

BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day January 3, 1928, at the office of the Company, 1114 West Liberty Street, Louisville, Ky., with C.D. Campbell and Frank Sutton, a majority of the Directors present in person.

As a complete set of statements for the year 1927, were not available for this meeting, on motion same was postponed until January 17, 1928.

*Approved Jan 17, 1928*  
*Frank Sutton*  
*Acting Secy*

STOCKHOLDERS MEETING OF CAMPBELL COMPANY, INCORPORATED

The annual meeting of the stockholders of Campbell Company, Incorporated, held this day January 10, 1928, at the office of the Company, 1114 West Liberty Street, Louisville, Ky., but as a complete set of statements covering 1927 business had not yet been completed, on motion the meeting was postponed until January 17, 1928.

STOCKHOLDERS MEETING OF CAMPBELL COMPANY, INCORPORATED

The annual meeting of the stockholders of Campbell Company, Incorporated, postponed from January 10, 1928, held this day, January 17, 1928, at the office of the Company, 1114 West Liberty Street, Louisville, Ky.

Of the 500 shares of Common stock outstanding, which is the voting stock, 450 shares were represented at the meeting; also 599 shares of the 900 shares of Preferred stock outstanding were represented at the meeting.

On motion Mr. B.H. Farnsley was elected Chairman of the meeting.

On motion Mr. Frank Sutton was appointed Acting Secretary of the meeting.

The minutes of the stockholders meeting held January 11, 1927 were read, and on motion the paragraph in said minutes reading: "The minutes of this meeting were then read to the stockholders and on motion same were approved by them" was ordered stricken from the minutes referred to. With this correction the minutes were approved.

The President of the Company read his annual report dated January 17, 1928, in which was embodied the Balance Sheet of the Company. On motion the full report was received and ordered spread on the minute book as part of the minutes of this meeting. The President's report follows:

THE ANNUAL REPORT OF THE PRESIDENT ON THE BUSINESS OF 1927  
 TO THE STOCKHOLDERS OF CAMPBELL COMPANY

January 17, 1928

Gentlemen:

I can only repeat in again submitting my annual report what I believe I have said in every report I have submitted except the first one, and that is I am more and more impressed with the value of these reports and the correctness of our anticipation in making our estimates

for the coming year, and the value of rereading the previous reports, that we may be informed of what has taken place and be guided by this experience, as of course unless we are familiar with what has taken place in the past we cannot appreciate just what our judgment has been, as to whether sound or unsound.

No one will deny that experience is the best teacher, and no one will deny that the only sound basis for opinions and judgment is the result of experience and education, and the wider and more comprehensive this experience and education, when concentrated on what it is given us to do, the greater the value of the opinion and the sounder the judgment; and where can we have better education and a more pertinent experience than this yearly review dealing directly with our own business and difficulties we have had to meet and how we have met or failed to meet, as well as the successes which may have come to us, and possibly greater than all else this better understanding and development which is taking place in us, as well as in the business, and without which we never can hope for continued or permanent advancement or success.

I am glad to say one subject which in former reports has received a good deal of attention and taken up quite a lot of space is now no longer a factor and needs no special attention. I refer to the Farmers Cooperative Association, which has practically ceased to exist, and so far as we are concerned need not be further considered, although I must admit in its dying days it was probably of greater benefit to us than it has been at any time during its life. This was brought about by our largely increased business this past year over our original orders, which we protected in the open market while the tobacco was available, but which did not supply us with all the stock to care for the additional orders, even with the rather large inventory which we carried over in 1927, and this additional stock required we were able to obtain through our rather large purchases from the Association in its liquidation, thus enabling us to meet all of our requirements in the most satisfactory way and close the year entirely up on our orders, although with the smallest inventory on the 31st of December we have had in many years, if not the smallest we have ever had, and certainly the smallest we have ever had considering the size to which our business has grown.

While I did not intend to say anything about the Farmers Association, I do believe it is well as a matter of record to point out the tobacco we bought from the Association was at very much lower prices than was originally asked by the Association, besides their having had the expense of carrying charges and loss in weights. I refer to this to bring out the fallacy of attempting to arbitrarily fix a price higher than is legitimately justified, simply because one has the power to do so and how in the end all prices must be governed by supply and demand; and you will remember it was this attitude of the Association which was pointed out in its beginning as what would result in its ultimate failure.

You will remember the 1925 crop was considered by us as the most satisfactory crop we had ever worked and was in our opinion what we should take as a normal crop on which to base our future action and estimates, and because the 1926 crop, while a much smaller crop than the 1925 crop, was a common crop, with a very large percentage of long tobacco, we believed the 1926 crop would sell very much cheaper than the previous crop - 1925.

Our friends abroad did not call for their full orders as given for the 1925 crop delivered in 1926, leaving us with quite a large quantity of this 1925 crop on hand undelivered, and while we had a perfect right to force our friends to take all of their orders at the original price, due to our belief that the 1926 crop was a very common crop in quality and would sell very low in price, and fearing the comparison of this common crop at a low price with the high prices of the previous year, your President cancelled the remaining undelivered orders of the 1926 business that we might begin at the earliest possible moment delivering this cheap tobacco and educating our customers to this poorer quality without their having the better tobacco and high prices at the same time with which to compare, which in his opinion would slow up and probably hamper the taking of the 1927 orders as rapidly as would otherwise be done where this comparison could not be made.

I am glad to say his judgment in this was confirmed beyond our fondest hopes, and resulted in the largest, possibly the most satisfactory and profitable business we have ever done with Africa, not only resulting as we have stated above in the delivery of our entire purchase to protect the orders given us in 1926 for delivery in 1927, but also taking all the old orders which were cancelled at the original 1926 prices and also quite a large quantity of additional tobacco at the increased price, which we were able to supply from the Association purchases.

The great value in pursuing this course, and I believe what will result in a larger business than it otherwise would have been this coming year, was in doing this we were able to dispose of all this common crop at the cheap prices first, and because of the cheap price increase the demand for our tobacco, gradually working up our prices and educating our trade to a higher priced level, all at a profit, and preparing the trade for the much higher prices which we fear and really believe will prevail this coming year. Again I am going into some detail that we may have past experience before us should a similar situation have to be met in the future.

As soon as our very low price-list of 1927 was received by our friends we were practically flooded with shipping instructions, through their evident desire to get as much of this cheap tobacco in their hands as possible to meet what they evidently anticipated would be a largely increased demand. This was a natural view to take, and had it not been for the common quality it would have been undoubtedly good business on our part to forward this tobacco and meet this demand as rapidly as possible, as it is always good business to supply a thing when it is wanted. But remembering the common quality of this crop and that they had as yet had none of this new tobacco and consequently could not judge what satisfaction it would give, and knowing comparison is such a great factor in determining one's satisfaction in possession, we figured if our customers should get the idea they could get all of this cheap tobacco they wanted while the old and better tobacco was on sale and in evidence, it would result in disappointment and probably lessen the desire for future large deliveries, as it is only human nature to not think as much of anything you can get all you want as you would think of it where it is possible you might not secure as much as you might want. So with this in mind we did not make the full shipments asked for, but fed the tobacco to them in such quantities as to keep them always supplied but never to have them over-stocked, in this gradually letting all the old and better tobacco pass out of existence and educating them to the use of this new, cheap, and common tobacco, for as stated comparison would have a great influence, and when there was nothing to compare with we hoped it would quickly result in acceptance of what was without causing a lessening in the demand.

From the result it is evident we were again sound in our reasoning, as the demand did not lessen and in a comparatively short time we were able to increase our shipments, delivering what had been held back and continuing in supplying the full quantity asked. The outcome of this was the largest regular constant delivery and realization we have ever had and the consequent rapid reduction of our bank indebtedness, enabling us to pay out of one of our banks early in the year and before the end of the season completely liquidate all of our indebtedness and carry a substantial cash balance, an experience we had not had for a good many years past. In the opinion of your President this action was also the cause of the general satisfaction with which our tobacco has been received the past year.

Realizing how common this crop was, and it was so common that our competitors did not consider it could be satisfactorily handled, we anticipated and were prepared for any number of complaints, and did not really see how we could possibly get through the year without being almost flooded with complaints which would be extremely difficult to successfully answer, and we have understood our competitors who were using this tobacco have had this experience. But in our case we have only had two complaints that have really meant anything or have in any way slowed up the demand for our tobacco wherever it has gone. The first of these was a natural result of the commonness and thinness of the crop, preventing us getting the rich dark color in the tobacco which we know as Bell A going to Dahomey, and this of course can easily be corrected in an ordinary normal crop, and we hope to correct this year.



The other was in the tobacco known as Bell D going to Sierra Leone which port has been greatly dissatisfied the entire year, and we will undoubtedly have some adjustment to make on this tobacco, and conditions must change before we can get back to the old satisfaction with which this port was supplied, where we were the acknowledged leaders and had built up such a splendid and profitable business. It is possible and probable that due to the thinness of this crop we did make some mistakes in the supply of this Bell D tobacco, and we are of course responsible for any mistakes which we have made, and Sierra Leone should be reimbursed for anything due to fault of ours, as they depend upon us for the satisfactory preparation of their tobacco and leave it to us.

On the other hand, there is little question in our minds but what the basis of the most of this complaint is due to the bad sweating of the tobacco because of its thin body and the lack of something in it which we have so far failed to discover, but it is certain that the last crop was a very poor sweating crop, and natural tobacco came out of the sweat with a very disagreeable and unliked flavor, and with a flavor which caused our tobacco to be much discriminated against at this port of Sierra Leone. I have said natural tobacco from the fact we have had no complaint regarding flavor or color in any tobacco which we have delivered on which a preparation has been used, seemingly this preparation supplying the lacking quality and causing a satisfactory outcome when the tobacco was exposed for sale. This leads us to believe that the real trouble with Sierra Leone was the quality of the crop more than any fault in our working, but the fact remains the tobacco was not satisfactory and this must be overcome if we are to regain this business and bring it back to the former success with which it was done.

Regarding the quality of the crop, we appreciated it would not class up with former years, and attention was called to this by your President when he was abroad in 1926 and all of our friends warned of this possible outcome. But we must admit we did not anticipate such a serious result as seems to have developed at Sierra Leone, and we are now making every effort to discover what the real trouble has been that it may be avoided in the future.

I have again gone into this considerable detail regarding Sierra Leone that it might be a matter of record and that we might always have before us how quickly a business and reputation which has taken years to build up, may be lost and the importance of the constant and close supervision as well as study necessary to retain one's reputation to maintain and develop a business.

Just a short reference to our experience in making our purchase of the 1926 crop. Realizing it was a common crop with a large percentage of extra long tobacco, we were not at all aggressive buyers at the beginning of the sale of this crop, but going along quietly succeeded in securing about 500,000 pounds at what appeared very reasonable prices during the month of December 1926. At the opening of the sales in January 1927, prices had a decided advance of from two to three dollars per hundred pounds, and we did not meet this advance believing the tobacco was not worth the price being paid, and consequently the prices would not be maintained as soon as our competitors discovered what they were getting, and the difficulty they would have in working the crop. Again our judgment proved sound so far as the result was concerned, although it is possible this result was brought about quicker by weather conditions than it might have been otherwise.

Due to the high prices, our purchases were quite small for the first two weeks, then a long soft season set in and the tobacco came to market in very soft condition. This prevented many buyers possibly from making purchases they otherwise would have made of tobacco in good condition, but enabled us through being prepared to care for this soft tobacco to practically make our own price, and from that time until the end of the selling season we were able to buy all we required at what we believe is the lowest price we have ever seen a crop of tobacco sell for considering the changed conditions of labor and general expense, and we were also able to secure our full requirement as indicated by the orders then on our books.



Besides the very cheap price at which the tobacco was selling, long tobacco was especially cheap and there was no difference in the price paid for 24, 26, and 28 inch tobacco, the cost of which we estimated at the final outcome of our purchase as \$7.00, with 22 inch at \$6.50, 20 inch at \$5.50, and shorter tobacco at \$4.00, these being the averages on our entire purchase.

We again cite this that it may be a matter of record, as these prices are so remarkably cheap as compared with what we will undoubtedly have to pay for the tobacco this year. While it is true we believe a good deal of this decline in price was due to the commonness of the quality, it was largely due to the belief of our competitors and others in the tobacco business that they could not work this tobacco with satisfaction, and we were able to take advantage of it because we believed it could be worked, and again our judgment was sustained by the outcome.

What we have said applies to what is known as the Loose Leaf markets, and we think it is only fair we should give credit to our field buyer, Mr. W. S. Mansfield, for the splendid and sensible way in which he handled this and the splendid judgment which was shown by him in what he did.

Our purchase at Dale, Ind., was not large, due principally to the smaller production in that section and the common quality, but our crop average on what was bought was only \$3.59 per 100 pounds, the lowest price we have ever known to be made as a crop average, and the tobacco secured from Dale was probably the best working stock we bought in 1927. As stated, I am incorporating this because we are prone to forget what has happened, and it might be of great value to have this information at some future time.

In February of last year our Mr. C. O. Campbell made our usual trip to the West Indies, Demerara, and Haiti, and found everything in a very satisfactory condition, so far as our general business was concerned, and we may consider our business with these points has been on the whole satisfactory, although there has been a falling off in the business with Guadeloupe and Martinique, with an increase in the business with Demerara, and about the same business with Curacao, so that we do not think any special remarks are called for on these points.

Regarding the business with Haiti with which we dealt so fully last year, we have done practically nothing this year, in fact nothing in tobacco. This is the result of the change in duties practically preventing the importation of natural tobacco for the time being, until it is finally determined whether the tobacco now being grown in Haiti will prove satisfactory for this work, and it is possible there may be a resumption of shipments to Haiti and a fairly large business done, although we cannot look forward to such a business as was anticipated before the change in duty took place. In fact, we have now a small order from Messrs. Gebara & Co., and a letter stating they anticipated resuming shipments to some extent in the near future. Candidly, however, we would much prefer that we were not asked to supply much if any tobacco to Haiti this year because of the very small crop and supply of this tobacco which we will really require for our other work when prices are now so high, as we really think it would be to our advantage not to supply any tobacco to Haiti until the next crop grown in 1928 will be available. The best feature we can report regarding the Haitian business is that while Messrs. Gebara & Co., owed us on the first of January 1927 \$21,172.19, they have now reduced this indebtedness to \$1968.06, and it is reasonable to suppose the entire amount will be paid.

I will not attempt in this report to deal much with detail figures, as this will all be given you in the Vice-President & Treasurer's report, confining myself more especially to what has taken place.

Last May we received a letter from John Holt & Company reviving the question of counting the heads into the different packages for certain ports, and we immediately entered into a rather long and exhaustive series of experiments, and believe we have finally developed a method of work enabling us to satisfactorily do this. Your President made our usual trip to Europe in October and placed the result of these experiments before Messrs. John Holt & Company, and after a most exhaustive and full conference it was determined to adopt this method

for all tobacco requiring it, or practically three-fourths of John Holt's entire business, and the outlook was so favorable for the success of this method of handling that he was authorized to go ahead and prepare for same, and an order given him totaling 1,902,500 pounds, which with an undelivered order from last year, makes the orders from John Holt & Company in hand for 1928 in excess of 2,000,000 pounds, or the largest single order we have ever received from anyone.

The same question was submitted to the French Compagnie, but they were not prepared to adopt this method without further investigation, but on the whole their business had been so satisfactory this year that they did pass us an order for 1,191,500 pounds firm and a tentative order for 353,500 making a total to provide for of 1,545,000 pounds, which with orders undelivered on our books makes our total orders for these two companies for delivery in 1928 in excess of 3,600,000 pounds, which is by far the largest order we have ever had from these two companies, and with our anticipated business with the West Indies and South America, if all orders are taken, will give us the largest business we have ever had in our history, and we sincerely trust we will be able to fill these orders and same will be taken, although we must admit with the great advance in prices we have some doubt as to whether the full quantity will be taken and shipped, but so far shipments and instructions now in hand would indicate there has as yet been no falling off.

