



## Annual Report 1961



**FAIRCHILD** CAMERA AND INSTRUMENT CORPORATION

#### ON THE COVER

Four-color process illustration on the cover shows a portion of the Semiconductor diffusion furnace area where silicon wafers are impregnated with controlled amounts of pre-selected chemicals. Illustration was produced from continuous tone color separations made on the Fairchild Scan-A-Color.

## CONTENTS

	Page
President's Letter .....	4
Highlights .....	6
Reports on Divisions .....	7
Semiconductor Division .....	7
Defense Products Division .....	10
Business Machines Division .....	12
Special Products Division .....	14
Allan B. Du Mont Laboratories Division .....	16
Fairchild Controls Corporation .....	19
Graphic Equipment Division .....	20
Industrial Products Division .....	23
Cable Division .....	24
Aerial Surveys Division .....	25
Facsimile Products Department .....	26
International Division .....	27
Effect of 1961 Operations on Working Capital .....	28
Glossary .....	29
Consolidated Balance Sheet .....	30
Statement of Consolidated Earnings .....	32
Statements of Consolidated Additional Paid-in Capital and Retained Earnings .....	33
Notes to Consolidated Financial Statements .....	34
Accountants' Report .....	36



**FAIRCHILD CAMERA AND INSTRUMENT CORPORATION**

# Annual Report 1 9 6 1

**For the Year Ended December 31, 1961**

## FAIRCHILD CAMERA AND INSTRUMENT CORPORATION

### Executive Offices

Robbins Lane, Syosset, L. I., N. Y.

### Plants

Syosset, L. I., N. Y.

Plainview, L. I., N. Y.

Yonkers, N. Y.

Clifton, N. J.

Los Angeles, Calif.

Mountain View, Calif.

Palo Alto, Calif.

San Rafael, Calif.

Joplin, Mo.

Cleveland, Ohio

## SUBSIDIARIES

### Fairchild Credit Corporation

Plainview, L. I., N. Y.

### Fairchild Controls Corporation

Hicksville, L. I., N. Y. and Los Angeles, Calif.

### Fairchild Camera en Instrumenten Maatschappij, N. V.

Emmen, Netherlands and London, England

### Fairchild Camera and Instrument Corporation of Canada, Ltd.

Toronto, Ont.

### Du Mont Television & Electronics, Ltd.

Montreal, Canada

### Cinephonic Manufacturing Corporation

Yonkers, N. Y.

The ADAM Diode — New Semiconductor Division method of encapsulating diodes results in a smaller "package," improved reliability and reduced cost.

## BOARD OF DIRECTORS



**Sherman M. Fairchild**  
Founder and Chairman  
of the Board of Fairchild Camera and Instrument Corporation.



**John Carter**  
President and Chief Executive Officer of Fairchild Camera and Instrument Corporation.



**Richard Hodgson**  
Executive Vice President of Fairchild Camera and Instrument Corporation.



**Walter F. Burke Jr.**  
President of The Fairchild Foundation, Inc.



**Charles H. Colvin**  
President of Colvin Laboratories, Inc.



**William C. Franklin**  
President of Royal Crown Bottling Co.



**William B. Scarborough**  
Consultant; Director of Metropolitan Fire Assurance Company.



**Joseph B. Wharton Jr.**  
President of The Wealden Company.

## OFFICERS

**John Carter**  
*President and Chief Executive Officer*

**Richard Hodgson**  
*Executive Vice President*

**E. S. Hill**  
*Vice President and Comptroller*

**K. P. McNaughton**  
*Vice President*

**G. J. Wade**  
*Secretary and Treasurer*

**J. W. English**  
*Assistant Comptroller*

**Philip Haas, Jr.**  
*Assistant Secretary*

**L. S. Lanset**  
*Assistant Secretary*

**O. A. Silvester**  
*Assistant Secretary*

**Nelson Stone**  
*Assistant Secretary*

**General Counsel**  
*Cravath, Swaine & Moore, New York*

**Accountants and Auditors**  
*Peat, Marwick, Mitchell & Co., N. Y.*

**Transfer Agent**  
*The Bank of New York*

**Registrar**  
*First National City Bank of New York*



ROBBINS LANE, SYOSSET, L. I., NEW YORK

Presented herewith is Management's report on operations for the year 1961.

