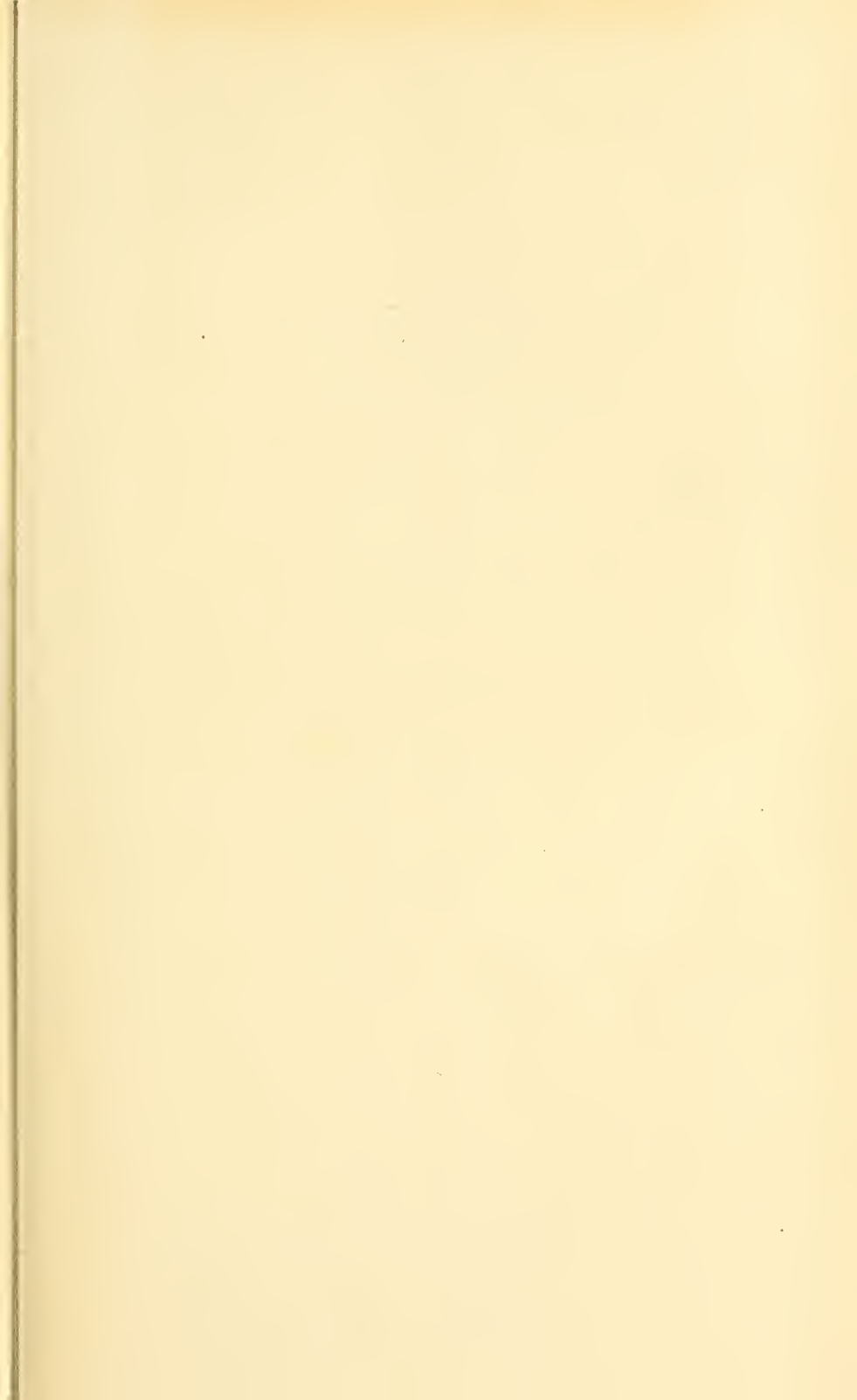


Northeastern University



**School of Law
Library**



INVESTIGATION OF CONCENTRATION OF ECONOMIC POWER

TEMPORARY NATIONAL ECONOMIC COMMITTEE

A STUDY MADE UNDER THE AUSPICES OF THE DEPARTMENT OF COMMERCE FOR THE TEMPORARY NATIONAL ECONOMIC COMMITTEE, SEVENTY-SIXTH CONGRESS, THIRD SESSION, PURSUANT TO PUBLIC RESOLUTION NO. 113 (SEVENTY-FIFTH CONGRESS), AUTHORIZING AND DIRECTING A SELECT COMMITTEE TO MAKE A FULL AND COMPLETE STUDY AND INVESTIGATION WITH RESPECT TO THE CONCENTRATION OF ECONOMIC POWER IN, AND FINANCIAL CONTROL OVER, PRODUCTION AND DISTRIBUTION OF GOODS AND SERVICES

MONOGRAPH No. 15 ~~16~~ 17.

FINANCIAL CHARACTERISTICS OF AMERICAN MANUFACTURING CORPORATIONS

Printed for the use of the
Temporary National Economic Committee



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1940

TEMPORARY NATIONAL ECONOMIC COMMITTEE

JOSEPH C. O'MAHONEY, Senator from Wyoming, Chairman
HATTON W. SUMNERS, Representative from Texas, Vice Chairman
WILLIAM H. KING, Senator from Utah
WALLACE H. WHITE, JR., Senator from Maine
CLYDE WILLIAMS, Representative from Missouri
B. CARROLL REECE, Representative from Tennessee
THURMAN W. ARNOLD, Assistant Attorney General
*WENDELL BERGE, Special Assistant to the Attorney General,
Representing the Department of Justice
JEROME N. FRANK, Chairman
*SUMNER T. PIKE, Commissioner,
Representing the Securities and Exchange Commission
GARLAND S. FERGUSON, Commissioner
*EDWIN L. DAVIS, Chairman,
Representing the Federal Trade Commission
ISADOR LUBIN, Commissioner of Labor Statistics
*A. FORD HINRICHS, Chief Economist, Bureau of Labor Statistics,
Representing the Department of Labor
JOSEPH J. O'CONNELL, JR., Special Assistant to the General Counsel
*CHARLES L. KADES, Special Assistant to the General Counsel,
Representing the Department of the Treasury

Representing the Department of Commerce
* * *
LEON HENDERSON, Economic Coordinator
DEWEY ANDERSON, Executive Secretary
THEODORE J. KREPS, Economic Adviser

*Alternates.

MONOGRAPH No. 15

FINANCIAL CHARACTERISTICS OF AMERICAN MANUFACTURING CORPORATIONS

By
CHARLES L. MERWIN, JR.

II

REPRINTED
BY
WILLIAM S. HEIN & CO., INC.
BUFFALO, N. Y.

1968

ACKNOWLEDGMENT

This monograph was written

BY

CHARLES L. MERWIN, JR.

Economic Analyst, National Income Division, Department of Commerce

under the direct supervision of

ROBERT R. NATHAN

Chief, National Income Division, Department of Commerce

The Temporary National Economic Committee is greatly indebted to the author for this contribution to the literature of the subject under review.

The status of the materials in this volume is precisely the same as that of other carefully prepared testimony when given by individual witnesses; it is information submitted for Committee deliberation. No matter what the official capacity of the witness or author may be, the publication of his testimony, report, or monograph by the Committee in no way signifies nor implies assent to, or approval of, any of the facts, opinions, or recommendations, nor acceptance thereof in whole or in part by the members of the Temporary National Economic Committee, individually or collectively. Sole and undivided responsibility for every statement in such testimony, reports, or monographs rests entirely upon the respective authors.

(Signed) JOSEPH C. O'MAHOONEY,
Chairman, Temporary National Economic Committee.

TABLE OF CONTENTS

	Page
Letter of transmittal.....	XI
Preface.....	XIII
CHAPTER 1	
Source Materials Utilized.....	1
Over-all picture: "Statistics of Income".....	2
Large corporations: Standard Statistics composite.....	5
Sample of 1,300 small manufacturing corporations.....	8
Sample of 525 Securities and Exchange Commission registrants.....	14
CHAPTER 2	
Profits of American Manufacturing Corporations.....	17
General summary.....	17
Some qualifications.....	19
All manufacturing corporations.....	21
Profitability and size.....	23
Epstein and Paton affirm otherwise.....	28
Officers' compensation a qualifying factor.....	33
Large corporations.....	36
Small manufacturing corporations.....	38
CHAPTER 3	
Dividends of American Manufacturing Corporations.....	43
All manufacturing corporations.....	43
Large manufacturing corporations.....	47
The quantitative picture.....	48
The controlling factors.....	59
CHAPTER 4	
Working Capital of American Manufacturing Corporations.....	67
Quantitative measures.....	67
All manufacturing corporations.....	68
Large manufacturing corporations.....	73
Notes payable.....	77
Small manufacturing corporations.....	83
Qualitative measures.....	86
All manufacturing corporations.....	87
Large manufacturing corporations.....	92
CHAPTER 5	
Fixed Capital of American Manufacturing Corporations.....	95
Nature and sources of fixed capital.....	95
All manufacturing corporations.....	95
Large manufacturing corporations.....	102
Small manufacturing corporations.....	105
Fixed capital uses.....	114
All manufacturing corporations.....	114
Large manufacturing corporations.....	116
Plant expansion policies.....	119

CHAPTER 6

	Page
Source and Disposal of Corporate Funds.....	123
Derivation of source and disposal statement.....	125
Sample of large manufacturing corporations, 1935-38.....	127
Detailed statements for six industries.....	128
Twelve largest steel producers.....	128
Seventeen largest oil refiners.....	132
Eight large bakeries.....	132
Seventy-nine tool manufacturers.....	134
Nine brick manufacturers.....	136
Sixteen clothing manufacturers.....	138
Résumé.....	139
Principal sources and uses for 47 industries.....	140
Two samples of small manufacturing corporations, 1927-36.....	162
Small baking corporations.....	162
Eighty-one bakers, 1927-36.....	162
Twenty-seven bakers, 1931-36.....	163
Small men's clothing companies.....	163
Forty-six men's clothing companies, 1927-36.....	163
Twenty-seven men's clothing companies, 1931-36.....	164
Small furniture manufacturers.....	165
Sixty-six furniture manufacturers, 1927-36.....	165
Twenty-eight furniture companies, 1931-36.....	165
Small stone-clay companies.....	166
Seventy stone-clay companies, 1927-36.....	166
Thirty stone-clay companies, 1931-36.....	167
Small machine-tool companies.....	167
One hundred and eighteen machine-tool companies, 1927-36.....	167
Twenty-three machine-tool companies, 1931-36.....	168
Comparison of large with small companies.....	169
Summary.....	172
Appendix A. Correction for nonreporting of balance sheets in Statistics of Income.....	174
Appendix B. Companies included in Standard Statistics Co.'s composite of financial statement as of December 31, 1938.....	178
Appendix C. Description of items used in the Standard Statistics sample of 400 corporations.....	182
Appendix D. Study of small manufacturing corporations.....	183
Appendix E. Development of Securities and Exchange Commission data.....	196
Appendix F. Statistical tables for reference use—Sample of small manu- facturing corporations.....	199
Index.....	417