On the return of your President to Louisville the latter part of November, immediate steps were taken to prepare for this large business and this change in the method of handling. To accomplish this we have installed another boiler of 100 horse-power capacity and have also had made the required number of counting machines and put them into operation. This has caused an outlay in round figures of about \$7000, but we are glad to say this work has now been completed and the factory is now running at full force and satisfactorily meeting the changed conditions and methods of work. Naturally something will arise from making these changes which will have to be met, and also naturally we are not yet positive of just what these changes may mean in costs in doing our work; but on the whole everything is moving smoothly, certainly as well as could be hoped for.

Regarding the purchase of the stock to prepare this quantity of tobacco, we are again having to meet some difficulties, but have no doubt but what we will meet them and our full requirement be supplied. While the 1926 crop amounting to 208,000,000 pounds was a small crop in comparison with previous crops, and the price as stated the lowest we have ever known, the 1927 crop is only estimated at 156,000,000 pounds, and there seems to be an impression that this will not provide all the tobacco which will be required, and as this appears to be a very good crop in quality, prices have advanced greatly, and we fear more than supply and demand could call for, and there is also some evidence of speculation developing. As our requirements this year will be in excess of 3,500,000 pounds, naturally we are watching the market very carefully and buying all the tobacco we feel justified in doing. So far our purchases for this 1928 business are about one-third of our requirement and has been secured at what we consider very satisfactory prices, so that notwithstanding the possibilities of further advance, we still expect to secure our full requirement at certainly no higher prices than our competitors have paid.

We have already submitted a tentative price-list to our friends to which they have taken no exception, as while under such conditions as are prevailing we cannot submit a firm price-list at this time. We are in hopes they are being educated to these higher prices, and our firm price-list will be satisfactory when submitted.

Last year we dealt at considerable length with factory costs and net profits, all of which we believe was of the utmost importance and should be kept constantly in mind, but which we need not deal with in such detail this year. However, I do think I should refer to the importance of keeping a close watch on overhead and inventories, and I am glad to advise that our overhead has been reduced the past year 31 cents per 100 pounds, and this has resulted in additional profit to the business of about \$11,000. I believe this reduction in overhead has been brought about principally by our ability to keep this factory running constantly with a fairly large and even output each month, in this way not only reducing our overhead by the larger

quantity of tobacco turned out, but also keeping our labor employed so constantly we have gotten a greater output per man than would have gotten otherwise. In addition to this shipments have been made regularly and payments received, which has allowed a constant reduction of our obligations, about which I have already spoken; and again besides this, has been the realization on a large part of our old stock, reducing our inventory, and all of these things have contributed to the very satisfactory year which we have had.

It has been the first year for a long time where our profits have exceeded our allowances, enabling us to give our friends a rebate credit allowance and restricting our own net profit to our agreed allowance of profit with our friends. This I believe on the whole is the most satisfactory year this company has ever passed through, and consequently should encourage us in what we are doing and if possible make our efforts this coming year even greater in watching the detail of our business and so increase it, and in this way increase our profits and tend to perpetuate what appears at this time to be a most successful organization and business.

Before closing I think I should say that our Mr. C.O. Campbell has had a nervous breakdown and is now away on a more or less indefinite leave trying to regain his health, and we can only hope this will be accomplished in as short a time as possible.

I wish to again commend the loyalty and unselfish support we have received from all our people, without which what has been done could not have been done.

I now submit as part of this report the Balance Sheet as of December 31st 1927, which speaks for itself.

#### ASSETS:

Inventory Tobacco .....	\$ 77,178.10
" Factory Expense .....	482.80
" Office Expense .....	262.25
" Canvas, Paper & Twine .....	161.97
" Cases, Metal Strap, Clutch Nails .....	1,022.02
" Hogshead Material .....	699.10
" Nails & Staples .....	46.45
" Tobacco Oil & Petrolatum .....	183.82
" Coal .....	46.75
Cash in Banks .....	62,993.27
Unexpired Insurance (Louisville) .....	934.55
" " (Dale) .....	52.08
Surrender Value Life Insurance (C.D.C.) .....	11,680.00
Machinery & Fixtures .....	21,123.67
Real Estate (Louisville Buildings) .....	34,983.71
Dale Real Estate (Building) .....	2,808.62
Dale Factory Fixtures .....	163.66
Dale Tobacco .....	2,574.87
Louis Connor .....	8,738.73
Arthur Rogues .....	3,740.26
Milton C. Henriquez .....	166.05
Booker Bros., McConnell & Co. .....	1,922.53
Qebara & Co. .....	4,411.51
Bradley-Preston Tobacco Co. .....	959.99
Jos. A. L. Vermeulen .....	623.36
P. Meerkamp Van Embden & Zoonen .....	305.31
Wm. L. Burford & Co. .....	1,670.38
C.O. Campbell .....	117.73
Grocers Account .....	3.26
Louisville Leaf Tobacco Exchange .....	100.00
W.S. Mansfield .....	22,942.88
Copyrights .....	54.00
Lands .....	<u>9,021.63</u>
	\$ 272,175.31



## LIABILITIES:

Loss & Gain .....	\$ 19,632.64	
Loan Account .....	779.29	
C.D.Campbell .....	9,477.66	
K. Weber .....	295.00	
Helen Morgan .....	84.00	
Harry Kennedy .....	178.44	
Robt. Sheehan .....	104.55	
Steven Hicks .....	165.00	
Louis Graf .....	150.00	
Tom Arnett .....	206.17	
John Holt & Company .....	2,475.31	
Capital Stock "Common" .....	50,000.00	
Capital Stock "Preferred" .....	90,000.00	
Buildings Depreciation Reserve .....	13,681.26	
Machinery & Fixtures Dep. Reserve .....	10,068.76	
Unpaid Bills .....	7,470.31	
NET GAIN - 1927 .....	<u>67,306.92</u>	\$ 272,175.31

I suggest, due to the absence and rather serious condition of one of our directors, Mr.C.O.Campbell, that an election of directors and officers should not be gone into at this time, but the present directors and officers be continued until their successors are elected and qualified, as our by-laws permit us to do, and I would also suggest that the question of dividends on the common stock be left to the Board of Directors with authority to act as they deem best.

Respectfully submitted,

(Signed) C. D. CAMPBELL.

President.

The Vice-President & Treasurer then read his annual report dated January 17, 1928, which was received, and on motion ordered spread on the minute book as part of the minutes of this meeting. The Vice-President & Treasurer's report follows:

January 17, 1928

To the Stockholders of Campbell Company,

Gentlemen:

On January 1st 1928 the Inventory of our Company showed on hand 776,342 pounds of tobacco of a value of \$78,014.25. This compares with 1,561,140 pounds of a value of \$176,798.64 on January 1st 1927, and 1,201,632 pounds of a value of \$161,366.44 on January 1st 1926. The average values per hundred pounds were \$10.05 on January 1st 1928, \$11.33 January 1st 1927 and \$13.43 January 1st 1926.

Of the quantity on hand January 1st 1928, 232,088 pounds was unworkable tobacco in the shape of Lugs and Trash, as compared with 432,278 pounds on January 1st 1927 and 104,933 pounds on January 1st 1926. The per cent of Inventory value represented by this unworkable tobacco on January 1st 1928, was 7.52 per cent, on January 1st 1927, 9.88 per cent, and on January 1st 1926, 2.17 per cent.

Inventory of January 1st 1928 showed of workable and prepared tobacco on hand 544,254 pounds, on January 1, 1927, 1,128,862 pounds, and on January 1, 1926, 1,096,699 pounds.

Purchases of 1926 crop tobacco by W.S.Mansfield amounted to 2,360,110 pounds costing on Loose Floors \$148,496.59, an average of \$6.116 per hundred pounds. There was purchased at Dale, Ind., 144,747 pounds of Leaf at a loose average of \$4.60 per hundred pounds, also 55,782 pounds of Lugs at an average of \$1.97 and

23,458 pounds of Trash at an average of \$1.00 per hundred pounds. These Lugs and Trash were disposed of promptly at some profit.

In addition to above purchases there was bought of old crops from the Association 67,270 pounds E length and 389,485 pounds A length tobacco, and from other sources 6,860 pounds miscellaneous lengths; making total purchases of new and old crop tobaccos for 1927 requirements 2,968,477 pounds of leaf.

As base costs of the various lengths for price-list purposes we used the following figures: AA and A \$9.00, B \$7.00, C \$6.50, D \$5.50 and E \$4.00. Assorting, packing, freight to Louisville and drayage added \$1.85 per hundred pounds to the above, making base prices for the 1927 price-list the lowest in many years.

Deliveries during the year amounted to 3,492,876 pounds, of which 1,738,157 pounds was delivered the French Compagnie, 1,627,189 pounds John Holt & Co., 63,740 pounds Booker Bros., McConnell & Co., 39,500 to Arthur Rogues and 6000 pounds to Milton C. Henriquez. Gross proceeds of all deliveries amounted to \$663,145.92, averaging \$18.986 per hundred pounds against an average of \$21.09 per hundred pounds in 1926.

Discounts in our two banks for the year 1927 averaged \$86,250 monthly against a monthly average of \$204,166 in 1926. Our maximum borrowing was in the months of March and April, when it reached \$175,000, after which loans were gradually reduced, until during the last two months of the year we had no Bills Payable at all and substantial cash balances in both banks.

Due to the increase in capital and surplus of the Louisville National Bank & Trust Company, our limit has been increased to \$125,000. At the Lincoln Bank & Trust Company it is \$170,000 and \$250,000 with collateral, the same as last year, a total of \$295,000 which we may discount with these banks without collateral.

Indications are this year that we shall pay for our tobacco about double the price of last year, and as practically all our purchases of tobacco must be made in the months December/March it is quite possible during these months we shall require more money than our banks can lend without collateral, but if it becomes necessary they have promised to provide sufficient money for all our tobacco requirements by accepting storage receipts for tobacco as collateral.

Purchases of 1927 crop tobacco by our buyer in the One Sucker district to January 1st 1928 amounted to 821,139 pounds at an average of \$12.03 per hundred pounds, against an average of \$5.32 to that date in 1927 and \$10.58 to the same date in 1926, and \$14.16 to the same date in 1925.

At Dale, Indiana, to January 1st 1928, 1927 crop purchases amounted to 44,119 at a crop average of \$6.93, including Lugs and Trash. At the same time last year no purchases had been made at Dale.

There was carried into 1928 old orders for delivery at 1927 prices 99,103 pounds for John Holt & Company and 43,500 pounds for the French Compagnie, and on January 1st 1928 we had new and firm orders from John Holt & Company and the French Compagnie for 3,152,878 pounds and conditional orders from the French Compagnie for 341,500 pounds. The French Compagnie is required to decide by February 1st 1928 whether or not they will require these conditional orders or any part of them.

The total firm and conditional orders and old orders from the two companies referred to amounted to 3,494,378 pounds on January 1st 1928, against 2,374,000 pounds of such orders at the same time last year. In addition to the above it is reasonable to believe we shall deliver another 200,000 pounds to our connections in the West Indian Islands.

Respectfully submitted,

(Signed) FRANK SUTTON.

Vice-President & Treasurer.

The General Manager & Secretary being absent owing to illness, had no report to make at this meeting, but the report he would have made was incorporated in the reports of the President and of the Vice-President & Treasurer.

On motion all actions of the officers and Board of Directors during the year 1927 were ratified and approved.

Mr. C. D. Campbell moved in view of the fact that Mr. C. O. Campbell, General Manager & Secretary and one of our directors, is now away on an extended leave of absence, due to illness, that the election of directors be postponed and the present Officers and Directors serve until their successors are elected and have qualified.

There being no further business to come before this meeting, on motion the stockholders adjourned.

*Approved January 15, 1929*  
*Frank Sutton*  
*Acting Secy*

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The regular monthly meeting of the Board of Directors of Campbell Company, postponed from January 3, 1928, held this day, January 17, 1928 at the office of the Company, 1114 West Liberty Street, Louisville, Ky., with C. D. Campbell and Frank Sutton, a majority of the Directors present in person.

The minutes of the Directors meetings held December 6, 1927 and January 3, 1928 were read and approved.

A Trial Balance was submitted showing position of the Company at the close of business on December 31, 1927. This statement showed balances in the Louisville National Bank & Trust Co., of \$13,066.64 and in the Lincoln Bank & Trust Co., of \$49,926.63, and cash at country points of \$25,517.75, a total of cash on hand of \$88,511.02.

The statement showed no discounts at any bank and no Bills Payable of any kind, other than Officers & Employees' Balances and December bills.

Statement showed balances due from customers as follows:

Louis Connor.....	\$ 8738.73
Arthur Rogues .....	3740.26
M. C. Henriquez .....	166.05
Booker Bros. McC. & Co. ..	1922.53
Gebara & Co. ....	4411.51
Bradley-Preston Tob. Co. .	959.99
Wm. L. Burford & Co. ....	1670.38
A total of .....	\$ 21,609.45

In addition statement showed Jos. A. L. Vermeulen, Antwerp, Belgium, and P. Meerkamp Von Embden & Zoonen, Rotterdam, Holland, charged with \$928.67, this, however, merely representing value of certain tobaccos consigned to be sold for our account.

Tobacco at country points and Louisville storage houses was reported insured under General Cover policy as follows:

Phoenix No. 1 .....	\$ 37,833.82
" No. 2 .....	7,291.48
Jefferson No. 21 .....	3,788.72
" No. 60 .....	1,295.90
Dale, Ind. ....	9,303.97
Smiths Grove, Ky. ....	5,311.50
Bowling Green, Ky. ....	16,581.02



Franklin, Ky. . . . .	10,707.86
Owensboro, Ky. . . . .	4,757.75
Russellville, Ky. . . . .	310.46
Scottsville, Ky. . . . .	13,350.11
Glasgow, Ky. . . . .	3,766.68
Westmoreland, Ky. . . . .	2,802.50
Total . . . . .	\$117,101.77

The above amount represents value of all tobacco stored for our account on December 31, 1927, a considerable portion of which had not yet been paid for by us and is not therefore included in Inventory.

There was stored in our Louisville factory for our account, tobacco of the value of \$108,158.60, with specific insurance in effect in the amount of \$110,000.00. A considerable portion of this tobacco also, while belonging to us, had not yet been invoiced nor paid for by us, and is not included in Inventory.

It was reported that in December 1927 there had been shipped for account John Holt & Company 155,825 pounds of tobacco, French Compagnie 159,800 pounds, Booker Bros., McConnell & Co., 6957 pounds, and Arthur Rogues 5315 pounds, a total of 327,897 pounds. This compares with 222,771 pounds shipped in December 1926, and 192,184 pounds in December 1925.

It was reported during the year 1927, orders and deliveries to our various customers were:

	<u>ORDERS</u>	<u>DELIVERIES</u>
French Compagnie . . . . .	1,808,657	1,738,157
John Holt & Company . . . . .	1,743,042	1,627,189
M.C. Henriquez . . . . .	6,000	6,000
W. & A. Leaman . . . . .	23,190	18,290
Arthur Rogues . . . . .	39,500	39,500
Booker Bros., McConnell & Co. . . . .	63,740	63,740

Total orders above, amount to 3,684,129 and deliveries to 3,492,876, leaving a balance carried to 1928 of 191,253 pounds, of which 70,500 pounds is for the French Compagnie, 115,853 for John Holt & Company, and 4900 pounds for W. & A. Leaman. The total deliveries of 3,492,876 pounds in 1927, compares with 2,817,912 pounds in 1926 and 2,805,324 pounds in 1925.

It was reported that in addition to the old balances mentioned we had new orders on our books for delivery in 1928 from the French Compagnie for 1,179,500 pounds firm and 341,500 pounds conditional; from John Holt & Company 1,787,025 firm, and from W. & A. Leaman 4900 pounds firm, a total of orders on December 31, 1927 of 3,499,278 pounds for delivery in 1928. This compares with 2,374,000 pounds of orders at the same time a year ago for delivery in 1927.

