MELVILLE SHOE CORPORATION

ANNUAL REPORT

• 1947 •
MELVILLE SHOE CORPORATION

Directors

J. FRANKLIN McELWAIN, Chairman
FREDERICK S. LITTLE
FREDERIC ATTWOOD
WARD MELVILLE
WILLIAM J. COBB
JOSEPH L. MERRILL
ROBERT C. ERB
FRANCIS P. MURPHY
JOEL E. FISHER
SEWARD M. PATERSON

Officers

WARD MELVILLE, President
JOHN B. FITCH, Vice-President
J. L. MERRILL, Vice-President
EDWARD W. HEMPHILL, Vice-President
GEORGE DICK, Vice-President
LEONARD A. SHEA, Vice-President
LESTER R. FALLON, Vice-President
J. BRENT WELLS, Vice-President
JOEL E. FISHER, Secretary
H. ALBERT BRODIN, Treasurer
ARTHUR PAAR, Ass't Secretary
FRANK SOKOL, Ass't Treasurer

Counsel

DAVIS POLK WARDWELL SUNDERLAND & KIENDL

Auditors

PEAT, MARWICK, MITCHELL AND CO.

Transfer Agent

IRVING TRUST COMPANY
1 Wall Street, New York 15

Registrar

CITY BANK FARMERS TRUST CO.
20 William Street, New York 15
J. F. McELWAIN COMPANY

Directors

WILLIAM J. COBB
RANDALL D. ESTEN
ROBERT C. ERB
FRANCIS H. GLEASON
JAMES C. MACKAY
J. FRANKLIN McELWAIN
WARD MELVILLE
JOSEPH L. MERRILL
FRANCIS P. MURPHY
ROBERT A. T. NELSON
SEWARD M. PATERSON

Officers

J. FRANKLIN McELWAIN, Chairman
ROBERT A. T. NELSON, Vice-President
ROBERT C. ERB, President
JAMES C. MACKAY, Vice-President
FRANCIS H. GLEASON, Executive Vice-President
RANDALL D. ESTEN, Treasurer
FRANCIS P. MURPHY, Vice-President
CLINTON P. WALLACE, Comptroller
SEWARD M. PATERSON, Vice-President
A. H. FISCHER, Assistant Treasurer

MELVILLE REALTY CO., INC. and
THE R-W REALTY CO., INC.

ARTHUR PAAR, President
JAMES O. THOMAS, Vice-President
H. A. BRODIN, Treasurer
JOEL E. FISHER, Secretary
BERTHA K. SMITH, Assistant Secretary
TO THE STOCKHOLDERS OF
MELVILLE SHOE CORPORATION:

The THIRTY-FOURTH annual report of Melville Shoe Corporation and subsidiaries for the year ending December 31, 1947, is submitted herewith. This report includes the J. F. McElwain Company, Melville Realty Co. Inc., and The R-W Realty Co. Inc.

NET INCOME

Consolidated net income for the year was the largest in the history of the company; it amounted to $5,419,690, as against $3,895,968 for the year 1946. This represents, after preferred dividends, earnings of $2.45 per share on common stock outstanding at the end of the year, which compares with $1.73 per share, on the same basis, in 1946.

DIVIDENDS

During the year, in addition to the regular dividends on the outstanding cumulative convertible preferred stock, there was paid $1.65 per share on the common stock. This compares with $1.15 per share in 1946. The company has paid dividends each year since 1916.

SALES

Combined sales were $120,559,367 as compared with $95,286,144 in 1946, an increase of 26.5%. Sales at retail amounted to $71,992,773, compared with $60,213,552 in 1946, an increase of 19.6%. Unit sales of shoes at retail for the year decreased; 11,017,192 pairs were sold in 1947, a decrease of 5% from the 11,599,430 pairs sold in 1946.
Unit sales of hosiery in 1947 were 15,191,144 pairs, compared with 12,844,657 pairs in 1946, an increase of 18.3%.

Sales of the J. F. McElwain Company for 1947, including intercompany sales, were $48,566,594, compared with $35,072,592 in 1946.

