DIRECTORS

1932

JOHN J. WATSON, Chairman

CHARLES J. COTTEE
JOHN M. DETTRA
ALBERT A. GARTHWAITE
STANTON GRIFFIS
*JOHN T. HARRINGTON

WALTER R. HERRICK
HENRY HOPKINS, JR.
AMBROSE E. IMPEY
HORACE C. JONES
GEORGE S. MAHANA

OFFICERS

President
JOHN J. WATSON

Vice-President & Treasurer
ALBERT A. GARTHWAITE

Vice-President in Charge of Manufacturing
W. W. BENNER

Secretary
HENRY HOPKINS, JR.

Assistant Treasurer
WILLIAM B. DUNLAP

Assistant Secretary
JOHN M. DETTRA

* Deceased.
To the Stockholders of  
Lee Rubber & Tire Corporation:

The Treasurer’s report appended hereto shows the financial condition of the Company at the close of business October 31, 1932, and the result of operations for the year ended that date.

During the year the Company has paid off its bank debt and has no bank debt at the writing of this report.

The Treasurer’s report shows the strong financial condition of the Company, cash on deposit being in excess of twice the amount of the Company’s current liabilities, and its total current assets are equal to over $14.00 for each $1.00 of current liabilities outstanding.

Inventories of both raw materials and finished goods have been taken at cost or market, whichever was lower, and the Company has substantial quantities of rubber on hand and on contract at favorable prices, which were at or below the market prices prevailing October 31, 1932.

We have added still further during the year to a more general distribution of the Company’s products, and, while the total sales show a decrease of 5.2% in dollar value, the number of units sold during the year shows an increase over the preceding year.

During the year the Directors authorized a purchase out of surplus funds of 25,700 shares of capital stock of the Company, which, added to the 1,035 shares already owned, makes 24,735 shares owned as of October 31, 1932, at a cost price of $63,290.00,
The selling price of tires still remains very low, as does also the price of mechanical goods. The Company, however, is well protected on low cost inventories and raw materials, and, with its strong financial position, having no mortgages and no bank debts, should be able to hold its position in the industry.

It is gratifying to report that the net profits for this year, after all reserves, are $150,032.15.

Our plants have been maintained in good condition, $129,654.54 having been spent on maintenance and repairs, which amount has been charged to operations, this in addition to the regular charges for depreciation.

The books and accounts have been audited by Messrs. Peat, Marwick, Mitchell & Company, Certified Public Accountants, whose Certificate of Audit is attached hereto.

By order of the Board of Directors.

Respectfully submitted,

John J. Watson,
President.
December 24, 1932.

To the Board of Directors,

Lee Rubber and Tire Corporation,
Conshohocken, Pa.

We have examined the accounts of the Lee Rubber and Tire Corporation and its subsidiaries, the Lee Tire and Rubber Company of New York, Inc., the Republic Rubber Company of Ohio and Lee of Conshohocken Tires, Inc., for the year ended October 31, 1932.

The cash and bank balances have been confirmed by count or by certificates from the depositaries.

The marketable and other securities were inspected by us.

The accounts and notes receivable, while not confirmed by communication with the debtors, were reviewed as to age and collectibility and, in our opinion, reasonable provision has been made for probable losses.

Merchandise, work in process, materials and supplies are stated in accordance with physical inventories taken and priced under the direction of the management and certified by an official of the Corporation as to description, quantities and valuation on the basis of the lower of cost or market. The labor has been included in the merchandise and work in process at the rates in effect at October 31, 1932. We have tested the prices and computations of the inventories and satisfied ourselves as to the general basis of valuation.

The values placed upon the plant and equipment and the adequacy of the reserve for depreciation were not verified by us.

All ascertained liabilities have been included in the accounts.

In our opinion, based on our examination and information furnished to us, and subject to the observations indicated, the accompanying Consolidated Balance Sheet and relative Profit and Loss and Surplus Accounts set forth the financial condition of the Corporation as at October 31, 1932 and the result of the combined operations for the year.