Requirements of various grades to prepare the above mentioned 1928 orders are:

AA -	73,783	pounds
A -	799,003	"
B -	491,998	"
C -	1,119,794	"
D -	869,800	"
E -	144,900	"
	<u>3,499,278</u>	"

and to apply on same we had on hand or had bought to December 31, 1927 the following:

AA -	141,052	pounds
A -	400,017	"
B -	398,852	"
C -	348,427	"
D -	240,685	"
E -	112,495	"

Shortages or surpluses were therefore:

AA - 67,349	pounds surplus
A - 398,986	" shortage
B - 93,146	" "
C - 771,367	" "
D - 629,115	" "
E - 32,405	" "

The President reported that repairs and additions authorized by the Board, and from time to time ordered by the Directors since the last Board meeting, had been made. The new boiler and necessary changes to care for 1928 business, decided upon and authorized by the Directors were reported as installed and in satisfactory operation, and the additional counting machines and new sweat boxes, to enable the new method of handling to be put in operation, were also reported installed and working satisfactorily. Expense of all of this work totaled about \$7000, part of which was reported absorbed in Expense Account and the remainder of necessity going to Invested Capital.

To meet the requirements of the Government and prevent future complications in examinations of our books by Government examiners, and also at the suggestion of our auditor, Mr. E. B. Fontaine, the method of keeping our books was reported re-adjusted to show separately, Lands, Buildings, and Machinery & Fixtures at the full amounts chargeable to these accounts, and new accounts were set up for Depreciations on Buildings and on Machinery & Fixtures, all in line with the Government Examiner's report as of December 31, 1926.

The action of the Management in paying 10 per cent of their salaries as bonuses to Messrs. Harry Kennedy, Robert Sheehan, Steven Hicks, Louis Graf, Misses Katharine Weber and Helen Morgan, was approved, as was also the increase of \$10.00 per month granted to Harry Kennedy, Robert Sheehan, Louis Graf, and Helen Morgan, and of \$12.50 per month to Miss Katharine Weber and Steven Hicks.

The President requested that his salary be reduced from \$8500 to \$8000 a year, and the difference of \$500 be applied to the advance in salaries of those shown above as receiving same.

On motion Mr. B. H. Farnsley was re-appointed Advising Attorney of the Company with a retaining fee at the rate of \$100 per annum, payable in quarterly instalments.

The President reported that as the earnings for the year 1927 had been in excess of the \$2.00 per 100 pounds allowed as net earnings to the Company on all business done with John Holt & Company and the French Compagnie, it had been found necessary to credit John Holt & Company with \$2475.31 and the French Compagnie with \$2644.12, a total of \$5119.43, reducing the net gain of the Company for the year 1927 to \$67,306.92 and Undivided Profit to \$86,939.56.

The President submitted his report of the condition of the Company showing by the Balance Sheet a Net Gain for the year 1927 of \$67,306.92, an Undivided Profit from earnings of previous years of \$19,632.64, and a total Undivided Profit as of December 31, 1927 of \$86,939.56.

On motion a dividend of 7 per cent was then declared to Preferred stockholders,  $3\frac{1}{2}$  per cent payable January 1928 to Preferred stockholders of record January 1, 1928, and  $3\frac{1}{2}$  per cent payable July 1928 to Preferred stockholders of record July 1, 1928.

The President then recommended that a dividend of 30 per cent be paid immediately to Common stockholders of record January 1, 1928, and on motion same was adopted.

There being no further business to be considered at this meeting, on motion the Board adjourned.

BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The monthly meeting of the Board of Directors of Campbell Company held this day, February 7th 1928 at the office of the Company, 1114 West Liberty St., Louisville, Ky., with C.D. Campbell and Frank Sutton, a majority of the Directors present in person.

The minutes of the directors meeting held January 17th 1928 were read and approved.

A Trial Balance was submitted showing position of the Company at the close of business January 31st 1928. This statement showed balances in the Louisville National Bank & Trust Co. of \$6473.84 and overdraft in the Lincoln Bank & Trust Co., of \$6943.17. However, a check on the Lincoln Bank for \$25,000 sent Mr. W.S. Mansfield on January 31st 1928 had not yet been presented at the bank for payment, although our books showed overdraft in the amount stated. This overdraft did not show in the Bank's statement and same was provided for by the discounting of a note on 1st February.

The statement showed discounts in Louisville National Bank & Trust Co. of \$65,000, and in the Lincoln Bank & Trust Co. of \$60,000, a total of discounts of \$125,000. On the same date in 1927 discounts were \$125,000 and in 1926 \$205,000.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 2,023.10
W. & A. Leaman .....	428.74
Arthur Rogues .....	3,112.88
M. C. Henriquez .....	166.05
Booker Bros. McC. & Co. ..	936.82
Gebara & Co. ....	<u>3,757.88</u>
Total .....	\$ 10,425.47

In addition statement showed consignment accounts as follows:

Jos. A. L. Vermeulen .....	\$ 623.36
P. Meerkamp & Zoonen .....	365.72
Louis Connor .....	<u>5,559.03</u>
	\$ 6,548.11

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on January 31st 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 114,103.88
" " " 2 .....	39,590.46
Jefferson No. 21 .....	3,788.72
" " " 60 .....	1,295.90
Dale, Ind. ....	<u>11,032.87</u>
Bowling Green, Ky. ....	1,879.38
Scottsville, Ky. ....	16,786.88
Russellville, Ky. ....	5,711.25
Franklin, Ky. ....	9,576.88
Glasgow, Ky. ....	5,341.88
Westmoreland, Tenn. ....	<u>1,936.88</u>
Total .....	\$ 211,045.08

Tobacco of the value of \$112,212.47 was reported in the Louisville factory with specific insurance in effect in the amount of \$120,000.

Statement of orders as of January 31st 1928 showed undelivered the French Compagnie 1,445,100 pounds; John Holt & Company 1,688,656; Booker Bros., McConnell & Co., 14,400, a total of 3,148,156 pounds.

Stock sheet showed that we had on hand of various grades to apply on these orders, the following:

AA - 203,745 pounds
A - 492,028
B - 478,929
C - 570,645
D - 390,486
E - <u>168,681</u>

Total ----- 2,304,514 pounds



Compared with orders, stock on hand showed surplus or shortage of specific lengths as follows:

AA -	115,595	pounds	surplus
A -	181,739	"	shortage
B -	25,446	"	surplus
C -	454,213	"	shortage
D -	273,412	"	"
E -	75,319	"	"

The total shortage shown amounts to 843,642 pounds as compared with requirements. Against this we have available, which is not included in stock on hand, 104,140 pounds Redried working Lugs at Dale, Ind., and 41,516 pounds 1927 crop Leaf at same point.

It was reported that shipments in January compares with the two previous years as follows:

	<u>1928</u>	<u>1927</u>	<u>1926</u>
John Holt & Company . . . .	212,272	92,428	156,756
Louis Connor . . . . .	98,900	118,885	88,991
W. & A. Leaman . . . . .	4,997	1,334	5,969
Booker Bros. McC. & Co. . . .	-	11,468	6,852
Total . . . . .	316,169	224,115	258,568

It was also reported that we had shipping instructions in hand for February from John Holt & Company for 177,000 pounds; Louis Connor 97,400 pounds; Booker Bros., McConnell & Co., 14,400 pounds, a total of 288,800 pounds.

There being no further business to come before the meeting, on motion the Directors adjourned.

*Approved March 6, 1928*  
*Frank Sutton, Acting Secy.*

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The monthly meeting of the Board of Directors of Campbell Company held this day, March 6th 1928, at the office of the Company, 1114 West Liberty St., Louisville, Ky., with C.D. Campbell, Frank Sutton, and C.O. Campbell, a majority of the directors present in person.

The minutes of the Directors meeting held February 7th 1928 were read and approved.

A Trial Balance was submitted showing position of the Company at close of business February 29th 1928. Same showed Balances in the Louisville National Bank & Trust Co. \$6991.09 and in the Lincoln Bank & Trust Co., of \$9959.97, a total in both banks of \$16,951.06.

The statement showed discounts in the Louisville National Bank & Trust Co. of \$85,000, and in the Lincoln Bank & Trust Co., of \$90,000, a total of discounts in both banks of \$175,000. On the same date in 1927 discounts were \$175,000, and in 1926 \$235,000.

Statement showed balances due from customers as follows:

Louis Connor . . . . .	\$ 9,251.27
John Holt & Co. . . . .	8,267.59
Arthur Rogues . . . . .	3,112.38
Booker Bros. McC. & Co. . .	1,928.43
Gebara & Co. . . . .	3,975.20
W. & A. Leaman . . . . .	150.08
Total . . . . .	\$ 26,684.95

In addition statement showed consignment accounts as follows:

Jos. A. L. Vermeulen .....	\$ 322.52
P. Meerkamp Van Embden & Zoonen .	365.72
Louis Connor .....	<u>5,559.03</u>
Total .....	\$ 6,247.27

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on February 29th 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 114,241.41
" " " 2 .....	81,553.42
Jefferson No. 21 .....	3,788.72
" " 60 .....	1,295.90
Dale, Indiana .....	11,057.83
Russellville, Ky. ....	517.50
Hopkinsville, Ky. ....	<u>1,345.29</u>
	\$ 213,800.07

Tobacco of the value of \$111,943.86 was reported in the Louisville factory with specific insurance in effect in the amount of \$110,000.

Statement of orders as of February 29th 1928 showed undelivered the following:

French Compagnie (Louis Connor)...	1,260,800 lbs
John Holt & Company .....	1,467,442
Booker Bros., McC. & Co. ....	7,200
W. & A. Leaman .....	3,500
Gebara & Co. ....	5,100
M. C. Henriquez .....	<u>3,000</u>
	2,746,442 lbs

Stock sheet showed we had on hand to apply on the above orders the following:

AA --	212,085 lbs
A --	435,818
B --	491,025
C --	614,399
D --	462,140
E --	<u>175,735</u>
	2,391,202 lbs

The above shows a shortage of stock as compared with orders of 355,240 pounds, but to apply on this shortage we have 102,850 pounds of old redried Lugs at Dale, 45,369 pounds new Leaf at Dale, and miscellaenous purchases still to be received, sufficient to bring the quantity to perhaps 200,000 pounds, which would leave our actual shortage in pounds as of February 29th 1928, 155,000 pounds.

Compared with orders, stock on hand showed surplus or shortage of specific lengths as follows:

AA --	132,935 pounds	surplus
A --	138,934	" shortage
B --	96,063	" surplus
C --	270,114	" shortage
D --	119,325	" shortage
E --	55,865	" shortage

These figures do not include the 200,000 pounds referred to above.

It was reported shipments in February, compared with the two previous years as follows:

	1928	1927	1926
John Holt & Company .....	221,214	154,963	197,063
Louis Connor .....	126,400	89,599	87,247
W. & A. Leaman .....	1,334	3,309	1,259
Booker Bros., McConnell & Co ..	7,001	10,928	-
M. C. Henriquez .....	-	1,200	-
Arthur Rogues .....	-	5,880	2,675
	355,949	265,879	288,244
Total for year .....	672,118	489,954	546,812

It was also reported we had shipping instructions in hand for March as follows:

John Holt & Company .....	56,000 pounds
Louis Connor .....	102,750
W. & A. Leaman .....	3,500
M.C. Henriquez .....	3,000
Booker Bros., McConnell & Co. ..	7,200
Gebara & Co. ....	5,100
	177,550 pounds

There being no further business to come before the meeting, on motion the Directors adjourned.

*Approved April 3, 1928*

*Frank Sutton, Acting Secy*

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The monthly meeting of the Board of Directors of Campbell Company held this day, April 3d 1928, at the office of the Company, 1114 West Liberty St., Louisville, Ky., with C.D. Campbell, Frank Sutton, and C.O. Campbell, all of the directors present in person.

The minutes of the directors meeting held March 6th 1928 were read and approved.

A Trial Balance was submitted showing position of the Company at close of business March 31st 1928. Same showed balances in the Louisville National Bank & Trust Co., of \$21,107.15 and in the Lincoln Bank & Trust Co. of \$14,861.55, a total in both banks of \$35,968.70.

The statement showed discounts in the Louisville National Bank & Trust Co., of \$85,000 and in the Lincoln Bank & Trust Co., of \$90,000, a total of discounts in both banks of \$175,000. On the same date in 1927 discounts were \$175,000 and in 1926 \$280,000.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 15,382.45
John Holt & Co. ....	30.00
W. & A. Leaman .....	453.37
Arthur Rogues .....	3,112.38
Booker Bros., McC. & Co. ..	1,468.73
Gebara & Co. ....	3,369.15
Wm. L. Burford & Co. ....	3,728.33
Ross Tobacco Co. ....	283.35
	<u>\$ 27,827.76</u>



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In addition statement showed consignment accounts as follows:

Jos.A.L.Vermeulen .....	\$ 322.52
P.Meerkamp Von Embden & Zoonen .	365.72
Louis Connor.....	<u>5559.03</u>
	\$ 6247.27

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on March 31st 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 100,445.27
" " 2 .....	81,480.62
Jefferson No. 21 .....	3,788.72
" " 60 .....	1,295.90
Dale, Ind. ....	<u>8,008.73</u>
	\$ 195,019.24

Tobacco of the value of \$107,899.74 was reported in the Louisville factory with specific insurance in effect in the amount of \$100,000.

Statement of orders as of March 31st 1928 showed undelivered the following:

French Compagnie (Louis Connor) ..	1,099,900 lbs
John Holt & Company .....	1,335,522
Booker Bros., McC. & Co. ....	20,800
W. & A. Leaman .....	1,400
M. C. Henriquez .....	<u>4,200</u>
	2,461,822 lbs

Stock sheet showed on hand to apply on the above orders the following:

AA --	205,710 lbs
A --	414,422
B --	402,162
C --	579,902
D --	390,110
E --	<u>257,855</u>
	2,250,161 lbs

The above shows a shortage of stock as compared with orders of 211,661 pounds, and compared with orders stock on hand showed surplus or shortage of specific lengths as follows:

AA --	133,210 pounds	surplus
A --	105,659	" shortage
B --	28,200	" surplus
C --	212,830	" shortage
D --	122,837	" shortage
E --	68,255	" surplus

It was reported shipments in March compared with the two previous years as follows:

	<u>1928</u>	<u>1927</u>	<u>1926</u>
John Holt & Company .....	131,920	186,489	81,232
Louis Connor .....	174,000	156,852	134,222
W. & A. Leaman .....	4,030	4,675	4,905
Booker Bros., McC. & Co. ...	3,408	-	-
M. C. Henriquez .....	-	-	-
Arthur Rogues .....	-	-	2,885
Gebara & Co. ....	<u>5,100</u>	-	<u>6,385</u>
	318,458	348,026	229,629
Total for year .....	990,576	841,060	776,441

It was reported we had shipping instructions in hand for April as follows:

Louis Connor .....	58,500 lbs
John Holt & Company .....	40,200
Booker Bros., McC.&Co. ..	20,800
W. & A. Leaman .....	1,400
M. C. Henriquez .....	4,200
	<u>125,100 lbs</u>

Advices have been received that the duty on Leaf tobacco into Nigeria has been advanced 6d. per pound, and that this would cause a reduction in shipments to Nigeria until a readjustment had taken place on the Coast. We have also been advised that due to the dry seasons it would be impossible to receive much tobacco for the Rivers during this period, and as these two things combined will undoubtedly result in a material reduction in the amount of tobacco which will be required for the time being, this should be borne in mind and our working force readjusted to meet this condition. But considering that shipments have been made so freely and left us with a much reduced prepared stock on hand, it was thought advisable to continue our present work until sufficient prepared tobacco had been accumulated to let us make immediate delivery of any shipping instruction that might be received. This because in the months of April and May our working conditions are at the very best and should be taken advantage of, allowing the slowing up of factory work to come during the summer months, which are the most difficult months to work tobacco in.

There being no further business to come before the meeting, on motion the Directors adjourned.

*Approved May 2, 1928*

*Frank Sutton*  
*Acting Secy.*

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day, May 1st 1928, at the office of the Company, 1114 West Liberty Street, Louisville, Ky., with C.D. Campbell and Frank Sutton, a majority of the Directors present.

As statements for the month of April were not yet available for this meeting, on motion same was postponed until May 2nd 1928.