CURRENt POSITION

At the end of the year, the total current assets were $22,869,235 of which $13,994,740 was cash and U. S. Government securities, as against current liabilities of $9,516,110, a ratio of 2.40 to one.

The company had no bank loans during the year and has no funded indebtedness.

TAXES

The company's taxes for 1947 amounted to $4,971,733 which is equivalent to $2.32 per share of common stock outstanding.

Provision for Federal income taxes amounted to $4,018,000, compared with $2,691,000 in 1946.

WAGES

The company's payments for wages and compensation in 1947 were $3,018,827 more than in 1946, which in turn had increased $1,690,718 over 1945.

After payments for materials, merchandise, taxes, and other necessary expenses, and the amount retained in the business, 84.2% of the remaining distributable income went to the company's 7,062 employees. To the company's 7,211 common stockholders was distributed the balance of 15.8%; this represented 2.92% of combined sales.
INVENTORY

At the end of the year, inventory amounted to $7,647,800 as compared with $5,312,696 at December 31, 1946. Inventory in relation to sales was normal. The major portion of the inventory (about 80%) was computed at cost based on the last-in first-out method—a method which automatically protects the company against possible inventory losses in the event of a drop in prices. A minor portion of the inventory (in 1947 about $1,542,000) was computed at the lower of average cost or market.

SUPPLY AND DEMAND

During 1947 the supply of shoes came into balance with demand, principally because the comparatively large sales in 1946 had filled the accumulated shortages which had been brought about by war conditions.

Despite the fact that the country’s per capita shoe sales dropped below the 1946 level, pair sales of Thom McAn men’s shoes, the company’s principal product, were 0.6% larger than in 1946. This compares with an estimated decline of 5.8% for all men’s shoes sold in the United States. Although future volume depends on what the consumer will buy at the going level of prices and on general economic conditions, shopping tests indicate that, at current prices, Thom McAn men’s shoes are competitively stronger than at any time in the company’s history.

STORE OPERATIONS

During the year, 52 stores were remodelled, enlarged, or otherwise improved; 19 stores were replaced by new stores in different locations in the same communities; 8 stores were opened in new communities, five of which were on the Pacific
Coast; and 8 stores were closed. On December 31, 1947, there were in operation 519 stores, the same number as at the end of the previous year. These consisted of 10 John Ward stores; 506 Thom McAn stores and 3 Thom McAn departments.

In 1947, the company expended, and charged against operations, $648,558 for maintenance and repairs, as compared with $420,837 in 1946. $1,675,577 was expended for capital additions and improvements in 1947 against $918,319 in 1946. Depreciation charged against operations amounted to $383,701, as compared with $351,355 in 1946.

PROXIES

Proxies will be solicited on or about March 16, 1948, for the Annual Meeting to be held on April 5, 1948.

