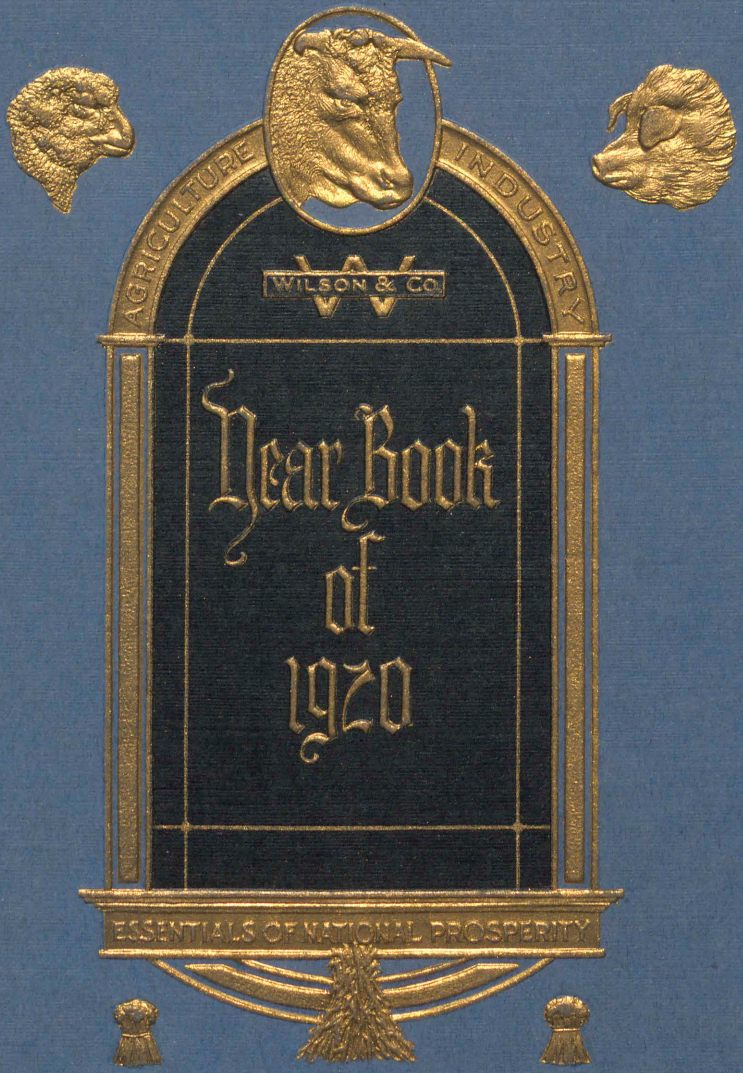

AGRICULTURE
INDUSTRY
WILSON & CO.
Year Book
of
1920
ESSENTIALS OF NATIONAL PROSPERITY

WILSON & CO.

WILSON & CO.

To the Stockholders of

WILSON & CO.

DIRECTORS OF WILSON & CO., INC.

THOMAS E. WILSON . . . . . Chicago
President

E. R. TINKER, JR. . . . . New York
President, Chase Securities Corporation

ELISHA WALKER . . . . . New York
President, Blair & Co., Inc.

C. I. STRALEM . . . . . New York
Hallgarten & Co., Bankers

WM. P. CONWAY . . . . . New York
Vice-President, Guaranty Trust Company of New York

W. R. BEGG, Attorney-at-Law . . . . . New York
Hornblower, Miller & Garrison

WM. C. BUETHE . . . . . Chicago
Treasurer, Wilson & Co., Inc.

MURDO MACKENZIE, Wilson & Co., Inc. . Chicago
Director, Matador Land and Cattle Co., Limited

W. A. LYNDE . . . . . New York
Wilson & Co., Inc.

M. S. LOEB . . . . . Chicago
Attorney-at-Law, Wilson & Co., Inc.

C. H. PECK . . . . . New York
Wilson & Co., Inc.

OFFICERS

President, THOS. E. WILSON

Vice-Pres. . . . . . V. D. SKIPWORTH
Vice-Pres. . . . . . GEO. H. COWAN
Vice-Pres. . . . . . A. E. PETERSEN
Vice-Pres. . . . . . A. LOWENSTEIN
Vice-Pres. . . . . . J. MOOG
Treasurer . . . . . WM. C. BUETHE
Secretary and Asst. Treas. . . . . . GEO. D. HOPKINS

The Wilson Label WILSON & Co. *protects your table*

To The Stockholders:

Readjustment of values, consistent with business on a normal basis, has been under way for several months, and were more in evidence at the close of 1920.

The reasons for this and the effect are so apparent to all concerned, that comment on my part seems unnecessary except to say that, as far as our individual business is concerned, it would seem that values are down to a figure where we should be able to expect normalcy in our operations from now on.