Not only did profits and sales again reach record highs but the Company's growth pattern was significantly enhanced through acquisitions, introduction of new products and expansion of facilities.

Sales showed a 36 percent increase over 1960, while net profits and special credit were up 40 percent. Increased cash flow through prudent management of inventory and maintenance of profit margins permitted financing of increased sales volume and a reduction in borrowed funds. Net worth increased to \$32,877,000 from \$28,697,000 as of December 31, 1960.

The Company's common shares were split 2-for-1 and a cash dividend of 50 cents per share was declared on the split shares, in effect doubling the dividend paid in 1959 and 1960. The total dividend amounted to \$1,249,136 and represents not only the largest annual cash disbursement of dividends in the Company's history, but also the 24th consecutive year in which cash dividends have been paid by the Company. On October 23, the listing of the Company's common stock was moved from the American Stock Exchange to the New York Stock Exchange, where it is now traded under its new symbol, "FCI".

Four significant acquisitions were effected in 1961, serving to broaden the product lines and to increase the technical capabilities of existing divisions. These acquisitions, all for cash, included certain assets of Waste King Corporation, Curtis Laboratories, Inc., Circle Weld Corporation, all of Los Angeles, California; and the Cable Division and other properties of Pacific Mercury Electronics, Inc., in Joplin, Missouri. In January 1962 the Addressing Machine Division of Dashew Corporation of Los Angeles was acquired for cash. In February, 1962, the Cosmic Corporation of El Cajon, California was acquired in exchange for 15,807 shares of the authorized and unissued common stock of the Company. Utilization of these acquisitions is explained in detail in the "Reports on the Divisions" section of this report. Several other compatible acquisitions were the object of management scrutiny at year-end.

In addition to acquisitions, the Company's internal expansion program was marked by the formation of a new Business Machines Division in Cleveland; the establishment of the Fairchild International Division as the overseas marketing arm for the Corporation; ground-breaking for a 60,000 square foot Semiconductor Research and Development Center in Stanford Industrial Park; a 40,000 square foot addition to the Semiconductor Division's production facility at Mountain View, California; and doubling the size of the Basic Research Laboratories of the Defense Products Division on Long Island.

In the area of industrial relations, in addition to the signing of a thirty-month contract with the I.A.M. on January 14, covering the Long Island plants, a three-year contract was signed in March with the I.U.E., covering the Du Mont operations.

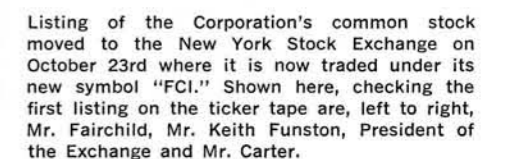
A corporation-wide management development program, aimed at building management potential from within, was conceived and launched during the year.

It is anticipated that your Company's planned growth pattern for increased sales and profits will continue not only through 1962, but for the foreseeable future.

