95th Annual Report
to the stockholders of the

SCOVILL
MANUFACTURING COMPANY

December 31, 1945
Factories and Offices

SCOVILL MANUFACTURING COMPANY
MAIN PLANT AND GENERAL OFFICES
99 MILL STREET - WATERBURY 91, CONNECTICUT

Divisions - Factories

HAMILTON BEACH COMPANY
Racine, Wisconsin

OAKVILLE COMPANY
Oakville, Connecticut

MORENCY-VAN BUREN
Sturgis, Michigan

WATERVILLE
WATERVILLE, CONNECTICUT

ATLANTA 3, GEORGIA
Volunteer State Life Bldg.

BOSTON 16, MASSACHUSETTS
441 Stuart Street

CHICAGO 5, ILLINOIS
Field Building
135 South La Salle Street
(Maintain Warehouse Stock at 1229 West Washington Blvd.)

CINCINNATI 2, OHIO
49 Central Avenue
(Maintain Warehouse Stock)

CLEVELAND 13, OHIO
Terminal Tower Building
50 Public Square

DETROIT 7, MICHIGAN
6460 Kercheval Avenue

LOS ANGELES 25, CALIFORNIA
2627 South Soto Street
(Maintain Warehouse Stock)

AKRON, OHIO
705 Johnston Street
(Maintain Warehouse Stock)

A. SCHRADER'S SON (Main Plant)
470 Vanderbilt Avenue
Brooklyn 17, New York

A. SCHRADER'S SON (Canadian Plant)
394 King Street, East
TORONTO 2, Canada

A. SCHRADER'S SON (European Plant)
829 Tyburn Road, Erdington
BIRMINGHAM 21, ENGLAND

SALES OFFICES

ATLANTA 3, GEORGIA
Volunteer State Life Bldg.

BOSTON 16, MASSACHUSETTS
441 Stuart Street

CHICAGO 5, ILLINOIS
Field Building
135 South La Salle Street
(Maintain Warehouse Stock at 1229 West Washington Blvd.)

CINCINNATI 2, OHIO
49 Central Avenue
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394 King Street, East
TORONTO 2, Canada

A. SCHRADER'S SON (European Plant)
829 Tyburn Road, Erdington
BIRMINGHAM 21, ENGLAND

LYNCHBURG, VIRGINIA
Allied Arts Building

NEW YORK 17, NEW YORK
Chrysler Building
42nd St. & Lexington Ave.

PHILADELPHIA 3, PENNSYLVANIA
Broad Street Station Building
1617 Pennsylvania Boulevard

PITTSBURGH 16, PENNSYLVANIA
5989 West Liberty Avenue

PROVIDENCE 3, RHODE ISLAND
183 Public Street
(Maintain Warehouse Stock)

SAN FRANCISCO 7, CALIFORNIA
134 Brannan Street
(Maintain Warehouse Stock)

SYRACUSE 2, NEW YORK
Syracuse-Kemper Insurance Bldg.

OFFICES FOR A. SCHRADER'S SON DIVISION ONLY

MELBOURNE, AUSTRALIA
Schrader-Scovill Company
Proprietary Limited

Transfer Agent
THE COLONIAL TRUST COMPANY
WATERBURY, CONNECTICUT
AUSTIN L. ADAMS
BENNET BRONSON
JOHN P. ELTON
W. SHIRLEY FULTON
CHAUNCEY P. GOSs, JR.
CHAUNCEY P. GOSs, 3rd
WILLIAM M. GOSs

ARTHUR P. HICKCOX
WILLIAM T. HUNTER
FRANCIS T. REEVES
LEAVENWORTH P. SPERRY
MARK L. SPERRY, JR.
ROGER S. SPERRY
HENRY W. WILD

President & Treasurer
Executive Vice President
Vice President
Vice President
Vice President
Vice President
Vice President
Vice President
Vice President
Vice President
Executive Vice President
Vice President
Vice President
Vice President
Vice President
Vice President
Vice President
Vice President
Vice President
Secretary & General Counsel
Assistant Treasurer & Comptroller
Assistant Secretary
Assistant Secretary
Assistant Secretary & Assistant Comptroller
Assistant Secretary/Assistant Comptroller
Vice President & Assistant Treasurer
Assistant Secretary
Assistant Treasurer & General Manager
Assistant Secretary
Vice President & General Manager
Assistant General Manager
Assistant Secretary
Assistant Secretary
General Manager

LEAVENWORTH P. SPERRY
WILLIAM M. GOSs
CHAUNCEY P. GOSs, JR.
BURDON P. HYDE
MARK L. SPERRY, 2nd
CLARENCE P. COOK
WILLIAM F. BURKE
JOHN H. HOBBIN
THOMAS B. MYERS
EDWIN Q. BANGS
BENNET BRONSON
GEORGE BOBEN
WESLEY LEAVENWORTH
CHARLES F. DOHERTY
WILLIAM T. HUNTER
Selden T. Williams
ROY L. deBRAUWERE
SAMUEL G. GAILLARD, JR.
March 18, 1946

The Board of Directors submits herewith its annual report for 1945, with financial statements and the report of Messrs. Ernst & Ernst, independent auditors.

Up to the end of the war in August the Company was engaged almost exclusively in the production of material under contracts and subcontracts for the United States Government. The sudden and practically complete cancellation of those contracts, with the heavy expense entailed in getting under way on commercial work, the rearrangement of plants, the great decline in production with its necessary reorganization of personnel, the clearance of the factories of government machinery and of inventories on which claims were made, and particularly the price policies of the Office of Price Administration which, in general, froze prices at levels of 1940 and 1941 when wages were much less, all combined to make the latter part of the year very unprofitable.

This condition was carried over into 1946, though on a diminishing scale, until made considerably worse by a strike which stopped production for several weeks in our Main Plant, Waterville and Oakville Divisions in Waterbury. The general wage increases forced throughout the country must be compensated by increased prices, but the policies of and confusion in the Office of Price Administration do not promise early or adequate relief. In a business such as ours which sells many highly competitive articles, the margins of profit are small and insufficient to absorb the wage increases since 1940, much less the additional increases now being established. The amount of business available for our plants should keep us busy and enable us to put to work more employees when they become available.