Respectfully submitted,

[Signature]
CHAIRMAN OF THE BOARD

[Signature]
PRESIDENT

March 11, 1948.
## Stores, Sales and Earnings—1933-1947

<table>
<thead>
<tr>
<th>Year-end</th>
<th>Stores at Year-end</th>
<th>Pairs Sold</th>
<th>Pairs per Store</th>
<th>Total Sales at Retail</th>
<th>Factory Sales</th>
<th>Combined Sales</th>
<th>Wages and Compensation</th>
<th>Total Direct Taxes</th>
<th>Combined Income Before Federal I &amp; E P Taxes†</th>
<th>Combined Earnings after Taxes</th>
<th>Earnings per common share*</th>
<th>Dividends per common share**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1933</td>
<td>535</td>
<td>6,369,254</td>
<td>12,489</td>
<td>$21,112,783</td>
<td>$10,631,665</td>
<td>$31,744,448</td>
<td>$5,367,621</td>
<td>$592,982</td>
<td>$2,345,562</td>
<td>$2,069,059</td>
<td>$.87</td>
<td>$.50</td>
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<tr>
<td>1934</td>
<td>583</td>
<td>7,686,068</td>
<td>13,635</td>
<td>27,215,927</td>
<td>14,398,584</td>
<td>41,614,611</td>
<td>6,334,385</td>
<td>770,788</td>
<td>3,072,171</td>
<td>2,634,265</td>
<td>1.13</td>
<td>.45</td>
</tr>
<tr>
<td>1936</td>
<td>651</td>
<td>9,907,356</td>
<td>15,654</td>
<td>35,300,758</td>
<td>19,578,204</td>
<td>54,878,962</td>
<td>8,530,006</td>
<td>1,283,826</td>
<td>4,282,927</td>
<td>3,534,897</td>
<td>1.56</td>
<td>1.25</td>
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<tr>
<td>1937</td>
<td>690</td>
<td>10,314,791</td>
<td>15,388</td>
<td>38,155,438</td>
<td>22,199,736</td>
<td>60,355,174</td>
<td>9,976,357</td>
<td>1,335,660</td>
<td>3,344,873</td>
<td>2,801,695</td>
<td>1.21</td>
<td>1.25</td>
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<tr>
<td>1938</td>
<td>677</td>
<td>10,146,182</td>
<td>14,732</td>
<td>36,042,235</td>
<td>15,053,609</td>
<td>55,095,894</td>
<td>9,390,127</td>
<td>1,364,004</td>
<td>2,808,403</td>
<td>2,255,534</td>
<td>.98</td>
<td>.75</td>
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<tr>
<td>1939</td>
<td>663</td>
<td>10,713,767</td>
<td>16,058</td>
<td>38,326,853</td>
<td>21,721,707</td>
<td>60,048,560</td>
<td>9,913,010</td>
<td>1,625,112</td>
<td>3,873,292</td>
<td>3,141,161</td>
<td>1.37</td>
<td>1.00</td>
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<tr>
<td>1940</td>
<td>665</td>
<td>10,933,085</td>
<td>16,458</td>
<td>40,260,777</td>
<td>22,446,029</td>
<td>62,706,806</td>
<td>9,847,880</td>
<td>1,921,556</td>
<td>4,339,218</td>
<td>3,210,961</td>
<td>1.40</td>
<td>1.12</td>
</tr>
<tr>
<td>1941</td>
<td>659</td>
<td>12,220,781</td>
<td>18,427</td>
<td>46,653,910</td>
<td>28,588,553</td>
<td>75,242,463</td>
<td>11,982,680</td>
<td>2,789,468</td>
<td>4,753,348</td>
<td>2,924,275</td>
<td>1.27</td>
<td>1.22</td>
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<tr>
<td>1942</td>
<td>579</td>
<td>11,857,383</td>
<td>19,020</td>
<td>51,644,040</td>
<td>36,982,550</td>
<td>88,626,590</td>
<td>13,990,280</td>
<td>5,714,719</td>
<td>7,478,200</td>
<td>2,582,863</td>
<td>1.11</td>
<td>1.00</td>
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<tr>
<td>1943</td>
<td>556</td>
<td>8,797,480</td>
<td>15,621</td>
<td>39,238,095</td>
<td>29,288,336</td>
<td>68,526,432</td>
<td>11,778,538</td>
<td>2,985,542</td>
<td>4,674,122</td>
<td>2,452,069</td>
<td>1.05</td>
<td>1.00</td>
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<tr>
<td>1944</td>
<td>549</td>
<td>8,397,002</td>
<td>15,234</td>
<td>37,051,163</td>
<td>33,238,881</td>
<td>70,290,044</td>
<td>13,018,344</td>
<td>2,545,030</td>
<td>3,884,527</td>
<td>2,152,797</td>
<td>.93</td>
<td>1.00</td>
</tr>
<tr>
<td>1945</td>
<td>536</td>
<td>8,846,691</td>
<td>16,338</td>
<td>41,216,792</td>
<td>34,956,285</td>
<td>76,173,077</td>
<td>14,038,631</td>
<td>3,008,300</td>
<td>4,631,577</td>
<td>2,400,907</td>
<td>1.03</td>
<td>1.00</td>
</tr>
<tr>
<td>1946</td>
<td>519</td>
<td>11,595,430</td>
<td>22,098</td>
<td>60,213,552</td>
<td>35,072,592</td>
<td>95,286,144</td>
<td>15,728,749</td>
<td>3,397,749</td>
<td>6,586,968</td>
<td>3,895,968</td>
<td>1.73</td>
<td>1.15</td>
</tr>
<tr>
<td>1947</td>
<td>519</td>
<td>11,017,192</td>
<td>21,364</td>
<td>71,592,773</td>
<td>48,566,594</td>
<td>120,559,367</td>
<td>18,747,576</td>
<td>4,971,733</td>
<td>9,437,690</td>
<td>5,419,690</td>
<td>2.45</td>
<td>1.65</td>
</tr>
</tbody>
</table>