John Carter,  
President

John Carter,  
President

*Sherman M. Fairchild*  
Sherman M. Fairchild,  
Chairman of the Board





## HIGHLIGHTS

### FAIRCHILD CAMERA AND INSTRUMENT CORPORATION AND SUBSIDIARIES

#### Comparative Figures for the Five Years Ending December 31, 1961

	1961	1960	1959	1958	1957
<b>Net Sales</b>	\$92,254,000	\$67,940,000	\$43,442,000	\$31,674,000	\$36,989,000
<b>Profit Before Federal Taxes on Income</b>	8,200,000	6,990,000	4,360,000	1,869,000	1,865,000
<b>Net Profit and Special Credit</b>	5,252,000	3,755,000	2,071,000	544,000	799,000
<b>Dividends Paid</b>	1,249,136	611,084	518,270	238,299	238,061
<b>Working Capital</b>	17,754,000	14,822,000	7,738,000	6,741,000	6,407,000
<b>Net Worth</b>	32,877,000	28,697,000	14,376,000	12,374,000	12,057,000
<b>Payroll</b>	36,806,000	28,352,000	22,368,000	14,907,000	17,341,000
<b>Number of Employees</b>	5,493	5,424	3,577	2,168	2,352
<b>Number of Stockholders</b>	10,997	12,859	3,174	1,965	1,778
<b>Shares Outstanding</b> (Two-for-One Split in 1961 and 1959)	2,498,272	1,222,168	1,036,890	476,597	476,122
<b>Backlog</b>	29,357,000	33,591,000	19,823,000	18,154,000	15,210,000
<b>PER SHARE</b> (Based on 2,498,272 shares)					
<b>Net Profit and Special Credit</b>	\$ 2.10	\$ 1.50	\$ .83	\$ .22	\$ .32
<b>Working Capital</b>	7.11	5.93	3.10	2.70	2.56
<b>Net Worth</b>	13.16	11.49	5.75	4.95	4.83



## REPORTS ON THE DIVISIONS

### SEMICONDUCTOR DIVISION

In 1961 one of the major achievements of Fairchild Semiconductor was the introduction of Micrologic as a product line. After more than a year of research, pilot production and testing, six completely integrated functional digital circuits packaged in transistor sized packages with six or eight leads were introduced to the market and in full production. For the first time, digital computer manufacturers were presented with a usable integrated circuit which could substantially decrease the size of digital computers and lower the cost of fabrication. Immediate acceptance of Micrologic was encouraging. By the end of the year, several computer manufacturers were building digital computers using Micrologic. All indications are that 1962 will see Micrologic as one of the Division's major product lines.

Also in 1961, the Division introduced the industry's first Planar epitaxial transistor and Planar epitaxial diode. These devices combine the reliability, stability and low leakage made possible through the surface protection of the Fairchild-developed Planar process with the high-level performance characteristics of epitaxial deposition. The resulting devices have a wide range of applications and are a major step toward developing the universal transistor and diode.

Transistor test equipment was another product line introduced by the Division during 1961. The improved electrical characteristics of Fairchild's Planar and Planar epitaxial devices had made it necessary for the Division to develop test equipment which could adequately test these new parameters. Once developed, it was found that there was a need within the industry for this extremely accurate test equipment and so the decision was made to market the equipment.

The Semiconductor Division continued to be the state-of-the-art leader in the industry in 1961. In addition, production techniques matured to the point where the Division became a seasoned manufacturer and competitive in all semiconductor lines. Although during 1961 several semiconductor manufacturers experienced difficulty because of heavy competition, Fairchild Semiconductor gained in its market position and continued to hold its profit



Top—The ADAM Diode, a smaller and more reliable diode resulting from a new Semiconductor Division method of encapsulating.

Above—Assembler in Semiconductor Division's Quality Assurance Inspection is shown here checking a diode through a microscope.

margin. By the end of 1961, Fairchild Semiconductor was the largest producer of high-performance silicon transistors and the leader in the field of integrated circuits in the United States.

The Division continued its reliability evaluation program in conjunction with Autonetics, a Division of North American Aviation, Inc., as part of the Minuteman ICBM contract. More than 80,000 of Fairchild's transistors were tested under varying conditions of current, voltage, temperature and power during the year. The superior reliability of Fairchild's Planar devices was recognized when, midway in 1961, Autonetics accepted Fairchild's Planar transistors as replacements for mesa devices in the Minuteman missile. Fairchild Semiconductor's devices are important components in other missile and space programs such as Polaris, Advent, etc.