SCHEDULE OF TABLES AND CHARTS

TABLES

	Page
1. Distributions of fiscal and part-year corporate-income-tax returns, as a percent of total sales and of returns filed, by months, 1927, 1930, 1935.....	4
2. Frequency distribution of size of total assets, Standard Statistics composite of 400 corporations, 1927 and 1938.....	6
3. Frequency distribution of incorporation date, Standard Statistics 1927-38 composite of 400 identical companies.....	7
4. Accounting period distribution, Standard Statistics 1927-38 composite of 400 identical companies.....	8
5. Industrial, geographical, and asset size composition of original sample of 1926, small manufacturing corporations.....	9-10
6. Industrial, geographical, and asset size composition of supplementary sample of 1930, small manufacturing corporations.....	10
7. Industrial groups of Securities and Exchange Commission registrants included in source and disposal analysis.....	14-15
8. Ratio of compiled net profit (after tax) to net worth, for total manufacturing and five industrial subgroups, 1926-36.....	21
9. Percentage distribution of total manufacturing corporation assets held by five industrial subgroups, by periods, 1926-29, 1930-33, 1934-36.....	23
10. Ratio of compiled net profit after tax to net worth for total manufacturing, shown separately for income companies and for all companies, 1936.....	27
11. Ratio of compiled net profit to net worth for five manufacturing subgroups classified by asset size, income and no-income companies, by periods, 1931-33 and 1934-36.....	28
12. Epstein's sample: Earnings rates, 2,046 manufacturing corporations by capital classes, 1924 and 1928.....	30
13. Ratio of compiled net profit plus interest to total assets, for total manufacturing classified by asset size, income and no-income companies, 1931-33 and 1934-36 averages.....	31
14. Percentage return on assets by asset size: Paton's sample 1927-29 and Statistics of Income universe, 1931-36.....	32
15. Ratio of compiled net profit plus interest plus officers' compensation to total assets, for total manufacturing classified by asset size, income and no-income companies, 1931-33 and 1934-36 averages.....	34
16. Ratio of compiled net profit plus interest plus officers' compensation to total assets for five manufacturing subgroups classified by asset size, income and no-income companies, 1931-33 and 1934-36 averages.....	35
17. Frequency distribution of profit ratio, Standard Statistics composite of 400 companies, 1927-38.....	37
18. Frequency distribution of ratio of net income to capital stock by selected industries, sample of small manufacturing corporations, 1926-36.....	41-42
19. Ratio of cash dividends paid to compiled net profit (after Federal tax) for total manufacturing and five subgroups, income companies only, 1926-36.....	44
20. Ratio of cash dividends paid to compiled net profit (after Federal tax) for total manufacturing classified by asset size, income companies only, 1931-36.....	45
21. Disbursement ratio for total manufacturing including income and no-income companies 1926-36.....	45
22. Ratio of cash dividends paid to net worth, for total manufacturing and five subgroups, 1926-36.....	46

	Page
23. Ratio of cash dividends paid to net worth for total manufacturing, classified by asset size, income and no-income companies, 1931-36	47
24. Number of corporations paying dividends in each year from 1927 to 1938 in the Standard Statistics composite of 400 corporations by industry	49
25. Average ratio of common dividends paid to common stock and surplus for Standard Statistics composite of 400 corporations by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38	50
26. Average ratio of common dividends paid to common stock and surplus for Standard Statistics composite of 400 corporations by industry 1927-38	52
27. Average ratio of common dividends paid to common stock and surplus for dividend paying companies in the Standard Statistics composite of 400 corporations by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38	54
28. Average ratio of common dividends paid to common stock and surplus for the dividend paying companies in the Standard Statistics composite of 400 corporations by industry 1927-38	55
29. Frequency distribution of the ratio of common dividends paid to common stock and surplus, Standard Statistics composite of 400 corporations, 1927-38	56
30. Stability of dividend payments for the Standard Statistics composite of 400 corporations, 1927-38	58
31. Cross-classification of disbursement and liquidity ratios for Standard Statistics composite of 400 companies, 1927-38	61-63
32. Current ratio for total manufacturing and five subgroups, 1926-36	69
33. Current ratio for total manufacturing classified by asset size, 1931-36	70
34. Ratio of net working capital to capital assets for total manufacturing and five subgroups, 1926-36	71
35. Ratio of net working capital to capital assets for total manufacturing classified by asset size, 1931-36	71
36. Current ratio for Standard Statistics composite of 400 corporations, by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38	74
37. Frequency distribution of current ratio, Standard Statistics composite of 400 corporations, 1927-38	75
38. Ratio of net working capital to net property account for Standard Statistics composite of 399 corporations, by industry, and by periods 1927-29, 1930-33, 1934-38, and 1927-38	76
39. Standard Statistics composite of 400 companies classified by size of ratio of notes payable to notes and accounts payable, and by industry, 1927-38	79-80
40. Ratio of notes payable to notes and accounts payable for Standard Statistics composite of 400 corporations, by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38	82
41. Frequency distribution of the current ratio by selected industries, sample of small manufacturing corporations 1925-36	84-85
42. Ratio of sales to current assets for total manufacturing and five subgroups, 1926-36	87
43. Ratio of sales to current assets for total manufacturing classified by asset size, 1931-36	88
44. Ratio of sales to inventory for total manufacturing and five subgroups, 1926-36	90
45. Ratio of sales to inventory for total manufacturing classified by asset size, 1931-36	90
46. Ratio of sales to receivables for total manufacturing and five subgroups, 1926-36	91
47. Ratio of inventory to receivables for total manufacturing and five subgroups, 1926-36	92
48. Ratio of inventory to receivables for Standard Statistics composite of 400 corporations, by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38	93
49. Ratios of net worth to total debt, surplus to net worth, and current debt to total debt, for total manufacturing and five subgroups, 1926-36	97
50. Ratios of net worth to total debt surplus to net worth, current debt to total debt, for total manufacturing classified by asset size, 1931-36	99

	Page
51. Ratio of net worth to total debt for Standard Statistics composite of 400 corporations, by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38.....	102-103
52. Ratio of current liabilities to total debt for Standard Statistics composite of 400 corporations, by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38.....	104
53. Frequency distribution of ratio of capital stock to surplus by selected industries, sample of small manufacturing corporations, 1925-36.....	106-108
54. Sample of small manufacturing corporations classified by size of ratio of funded debt to capital stock and by industry, 1925-36.....	110
55. Distribution of par and no-par common stock, Standard Statistics 1927-38 composite of 400 identical companies.....	113-114
56. Ratio of capital assets to invested capital for total manufacturing and five subgroups, 1926-36.....	115
57. Ratio of capital assets to invested capital for total manufacturing classified by asset size, 1931-37.....	115
58. Ratio of current assets to total capital for total manufacturing and five subgroups, 1926-36.....	116
59. Ratio of current assets to total capital for total manufacturing classified by asset size, 1931-36.....	117
60. Ratio of fixed assets to invested capital for Standard Statistics composite of 399 corporations by industry and by periods, 1927-38.....	118
61. Cross-classification of trend of sales with trend of net property account for sales-reporting companies in Standard Statistics sample of 175 companies, 1927-38.....	120
62. Source and disposal of funds, 12 steel producers with assets over \$100,000,000 based on S. E. C. census of American listed corporations, 1935-38.....	129
63. Source and disposal of funds, 17 oil refiners, based on S. E. C. census of American listed corporations, 1935-37.....	131
64. Source and disposal of funds, 8 bakers of bread and cake, based on S. E. C. census of American listed corporations, 1935-37.....	133
65. Source and disposal of funds, 79 manufacturers of industrial machinery, tools, parts, and equipment, based on S. E. C. census of American listed corporations, 1935-37.....	135
66. Source and disposal of funds, 9 manufacturers of brick and clay products, based on S. E. C. census of American listed corporations, 1935-37.....	137
67. Source and disposal of funds, 16 manufacturers of apparel other than hosiery and footwear, based on S. E. C. census of American listed corporations, 1936-37.....	138
68. Principal sources and uses of manufacturing corporation funds, by selected industries, based on S. E. C. census of American listed corporations, 1935.....	141-142
69. Principal sources and uses of manufacturing corporation funds, by selected industries, based on S. E. C. census of American listed corporations, 1936.....	143-144
70. Principal sources and uses of manufacturing corporation funds, by selected industries, based on S. E. C. census of American listed corporations, 1937.....	145
71. Principal sources and uses of manufacturing corporation funds, by selected industries, based on S. E. C. census of American listed corporations, 1938.....	146
72. Source and disposal of funds statement for an identical sample of 81 small baking corporations, by years, 1927-36.....	147-148
73. Source and disposal of funds statement for an identical sample of 27 small baking corporations, by years, 1931-36.....	149
74. Source and disposal of funds statement for an identical sample of 46 small men's clothing corporations, by years, 1927-36.....	150-151
75. Source and disposal of funds statement for an identical sample of 27 small men's clothing corporations, by years, 1931-36.....	152
76. Source and disposal of funds statement for an identical sample of 66 small furniture corporations, by years, 1927-36.....	153-154
77. Source and disposal of funds statement for an identical sample of 28 small furniture corporations, by years, 1931-36.....	155

	Page
78. Source and disposal of funds statement for an identical sample of 70 small stone and clay corporations, by years, 1927-36.....	156-157
79. Source and disposal of funds statement for an identical sample of 30 small stone and clay corporations, by years, 1931-36.....	158
80. Source and disposal of funds statement for an identical sample of 118 small machine tool corporations, by years, 1927-36.....	159-160
81. Source and disposal of funds statement for an identical sample of 23 small machine tool corporations, by years, 1931-36.....	161

CHARTS

1. Percentage of firms in 1926 sample of 939 small manufacturing corporations surviving in each of the years 1927-36 by 5 industries....	12
2. Percentage of firms in 1930 sample of 265 small manufacturing corporations surviving in each of the years 1931-36 by 5 industries....	13
3. Ratio of compiled net profit (or loss) to net worth, for manufacturing companies, by asset-size classes, 1931-36 average.....	23
4. Comparison of profit rate with relative proportion of income and no income manufacturing companies, by asset-size classes, 1932 and 1936..	25

LETTER OF TRANSMITTAL

HON. JOSEPH C. O'MAHONEY,
Chairman, Temporary National Economic Committee,
Washington, D. C.