*Approved June 5, 1928*

*Frank Sutton*  
*Acting Secy.*

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, postponed from May 1st 1928, held this day, May 2nd, 1928, at the office of the Company, 1114 West Liberty Street, Louisville, Ky., with C.D. Campbell and Frank Sutton, a majority of the Directors present.

The minutes of the previous meeting held April 3d 1928 were read and approved.

A Trial Balance was submitted showing position of the Company at close of business April 30th 1928, showing balances in the Louisville National Bank & Trust Company of \$8352.86 and in the Lincoln Bank & Trust Company of \$8684.22, a total in both banks of \$17,037.08.

The statement showed discounts in the Louisville National Bank & Trust Company of \$60,000 and in the Lincoln Bank & Trust Co. of \$70,000, a total in both banks of \$130,000, representing a reduction in discounts during the month of April of \$45,000. On the same date in 1927 discounts were \$130,000 and in 1926 \$275,000.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 2,339.40
Arthur Rogues .....	3,112.38
Booker Bros. McC. & Co.....	1,402.77
M. C. Henriquez .....	165.90
Gebara & Co. ....	2,404.78
Ross Tobacco Co. ....	252.30
Wm. L. Burford & Co. ....	2,494.37
	<u>\$ 12,171.90</u>

Statement showed consignment accounts as follows:

Jos. A. L. Vermeulen .....	\$ 1,339.12
Louis Connor .....	5,559.03
	<u>\$ 6,898.15</u>

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on April 30th 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 91,655.79
" " " 2 .....	56,877.51
Jefferson No. 21 .....	3,788.72
" " " 60 .....	1,295.90
Dale, Ind .....	8,008.73
	<u>\$ 161,626.65</u>

Tobacco of the value of \$125,672.90 was reported in Louisville factory with specific insurance in effect in the amount of \$100,000.

Statement of orders as of April 30th 1928 showed undelivered:

Louis Connor .....	961,300 lbs
John Holt & Company .....	1,288,494
Booker Bros. McC. & Co. ....	8,600
W. & A. Leaman .....	2,100
Gebara & Co. ....	15,300
M. C. Henriquez .....	3,000
	<u>2,278,794 lbs</u>

Stock sheet showed on hand to apply on the above orders:

AA --	187,630 lbs
A --	406,957
B --	325,752
C --	572,127
D --	312,855
E --	266,665
	<u>2,071,986 lbs</u>

Compared with orders, stock sheet shows shortage or surplus of specific lengths:

AA --	127,630 pounds	surplus
A --	96,906	" shortage
B --	5,145	" surplus
C --	176,845	" shortage
D --	148,093	" "
E --	82,265	" surplus

The above shows shortage of stock as compared with undelivered orders of 206,808 pounds.

Shipments in April compared with the two previous years as follows:



	1928	1927	1926
John Holt & Company .....	47,028	175,522	83,886
Louis Connor .....	113,750	103,243	50,600
W. & A. Leaman .....	1,408	-	4,883
Booker Bros., McConnell & Co. ....	11,834	6,992	6,864
M. C. Henriquez .....	1,200	-	-
Arthur Rogues .....	-	5,610	5,195
Gebara & Co. ....	5,100	-	29,320
	<u>180,320</u>	<u>291,367</u>	<u>180,748</u>
Total for year .....	1,165,796	1,132,211	958,189

It was reported shipping instructions in hand for May were as follows:

Louis Connor .....	51,000 lbs
John Holt & Company .....	78,750
W. & A. Leaman .....	2,100
Booker Bros. McC. & Co. ....	8,600
Gebara & Co. ....	10,200
M.C. Henriquez .....	3,000
	<u>153,650 lbs</u>

During the month of April, just as anticipated, due principally to reduction in shipments to Nigeria, our deliveries fell to 180,320 pounds as compared with 318,458 pounds in March. It was found necessary to cut down our retying force to prevent the accumulation of too much tobacco ahead of packers, and this was done by working the retying force only half a day for the last week in April, and this procedure will be continued for the first week of May. In doing this we have been able to clean up practically all outstanding small orders, especially of the heavy bodied tobacco for Blackfat and the heavier grades required for Africa. This work is now very well caught up with, with some surplus accumulated, and it is anticipated as a result of this that we will be able to have fairly good working conditions for the month of May, with a sufficient output to work to advantage, although our stock sheets show prepared tobacco on hand awaiting shipment of 252,256 pounds, of which we have shipping instructions in hand for practically immediate delivery of 153,650 pounds; with a prospect of increased shipping instructions before the end of May; and with this delivery enabling us to run at fairly full capacity during the month of May.

There being no further business to come before the meeting, on motion the Directors adjourned.

*Approved June 5, 1928*  
*Frank Sutton*  
*Director*

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day, June 5th 1928, at the office of the Company, 1114 West Liberty St., Louisville, Ky., with C.D. Campbell and Frank Sutton, a majority of the Directors present.

The minutes of the previous meetings held May 1st and 2nd 1928 were read and approved.

A Trial Balance was submitted showing position of the Company at close of business May 31st 1928, showing balances in the Louisville National Bank & Trust Co. of \$5421.87 and in the Lincoln Bank & Trust Co. of \$8006.26, a total in both banks of \$13,428.13.

The statement showed discounts in the Louisville National Bank & Trust Co. of \$50,000 and in the Lincoln Bank & Trust Co. of \$60,000, a total in both banks of \$110,000, representing a reduction in discounts during the month of May of \$20,000. On the same date in 1927 discounts were \$90,000 and in 1926 \$235,000.

1429055

On this date there is due W. S. Mansfield of Smiths Grove, Ky., \$3187.02, balance for buying and handling tobacco. On the same date in 1927 there was due him \$8976.43, and in 1926 \$11,979.06.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 9,477.68
John Holt & Company .....	17.50
Arthur Rogues .....	2,712.38
M. C. Henriquez .....	413.30
Booker Bros., McC. & Co. ....	1,452.63
Gebara & Co. ....	3,451.75
	<u>\$ 17,525.24</u>

Statement showed consignment accounts as follows:

Jos. A. L. Vermeulen .....	\$ 1,339.12
Louis Connor .....	5,559.03
	<u>\$ 6,898.15</u>

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on May 31st 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 81,769.39
" " " 2 .....	17,903.08
Jefferson No. 21 .....	3,788.72
" " " 60 .....	1,295.90
Dale, Ind. ....	6,582.50
	<u>\$ 111,339.59</u>

Tobacco of the value of \$149,788.93 was reported in Louisville factory, with specific insurance in effect in the amount of \$100,000. Additional insurance has been taken in the amount of \$40,000 covering this item.

Statement of orders as of May 31st 1928 showed undelivered:

Louis Connor .....	822,950 pounds
John Holt & Company .....	1,203,408
W. & A. Leaman .....	2,100
Gebara & Co. ....	10,200
M. C. Henriquez .....	1,200
	<u>2,039,858 pounds</u>

Stock sheet showed on hand to apply on above:

AA - 173,499 pounds
A - 379,998
B - 247,770
C - 550,426
D - 241,890
E - <u>233,292</u>
1,826,875 pounds

Compared with orders, stock sheet shows shortage or surplus of specific lengths.

AA - 134,499 pounds surplus
A - 94,087 " shortage
B - 34,426 " "
C - 144,830 " "
D - 159,931 " "
E - 85,792 " surplus

The above shows shortage of stock as compared with undelivered orders of 212,983 pounds.

Shipments in May compared with two previous years as follows:

	1928	1927	1926
John Holt & Company .....	85,086	139,840	129,235
Louis Connor .....	115,850	157,785	88,106
W. & A. Leaman .....	1,946	-	6,783
Booker Bros., McConnell & Co. ....	8,753	7,246	6,905
M. C. Henriquez .....	1,800	1,200	-
Arthur Rogues .....	-	5,895	2,715
Gebara & Co. ....	5,100	-	-
	<u>218,534</u>	<u>311,966</u>	<u>233,744</u>
Total for year .....	1,384,330	1,441,560	1,173,127

It was reported shipping instructions for June were as follows:

Louis Connor .....	7,500 pounds
W. & A. Leaman .....	2,100
M. C. Henriquez .....	1,200
Gebara & Co. ....	5,100
	<u>15,900 pounds</u>

Reference was made in our stockholders meeting held in January of this year to the absence of Mr. C. O. Campbell, General Manager & Secretary of the Company. Unfortunately, due to a serious physical breakdown, Mr. C. O. Campbell has practically not been able to attend to his duties since December 1, 1927, being away the greater part of this time in an effort to improve his condition, so that he might again take up his work with the Company. However, this has not been successful, and it has been reported to the Board it will require quite a length of time to fit him for a resumption of his duties. It was also reported in the opinion of his physicians this would require a minimum of six months and possibly a year, during which time he should be entirely removed from the cares and requirements of his duties here. In consideration of this, the Board has agreed to give him a leave of absence without pay from June 1st 1928, of not less than six months and if necessary one year, his work during this period being distributed and assumed by the other executives of the Company, and the Assistant Secretary was authorized to sign and attest as Assistant Secretary all papers requiring the signature of the Secretary.

From the experience and advices of the past two months in regard to the change of duty in Nigeria and the general slowing up of business, it was determined to continue the work of the factory on a moderate scale until sufficient prepared tobacco had been accumulated which would allow of immediate shipment of any probable shipping instructions for two months, and after this tobacco had been prepared, if there had been no resumption of business, the question would then be considered as to a complete shut-down of operation.

While it is customary to make a complete inventory and statement of the business for the first six months of the year, in view of existing conditions it was decided to make this statement as of the first five months, that we might have a complete and positive knowledge of the standing of the Company and just what it had done during the first five months. This was done and this statement submitted the Board at this meeting, showing a net gain from January 1st 1928 to May 31st 1928 of \$21,373.39.

While on the face of this statement, it does not show as large a net gain as the first five months of 1927, an analysis would indicate the first five months of 1928 had been very satisfactory, especially considering all that had arisen. The deliveries for the first five months amounted to 1,384,330 pounds as compared with 1,441,560 pounds in 1927, a loss in deliveries of 57,230 pounds; but a large part of this loss, if not all of it, is due to the changed method of working where a specific number of heads to each package is delivered instead of a specific number of pounds to each package, this actually figuring this year so far, a reduction in weight of the packages so counted, of 7 per cent, and does not mean a loss in trade from the fact the tobacco is sold in Africa by the package and by the head, which is the unit of trade and consequently while reflecting a loss in pounds is not in reality a loss in trade, simply being the lighter weight of the package containing the same number of heads.



Again, in taking over the inventory of workable stock, this has been figured at the base price of sales to supply contracts now in hand for which quotations have been made and accepted, and as these base prices figured 30 cents per 100 pounds less than the actual cost of the tobacco in the inventory, this statement has absorbed a 30 cents per 100 pounds loss on 1,826,075 pounds of working tobacco contained in the inventory or \$5480.62, besides having also absorbed the loss on the deliveries in five months on 1,384,330 pounds amounting to an additional \$4152.99, or a total of \$9633.61, making the manufacturing gain for the first five months \$31,007.00. But besides this, in former statements the profit on prepared tobacco unshipped, but for which orders were in hand, was also included, while in this statement all prepared tobacco has been taken into the inventory at cost without any profit added.

In view of these items which should be considered for comparison, the first five months of the year have shown a manufacturing profit of practically the same as the first five months of 1927.

Due to the slackness in business and the indefiniteness of when the resumption of shipments will take place, the Directors have thought this conservative action should be taken, but this analysis and explanation should be made to prevent being misled in comparisons of the business in the past or in the future.

This statement also reflects and shows we have undelivered orders on our books for which contracts have been made of 2,039,858 pounds, and have stock on hand available for this work of 1,826,875 pounds, or a deficit to complete all orders of 212,983 pounds, but due to the conditions existing in Africa it is feared our entire contracts will not be called for completely in the year 1928 and the workable tobacco available will be sufficient to supply the demand, and the year will show a satisfactory profit on the operations of the business and enable us to dispose of all our holdings and go into the year 1929 with a very small inventory and still have done a business of such satisfactory volume, and one enabling us to work to advantage.

As there is very little detail to be looked after in the immediate future, Mr. Sutton, the Vice-President of the Company, has been given a vacation of two months, which, with the absence of Mr. C. O. Campbell, will prevent a Board meeting in July. Therefore, the question of dividends is dealt with at this meeting.

To prevent any possible interference with the detail of the business during this period, the Assistant Secretary, Miss K. Weber, has been authorized to both sign and countersign, and Mr. Harry C. Kennedy, Superintendent, to countersign such papers as require a double signature.

The Board having already declared a dividend of 7 per cent to Preferred stockholders, 3½ per cent of which was paid in January to Preferred stockholders of record January 1st 1928 and 3½ per cent of which is to be paid in July to Preferred stockholders of record July 1st 1928, now confirms this action and authorizes the payment of this dividend to Preferred stockholders of record July 1st 1928.

The President then recommended that in view of the outcome of the business up to this point, a dividend of 30 per cent be paid July 1st to Common stockholders of record July 1st 1928, and on motion same was adopted.

There being no further business to be considered at this meeting, on motion the Board adjourned.

*Approved June 7, 1928*  
*Harry C. Kennedy*  
*Secretary*

At a called meeting of the Board of Directors of the Campbell Company, Incorporated, held this day, June 5th 1928, subsequent to the regular meeting, at the office of the Company, 1114 West Liberty Street, Louisville, Ky., with C.D. Campbell and Frank Sutton, a majority of the Directors present, the minutes of the regular meeting also held this day, were read and approved.

BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day, July 3d 1928 at the office of the Company, 1114 West Liberty Street, Louisville, Ky., with C.D.Campbell, President of the Company, present. The absence of the other two directors was due to being away from the business in an effort to improve their physical condition. While a quorum was not present, the President submitted a report in line with the regular monthly report of the Vice-President & Treasurer and General Manager, so that same might be a matter of record.

A Trial Balance was submitted showing position of the Company at close of business June 30th 1928, showing balances in the Louisville National Bank & Trust Co. of \$338.64 and in the Lincoln Bank & Trust Co. of \$249.34, a total in both banks of \$587.98.

The statement showed discounts in the Louisville National Bank & Trust Co. of \$50,000 and in the Lincoln Bank & Trust Co. of \$30,000, a total in both banks of \$80,000, representing a reduction in discounts during the month of June of \$30,000. On the same date in 1927 discounts were \$70,000 and in 1926 \$246,979.06.

On this date there is due W.S.Mansfield of Smiths Grove, Ky., \$1187.02, balance for the buying and handling of tobacco.

Statement showed balances due from customers as follows:

John Holt & Company .....	\$ 7.50
Arthur Rogues .....	2,712.38
Milton C. Henriquez .....	413.30
Booker Bros. McConnell & Co....	1,452.63
Gebara & Co. ....	2,954.35
	<u>\$ 7,540.16</u>

Statement showed consignment accounts as follows:

Jos. A. L. Vermeulen .....	\$ 1,335.55
Louis Connor .....	5,558.03
	<u>\$ 6,893.58</u>

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on June 30th 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 77,800.03
" " 2 .....	14,312.68
Jefferson No. 21 .....	3,788.72
" " 60 .....	1,295.09
Dale, Ind. ....	6,582.50
	<u>\$ 103,779.02</u>

Tobacco of the value of \$122,261.33 was reported in Louisville factory, with specific insurance in effect in the amount of \$140,000. While this insurance was in excess of the amount required, it is thought advisable to continue this amount of insurance on the Louisville factory because of 40 Hhds of tobacco which would be received from Owensboro into the factory the first week of July, and of 12 Hhds of tobacco ordered forward from Dale, Ind., which would also be received, and as the stocks are being drawn from the storage warehouses constantly it was thought best not to reduce this insurance until July shipments began to reduce the stock in the factory.

Statement of orders as of June 30th 1928 showed undelivered:

Louis Connor .....	684,846 pounds
John Holt & Company.....	1,121,030
M. C. Henriquez .....	1,200
	<u>1,807,076 pounds</u>



Again, in taking over the inventory of workable stock, this has been figured at the base price of sales to supply contracts now in hand for which quotations have been made and accepted, and as these base prices figured 30 cents per 100 pounds less than the actual cost of the tobacco in the inventory, this statement has absorbed a 30 cents per 100 pounds loss on 1,826,075 pounds of working tobacco contained in the inventory or \$5480.62, besides having also absorbed the loss on the deliveries in five months on 1,384,330 pounds amounting to an additional \$4152.99, or a total of \$9633.61, making the manufacturing gain for the first five months \$31,007.00. But besides this, in former statements the profit on prepared tobacco unshipped, but for which orders were in hand, was also included, while in this statement all prepared tobacco has been taken into the inventory at cost without any profit added.