The products of the farm, including live stock, have undergone heavy declines, and subsequent losses to the farmer and live stock raisers have resulted.

As agriculture is the basis of the wealth and prosperity of our country, other commodities should reach, and are rapidly reaching, lower levels which will make for more stable purchasing power throughout the entire nation.

It seems to me that our principal attention should be directed toward the many favorable conditions that justify optimism and speak for better times in the near future.

To make it possible for America's industries to participate to a proper extent in the business of European countries now and in the future, it is absolutely necessary that some agency work out a credit extension system. The large volume of business such as our present position for world's trade would justify can be handled only on long terms of credit, which cannot be arranged under our present system.

The ideal situation would be through some American financial organization, that might be able to extend long time credits against such collateral and guarantees as would furnish ample protection and enable Europe to buy supplies here.

By helping those countries now when they need it the most, we can wisely expect that we shall enjoy a fair share of their trade when they have again reached the place where their production is on a basis that will permit them to purchase both on cash and shorter credit terms; otherwise, this trade will be lost by us to other nations that are meeting this situation.

After revising prices downward more severely than any other important nation, with the possible exception of Japan, the United States is still on a sound business basis.

Buying, which was stagnant, has again begun. The price declines in agriculture, industry and commerce are now being reflected in mercantile markets and the public is responding to the new values. This will have a favorable reflex action.

Labor in many lines has met management in the effort to keep costs of production low enough to justify operation.

Our national construction programme is still lagging. Sooner or later road building, housing, public construction and additional manufacture of railroad equipment will help invigorate business in general.

The replacement of equipment in foreign countries has only begun. Under improved exchange values and more nearly adequate foreign credit this situation would stimulate trade with America.

Europe sold us twice as much last year as the year before. Her ability to sell to us increases her ability to buy from us.

When foreign credit is re-established our products will find a greatly augmented merchant marine ready for their transportation.

Our country possesses greater strength in its huge resources than any needs growing out of present conditions can exhaust.

Record crops were harvested in 1920.

The New York Savings Bank Association estimates wealth of the United States today as 300 billion dollars, a gain of 50 billion since 1914. The country for the first time in history is a creditor nation.

The financial structure of the country was never as sound, thanks to our Federal Reserve system.

We are the most favored nation, and should, all things considered, be the most thankful people in the world.

Thos. E. Wilson

The Wilson Label WILSON & Co. protects your table

The Meat Packing Industry

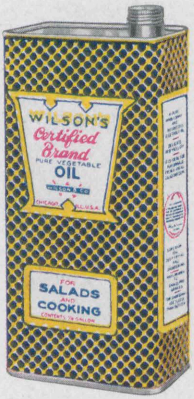
The meat packing industry was one of the first to feel the weight of readjustment and having begun first to meet the situation, therefore was able to approach the end of this difficult period first. Tremendous declines in inventories and raw materials, and sluggish markets for our products both at home and abroad have resulted in lessened earnings. This, in a large measure, explains why the meat packing industry was sustaining losses at a time when some other industries were showing more profitable results from their operations.

Packing Business Reflects National Prosperity

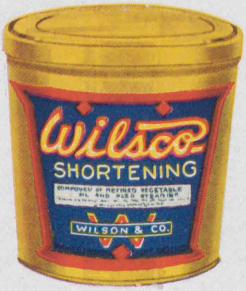
Because of the supersensitive character of our business, it being affected by so many factors and conditions in other lines of business, and because it touches the millions of both producers and consumers it readily reflects the condition of our national prosperity.

In many other lines of business, stocks are made up months in advance and retailers purchase liberal quantities to meet their trade demands for a long period of time. Being less perishable in nature than fresh or smoked meats, poultry, butter, eggs, cheese and other similar products which we handle, these stocks can be carried over by the dealer for a longer period of time without being subject to daily market fluctuations to the same degree as do our products.

The nature of our business necessitates the daily purchase of live stock which we must at once convert into fresh meat to be marketed quickly because of its perishable nature, or into cuts for curing and by-products to be marketed at a later date. Operating as we do upon the slenderest margin of profit of any industry, we must rely upon a quick turnover of our products to insure operation at a profit.



WILSON & CO.



The Wilson Label WILSON & CO. *protects your table*

Our principal customers are the retail dealers, who, by reason of the fact that they have but limited refrigeration facilities, must buy in small quantities and frequently, to insure a fresh meat supply to their customers.

Hams and bacon, of course, must be kept in cure and cannot be merchandised until forty to sixty days after purchase. Hides, bones, sheep skins, wool, and other products are frequently held for longer periods to meet seasonal demands.

Over a period of years the average increase and decrease in market prices has enabled us to market these products at the average small profit which characterizes this industry. In the past year, however, markets have been mostly on the decline, and fresh meats as well as products placed in cure, and by-products such as hides, bones, etc., have been merchandised at a loss.