MY DEAR SENATOR: This report pictures certain financial characteristics of American manufacturing corporations. While it covers important existing material, much of which is presented in new form, it also presents the results of an original study of income-tax returns for a sample of 1,300 small manufacturing corporations over an 11-year period.

The analysis falls under four headings—profits and dividends, working capital, fixed capital, and the source and disposal of corporate funds. Not only is the effort made to find a general pattern, but to establish any differences in behavior which appear to be attributable to variations in size. The results are subject to qualifications arising from the material and the character of the samples, but these are set forth in elaborate detail in the text.

This report has been prepared in the National Income Division of the Bureau of Foreign and Domestic Commerce, under the direct supervision of Robert R. Nathan.

Respectfully submitted.

WILLARD L. THORP,
Adviser on Economic Studies.

SEPTEMBER 6, 1940

PREFACE

This report is the product of an attempt to describe the operations and financial structure of and the flow of funds through American manufacturing corporations. It is based partly on the published financial statements of these corporations and partly on the financial data they submit with their Federal income-tax returns.

Not all of American industry is incorporated nor is it confined to manufacturing. Why, therefore, was the present inquiry restricted to manufacturing corporations?

Obviously, some boundaries had to be set up or there would be virtually no end to the investigation. The corporate form of organization is not only the dominant one in America today, but financial statements relative to the operations and structure of corporations are perhaps more reliable and certainly are much more accessible than comparable data for unincorporated enterprises. In addition, the increasing extent to which business today is corporately organized, the widening distribution of corporate ownership, and the increasing tendency toward separation of ownership and management are constantly augmenting the social importance of corporation finance.¹ The manufacturing segment of the corporate structure was singled out for several reasons. Manufacturing constitutes the largest single industrial component of the American producing economy, accounting for about one-fourth of the national income. A sufficiently large proportion of it is incorporated, that financial data—usually available for only incorporated enterprises—are relatively adequate. Extremes in size, varying from the smallest incorporated manufacturers of, say, men's suits to the giant steel and oil producing companies are to be found within the confines of manufacturing industry. Finally, many of the other segments of the economy which are also dominated by incorporated enterprises, such as public utilities and financial institutions, present a widely different range of problems, are regulated relatively rigidly by the State, and are being subjected to special investigation by other groups.

Two broad sources of data are available on American manufacturing corporations. One is through the tax collection administration while the other is through the investment machinery. There are several differences between these two sources. The former has the advantage of covering all corporations (in the case of the Federal tax) and the disadvantages of being confidential and of not being collected for statistical purposes. The latter has the advantage of being issued for statistical purposes, and the disadvantage of covering only those corporations (usually the large ones) which are forced to rely on the capital markets for their funds. The particular bodies of data used in this report are fully described in the first chapter. Two

¹ Arthur S. Dewing, "Corporation Finance" in *Encyclopedia of the Social Sciences*, IV, 423.

of them are derived from the first broad source mentioned above: One covering all manufacturing corporations, and the other covering a selected sample of small manufacturing corporations over an 11-year period. The third and fourth bodies of data are derived from the second broad source mentioned above; one covers a sample of 400 large corporations over a 12-year period while the last covers a sample of about 500 large corporations over a 2- to 4-year period.

The original plan of the present study was to center the analysis around the sample of data on 1,300 small manufacturing corporations drawn from income-tax returns. Due to the fact that the results of this study were not forthcoming soon enough, this general arrangement underwent alteration. The present plan is to view particular segments of the corporate financial structure as units. These segments are first analyzed extensively as a whole, after which samples of large and small firms, respectively, are examined more intensively. This procedure is followed in the first four phases of the study: profits, dividends, working capital, and fixed capital. In the last phase, source and disposal of funds, the overall picture is missing. Tabulations of the financial reports of small manufacturing corporations became available before the printing of this report and most of the tables are presented here.

CHAPTER I

SOURCE MATERIALS UTILIZED

In order to accomplish the purpose set forth in the preface, the following analytical problems were singled out for special treatment:

1. Profits and dividend policy.
2. Working capital position.
3. Fixed capital composition and expansion policies.
4. Source and disposal of corporate funds.

These various problems are not clearly separable, and the last, especially, really encompasses the other three.

The broad objective was not only to ascertain the influence of the business cycle on each of these four factors in corporation finance, but also to uncover any effect which size of business might be exercising thereon. Contrasts due to size were thought to be relatively marked in the field of manufacturing industry. In addition, other fields such as railroads, public utilities, and finance were the subject of intensive examination by other groups. Therefore, the present study was limited primarily to manufacturing corporations with certain segments being subjected to more intensive analysis than others. Under the circumstances, it proved impossible to study the source and disposal of corporate funds either for all corporations or for large corporations over more than the last few years.

The obvious source of data for any overall survey of the financial structure of manufacturing corporations is the Treasury Department's Statistics of Income, a compilation of Federal corporation income tax returns. This source could be conveniently used back to 1926. The latest year available was 1936. Since all corporations must file such income-tax returns, this body of data is presumably all-inclusive. The most accessible body of information on large corporations only, covering approximately the same period, is the Standard Statistics Co. composite of financial statements of 400 corporations. The period covered by this identical sample is 1927-38. This leaves one gap in the picture: a similar sample of small manufacturing corporations. At this juncture the present study treads new ground: The income-tax returns for a sample of 1,000 small manufacturing corporations in 1926 and 300 in 1930 were pulled for those and succeeding years in which the firms were in operation. Transcription of these returns afforded a unique body of data on a sample of small corporations covering an 11-year period. Unfortunately, these tabulations are, at this writing, incomplete only a few being available for analysis in the present report.

Each of these bodies of data will be described in turn in this section of the report. In subsequent sections the financial picture portrayed by these data will be constructed.

OVER-ALL PICTURE: "STATISTICS OF INCOME"

An annual publication of the Bureau of Internal Revenue, *Statistics of Income* has been appearing regularly, but with at least a 2- or 3-year lag, since 1916. The last publication available at this writing relates to 1936. The financial data on corporations, obtained in connection with the administration of the corporate income tax, may be divided into income items, which are available from 1916 through 1936, and balance-sheet items, which are published for the years 1924-36, inclusive. The balance-sheet data for the years 1924 and 1925 were taken from the capital-stock tax returns, while those for succeeding years were taken from the corporation income-tax returns. Since the reporting of balance sheets under the former tax was relatively inadequate, the present analysis is confined to 1926 and succeeding years.

Even for the years 1926-36, however, the reporting of balance sheets has not been universal; from 5 to 10 percent of the manufacturing corporations filing income-tax returns do not submit balance sheets, while undoubtedly another proportion, the size of which is not known, submits balance sheets which are, so to speak, "fragmentary."

Moreover, in 1926-30 no separate tabulation of income items was made for those returns filed with balance sheets attached. Consequently, in the discussion of profitability, an attempt has been made to inflate the item of net worth in those years to make it cover the same number of corporations comprehended by the compiled net-profit item. This extension of the balance-sheet sample was both complicated and arbitrary, and its details are explained in appendix A to this report. For the years 1931-36 the income items for those returns accompanied by balance sheets are tabulated separately, thereby obviating this problem.

Aside from the lack of consistency between the income and balance-sheet items for 1926-30, there are other peculiarities of the *Statistics of Income* tabulations which are important for one reason or another. The industrial classification may not only be inconsistent from year to year and even within the same year, but also may be of doubtful significance. The inconsistency arises from the fact that the transcribers may have differing opinions as to the industrial group in which a given concern belongs. This inconsistency, which seems to have been of considerable importance at one time,¹ has probably been fairly well eliminated from the tabulations for the past decade, by means of a new system of coding the returns. The doubtful significance of the industrial classification arises chiefly from the fact that many corporations are actively engaged in several lines of industry. The practice of the Bureau of Internal Revenue transcribers has been to assign the returns of such corporations to that industrial category which accounted for the largest part of its business. With the sharp limitation placed by the 1934 Revenue Act on the practice of filing consolidated returns, it may be inferred that the industrial divisions in the *Statistics of Income* tabulations for 1934 and succeeding years are relatively clean-cut. For earlier years, however, there must have been considerable overlapping among industries; even for the later

¹ Vide J. F. Ebersole, Susan S. Burr, and George M. Peterson, "Income Forecasting by the Use of Statistics of Income Data" in *Review of Economic Statistics*, XI (1929): 171-196; XII (1930): 39-47. This is a detailed analysis of the character of *Statistics of Income*, and particularly of the difficulties encountered in using the publication. For present purposes usefulness of this article is limited by the fact that its appraisal ends with the 1925 and 1926 volumes of *Statistics of Income*.

years it can hardly be presumed that such overlapping has been entirely eliminated.²

Revocation in 1934 of the privilege of filing consolidated returns, for all corporations except railroads, has impaired the comparability of the balance sheet as well as income items from the period to 1934 with the period after. The line of demarcation between industrial groups is probably more clearly drawn as a result of the change. The distribution of corporations by asset size is altered through a decrease in the concentration at the upper end. The industrial subgroup, metals, is probably more influenced by the reclassification than are the other subgroups, while the change in total manufacturing is undoubtedly of significant proportions. There is no statistical method for eliminating these temporal inconsistencies. The best we can do is recognize that they exist, and temper our conclusions accordingly.

The Statistics of Income tabulations cover only corporations; the financial statements of unincorporated enterprises are not comprehended by these figures. Therefore, an important segment of the producing economy is not represented. However, the chief concern of this study is with manufacturing companies, the bulk of which are incorporated. Most of the unincorporated enterprises are in the agriculture, trade, and service divisions of our economy. Hence this deficiency is relatively unimportant. So too are several other inadequacies in the Statistics of Income coverage of incorporated enterprises. These arise from the facts that all returns filed may not pass through the statistical section of the Bureau of Internal Revenue for tabulation, and that the Statistics of Income figures are taken from the unaudited returns. The former deficiency is becoming progressively less important, although in the early years quite a few returns were apparently not tabulated.³ The latter deficiency is more persistent and may influence particularly the net income and the depreciation figures. An estimate of such deficiency is impossible, but one might suppose that it is becoming less important as American businessmen grow more and more accustomed to the corporate income tax and as the administration of the law becomes more and more effective.