Research and development efforts during 1961 were continued at a pace designed to keep the Division in the forefront of the industry. One of the developments with future promise is a surface controlled transistor. This device was outlined in a technical paper which appeared in the November, 1961 "Proceedings of the IRE". This surface controlled tetrode, allows the electrical characteristics of a transistor to be controlled by outside current in much the same manner as the grid controls the operating characteristics of a vacuum tube. When this device is perfected, transistors should have many more applications than at present. In addition to seeking new semiconductor devices, the R & D department has broadened its approach and is searching for solid-state applications in many fields. To provide additional space for these efforts, ground was broken in October for a new 60,000 square foot Research and Development Center. The new center will be located in Stanford Industrial Park and is scheduled for completion in the spring of 1962.

During the year the Division began manufacturing and marketing its Planar transistors in Europe through Fairchild's European affiliate, Società Generale Semiconduttori (SGS) of Milan, Italy. Production is expected to increase during 1962 and soon Semiconductor's complete line of devices will be manufactured for European markets by SGS.

Further physical expansion also became a necessity in 1961. In addition to the new Research & Development Center, a 40,000 square foot wing was added to the main transistor plant in Mountain View bringing the total space there to 108,000 square feet. The end of 1962 will find the Division occupying more than 270,000 square feet in six plant locations.

Cooperation with other Fairchild Divisions also led to fruitful new products for the company. The Du Mont Industrial Electronics Division used Semiconductor's transistors to market a transistorized oscilloscope and further advances were made in cooperation with Fairchild Controls on that Division's strain gauges.

Illustration at top left shows one of Semiconductor's integrated functional digital building blocks called Micrologic elements, now in volume production. The Micrologic half-shift register shown in lower portion of this photo performs the same function as the half-shift register on the printed circuit card above it. Enlarged portion to the right shows circuit configuration and intraconnections of the elements. Photo at lower left shows Type 4 transistor tester developed by Fairchild Semiconductor and now being produced and marketed on special order.

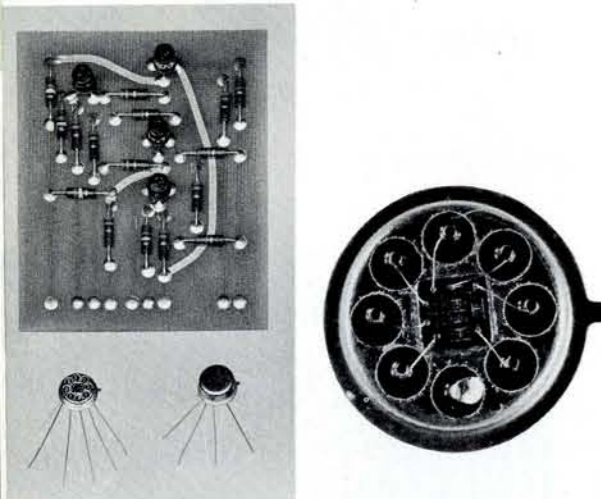


Photo above shows a part of the production line at the main Semiconductor Division transistor plant at Mountain View, Calif. Illustration below shows diodes being checked out on reverse current checker in Quality Assurance Department of the Diode plant.



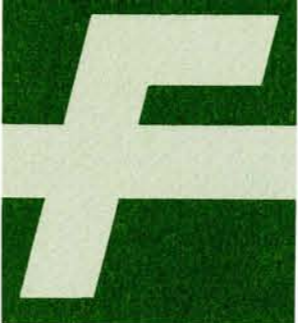
At left is close up view through bell jar of a metal evaporator at main Research and Development Laboratory. Electrical contacts in tiny resistors and diodes are made by bonding fine wires to metallized areas vaporized on to the surfaces of the silicon wafers.