In view of these items which should be considered for comparison, the first five months of the year have shown a manufacturing profit of practically the same as the first five months of 1927.

Due to the slackness in business and the indefiniteness of when the resumption of shipments will take place, the Directors have thought this conservative action should be taken, but this analysis and explanation should be made to prevent being misled in comparisons of the business in the past or in the future.

This statement also reflects and shows we have undelivered orders on our books for which contracts have been made of 2,039,858 pounds, and have stock on hand available for this work of 1,826,875 pounds, or a deficit to complete all orders of 212,983 pounds, but due to the conditions existing in Africa it is feared our entire contracts will not be called for completely in the year 1928 and the workable tobacco available will be sufficient to supply the demand, and the year will show a satisfactory profit on the operations of the business and enable us to dispose of all our holdings and go into the year 1929 with a very small inventory and still have done a business of such satisfactory volume, and one enabling us to work to advantage.

As there is very little detail to be looked after in the immediate future, Mr. Sutton, the Vice-President of the Company, has been given a vacation of two months, which, with the absence of Mr. C. O. Campbell, will prevent a Board meeting in July. Therefore, the question of dividends is dealt with at this meeting.

To prevent any possible interference with the detail of the business during this period, the Assistant Secretary, Miss K. Weber, has been authorized to both sign and countersign, and Mr. Harry C. Kennedy, Superintendent, to countersign such papers as require a double signature, and the following resolution unanimously adopted:

"Due to the probable absence of the Secretary for a more or less indefinite period, the Assistant Secretary was authorized to sign, countersign, and attest all papers requiring the signature of the Secretary, as Assistant Secretary, and perform the duties of the Secretary, and Mr. Harry C. Kennedy, Superintendent, was authorized to countersign all papers requiring a counter-signature."

The Board having already declared a dividend of 7 per cent to Preferred stockholders,  $3\frac{1}{2}$  per cent of which was paid in January to Preferred stockholders of record January 1st 1928 and  $3\frac{1}{2}$  per cent of which is to be paid in July to Preferred stockholders of record July 1st 1928, now confirms this action and authorizes the payment of this dividend to Preferred stockholders of record July 1st 1928.

The President then recommended that in view of the outcome of the business up to this point, a dividend of 30 per cent be paid July 1st to Common stockholders of record July 1st 1928, and on motion same was adopted.

There being no further business to be considered at this meeting, on motion the Board adjourned.

At a called meeting of the Board of Directors of the Campbell Company, Incorporated, held this day, June 5th 1928, subsequent to the regular meeting, at the office of the Company, 1114 West Liberty Street, Louisville, Ky., with C. D. Campbell and Frank Sutton, a majority of the Directors present, the minutes of the regular meeting also held this day, were read and approved.



The Filson Historical Society

Stock sheet showed on hand to apply on above:

AA - 166,315 pounds  
A - 305,920  
B - 231,050  
C - 507,235  
D - 162,085  
E - 197,520  
1,570,125 pounds

Compared with orders, stock sheet shows shortage or surplus of specific lengths:

AA - 129,316 pounds surplus  
A - 115,201 " shortage  
B - 31,647 " "  
C - 121,449 " "  
D - 168,350 " "  
E - 70,380 " surplus

shows

The above/shortage of stock as compared with undelivered orders of 236,951 pounds.

Shipments in June compared with the previous year as follows:

	<u>1928</u>	<u>1927</u>	<u>1927</u>
John Holt & Company .....	82,378	133,041	110,725
Louis Connor .....	138,214	127,185	202,431
W. & A. Leaman .....	6,974	-	5,233
Arthur Rogues .....	-	11,620	-
M. C. Henriquez .....	1,200	1,200	-
Jos. A. L. Vermeulen ....	22,015	-	-
Gebara & Co. ....	10,200	-	-
Miscellaneous .....	5,090	41,325	29,940
	266,071	341,371	348,329
Total for year .....	1,623,296	1,759,949	1,772,280

It was reported shipping instructions for July as indicated in round figures were as follows:

John Holt & Company ..... 40,000 pounds  
Louis Connor ..... 89,000  
W. & A. Leaman ..... 2,100  
M. C. Henriquez ..... 1,200  
Gebara & Co. .... 10,200  
142,500 pounds

The last report at the Board of Directors meeting indicated that business had slowed up to such an extent, due to change in duties in Africa and other causes, that there was very little business in prospect for the month of June and the factory would probably be compelled to close. We are very glad to report the outcome was very different from what was anticipated and is shown by the above report. While there were only 15,900 pounds of shipping instructions as shown at the time of our last report for the month of June, in reality the shipments amounted to 266,071 pounds, or one of the best months we have had and practically up to the average monthly shipments as indicated by the undelivered orders.

This of course is very encouraging and leads us to believe that future shipping requirements will be larger than were indicated a month ago, and possibly the difficulties arising from the change of duties in Africa are being somewhat overcome, if not entirely. The principal thing to call attention to is the fact that in this rather large amount of tobacco shipped during the month of June, there was more detail attached to these shipments than ordinarily, and notwithstanding this very large amount of additional work arising in the shipments, every shipment was made on time and all of the records and papers pertaining to same completed on the day of shipment; so that nothing has been allowed to go over and showing conclusively that where provided for in time there should be no difficulty nor interference to the running

of the factory because of shipments being made. This was accomplished by avoiding the shipment of two or three cars in one day and making the shipments at the rate of a car a day as required, and it was found that this could be very easily done and in this way prevent congestion in any department.

During the month we were able to buy 40 Hhds of additional D and C tobacco at most reasonable prices, in this way adding to our stock of D especially which was so much required. It was also found in working the old Lugs which were going into the Lug Blackfat brand by careful picking we were able to secure so far 33 per cent of good workable Leaf, also for the C and D grades, in this way adding to our stock and reducing the shortage prevailing in these two lengths.

Special note of this is made that it might be kept in mind in future operations of the factory in working tobacco which has been classed at country points and in this way secure tobacco of a higher grade and a much higher cost which otherwise would have gone into a tobacco not requiring such a high grade and sold at a much lower cost. In the cases cited we are receiving for this tobacco from the Lug grades, \$10.00 per 100 pounds more than we would have realized in selling the tobacco as we originally attempted to do as Lugs. It is repeated, mention is made of this for future guidance and to show the decided benefit and increase in the profits of the business by this action.

The President does not care to add to this report where no action can be taken, due to lack of a quorum, but thought it worth while to make this report in such detail that it might be made a matter of record for reference.

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day, August 7th 1928, at the office of the Company, 1114 West Liberty St., Louisville, Ky., with C. D. Campbell and Frank Sutton, a majority of the directors present.

There being no quorum at the directors' meeting of July 3, 1928, but a full detailed report having been made and recorded, this report was read and action shown by same is herewith approved and confirmed.

A Trial Balance was submitted showing position of the Company at the close of business July 31st 1928, showing balances in the Louisville National Bank & Trust Co., of \$948.75 and in the Lincoln Bank & Trust Co., of \$4934.99, a total in both banks of \$5883.74.

This statement showed discounts in the Louisville National Bank & Trust Co., of \$30,000 and in the Lincoln Bank & Trust Co., of \$20,000, a total in both banks of \$50,000, representing a reduction in discounts during the month of July of \$30,000. On the same date in 1927 discounts were \$80,000.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 13,612.18
John Holt & Company .....	12.50
Arthur Rogues .....	2,712.38
M. C. Henriquez .....	566.30
Booker Bros., McConnell & Co. ....	1,452.63
Gebara & Co. ....	3,705.75
W. & A. Leaman .....	517.64
Bradley-Preston Tob. Co. ....	276.25
Wm. L. Burford & Co. ....	1,101.93
	<u>\$ 23,957.56</u>



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Statement showed consignment accounts as follows:

Jos. A. L. Vermeulen .....	\$ 1,355.55
Louis Connor .....	5,559.03
	<u>\$ 6,914.58</u>

or a combined total of ..... \$ 30,872.14.

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on July 31st 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 70,043.72
" " " 2 .....	9,542.20
Jefferson No. 21 .....	3,788.72
" " " 60 .....	1,295.90
Dale, Ind. ....	5,852.60
	<u>\$ 90,523.14</u>

Tobacco of the value of \$108,086.85 was reported in Louisville factory with specific insurance in effect in the amount of \$120,000.

Statement of orders as of July 31st 1928 showed undelivered:

Louis Connor .....	573,980 lbs
John Holt & Company .....	1,039,008 "
	<u>1,612,988 lbs</u>

Stock sheet showed on hand to apply on above orders:

AA --	160,435 lbs
A --	255,972
B --	210,765
C --	438,998
D --	135,650
E --	<u>166,060</u>
	1,367,880 lbs

Compared with orders, stock sheet showed shortage or surplus of specific lengths:

AA --	123,436 lbs surplus
A --	119,734 " shortage
B --	27,727 " "
C --	121,556 " "
D --	147,647 " "
E --	48,120 " surplus

The above shows shortage of stock as compared with undelivered orders of 245,108 pounds.

During July there was purchased 52,660 pounds additional of working tobacco.

We received new orders from the French Compagnie amounting to 28,900 pounds, and had cancellations also from the French Compagnie in the amount of 30,400 pounds.

Shipments in July compared with the two previous years as follows:

	1928	1927	1926
John Holt & Company .....	82,023	133,041	66,818
Louis Connor .....	110,881	127,185	108,394
W. & A. Leaman .....	4,918	-	-
Booker Bros., McConnell & Co. ....	-	-	11,066
M. C. Henriquez .....	1,200	1,200	1,200
Arthur Rogues .....	-	11,620	2,765
Gebara & Co. ....	5,100	-	-
	<u>204,119</u>	<u>273,046</u>	<u>190,243</u>
Total for year .....	1,827,415	2,032,995	1,542,791

It was reported shipping instructions in hand for August were as follows:

John Holt & Company .....	31,825 lbs
Gebara & Co. ....	5,100 "
	<u>36,925 lbs</u>

While there is only 36,925 pounds of shipping instructions on our books for the month of August, and our books show undelivered 1,612,988 pounds, this is due to the fact that all shipping instructions for the French Compagnie for the month of August were delivered in July to catch steamer sailing in August, and John Holt & Company's instructions are principally received by cable at the time shipment is required. Indications are that shipments in August will be comparatively very light, as the largest part of the French Compagnie's shipments will consist of Bell D tobacco for Sierra Leone and Carriers Brand tobacco for Lagos, totaling 60,000 pounds for these two ports, but due to the shortage of 20 and 22 inch tobacco, it has been thought advisable to hold the shipments for this length tobacco until September as the monthly instructions call for, instead of shipping from here a month ahead of time in order to catch the steamer in the month the instructions call for.

By doing this it will enable us to conserve both the 20 and 22 inch and possibly allow us to meet the shipping instruction date until new tobacco is available; and also as indications point to a rather large delivery of 22 and 26 inch tobacco tied in the same head in the next few months, and we have a surplus of 26 and 28 inch tobacco, even with the shortage in 22 inch it will leave us with 22 inch tobacco available to tie with this longer tobacco, and so make the heavier deliveries anticipated in this longer tobacco.

It has also developed, we believe principally to the change in duties in Nigeria that John Holt & Company has taken 136,573 pounds less of tobacco to the first of August than in 1927, and the French Compagnie has taken 79,488 pounds less. However, during the month of July there was a very decided revival in the shipping instructions in Nigeria, and this would indicate, as well as the advices received, that the effect of the change in duty had been to a very great extent overcome, and consequently we are justified in anticipating a larger demand for this tobacco for Nigeria, and it would seem to be the part of good business to conserve our stock of these shorter lengths for use as stated above.

The 52,000 pounds of tobacco bought in Owensboro for delivery in July as reported at the last meeting have been received, and the 20 inch length worked. We are very sorry to report the outcome of this tobacco was not at all satisfactory and did not add to our stock of 20 inch as anticipated, which was the reason for buying the tobacco, the larger proportion of the tobacco not only proving too heavy for our general work, but also the 20 inch length had quite a fair proportion of throw-out in the shape of Lugs. However, with exception of these Lugs, for which we received credit, we were able to utilize the tobacco in the E length at a satisfactory profit, and in this way protecting the 40,000 pounds of this length we are delivering to Gebara & Co. in Haiti.

Our accumulation of throwout Lugs in the month of July has been the largest of any month this year, and it is due to this that our shortages in the stocks of the shorter lengths remain as large as are shown by the stock sheet. This large proportion of Lugs is a result of the unsatisfactory outcome of the purchases of old tobacco at Campbells-ville and the purchase made from the Association at Owensboro, which have not proven profitable purchases even at the lower prices paid as compared with prices the 1927 crop was selling at on the loose floor, and we think the experience of these two purchases, as well as the purchase from the Kentucky & Virginia Leaf Tobacco Company at Owensboro would show it is to our advantage when it is possible to buy our full requirement either loose in the country or on the loose floors. We may not be able to do this, but certainly with this experience it should be considered very carefully in future when making our initial purchase. Our experience has shown undoubtedly that the tobacco bought and packed by our own people gives a very much more satisfactory outturn than that bought and packed by others, and this also should be kept in mind in future purchases, even when we find it necessary to make additional purchases after the loose floors have closed and the crop has passed from first hands.

There being no further business to be considered at this meeting, on motion the Board adjourned.

*Approved Sept 4, 1928*  
*Frank Sutton*  
*Acting Secy.*

# BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day, September 4th 1928, at the office of the Company, 1114 West Liberty Street, Louisville, Ky., with C.D. Campbell and Frank Sutton, a majority of the directors present.

The minutes of the meeting held August 7th 1928 were read and approved.

A Trial Balance was submitted showing position of Company at close of business August 31st 1928, showing balances in the Louisville National Bank & Trust Co., of \$9648.48 and in the Lincoln Bank & Trust Co., of \$793.86, a total in both banks of \$10,442.34.

This statement showed discounts in the Louisville National Bank & Trust Co., of \$10,000 and in the Lincoln Bank & Trust Co., of \$10,000, a total in both banks of \$20,000, representing a reduction in discounts during the month of August of \$30,000. On the same date in 1927 discounts were \$45,000 and in 1926 \$190,000.

During the month the full amount due Mr. W. S. Mansfield on his purchase of tobacco for our account, amounting to \$1187.02, was paid.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 8,057.80
John Holt & Company .....	10.00
Arthur Rogues .....	2,712.38
M.C. Henriquez .....	331.85
Booker Bros., McC. & Co. ...	1,452.63
Gebara & Co. ....	2,819.66
Bradley-Preston Tob. Co. ...	276.25
Wm. L. Burford & Co. ....	238.00
	<u>15,898.57</u>

Statement showed consignment accounts as follows:

Louis Connor .....	\$ 5,559.03
Jos. A. L. Vermeulen .....	1,355.55
	<u>\$ 6,914.58</u>

or a combined total of ..... \$ 22,813.15.

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on August 31st 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 49,020.86
" " " 2 .....	6,393.92
Jefferson No. 21 .....	3,788.72
" " " 60 .....	1,295.90
Dale, Indiana .....	<u>3,332.40</u>
	<u>\$ 63,831.80</u>

Tobacco of the value of \$118,008.83 was reported in Louisville factory with specific insurance in effect in the amount of \$120,000.

Statement of orders as of August 31st 1928 showed undelivered:

Louis Connor .....	522,750 pounds
John Holt & Company .....	898,873 "
W. & A. Leaman .....	5,665 "
Booker Bros., McC. & Co. ...	<u>18,549 "</u>
	<u>1,445,837 pounds</u>



Stock sheet showed on hand to apply on above orders:

AA --	84,912	pounds
A --	149,448	"
B --	151,819	"
C --	264,040	"
D --	98,460	"
E --	134,771	"
	<u>883,450</u>	pounds

Compared with orders, stock sheet shows shortage or surplus of specific lengths as follows:

AA --	49,412	pounds	surplus
A --	115,032	"	shortage
B --	11,194	"	"
C --	181,657	"	"
D --	94,173	"	"
E --	58,045	"	surplus

The above shows shortage of stock as compared with undelivered orders of 294,599 pounds.