Like most compilations of financial statements, the Statistics of Income tabulations are not free from the fiscal year and part-year problem. The question raised by fiscal⁴ and part-year returns is not without significance in the present study, for two reasons. In the first place, there is evidence to indicate that such returns are becoming more numerous as the years go by. Table 1 shows that the proportion of the total business done by corporations filing fiscal year returns increased from 17.2 percent in 1927 to 22.6 percent in 1930, and that the number of fiscal year returns filed increased from 4.7 percent in 1927 to 15.0 percent in 1935. The business covered by part-year returns, although much less significant, rose from 1.7 percent in 1927 to 2.6 percent in 1930, and the percentage of returns from 1.3 percent

² To the extent that conglomerate integration—the extension of an enterprise to cover more than one product in a similar stage of manufacture—is going on today, industrial overlapping even in the later years may be increasing.

³ Ebersole, et al., loc. cit.

⁴ Returns not covering the calendar year are referred to as fiscal year returns if they cover 12 months and part-year returns if they cover less than 12 months.

in 1927 to 6.5 percent in 1935. Table 1 also indicates that the fiscal year returns are relatively concentrated in October, January, and June. Since these returns are tabulated with the calendar year returns nearest which they fall, the October and January concentrations do not distort seriously the temporal pattern. The same cannot be said, however, for the June concentration. These fiscal year returns, tabulated with the preceding December returns, introduce a half-year lead into a segment of the figures. In fact, the net effect of all the fiscal year returns combined is probably to introduce some lead into the figures; i. e., the time period to which they refer is a 12-month ending, on the average, some time after December 31. Unlike some peculiarities in the Statistics of Income tabulations, this one is relatively important for the particular industries covered by this study. In 1927—a year in which an industrial break-down of such data is available—4.7 percent of the corporate returns were fiscal year. (See table 1.) Of the manufacturing company returns, however, 6.3 percent were fiscal, while the corresponding percentages

TABLE 1.—Distributions of fiscal and part-year corporate income-tax returns, as a percent of total sales and of returns filed, by months, 1927, 1930, 1935

Month	Percent of total sales		Percent of returns filed		Month	Percent of total sales		Percent of returns filed	
	1927	1930	1927	1935		1927	1930	1927	1935
July.....	0.8	1.2	0.3	1.0	March.....	1.1	1.3	0.4	1.4
August.....	1.1	1.1	.3	1.1	April.....	.9	1.2	.4	1.3
September.....	1.0	1.2	.3	1.2	May.....	1.2	1.4	.4	1.3
October.....	1.9	4.4	.3	1.2	June.....	3.3	3.3	1.0	2.7
November.....	1.7	1.9	.4	1.1	Total fiscal.....	17.2	22.6	4.7	15.0
January.....	2.7	3.5	.6	1.7	Part year.....	1.7	2.6	1.3	6.5
February.....	1.5	2.1	.3	1.0					

Source: Statistics of income.

for the five industrial subgroups ranged thus:

Textiles.....	8.8	Lumber.....	8.4
Food.....	6.4	Stone, etc.....	3.7
Metals.....	5.4		

That is to say, the incidence of fiscal-year returns is somewhat greater among the industries covered by this study (except stone-clay-glass) than among all corporations. By 1935 the proportion of fiscal year returns filed by all corporations had jumped from 4.7 percent to 15 percent, and there is no reason to doubt that manufacturing's share rose similarly. Quantitative correction for this temporal heterogeneity is not feasible, but its existence can be recognized.

Certain desirable types of analysis of the Statistics of Income tabulations are not possible because the break-downs are inadequate. The division of payables into notes and accounts is not tabulated, so one type of analysis desired particularly by the banking fraternity is ruled out. Revaluations of the balance-sheet accounts are not tabulated, so the general analysis of source and disposal of corporate funds, plus the particular analyses related thereto, are not possible. A break-down as important as asset size does not appear until 1931, so that studies of concentration which use assets as the criterion of size are not feasible for earlier years. Finally, the number of firms covered in the tabulations varies from year to year. In times of

rising business, the entries into the various industrial fields probably outnumber the firms that withdraw; in bad times the reverse is true. In addition, for the size analysis, the more successful corporations tend to move, within limits, into the larger size categories and the less successful firms tend to become smaller. In any case, there is a lack of identical firms from year to year which seriously impairs the temporal significance of the dollar figures. It is possible that ratios calculated therefrom are not so suspect in year-to-year comparisons as the dollar totals. In appraising Statistics of Income tabulations one must realize that the underlying data are by-products of an administrative process—the levying of the Federal tax on corporate incomes. They are not collected for statistical purposes, so their interpretation must be guided accordingly.

A bias is probably introduced into certain items in the tabulations by the administrative purpose for which the financial statements are collected. Items most likely to be seriously influenced by this factor would be the depreciation charge, net income, and (because of the capital-stock tax) the capital stock and surplus entries. Even in the case of audited returns there is probably some bias toward minimization of profits, and since the Statistics of Income tabulations are based on unaudited returns, such bias may be considerable. Fortunately for statistical as well as revenue purposes, there are rather rigid Bureau of Internal Revenue safeguards against such minimizing of profits; but it would be Pollyanna-like to assume that such safeguards were wholly effective. On the other hand, it is conceivable that the wholesale application of these safeguards leads some conscientious reporters to overstate their profits.⁵

LARGE CORPORATIONS: STANDARD STATISTICS COMPOSITE

In order to supplement the picture of the small corporations study it was desirable not only to examine the overall picture for all corporations, for which the Statistics of Income data were used, but also to analyze a comparable set of data for large corporations. The most convenient source of this information was found to be the Standard Statistics Co. They have published the most important balance sheet and income account items by company for a selected list of 400 corporations⁶ for the periods 1927-30,⁷ 1931,⁸ and 1932-33.⁹

A list of the items published and the explanation relative to the individual items is contained in appendix C. A hand tabulation of these same data for the period 1934 to 1938 was prepared from the source books at the Standard Statistics Co. offices in New York thus bringing the series up to date. The most recent issue of the composite of the income account and balance sheet items for these 400 corporations for the period 1927-38 can be found in the Standard Trade and Securities—Composite of Financial Statements, volume 93, No. 16, August 25, 1939, section 2, published by the Standard Statistics Co. In addition to the above data, a separate hand tabulation was prepared for the items common stock, surplus, notes payable, accounts payable, and depreciation. Except for the few typographical errors found, the only changes made before using these

⁵ The terms "minimize" and "overstate" in this passage are to be interpreted in a relative sense. No denial is intended of the fact that the profits figure is, to some extent, the result of conjecture. This point is further elaborated in the next chapter.

⁶ See appendix B for list of corporations, by industry.

⁷ Standard Trade and Securities, Standard Earnings Bulletin, vol. 62, No. 18, November 11, 1931, sec. 2.

⁸ Standard Trade and Securities, Standard Earnings Bulletin, vol. 65, No. 21, August 27, 1932, sec. 1.

⁹ Standard Trade and Securities, Standard Earnings Bulletin, vol. 73, No. 6, July 13, 1934, sec. 3.

data occurred in the treasury stock account. In order to make the capital stock accounts strictly comparable, treasury stock was deducted from total assets and from the appropriate stock account on the liability side of the balance sheet wherever this had not been previously done. Although the bulk of the work on these Standard Statistics data was done by the Commerce Department's T. N. E. C. staff, certain of the cross-classifications were compiled by the Income Tax Study, a W. P. A. project of the Treasury Department. These cross-classifications are indicated by appropriate footnotes.

A study of the composition of the identical sample of the 400 corporations reveals that it consists mostly of larger corporations. These corporations are classified into industrial divisions, of which 25 are distinguished in this study. These industrial divisions are divided into 2 groups containing 365 mainly manufacturing companies and 35 nonmanufacturing firms. The first includes shipping and shipbuilding and a few miscellaneous corporations in addition to the strictly manufacturing companies, while the second consists of those companies in the coal, retail merchandise, and theater groups. A clean-cut industrial division is not feasible. Using total assets as a criterion of size, we find that in 1927 there was 1 company with assets of under \$1,000,000, 91 companies with assets of \$1,000,000 to \$10,000,000 each, 199 companies with assets of \$10,000,000 to \$49,000,000 each and 109 companies with assets of over \$50,000,000 each (see table 2). The same break-down in 1938 shows only a slightly different picture. No corporation fell in the under \$1,000,000 class, while 114 fell in the \$1,000,000 to \$10,000,000 class, 176 in the \$10,000,000 to \$49,000,000 class and 110 corporations in the over \$50,000,000 class.

These 400 corporations constitute a large segment of the corporate manufacturing structure in the United States. Comparing the size of the 365 manufacturing corporations in the sample of 400 with the size of the total manufacturing group in the Statistics of Income tabulation, we find that the Standard Statistics sample constituted 38 percent of the total assets for all manufacturing corporations in the United States in 1927, 41 percent in 1929, 44 percent in 1931, and 52 percent in 1936. Thus, an analysis of the financial statements of these 365 corporations should show a rather comprehensive picture of the larger corporations in the manufacturing group.

TABLE 2.—*Frequency distribution of size of total assets Standard Statistics composite of 400 corporations, 1927 and 1938*

Asset size classes (\$1,000,000)	Number of corporations		Asset size classes (\$1,000,000)	Number of corporations	
	1927	1938		1927	1938
Under 1.....	1	0	50 to 74.9.....	31	32
1 to 4.9.....	31	46	75 to 99.9.....	20	11
5 to 9.9.....	60	68	100 to 499.9.....	52	56
10 to 19.9.....	86	82	500 to 999.9.....	4	8
20 to 29.9.....	51	45	1,000 and over.....	2	3
30 to 39.9.....	38	25			
40 to 49.9.....	24	24	Total.....	400	400

Source: Standard Statistics Co.

The distribution of the Standard Statistics sample according to date of incorporation (see table 3) emphasizes the longevity of these firms.