Due to the nature of things, the results of operations for no one year during the war should be taken by itself from an accounting point of view. Reallocation of amortization which took place in September, 1945 threw back into 1941 and subsequent years additional charges which affected renegotiation settlements, and also required a revision of taxes. Many costs at the war's end likewise were really applicable to the whole war period. For these reasons there is submitted herewith, for the information of stockholders, a statement of income as adjusted, showing the results of operations in total for the five year period 1941 to 1945 inclusive, as well as for the year 1945 alone.

Net income for the year 1945, after provision for taxes and all charges, amounted to $3,049,634, equal to $2.91 per share of capital stock outstanding.

For the five year period 1941-1945 inclusive, our adjusted net income averaged $8,602,731 per annum, which was 8.86% on average annual sales of $93,349,098. For the preceding five prewar years on a comparable basis, net income of our Company was 5.35% on average annual sales of $35,424,972. Cash dividends were paid throughout the five year period 1941-1945 at the annual rate of $2.00 per share.

Cash dividends of $.50 each per share were paid on April 2, 1945, July 2, 1945, and October 1, 1945, and the same amount was declared payable on January 2, 1946. In view of lower operations and earnings brought about by the unsatisfactory price situation as well as by strikes and higher wages, it was thought prudent to reduce...
the dividend rate to $.40 per share, and a dividend in that amount was declared for April 1, 1946.

Renegotiation of prices under government contracts for the year 1944 has been completed at a cost to the Company of $1,529,354 after applicable tax allowances. At the end of 1944, in the preliminary financial statements sent to stockholders, the sum of $2,093,676 was transferred to surplus to equal dividends paid in that year and the balance of income was set aside in an account called "Reserve for Undetermined Charges and Surplus." After charging against that reserve the cost of renegotiation and adjustments due to accelerated amortization and sundry other items, the balance, or $2,066,176, has been added to surplus for 1944. For the information and convenience of stockholders a restatement of the 1944 income statement is given on Page 11 of this report.

We have as yet no figure as to the cost of renegotiation for the year 1945, but we believe we have placed enough in reserve to cover it.

Expenditures in 1945 on plant assets subject to amortization were $355,095, and on those subject to depreciation $2,093,927.

As will be noted from the accompanying Consolidated Surplus account, there has been written off in 1945 as a matter of conservatism, the amount of $7,489,749 representing the excess cost of investment in stock of A. Schrader's Son, Inc. over the book value of its net tangible assets at date of acquisition in 1930, which item has been carried on our balance sheet since that time. Also, it will be noted that a credit of $9,924,799 has been carried to Surplus account in 1945 for the purpose of adjusting accumulated provisions for amortization of usable facilities acquired under Certificates of Necessity to the basis of normal depreciation as at December 31, 1945. This net amount was arrived at as follows. After some sales, assets subject to special amortization originally costing $8,371,181 remained on hand. Of this amount, $320,095 was charged off as it was spent for assets not of further use. The balance, $8,051,086, was added to gross plant account and $1,126,287 was added to reserve for depreciation. Depreciation on assets represented by this adjustment cannot be used for tax purposes in the future. Those assets constitute buildings and machinery of the most modern type which are essential to our production. They replace a considerable amount of older facilities, and will benefit all divisions of the Company.

Our Company made a great record during the war and we have received many letters of commendation from various departments of the Government. The greater part of our work having been for the Ordnance Department of the U. S. Army, we were especially pleased to have Lt. General L. H. Campbell, Chief of Ordnance, write us in part as follows: "It must be gratifying to you to know that you and your entire organization, men and women, have maintained your long standing reputation for quality, volume, and reliability throughout the entire war effort. As a low cost producer of basic material and complicated devices, you have established yourself as a major supplier of the Ordnance program. Your production of Fuzes, Primers, and Cartridge Cases has been exceptional."

By order of the Board of Directors

Leavenworth P. Sperry,
President
## ASSETS

### CURRENT ASSETS
- Cash: $4,875,988
- U. S. Government securities—at cost and accrued interest: $4,011,982
- Marketable securities—at cost ($332,940 at market quotations): $236,588
- Accounts receivable (less reserves of $166,906): $3,046,525
- Terminated war contract claims: $2,388,434
- Excess profits tax refund bonds (since realized): $819,999
- Inventories of raw, in process and finished materials, parts, etc. (Note A): $14,530,973
- Total current assets: $29,909,639

### INVESTMENTS AND OTHER ASSETS
- Claims for refund of renegotiation payments: $463,453
- Stocks, bonds, etc. (less reserves of $147,668): $297,525
- Premium deposits with mutual insurance companies: $417,049
- Sundry notes and accounts: $348,755
- Total investments and other assets: $1,526,762

### PROPERTY, PLANT AND EQUIPMENT
- Land, buildings, machinery and equipment, etc. (substantially at cost): $54,398,411
- Less reserves for depreciation: $28,623,045
- Total property, plant and equipment: $25,775,366

### INTEREST IN PATENTS, LICENSES, AND DEVELOPMENT EXPENDITURES OF JOINT VENTURE
- (at cost, less amortization and reserve): $427,537

### DEFERRED CHARGES
- Prepaid royalties, insurance, etc.: $122,066
- Total deferred charges: $57,756,870

(Note: All figures are in dollars and exclude notes appearing on page 10.)
Balance Sheet

and Subsidiaries December 31, 1945

LIABILITIES

CURRENT LIABILITIES
Accounts payable, accrued wages, expenses, etc., (including £25,000 note payable of English branch) $1,657,295
Balance payable to U. S. Government resulting from renegotiation for 1944 1,521,212
Dividend declared, payable January 2, 1946 523,419
Federal withholding tax on employees’ wages 365,649
 Provision for 1945 federal taxes on income and renegotiation — estimated $ 7,953,003
Less U. S. Treasury notes purchased for payment of such taxes when due 3,018,600 4,934,403
State and foreign taxes on income 583,506
Other taxes, including prior year adjustments—net 499,479
Total current liabilities $13,084,763

RESERVES
Special reserves to reduce inventories below both cost and market (Note B) $ 2,973,283
Contingency reserve 1,356,863 1,310,116