Shipments in September compare with the two previous years as follows:

	<u>1928</u>	<u>1927</u>	<u>1926</u>
John Holt & Company .....	132,949	163,889	53,980
Louis Connor .....	105,300	104,125	114,840
W. & A. Leaman .....	721	1,340	8,188
Booker Bros., McC. & Co. ....	-	-	12,881
Milton C. Henriquez .....	1,200	-	1,800
Arthur Rogues .....	-	-	5,640
Gebara & Co. ....	-	-	-
Rey & Co. ....	<u>2,041</u>	-	-
	<u>242,211</u>	<u>269,354</u>	<u>197,329</u>
Total for year .....	<u>2,282,666</u>	<u>2,628,178</u>	<u>1,960,075</u>

It was reported shipping instructions in hand for October were as follows:

John Holt & Company .....	52,100	pounds
Louis Connor .....	<u>2,500</u>	"
	<u>54,100</u>	pounds

There being no further business to be considered at this meeting, on motion the Board adjourned.

*H. J. Jones*  
*Frank Lutton*  
*Acting Secy.*

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day, November 6th 1928 at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky, with Frank Sutton, Vice President & Treasurer of the Company, present. The absence of the other two directors prevented a quorum.

The Vice President & Treasurer, however, submitted a report in line with the usual reports of himself and the General Manager, so that same might become a matter of record.

A Trial Balance was submitted showing position of the Company at close of business October 31st 1928, showing balances in the Louisville National Bank & Trust Co., of \$33,066.74, and in the Lincoln Bank & Trust Co., of \$31,817.35, a total in both banks of \$64,884.09.

On this date we had no discounts in any bank, nor did we have any other obligations beyond our current monthly bills.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 7,925.63
John Holt & Company .....	2,178.00
W. & A. Leaman .....	79.20
Rey & Co. ....	494.14
Arthur Rogues .....	2,712.38
M.C. Henriquez .....	166.10
Booker Bros., McConnell & Co. ....	2,399.94
Gebara & Co. ....	2,202.15
Ross Tobacco Co. ....	712.56
J. L. Boland .....	77.85
	<u>\$ 18,947.95</u>

Statement showed consignment accounts as follows:

Louis Connor .....	\$ 364.62
Jos. A. L. Vermeulen .....	2,391.40
	<u>\$ 2,756.02</u>

a combined total of ..... \$ 21,703.97.

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on October 31, 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 13,894.80
" " " 2 .....	4,035.13
Dale, Indiana .....	2,174.10
	<u>\$ 20,104.03</u>

Tobacco of the value of \$83,706.64 was reported in Louisville factory with specific insurance in effect in the amount of \$120,000.

Statement of orders as of October 31st 1928 showed undelivered:

Louis Connor .....	313,550 pounds
John Holt & Company ...	623,293 "
W. & A. Leaman .....	5,708 "
Booker Bros., McC. & Co. ....	27,713 "
	<u>970,264 pounds</u>

Stock sheet showed on hand to apply on above:

AA --	39,536 pounds
A --	123,654 "
B --	90,040 "
C --	192,038 "
D --	84,198 "
E --	97,088 "
	<u>626,554 pounds</u>

Compared with orders, stock sheet showed shortage or surplus of specific lengths as follows:

AA --	11,036	pounds	surplus
A --	75,527	"	shortage
B --	39,269	"	"
C --	191,023	"	"
D --	90,307	"	"
E --	41,380	"	surplus

The above shows shortage of stock as compared with undelivered orders of 343,710 pounds.

Shipments in October compared with two previous years as follows:

	<u>1928</u>	<u>1927</u>	<u>1926</u>
John Holt & Company .....	142,631	89,534	67,824
Louis Connor .....	88,140	147,116	118,540
W. & A. Leaman .....	2,132	1,247	15,252
Booker Bros. McConnell & Co. ....	7,287	7,127	-
M. C. Henriquez .....	-	-	-
Arthur Rogues .....	-	-	-
Gebara & Co. ....	-	-	-
Rey & Co. ....	2,055	-	-
	<u>242,245</u>	<u>245,024</u>	<u>201,616</u>
Total for year .....	<u>2,524,911</u>	<u>2,873,202</u>	<u>2,161,691</u>

It was reported shipping instructions in hand for November were:

John Holt & Company .....	54,250	pounds
Louis Connor .....	30,000	"
Booker Bros., McC. & Co. ....	7,200	"
	<u>91,450</u>	pounds

This report is made in detail that it might be made a matter of record in the Minute Book for future reference.

*Approved Dec 4, 1928*  
*Frank Sutton*  
*Acting Secy*

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED.

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day, December 4, 1928, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky, with C.D.Campbell, Frank Sutton, and C.O.Campbell, all of the directors present in person.

There being no quorum at the directors' meeting held November 6, 1928, but a full detailed report having been made, same was read and approved and ordered spread on the minute book.

A Trial Balance was submitted, showing position of the Company at close of business November 30, 1928.

This statement showed balance in the Louisville National Bank & Trust Co., of \$49,646.93, and in the Lincoln Bank & Trust Co., of \$50,176.50, a total in both banks of \$99,823.43.



Statement showed balances due from customers as follows:

Louis Connor .....	\$ 6,460.24
John Holt & Company .....	236.50
Arthur Rogues .....	2,712.38
M.C. Henriquez .....	166.10
Booker Bros., McC. & Co. ....	1,925.23
Gebara & Co. ....	2,202.15
Ross Tobacco Co. ....	420.51
	<u>\$ 14,183.11</u>

Statement showed consignment accounts as follows:

Louis Connor .....	\$ 364.62
Jos. A. L. Vermeulen .....	2,391.40
	<u>\$ 2,756.02</u>

a combined total of ..... \$ 16,939.13

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on November 30, 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 4,711.08
Dale, Ind. ....	4,281.49
Scottsville, Ky. ....	240.00
Franklin, Ky. ....	120.00
Bowling Green, Ky. ....	360.00
	<u>\$ 9,712.57</u>

Tobacco of the value of \$62,193.76 was reported in Louisville factory with specific insurance in effect in the amount of \$120,000.

Statement of orders as of November 30, 1928, showed undelivered:

Louis Connor .....	235,800 pounds
John Holt & Company .....	512,261 "
W. & A. Leaman .....	1,400 "
Booker Bros., McC. & Co. ....	20,236 "
	<u>769,697 pounds</u>

Stock sheet showed on hand to apply on above:

AA --	12,594 pounds
A --	66,974 "
B --	69,456 "
C --	120,461 "
D --	61,556 "
E --	84,913 "
	<u>415,954 pounds</u>

Compared with orders, stock sheet showed shortage or surplus of specific lengths as follows:

AA --	15,906 pounds shortage
A --	70,873 " "
B --	34,430 " "
C --	193,729 " "
D --	72,318 " "
E --	33,513 " "

The above shows shortage of stock as compared with undelivered orders of 353,743 pounds.

Shipments in November compared with two previous years as follows:

	1928	1927	1926
John Holt & Company .....	111,032	143,706	130,127
Louis Connor .....	76,000	195,029	65,936
W. & A. Leaman .....	-	1,292	-
Booker Bros. McConnell & Co. ....	7,477	-	6,937
M.C. Henriquez .....	-	1,200	-
Arthur Rogues .....	-	-	-
Gebara & Co. ....	-	-	-
Rey & Co. ....	-	-	5,615
	<u>194,509</u>	<u>341,227</u>	<u>208,615</u>
Total for year .....	2,719,420	3,214,429	2,369,306

It was reported shipping instructions in hand for December were:

John Holt & Company .....	36,625 pounds
Louis Connor .....	35,500 "
W. & A. Leaman .....	1,400 "
Booker Bros., McConnell & Co. ....	7,200 "
	<u>80,725 pounds</u>

There being no further business to be considered at this meeting, on motion the Board adjourned.

*Approved Jan 16, 1929.*  
*Frank Sutton*  
*Acting Secy.*

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED.

The monthly meeting of the Campbell Company, Incorporated, held this day, January 8, 1929, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky, with C. D. Campbell, Frank Sutton, and C. O. Campbell, all of the directors present in person.

As a complete set of statements for the year 1928 were not available for this meeting, on motion same was postponed subject to call.

*Approved Jan 16, 1929*  
*Frank Sutton*  
*Acting Secy.*

#### STOCKHOLDERS MEETING OF CAMPBELL COMPANY, INCORPORATED.

The annual meeting of the stockholders of Campbell Company, Incorporated, held this day, January 8, 1929, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky, but as a complete set of statements covering 1928 business had not yet been completed, on motion the meeting was postponed until January 15, 1929.

*Approved Jan 14, 1929*  
*Frank Sutton*  
*Acting Secy.*

#### STOCKHOLDERS MEETING OF CAMPBELL COMPANY, INCORPORATED.

The annual meeting of the stockholders of Campbell Company, Incorporated, postponed from January 8, 1929, held this day, January 15, 1929, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky.

All of the 500 shares of Common stock outstanding, which is the voting stock, was represented at the meeting; also 599 shares of the 900 shares of Preferred stock outstanding were represented at the meeting.

On motion Mr. B. H. Farnsley was elected Chairman of the meeting.

On motion Mr. Frank Sutton was appointed Acting Secretary of the meeting.

On motion the reading of the minutes of the stockholders meeting held January 17, 1928, was dispensed with, as the stockholders present had heard the minutes, and on motion they were approved.

The President of the Company read his annual report, in which was embodied the Balance Sheet of the Company. On motion the full report was received and ordered spread on the Minute Book as part of the minutes of this meeting. The President's report follows:

ANNUAL REPORT OF THE PRESIDENT ON THE BUSINESS OF 1928  
TO THE STOCKHOLDERS OF CAMPBELL COMPANY

Gentlemen:

I shall deal in this report with the last year's business in a little different way from previous reports, as, due to the liquidation of the Farmers Tobacco Protective Association this no longer enters into our business as it did in the past, although I am sorry to say this organization is not completely liquidated and the remainder of their holdings, now estimated at less than 20,000 pounds, consists of low grades, which even in the past have been discriminated against and which naturally are selling at very low prices.

Some of our competition is still securing supplies from this source, and due to the present high prices prevailing in new, this tobacco may find a purchaser, and there is no doubt but what in the effort to cheapen prices, a fair amount of it will find its way to Africa and be in competition with our regular brands, and while we believe this tobacco is too common to give satisfaction, the very quotation of lower prices, with the purchaser of the tobacco not knowing of what it is composed, will continue to make some trouble for us.

As a consequence we cannot look forward to our customers accepting the increased prices we will be compelled to make this year in certain classes of our work, with any enthusiasm. However, business is much the same as life, and the situation arising must be met and dealt with as best we can.

On January 1, 1928, the orders on our books for our regular trade totaled 3,499,278 pounds for Africa, and we had every reason to believe our West Indian trade would be at least 150,000 pounds, or a reasonable expectation for a business in 1928 of 3,650,000 pounds, which would have been the largest business we had ever done, and even with conservative estimates we had every right to anticipate a business of this size, and I reported to you last year that our requirements would be in excess of 3,500,000 pounds. Naturally, in making up our price-list we estimated our overhead cost on the basis of the previous year, as our actual deliveries during the year 1927 were 3,492,876 pounds.

Unfortunately the crop of 1927 only produced 119,000,000 pounds, and we were only able to secure from this crop for working purposes about 70 per cent of our actual requirement and were forced to buy from previous crops of old tobacco 892,000 pounds, which was bought principally from the Association's old stock at grade prices, and the cost of this tobacco, with the estimated cost of the tobacco which we figured we could buy from the 1927 crop, were averaged to make our base price in figuring our price-list, and we feel we were perfectly justified in this action, and our price-list was sent out and our orders accepted on these prices.

As an evidence that we were justified in this action, our factory was run at top speed for the first three months of 1928 and the tobacco delivered about as fast as it could be prepared, and during this period, and in fact until the first of June, all of our tobacco was prepared from the 1927 crop.

When we took off our semi-annual statement, which in 1928 was done June 1st, this statement showed that up to that time we had realized our full estimated profit and had had absolutely no complaint; so that we must feel that the disappointing outcome of our 1928 business, which will be shown later in this report, was not due to any error made in our calculations, nor in the working of our factory, nor in the purchase which we made of the 1927 crop, and still believing our old tobacco having been bought on grade prices and having reason to think it would produce satisfactory work, the outlook at that time was most favorable and indicated we would have a most satisfactory year. But from the beginning of the working of this old tobacco it was most disappointing, resulting in our anticipations in the beginning of the year failing of realization very much, and our actual net profit showing only \$28,616.63, when in the beginning of the year we had every reason to believe we would have a profit in excess of \$60,000, and even with the business done should have had a profit of over \$56,000.



Naturally we have made rather an exhaustive analysis of the 1928 business to see the reason if possible for this outcome, and while it does not increase our profit, we may say it can be accounted for. One reason, and a very large factor, is the actual outcome of this 892,000 pounds of old tobacco which we have already stated was so disappointing when it was worked. In the first place, to secure all of the 26 inch length we required, we were forced to buy not only all the A length available, but also all the AA length which could be secured, and as the question of weight per head is such an essential in this business at present, we were compelled to cut off this extra length to make the weight of the leaf lighter and comply with our specification, and all such tobacco cut off was an absolute loss, and this in itself is much larger than one would think who was not familiar with the detail working.

But besides this, these longer grades of A, B, and C in this old tobacco actually turned out a very large percentage of shorter lengths which were tied into the head with the longer lengths, and did not show up until the tobacco was worked, and the same thing also applied to the shorter length of D grade. But in addition to this, where experience had taught us that certain allowances were safe in making for what we call throwout or Lugs, covered this with a fair margin, while in this old tobacco the percentage of this throwout was largely in excess of our estimates, causing a still further loss; so that the nearest estimate we can make of the outcome of this 892,000 pounds of old tobacco shows a loss from our original estimate on grade prices in round figures of \$12,000, and this of course was this much deduction from our estimated profit. Because of the smaller business done, which was figured on the cost of overhead at the large business, our overhead actually cost us 23 cents per 100 pounds more than was allowed at the time of making our price-list, causing a still further loss in profit of \$6532.00, or a total of these two items alone of \$18,532.00.

Again, besides this, due to our larger earnings in 1927, our income tax was \$10,200, which had to be paid in 1928, when the tax on the present year directly chargeable to the 1928 business would only be in round figures \$4500, showing we have paid in 1928 to the Government \$5700 more than is directly chargeable to the business of 1928, and even these three items show a reduction in profit of \$23,032.00, so altogether this analysis would indicate there has really been nothing which could be charged to bad management.

A further deduction from profits took place by the charging of everything we possibly could to Expense account, much of which we would have been justified in capitalizing. So that, with these items which have here been cited, it would have given us a net manufacturing profit per 100 pounds on the business done of \$1.90, when under our agreements we are only allowed to make \$2.00 per 100 pounds net. So, notwithstanding the disappointment in the statement itself, it has been due to a series of circumstances and conditions which have arisen and not to faulty management, and I wish to make it very plain in this report that I do not believe there has been any extravagance in the working of our factory and that we have received the greatest cooperation possible from everyone in our employ, and also that I believe the work of our factory has been the most economical we have ever had, without really a single complaint.

This is further gratifying from the fact, that in 1928 we instituted the system of work of counting the heads into the different packages, and quite a large proportion of our business in 1928 was handled in this way. This naturally required our hands to become accustomed to such work and slowed them up in the beginning to some extent; but we also believe that this was the greatest single forward step which had taken place in this business for a great many years, and it is reasonable to suppose we will reap a future benefit. It has proven so satisfactory where it has been done that in our 1929 orders we have instructions to practically pursue this method of work in all of our tobacco going to these ports desiring a specific number of heads to the four pounds, or as it is now developing, a specific number of heads to the package, and with the improvement and speeding up as our work people become more familiar with this method of working, we are inclined to think it can be done without any additional cost in preparation, and unquestionably a great advantage in distribution, which should tend to an increase in the business.