FAIRCHILD CAMERA AND INSTRUMENT CORPORATION AND SUBSIDIARIES

EFFECT OF 1961 OPERATIONS ON WORKING CAPITAL

Working Capital, December 31, 1960				\$14,822,154
Additions:				
Net earnings and special credit for the year			\$5,251,966	
Depreciation and amortization — 1961:				
Property and plant equipment	\$2,545,581			
Rental machines	610,053	\$3,155,634		
Less: Charges to reserve:				
Disposals and fully depreciated items	1,111,608			
Rebuilding costs	22,759	1,134,367	2,021,267	
Proceeds from sale of capital stock less expenses			309,374	
Use during the year of estimated future Federal income tax benefits			994,581	
Increase in long-term debt			323,790	8,900,978
				23,723,132
Deductions:				
Cash dividend paid — \$.50 per share			1,249,136	
Additions to fixed assets, etc. — net:				
Property and plant equipment		3,815,374		
Rental machines		158,361	3,973,735	
Decrease in deferred Federal income taxes			50,000	
Expenses, net of Federal income taxes, in connection with surrender of certain stock options			131,523	
Increase in investments in and advances to affiliated companies and other assets			564,572	5,968,966
Working Capital, December 31, 1961				\$17,754,166



GLOSSARY

**collator** — a machine for collecting individual sheets of printed material in numerical or other predetermined sequence.

**cryogenic** — the science of extremely low temperatures.

**data processing** — in a broad sense, the automatic translation and evaluation of coded information into meaningful numbers, words, etc. An example would be the translation of punched holes in IBM cards into names, addresses, and numbers.

**diazo** — a material that is changed into a colored dye by the addition of light energy and a chemical. Blueprints are examples of a common diazo process.

**digital computer** — a computer which calculates, using numbers expressed in digits to present all the variables that occur in a problem.

**digital read-out** — a “reading” or value expressed in numbers.

**diode** — a small component (literally half a transistor) having two electrodes, one being positive and the other negative. Principal function is in switching.

**epitaxial** — a method for forming semiconductor circuits by direct planar growth from a crystal pattern. (See Planar)

**facsimile** — in this instance, the transmission and reception of printed matter, charts, drawings, etc. over long distances by wire or radio.

**geodesy** — the science of surveying that accounts for the curvature of the earth.

**laser** — (*Light Amplification by the Stimulated Emission of Radiation*) — a coherent light amplifying device of very narrow beam and band-width.

**magnetometer** — a device which measures changes in the strength of the earth’s magnetic field. Such changes, recorded in the air over a strip of land, reveal information to the geologist of the presence of mineral concentrations.

**Micrologic** — a new Fairchild technique combining the electronic components of a computer circuit into a single miniaturized transistor-like element.

**net worth** — the book value of the shareholders’ investment in the corporation.

**offset** — a printing process by which the printed image is transferred from a positive plate to a rubber blanket and thence to the paper. The term de-

rives from the fact that the printed image is “off-set” from one medium (blanket) to another (paper).

**oscilloscope** — a test instrument using a cathode-ray tube (similar to TV tube) which produces visible wave forms of varying electrical currents or voltages.

**perfecting press** — in this case an offset printing press in which a continuous roll of paper (web) is fed between two printing blankets which make a printed impression on both sides of the paper simultaneously. It is also referred to as a blanket-to-blanket press.

**Planar process** — an advanced process by which Fairchild transistors and diodes are produced to provide unusual stability and increased reliability.

**precision potentiometer** — an extremely accurate variable resistor, or voltage divider. The volume control on your radio is one of its simpler forms. The Components Division makes precision potentiometers for very specialized industrial and military applications.

**prototype** — usually the first working model of an instrument or machine upon which future production units will be built.

**Scan-A-Color** — trade name for Fairchild’s electro-optical device which electronically separates the primary colors of a color photograph and provides negatives of these colors for the production of engravings used in printed reproduction of such photographs.

**solid-state** — the physics of materials in their solid form. Examples of solid-state materials are: transistors, diodes, solid-state lasers, metals and alloys, etc.

**strain-gauge transducer** — a miniaturized pressure sensing device using semiconductors as sensors.

**Teletypesetter** — a typewriter-like device that produces a perforated tape, which when fed into an attachment on a typesetting machine permits the latter to be operated automatically.

