MELVILLE SHOE CORPORATION

ANNUAL REPORT

1941
DIRECTORS

J. FRANKLIN McELWAIN, Chairman

FREDERIC ATTWOOD
WILLIAM J. COBB
ROBERT C. ERB
JOEL E. FISHER

FREDERICK S. LITTLE
WARD MELVILLE
JOSEPH L. MERRILL
FRANCIS P. MURPHY

SEWARD M. PATERSON

OFFICERS

WARD MELVILLE, President and Treasurer

WILLIAM J. COBB, Vice-President
JOSEPH L. MERRILL, Vice-President
JOHN B. FITCH, Ass't. Vice-President

JOEL E. FISHER, Secretary
H. ALBERT BRODIN, Ass't. Treasurer
ARTHUR PAAR, Ass't. Secretary

COUNSEL

DAVIS POLK WARDWELL GARDINER & REED

AUDITORS

PEAT, MARWICK, MITCHELL AND CO.

TRANSFER AGENT

IRVING TRUST COMPANY

1 Wall Street, New York

REGISTRAR

CITY BANK FARMERS TRUST CO.

22 William Street, New York
TO THE STOCKHOLDERS OF
MELVILLE SHOE CORPORATION:

THE TWENTY-EIGHTH annual report of Melville Shoe Corporation and subsidiaries, for the year ending December 31, 1941, is submitted herewith. This report includes the J. F. McElwain Company, Melville Realty Co. Inc., and the R-W Realty Co. Inc.

NET INCOME
The consolidated net income for the year amounted to $2,924,275, as against $3,210,961 for the year 1940. This represents, after preferred dividends, earnings of $2.64 per share, as compared with $2.96 per share in 1940. Income for 1941, before provision for Federal income and excess profits taxes, was the largest of any year in the history of the business, and exceeded income for 1940, before taxes, by $414,130.

DIVIDENDS
During the year, in addition to regular dividends on the outstanding 5% cumulative convertible preferred stock of the company, there was paid $2.25 per share on the common stock, as in 1940.

SALES
Dollar sales at retail for the year amounted to $46,653,910, as compared with $40,260,777 in 1940, an increase of 15.88%. Unit sales at retail for the year were 12,220,781 pairs of shoes, as against 10,933,085 pairs in 1940, a gain of 11.78%; and 15,464,997 pairs of hosiery as compared with 14,156,889 pairs in 1940, a gain of 9.24%. In both dollars and units the volume of business in 1941 was the largest in the history of the company.
Sales of the J. F. McElwain Company for 1941, including inter-
company sales, were $28,588,553, compared with $22,446,029 in
1940, an increase of 27.36%.

CURRENT POSITION
At the year end, the total current assets were $16,377,160 of which
$7,497,291 was cash, as against current liabilities of $4,680,254, a
ratio of 3.50 to one. The company made no bank loans during the
year and has no funded indebtedness.

TAXES
Taxes paid or accrued during the year amounted to $2,786,000
which is equivalent to $2.98 per share of common stock outstanding
compared with $2,006,593 in 1940 or $2.18 per share, and with
$1,612,206 in 1939 or $1.75 per share. Under the present law, the
company can earn, without being subject to the excess profits taxes,
approximately $2.14 per share, after Federal income taxes.

INVENTORY
At the end of the year, inventory amounted to $6,796,418 as com-
pared with $6,721,273 at December 31, 1940. In 1941, the com-
pany adopted the elective method of inventory valuation (“last-in
first-out”) provided for in the Revenue Act of 1939. The adoption
of this method serves to minimize the distortion of annual earnings
due to appreciation or depreciation in inventory values during a
period of extensive changes in commodity price levels. A major
portion of the 1941 inventory was computed at cost based on the
last-in first-out method, less reserve for markdowns; with a portion
(about $975,000) computed at the lower of cost or market, less
reserve for markdowns. The 1940 inventory was carried at the
lower of cost or market, less reserve for markdowns. The effect of
the change in method was to reduce the amount of inventories by
approximately $800,000 and to reduce the year’s earnings after
Federal taxes, by approximately $220,000 or about twenty-four cents per share.