Naturally the question arises as to the cause of this reduced business in 1928 with the large anticipated business or orders on our books in the beginning of 1928. The principal reason of this reduction was an action by the British Colony of Nigeria in increasing the duty on Leaf tobacco imported from 35 cents a pound to 48 cents a pound in March, 1928. This increase of 12 cents in duty came out of a clear sky, and without any previous intimation of such action, and at the same time African produce was meeting a declining market, so that the Native did not have the money nor sufficient produce to enable him to buy in proportion to his wants or even needs, and the result was almost complete stagnation so far as the Leaf tobacco business was concerned, and for three months there were practically no importations to the places affected by this increased duty, and it was fully six months before the re-adjustment took place, and this of course was what affected our business more than any other one thing in the falling off of deliveries. But besides this, we have spoken of our competitors buying this very cheap tobacco from the old stocks of the Association, and in other parts of Africa where the natural tobacco is used and there is no requirement of the special weight of head, this cheap tobacco was introduced and because of the low price met with a ready sale and prevented the sales of the standard brands and standard quality which had prevailed.

The combination of these two things resulted, as stated in a decreased demand for our tobacco in those ports requiring a specific weight of head and almost a total loss in our business at the ports receiving this cheaper natural tobacco. This latter did not really affect us so much as we did not have a large business with these ports, but it did result in our doing practically nothing with the Senegal, very little with the Gold Coast, and a much reduced business in this natural tobacco with Dahomey, and has resulted in our having no order for the Senegal in 1929 and very much reduced orders for these other ports taking this natural tobacco.

We of course went very fully into this question after the writer returned home from Europe, and we have reason to believe we have succeeded in finding a tobacco at a price which will meet this competition, and we trust regain part of our business with these ports, if not finally resulting in even a larger business with them.

We feel justified in making this last statement from the fact that while abroad, through the assistance of our associate John Holt & Company, we are now making an effort to establish a connection with one of the principal companies doing business in the Gold Coast, and already have some trial orders from them, and if this cheap tobacco proves satisfactory under the changed conditions, we have the hope of securing in the future their entire orders.

As already stated, the 1927 crop only produced 119,000,000 pounds, while our estimate for the 1928 crop was 169,000,000 pounds, and in this special district where we secure our stock with a production in 1927 of 15,000,000 pounds, we have estimated the production in the 1928 crop at 21,000,000 pounds. With this increase we could not see where the prices for the 1928 crop should be any higher than for the 1927 crop, and with this information your President made his annual trip to Europe, laying this situation before our friends. They were all very pessimistic regarding the outlook for the 1929 business, but based on prices no higher than in 1928 we did receive orders for 1929 from the French Compagnie firm 908,200 pounds, contingent 398,000, and from John Holt & Company 1,493,027 pounds, or a total of 2,799,227 pounds, with which we were extremely pleased; and again it seemed as if we would have a very full and profitable year in 1929. But on the opening of the market in December, prices showed an average of over \$3.00 per 100 pounds over the same time in 1928 and over the base figures which we used in making up our price-list. This was naturally very disconcerting, and having secured these orders on the basis of last year's prices, we felt that our friends should have the privilege of withdrawing these orders and so cabled them and wrote at length, but to this we have had no reply as yet and consequently cannot say definitely regarding the orders for 1929.

Personally we do not believe that these prices already paid can prevail for the crop for the entire season, and we have already succeeded in reducing our average materially to a point where, if the remainder of our purchase or requirements can be bought on the basis of our present prices paid, we will only be required to advance our prices an average of \$2.00 per 100 pounds for all retied tobacco and tobacco receiving a



preparation, and due to getting this cheaper tobacco from another section for those ports taking a natural Farmers Head tobacco, we will not have to advance our prices at all for these ports, and we have sent out a tentative price-list on this basis.

We have also found that the weight of this crop is very much lighter than the last crop, and from the tobacco already worked, due to the increased number of heads to the four pounds and the saving in duty, the head of tobacco can be sold in Africa at no higher price than last year, and if this proves true for the business and the remainder of our purchase, we believe we will still receive the full amount of orders as originally given us, but due to this very light weight tobacco it is possible we have over-estimated in pounds the supply, and already the impression is going out that instead of the 21,000,000 pounds we estimated, this will not exceed 18,000,000 pounds, and if this decrease in weight should continue to develop, it may result in somewhat higher prices than we had hoped to pay.

We must point out that at present we have not these orders confirmed, and it remains to be seen what action our friends will take. You will of course recognize in making this report especially on this feature, it is the first time for many years we have not been able to state definitely what our orders for the succeeding year would be, and had it not been for this unexpected advance in price we would again have the order on our books for our 1929 business; but unfortunately, due to the situation, this is not the case at this time, and while we believe the orders will be received, and we will do a good business in 1929, it will require the very closest supervision and the greatest care and economy, and I cannot have myself any great anticipation of large profits in the 1929 business, although I do believe we will do what should prove a satisfactory business considering prevailing conditions, but I repeat it behooves us to watch our step most carefully and to practice the utmost economy for the coming year.

I am glad to report that our Mr. C. C. Campbell has now returned to us, and as soon as he becomes familiar with all the changes which have been instituted in our work the past year, will take up the full duties of his former position.

I again suggest that an election of directors and officers should not be gone into at this time, but the present directors and officers be continued until their successors are elected and qualified, as our by-laws permit us to do, and I would also suggest that the question of dividends on the Common stock be left with the Board of Directors, with authority to act as they deem best.

I now submit as part of this report the Balance Sheet as of December 31, 1928, which speaks for itself.

#### ASSETS:

Inventory Tobacco .....	\$ 54,574.57
" Factory Expense .....	489.16
" Office Expense .....	245.19
" Canvas, Paper & Twine .....	95.54
" Cases, Metal Strap, Cl. Nails..	405.10
" Hogshead Material .....	602.27
" Nails & Staples .....	43.47
" Tobacco Oil & Petrolatum .....	175.87
" Coal .....	64.00
Cash in Banks .....	25,208.64
Unexpired Insurance (Louisville) .....	753.53
" " (Dale) .....	9.45
Surrender Value Life Insurance (C.D.C.) .....	12,430.00
Machinery & Fixtures .....	20,553.68
Real Estate (Louisville Buildings) .....	34,983.71
Dale Real Estate (Buildings) .....	2,808.62
Dale Factory Fixtures .....	163.66
Dale Tobacco .....	7,869.61
Dale Expense .....	374.46
Louis Connor .....	3,590.85
John Holt & Company .....	17.50
Booker Bros., McConnell & Co. ....	1,988.03



Gebara & Co. ....	\$ 2,202.15	
Jos. A. L. Vermuelen .....	2,429.44	
Ross Tobacco Co. ....	436.15	
Wm. L. Burford & Co. ....	2,208.08	
Arthur Rogues .....	2,712.38	
Frank Sutton .....	193.51	
Lands .....	9,021.63	
Copyrights .....	54.00	
W. S. Mansfield .....	71,535.66	
Employees Coal Acct. ....	6.50	\$ 258,244.41

# **LIABILITIES:**

Loss & Gain .....	\$ 50,859.82	
U.S. Treasury Dept. ....	38.91	
Advance Account .....	1,498.24	
Rey & Co. ....	60.61	
C.D. Campbell .....	6,164.09	
Helen Morgan .....	84.00	
K. Weber .....	337.47	
Harry Kennedy .....	170.36	
Robert Sheehan .....	86.44	
Steven Hicks .....	165.00	
Louis Graf .....	150.00	
Tom Arnett .....	165.61	
John Holt & Company Special Acct. ....	2,605.25	
Louis Connor Special Acct. ....	497.97	
Building Depreciation Reserve .....	14,626.07	
Machinery & Fixtures Dep. Reserve .....	10,425.45	
Capital Stock "Common" .....	50,000.00	
Capital Stock "Preferred" .....	90,000.00	
Unpaid Bills .....	81,692.49	
NET GAIN - 1928 .....	28,616.63	\$ 258,244.41

Respectfully submitted,

(Signed) C. D. Campbell

President.

The Vice-President & Treasurer then read his annual report, which was received, and on motion ordered spread on the Minute Book as part of the minutes of this meeting. The Vice-President & Treasurer's report follows:

Gentlemen:

The Tobacco Inventory of our Company showed on hand January 1, 1929, 358,363 pounds of tobacco of a value of \$52,827.93. This compares with 776,342 pounds of a value of \$78,014.25 on January 1, 1928, and 1,561,140 pounds of a value of \$176,798.64 on January 1, 1927. The average value per hundred pounds was \$14.74 on January 1, 1929, \$10.05 January 1, 1928, and \$11.33 January 1, 1927, the average price on January 1, 1929 being higher than in previous years because of the smaller amount of low-priced Lugs and Scrap and unworkable tobacco on hand on this date as compared with previous years.

Of the quantity on hand January 1, 1929, but 7750 pounds was unworkable tobacco in the shape of Lugs and Scrap, while the quantity of such tobacco on hand January 1, 1928 was 232,088 pounds and on January 1, 1927, 432,278 pounds.

Inventory of January 1, 1929, showed 350,613 pounds of workable and prepared tobacco on hand. The quantity of such tobacco on hand January 1, 1928, was 544,254 pounds and on January 1, 1927, 1,128,862 pounds.

The purchase of 1927 crop tobacco made by W.S. Mansfield to apply on 1928 orders amounted to 2,124,974 pounds, costing on Loose Floors \$265,978.30, an average of \$12.5168 per hundred pounds. This

tobacco cost delivered in Louisville, including handling costs, freight and drayage, an average of \$14.52; and on prize-out weights of 2,133,020 pounds and yield of the various lengths cost \$1.2844 per hundred pounds more than the base prices of \$16.85 for AA and A length; \$13.85 for B length; \$12.85 for C length; \$10.85 for D length, and \$6.85 for E length, used in making up our price-lists covering 1928 orders.

However, miscellaneous purchases of 1927 crop tobacco amounting to 43,725 pounds, 49,487 pounds of 1927 crop leaf purchased by our buyer at Dale, Indiana, 473,260 pounds old crop tobacco purchased by W.S.Mansfield mainly from the Tobacco Growers' Association, and 390,660 pounds of old tobacco carried in Inventory of December 31, 1927, reduced the general average for the total of 3,090,152 pounds of new and old tobacco of all grades to within .3082 cents per hundred pounds of the base prices used for price-list purposes.

In addition to the above purchases of Leaf there was bought at Dale, Indiana, 16,507 pounds of Lugs at three cents per pound and 14,173 pounds of Trash at two cents per pound. A portion of these Lugs was used in our factory work, the balance of same and all Trash were sold promptly at a small profit.

Deliveries during the year amounted to 2,837,139 pounds of rehandled tobacco, of which 1,259,290 pounds was shipped the French Compagnie; 1,449,709 pounds John Holt & Company, 53,359 pounds W. & A. Leaman; M.C.Henriquez 6600 pounds; 53,485 pounds Booker Bros., McConnell & Co., 30,800 pounds Gebara & Co., and 4,096 pounds Rey & Company. The total delivery of 2,837,139 pounds of rehandled tobacco compares with 3,492,876 pounds in 1927, and 2,817,912 pounds in 1926.

Discounts in our two banks for the year 1928 averaged \$72,083 monthly, against \$86,250 monthly in 1927, and \$204,166 monthly in 1926. Our maximum discounts in 1928 were in the months of February and March, when they reached \$175,000. From this time they were gradually reduced until September, when all loans were paid in full, and we began carrying substantial balances in bank, these averaging \$53,537 for the months September/December inclusive, and reaching more than \$100,000 early in December, before we began sending out money to pay for 1928 crop purchases.

Our bank arrangements are the same as stated in our report last year, viz., a borrowing limit of \$175,000 at the Louisville National Bank & Trust Co., \$170,000 at the Lincoln Bank & Trust Co., and an additional \$80,000 if necessary at the latter bank by depositing warehouse receipts as collateral, a total of \$420,000, which we may secure if necessity arises.

Purchases by our buyer of 1928 crop tobacco in the One Sucker District amounting to 700,764 pounds on December 31, 1928, at a Loose Floor average of \$14.384. In addition there was purchased to the same date at Dale, Indiana, 68,186 pounds of Leaf averaging \$11.36 per hundred pounds. Of this total of 768,950 pounds of 1928 crop tobacco purchased, 59,135 pounds was worked in our factory to December 31, 1928, and is included in Inventory. Balance of these purchases are not included in inventory, but money given to pay for same is shown in statements as a charge against W.S.Mansfield and Dale, Indiana, tobacco.

There was carried into 1929 old orders for delivery at 1928 prices of 72,000 pounds for the French Compagnie and 451,219 pounds for John Holt & Company; and on January 1, 1929, we had new firm and conditional orders from the French Compagnie for 1,296,200 pounds and from John Holt & Company for 1,109,251 pounds, a total of 2,928,670 pounds. Of this quantity 388,000 pounds are conditional orders from the French Compagnie, which must be confirmed or cancelled by February 1, 1929, and of the 415,219 pounds of old orders carried over for John Holt & Company we shall possibly be required to deliver but 113,392 pounds at 1928 prices.

In addition to the above we have some small orders on our books from our West Indian customers, and with an anticipated business among these Islands of possibly 150,000 to 200,000 pounds, our total business as of January 1, 1929, for delivery during 1929 amounts to approximately 3,100,000 pounds.

Respectfully submitted,

(Signed) Frank Sutton,

Vice President & Treasurer.

On motion all actions of the officers and Board of Directors of the Company, pertaining to the business during the year 1928, were ratified and approved.

On motion of Mr. C. D. Campbell, the election of directors was postponed and the present officers and directors authorized to serve until their successors are elected and have qualified.

On motion of Mr. C. D. Campbell, the Board of Directors was empowered and instructed to proceed at the proper time to have the Articles of Incorporation of the Company amended so as to extend its Charter for a period of fifty years from the date of amendment.

There being no further business to come before this meeting, on motion the stockholders adjourned.

*Approved Jan 14, 1929*

*Frank Sutton*

*Acting Secy*

#### BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED.

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, postponed from January 8th 1929, held this day, January 16th 1929, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky, with C. D. Campbell, Frank Sutton, and C. O. Campbell, all of the Directors present in person.

The minutes of the directors meetings held December 4th 1928 and January 8th 1929, were read and approved.

A Trial Balance was submitted, showing position of the Company at the close of business on December 31st 1928.

This statement showed balances in the Louisville National Bank & Trust Co., of \$19,899.65 and in the Lincoln Bank & Trust Co., of \$5306.99, and cash at country points of \$79,779.73, a total of cash on hand of \$104,986.37.

The statement showed no discounts at any bank and no Bills Payable of any kind, other than officers' and employees' balances, December bills, and \$38.91 due the United States Treasury for additional Income Tax assessed on our Income Tax return covering 1927 business.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 3590.85
John Holt & Company .....	17.50
Arthur Rogues .....	2712.38
Booker Bros., McC. & Co. ...	1988.03
Gebara & Co. ....	2202.15
Ross Tobacco Co. ....	436.15
Wm. L. Burford & Co. ....	2208.08
	<u>\$ 13,155.14</u>

In addition statement showed Jos. A. L. Vermeulen, Antwerp, Belgium, charged with \$2429.44, representing the value of tobacco consigned to be sold for our account.



Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on December 31, 1928, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 11,099.90
Dale, Ind. ....	4,050.58
Bowling Green, Ky. ....	6,088.19
Franklin, Ky. ....	2,559.64
Russellville, Ky. ....	2,932.37
Scottsville, Ky. ....	906.61
Glasgow, Ky. ....	2,341.18
	<u>\$ 29,978.47</u>

Tobacco of the value of \$112,967.63 was reported in Louisville factory with specific insurance in effect in the amount of \$120,000.