As an illustration of how severe these declines have been in the past year, it may be noted that during the past year the highest price paid for hogs was $18.25 in September, while the lowest price, on December 16, 1920, was $9.15.

Live Stock Prices, Receipts, Etc.

Chicago, being the principal live stock market of the world, accurately reflects the general situation as regards live stock. The losses or gains shown by the statistics prepared concerning that market can properly be taken as an indication of the conditions which existed at substantially every other live stock market during the year.

The receipts of live stock were by far the smallest recorded since 1917, for in 1920 there were received at the Chicago Stock Yards 15,423,872 head of all classes of live stock, or 2,791,731 less than the record run for 1919 when 18,215,603 head were received.

Of sheep 4,005,237 head were received in 1920 as compared with 5,243,957 in 1919 or a decrease of 1,238,728 head.

Hogs also showed a heavy decrease in receipts, showing a total of 7,526,120 head as compared with 8,672,476 head in 1919 or a decrease of 1,146,356.

In 1920, 3,107,090 head of cattle were received as compared with 3,502,400 head in 1919 or a decrease of 395,310 head.

Other small decreases making the grand total of 2,791,731 are made up in receipts of calves and horses.

The total valuation of stock sold on the Chicago market in 1920 amounted to $665,421,232 as compared with $880,853,691 in 1919, a decrease of $215,432,459. In 1918, the figure reached $904,-715,357 while in 1914 it was but $375,698,589.

Lighter receipts, and more particularly the heavy decline in the market price, were responsible for the reduction shown in the amount paid.

Year One of Liquidation

The year was one of unusual and severe readjustment for the live stock industry, with many feeding operations showing severe losses.

Financial conditions forced considerable stock to market that ordinarily would have been held for more favorable quotations, resulting in erratic receipts which in turn brought on violent market price changes. In April the railroad strike interfered seriously with the live stock market, and later the big reductions in hide prices and low prices realized from offal and by-products had their influence. The general deflation in the country, however, had its heavy influence with business conditions, resulting in non-employment causing a curtailment of consumption and becoming an important factor. At the close of the year feeder operations were much lighter and, with the country fairly well liquidated of

live stock, may bear considerable influence on conditions in 1921.

By-Product Prices as Related to Meat Prices

During the period through which this industry has been passing there has been a striking illustration of the extreme influence that by-product values have in the determination of fresh meat prices.

The great decline in by-product prices has been rapid, severe and out of all proportion to the decline in prices paid for meat animals. As a consequence, the price for the carcasses, or meat product of the animals, could not be lowered correspondingly. This resulted in confusion in the minds of many who do not fully understand the situation.

The average value of by-products from a steer in 1919 was $35.00, and by the end of February, 1921, it had declined to less than $10.00 per head, or about 70%.

The prices realized for by-products, based on the Chicago market, compared with the period just previous to the war, the highest price realized during the war and the market values on February 26, 1921, together with the percentage of decrease from the highest point, are shown in the following table:

	Pre-war price.	Peak of market.		Present market.	Per cent decrease from peak.
	Week of Feb. 26, 1913.	Date.	Price.	Week of Feb. 26, 1921.	
Heavy native steer hides	$0.17½-$0.18	Aug. 2, 1919	$0.53	$0.13 -$0.13½	75
Colo. native steer hides	.16¼	Aug. 2, 1919	.48	.10	79
Light native cow hides	.16 - .16½	Aug. 2, 1919	.60 -$0.61	.10	83
Branded cow hides	.16¼- .16¾	Aug. 2, 1919	.50	.09	82
Edible tallow	.07½- .07¾	July 12, 1919	.25 - .26	.06¾- .07	73
Prime oleo stearine	.09¾- .10	July 12, 1919	.28½- .29	.07 - .07¼	75
Extra oleo oil	.11¼- .11½	July 12, 1919	.34 - .35	.12½- .13	63
Fertilizer:					
Dried blood (per unit)	2.62½- 2.65	Mar. 27, 1920	8.40 - 8.50	3.10 - 3.25	62
Tankage, concentrated (per unit)	2.27 - 2.30	Mar. 27, 1920	7.25 - 7.40	2.50 - 2.75	64

The Wilson Label WILSON & CO. protects your table

Decline In Values at Chicago

Valuations of live stock on the Chicago market in 1920 as compared with 1919 follows:

	1920	1919	Decrease
Cattle...	$343,688,453	$429,649,449	$ 85,960,996
Calves...	15,597,186	18,182,631	2,585,445
Hogs....	255,862,904	365,112,825	109,249,921
Sheep....	42,529,089	59,214,006	16,684,917
Totals	$657,677,632	$872,158,911	$214,481,279

Prices during the year fluctuated considerably. For top steers, the year ended with an average of $7.15 per cwt. lower and average prices were $5.80 per cwt. lower than those which obtained during December, 1919.