Of the 400, 86 were incorporated before the turn of the century, 261 between 1901 and 1920, and only 103 between 1921 and 1927. There are 38 corporations more than 50 years old while only 27 are less than 15 years old. It may be added that date of incorporation is not a wholly satisfactory index of corporate age. Frequently a corporation is reincorporated one or more times for a variety of reasons, only one of which may be insolvency. For that reason, the first date of incorporation has been used as the basis of table 3. Detection of a genuine change in corporate entity is difficult; it is possible that under certain concepts of what constitutes such a change, the ages of some of these corporations have been overstated.

Most of the corporations in the Standard Statistics sample issue their annual financial reports on a calendar-year basis (see table 4). Only 80 of them file on a fiscal-year basis, 36 between January and June and 44 between July and December. Since the percentage, 20 percent, reporting on a fiscal-year basis is almost equally divided between the first half of the year and the second half, it may be assumed that no serious lead or lag has been introduced by aggregating the fiscal and calendar year returns.

TABLE 3.—Frequency distribution of incorporation date, Standard Statistics 1927-38 composite of 400 identical companies

Industry	Number of companies	1926-27	1921-25	1916-20	1911-15	1906-10	1901-5	1896-1900	1891-95	1886-90	1885 and before
Advertising, printing, and publishing.....	7		3	1	1			1	1		
Automobiles and trucks.....	13		1	4	2	5	1				
Automobile parts.....	27	3	6	10	3	3	1			1	
Automobile tires.....	10		2		5	1		1	1		
Beverages.....	4		2	2							
Building equipment.....	22	2		7	1	2	3	2	1		1
Chemicals, fertilizers.....	19	2	2	4	5	4	1		1		
Containers.....	3				1		2				
Electrical equipment, radio.....	10		2	3	2				1	1	
Food products.....	27	2	7	5	3	1	2	6			2
Household products.....	16	2	3	3	3	1	1	1	1	1	
Leather, shoes.....	7		2	2	2	1					
Machinery.....	25	1	5	4	2		5	3	2		3
Medicines, drugs.....	5	2	1	1							1
Metals.....	21		2	1	3	4	3	3	1	2	2
Miscellaneous securities.....	24	1	4	6	2	2	1	5	1	1	1
Office and business equipment.....	9	2		1	4		2				
Oil production and refining.....	25	3	2	7	1		3		1	4	4
Paper and paper products.....	3	1	1	1							
Railroad equipment.....	10			3		1	3		1	1	1
Shipping, shipbuilding.....	7		1	3		1		2			
Steel and iron.....	17	1	1	4	1	1	4	4			1
Sugar production and refining.....	8			1			1	2		1	
Textiles and apparel.....	30	1	7	5	7		4	2	1		6
Tobacco products.....	16	2		4	5	1	2	2			
Mainly manufacturing.....	365	25	54	82	53	23	39	35	13	12	24
All other companies.....	35	2	12	11	3	3	2			1	1
All companies.....	400	27	66	93	56	31	41	35	13	13	25

¹ 1855, 1868, 1872, and 1884.

² 1885.

³ 1880, 1880 and 1881.

⁴ 1875.

⁵ 1864 and 1885.

⁶ 1816.

⁷ 1870, 1870, 1882, and 1882.

⁸ 1869.

⁹ 1880.

¹⁰ 1834, 1850, 1854, 1865, 1882, and 1885.

¹¹ 1822.

TABLE 4.—Accounting period distribution, Standard Statistics 1927-38 composite of 400 identical companies

Industry	Number of companies	Fiscal, July to December	Calendar ¹	Fiscal, January to June
Advertising, printing and publishing.....	7	1	6	-----
Automobiles and trucks.....	13	2	11	-----
Automobile parts.....	27	3	24	-----
Automobile tires.....	10	5	5	-----
Beverages.....	4	1	3	-----
Building and real estate.....	22	4	17	1
Chemicals, fertilizers.....	19	-----	17	2
Containers.....	3	-----	3	-----
Electrical equipment and radio.....	10	-----	9	1
Food products.....	27	5	18	4
Household products.....	16	1	14	1
Leather, shoes.....	7	4	3	-----
Machinery.....	25	3	22	-----
Medicine, drugs.....	5	-----	5	-----
Metals.....	21	-----	20	1
Miscellaneous securities.....	24	1	23	-----
Office and business equipment.....	9	-----	8	1
Oil production and refining.....	25	-----	25	-----
Paper and paper products.....	3	3	3	-----
Railroad equipment.....	10	-----	10	-----
Shipping and shipbuilding.....	7	-----	5	2
Steel and iron.....	17	1	15	1
Sugar production and refining.....	8	5	2	1
Textile and apparel.....	30	2	22	6
Tobacco products.....	16	1	13	2
Mainly manufacturing.....	365	39	303	23
All other companies.....	35	5	17	13
All companies.....	400	44	320	36

¹ December 31, or the 2 or 3 days on either side.

Source: Moody's Industrials, 1938.

SAMPLE OF 1,300 SMALL MANUFACTURING CORPORATIONS¹⁰

As the principal segment in this study of the financial statements of corporations in the United States, the profit-and-loss statements and balance sheets of a sample of small manufacturing corporations covering the period 1926-36, have been tabulated and analyzed. These financial statements were obtained from the income-tax returns filed by these corporations with the Bureau of Internal Revenue. The returns of the corporations included in the sample were picked from income-tax collection districts scattered throughout the United States. An original sample of 1,000 firms was picked from the 1926 returns and the returns filed by these same corporations were pulled for succeeding years through 1936. A supplementary sample of approximately 300 firms in 1930 was selected and the returns filed by these firms for the succeeding years through 1936 pulled.

This study of the financial statements of small manufacturing corporations was undertaken in order to fill a specific lacuna in the financial statements of corporations now available. Published corporate financial data encompass almost no information on the extremely small corporations. Such corporations do not have their stocks listed on security exchanges, so there is no necessity for a wide distribution of their financial statements. In fact, some of these corporations are so small that in all probability the only financial statements about them which exist at all are those submitted to the Bureau of Internal Revenue for income-tax collection purposes.

¹⁰ This phase of the study, only briefly discussed here, is described in considerable detail in appendix D because it represents an original undertaking of which there is no published description.

Several requirements were set up for inclusion in the sample of small manufacturing corporations. In the first place it was decided to limit the sample to those firms with assets less than \$250,000 in 1926. In the second place the industries comprehended by this sample included only the following five groups: Bakeries, men's clothing, furniture, stone and clay products, and machine tools and accessories. In addition it was necessary for the 1926 return to be usable and for the firm to have been in active operation in 1926. Once the sample of 1,000 firms in 1926 had been pulled, the returns for the same firms were pulled for each of the following years in which the particular firm was in business. The results of this process are presented in tables 5 and 6, table 5 applying to the 1926 sample of 1,000 firms and table 6 applying to the 1930 sample of 300 firms.

It will be observed that there are not quite 1,000 firms in the sample as shown by table 5, nor 300 firms as shown by table 6. This is because the returns of some companies were thrown out during the process of transcription. For example, of the 200 bakeries in the 1926 sample, 185 filed usable returns and of these 185, 81 remained in existence throughout the period 1926-36. Similarly, of the 50 bakeries in the 1930 sample, 46 had usable returns and 27 were identical throughout the 1930-36 period. Similar results were obtained with each of the other industries so that in the total we had 939 firms in the 1926 sample of 1,000, and 265 firms in the 1930 sample of 300. The respective identical samples contain 381 and 135 firms.

TABLE 5.—*Industrial, geographical, and asset size composition of original sample of 1926, small manufacturing corporations*

[Number of companies]

Area and size	Bakeries	Men's clothing	Furniture	Stone and clay	Machine tool	5 industries
New England:						
Less than \$50,000.....	22	7	13	5	28	75
\$50,000 to \$100,000.....	6	9	9	8	6	38
\$100,000 to \$150,000.....	2	2	5	3	1	13
\$150,000 to \$200,000.....		1	5	2	1	9
\$200,000 to \$250,000.....	2			2	1	5
\$250,000 and over.....						
Total.....	32	19	32	20	37	140
East:						
Less than \$50,000.....	33	54	22	9	16	134
\$50,000 to \$100,000.....	12	28	9	8	4	61
\$100,000 to \$150,000.....	4	16	7	5	1	33
\$150,000 to \$200,000.....	2	8	7	1	4	22
\$200,000 to \$250,000.....	1	9	4	2		16
\$250,000 and over.....						
Total.....	52	115	49	25	25	266
Middle West:						
Less than \$50,000.....	30	26	16	28	64	164
\$50,000 to \$100,000.....	17	6	15	27	29	94
\$100,000 to \$150,000.....	6	12	14	11	11	54
\$150,000 to \$200,000.....	6	4	16	9	9	44
\$200,000 to \$250,000.....	4	2	5	9	5	25
\$250,000 and over.....	1					1
Total.....	64	50	66	84	118	382
South:						
Less than \$50,000.....	13	2	5	19	1	40
\$50,000 to \$100,000.....	5	1	8	11		25
\$100,000 to \$150,000.....		1	7	3		11
\$150,000 to \$200,000.....	1		8	5		14
\$200,000 to \$250,000.....	3		5			8
\$250,000 and over.....						
Total.....	22	4	33	38	1	98

TABLE 5.—*Industrial, geographical, and asset size composition of original sample of 1926, small manufacturing corporations—Continued*

[Number of companies]

Area and size	Bakeries	Men's clothing	Furniture	Machine tool	Stone and clay	5 industries
West:						
Less than \$50,000.....	8		5	6	1	20
\$50,000 to \$100,000.....	3	3	1	6	3	16
\$100,000 to \$150,000.....	2		2	3		7
\$150,000 to \$200,000.....	1		2			3
\$200,000 to \$250,000.....	1		4	2		7
\$250,000 and over.....						
Total.....	15	3	14	17	4	53
Grand total.....	185	191	194	184	185	939

Source: Proposal 14 of Income Tax Study, Philadelphia.