Statement of orders as of January 1st 1929 showed the following to be delivered during the year 1929, viz.,

Louis Connor .....	1,368,200 pounds
John Holt & Company .....	1,560,470 "
M.C. Henriquez .....	1,200 "
Booker Bros., McC. & Co. ...	<u>12,510 "</u>
	<u>2,942,380 pounds</u>

The above includes 388,000 pounds of conditional orders from the French Compagnie, which are to be confirmed or cancelled by February 1st 1929.

Requirements of various grades to prepare the above-mentioned 1929 orders are:

AA - 43,500 pounds
A - 613,687 "
B - 603,573 "
C - 705,820 "
D - 731,000 "
E - <u>244,800 "</u>
<u>2,942,380 pounds</u>

and to apply on same we had on hand or had bought to December 31st 1928 the following:

AA - 57,332 pounds
A - 142,442 "
B - 220,803 "
C - 278,260 "
D - 236,307 "
E - <u>132,299 "</u>
<u>1,067,443 pounds</u>

Shortages or surpluses were therefore:

AA - 13,832 pounds surplus
A - 471,245 " shortage
B - 382,770 " "
C - 427,560 " "
D - 494,693 " "
E - 40,325 " "

In addition to the above we have on hand 40,325 pounds 1925 crop Redried Dale, Ind., Lugs, which can be used for Blackfat purposes.

It was reported that shipments in December compared with two previous years as follows:

	1928	1927	1926
John Holt & Company .....	61,042	155,825	138,052
Louis Connor .....	44,050	159,800	77,751
W. & A. Leaman .....	4,901	-	-
Booker Bros., McC. & Co. ..	7,726	6,957	6,968
M. C. Henriquez .....	-	-	-
Arthur Rogues .....	-	5,315	-
Gebara & Co. ....	-	-	-
Rey & Co. ....	-	-	-
	<u>117,719</u>	<u>327,897</u>	<u>222,771</u>

It was reported shipping instructions in hand for January were:

John Holt & Company .....	98,800 pounds
Louis Connor .....	62,800 "
Booker Bros., McC. & Co. ....	7,200 "
M.C. Henriquez .....	1,200 "
	170,000 pounds

The action of the Management in paying the same amount of bonuses as was paid last year, to Messrs. Harry Kennedy, Robert Sheethan, Steven Hicks, Louis Graf, Misses Katharine Weber and Helen Morgan, was approved. A bonus was not paid to Mr. Ulysses Vernon, an assistant foreman, but in lieu thereof his salary was increased \$10.00 per month.

On motion, Mr. B.H. Farnsley was re-appointed Advising Attorney of the Company, with a retaining fee at the rate of \$100 per annum, payable in quarterly instalments.

The President submitted an order in writing from Messrs. John Holt & Company, Liverpool, England, instructing that the balance standing to the credit of their Special Account on the books of the Company, amounting to \$2605.25, be applied to the purchase of Preferred stock of the Campbell Company, Incorporated, and that said stock be issued in the name of Mr. C. D. Campbell, and as it was the desire to purchase 30 shares of this stock, Mr. C. D. Campbell would pay in as cash the additional money required and the issue of this stock was therefore authorized.

The President submitted his report of the condition of the Company, showing by the Balance Sheet a Net Gain for the year 1928 of \$28,616.63, an Undivided Profit from earnings of previous years of \$50,859.82, and a total Undivided Profit as of December 31st 1928 of \$79,476.45.

On motion a dividend of 7 per cent was then declared to Preferred stockholders,  $3\frac{1}{2}$  per cent payable January 1929 to Preferred stockholders of record January 1st 1929 and  $3\frac{1}{2}$  per cent payable July 1929 to Preferred stockholders of record July 1st 1929.

The President then stated while our surplus account had been reduced \$7463.11 during the past year, that this was due to the increased Income Tax paid during the year and also to the absorption in Expense Account of items which could have been charged to Capital Account, as well as a number of other items charged off the books or absorbed in other ways, there had been no actual reduction in surplus, but in reality an increase. Consequently, he felt the Company was justified in the payment of a 25 per cent dividend to Common stockholders, and recommended that a dividend of this amount be paid immediately to Common Stockholders of record January 1st 1929.

On motion, the President's recommendation was adopted.

There being no further business to consider at this meeting, on motion the Board adjourned.

*Approved Feb. 5, 1929*  
*Frank Austin*  
*Acting Secy.*

\* - It was also reported that shipments for the year 1928 compared with the two previous years as follows:

	1928	1927	1926
John Holt & Company .....	1,449,709	1,627,189	1,230,065
Louis Connor .....	1,259,290	1,738,157	1,205,634
W. & A. Leaman .....	33,359	18,290	53,924
Booker Bros., McConnell & Co. ....	53,485	63,740	61,914
M. C. Henriquez .....	6,600	6,000	5,400
Arthur Rogues .....	-	39,500	36,140
Gebara & Co. ....	30,600	-	224,835
Rey & Co. ....	4,096	-	-
	<u>2,837,139</u>	<u>3,492,876</u>	<u>2,817,912</u>

## BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED.

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day, February 5, 1929, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky, with C.D. Campbell, Frank Sutton, and C.O. Campbell, all of the directors present in person.

The minutes of the meeting held January 16, 1929, were read and approved.

A Trial Balance was submitted showing position of the Company at the close of the business January 31, 1929. This showed balance in Lincoln Bank & Trust Co., of \$5210.84 and overdraft at Louisville National Bank & Trust Co., of \$347.35, a net balance in banks of \$4863.49.

Statement showed discounts in the Louisville National Bank & Trust Co., of \$20,000, and in the Lincoln Bank & Trust Co. of \$30,000, a total in both banks of \$50,000. On the same date in 1928 discounts were \$125,000, and in 1927 \$125,000.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 9,796.12
John Holt & Company .....	8,712.54
W. & A. Leaman .....	82.35
Rey & Co. ....	195.93
Arthur Rogues .....	2,712.38
M. C. Henriquez .....	166.05
Booker Bros., McConnell & Co. ....	1,956.90
Gebara & Co. ....	2,381.23
Ross Tobacco Co. ....	436.15
	<u>\$ 26,439.65</u>

Statement showed consignment account as follows:

Jos. A. L. Vermeulen .....	\$ 2,429.44
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a combined total of ..... \$ 28,859.09.

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on January 31, 1929, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 34,969.64
Dale, Ind. ....	3,919.72
Bowling Green, Ky. ....	5,325.35
Franklin, Ky. ....	13,133.07
Russellville, Ky. ....	3,642.71
Scottsville, Ky. ....	20,375.28
Glasgow, Ky. ....	3,551.14
	<u>\$ 83,916.91</u>

Tobacco of the value of \$120,960.84 was reported in Louisville factory with specific insurance in effect in the amount of \$140,000.

Statement of orders as of January 31, 1929, showed undelivered:

Louis Connor .....	1,375.599 pounds
John Holt & Company .....	1,360,550 "
Booker Bros., McConnell & Co. ....	5,227 "
	<u>2,741.376 pounds</u>

Stock sheet showed on hand to apply on above:

AA - 112,794 pounds	
A - 252,250 "	
B - 377,706 "	
C - 501,147 "	
D - 363,301 "	
E - 143,759 "	

1,750,957 pounds



Compared with orders stock sheet showed shortage or surplus of various lengths as follows:

AA -	83,294	pounds	surplus
A -	268,370	"	shortage
B -	174,728	"	"
C -	197,804	"	"
D -	338,970	"	"
E -	93,841	"	"

The above shows shortage of stock as compared with undelivered orders of 990,419 pounds.

Shipments in January 1929 compared with two previous years as follows:

	<u>1929</u>	<u>1928</u>	<u>1927</u>
Louis Connor .....	111,801	98,900	118,885
John Holt & Company .....	199,920	212,272	92,428
Booker Bros., McConnell & Co. ....	7,283	-	11,468
W. & A. Leaman .....	5,656	4,997	1,334
M. C. Henriquez .....	1,200	-	-
Rey & Co. ....	2,124	-	-
	<u>327,984</u>	<u>316,169</u>	<u>224,115</u>

It was reported shipping instructions in hand for February were:

Louis Connor .....	93,420	pounds
John Holt & Company .....	68,800	"
Booker Bros., McConnell & Co. ..	5,227	"
Commonwealth Trust Limited .....	1,248	"
	<u>168,695</u>	pounds

There being no further business to be considered at this meeting, on motion the Board adjourned.

*Approved March 5, 1929*  
*Frank Sutton*  
*Acting Secy*

#### STOCKHOLDERS MEETING OF CAMPBELL COMPANY, INCORPORATED.

A special called meeting of the stockholders of Campbell Company, Incorporated, held this day, February 21, 1929, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky.

All of the 500 shares of Common Stock outstanding, which is the voting stock, were represented at the meeting; also 925 shares of the 926 shares of Preferred Stock outstanding were represented at the meeting.

On motion Mr. C. D. Campbell was elected Chairman of the meeting.

On motion Mr. Frank Sutton was appointed Acting Secretary of the meeting.

The Chairman pointed out that the original Charter of the Company would expire on the 22nd day of December, 1929, and that action should be taken for the extension of this Charter, and he recommended the extension be for fifty years.

A motion was then presented that the Directors take the necessary steps to accomplish this, and same was unanimously adopted.

There being no further business to be considered at this meeting, on motion the Stockholders adjourned.

BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED.

A special called meeting of the Board of Directors of Campbell Company, Incorporated, held this day, February 21st 1929, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky, with C.D.Campbell, Frank Sutton, and C.O.Campbell, all of the directors present in person.

The action of the Stockholders at their meeting held this day, recommending the Directors take the necessary steps to extend the Charter of the Company for a period of fifty years, was reported, and on motion this action was concurred in by the Directors, and the following amended Articles of Incorporation of the Campbell Company unanimously adopted:

"The period during which this corporation shall conduct its business shall be extended Fifty (50) years from and after the 22nd day of December 1929, and shall continue for a total period of Eighty (80) years from and after date of incorporation to-wit:- 22nd day of December 1899."

There being no further business to be considered at this meeting, on motion the Directors adjourned.

*Approved March 5, 1929*  
*Frank Sutton*  
*Acting Secy*

BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED.

The regular monthly meeting of the Board of Directors of Campbell Company, Incorporated, held this day, March 5, 1929, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky, with Frank Sutton and C.O.Campbell, a majority of the Directors present in person.

The minutes of the regular monthly meeting of the Directors held February 5, 1929, and the special called meeting held February 21, 1929, were read and approved.

A Trial Balance was submitted showing position of the Company at close of business February 28, 1929, same showing balance in Lincoln Bank & Trust Co., of \$12,043.48 and in Louisville National Bank & Trust Co., of \$161.52, a total balance in both banks of \$12,205.00.

Statement showed discounts in the Lincoln Bank & Trust Co., of \$70,000 and in the Louisville National Bank & Trust Co., of \$70,000, a total of discounts in both banks of \$140,000, an increase during the month of February of \$90,000. On the same date in 1928 discounts were \$175,000 and in 1927 \$175,000.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 7,692.56
John Holt & Co. ....	10.00
W. & A. Leaman .....	155.25
Rey & Co. ....	195.93
Arthur Rogues .....	2,712.38
M.C.Henriquez .....	166.05
Booker Bros.McC.&Co.	1,050.40
Gebara & Co. ....	2,381.23
	<u>\$ 14,363.80</u>

Statement showed consignment accounts as follows:

Jos.A.L.Vermeulen ....	\$ 1368.59
Commonwealth Trust Ltd.	347.23
	<u>\$ 1715.82</u>

a combined total of ..... \$ 16,079.62.

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on February 28, 1929, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 92,907.29
" " " 2 .....	26,798.15
Dale, Ind. ....	1,496.53
Russellville, Ky. ....	2,438.81
Glasgow, Ky. ....	4,945.76

\$ 128,586.54

Tobacco of the value of \$151,228.76 was reported in the Louisville factory, with specific insurance in effect in the amount of \$140,000.

Statement of orders as of February 28, 1929, showed undelivered:

Louis Connor .....	1,085.727 pounds
John Holt & Company .....	1,234.998 "
	<u>2,320,725 pounds</u>

Stock sheet showed on hand to apply on above:

AA - 115,034 pounds	
A - 238,123 "	
B - 425,103 "	
C - 492,067 "	
D - 420,776 "	
E - 170,200 "	
	<u>1,861,303 pounds</u>

Compared with orders stock sheet showed shortage or surplus of specific lengths as follows:

AA - 85,534 pounds	surplus
A - 207,388 "	shortage
B - 72,112 "	"
C - 57,808 "	"
D - 161,048 "	"
E - 46,600 "	"

The above shows shortage of stock as compared with undelivered orders of 459,422 pounds.

Shipments in February, 1929, compare with two previous years as follows:

	1929	1928	1927
Louis Connor .....	89,052	126,400	89,599
John Holt & Company .....	125,552	221,214	154,963
Booker Bros., McConnell & Co. ....	7,080	7,001	10,928
W. & A. Leaman .....	1,380	1,334	3,309
M. C. Henriquez .....	-	-	1,200
Rey & Co. ....	-	-	-
Arthur Rogues .....	-	-	5,880
Commonwealth Trust Limited .....	1,248	-	-
	<u>224,312</u>	<u>355,949</u>	<u>265,879</u>
Total for year .....	<u>552,296</u>	<u>672,118</u>	<u>489,954</u>

It was reported shipping instructions in hand for March were:

Louis Connor .....	90,300 pounds
John Holt & Company .....	104,400 "
	<u>194,700 pounds</u>

There being no further business to be considered at this meeting, on motion the Board of Directors adjourned.

*Approved April 2, 1929*  
*W. A. Leaman*  
*Arthur Rogues*



BOARD OF DIRECTORS MEETING OF CAMPBELL COMPANY, INCORPORATED.

The regular monthly meeting of the Board of directors of Campbell Company, Incorporated, held this day, April 2, 1929, at the office of the Company, 1114 West Liberty Street, Louisville, Kentucky, with Frank Sutton and C. O. Campbell, a majority of the directors, present in person.

The minutes of the regular monthly meeting held March 5, 1929, were read and approved.

A Trial Balance was submitted of the position of the Company at close of business March 31, 1929, same showing balance in Lincoln Bank & Trust Co., of \$11,248.75 and in Louisville National Bank & Trust Co., of \$8764.35, a total in both banks of \$20,013.10.

Statement showed discounts in the Lincoln Bank & Trust Co., of \$70,000, and in the Louisville National Bank & Trust Co., of \$70,000, a total of discounts in both banks of \$140,000, this item showing no change during the month of March. On the same date in 1928 discounts were \$175,000 and in 1927 \$175,000.

Statement showed balances due from customers as follows:

Louis Connor .....	\$ 16,024.17
W. & A. Leaman .....	496.00
Arthur Rogues .....	2,712.38
Booker Bros., McC. & Co. ....	1,050.40
Gebara & Co. ....	2,381.23
Rey & Co. ....	446.65
	<u>\$ 23,110.83</u>

Statement showed consignment accounts as follows:

Jos. A. L. Vermeulen .....	\$ 2,470.72
Commonwealth Trust Ltd. ....	347.23
	<u>\$ 2,817.95</u>

Fire insurance on tobacco at country points and in Louisville storage houses was reported in the following amounts on March 31, 1929, insured under terms of General Cover Policy, viz.,

New Phoenix No. 1 .....	\$ 75,375.04
" " " 2 .....	37,225.85
Dale, Ind. ....	1,636.30
	<u>\$ 114,237.19</u>

Tobacco of the value of \$134,419.11 was reported in the Louisville factory, with specific insurance in effect in the amount of \$140,000.

Statement of orders as of March 31, 1929 showed undelivered:

Louis Connor .....	921,843 pounds
John Holt & Company .....	1,089,713 "
M. C. Henriquez .....	1,200 "
Rey & Co. ....	4,200 "
	<u>2,016,956 pounds</u>

Stock sheet showed on hand to apply on above:

AA -	69,194 pounds
A -	200,753 "
B -	346,890 "
C -	462,303 "
D -	368,678 "
E -	150,658 "
Tie Leaves -	26,225 "
	<u>1,624,501 pounds</u>

Compared with orders stock sheet shows shortage or surplus of specific lengths as follows: