

JAN 25 1949

CONTINUOUS

Spec SERVICE

PICO METAL PRODUCTS CO (INC) CD. 53, DECEMBER 2, 1948
SHEET METAL FABRICATION

LOS ANGELES 15, CALIF
637 E WASHINGTON BLVD

ROBERT LAUTERWASSER, PRESIDENT
JOHN COGORNO, VICE PRESIDENT
GLENN ZIEGLER, SECRETARY-TREASURER
DIRECTORS: THE OFFICERS

RATING: - - to D. 1 1/2

SUMMARY

THIS BUSINESS WAS BEGUN IN 1919 BY THE FATHER OF THE LATE CARL R. LAUTERWASSER, AND WAS SUCCEEDED BY THE PRESENT CORPORATION IN AUGUST, 1933. IN FEBRUARY, 1947, CARL R. LAUTERWASSER PASSED AWAY AND HIS WIDOW WAS APPOINTED EXECUTRIX UNTIL THE PRESENT OFFICERS TOOK OVER THE BUSINESS ON JULY 9, 1948. AT OCTOBER 31, 1948 A TANGIBLE NET WORTH OF \$47,403 WAS SHOWN, WITH CASH SUBSTANTIALLY EXCEEDING TOTAL DEBT. TRADE PAYMENTS ARE DISCOUNT AND PROMPT AND OUTSIDE FINANCING IS NOT UTILIZED.

HISTORY

Started: This business was originally started in 1919 by the late William J. Lauterwasser who held the office of President in the corporation until his death on May 10, 1943. At that time his son, Carl R. Lauterwasser succeeded to his presidency and who held that position until his death in February, 1947. His widow was appointed administratrix and the business was operated as an Estate until the present management succeeded on July 10, 1948.

Incorporated: Under California laws, August 23, 1933.
Authorized capital Stock: 500 shares common stock, having a par value of \$100 each.

Outstanding Capital Stock: \$25,100 at October 31, 1948

Robert Lauterwasser, the son of the late Carl R. Lauterwasser, born in 1924, single, a native of Los Angeles, has been associated with this firm throughout his adult working career. He served 25 months in the United States Navy, receiving an honorable discharge with the rating E. T. M. 2/C. He succeeded to his present office on July 9, 1948.

John Cogorno, born 1912, married, a native of California, has been employed by this concern since 1929. Upon the death of Carl R. Lauterwasser, Cogorno succeeded to the office of Secretary-Treasurer which position he held until the present management took over the business.

Glenn Ziegler, born in 1919, married, a native of this country, was employed by the Pacific Telephone & Telegraph Co., as an engineer, which position he has held since 1941. He does not appear active in this business.

This business operated profitably for many years, but after a time, affairs became involved and in 1932 a creditors committee was named. By June, 1936, the company had worked out its financial difficulties, and was released by the committee. During 1941, the corporation affected a reduction of its outstanding capital, which had previously been \$40,000, reducing the amount outstanding to \$25,000. A surplus deficit of \$28,000 was also eliminated. The increase in surplus was brought about by profitable operations during 1941.

METHOD OF OPERATION

FUNCTIONS: This corporation does sheet metal fabrication work, on a job basis. Twelve persons are employed.

DISTRIBUTION: Work is done for local industrial concerns, approximating between 125 to 150 active accounts.

Terms: 2% 10 Net 30 days.

Seasons: Steady throughout the year.

(CONTINUED)

PICO METAL PRODUCTS CO (INC) CD 53 DECEMBER 2, 1948
 SHEET METAL FABRICATION LOS ANGELES 15, CALIF
 (PAGE #2)
 METHOD OF OPERATION (Cont'd)

FACILITIES-LOCATION: Equipment utilized includes: one 10-foot press brake, 2 punch presses, one 10-foot and one 3-foot shear, one 6-foot rolls, and two electric welding machines. Rents space 15 by 180 feet in this two-story stucco building, situated on a principal thoroughfare in a close-in industrial section of the city. A small portion of the space is sublet to manufacturing concern. Premises are orderly.

STATEMENT

From inventory of October 31, 1948:

ASSETS		LIABILITIES	
Cash on hand	\$ 140.38	Accounts Payable	\$ 1,565.87
Cash in bank	17,723.62	Accrued Wages & Taxes	1,507.92
Accounts Rec.	6,244.66		
Merchandise	8,439.85		
U. S. Govt Bonds	11,000.00		
Total Current	43,548.51	Total Current	3,073.79
Mach. & Fixts.	8,005.82	Prov 1948 Inc. Tax	2,300.00
Real Estate & Bldgs.	250.00		
Dep. & Adv.	600.00		
Prepaid Taxes	275.83		
Unexpired Ins.	96.26		
Goodwill	6,500.00	CAPITAL STOCK	25,100.00
		SURPLUS	28,802.63
Total Assets	59,276.42	Total	59,276.42

Accompanied by letter (Signed) November 17, 1948 PICO METAL PRODUCTS CO.
 (By) R. C. Lauterwasser, pres.

No public accountant indicated

This well established business has operated under numerous changes of ownership since 1919, and since 1936 moderate advances have been made to the financial structure. At the last statement date tangible net worth was shown at \$47,403, and an extremely liquid financial condition represented. Trade payments are discount and prompt, and outside financing is not needed to augment working capital.

The above statement reflects extremely liquid internal condition, with cash alone substantially exceeding total debt. Accounts receivable are net after res. for doubtful accounts of \$2,053, and merchandise includes raw materials of \$6,121, work in process \$1,865, and finished merchandise \$453. Machinery and equipment includes: tools and equipment after a reserve for depreciation of \$26,213, benches and racks net after reserve for depreciation of \$784, and auto and trucks net after a reserve for depreciation of \$275, and office furniture and fixtures net after a reserve for depreciation of \$799.

On December 2, 1948, Robert Lauterwasser, president, indicated sales to be exceeding \$10,000 monthly, and reported a net profit of approximately 20% currently returned on the volume. He stated no dividends had yet been paid by the corporation. He also indicated the maintenance of a satisfactory internal condition, with current debt confined to accounts payable and accruals not exceeding \$2,500.

A local depository reports small five figure cash balances maintained in a well established account, with no requests for accommodations in that quarter.

TRADE REPORTS

Purchases are confined to four sources, the experiences of which are in the trade clearance completed September 18, 1948:

HC	OWE	P. DUE	TERMS	PAYMENTS	REMARKS
311	55		2-10th 60	Disc	Sold yrs to date
173				Disc	Sold 1944 to March 48
71			10-30	Disc	Sold yrs to date 48
255			1-10-30	Disc to Prompt	Sold
12-9-48	(104 909)	RI-26	3-D		