At the seven principal markets there was a decrease of 2,000,000 head of cattle caused by the heavy liquidation of cattle in 1919 and by the severe drought in the northwest which severely injured the business of live stock raisers in that section of the country.

The highest average during 1920 was in September, when $15.05 per cwt. was paid.

The highest top price was in January, when $19.25 per cwt. was paid and the lowest point for highest grade steers was reached in December, 1920, when $12.50 per cwt. was paid.

In the final quarter of 1920 hog values suffered severely. During the first eight months of 1920 but a small net change was noted in prices paid for hogs, the highest level being reached in September, when $15.90 per cwt. was paid and the highest price for light hogs was $18.25. The decline was rapid and demoralizing. On December 16, the decline in values reached a point where the best hogs sold for $9.15 per cwt., or $9.10 per cwt. lower than the highest point of the year.

This low quotation was $14.45 per cwt. lower than the top quotation during the previous year.

The Wilson Label WILSON & Co. protects your table

The sheep market sustained terrific declines.

On December 5, 1920, the top prices paid for sheep were $6.50 per cwt., or $11.00 under the prices paid at the beginning of 1920. Top prices paid for lambs were $13.00 per cwt., or $8.75 less than at the beginning of the year.

The average for fat sheep, $9.30 per cwt., is 90 cents under a year ago, $2.85 lower than two years ago and the lowest average since 1916.

Market Gluts Damaging to Industry

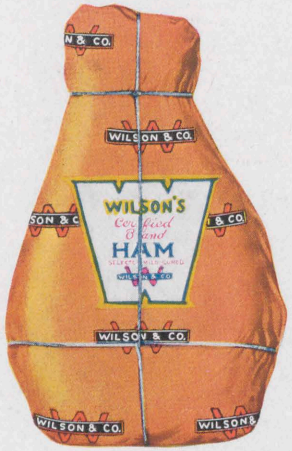
Irregular receipts at live stock centers have been the cause of some severe losses to the industry and this serious and complex problem needs considerable thought and attention.

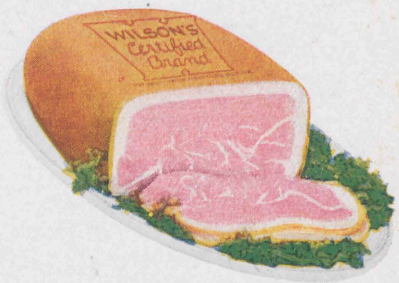
It would be most satisfactory to all concerned if the causes of the large receipts in excess of the market requirements could be better understood and a definite plan worked out to bring about a more even flow of live stock to market. No one can profit by these gluts which have been the source of trouble for years, for they throw the entire industry out of balance for a time and result in heavy losses and general dissatisfaction.

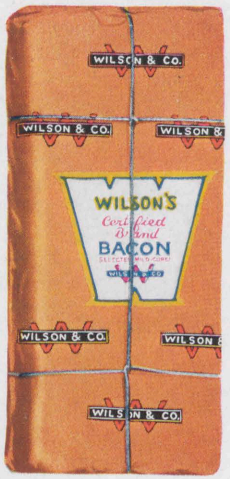
This has tended to discourage live stock producers and some have either curtailed their production or have gone out of the business. There has been no satisfaction in this to anyone; in fact, it has proved a serious economic loss to the nation and is something which should and can be avoided.

Studying the causes for sharp live stock declines which are hurtful to the farmer, with a view to arriving at some solution of this serious problem is an important matter which the farm organizations can help solve.

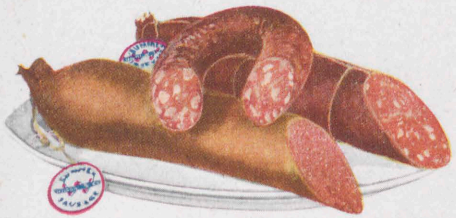
As packers we would be better satisfied to see a more even flow of live stock to the marketing







WILSON & CO.



The Wilson Label WILSON & CO. *protects your table*

centers, for our packing plants can operate more economically when regularly employed.

Our meat storage facilities are small and only sufficient to care for meats in cure and such quantities of fresh meat as we need to care for our trade.

Packing houses as constructed can handle a definite amount of live stock and the marketing forces are sufficiently large to handle about the capacity of the packing plants. Thus, when there is an unusual supply of live stock on the market and which is largely in excess of the capacity of the plants and of the demand determined by numerous other conditions, over which no single organizations nor group could have control, prices, responding to the law of supply, fall. Contrariwise, prices rise when there is a greater demand than there is available supply of live stock on the market.