**transducer** — an electro-mechanical device that transforms one kind of energy into another. The Components Divisions makes a pressure transducer which changes mechanical pressure into electrical energy.

**transistor** — a small semiconductor device no larger than the eraser in the end of a pencil, which performs the functions of a radio tube. Commonly used in miniaturized electronic devices.

**working capital** — the excess of current assets over current liabilities available for use in the daily (and any unusual) operations of the corporation.

**CONSOLIDATED  
BALANCE SHEET**



**CAMERA AND INSTRUMENT CORPORATION**

**AND SUBSIDIARIES**

**December 31, 1961 with comparative figures for 1960**

**ASSETS**

	<u>1961</u>	<u>1960</u>
<b>Current assets:</b>		
Cash	\$ 2,667,062	\$ 3,842,320
Accounts receivable, less provision for allowances and doubtful accounts — 1961, \$893,343; 1960, \$687,953	17,707,999	13,923,383
Inventories, at the lower of cost (principally first-in, first-out) or estimated realizable market:		
U. S. Government contracts and other work in process, less progress payments — 1961, \$450,505; 1960, \$1,650,579	5,774,608	5,892,262
Raw materials and parts	4,178,934	4,820,643
Finished goods	4,018,663	5,253,387
	<u>13,972,205</u>	<u>15,966,292</u>
Prepaid expenses	429,402	425,727
Total current assets	<u>34,776,668</u>	<u>34,157,722</u>
<b>Investments in and advances to affiliated companies (note 1)</b>	1,389,699	793,030
<b>Estimated future Federal income tax benefits (note 3)</b>	—	994,581
<b>Property, plant and equipment, at cost:</b>		
Land	485,025	348,486
Buildings	7,151,994	6,319,869
Rental equipment	4,580,922	4,422,561
Machinery, furniture and fixtures and leasehold improvements	16,778,662	13,931,952
	<u>28,996,603</u>	<u>25,022,868</u>
Less accumulated depreciation and amortization	10,671,546	8,650,279
	<u>18,325,057</u>	<u>16,372,589</u>
<b>Unamortized patents and patent applications, and other deferred charges</b>	213,498	245,595
<b>Goodwill</b>	<u>1</u>	<u>1</u>
	<u>\$54,704,923</u>	<u>\$52,563,518</u>

See accompanying notes to consolidated financial statements.

**LIABILITIES AND STOCKHOLDERS' EQUITY**

	<u>1961</u>	<u>1960</u>
<b>Current liabilities:</b>		
Notes payable to banks — unsecured (note 2)	\$ 7,500,000	\$ 8,000,000
Current instalments of mortgages payable	82,635	52,024
Accounts payable and accrued liabilities	7,566,424	7,629,740
Provision for Federal and other taxes on income (note 3)	1,873,443	3,653,804
Total current liabilities	<u>17,022,502</u>	<u>19,335,568</u>
<b>Long-term debt:</b>		
Secured revolving credit (note 2)	2,900,000	2,900,000
4¾ to 6% mortgages payable, less current instalments	860,936	537,146
	<u>3,760,936</u>	<u>3,437,146</u>
<b>Deferred Federal income taxes (note 3)</b>	1,044,000	1,094,000
<b>Stockholders' equity:</b>		
Common stock, \$1 par value (notes 4 and 5):		
Authorized, 4,000,000 shares.		
Issued and outstanding, 2,498,272 shares in 1961 and 1,222,168 shares in 1960	2,498,272	1,222,168
Additional paid-in capital	16,999,105	18,097,358
Retained earnings (note 2)	13,380,108	9,377,278
Total stockholders' equity	<u>32,877,485</u>	<u>28,696,804</u>
<b>Commitments (notes 6 and 7).</b>		
	<u>\$54,704,923</u>	<u>\$52,563,518</u>