Peat, Marwick, Mitchell & Co.
## ASSETS

### Current Assets:

- **Cash in Banks and on Hand**: $631,017.57

### Notes and Accounts Receivable:

- **Customers’ Notes Receivable, less Reserve**: $155,667.46
- **Customers’ Accounts Receivable, less Reserves for Doubtful Accounts**: $367,740.29 and Cash Discounts $1,717,846.89
- **Sundry Accounts Receivable**: 3,337.51
- **Advances to Salesmen and Employees**: 10,793.92

### Inventories:

- **Raw Materials, Finished Goods, Etc.**: $993,256.46
- **Raw Materials in Storage**: 120,240.80
- **Total Current Assets**: $3,632,160.61

### Investments:

- **Securities of Non-Affiliated Corporations, at Cost**: $2,792.33
- **26,735 Shares Re-acquired Capital Stock of Lee Rubber and Tire Corporation, at Cost**: 63,290.00
- **Miscellaneous**: 2,008.54

### Charges Deferred to Future Operations:

- **Real Estate not used for Manufacturing Purposes**: 87,904.65

### Plants and Equipment:

- **Plant and Equipment**: 7,154,989.56

### Patents:

- **Patents**: 1.00

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Total Assets: $11,004,113.57
# TREASURER’S REPORT

LEE RUBBER AND TIRE CORPORATION
LEE TIRE & RUBBER COMPANY OF NEW YORK, INC.
REPUBLIC RUBBER COMPANY OF OHIO
LEE OF CONSHOHOCKEN TIRES, INC.

Consolidated Balance Sheet As At October 31, 1932

## LIABILITIES

<table>
<thead>
<tr>
<th>Current Liabilities</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$210,530.70</td>
</tr>
<tr>
<td>Accrued Expenses</td>
<td>$48,011.77</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>$258,542.47</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mortgages Payable on Real Estate Employed in Retail Stores Operation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$75,476.70</strong></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Reserves</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustment of Tire Claims, Etc.</td>
<td>$49,622.64</td>
</tr>
<tr>
<td>Depreciation of Plant and Equipment</td>
<td>$2,827,512.61</td>
</tr>
<tr>
<td>Workmen’s Compensation Insurance</td>
<td>$47,177.10</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$8,212.31</td>
</tr>
<tr>
<td>Contingencies</td>
<td>$253,362.80</td>
</tr>
<tr>
<td><strong>Total Reserves</strong></td>
<td><strong>3,185,887.46</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital Stock</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lee Rubber and Tire Corporation</td>
<td></td>
</tr>
<tr>
<td>Authorized and Issued—300,000 Shares</td>
<td>$1,500,000.00</td>
</tr>
<tr>
<td>Par Value $5.00 per Share</td>
<td></td>
</tr>
<tr>
<td><strong>Capital Surplus</strong></td>
<td><strong>$5,355,384.09</strong></td>
</tr>
<tr>
<td>Surplus</td>
<td>$628,822.85</td>
</tr>
<tr>
<td><strong>Total Capital Stock</strong></td>
<td><strong>$6,855,206.94</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contingent Liabilities—None Reported</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$11,004,113.57</td>
</tr>
</tbody>
</table>

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| $11,004,113.57 |
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CONSOLIDATED PROFIT AND LOSS AND SURPLUS ACCOUNTS

For the Year Ended October 31, 1932

**Net Sales after all Discounts and Allowances** .... $6,411,099.26

**Cost of Goods Sold, including Freight, Selling Expenses, Administration Expenses and General Expenses, Depreciation, Inventory Adjustments and Reserves** .... 6,283,942.57

**Operating Profit** .... $127,156.69

**Miscellaneous Income:**

- Interest Earned .... $11,477.30
- Profit on Sale of Sundry Merchandise .... 25,960.14
- Miscellaneous .... 17,136.68

**Total Miscellaneous Income** .... $54,574.12

**Less Miscellaneous Charges:**

- Interest Paid .... $28,303.20
- Miscellaneous .... 3,395.46

**Miscellaneous Income (Net)** .... 22,875.46

**Net Income** .... $150,032.15

**Surplus as at October 31, 1931** .... $486,660.22

**Deduct: Loss on Sale of Capital Assets** .... 7,869.52

**Surplus as at October 31, 1932** .... $478,790.70

**Add: Net Income for the year ended October 31, 1932** .... 150,032.15

**Surplus as at October 31, 1932** .... $628,822.85

A. A. Garthwaite, Treasurer.
BRANCHES

ATLANTA . . . . . . 312-18 Spring St., N. W.
BOSTON . . . . . . . 76 Brookline Ave.
BRYN MAWR . . . . . . 900 Lancaster Ave.
CHICAGO . . . . . . . 3666 Archer Ave.
COLUMBUS . . . . . . . 266 East Long St.
DALLAS . . . . . . . 2213 Griffin St.
LOS ANGELES . . . . . . . 1130 E. 8th St.
LOUISVILLE . . . . . . . 551 S. First St.
MEMPHIS . . . . . . . 1035 Union Ave.
MINNEAPOLIS . . . . . . . 1011 Harmon Place
NEW YORK CITY . . . . . . . 855 Eleventh Ave.
PHILADELPHIA . . . . . . Broad & Spring Garden
PITTSBURGH . . . . . . . 953 Liberty Ave.
PORTLAND, OR . . . . . . . Broadway & Flanders
SAN FRANCISCO . . . . . . . 51 Main St.

