck and Bus (Regular and Heavy Tourist),
Motorcycle (Endless and Butt End).

ACCESSORIES:—For all Pneumatic Type Tires and Tubes, Tire Chains, Repair Fabric and Gum, Rims and Parts, Rubber Cements, Tubing, Vulcanizers' Supplies.

BELTING:—Conveyor, Elevator, Transmission, Miscellaneous.

HOSE:—Garden, Air Drill, Pneumatic Tool, Steam, Radiator, Suction, Fire, Miscellaneous.

PACKINGS AND SHEETINGS:—Hydraulic, Piston, Goodyearite Asbestos Sheet Packing.

MISCELLANEOUS:—All kinds Rubber Mats and Matting, Bumpers, Lathe Goods, Valves, Molded Goods of all Descriptions, etc.

WINGFOOT RUBBER HEELS AND SOLES.

The Goodyear Tire & Rubber Company of Canada, Limited

General Offices: NEW TORONTO, ONT.

Factories: { BOWMANVILLE, ONT.
NEW TORONTO, ONT.

VANCOUVER, B.C. 1004 Homer St.
CALGARY, ALTA. 335 8th Ave. West
EDMONTON, ALTA. 10229 105th St.
SASKATOON, SASK. . . . 118 3rd Avenue South
REGINA, SASK. Cor. Broad St. and 6th Ave.
WINNIPEG, MAN. 97 Higgins Ave.
FORT WILLIAM, ONT. . . . 303 Simpson St.
LONDON, ONT. 318 Dundas St.
HAMILTON, ONT. 20 George St.
TORONTO, ONT. 152 Simcoe St.
OTTAWA, ONT. 246 Queen St.
MONTREAL, QUE. 318 St. James St.
QUEBEC, QUE. Cor. Crown and Fleury Sts.
ST. JOHN, N.B. 83 Prince William St.
HALIFAX, N.S. 84 Hollis Street

Wholesale Distributors at Victoria, B.C., Lethbridge,
Alta., and Walkerville, Ont.

Over Five Thousand Canadian Retail Dealers
carry stocks of Goodyear Made-in-Canada
Automobile Tires.