Our operating costs are always lowest when we operate normally, permitting us to pass on the benefits to both the producer and to the consumer.

Fewer Head of Live Stock on Farms

That the terrific decline in prices has reduced herds considerably is shown in the government live stock figures for 1920, giving the estimated number of head on farms.

In the figures quoted the Government includes milch cows among cattle and pigs with the hogs.

The figures show an increase over 1918 but a decrease as compared with 1919. The figures are:

Year	Cattle	Hogs	Sheep
1920.....	68,232,000	72,909,000	48,615,000
1919.....	68,560,000	74,584,000	48,866,000
1918.....	67,422,000	70,978,000	48,603,000

The Government report on January 31, 1920, estimated the decrease in value of live stock in the United States as $2,250,000,000 during that year and that the

number of head including milch cows, horses, mules, and calves decreased 10,000,000. The Government estimates show that cattle and sheep decreased in number more than 4 per cent, while swine decreased in number more than 7 per cent. $500,000,000 is given as the decrease in value of milch cows; $500,000,000 for other cattle; $500,000,000 for swine; $250,000,000 for sheep and the balance is for horses and mules. The Government estimates that milch cows decreased $63.97 per head in value; other cattle $31.41 per head; sheep $6.41 per head; hogs $12.99 per head.

Farmers Suffer Heavy Losses

These losses, while severe on this industry, were equally severe among the farmers of the nation and especially so to the farmers who found themselves with large quantities of feed on hand raised on high valued land, which they were forced to feed to live stock which when marketed showed an actual loss when based on land and feed values.

Foreign Outlet Closed

During the war there was a surplus of fresh meats raised due to the urging of our farmers by the Government. Hogs and sheep can be bred and marketed within a very short time but steers cannot usually be profitably marketed for two or three years, so that when the armistice was signed the beef raising industry was about at full tide.

After the armistice was signed and England switched boats to South America to supply herself with beef, we found ourselves with an excess supply of beef that formerly was exported. This left a surplus on hand and values declined rapidly. Live stock production could not be shut off by turning a spigot like stopping a flow of liquid from a barrel, and for many months this war beef kept further damaging the market. Pork products suffered from other

causes equally as severe and unfortunate. Few sheep are ever exported as Australia and New Zealand supply Europe.

Had the foreign exchange situation and credits been worked out we might have enjoyed a greater business with those European nations which require huge quantities of pork products. It is to be hoped that these matters will be adjusted satisfactorily in the near future and that our foreign trade will again be resumed on a normal basis.

Large Crops in 1920

During 1920 the American farmer raised the largest crops on record. In corn alone this nation produced 3,190,000,000 bushels, an unprecedented crop which represents about four-fifths of the world's supply.

Other tremendous gains on acreage results, besides showing an increase of 13 per cent in the ten principal crops, showed the ability of the American farmer to meet almost any demand.

Farm Crops Larger—Value Lower

Final estimates by the Department of Agriculture show that while the 1920 farm crops in the United States totaled among the largest in the history of the country, falling prices have carried the aggregate value far below that of last year.

The important farm crops, which comprise about 90 per cent of the value of all farm crops, were valued this year at $9,148,519,000 by the Department of Agriculture in its final estimates.

Last year these crops were valued at $14,087,995,000. Acreage devoted to the important crops also decreased, the total being 351,062,409 this year, as compared with 356,162,112 last year.

Greater Production Necessary

Farming is a business—just as much as running a store, a bank, or anything else is a business. The farmers took their losses in the last year as any business does and can only expect to overcome those losses and make money in the years to come by practicing economies and increasing the output.

Increasing acreage yields and better feeding of live stock mean much to the nation and to the world but even more to the farmer. There is much to be accomplished in greater yields per acre through the application of methods which are pretty generally known. Excellent results are being obtained and the information resulting from years of effort and experimenting is not any secret.

With agriculture accepted as the firm basis of our national prosperity the farmer's prosperity will be measured by the extent of his crops per acre. Anything which aids him in increasing his yields automatically increases his prosperity. Such declines as set in during 1920 cannot properly be accepted as a safe indication, nor can the huge crops be held responsible for the decline in prices which resulted. Nearly every business suffered severe losses and the farmers were carried along with the general tide of recession that set in. Eventually everything must work back to a newer permanent level and then again the farmer's prosperity will be measured by his yields per acre just as the prosperity of industry will be measured by the yields of its factories, shops, railroads, steamships, etc.

With good yields the farmer should turn his attention towards marketing his grains. It has been proved conclusively, and it is only natural, that feeding the grain to live stock is the most economical and profitable method of marketing the grains. But here again enters an element for consideration—quality of live stock.