WAGES
The company paid out in wages and compensation $11,982,680, an increase of $2,134,800 over 1940.

WAR
The effects of the declaration of war on the company’s operations, so far as they have been observed, are outlined on pages 13 and 14. It is obviously impossible at this time to foresee what tax laws may be enacted, how long the war may last, and the full extent of governmental shoe requirements. The company recognizes that the nation’s military needs come first. It also recognizes and will endeavor to discharge its responsibilities to its stockholders, employees and customers. Because the company’s organization has demonstrated its strength and flexibility in meeting a variety of day-to-day situations, we hope and expect that we shall be able to solve whatever problems may arise.

Respectfully submitted

J. Franklin McElvee
CHAIRMAN OF THE BOARD

Ward McElvee
PRESIDENT

March 6, 1942
### Melville Shoe Corporation and Subsidiary Companies

#### CONSOLIDATED BALANCE SHEET—DECEMBER 31, 1941–1940

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>1941</th>
<th>1940</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash in banks and on hand</td>
<td>$7,497,291</td>
<td>$7,369,918</td>
</tr>
<tr>
<td>U. S. savings bonds, at cost</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>U. S. Treasury tax notes, Series B, 1943</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable (trade, $465,215; misc., $50,037)</td>
<td></td>
<td>$461,955</td>
</tr>
<tr>
<td>Less reserve for doubtful accounts</td>
<td>$15,442</td>
<td>$20,307</td>
</tr>
<tr>
<td></td>
<td>$499,810</td>
<td>$441,648</td>
</tr>
<tr>
<td>Advance payments on merchandise</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories, at cost based on “last-in first-out” method less reserve for markdowns (see Note I):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finished goods</td>
<td>$4,514,111</td>
<td>$4,898,399</td>
</tr>
<tr>
<td>Work in process, raw materials, and supplies</td>
<td>$2,282,307</td>
<td>$1,822,874</td>
</tr>
<tr>
<td></td>
<td>$6,796,418</td>
<td>$6,721,273</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>$16,377,160</td>
<td>$14,844,013</td>
</tr>
<tr>
<td><strong>INVESTMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock of other company</td>
<td>7,730</td>
<td>9,923</td>
</tr>
<tr>
<td>Cash held by bank as security for store managers’ deposits</td>
<td>150,000</td>
<td>110,811</td>
</tr>
<tr>
<td>Cash surrender value of $1,004,000 of life insurance policies on the life of the President</td>
<td>156,188</td>
<td>135,014</td>
</tr>
<tr>
<td></td>
<td>$313,918</td>
<td>$255,748</td>
</tr>
<tr>
<td><strong>FIXED ASSETS (at estimated replacement values at December 31, 1931, as determined by the Corporation, plus subsequent additions at cost):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and buildings</td>
<td>$1,439,645</td>
<td>$1,412,131</td>
</tr>
<tr>
<td>Building on leased land, New York (see Note 2)</td>
<td>$408,521</td>
<td>$408,521</td>
</tr>
<tr>
<td>Machinery and equipment (see Note 3)</td>
<td>$862,622</td>
<td>$814,775</td>
</tr>
<tr>
<td>Store and office fixtures, improvements to leased store properties, and miscellaneous</td>
<td>$5,473,068</td>
<td>$5,109,493</td>
</tr>
<tr>
<td></td>
<td>$8,183,856</td>
<td>$7,744,920</td>
</tr>
<tr>
<td>Less: Reserves for depreciation and amortization</td>
<td>$4,728,161</td>
<td>$4,406,738</td>
</tr>
<tr>
<td></td>
<td>$3,455,695</td>
<td>$3,338,182</td>
</tr>
<tr>
<td><strong>PREPAID EXPENSES AND DEFERRED CHARGES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid insurance, taxes, rents and supplies</td>
<td>$323,071</td>
<td>$344,082</td>
</tr>
<tr>
<td>Bonuses, commissions, and legal expenses paid to procure leases, amount unamortized</td>
<td>$31,356</td>
<td>$42,552</td>
</tr>
<tr>
<td></td>
<td>$354,427</td>
<td>$386,634</td>
</tr>
<tr>
<td>Cash in preferred stock retirement fund (see Note 4)</td>
<td>$248,362</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$20,749,562</td>
<td>$18,824,577</td>
</tr>
</tbody>
</table>
Melville Shoe Corporation  
and Subsidiary Companies  