NOTE PAYABLE, 2 1/4%—Due July 1, 1950
Subject to payments based upon income, with annual maximum of $500,000, beginning May 1, 1946
Original principal $ 4,500,000
Less prepayment 1,700,000 9,800,000

CAPITAL STOCK
1,100,000 shares authorized (par $25.00 per share) $35,000,000
271,555 shares unissued 6,785,875
1,128,445 shares issued 28,216,125
81,807 shares in treasury 2,045,175
1,046,838 shares publicly owned 20,170,000
SURPLUS (Notes C and D) 11,390,511

(Notes appear on page 10)

$57,756,370
CONSOLIDATED

Statement of Income

SCOVILL MANUFACTURING COMPANY
and Subsidiaries

Year Ended December 31, 1945

With combined results for five year period, 1941-1945 inclusive

INCOME

Sales—billed for products, services and sundry (less returns and allowances, etc.) $466,745,492
Dividends, interest, rents, royalties and sundry income 1,105,721
Total Income $467,851,213

COSTS, EXPENSES AND ESTIMATED TAXES ON INCOME

Manufacturing, selling, transportation and general expenses (except the following items) 340,336,114
Taxes—property and sundry 4,774,378
Taxes—social security 5,709,855
Maintenance and repairs, etc. 82,041,466
Depreciation of plant facilities 5,320,826
Amortization of plant facilities 8,488,449
Loss on disposal of buildings, equipment and sundry assets 474,413
Loss on marketable and other securities sold or written off—net 587,704
Other charges including interest on prior years' taxes, amortization (1945—$44,117) of share of joint venture, etc. 1,163,196
Interest on long term debt 1,088,550
Debenture premium and expense 361,312
Estimated federal, state and foreign taxes on income (including provision of $7,000,000 for excess profits tax and renegotiation for 1945) 49,986,088
Transfers to Reserve for Contingencies—net 195,257
Total deductions from income 449,837,557
Net income for period 18,013,656

DEDUCT INCREASE IN INVENTORY RESERVES

To maintain total inventories at amounts below both cost and market as in previous years (Note B) 921,763
Balance to surplus $17,091,893 $2,387,797

DIVIDENDS PAID OR PAYABLE

$10,468,380 $2,093,676

(Notes appear on page 10)
SCOVILL MANUFACTURING COMPANY
and Subsidiaries

Year Ended December 31, 1945

BALANCE—DECEMBER 31, 1944:
Previously reported (preliminary) $ 8,607,427

ADDITIONS
Addition to Surplus for 1944:
Net income for year after renegotiation, accelerated amortization of plant facilities and sundry adjustments, including credit for decrease in special inventory reserves $4,159,852
Less preliminary amount transferred to Surplus in 1944 to equal dividends paid in that year 2,093,676
Cancellation of reserve set up in 1943 equivalent to post-war refund of excess profits tax, now no longer needed 2,066,176
Less sundry amortization, tax and other adjustments relating to 1943 11,635
Sundry amortization, tax and other adjustments relating to years 1941 and 1942—net 109,215
Surplus, December 31, 1944, as adjusted $11,616,410

ADD
Balance from consolidated statement of income for 1945, after deducting amount for increase in inventory reserves $2,382,727
Less cash dividends paid or payable:
Date Per Share Amount
April 2, 1945 $ 50 $523,419
July 2, 1945 50 523,419
October 1, 1945 .50 523,419
January 2, 1946 .50 523,419
Total dividends $2,006,676 280,051
$11,905,461

SPECIAL SURPLUS ADJUSTMENTS
Writing off excess of cost of investment in stock of A. Schrader’s Son, Inc., over book value of net tangible assets at date of acquisition in 1930 $7,439,749
Adjusting provisions for accumulated amortization of usable facilities acquired under Certificates of Necessity to the basis of normal depreciation as at December 31, 1945 6,924,790 514,950

BALANCE—DECEMBER 31, 1945 (Notes C and D) $11,390,511

(Notes appear on page 10)
NOTES TO

Financial Statements

SCOVILL MANUFACTURING COMPANY
and Subsidiaries

DECEMBER 31, 1945

NOTE A: Inventories are stated at cost on the "last-in, first-out" method, with respect to principal non-ferrous metals, other items being valued at the lower of cost or market. This basis was adopted by the Company for determining profits, as well as for federal income tax purposes, beginning with the year 1949.

NOTE B: The special reserves reduce inventories below both cost and market, following the Company's usual practice. The reserves have been maintained at an amount to bring the per pound valuation of copper to 5f, high grade zinc to 4k and all other zinc to 3.42f, with respect to practically all such metals in a raw state or contained in goods produced in the United States. In addition, as in the past, the reserves reduce by ten per cent the regular inventory valuation of certain finished goods and supplies, reduce the amount of overhead applicable to work in process and reduce to market certain other metal valued at cost in the inventory.

NOTE C: Renegotiation of prices under government contracts for the year 1944 has been completed and provision therefor has been made in the accompanying statements. No figure as to cost of renegotiation for 1945 is as yet available, but it is believed that enough has been placed in reserve to cover it.

NOTE D: Surplus at December 31, 1945 includes $1,600,614 paid in during 1937. Under provisions of the agreement relating to note payable July 1, 1950, certain restrictions exist in respect of payment of dividends and acquisitions of the Company's own stock in excess of consolidated net income since January 1, 1940, plus the sum of $2,500,000; the amount of surplus in the accompanying Consolidated Balance Sheet is $9,867,359 in excess of the amount thus restricted.

NOTE E: The Company is Trustee for its employees under an agreement with them to accumulate, from their pay, sums for the purchase for them of United States Savings Bonds. On December 31, 1945, the Company held as Trustee, $78,956 (not included in the Consolidated Balance Sheet) represented by $37 on hand, $48,825 on deposit in special bank accounts, and $30,094 cost of unregistered bonds.