Good Quality Live Stock Essential to Profits

Some animals make profitable gains quicker than others do. There are many breeds of animals on the market which have been found profitable to handle and yet there are hundreds of thousands of less desirable animals today being fed valuable grains which do not return to their owner the value of the food they consume.

This information also is easy to obtain and those who have taken advantage of it must be many for the quality of meat animals coming to market is increasing noticeably from year to year. Yet, there is considerable room for improvement and for the better use of valuable grains which are being fed to animals of a type that is not wholly profitable nor satisfactory.

State Agricultural Colleges devote a considerable part of their efforts towards the up-building of breeds of live stock and conduct experiments to determine most economical feeding methods. Each year thousands of men, women, boys and girls attend courses at these colleges to become acquainted with the results achieved by the splendid corps of men and women who are devoting their lives to giving instruction in this important work.

Those unable to attend courses may obtain free printed matter from these colleges containing special reports, fully illustrated, giving such information to aid them in becoming familiar with much that should be of great benefit in improving their breeding and feeding methods.

Annually, at Chicago, there is held the great International Live Stock Exposition, to which is sent the cream of live stock of the world to be entered into competition for valuable prizes. Among the purposes of this exposition is the important one of encouraging better breeding and feeding of live stock and suitable rewards are made for special progress in these features.

The Wilson Label **WILSON & Co.** *protects your table*

With practically every known breed entered in the various classes at the exposition, there is considerable rivalry which has resulted in a great amount of benefit to all. Each breed enthusiast has contributed something, in feeding or otherwise for the improvement of their own and all other breeds.

The Grand Champion Prize is especially much coveted at the exposition. At the 1920 exposition held in December, "Black Ruler" bred and raised at Purdue University, Lafayette, Ind., was declared Grand Champion. This steer was of the Angus type, and was purchased by Wilson & Co., to encourage special proficiency in breeding and feeding quality live stock.

Farmer Organizations

The splendid farmers' organizations throughout the United States are working towards a solution of these important problems. These organizations properly officered and thoroughly representative of the ambitions and needs of their members are in a position to do much good for the farmers and for the nation.

More people are coming to appreciate that without prosperity on the farm there can be no prosperity in the city and that what affects one affects the other. Neither group can isolate itself and expect to profit long at the expense of the other.

Probably the most important function of the splendid farmers' co-operative organizations will be to help restore confidence. Members will be able to receive unbiased information and facts which should be valuable to them. Farmers will have made available to themselves unprejudiced and clear interpretations of general conditions which affect their prosperity.

Packers and Producers—Partners

Notwithstanding all contrary statements the live stock producers and the meat packers are partners

in a broad sense, which, briefly stated, is that the packers cannot operate their plants without a continuous flow of live stock and producers cannot profitably market their live stock without these efficient organizations which operate at a smaller margin than does any other industry in the world.

Wilson & Co. fully appreciates its responsibilities to both producers and to consumers and stands ready at all times to aid and support such creditable organizations as have for their purpose an honest and unbiased study of any phase of the industry of which we are a part.

Supply and Demand Govern Industry

We are sure that as a result of frank discussions and a somewhat better understanding among those concerned, it has been pretty well established that live stock prices can only be determined by the operation of the law of supply and demand.

Such problems as the elimination of over supply at the markets and other unsatisfactory incidents which tend to discourage production must begin among the farmers through their own organizations.

Farm Papers

The many splendid farm publications which have such an excellent and well justified circulation among progressive farmers have been doing good work in this direction; but much remains to be accomplished and will be, in our opinion, if first we can work out a better understanding between the packers and the meat producers. Greater confidence on the part of the producer toward the packer will be a long step towards the solution of a vexing problem.

Increased Production Through Disease Prevention

Considerable has been accomplished by the Bureau of Animal Industry of the Department of

Agriculture in increasing live stock production through reducing losses from preventable diseases.

This important Government Bureau has carried the force of its authority into the fight against preventable diseases and great good has been accomplished in a vast measure beyond the knowledge of the public.

There are each year considerable losses both to the farmers and to the consumers, resulting from not applying preventive measures to live stock. Under the instruction and direction of the Bureau of Animal Industry, however, live stock producers are coming to have a better understanding of the importance of disease prevention and are adding to their profits by eliminating unnecessary losses.

Thus, with greater production from the soil through application of improved methods of farming and utilization of information available by better breeding of live stock, by prevention of disease, by better marketing of animals, the farmers of the United States seem to have a splendid opportunity for increasing their profits without any greater investment of either time, labor or money.

Legislation Can Not Remedy Economic Conditions

So-called remedial or restrictive legislation cannot cure faults which result from uncontrollable economic causes. The law of supply and demand governs the live stock and packing industries just as surely as it does other industries and labor and the solution of the difficulties which beset it will first depend upon a friendlier attitude between the producers and packers, which can only come from a better understanding of each other's problems.

