

Business

As above indicated, the business of the Company has been confined mostly to the manufacture of a machine for the making of cigarettes. A development department has been maintained actively, by which new improvements and attachments to the machine have frequently been made and patents thereon secured. The plants of the company, both in the United States and in Europe, have been kept in excellent physical condition both as to buildings and machinery equipment. In the year 1912, the company purchased a 50% interest in The Molins Machine Company of London, England. This latter company manufactures a machine for making and packing cigarettes and other commodities, and the business has been quite successful. The price paid by the United Company for the one-half interest in the Molins Company in 1912, was 2,000 pounds Sterling, which it sold in the present year of 1924, for 20,000 pounds Sterling and at the same time, retained the exclusive rights to make and market the said machine, in the United States, Central America, South America and Central European countries. For several years past, the United Cigarette Machine Company has had a profitable business at its Lynchburg, Va. plant, in the making of carbureters used in the well-known Buick automobiles. The said Lynchburg plant also includes the production of various other lines of castings and machining work, the plant being one of the largest and most complete in the Southern States.

Earnings and Dividends

The company has paid cash dividends to its stockholders for over forty years without interruption. A conservative estimate of the aggregate cash dividends paid to date, since the founding of the company in 1881, is over \$8,000,000. In addition to this sum paid to stockholders, the plants in Europe and America, together with inventories and various investments owned, cost not less than \$4,000,000. and could not be replaced to date for that sum. The average annual net earnings of the company over the forty odd years of its existence, is not less than \$250,000. Net earnings for the year 1923, after deductions for taxes and heavy losses on German money, taxes etc., were \$204,878.97. Assets and Liabilities on January 1st., 1924, are shown by the attached copy of official statement issued by the company.

Strong Cash Position

The cash position of the company's Treasury at the present time is unusually maintained. The indications are that the present year will show the largest net profits in the history of the company, - estimated around \$500,000. In addition to which, there has been received during the year over \$120,000. in accumulated dividends on Canadian Pacific Railway Company stock, as referred to above, and approximately \$90,000. proceeds from the sale of stock of The Molins Machine Company of London. The company has furthermore been awarded the sum of \$400,000. and interest at the rate of 5% per annum from the date of the Armistice, as damages resulting from the action of the German Government in taking over the Dresden plant of the company during the war.

Management

The main office of the company is at Lynchburg, Va. where most of its eleven directors reside. They are all successful business men of the highest standing. Mr. C. W. Cooch, who is president of the company, was for many years, Vice President of the Burroughs Adding Machine Company of Detroit, Michigan.

*Statements for years 1915 to 1923
inclusive attached - also 1911-1912-1913*