NOTE F: Property, plant and equipment accounts of the English and Canadian branches are translated to United States currency at rates of exchange at which originally recorded; current and all other asset and liability accounts are translated at $4.025 for sterling and $.905 for Canadian dollars. Combined net assets, on that basis, of the English and Canadian branches amounted to $1,196,092 at December 31, 1945. At the present time England and Canada have exchange restrictions in effect. Income accounts of English and Canadian branches are translated to United States currency at $1.025 for sterling and $5.909 for Canadian dollars, except that provision for depreciation is translated at approximately the same rates used in computing United States dollar amounts for the related property, plant and equipment accounts. Combined net profits of these branches for the year amounted to $263,973, after deducting foreign taxes. During 1945 remittances to the United States aggregated $92,340 less than the combined net profit of the English and Canadian branches plus net charges to them by domestic offices. Net assets of the Canadian branch increased in amount during the year, while those of the English branch decreased.
SCOVILL MANUFACTURING COMPANY
and Subsidiaries

RESTATEMENT OF 1944 INCOME
(After adjustment to give effect to renegotiation settlement, accelerated amortization of plant facilities and sundry adjustments)

Net sales (after reduction of Government contract prices resulting from renegotiation) $166,250,398
Less costs and expenses 91,404,167
14,756,231

Other deductions—net $841,370
Deduct debenture interest, expenses and premiums 14,374,861
509,134
14,065,727

Deduct provision for:
Federal excess profits tax $8,252,739
Federal, state and foreign income taxes, etc. 1,971,145
Net income for year $3,841,843
Add decrease in inventory reserves 318,009
Balance transferred to surplus $4,159,852

SUNDARY COMPARISONS

<table>
<thead>
<tr>
<th>1945</th>
<th>1944*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes—property and sundry $809,982</td>
<td>$888,060</td>
</tr>
<tr>
<td>Taxes—social security 1,080,590</td>
<td>1,310,240</td>
</tr>
<tr>
<td>Maintenance and repairs, etc. 7,085,076</td>
<td>7,417,158</td>
</tr>
<tr>
<td>Depreciation of plant facilities 1,202,169</td>
<td>1,177,870</td>
</tr>
<tr>
<td>Amortization of plant facilities 2,259,112</td>
<td>2,556,648</td>
</tr>
<tr>
<td>Additions to property, plant and equipment $2,449,022</td>
<td>$3,828,615</td>
</tr>
<tr>
<td>Gross book value of such items disposed of 1,213,677</td>
<td>761,062</td>
</tr>
<tr>
<td>Net loss on disposals of such items, charged to reserves for depreciation 103,824</td>
<td>40,118</td>
</tr>
<tr>
<td>Inventories of raw, in process and finished materials, parts, etc. $14,530,973</td>
<td>$12,653,687</td>
</tr>
<tr>
<td>Special reserves to reduce inventories below both cost and market 2,973,283</td>
<td>2,306,375</td>
</tr>
<tr>
<td>Inventories less special reserves $11,557,690</td>
<td>$10,347,312</td>
</tr>
</tbody>
</table>

*as adjusted

Stockholders:
Residents of Connecticut 6,089 0,252
Non-residents 5,128 4,532
11,217 10,764
REPORT OF AUDITORS

New York, N. Y., March 16, 1946

TO THE STOCKHOLDERS OF

SCOVILL MANUFACTURING COMPANY

We have examined the consolidated balance sheet of Scovill Manufacturing Company and wholly owned subsidiaries as of December 31, 1945, the consolidated statements of income and surplus for the year then ended and the statement of combined consolidated income for the five year period, 1941-1945, inclusive. We have except as to the English branch, reviewed the systems of internal control and the accounting procedures of the companies and, without making detailed audits 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.

Statements of the English branch, which were not examined by us, have been incorporated in the accompanying financial statements on the basis reported by Chalmers, Wade & Co., independent accountants in England, adjusted by provision for British taxes on income.

In our opinion, the accompanying consolidated balance sheet and related consolidated statements of income and surplus present fairly the consolidated position of Scovill Manufacturing Company and wholly owned subsidiaries at December 31, 1945, and the consolidated results of operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year; also, the statement of income for the five year period, 1941-1945, inclusive, presents fairly the combined consolidated results of operations for that period in conformity with generally accepted accounting principles.

ERNST & ERNST
SCOVILL MANUFACTURING COMPANY and its divisions consider it a privilege to have supported the country’s war effort, and the men and women in the Armed Forces including 3,003 of Scovill’s own — by the manufacture of vital war time equipment. Such essential war effort was not unusual, for this company has been part of the United States Government’s manufacturing arsenal during a total of six wars, starting with the war of 1812. The Main Plant and all the divisions, working together as a unit, integrated the productivity of their many and varied facilities to achieve the maximum output possible. That Scovill exceeded its war production requirement is a tribute to the 15,675 employees, the company’s up-to-date facilities, and that certain something best described as "Yankee Ingenuity". The A. Schrader’s Son Division, as its part of the war effort, mass produced many items that no other manufacturer in the country could make in sufficient quantities. Some of these items were diving equipment and air valve equipment used in many applications ranging from jeep tires to Navy life rafts. Also, this division’s research in the adhesion of metal to synthetic rubber contributed to the development and manufacture of many war time synthetic rubber products. The Oakville Division not only continued their peace time manufacture of safety pins and stationary equipment on a restricted basis, but also made for the Army and Navy many articles such as hand grenade parts, helmet hardware, and bandolier clips. Millions of Oakville safety pins were used by the Medical Corps for surgical dressings, and their paper clips and fasteners were used in all of the Army and Navy offices. The Hamilton Beach Division, being specialists in the design and manufacture of fractional horsepower electric motors, concentrated on the mass production of two types of small motors, one developing one two-thousandths of a horsepower for use in airplane instruments, and the other one-fifteenth of a horsepower for Navy radios. They also assisted the A. Schrader’s Son Division in the manufacture of oxygen check valves. The Waterville Division produced many types of industrial threaded fasteners for the radio, automotive, aircraft and electrical field. Also, utilizing their foundry and other facilities, they made castings for airplane motors and machine guns, ignition harnesses for aircraft motors, cleaning rods for rifles and many other products. The Morency-Van Buren Division, peace time manufacturers of plumbing goods, utilized their facilities to the utmost in the manufacture of detonators and firing devices for depth bombs for the Navy and millions of small castings for the Army and Navy. The Main Plant in Waterbury quickly converted its facilities to the mass production of a great number of war time articles. The Mill Products Division supplied brass, bronze and nickel silver alloys in rod, tube, sheet and wire for our own manufacture and for that of many other companies. The Contract Manufacturing Division specializing in the working of metals, including a large number of non-ferrous alloys produced by Scovill’s own Mill Products Division, made many parts directly for the Army and Navy, for other Scovill divisions, and on subcontract for outside customers. Being extremely well equipped for the fabrication of small metal products, this division’s manufacture included items ranging from complex loaded artillery fuses to uniform buttons. Scovill also worked very closely with the War Department in the development of many secret projects. Having received a total of eleven Army-Navy “E” awards with one star, three Treasury “T” awards with 12 stars, and many letters of commendation from the various departments of Government served, Scovill is once again proud of its war time record—this, the sixth.
AIR VALVES FOR TRUCKS AND AIRPLANES
AMMUNITION BELT CLIPS
ARTILLERY AMMUNITION BOOSTERS
AUTOSYN MOTORS
AUTOTUNE MOTORS
BOLTS AND SELF-LOCKING NUTS FOR AIRCRAFT
BUTTONS—Uniform, "Gripper" Sew-on, Etc.
CARBINE AND MACHINE GUN PARTS
CARTRIDGE CUPS AND CASES
CHASSIS FOR AIRBORNE RADIOS
COMMUNICATION RELAY DEVICES
CONCUSSION DETONATORS
DEMOLITION FIRING DEVICES
DEPTH CHARGE PISTOLS
DIVING APPARATUS
ELECTRICAL CONNECTORS AND SWITCHES
EXPLOSIVE RIVETS