During the year we have been harassed by legislative proposals which their sponsors insisted would eliminate all difficulties and would act as a panacea

for all the ills attendant upon the live stock producing and packing businesses. We studied these various measures and have failed to find anything in them which might prove of lasting benefit or value to the live stock producers or to the meat packers.

Controlling an economic situation by artificial or legislative means cannot result in permanent good and for that reason we have opposed such legislation on the ground that it would destroy individual initiative and would further hamper the industry rather than assist it.

We have had numerous investigations, and volumes of reports, and many bills introduced in Congress. We have given our version to the public and believe that there exists today a much better understanding between the public and this industry. There is much to be accomplished, but the constant threat of legislation and the frequent investigations has prevented us from accomplishing what we should like—a friendly discussion and an understanding free from suspicion among the producers concerning this industry and its importance to them, having in mind at all times, of course, the consumer as well as the producer.

Institute of American Meat Packers Growing

Much good is being accomplished by the Institute of American Meat Packers, an organization of some 200 meat packers of the United States.

Intelligent committees representative of all the packers are working out important problems constantly and their findings and decisions are published and made known generally benefiting the producer, packer and consumer.

The purposes of the Institute as expressed in the constitution are:

> To co-operate with the Government in all matters of national concern to the meat packing industry.

To foster domestic and foreign trade in meat products and to promote mutual improvement and a study of the arts and sciences connected with the meat packing industry.

Stockholders Requested to Ask for Company's Products

In conclusion we wish to impress upon our stockholders and our many friends the valuable service they can render themselves and this company by inquiring for and insisting upon their dealers handling Wilson & Co.'s products.

This kind of co-operation will assist materially in gaining a further general distribution of our pure food products. A wider distribution increases the earnings of the company thereby adding to the value of your investment.

It is our sincere desire to render a genuine service to the public by making food products of the highest possible quality, thereby justifying our stockholders and good friends in calling for them for their own use, as well as urging their friends to do likewise.

In another part of this book there are shown in colors a large number of our food products, the sale of which is being increased daily.

The Wilson Label WILSON & Co. protects your table

Magill-Weinsheimer Company, Chicago

WILSON & CO., INC., AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1920

ASSETS

PROPERTY ACCOUNTS:		
Plants and Equipment	$31,268,150.41	
Less—Mortgages Payable and Purchase Money Obligations	654,875.00	
	$30,613,275.41	
Trade Marks, Patents, Goodwill, etc.	11,354,928.05	$41,968,203.46
Investment in wholly owned South American Companies, including Net Current Assets of $4,324,703.06		7,513,802.52
Investment in Affiliated Companies not Wholly Owned		7,329,631.73
Merchandise, including Consignments, less Drafts drawn thereagainst		27,236,581.65
Accounts and Notes Receivable		21,393,520.49
U. S. Government and Miscellaneous Securities		328,821.56
Cash		7,604,162.66
Interest, Advertising, Insurance, etc., Prepaid or Deferred		831,068.42
		$114,205,792.49

LIABILITIES

CAPITAL STOCK:			
Preferred:			
Authorized and Issued	$12,000,000.00		
Outstanding		$10,718,900.00	
Common (without par value):			
Authorized—500,000 Shares			
Outstanding—200,000 Shares		20,000,000.00	$30,718,900.00
Twenty-Five Year Mortgage Bonds		$21,057,000.00	
Less—Bonds and Cash in Sinking Fund		872,317.05	20,184,682.95
Ten-Year Convertible Bonds		$20,000,000.00	
Less—Bonds in Treasury		566,000.00	19,434,000.00
Accrued Interest on Bonds			403,060.00
Notes Payable			21,762,140.00
Accounts Payable and Other Liabilities			3,112,657.21
Reserve against Foreign Exchange and Contingencies			2,254,649.55
SURPLUS:			
Surplus as at December 27, 1919		$21,027,264.62	
Deduct:			
Deficit for the year ended Dec. 31, 1920, after deducting all interest, taxes, etc.		940,850.34	
		$20,086,414.28	
Deduct:			
Dividends paid:			
on Preferred Stock	$ 750,711.50		
on Common Stock	1,000,000.00		
Reserve against Contingencies arising from fluctuations in exchange on the Company's net interest in South America and for other Contingencies	2,000,000.00	3,750,711.50	
Balance of Surplus on Dec. 31, 1920			16,335,702.78
			$114,205,792.49