CONSOLIDATED BALANCE SHEET—DECEMBER 31, 1941-1940

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>1941</th>
<th>1940</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$1,995,540</td>
<td>$1,391,192</td>
</tr>
<tr>
<td>Accrued taxes, rents, royalties and sundry expenses</td>
<td>776,714</td>
<td>588,631</td>
</tr>
<tr>
<td>Provision for Federal income and excess profits taxes</td>
<td>1,908,000</td>
<td>1,172,863</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>$4,680,254</td>
<td>$3,152,686</td>
</tr>
<tr>
<td>Store managers' security deposits, and deposits on leases</td>
<td>151,188</td>
<td>157,079</td>
</tr>
<tr>
<td><strong>RESERVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-insurance</td>
<td>222,456</td>
<td>206,087</td>
</tr>
<tr>
<td>Pensions</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Store front replacements</td>
<td>68,777</td>
<td>61,869</td>
</tr>
<tr>
<td><strong>RESERVES</strong></td>
<td>$341,233</td>
<td>$317,956</td>
</tr>
<tr>
<td><strong>CAPITAL STOCK (see Note 4)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preferred—5% Cumulative Convertible (redeemable at $105 per share), par value $100 each:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorized—100,000 shares</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued—98,260 shares</td>
<td>9,826,000</td>
<td>9,826,000</td>
</tr>
<tr>
<td>Less: 2,336 shares in 1941 and 233 shares in 1940 converted into common on the basis of 3⅓ shares of common for 1 share of preferred</td>
<td>233,600</td>
<td>23,300</td>
</tr>
<tr>
<td>Less: Held in Treasury 1 share in 1941 and 575 shares in 1940</td>
<td>9,592,400</td>
<td>9,802,700</td>
</tr>
<tr>
<td>Less: Held in Sinking Fund for Retirement, 3,540 shares in 1941 and 2,948 shares in 1940</td>
<td>354,000</td>
<td>294,800</td>
</tr>
<tr>
<td><strong>COMMON—par value $1.00 each:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorized (including 277,149 shares reserved in 1941 and 330,764 in 1940 for issuance in exchange for preferred stock)—1,300,000 shares</td>
<td>927,072</td>
<td>919,711</td>
</tr>
<tr>
<td>Issued</td>
<td>$10,165,372</td>
<td>$10,370,111</td>
</tr>
<tr>
<td><strong>PAID-IN SURPLUS</strong></td>
<td>225,424</td>
<td>22,485</td>
</tr>
<tr>
<td><strong>EARNED SURPLUS</strong></td>
<td>5,186,091</td>
<td>4,804,260</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$20,749,562</td>
<td>$18,824,577</td>
</tr>
</tbody>
</table>


## Melville Shoe Corporation and Subsidiary Companies

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS

**FOR YEARS ENDED DECEMBER 31, 1941 AND 1940**

<table>
<thead>
<tr>
<th></th>
<th>1941</th>
<th>1940</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Store and factory sales</td>
<td>$75,242,463</td>
<td>$62,706,806</td>
</tr>
<tr>
<td>Store sales</td>
<td>$46,653,910</td>
<td></td>
</tr>
<tr>
<td>Factory sales</td>
<td>$28,588,553</td>
<td></td>
</tr>
<tr>
<td>Less inter-company sales</td>
<td>$23,882,831</td>
<td>$20,110,557</td>
</tr>
<tr>
<td><strong>Net sales</strong></td>
<td>$51,359,632</td>
<td>$42,596,249</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$35,453,504</td>
<td>$28,264,795</td>
</tr>
<tr>
<td><strong>DEDUCT:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Store operating, selling, general and administrative expenses</td>
<td>$10,565,664</td>
<td>$9,495,097</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$562,903</td>
<td>$541,536</td>
</tr>
<tr>
<td>Interest paid on store managers' deposits, etc.</td>
<td>$7,589</td>
<td>$8,393</td>
</tr>
<tr>
<td>Additional provision for pensions</td>
<td>$12,539</td>
<td>$15,344</td>
</tr>
<tr>
<td>Payment into Trust under Retirement Plan of Melville Shoe Corporation</td>
<td>$62,000</td>
<td>$—</td>
</tr>
<tr>
<td>Miscellaneous charges</td>
<td>$65,312</td>
<td>$48,720</td>
</tr>
<tr>
<td><strong>Total DEDUCT</strong></td>
<td>$11,276,007</td>
<td>$10,109,090</td>
</tr>
<tr>
<td><strong>ADD:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit on real estate operations</td>
<td>$51,160</td>
<td>$37,242</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>$72,067</td>
<td>$79,612</td>
</tr>
<tr>
<td><strong>Total ADD</strong></td>
<td>$123,227</td>
<td>$116,854</td>
</tr>
<tr>
<td><strong>Net income before Federal income and excess profits taxes</strong></td>
<td>$4,753,348</td>
<td>$4,339,218</td>
</tr>
<tr>
<td>Provision for Federal income and excess profits taxes</td>
<td>$1,829,073</td>
<td>$1,128,257</td>
</tr>
<tr>
<td>(Including $5,543,500 for excess profits taxes in 1941 and $68,400 in 1940)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$2,924,275</td>
<td>$3,210,961</td>
</tr>
</tbody>
</table>
Melville Shoe Corporation
and Subsidiary Companies

CONSOLIDATED STATEMENTS OF SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 1941

CONSOLIDATED PAID-IN SURPLUS

Surplus arising from conversion of Preferred 5% cumulative convertible stock into Common stock as of December 31, 1940... $ 22,485
Addition during 1941 ........................................ 202,939

Balance as of December 31, 1941 ...................... $ 225,424

CONSOLIDATED EARNED SURPLUS

Consolidated earned surplus as of December 31, 1940 .......... $4,804,260
Net income for the year ended December 31, 1941 .......... 2,924,275

Deduct:
  Dividends paid:
    Preferred stock—5% ........................................ $ 472,324
    Common stock—$2.25 per share ......................... 2,070,030
  .................................................. 2,542,354

Premium paid on purchase of preferred 5% cumulative convertible stock ........................................ 90 2,542,444

Consolidated earned surplus as of December 31, 1941 .......... $5,186,091
(1) Inventories have been determined on the basis of physical inventories taken principally during the latter part of the year and adjusted to the end of the year. Prior to 1941 the Companies valued inventories at the lower of cost or market, cost being computed principally on the basis of current averages by classes, with some raw materials on the basis of specific invoice cost. In 1941, for cost valuation of inventories, and for computing cost of goods sold, the Companies adopted the elective method ("last-in, first-out") provided for in the Revenue Act of 1939 as to all inventories except approximately $975,000 stated at the lower of cost or market. The effect of this change has been to decrease the amount of the inventories by approximately $800,000, to decrease the income before taxes by the same amount and to decrease the net income after taxes by approximately $220,000. Market referred to is replacement market.

(2) The building on leased land is operated under the terms of a lease of which the current period expires on January 1, 1946 with the option on the part of the Corporation, subject to expenditures during or before 1946 of an additional amount estimated at $700,000, to extend it for two further periods of twenty-one years each. Provision for the amortization of the building is being made over the current period of the lease.

(3) Under the customary terms of lease agreements covering machinery leased, the J. F. McElwain Company, a subsidiary, is liable to the lessor for deferred license fees of $53,031.60 (net) as of December 31, 1941 in the event that such machinery is returned to the lessor; in addition, the subsidiary is obligated to pay all repair charges and return freight costs when and as leased machinery is returned to the lessor.

(4) On August 2 in the year 1940 and in each year thereafter, so long as any preferred stock remains outstanding in the hands of others than the Corporation, the Corporation shall make available for the purchase and retirement of preferred stock a sum in cash (or in reacquired preferred stock taken at par) equal to the par value of 3% of the maximum aggregate amount of preferred stock which shall have been issued prior to the first day of January in the then current year plus an amount equal to dividends thereon from August 1 to August 31, plus a premium of 5% of such par value. The amount to be made available August 2, 1942 is $310,747.25.
ACCOUNTANTS' REPORT

To the Board of Directors,
Melville Shoe Corporation,
New York, N. Y.

We have examined the Consolidated Balance Sheet of the Melville Shoe Corporation and Subsidiary Companies as of December 31, 1941, and the statements of Consolidated Profit and Loss and Surplus for the year then ended, have reviewed the system of internal control and the accounting procedures of the Companies and, without making a detailed audit of the transactions, have examined or tested accounting records of the Companies and other supporting evidence, by methods and to the extent we deemed appropriate. Our examination was made in accordance with generally accepted auditing standards applicable in the circumstances and included all procedures which we considered necessary.

In 1941 the Companies adopted the elective method of inventory pricing ("last-in first-out") provided for in the Revenue Act of 1939 as to all inventories except approximately $975,000 stated at the lower of cost or market. The effect of this change has been to decrease the amount of the inventories by approximately $800,000, to decrease the income before taxes by the same amount and to decrease the net income after taxes by approximately $220,000.

In our opinion, the accompanying Consolidated Balance Sheet and the related statements of Consolidated Profit and Loss and Surplus present fairly the consolidated position of the Melville Shoe Corporation and Subsidiary Companies at December 31, 1941 and the results of the operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year except as to the change indicated above.

PEAT, MARWICK, MITCHELL & Co.

February 27, 1942
Effect of War

ARMY SHOES

In 1941, the company supplied the U. S. Government with 565,391 pairs of shoes, valued at $1,787,953. This resulted in a considerable shortage of shoes in the company's stores in December and the early months of 1942. Consumer demand increased and factory production could not be increased accordingly. The company's factory production has always been coordinated closely with retail demand, as evidenced by the fact that in practically every year for the past ten years the factories have operated at maximum capacity fifty weeks per year. The company's price on army shoes, which was the lowest of all bidders on each occasion during 1941 that it submitted a bid, was figured to include a moderate profit. In that part of 1941 during which the company was manufacturing army shoes, it was necessary to operate overtime, with additional labor expense. Since January 2, 1942, the company has been awarded contracts for 918,024 pairs, valued at $3,213,154, for delivery prior to July 1, 1942.

The allocation of a considerable portion of the company's capacity to war business may require some curtailment of production for civilian use, resulting in a decrease in the volume of pairs sold at retail. Eventually, the number of men called into the armed services would provide another possible cause of a decrease in retail pair sales. While it is estimated that only about 7% of the company's present customers for men's shoes will enter the services during the coming year, the final percentage will be much higher under the present plans for expansion of the Army and Navy.

GOVERNMENTAL PRICE CEILINGS

During the first six months of 1941, there was a steady advance in the prices of hides and skins. Because of this, and the consequent advance in the cost of army shoes, the Government in June put a ceiling on the price of hides, somewhat under the prices prevailing at that time. In December, a ceiling was placed on the prices of all types of leather. This put a definite brake upon the upward price movement, and had a very stabilizing effect. Materials, however, are only
one factor in the cost of production, representing from 50% to 60% of the total; and the fixing of maximum leather prices does not guarantee that prices of finished goods will not advance further.

SIMPLIFICATION

Some months before the outbreak of war, the company began to simplify its merchandise lines, in anticipation of possible later difficulties in securing particular kinds of leather and other materials. Numerous changes were made in the types of leather used in different styles of shoes, so that the least possible difficulty would be experienced in maintaining total volume of shoes manufactured. The company has reduced the number of styles of men's shoes; and, while it will endeavor to maintain an adequate range of styles for the customer's selection, there will be a further reduction. Crepe rubber soled shoes have been eliminated entirely. Rubber heels are available only in black, these being made from reclaimed rubber. Other changes will be made either because of lack of materials or because of the reservation of certain types of leather for Army use.

MANPOWER

There were on March 1, 1942, 294 former members of the organization serving in the armed forces of the United States. Of this number, 240 have come from the stores and warehouse, and 54 from the factories, a total of 294 out of 6,653, or 4.4%. Most of the company's store managers are in deferred classes, largely because of age or family obligations, but many assistants and salesmen, in addition to those already inducted, are subject to call. The operating problem thus created is eased by the experience of the company's store managers—more than 80% of whom have been continuously employed by the company for more than five years, and nearly one-half of whom have been employed by the company for more than ten years—and by the ability of the company's supervisors to recruit and train new employees. 40% of the workers in the company's factories are women. Women may be employed to a greater extent in both factories and stores.

STORE AND WAREHOUSE IMPROVEMENTS

While there will be some curtailment of materials used in store repairs and improvements, the company's stores are in good operating condition at the present time. During the year 1941, 131 stores were remodelled, enlarged, or
otherwise improved. In 37 stores, air-conditioning was installed, bringing the number of air-conditioned stores to 183. In 1941, the company expended, and charged against operations, $304,099 for maintenance and repairs, as compared with $216,696 in 1940. $778,914 was expended for capital improvements in 1941, against $795,214 in 1940. Depreciation charged against operations amounted to $562,903, as compared with $541,536 in 1940.

Under the company's program for improving store facilities and store locations where possible, 27 stores were replaced by new stores in better locations in the same communities; 20 stores were opened in new communities; and 27 stores were closed. On December 31, 1941, there were 659 stores in operation, which compared with 666 on December 31, 1940. The 659 stores in operation at the year-end included 11 John Ward stores, 1 John Ward leased department, 10 Frank Tod stores, 619 Thom McAn stores and 18 Thom McAn leased departments.

In August, the company opened a subsidiary warehouse in Memphis, Tennessee, to provide its stores in the southwestern and southern sections of the country with more rapid replacements of shoes and to make it possible for these stores to do business more efficiently or on smaller inventories.
Stores of Melville Shoe Corporation
as at December 31, 1941

JOHN WARD—12 STORES
New York (5) Brooklyn (2) Bronx
Newark Philadelphia Washington
Detroit*

FRANK TOD—10 STORES
New York (4) Brooklyn Jersey City
Newark Lawrence Passaic
Hackensack

THOM McAN—637 STORES
(in 348 cities in 40 states, including the District of Columbia)

New England

CONNECTICUT (22)
(165 stockholders)†
Bridgeport (2)
Bristol
Danbury
Derby
Hartford (3)
Meriden
Middletown
New Britain
New Haven (3)
New London
Norwich
South Manchester
South Norwalk
Stamford
Waterbury (2)
Willimantic*

MAINE (2)
(22 stockholders)
Lewiston
Portland

Massachusetts (56)
(523 stockholders)
Allston
Arlington
Attleboro
Beverly*
Boston (6)
Brockton
Cambridge
Chelsea
Dorchester (2)
East Boston
Everett
Fall River
Fitchburg
Framingham
Gloucester
Haverhill
Holyoke
Hyde Park
Lawrence (2)
Lowell
Lynn (2)
Malden
Marlboro*
Medford
Milford*
New Bedford (3)
Northampton *
Norwood
Pittsfield
Quincy
Randolph
Revere
Salem
Somerville (2)
South Boston
Southbridge *
Springfield (2)
Wakefield
Waltham
Watertown
Webster *
Woburn
Worcester (2)

NEW HAMPSHIRE (4)
(111 stockholders)
Concord
Manchester
Portsmouth
Rochester *

RHODE ISLAND (11)
(52 stockholders)
Newport
Pawtucket (2)
Providence (5)
Westerly
West Warwick
Woonsocket

VERMONT (1)
(12 stockholders)
Burlington

Middle Atlantic

NEW YORK (138)
(1,115 stockholders)
Albany (3)
Amsterdam
Auburn
Bay Shore
Binghamton
Buffalo (6)
Elmira
Freeport
Glens Falls
Hempstead
Huntington
Jamestown
Kenmore
Kingston
Lockport *
Lynbrook
Mount Vernon
Newburgh
New Rochelle
New York:
Manhattan (39)
Bronx (14)
Brooklyn (32)
Queens (14)
Richmond (2)
Niagara Falls
Olean
Peekskill
Port Chester
Port Jefferson Station *
Poughkeepsie
Rochester (3)
Schenectady
Syracuse (2)
Troy
Utica (2)
Yonkers (2)
White Plains

NEW JERSEY (41)
(359 stockholders)
Asbury Park
Atlantic City
Bayonne
Bloomfield
Camden (2)
Dover
Elizabeth (2)
Englewood
Hackensack
Harrison
Hoboken
Irvington
Jersey City (4)
Long Branch
Montclair
Morristown
Newark (7)
New Brunswick
Orange
Passaic
Paterson (2)
Plainfield
Red Bank
Rutherford
Somerville
Trenton
Union City
West New York
Wrightstown

PENNSYLVANIA (49)
(360 stockholders)

Allentown
 Altoona
 Beaver Falls
 Braddock
 Chester
 Erie (2)
 Easton
 Greensburg
 Harrisburg
 Hazleton
 Homestead
 Johnstown
 McKeesport
 New Castle
 New Kensington
 Norristown
 Philadelphia (18)
 Pittsburgh (6)
 Pottsville
 Reading
 Scranton
 Shenandoah
 Upper Darby
 Wilkes-Barre
 Wilkinsburg
 York

East North Central

ILLINOIS (39)
(206 stockholders)

Aurora
 Bloomington
 Champaign
 Chicago (24)
 Danville
 Decatur
 Elgin
 Evanston
 Joliet
 Kankakee
 Moline
 Oak Park
 Peoria
 Quincy
 Rock Island
 Springfield

INDIANA (20)
(24 stockholders)

Anderson
 Bloomington *
 Elkhart
 Evansville (2)
 Fort Wayne (2)
 Gary
 Hammond
 Indianapolis (3)
 Jeffersonville *
 Lafayette
 Marion
 Muncie
 New Albany
 Richmond
 South Bend
 Terre Haute

MICHIGAN (33)
(64 stockholders)

Ann Arbor
 Battle Creek
 Bay City
 Dearborn
 Detroit (16)
 Flint
 Grand Rapids
 Hamtramck
 Highland Park
 Jackson
 Kalamazoo
 Lansing
 Muskegon
 Pontiac
 Port Huron
 River Rouge
 Royal Oak
 Saginaw

OHIO (44)
(191 stockholders)

Akron (2)
 Alliance
 Ashtabula *
 Canton
 Cincinnati (6)
 Cleveland (12)
 Columbus (3)
 Dayton (3)
 Hamilton
 Lakewood
 Lima
 Lorain
 Mansfield
 Norwood
 Portsmouth
 Springfield
 Steubenville
 Toledo (3)
 Warren
 Youngstown (2)

WISCONSIN (10)
(51 stockholders)

Eau Claire
 Kenosha
 La Crosse
 Madison
 Milwaukee (4)
 Oshkosh
 West Allis

West North Central

IOWA (4)
(18 stockholders)

Davenport
 Des Moines (2)
 Dubuque

KANSAS (1)
(4 stockholders)

Wichita

MINNESOTA (6)
(42 stockholders)

Duluth
 Minneapolis (4)
 St. Paul

MISSOURI (18)
(51 stockholders)

Kansas City (4)
 Maplewood
 St. Joseph
 St. Louis (12)

NEBRASKA (2)
(9 stockholders)

Lincoln
 Omaha
South Atlantic

DELAWARE (2)
(8 stockholders)
Wilmington (2)

DISTRICT OF COLUMBIA (6)
(35 stockholders)
Washington (6)

FLORIDA (10)
(61 stockholders)
Jacksonville (2)
Miami (2)
Pensacola
Orlando
Tampa
West Palm Beach
Ybor City

GEORGIA (7)
(15 stockholders)
Athens*
Atlanta (2)
Augusta
Columbus
Macon
Savannah

MARYLAND (12)
(76 stockholders)
Baltimore (10)
Cumberland
Hagerstown

NORTH CAROLINA (7)
(21 stockholders)
Asheville
Charlotte
Durham
Greensboro
Raleigh
Winston Salem

SOUTH CAROLINA (5)
(10 stockholders)
Charleston
Columbia
Florence*
Greenville
Spartanburg

VIRGINIA (8)
(42 stockholders)
Lynchburg
Newport News
Norfolk (2)
Portsmouth
Richmond (2)
Roanoke

WEST VIRGINIA (5)
(15 stockholders)
Charleston
Clarksburg
Huntington
Parkersburg
Wheeling

South Central

ALABAMA (5)
(7 stockholders)
Birmingham (2)
Ensley
Mobile
Montgomery

ARKANSAS (3)
(2 stockholders)
Fort Smith
Hot Springs
Little Rock

KENTUCKY (8)
(30 stockholders)
Ashland*
Covington
Lexington
Louisville (3)
Newport
Paducah

LOUISIANA (7)
(13 stockholders)
Baton Rouge
Monroe
New Orleans (4)
Shreveport

MISSISSIPPI (5)
(3 stockholders)
Biloxi*
 Greenville
Jackson
Meridian
Vicksburg

OKLAHOMA (2)
(6 stockholders)
Oklahoma City
Tulsa

TENNESSEE (7)
(15 stockholders)
Chattanooga
Johnson City
Knoxville
Memphis (3)
Nashville

TEXAS (29)
(23 stockholders)
Abilene
Amarillo
Austin
Beaumont
Bryan*
Corpus Christi
Dallas (4)
El Paso
Fort Worth (2)
Galveston
Houston (4)
Laredo
Lubbock
McAllen
Port Arthur
San Angelo
San Antonio (3)
Tyler
Waco
Wichita Falls

Mountain

ARIZONA (2)
(7 stockholders)
Phoenix
Tucson

COLORADO (3)
(16 stockholders)
Denver (2)
Pueblo

NEW MEXICO (1)
(2 stockholders)
Albuquerque

UTAH (2)
(5 stockholders)
Ogden
Salt Lake City

*Indicates Leased Department.

In states are shown the number of individual holders of record of common stock in states where the company's stores are operated. Corporations' and brokers' holdings have been omitted. There are more stockholders in each state (except Arkansas, Mississippi and Texas) than stores. Many employees and customers are stockholders.
MELVILLE SHOE CORPORATION

EXECUTIVE OFFICES: 25 West 43rd Street, New York
ACCOUNTING AND GENERAL OFFICES AND WAREHOUSE:
44 Hammond Street, Worcester, Mass.

J. F. McELWAIN COMPANY

FACTORIES: Nashua (4) and Manchester (7), N. H.
GENERAL OFFICES: 103 Temple Street, Nashua, N. H.
BOSTON OFFICE: 140 Federal Street