*Actual union of Melville Shoe Corporation and J. F. McElwein Company did not occur until December 22, 1939.

*On basis of the capitalization of Melville Shoe Corporation as of December 31, 1947, which is after giving effect to changes in the number of common shares outstanding.

**On stock outstanding each year. Adjusted, all years, for 2-for-1 split; adjusted, before 1940, on basis of reclassification of stock incident to union with J. F. McElwein Co., which involved exchange of 1 share of old common stock for 2 shares of new common stock and 1/10 share of preferred stock.
Melville Shoe Corporation
and Subsidiary Companies

STATEMENT OF CONSOLIDATED PROFIT AND LOSS
FOR THE YEARS ENDED DECEMBER 31, 1947 AND 1946

<table>
<thead>
<tr>
<th></th>
<th>1947</th>
<th>1946</th>
</tr>
</thead>
<tbody>
<tr>
<td>SALES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Store and factory sales</td>
<td>$120,559,367</td>
<td>$95,286,144</td>
</tr>
<tr>
<td>Store sales</td>
<td>$71,992,773</td>
<td></td>
</tr>
<tr>
<td>Factory sales</td>
<td>48,566,594</td>
<td></td>
</tr>
<tr>
<td>Less Inter-company sales</td>
<td>43,413,417</td>
<td>31,450,800</td>
</tr>
<tr>
<td>Net sales</td>
<td>77,145,950</td>
<td>63,835,344</td>
</tr>
<tr>
<td>Cost of sales and store operating, selling, general and administrative expenses</td>
<td>67,264,835</td>
<td>56,551,996</td>
</tr>
<tr>
<td></td>
<td>$ 9,881,115</td>
<td>$ 7,283,348</td>
</tr>
<tr>
<td>DEDUCT:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>383,701</td>
<td>351,355</td>
</tr>
<tr>
<td>Employees' retirement plan of Melville Shoe Corporation</td>
<td>153,494</td>
<td>124,716</td>
</tr>
<tr>
<td>Provision for excess cost of replacing inventories maintained on &quot;last-in, first-out&quot; basis, after allowing for Federal taxes on income applicable thereto</td>
<td>—</td>
<td>368,073</td>
</tr>
<tr>
<td>Other charges</td>
<td>106,332</td>
<td>52,846</td>
</tr>
<tr>
<td></td>
<td>643,527</td>
<td>896,990</td>
</tr>
<tr>
<td>ADD:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit on real estate operations</td>
<td>39,943</td>
<td>100,875</td>
</tr>
<tr>
<td>Refund of prior years Federal taxes</td>
<td>46,223</td>
<td>—</td>
</tr>
<tr>
<td>Other income</td>
<td>113,936</td>
<td>99,735</td>
</tr>
<tr>
<td></td>
<td>200,102</td>
<td>200,610</td>
</tr>
<tr>
<td>Net income before Federal taxes on income</td>
<td>$ 9,437,690</td>
<td>$ 6,586,968</td>
</tr>
<tr>
<td>Provision for Federal taxes on income</td>
<td>4,018,000</td>
<td>2,691,000</td>
</tr>
<tr>
<td>Net Income</td>
<td>$ 5,419,690</td>
<td>$ 3,895,968</td>
</tr>
</tbody>
</table>