**FAIRCHILD CAMERA AND INSTRUMENT CORPORATION**

**AND SUBSIDIARIES**

**STATEMENT OF CONSOLIDATED EARNINGS**

YEAR ENDED DECEMBER 31, 1961 WITH COMPARATIVE FIGURES FOR 1960

	<u>1961</u>	<u>1960</u>
<b>Net Sales and machine rentals</b>	<u>\$92,254,237</u>	<u>\$67,940,374</u>
<b>Cost of sales, and other operating costs</b> (depreciation and amortization provided — 1961, \$3,155,634; 1960, \$2,188,709):		
Cost of sales and machine rentals	68,133,284	49,543,531
Administrative and selling	<u>15,376,657</u>	<u>11,235,685</u>
	<u>83,509,941</u>	<u>60,779,216</u>
	<u>8,744,296</u>	<u>7,161,158</u>
<b>Other income</b>	<u>527,456</u>	<u>565,770</u>
	<u>9,271,752</u>	<u>7,726,928</u>
<b>Less interest paid (1961, \$686,912; 1960, \$618,117) and other charges</b>	<u>1,071,786</u>	<u>736,456</u>
<b>Earnings before Federal taxes on income</b>	<u>8,199,966</u>	<u>6,990,472</u>
<b>Provision for Federal taxes on income</b>	<u>4,381,000</u>	<u>3,580,000</u>
<b>Net earnings for year</b>	<u>3,818,966</u>	<u>3,410,472</u>
<b>Special credit — Federal income tax benefits resulting from losses incurred by Allen B. Du Mont Laboratories, Inc., prior to merger (note 3)</b>	<u>1,433,000</u>	<u>345,000</u>
<b>Net earnings and special credit</b>	<u>\$ 5,251,966</u>	<u>\$ 3,755,472</u>

See accompanying notes to consolidated financial statements.

**STATEMENTS OF CONSOLIDATED ADDITIONAL PAID-IN  
CAPITAL AND RETAINED EARNINGS**

YEAR ENDED DECEMBER 31, 1961 WITH COMPARATIVE FIGURES FOR 1960

	<u>1961</u>	<u>1960</u>
<b>Additional Paid-in Capital</b>		
BALANCE AT BEGINNING OF YEAR	\$18,097,358	\$ 3,188,905
Additional paid-in capital of Allen B. Du Mont Laboratories, Inc. at July 5, 1960, less merger expenses	—	10,207,727
Excess of par value of the capital stocks of Allen B. Du Mont Laboratories, Inc. over par value of Fairchild stock issued	—	4,622,667
Excess of proceeds from exercise of stock options over par value of shares issued, less expenses (note 5)	<u>279,003</u>	<u>78,059</u>
	<u>18,376,361</u>	<u>18,097,358</u>
Less:		
Transfer to common stock account in connection with two-for-one stock split (note 4)	1,245,733	—
Expenses, net of Federal income taxes, in connection with the partial rescission of a stock option (note 5)	<u>131,523</u>	<u>—</u>
	<u>1,377,256</u>	<u>—</u>
<b>BALANCE AT END OF YEAR</b>	<u><u>\$16,999,105</u></u>	<u><u>\$18,097,358</u></u>
<b>Retained Earnings</b>		
BALANCE AT BEGINNING OF YEAR	\$ 9,377,278	\$10,150,181
Less accumulated deficit of Allen B. Du Mont Laboratories, Inc. at July 5, 1960	—	3,917,291
	<u>9,377,278</u>	<u>6,232,890</u>
Add net earnings and special credit, per accompanying state- ment	<u>5,251,966</u>	<u>3,755,472</u>
	<u>14,629,244</u>	<u>9,988,362</u>
Deduct cash dividends — 50¢ a share in 1961 and 25¢ a share (adjusted for two-for-one stock split) in 1960	<u>1,249,136</u>	<u>611,084</u>
<b>BALANCE AT END OF YEAR (note 2)</b>	<u><u>\$13,380,108</u></u>	<u><u>\$ 9,377,278</u></u>

See accompanying notes to consolidated financial statements.