TABLE 6.—*Industrial, geographical, and asset size composition of supplementary sample of 1930, small manufacturing corporations*

[Number of companies]

Area and size	Bakeries	Men's clothing	Furniture	Stone and clay	Machine tool	5 industries
New England:						
Less than \$50,000.....	3	2	11	3	3	22
\$50,000 to \$100,000.....	1	1	3			5
\$100,000 to \$150,000.....			1		3	4
\$150,000 to \$200,000.....			1	1	2	4
\$200,000 to \$250,000.....			1		1	2
Total.....	4	3	17	4	9	37
East:						
Less than \$50,000.....	4	37	6	1	3	51
\$50,000 to \$100,000.....	1	16	4	1		22
\$100,000 to \$150,000.....	1	10	1			12
\$150,000 to \$200,000.....	1	4	1		1	7
\$200,000 to \$250,000.....		4				4
Total.....	7	71	12	2	4	96
Middle West:						
Less than \$50,000.....	7	4	7	7	7	32
\$50,000 to \$100,000.....	4		5	4	5	18
\$100,000 to \$150,000.....	2			5	3	10
\$150,000 to \$200,000.....	4		3	2	2	11
\$200,000 to \$250,000.....		1	3	1	1	6
Total.....	17	5	18	19	18	77
South:						
Less than \$50,000.....	9	1	3	3	2	18
\$50,000 to \$100,000.....	1		4	2		7
\$100,000 to \$150,000.....	1		2			3
\$150,000 to \$200,000.....				3		3
\$200,000 to \$250,000.....			2			2
Total.....	11	1	11	8	2	33
West:						
Less than \$50,000.....	5			5		10
\$50,000 to \$100,000.....	1		1		2	4
\$100,000 to \$150,000.....	1			2		4
\$150,000 to \$200,000.....						
\$200,000 to \$250,000.....			1	3		4
Total.....	7		3	10	2	22
Grand total.....	46	80	61	43	35	265

Source: Proposal 14 of Income Tax Study, Philadelphia.

These facts are summarized in the following tabulation:

Industry	Number of firms in—			
	Original sample		Supplementary sample	
	1926	1936	1930	1936
Baking.....	185	81	46	27
Men's clothing.....	191	46	80	27
Furniture.....	194	68	61	23
Stone-clay.....	184	70	43	30
Machine-tool.....	185	118	35	23
Total.....	939	381	265	135

The regional distribution of these firms is clearly brought out in tables 6 and 7. Certain regional differences in the location of these small manufacturing corporations are worth mentioning. Almost half of the firms in the sample come from the Middle West. The next largest representation is from the East. The Northeast ranks third, the South is fourth, and the Far West fifth. Practically all of the machine-tool manufacturers are from the Middle West, the second highest representation coming from the Northeast. Almost half of the stone-clay manufacturers, about a third of the furniture manufacturers and of the bakeries, and about a fourth of the men's clothing firms come from the Middle West. The men's clothing industry is concentrated largely in the East, and, within the East, primarily in the New York area.¹¹ The only industry covered which was well spread out over the country was, of course, the bakery industry. The most concentrated were the machine-tool and the men's clothing industries. Furniture factories as well as the stone-clay producers are, like the bakeries, fairly well spread over the country.

The problem of what percentage of the universe is covered by this sample of small manufacturing corporations is a baffling one. There are several methods by which the approximate coverage may be estimated. These are pursued in some detail in Appendix D to this report. For the present it seems wiser to present only that set of coverage percentages which appears to be most logical, even though for these percentages there is undoubtedly some understatement. If we consider the industrial subgroups within the 1926 Statistics of Income which compare most closely with the five industries covered by the sample of small manufacturers, and if we associate with these figures the asset-size break-down existing in the 1936 Statistics of Income, we come out with the following estimated percentages of sample coverage:

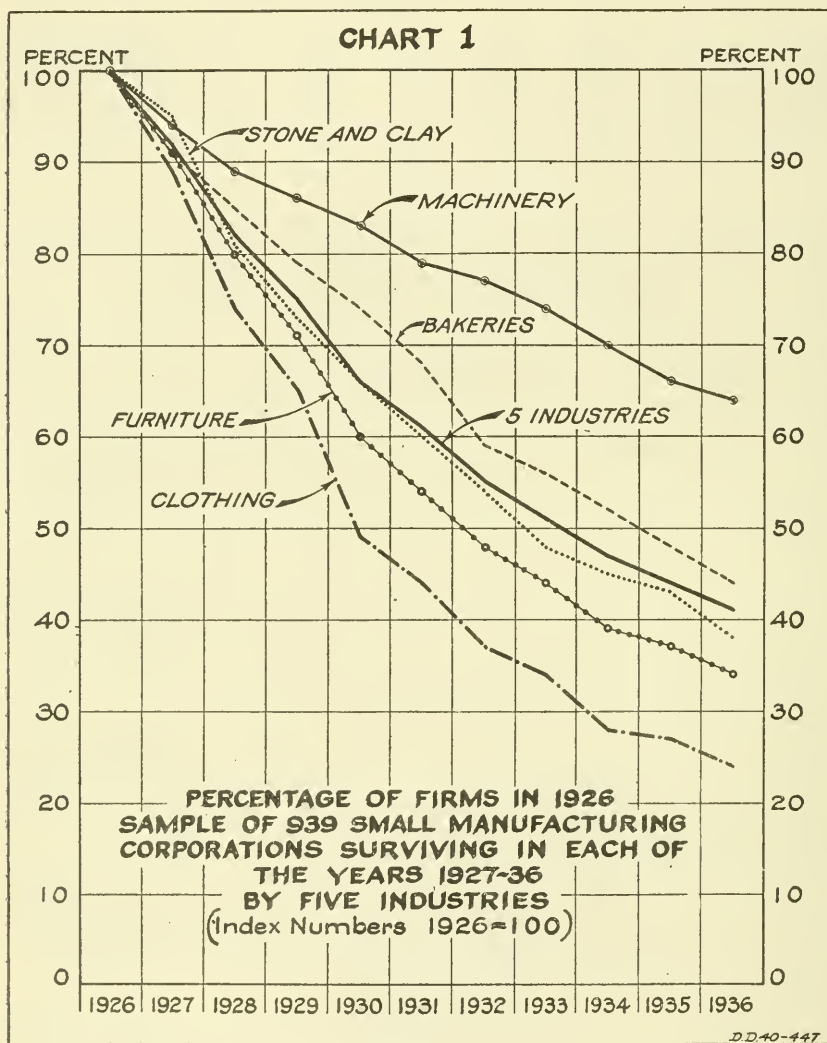
Bakeries.....	8	Stone-clay.....	5
Men's clothing.....	3	Machine-tool.....	14
Furniture.....	6		

For the entire sample the figures seem to indicate that we have approximately a 6-percent coverage of all these firms which fulfill the requirements set up for this sample. For reasons which are explained in the appendix, however, these estimates are probably understated.

¹¹ New York second and third districts cover Manhattan, where one would expect considerable concentration of men's clothing manufacturers.

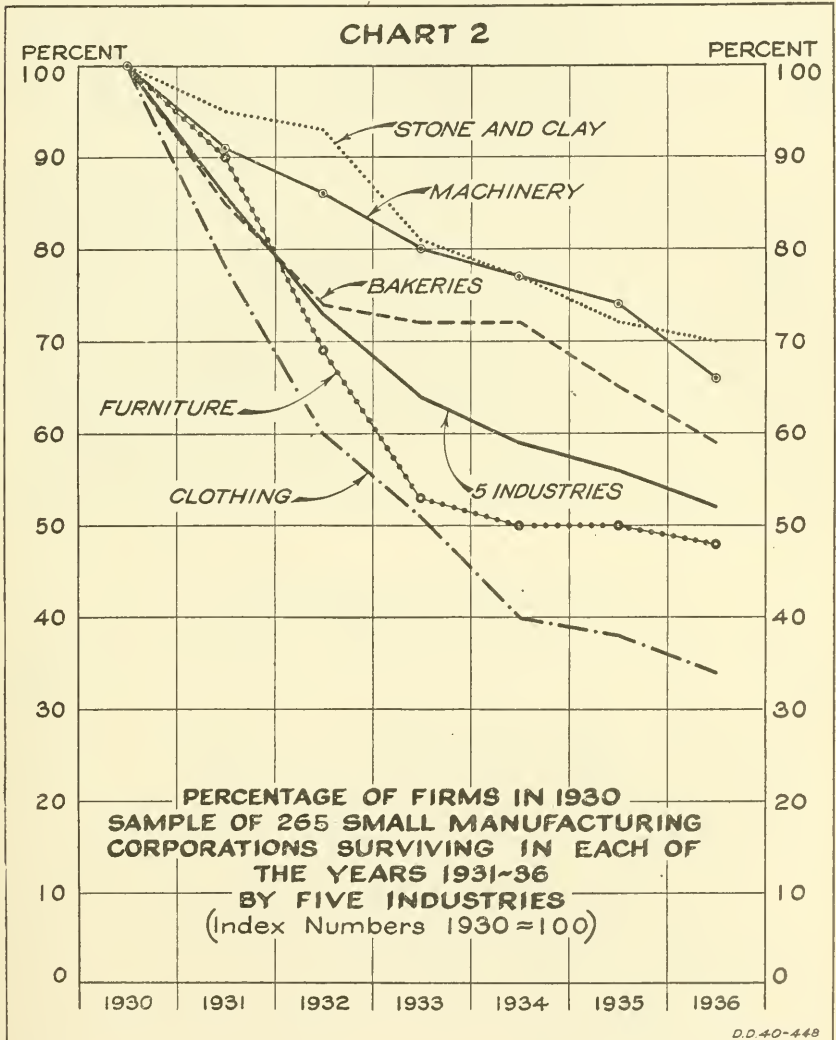
It may well be that the coverage of this sample runs as high as 10 percent and for some groups possibly up to 50 or 60 percent, but such figures are mere conjectures.

The failure experience of these firms is interesting. Charts 1 and 2 have been constructed for the purpose of showing the percentage of firms, by industries, in the original samples of 1926 and of 1930 which



were in existence in each of the following years. Chart 1 refers to the 1926 sample and chart 2 to the 1930 sample. The figures plotted on the charts are indexes based on 1926 and 1930, respectively, of the number of firms in the samples in each year. Chart 1 reveals that the greatest number of failures, relatively, occurred in the men's clothing group and the fewest in the machine-tool industry. Only a fourth of the former industry remained in existence over the 11-year period

while two-thirds of the latter continued in operation. Bakeries are next to machine-tools at the top, while furniture ranks next to clothing at the bottom. The stone-clay group follows the middle course, which is also close to the average for all five industries. A similar experience may be found for the 1930 sample of 265 companies with one principal exception; the sample of stone-clay companies in the



1930 group made a much better showing than the same group in the 1926 sample.¹² In chart 2 it can be seen that the experience of the stone-clay and the machine-tool companies was roughly the same, and headed the list of the five industries. Clothing again suffered the sharpest losses as far as failure was concerned, while furniture fared

¹² This discrepancy should be borne in mind. Further discrepancies between the 1926 and 1930 sample of stone-clay companies appear later in this report.

almost as badly. Bakeries, in the 1930 sample, ran just below the course followed by the stone-clay and machine tool industries.