FIELD RADIO AND TELEPHONE Parts
GAS MASK Parts
HAND GRENADE Parts
HELMET HARDWARE
Hose Couplings
LIFE BOAT EQUIPMENT
LIFE PRESERVER LIGHTS
LOADED TIME TRAIN FUZE, M-54
MINE MECHANISM, HS-1
MINE TESTING EQUIPMENT
NOSE BOMBARDMENT FUZES
OXYGEN CHECK VALVES
PARTS FOR MEDICAL CORPS
PERCUSSION PRIMERS
POINT DETONATING FUZES
RADAR Parts
RIFLE CLEANING RODS
ROCKET FUZES
SMALL ARMS MAGAZINES
TRENCH MORTAR Parts
"VT FUZE" Parts

Also many other items too numerous to mention, including parts and developments for many secret projects.
Scovill's experience in the terminating of wartime operations and readjusting to a peace time economy is as varied as the six wars in which our company's production has played a part.

While "reconversion" by name applies specifically to World War II, the solution of problems inherent in such reconversions is a familiar technique from Scovill's past. With this experienced background, and the versatility of our manufacturing facilities which permitted us to switch readily from peace to war and then to postwar operations without major changes in equipment or plant layout, Scovill has with certain exceptions completed reconversion to peace time production.

Looking forward once again to a period of reconstruction and production of the essentials and luxuries of peace, we feel that it is particularly fitting in this annual report to present for your information a representative array of our peace time manufacture.

Starting with the manufacture of buttons in 1802, our list of products has steadily grown and become more diversified until it now serves in some manner practically every industrial field. A representative array of some of the hundreds of thousands of different parts and products manufactured yearly by the company is on display in the Main Plant Display Room as illustrated in the photograph below.

In the following pages, we take you for a "trip through the display room" feeling certain that you will not only recognize many of our products, but will appreciate the scope of the manufacture of the Main Plant and Divisions of the Scovill Manufacturing Company.
This important division is comprised of the Casting Shop and four Mills; namely, the Sheet, Rod, Wire and Tube Mills. Not attempting to make all copper-base alloys, the mills have produced a range of most commonly used, high quality, commercial alloys. These comprise the brasses, bronzes, nickel silvers and phosphor bronzes that are available in most standard shapes, sizes and tempers. Originally established to supply the brass mill products required by Scovill's own Manufacturing Divisions, the Mills now produce practically all the copper-base alloy materials needed. They also supply mill products to a great number of other metal fabricating companies, not only in this country, but throughout the world.

One of the important reasons for the growth of the Mill Products Division has been the constant high quality of their product made under rigid laboratory control. Since our Manufacturing Divisions are dependent upon the Mills for their copper-base alloys, we are especially interested in the maintaining of high standards of the metal produced, and in developing new alloys to meet new applications. Scovill Mill Products' customers are therefore greatly aided in their choice of the correct alloy for a particular application and the maintenance of a high standard of uniform quality. The many alloys made by the Mill Products Division all fall into the general classifications named above. Each type of alloy has certain physical characteristics that make it particularly suitable to fit specific applications.

The brasses are alloyed from copper and zinc. Depending upon the zinc content of the brasses, there is measurable difference in the corrosion resistant properties, the susceptibility to season cracking, the ductility, the tensile strength, the hardness and the fabrication properties. The brasses, in sheet form, are used for such purposes as cartridge cases, light reflectors, and radiator cores; pins and rivets are made from wire; and condenser tubes and plumbing fittings from tubing. The addition of a small percentage of lead gives the brasses added machinability.

Bronze alloys, made from copper, zinc and tin, have improved mechanical properties, corrosion resistance, and a modified color that makes these alloys especially suitable for the manufacture of jewelry. Bronze sheet is also used widely for springs and electrical wiring devices; rod for bolts and propeller shafts; wire for welding rod
and rivets and tubing for ferrules and heat exchanger tubes.

With the addition of a percentage of nickel to the brasses, nickel silvers with high tensile strength, greater hardness and a silver-like appearance result. These nickel-silver alloys, in sheet form, are used mainly for jewelry and consumer articles such as table flat ware and camera parts; watch parts and screws are made from rod; and slide fasteners and optical bows from wire.

The last large category, Phosphor Bronzes, is essentially copper-tin alloys with a small percentage of phosphor included to give added tensile strength, hardness and corrosion resistance. In sheet form, they are adaptable to the manufacture of such products as bellows and Bourdon tubing; and wire brushes and cotter pins from wire.
This division, specializing in the manufacture of metal parts and complete products on a contract basis, produces a diversified line of material all made on a quantity basis.