DISTRIBUTORS

Baltimore, MD . . . . . . Fallows & Bath Sts.
BUFFALO, N. Y . . . . . . . 1433 Main St.
BUTTE, MONT . . . . . . . 229 E. Broadway
COLUMBIA, S. C . . . . . . 1009 Gervais St.
DETROIT, MICH . . . . . . . 427 Randolph St.
EVANSVILLE, IND . . . . . . 521 Sycamore St.
FLORENCE, S. C . . . . . . . 207 E. Cheves St.
FT. WORTH, TEX . . . . . . . Houston & Weatherford
GLEN'S FALLS, N. Y . . . . 45 Warren St.
HAGERSTOWN, MD . . . . . . 53 W. Franklin St.
JAMAICA, L. I . . . . . . . 108-26 Hillside Ave.
LANCASTER, PA . . . . . . . 106 N. Prince St.
MILFORD, DEL . . . . . . . 300 Second Ave., S.
NASHVILLE, TENN . . . . . 300 Second Ave., S.
NEWARK, N. J . . . . . . . 52 Dickerson St.
NORRISTOWN, PA . . . . . 10-12 E. Marshall St.
NORRISTOWN, PA . . . . . 317 Cherry St.
PLATTSBURGH, N. Y . . . . 37-39 River St.
POTTSTOWN, PA . . . . . . . 124 King St.
POTTSTOWN, PA . . . . . . . 700 W. Market St.
RICHMOND, VA . . . . . . . 1300 Hull St.
ROCHESTER, N. Y . . . . . 114 University Ave.
ST. LOUIS, MO . . . . . . . 3869 Lindell Blvd.
SCRANTON, PA . . . . . . . 328 N. Washington St.
TERRA HAUTE, IND . . . . 1220 Wabash Ave.
TOLEDO, OHIO . . . . . . . 27 Superior St.
YOUNGSTOWN, OHIO . . . . 450 W. Federal St.

WAREHOUSES

ABILENE, TEXAS . . . . . . . 1390 N. First St.
ALLENTOWN, PA . . . . . . . 31-37 N. 4th St.
BANGOR, MAINE . . . . . . . 213 Exchange St.
CHATTANOOGA, TENN . . . . 717 Pine St.
CINCINNATI, OHIO . . . . . 2342 Gilbert Ave.
CLEVELAND, OHIO . . . . . 2923 Carnegie Ave.
EUGENE, ORE . . . . . . . 89 Oak St., E.
FRESNO, CALIF . . . . . . . 134 0 Van Ness Ave.
HARRISBURG, PA . . . . . . . 141 h & Market Sts.
HOUStON, TEXAS . . . . . . . Milam & Pierce
HUNTINGTON, W. VA . . . . . 121 h St.
LITTLE ROCK, ARK . . . . . . 1000 W. 7th St.
MANCHESTER, N. H . . . . . 27 Lowell St.
NEW ORLEANS, LA . . . . . . . 755 St. Charles St.
NORFOLK, VA . . . . . . . 102 W. Bute St.
PHILADELPHIA, PA . . . . . . . 229 N. 23rd St.
PHOENIX, ARIZ . . . . . . . 30 3 S. Fourth St.
PORTLAND, ME . . . . . . . 33 5 Forest Ave.
READING, PA . . . . . . . North Third St.
SACRAMENTO, CAL . . . . . 111 h & "Y" Sts.
SAN ANTONIO, TEX . . . . . 1301 W. Commerce St.
SEATTLE, WASH . . . . . . . 151 9 Tenth Ave.
SPOKANE, WASH . . . . . . . 112 5 W. First Ave.
SPRINGFIELD, MASS . . . . 6 4 Howard St.
SYRACUSE, N. Y . . . . . . . 422 W. Onondaga Ave.
ST. PAUL, MINN . . . . . . . 376-8 Main Ave.
TAMPA, FLA . . . . . . . 311 So. Margaret St.
TROY, N. Y . . . . . . . 13 River St.
WASHINGTON, D. C . . . . 1629 14th St., N. W.
WILLIAMSPORT, PA . . . . . Williamsport, S. St.
WILMINGTON, DEL . . . . . . . 1223 Market St.
YAKIMA, WASH.