Although the industrial differences in the failure experience of these two samples are interesting, the most significant thing about charts 1 and 2 seems to be that over an 11-year period such as 1926-36, one may expect that almost 60 percent—i. e., 5½ percent annually—of a sample as large as 1,000 companies will fail or go out of business for one reason or another. Similarly, over a 6-year period such as 1930-36, one may expect that almost 50 percent—i. e., 8 percent annually—of a sample of 300 small manufacturers will pass out of existence. These are conclusions of far-reaching importance in any study of the financial experience of small manufacturing corporations.

SAMPLE OF 525 SECURITIES AND EXCHANGE COMMISSION REGISTRANTS

American corporations having their securities listed on the stock exchanges are required to register with the Securities and Exchange Commission. These registrants have been grouped by the Securities and Exchange Commission into a number of industrial categories. Reports presenting the 1934-37 income statements, balance sheets, surplus reconciliations and other financial information, in relatively comparable fashion, have been prepared by a Securities and Exchange Commission-sponsored Work Projects Administration project for 59 of these industrial groups.¹³ Of these 59 reports, 47 may be classed as manufacturing and are included in the present analysis. Table 7 gives the descriptions of the 48 industries covered, the Securities and Exchange Commission report number of each, and the number of registrants in each group.

TABLE 7.—*Industrial groups of Securities and Exchange Commission registrants included in source and disposal analysis*

Report No.	Industry	Number of registrants ¹
1	Steel producers with assets over \$100,000,000 each.....	3 12
2	Meat packers with assets over \$50,000,000 each.....	23 5
4	Automobile manufacturers.....	34 7
5	Manufacturers of tires and other rubber products.....	23 8 14
6	Manufacturers of agricultural machinery and implements.....	23 9 9
7	Cigarette manufacturers with assets over \$10,000,000 each.....	3 6
8	Sugar Refiners:	
	Beet.....	5
	Cane.....	2 7
10	Oil refiners with producing facilities having assets over \$50,000,000 each.....	17
11	Manufacturers of office machinery and equipment.....	37 9
12	Cement manufacturers.....	8
14	Manufacturers of containers and closures other than paper or wood.....	3 6 8
16	Manufacturers of chemicals and fertilizers.....	3 8 20
18	Manufacturers of automobile parts and accessories.....	61
19	Bakers of biscuits and crackers.....	3

¹ Number of registrants included in the 1934-37 industry composites, with exceptions as noted.

² Information not available for 1934.

³ Information also tabulated for 1938.

⁴ 1938 composite covers 10 companies.

⁵ 1938 composite covers 21 companies.

⁶ 1938 composite covers 12 companies.

⁷ 1938 composite covers 10 companies.

⁸ 1938 composite covers 16 companies.

⁹ 1938 composite covers 10 companies.

¹³ This project, once known as "Census of American Listed Corporations," is now called "Survey of American Listed Corporations." The first 18 reports were printed and distributed free of charge. Subsequent reports have been processed in limited quantities.

TABLE 7.—*Industrial groups of Securities and Exchange Commission registrants included in source and disposal analysis—Continued*

Report No.	Industry	Number of registrants
20	Bakers of bread and cake.....	8
21	Cereal manufacturers and millers.....	8
22	Quarrying and nonmetal mining.....	24
23	Cigar manufacturers.....	10
24	Snuff manufacturers.....	3
25	Meat packers with assets under \$50,000,000 each.....	29
27	Dairy product industry.....	8
28	Beverage manufacturers other than brewers and distillers.....	7
29	Extractive industries, sulphur-salt.....	3
37	Manufacturers of industrial machinery, tools, parts, and equipment.....	79
38	Manufacturers of paint and varnish.....	28
39	Producers of vegetable oil.....	24
40	Manufacturers of toilet preparations, soap, and cleaning compounds.....	10
41	Leather tanners.....	25
42	Shoe manufacturers.....	211
43	Manufacturers of brick and other clay products.....	9
44	Manufacturers of miscellaneous building material.....	7
45	Manufacturers of textiles, cotton-wool.....	6
46	Manufacturers of rayon yarn.....	24
47	Manufacturers of silk and rayon textiles not producing yarn.....	23
48	Hosiery manufacturers.....	10
49	Manufacturers of apparel other than hosiery and footwear.....	216
50	Miscellaneous textile manufacturers.....	12
51	Food canners and preservers.....	9
52	Manufacturers of chewing gum, candy and confectionery.....	10
53	Manufacturers of diversified grocery specialties.....	4
54	Manufacturers of miscellaneous food and related products.....	8
55	Manufacturers of drugs and medicines.....	12
56	Manufacturers of lumber products.....	26
57	Producers of paper and allied products.....	25
58	Manufacturers of railroad equipment.....	11
59	Manufacturers of commercial cars and trucks.....	6

* Information not available for 1934.

Source: Census (Survey) of American Listed Corporations Report.

These data covering 525 corporations have been singled out for the source and disposal of funds analysis of large corporations because the completeness of the surplus reconciliation permits adjustment for most of the noncash debits and credits. Such adjustments are absolutely necessary if a true picture of the flow of funds is to be obtained. The Statistics of Income tabulations do not indicate the amounts of the surplus debits and credits. The Standard Statistics compilations, while giving totals for surplus debits and credits, do not tell to which asset and liability accounts the surplus entries refer. The tabulations covering the sample of small manufacturing corporations also permit tracing some of the surplus debits and credits and hence permit a general source and disposal picture.

The major objection to the Securities and Exchange Commission data is that it covers only a short span of years. The first year covered by these reports is 1934, and even for this year the information is not available for some industry groups. The latest year covered by all 47 reports is 1937, although for nine of the industries included in these tabulations the 1938 data have just been issued in report form by the Securities and Exchange Commission. In some instances the 1938 composite tabulations cover a larger number of corporations than were included in those for earlier years.

The Securities and Exchange Commission reports comprise 15 tables varying from a "General Survey" to "Index of Companies Included in Each Table." The tables of particular importance in the present

study are the combined balance sheet, the combined profit and loss statement, and the combined surplus reconciliation. Occasionally, reference to the individual balance sheets and surplus reconciliations were also necessary, while the tabulations and footnotes in Moody's Industrials were in some instances consulted for supplementary information. In general, the aim was to prepare a broad picture of the source and disposal of funds of these corporations, by industry groups, on a composite basis, so references to the particular company data were kept to a minimum.

The companies included in these Securities and Exchange Commission reports are, of course, the larger ones, because only the large firms have their securities listed on the stock exchanges. The preceding asset-size break-down of the corporations in the Standard Statistics composite would indicate also, in a general fashion, the size distribution of these 525 firms in the Securities and Exchange Commission reports. However, due to the fact that the Securities and Exchange Commission reports cover 100 more firms than are included in the Standard Statistics composite, and that the Securities and Exchange Commission reports thus far issued do not include all the industry groups within manufacturing, one may expect that the Securities and Exchange Commission sample includes relatively more of the medium-size corporations than are comprised by the Standard Statistics composite.

CHAPTER II

PROFITS OF AMERICAN MANUFACTURING CORPORATIONS

The problem of estimating business profits is as baffling as it is crucial. Its importance becomes apparent when one attempts to assess the success or failure of business enterprises. Its perplexing nature is brought out when one attempts, in the actual construction of a profit-and-loss account, to make allowances for such items as cost of goods sold and depreciation expense. The problem is not lightened any by the presence of such balance sheet items as goodwill and other intangibles. Moreover, even if one blessed with omniscience did make an estimate for depreciation that correctly reflected the value of plant and equipment consumed in the year or over a period of years, such fixed charges as interest on long-term debt would attenuate the reliability of a profit estimate for 1 year as a measure of the success or failure of an enterprise considered with respect to an economic time period other than an arbitrary calendar year. For these and other reasons, the following discussion of profits in the American manufacturing industry gives only a general picture of probable magnitudes and trends.¹

Some of the questions which might be asked in a profits study are these: How profitable are American manufacturing corporations? How stable are these profits over the years, and are some industrial groups consistently more profitable than others? Does profitability appear to be related to size of the concern? How do stockholders share in these profits? Is their share influenced by the phase of the business cycle and type and size of the corporations? How does their share compare with their equity in the concerns?

Definitive answers to these questions are not possible. Some idea concerning the probable answers is offered, in this and the following chapter, from data on all manufacturing corporations reported in Statistics of Income, on large corporations (mainly manufacturing) contained in the Standard Statistics composite, and on small manufacturing corporations comprised in original T. N. E. C. tabulations. In the over-all picture based on Statistics of Income emphasis is placed not only on the figures for all manufacturing corporations but also for five industrial subgroups of total manufacturing which correspond roughly to the five industrial groups comprehended by the small manufactures study.

GENERAL SUMMARY

How profitable are American manufacturing corporations? The evidence indicates that, on the average throughout the period 1926-36, these corporations in the aggregate earned 4.3 percent on their equity

¹ For an enlightening discussion of the general problem of measuring corporate profits, see W. C. Mitchell's *Question to R. C. Einstein's Industrial Profits in the United States* (1934).

capital. This average is flanked by extremes of profitability and unprofitability. Of a sample of 400 large corporations, more than a fourth made a profit on total invested capital of 15 percent and more in each of the years 1928 and 1929, while in 1932 more than a fourth of these corporations incurred a loss on total invested capital of 5 percent and more. Of a sample of approximately twice as many small manufacturing corporations, 40 percent were unable to earn a profit on their capital stock equity even in prosperous years, while this proportion rose to 86 percent in the trough of the depression. On the other hand, 38 percent earned a profit of 10 percent or more in 1929.

How stable are these profits over the years? The earnings rates of all manufacturing corporations in the aggregate covered a range of 12.1 percent, i. e., from a profit of 8.5 percent in 1929 to a loss of 3.6 percent in 1932. In 9 years out of 11 over the period 1926-36, a net profit was recorded; in 1931 and 1932, a net loss was shown. Extremes in variability of profits for samples of large and small firms were indicated in the preceding paragraph.