Not limited to brass or copper alloys, Scovill fabricates from steel, aluminum, zinc and other metals as well. On jobs where plastics and metal combinations are indicated, assemblies of this kind are also furnished.

In some cases the parts are supplied partially completed for the Scovill customer to further fabricate or finish; in others, the parts are shipped completely fabricated and finished ready for assembly into the customer's product. For a third group, Scovill produces the article complete and ships it finished and packed ready for distribution. The parts may be small shells ordered by the million or a complete assembly of twenty or thirty parts ordered in units of ten or twenty thousand. The number of parts involved, the size, and their complexity all have a part in determining the quantity necessary for economical production, but complete facilities are available for a wide range of metal working operations, such as blanking, blanking and drawing, redrawning, knurling, edging, threading (both cut and rolled), turning (both automatic, hand screw machine or chucking equipment), forging, stamping, cold heading, annealing, dipping, plating, anodizing (on aluminum), buffing and coloring, lacquering and enameling and the various assembling and control operations involved.

A few of the articles produced for only five of the many industries served by this division are as follows:

FOR THE ELECTRICAL INDUSTRY — metal parts such as screw shells for mogul, medium, candelabra and miniature lamp sockets; socket shells and caps; pull chain balls and tassels:
curling iron tubes; flashlight parts; wiring supply parts; metal inserts; eyelets; stampings; assemblies and material of this nature.

For the Automotive Industry—hardware accessory parts, radiator and gas tank caps, copper tube for gasoline and oil lines, turned parts, stampings and fabricated assemblies for instrument housings, circles or reflector brass for headlight reflectors, hardware forgings and stampings.

For the Electrical Refrigeration Field—copper, brass and bronze forged and turned parts: screws, both standard and special types; rivets: hardware forgings; tube connections; evaporator doors and other made-to-order metal parts.

For the Rubber Industry—specially finished aluminum molds for balloons, nipples, pacifiers, etc.; hose couplings for garden, gasoline and industrial hose; and through the Button and Fastener Division, quantities of snap fastening devices and slides for footwear, bathing suits and other rubber goods.

For the Radio Industry—electrolytic condenser shells, eyelets, anodes for broadcasting tubes, resistor parts and miscellaneous metal parts.

These special classifications are listed primarily as examples of the scope and diversity of the service offered by the contract Manufacturing Division, but other industries are equally well served with—medals, stampings, non-ferrous forgings, fire extinguisher shells, valve parts, thermostatic device parts and assemblies, blasting cap shells, brass contact shells for dry batteries, ash trays, metal parts for safety razors, pencil tip shells, miners’ checks, carfare tokens, tool handle and paper industry ferrules, eyelets, key cups for typewriters and office machines, metal parts for watches and clocks, and a long list of similarly diversified products.
As the name indicates, the Merchandise Division specializes in the design, manufacture, and sale of complete articles. All of this division's products are sold either directly to industrial users or distributed through wholesale and retail channels to the general consuming public. This is in contrast to the other Manufacturing Departments that make items on a contract basis.

In the following paragraphs, you will see that the Merchandise Division serves several markets. Through experience and study, they have developed favorable markets, and are continually seeking additional outlets for their facilities and knowledge.

The Merchandise Division makes a full line of garden hose equipment and accessories including nozzles, couplings, hose menders, clamps and sprinklers, many of which have exclusive sales features. Various styles of the garden hose equipment are made in order to satisfy the requirements of consumers.

Another field in which they lead is industrial hose couplings. Starting about 16 years ago, this division has since developed and perfected many new designs and ideas that help account for their present position in this industry. At the moment, Water, Curb Pump, Fuel Oil and Distillate, High Pressure, and Chemical Engine Booster Hose Couplings, as well as Couplings for other miscellaneous industrial uses are supplied.

Still other consumer articles manufactured by this division are flashlights, automobile ashtrays, seat cover pins, "Queen Anne" kerosene burners, and two types of canned-oil dispensers.
This division specializes in the design and manufacture of metal products for the cosmetic and toilet goods field, as well as for the drug and kindred fields. Generally, their facilities are utilized in the developing and producing of articles to fit the problems and specifications of the individual customer. But they also produce and carry a stock of standard lipstick, face powder and rouge containers.

In addition to manufacturing articles to customer's specifications, this division is constantly developing new items and designs to meet the ever-changing demand of the market. Many of the ideas born and nurtured in the Development Laboratory have since become commonplace features and designs in numerous articles of present day manufacture.

The one-hand automatic lipstick container and the extremely familiar swivel adjustable design, that is used on practically all of today's lipstick cases, are the result of Scovill's continuous development program. The wooden lipstick containers used so much during the war were developed only after overcoming many of the problems inherent in such precision woodworking.

For the Cosmetic Industry, vanity cases, lipstick and eyebrow pencil containers, talcum powder cans, sifter tops, bottle caps, cream jar covers, rouge boxes, and similar items are all furnished.

Lotion dispensers, shaving stick holders, shaving brush containers, tooth brush holders, razors, soap containers for traveling kits, cigarette boxes, hypodermic needle plunger rods, and dental mirrors are also produced.

Primarily working in metals, this division also utilizes decorative plastics, fabrics, stones, ornaments and paper in making their products more attractive and appealing.
The Button and Fastener Division has the distinction of being the origin of the Scovill Manufacturing Company. Back in 1802, its founder, Abel Porter, started the manufacture of metal buttons which he sold through New England and the South. Since then, this Division has enjoyed a very colorful and rapid growth.

Some of the most interesting of our metal buttons were the solid gold buttons presented to Marquis de Lafayette when he visited this Country in 1824, as well as those made for the Texas Navy when that State functioned as a separate Republic from 1836 to 1845. In the Civil War, both the Confederate and Union soldiers wore buttons made by Scovill.

An outline of the main characteristics of this important segment of Scovill’s manufacture is as follows:

**BUTTONS:**
Tack-fastened, ring, and sew-on buttons for work garments such as overalls, dungarees, jumper coats, etc. — uniform buttons for all branches of the armed services, for fire and police departments, for railroads, steamship lines, hotel and livery uniforms.