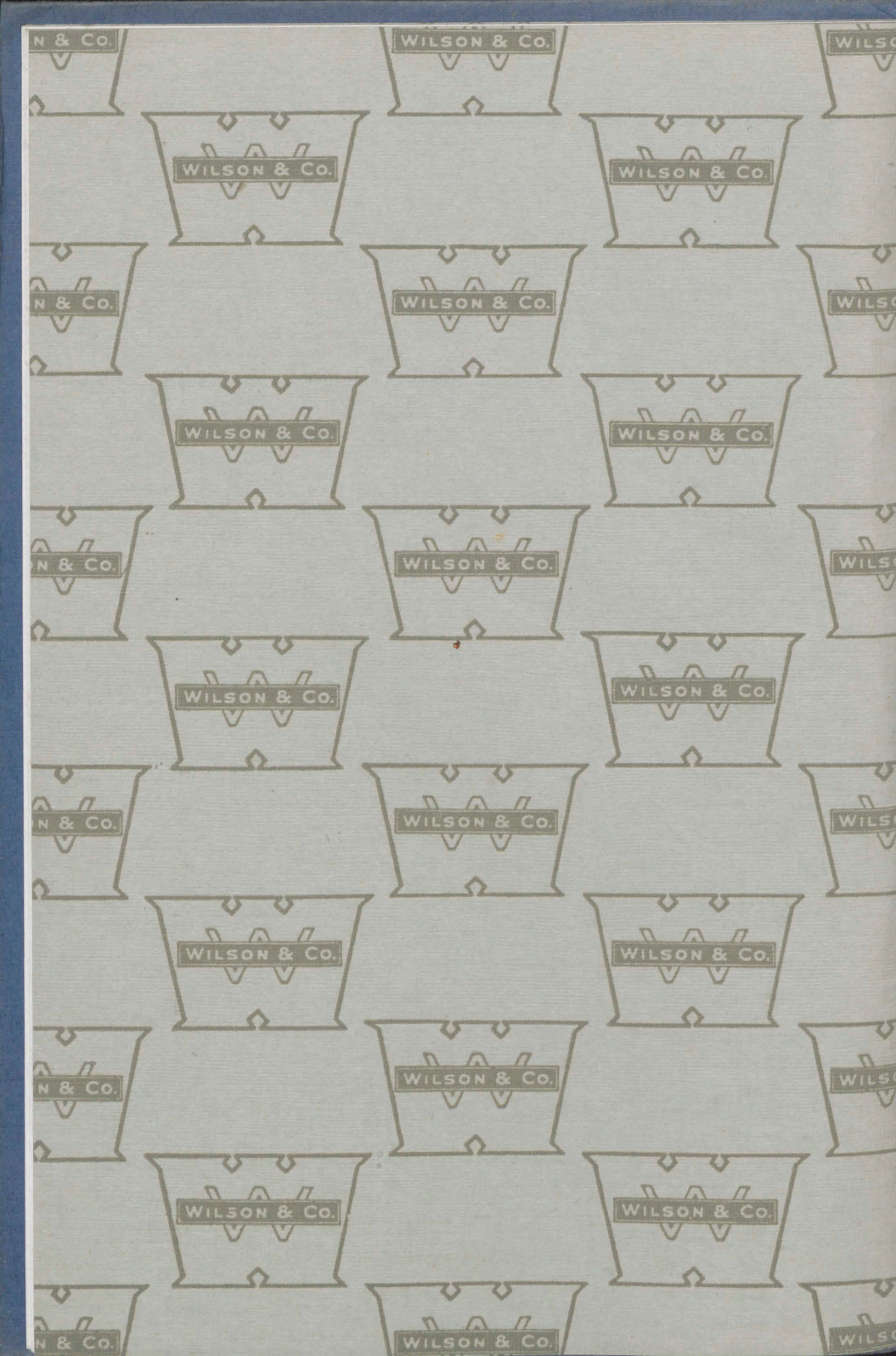
Note: Dividend declared December 16, 1920—Preferred Stock—Payable January 3, 1921—1¾%.

ACCOUNTANTS' CERTIFICATE—

We have examined the books and accounts of Wilson & Co., Inc., and of its Domestic Subsidiary Companies, as well as those of its Subsidiary Company in the Argentine Republic, for the year ending December 31, 1920, and have had produced to us the audited statements of the remaining Foreign Subsidiary Companies. The net current assets included in Investment in wholly owned South American Companies, and the results from operations thereof for the year included in profits are stated at book values converted at standard rates of exchange and we satisfied ourselves that the Exchange Reserve is sufficient to adjust such current assets to current rates of exchange as of December 31, 1920. Subject to the omission of provision for depreciation of plants and equipment for the year 1920, we certify that the above Consolidated Balance Sheet, embodying the assets and liabilities of Subsidiary Companies (other than those of the South American Companies) and including the South American Companies under investments, in our opinion, shows the true financial position of the Companies at December 31, 1920, on the basis stated.

Chicago, March 7, 1921.

PRICE, WATERHOUSE & CO. (Signed)
Certified Public Accountants.


WILSON & CO.