See page 13 for notes to financial statements
Melville Shoe Corporation and

CONSOLIDATED BALANCE SHEET AS OF DE

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>1947</th>
<th>1946</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash in banks and on hand</td>
<td>$10,715,904</td>
<td>$ 8,815,823</td>
</tr>
<tr>
<td>United States Government securities, at cost</td>
<td>3,278,836</td>
<td>6,889,836</td>
</tr>
<tr>
<td>Accounts receivable—trade and miscellaneous, less reserve for doubtful accounts</td>
<td>708,617</td>
<td>612,149</td>
</tr>
<tr>
<td>Inventories, at cost based on “last-in, first-out” method less reserve for markdowns (See Note 1):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finished goods</td>
<td>4,869,113</td>
<td>2,575,307</td>
</tr>
<tr>
<td>Work in process, raw materials, and supplies</td>
<td>2,778,687</td>
<td>2,737,389</td>
</tr>
<tr>
<td>Prepaid insurance, taxes, rents, supplies, etc.</td>
<td>518,078</td>
<td>504,161</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>$22,869,235</td>
<td>$22,134,665</td>
</tr>
<tr>
<td>Refunds of Federal taxes under Section 22(d) (6) of the Internal Revenue Code resulting from replacement of inventories maintained on “last-in, first-out” basis</td>
<td>1,408,449</td>
<td>322,251</td>
</tr>
</tbody>
</table>

| INVESTMENTS |          |            |
| Cash and United States Government securities, at cost, held by bank as security for store managers' deposits | 142,000 | 142,000 |
| Cash surrender value of $764,000 of life insurance policies on life of the President | 214,358 | 194,366 |
| Other, at cost |  | 68,200 |
| Total | $ 356,358 | $ 404,566 |

| FIXED ASSETS (at estimated replacement values at December 31, 1931, as determined by the Corporation, plus subsequent additions at cost): |          |            |
| Land and buildings | 1,746,715 | 1,659,422 |
| Machinery and equipment | 1,205,097 | 1,067,054 |
| Store and office fixtures, improvements to leased store properties and miscellaneous equipment | 6,600,334 | 5,533,520 |
| Less Reserves for depreciation and amortization | 9,552,146 | 8,259,996 |
| 5,814,238 | 5,760,056 |
| Total | $ 3,737,908 | $ 2,499,940 |
| Cash in preferred stock retirement fund (See Note 2) | 414,491 | 206,980 |
| Total | $28,786,441 | $25,568,402 |

See page 13 for notes to financial statements

10
CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>1947</th>
<th>1946</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable—trade</td>
<td>$ 2,994,287</td>
<td>$ 2,967,769</td>
</tr>
<tr>
<td>Accrued taxes, rents, royalties, and sundry expenses</td>
<td>2,175,150</td>
<td>1,642,514</td>
</tr>
<tr>
<td>Employees' war bond deductions</td>
<td>37,711</td>
<td>38,597</td>
</tr>
<tr>
<td>Provision for Federal taxes on income</td>
<td>4,308,962</td>
<td>2,996,624</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>$ 9,516,110</strong></td>
<td><strong>$ 7,645,504</strong></td>
</tr>
</tbody>
</table>

- **Store managers' security deposits and deposits on leases**   | 112,317    | 110,768    |
- **Reserves for self insurance, replacement of inventories**   | 265,938    | 653,532    |

CAPITAL STOCK (See Notes 2 and 3):

- **Preferred—4% cumulative convertible (redeemable at $105 per share) par value $100 each:**
  - Authorized 80,000 shares.
  - Issued 65,668 shares.                                     | 6,566,800   | 6,566,800  |
  - Less 25,558 shares converted into common in 1947 and 23,050 shares in 1946. | 2,555,800   | 2,305,000  |
  - Less held for retirement, 6 shares.                       | 4,010,000   | 4,261,800  |

- **Common—par value $1.00 each:**
  - Authorized (including 200,520 shares reserved in 1947 and 213,060 shares in 1946 for issuance on conversion of preferred stock) 2,500,000 shares.
  - **Total**                                                  | **$11,429,755** | **$11,429,755** |

EARNED SURPLUS

- **Total**                                                  | **$28,786,441** | **$25,568,402** |
Melville Shoe Corporation
and Subsidiary Companies

STATEMENT OF CONSOLIDATED EARNED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 1947

Consolidated earned surplus as of December 31, 1946...... $5,728,843
Net income for the year ended December 31, 1947........ 5,419,690

DEDUCT:
Cash dividends paid:
Preferred stock—4%.............................. $ 167,035
Common—$1.65 per share....................... 3,519,177

Consolidated earned surplus as of December 31, 1947..... $7,462,321

See accompanying notes to financial statements
Melville Shoe Corporation
and Subsidiary Companies

NOTES TO FINANCIAL STATEMENTS

(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. A substantial part of the physical inventories was observed by the Companies' independent public accountants who also tested the inventory prices and computations. The Companies continued the policy of determining inventories by the elective method ("last-in, first-out") provided for in the Revenue Act of 1939 except as to approximately $1,542,000 at December 31, 1947 and $1,666,000 at December 31, 1946 stated at the lower of cost or replacement market (cost being computed principally on the basis of current averages by classes, with some materials on the basis of specific invoice cost).

(2) Under the sinking fund provisions of the Certificate of Incorporation relating to the preferred stock $207,511 is required to be paid on August 2, 1948.

(3) The excess of common stock capital liability over the aggregate par value of issued shares amounting to $5,278,297 at December 31, 1947 represents capital arising from conversion of Preferred shares of the par value of $100 each into common shares of the par value of $1 each and is included in common stock capital because of statutory requirements and resolution of the Board of Directors.
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, 1947, and the statements of Consolidated Profit and Loss and Earned 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 and included all procedures which we considered necessary in the circumstances.

In our opinion, the accompanying Consolidated Balance Sheet and related statements of Consolidated Profit and Loss and Earned Surplus present fairly the consolidated position of the Melville Shoe Corporation and Subsidiary Companies at December 31, 1947 and the results of their operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.

February 19, 1948.
Stores of Melville Shoe Corporation
as at December 31, 1947

JOHN WARD—10 STORES

New York (4) Brooklyn (2) Bronx
Newark Philadelphia Washington

THOM McAN—509 STORES (Including Leased Departments)
(in 294 cities in 39 states and the District of Columbia)

ALABAMA (4)
Birmingham (2)
Mobile
Montgomery

ARIZONA (2)
Phoenix
Tucson

ARKANSAS (1)
Little Rock

CALIFORNIA (6)
Glendale
Oakland
Richmond
Sacramento
San Diego
San Jose

COLORADO (1)
Denver

CONNECTICUT (20)
Bridgeport (2)
Bristol
Danbury
Derby
Hartford (3)
Meriden
Middletown
New Britain
New Haven (3)
New London
Norwich
South Manchester
South Norwalk
Stamford
Waterbury

DELAWARE (1)
Wilmington

DISTRICT OF COLUMBIA (3)
Washington (3)

FLORIDA (10)
Jacksonville (2)
Lakeland
Miami (2)
Pensacola
St. Petersburg
Tampa
West Palm Beach
Ybor City

INDIANA (15)
Anderson
Elkhart
Evansville
Fort Wayne (2)
Gary
Hammond
Indianapolis (3)
Lafayette
Marion
Muncie
Richmond
South Bend

IOWA (2)
Davenport
Des Moines

GEORGIA (6)
Atlanta (2)
Augusta
Columbus
Macon
Savannah

ILLINOIS (25)
Aurora
Chicago (15)
Danville
Decatur
Joliet
Kankakee
Moline
Peoria
Quincy
Rock Island
Springfield

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

LOUISIANA (6)
Baton Rouge
Monroe
New Orleans (3)
Shreveport

*Indicates Leased Department
<table>
<thead>
<tr>
<th>State</th>
<th>Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maine</td>
<td>Lewiston, Portland</td>
</tr>
<tr>
<td>Maryland</td>
<td>Baltimore, Cumberland, Hagerstown</td>
</tr>
<tr>
<td>Minnesota</td>
<td>Duluth, Minneapolis, St. Paul</td>
</tr>
<tr>
<td>Mississippi</td>
<td>Biloxi, Greenville, Jackson, Vicksburg</td>
</tr>
</tbody>
</table>
| Missouri   | Kansas City, Maplewood, St. Joseph, St. Louis, 
|            | Lincoln, Omaha                              |
| Nebraska   | Lincoln, Omaha                              |
| New Hampshire | Manchester, Portsmouth                      |
| New Jersey | Asbury Park, Atlantic City, Bayonne, Bloomfield, Camden, Elizabeth, Hackensack, Harrison, Hoboken, Irvington, Asbury Park, Atlantic City, Bayonne, Bloomfield, Camden, Elizabeth, Hackensack, Harrison, Hoboken, Irvington, Asbury Park, Atlantic City, Bayonne, Bloomfield, Camden, Elizabeth, Hackensack, Harrison, Hoboken, Irvington |
| New York   | Albany, Amsterdam, Bay Shore, Binghamton, Buffalo, Elmira, Freeport, Glens Falls, Hempstead, Huntington, Jamestown, Kenmore, Lynbrook, Mount Vernon, Newburgh, New Rochelle, New York, Manhattan, Bronx, Brooklyn, Queens, Richmond, Niagara Falls, Peekskill, Port Chester, Poughkeepsie, Rochester, Schenectady, Syracuse, Troy, Utica, Yonkers, White Plains |

*Indicates Leased Department*
NORTH CAROLINA (8)
Asheville
Charlotte
Durham
Greensboro
High Point
Raleigh
Wilmingtom
Winston-Salem

HAZLETON
Homestead
Johnstown
McKeesport
New Castle
Philadelphia (14)
Pittsburgh (9)
Pottsville
Reading
Scranton
Upper Darby
Wilkes-Barre
York

El Paso
Fort Worth (2)
Galveston
Houston (3)
Laredo
Port Arthur
San Antonio (3)
Waco
Wichita Falls

OHIO (39)
Akron (2)
Alliance
Canton
Cincinnati (5)
Cleveland (10)
Columbus (3)
Dayton (3)
Hamilton
Lima
Lorain
Mansfield
Norwood
Portsmouth
Springfield
Stevensburg
Toledo (3)
Warren
Youngstown (2)

Newport
Pawtucket (2)
Providence (5)
Westerly
West Warwick
Woonsocket

OKLAHOMA (2)
Oklahoma City
Tulsa

SOUTH CAROLINA (4)
Charleston
Columbia
Greenville
Spartanburg

RHODE ISLAND (11)

TENNESSEE (5)

Charitanooga
Johnson City
Knoxville
Memphis
Nashville

TEXAS (22)

Charleston
Clarksburg
Huntington
Wheeling

Allentown
Altoona
Beaver Falls
Braddock
Chester
Erie (2)
Greensburg

Abilene
Amarillo
Austin
Beaumont
Corpus Christi
Dallas (3)

madison
Milwaukee (2)
Osiski
West Allis

RHODE ISLAND (11)

Newport
Pawtucket (2)
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West Warwick
Woonsocket

SOUTH CAROLINA (4)
Charleston
Columbia
Greenville
Spartanburg

UTAH (2)

Ogden
Salt Lake City

VERMONT (1)

Burlington

WISCONSIN (5)

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Osiski
West Allis

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WEST VIRGINIA (4)

Charleston
Clarksburg
Huntington
Wheeling
MELVILLE SHOE CORPORATION

Executive Offices: 25 West 43rd Street, New York 18
Accounting and General Offices and Warehouse:
44 Hammond Street, Worcester 3, Mass.

J. F. McELWAIN COMPANY

Factories: Nashua, N. H. (4); Manchester, N. H. (7);
Athol, Mass. (1); Dover, N. H. (1)
General Offices: 103 Temple Street, Nashua, N. H.
Boston Office: 140 Federal Street, Boston 10