**FASTENERS:**
There is a Scovill snap fastener for practically every purpose: “Gripper” Fasteners, the laundry-proof fastener that ends button bother on shorts, shirts, pajamas, children’s wear and other washable garments; and standard type snap fasteners for work clothing, overshoes, leather goods, suspenders, belts, automotive applications and raincoats.

**ATTACHING EQUIPMENT:**
Scovill builds special attaching machinery for lease to its button and fastener customers. This equipment is designed to attach our product to these customers’ items accurately and economically. A nation-wide organization of our engineers services this equipment and aids the customers with their manufacturing problems.

*The circular inset shows a few of this Division’s products in actual size.*
Scovill set up its first automatic screw machines in 1891 to make special parts for individual customers on a contract basis. In the ensuing years, as the industry has grown, Scovill, backed by its long experience and ability to produce quality parts at low cost, has become one of the dominant producers of automatic screw machine products.

Technological and manufacturing changes made during World War II have greatly increased the use of automatic screw machine products, not only in wartime items, but also in civilian production.

This entire industry is now in an exceptionally good position for further healthy growth. Scovill has a complete range of sizes of the very latest types of Automatic Screw Machines, a specialized and skilled organization to operate them and an engineering and sales organization to serve customers efficiently on a nation-wide basis. Based on its history and its outlook for the future, the Screw Machine Products Division is assured of continued pre-eminence in its field.

The products shown are typical of the thousands of special parts which are mass-produced to close tolerances from rod as small as fifteen thousandths of an inch to as large as two and three-eighths inches in diameter and in any commercial metal: namely, brass, copper, steel or aluminum. The manufacture of this wide variety of screw machine products requires an endless variety of turning, shaping, drilling, and tapping equipment.

Scovill’s customers use our products in almost every type of metal item from powder compacts, watches and cameras to airplane engines and machinery.

*The circular insert shows a few of the Automatic Screw Machine Products in actual size.*
Located in Brooklyn, New York, Schrader is the largest of the Scovill Divisions. Having other factories and branches in Toronto, Canada; Birmingham, England; Akron, Ohio; Los Angeles, California; and Melbourne, Australia, this division specializes in the manufacture of valves for pneumatic tires, tire valve accessories, industrial air equipment and diving equipment.

Founded in 1844 by August Schrader — a turner and finisher of brass — the early organization developed and perfected methods of controlling air under pressure, specializing in diving and life saving equipment. Creation of the pneumatic tire offered Schrader a new field of endeavor — the manufacture of tire valves for the tire and automotive industry — in which this division has maintained leadership. Old ledgers preserved by the company show such illustrious customers' names as Charles Goodyear, Dr. John B. Dunlop and other pneumatic rubber goods pioneers. Practical experiments with tire valves in the early 90's evolved in 1898 into the design which today is the world-wide standard for the tire industry.

As pneumatic tires increased in usage, Schrader increased the scope of its manufacture to include; tire pressure gauges, air chucks (inflating valves), valve servicing tools, electric vulcanizers, hose couplings, hose ferrules, pump and airline fittings.

From the start, Schrader has been able to maintain its leadership in the tire valve manufac-
uring field by the continual development of new or improved valves to meet changing conditions. With the attaining of greater automobile speeds, more varied driving conditions and the changes in automobile design such as balloon tires, four-wheel brakes and drop center rims, new importance was placed upon the development of sturdy, trouble-free tire valves. This division has successfully met new problems, and today, more than ever, a Schrader-equipped inner tube is an assurance of long service and safety.

Schrader not only makes all sizes of passenger, bus, and truck tire valves, but also pneumatic valves for airplanes, tractors, bicycles, motorcycles, wheelbarrows, lawn mowers, pneumatic pillows, mattresses, rafts, pressure tanks and toys.

Schrader introduced an industrial air equipment line after demonstrating the great advantage of compressed air in achieving production short-cuts in their own plant. The substitution of the action of compressed air or compressed-air actuated cylinders for manual labor result in increased production, decreased operating costs and greater safety. This line includes air chucks, coupler units, hose fittings, oilproof hose, hose ferrules, hose ferrule attaching equipment, a complete series of air ejection sets, press safety controls, pilot valves, control valves, hydraulic pressure gauges, and both single and double acting cylinders. After 102 years, Schrader is still specializing in pneumatic valves and air control devices.
This division was created in 1923 when the Oakville Company and the American Pin Company, both large pin manufacturers, merged with the Scovill Manufacturing Company. Each of the former two manufacturers were founded about seventy-five years prior to the merger, and in that time, having grown to considerable size, were the leaders in the pin industry. At the present time, seventeen buildings are occupied, with 406,000 square feet of floor space. Approximately 1,000 persons are employed and the normal daily production capacity is estimated at fifty million pieces. This division is recognized as the largest manufacturer of safety pins and pins in the United States, and, perhaps, in the world.

It is worthy of note that the only two major improvements ever made in safety pins; namely, a pin that could be fastened or unfastened from either side and one that had a metal guard over the coil of the pin, thereby preventing fabrics from catching in the coil, were developed by Oakville.

The products of this division include lines which are manufactured, packaged and merchandised by this division as well as articles which are made as component parts of other articles.

In the merchandising classification is Oakville’s Notion Line, consisting of safety pins, pins, hooks and eyes, snap fasteners and similar small metalwares. Such famous brand names as Clinton and Eldorado are Oakville trademarks of long standing throughout the leading wholesale and retail establishments of the country.
In addition to the distribution of these Notion items for household consumption, tremendous quantities are distributed through dealers serving the industrial field, such as laundry and dry cleaning supply houses, hospital supply houses, tailor trimming establishments, etc.

In this same classification falls the Yellow Box Line of paper fastening devices, consisting of clips, fasteners, thumb tacks, card pins, etc., for distribution to consumers through the leading wholesale and retail stationers of the country.

In Oakville's huge line of pins, made as component parts of other lines, are such items as badge pins of all kinds, drapery pins, shower curtain pins, jewelry pins, laundry pins and many others specially constructed for their intended purposes.

This division also makes a specialty of small metal stampings and assemblies, such as garter trimmings, shoulder strap slides and loops, corset and underwear metal trimmings and necktie hardware.

In addition to articles which have been manufactured for many years for specific classes of trade, Oakville produces thousands of specially formed wire and sheet metal products, which are produced to meet customers' individual requirements and specifications. Some of these are subject to further processing by the customer, and are used as a part in the assembly of a complete article.

From many standpoints, this division could be considered as the Wire Forming Division of the Scovill Manufacturing Company.
In 1923 Scovill Manufacturing Company purchased the Hamilton Beach Company. Originally established in 1910 at Racine, Wisconsin, the Hamilton Beach Company pioneered in the manufacture of fractional horsepower motors. One of their first products was a small motor used to electrify the household type of sewing machine. Another early product was their electric Drink Mixer that very quickly became standard equipment for use on soda fountains for mixing malted milks and other fountain drinks requiring speedy mixing.

When later Scovill Manufacturing Company acquired the Gilchrist Company and Arnold Electric Company, the products of these two companies were merged with the Hamilton Beach soda fountain equipment and this resulted in the present very complete and well-known Hamilton Beach Service Equipment Line for soda fountain and bar use. These items include: Drink Mixers, Malted Milk Dispensers, Motor-driven Brush Glass Washers, Juice Extractors, Lemon Squeezers, Lime Squeezers, Disher Scrapers, Strainers, Ladles, Ice Cream Dishes, Ice Chippers, Ice Cream Transfer Ladles, Ice Cream Dishing Spoons, Ice Picks and Soda Fountain Spoons. This Service Equipment Line is distributed through soda fountain equipment and allied jobbers and to the national chain stores throughout this country and abroad.

For use in the household, Hamilton Beach manufactures a number of items, in addition to the sewing machine motors, which have won wide use and acclaim in homes throughout the nation. The Hamilton Beach Food Mixer is one of the most versatile and popular units of
this line. It was originally designed as a food mixer, but constant improvements and additions have resulted in the present very popular Combination Food Mixer and Juice Extractor. For this unit, there are attachments for chopping food, slicing and shredding vegetables, grinding coffee, peeling potatoes and hulling peas. These attachments make it possible to use this mixer many times a day to save time and work for the housewife and make kitchen work more pleasant and interesting.

The Hamilton Beach Vacuum Cleaner Line includes all the popular types of household cleaners. There are three models of the bag type cleaner, one cylinder type cleaner, and one hand cleaner. With the various attachments easily adaptable to these units, household cleaning jobs are made easy and pleasant.

To round out their Household Line, Hamilton Beach also make Electric Hair Dryers and Vibrators that yearly gain in popularity.

These household items are nationally distributed through electrical, hardware, radio and specialty jobbers to a wide variety of retail stores.

In addition to these Service Equipment and Household Lines, Hamilton Beach also serves the industrial field with a wide range of fractional horsepower motors designed to meet individual customers' specifications. Some of the products in which these special Hamilton Beach motors are used are: windshield defrosting and ventilating fans, Pullman berth ventilators, cloth cutting machines, motion picture cameras and projectors, sewing machines, food mixers, automobile heaters, hair clippers, stock clippers, and electric drills.
The American Pin Company, now the Waterville Division, merged with the Scovill Manufacturing Company in 1923. After the merger, the pin business was concentrated in the Oakville Division and the Waterville Division continued making Plumbers' Brass Goods, a line that the American Pin Company had started in 1890.

The Waterville Plumbers' Goods line is deliberately limited in order to concentrate on the development of especially high-grade trouble-free products, not only well designed artistically but mechanically. This line consists of chrome plated tubular brass goods such as traps, sink strainers, drain plugs, supply pipes, bath wastes, and sink and wash tray wastes. It also includes a very limited group of shower and bath fixtures such as those which are built into the wall for permanent installation.

Plumbers' Brass Goods are sold through recognized wholesalers by regularly employed salesmen.

In connection with their production, this division operates a sand casting foundry which also makes brass castings for some of the other Scovill divisions.

In March, 1942, the manufacture and sale of Industrial Fastenings (screw products) was moved to the Waterville Division from the main plant in Waterbury. These fastenings are

A few representative threaded fastenings are shown in actual size in the circular inset.
indispensable to the manufacture and assembly of practically all metal devices of a mechanical and electrical nature including such items as radios, refrigerators, automobiles, lawn mowers and other consumer articles as well as the assembly of airplanes, radar instruments and factory equipment. For nearly half a century Stovill fastenings have been used by leaders in the various industrial fields.

This line of Waterville's manufacture consists of standard or conventional machine screws, self-tapping screws, pre-assembled washer units and the relatively new but widely known Philips recessed head screws. In addition to these stock items, a large and very important part of their output is made up of special fastenings designed to fit the needs of the individual customer and are produced on a contract basis. The skill of their mechanical organization has kept Waterville in the forefront of this line of manufacture for many years. Departure from conventional procedure both in manufacturing operations and tool making has been one of the main factors contributing to this division's special ability.

Since Waterville is a relatively small factor in the very large industrial fastener industry, their policy has been one of special attention to the requirements of those manufacturers who demand high quality products in standard screws or screws of special design.
Having started manufacture at Sturgis, Michigan, in 1909, the original company was purchased by the Scovill Manufacturing Company in 1925. Today, the products of the Morency-Van Buren Division, specialists in quality tank fittings, are recognized leaders in their field.

Tank levers of both the single and double acting type are produced. A compound lever, combining the advantages of both the single and double acting type, is also made.

Along with the manufacture of standard types for the usual home applications, Morency-Van Buren makes both silent acting and specially designed ballcocks to withstand high water pressures. Their ballcock line also includes special models equipped with china valve seats for those localities where corrosive water conditions prevail.

Only one type of flush valve which is applicable to all installations is produced. A complete line of replacement parts is also available for all of their products.

Morency-Van Buren, working with warm air furnace and air-conditioning manufacturers, developed a well-known line of Humidifier Valve assemblies. These automatic float control units are used to maintain a constant level of water in furnace pans and air-conditioning equipment. All activities of this division are directed by the management of the Waterville Division.