Are some industrial groups consistently more profitable than others? Yes, definitely. Even among the five industrial subgroups included in the survey of all manufacturing corporations, marked differences appear. - The food group averaged 6.1 percent on their net worth over the 1926-36 period, while the lumber group actually lost an average of 1.6 percent. Moreover, the former group showed a profit in every year of the period, while the latter registered a profit in only 5 of the 11 years. Between these two extremes the other industrial subgroups run, from more profitable to less profitable, thus: Metals, stone-clay-glass, and textiles. The metals group lived up to its "prince or pauper" reputation. Among the sample of small manufacturing corporations, the baking and machine-tool industries shared the honor over the period of having the largest proportion of firms in the 10 percent and over category of profit on capital stock, while the stone-clay group reigned supreme among the money losers.

Is profitability related to size of concern? The answer again appears to be "yes" based on the experience of all manufacturing corporations in the years 1931-36, for which years they are classified into asset-size groups. The profit rates of the manufacturing corporations classified into nine asset-size classes rise consistently from small to large concerns. This conclusion is based on an average picture for all manufacturing concerns over the period 1931-36. The same holds true in a general fashion for any year out of the period, and for each of the five industrial subgroups. If, however, the companies are broken down into "income" and "no income", i. e., corporations with net income classified separately from those with net loss, this conclusion may not hold for the former, but invariably holds for the latter.² Furthermore, if interest and officers' compensation are included in profits, the smaller firms make a better showing. Although the available profit ratios for the samples of large and small corporations are not comparable, they give strong indications that the 400 large corporations are more successful than the small firms.

How do the stockholders share in these profits? On the average over the 1926-36 period, stockholders in all American manufacturing

² In the case of money-losing corporations, the loss gets smaller as we pass from small to large companies.

corporations making money received in the aggregate about 76 per cent of the earnings of their companies in the form of cash dividends. If all manufacturing corporations are considered without respect to profitability—i. e., net income and loss companies combined—the proportion of earnings paid out in dividends is 150 percent,³ significantly above the proportion for income companies only.

Is their share influenced by phase of the business cycle, type of corporation, and size of concern? The answer is "yes" in each case. The over-all figures indicate that money-making corporations disburse more of their profits in depression than in prosperity, dividend payments being more stable than profits. Industrial subgroups such as lumber pay out on the average slightly more of their earnings than do groups such as textiles. The large corporations distribute more of their net available than the small ones.

How does the stockholders' share compare with their equity in the concern? The answer to this question can be inferred from the conclusions concerning the profit rate and the disbursement ratio. Manufacturing company stockholders in the aggregate received, on the basis of their total equity, a cash return of 5.2 percent, on the average over the period 1926-36. This return fluctuated from a low of 2.7 percent in 1933 to a high of 7.5 percent in 1936, was highest in the food industry and lowest in the lumber industry, was higher for large than for small corporations, and was less in prosperity than in depression. Since this ratio is based on the net worth as valued on the books of the reporting corporations, no claim can be made that these percentages represent the return on the original investment of these stockholders, or even on their original investment plus retained earnings.

SOME QUALIFICATIONS

So much for the bare conclusions. Unfortunately, every single one is subject to a depressing array of qualifications. Some of these qualifications are peculiar to the income tax figures and have been indicated in the preceding chapter; others inhere in any profits statement of a going concern and have received brief mention at the beginning of the present chapter.

The valuation problem is the most ticklish one facing the accountant who would draw up a statement of the financial condition of an enterprise. Many items of cost such as wages, salaries, rent, interest, and the like involve no valuation problem unless one enters the realm of cost accounting. Certain other items of cost—major items, too—are ascertained either by managerial judgment or by arbitrary computations. Reference is had here primarily to the cost-of-materials-used expense, and to the depreciation expense. In addition, certain balance sheet items are subject to arbitrary valuation: Investments in securities, value of intangibles, even the value of land and equipment are subject to the opinion of the manager. Most of these idiosyncracies become concentrated in the surplus account.

There is no need to labor here the point that corporate financial statements are an end-product of human judgment. It is well recognized by accountants as well as economists, and better expositions

³ This percentage is derived on the basis of an arbitrary assumption (see page 45) occasioned by the fact that an aggregate loss was sustained in 1931 and 1932.

of its ramifications than this writer could produce are available in a number of technical books.⁴ For present purposes, it seems desirable only to stress the fact that financial statements are quasi fictional, and to outline in more detail the peculiarities of the Statistics of Income compilations.

A limitation peculiar to ratios of profit to net worth may be mentioned. Such ratios are generally calculated by dividing the profit for a given period by the net worth at the end of that period, and the conclusion is then drawn that so much was earned on the owners' equity during this period. Such a conclusion is not precisely correct because the net worth showing at the end of the year may not equal the average available during the year, being either larger or smaller. That is to say, a more accurate denominator of the ratio would be the average net worth during the year. Such an average is impossible to obtain even from the balance sheet of a single firm, not to mention the composite balance sheets of a varying number of firms from year to year. In the case of a single firm or group of identical firms, the arithmetic or geometric average of successive net worths could be computed; but this would not necessarily be the net worth available on the average throughout the year. In the case of a composite of nonidentical firms during a span of years, even such an arithmetic or geometric average would lose significance except under the assumption that the entries into the composite equalled in every respect the withdrawals therefrom. This is in general an untenable assumption which in periods of stable business activity might be approximately true, but during cyclical expansion or contraction would not be true. Since beginning-of-year figures are not given in Statistics of Income, and since prior-year figures apply to a different aggregate of corporations than the given-year figures, no attempt is made here to correct for the disparity between the profit-and-equity totals. This failure to attempt the correction is motivated less by a feeling that need for it does not exist, than by its impracticability. It is probably true, however, that such correction would be of minor significance except, conceivably, in a year marked by enormous revaluations carried to the surplus account. As far as this exception for revaluation is concerned, it may be observed that any profit ratio not based on actual invested capital is vitiated on this score.

Some general conclusions concerning the profits of American manufacturing corporations, based on data derived from three separate sources, have already been indicated and some of the more important qualifications pointed out. To drop the matter at this point, however, would be undesirable for at least two reasons. First, the detailed analysis forming the basis of these broad conclusions constitutes, at the same time, their most important qualification, and second, these details not only provide other conclusions but also give an insight into little-known aspects of the corporate financial structure. In this chapter, the over-all picture on profitability will first be presented on the basis of Statistics of Income data, after which the profit ratios for the separate samples of large and small companies will be set forth. In the following chapter the dividend experience of the universe of manufacturing corporations and of the sample of large companies will be presented and analyzed.

⁴ See, e. g., Solomon Fabricant, *Capital Consumption and Adjustment* (1938).

ALL MANUFACTURING CORPORATIONS

Ratios of compiled net profit (after tax)⁵ to net worth for total manufacturing and five of the industrial subgroups—food, textiles, lumber, stone-clay-glass and metal products—are presented for the years 1926 through 1936 in table 8. In each of the years 1931-36, the profit figures as well as the net worth items cover only corporations submitting balance sheets, which in number represented, in 1936, 93 percent of all manufacturing corporations and which accounted in the same year for 97 percent of the total compiled receipts of all manufacturing corporations. In the years 1926-30, the net worth figures have been extended to the universe of all corporations covered by the income figures. The inflation amounted to 1 percent in the case of total manufacturing and four of the subgroups; it amounted to one-half of 1 percent for the remaining subgroup, metals. The method of deriving these adjusting coefficients is explained in appendix A. Their principal determinant is the proportion of total gross sales reported by corporations filing balance sheets, although other factors are also taken into consideration. In any case, the adjustment has relatively little effect on the profit ratios.

TABLE 8.—Ratio of compiled net profit (after tax) to net worth, for total manufacturing and 5 industrial subgroups, 1926-36

	Total manufacturing	Food	Textiles	Lumber	Stone	Metals
	Percent	Percent	Percent	Percent	Percent	Percent
1926 ¹	7.8	7.9	2.2	3.5	9.2	9.4
1927 ¹	6.3	6.9	5.4	1.0	6.3	7.2
1928 ¹	7.8	8.2	3.6	2.5	6.6	9.0
1929 ¹	8.5	8.0	2.9	2.5	6.3	11.1
1930 ¹	2.7	6.5	-5.9	-4.6	1.8	3.4
1931.....	-1.0	2.5	-6.4	-8.3	-2.0	-2.0
1932.....	-3.6	.3	-8.0	-10.3	-6.1	-6.4
1933.....	.7	3.8	2.8	-3.9	-1.4	-1.0
1934.....	3.0	6.1	.4	-3.0	1.6	2.3
1935.....	5.7	7.3	2.0	-8	4.0	6.3
1936.....	7.9	7.8	5.2	2.8	7.6	8.2
1926-29 ²	7.6	7.8	3.5	2.4	7.1	9.2
1930-33 ²	-3	3.3	-4.4	-6.8	-1.9	-1.0
1934-36 ²	5.5	7.1	2.5	-3	4.4	5.6
1926-36 ²	4.3	6.1	.5	-1.6	3.2	4.6

¹ Net worth adjusted to include all reporting corporations.

² Arithmetic averages (unweighted) of the annual ratios.

Source: Statistics of Income (see text for definitions of industrial subgroups.)

An attempt has been made to keep the industrial subgroups consistent from year to year, by combining in later years separate groups which in earlier years were tabulated as one industry. The food group includes the Statistics of Income category labeled "food products, beverages, and tobacco" in 1926-30; the sum of "food products including beverages" and "tobacco products" in 1931-32, and the sum of "food and kindred products," "liquors and beverages," and "tobacco products" in 1933-36. The textile group includes "textiles and textile products" in 1926-35, and the sum of "textile mill products" and "clothing and apparel" in 1936. The lumber group is labeled "lumber and wood products" in 1926-29, and "forest products" in 1930-36. The metal group includes "metal and its products" in

⁵ I. e., Federal normal, excess-profits, and undistributed-profits tax.

1926-35, and the sum of "metal and its products" and "motor vehicles, complete or parts" in 1936.

Table 1 indicates that all manufacturing corporations enjoyed a profit rate in 1936 which was higher than that for any year out of the 11-year period except 1929. In 6 years out of the period a rate better than the 11-year average of 4.3 percent was recorded. The 1934-36 average was also above the over-all level, even though it was below the 1926-29 standing.

Among the subgroups, food was the only one not to register a loss in any year out of the period although the profit rate in 1932 was only 0.3 percent. Its 11-year average of 6.1 percent is the highest in the group, and significantly above the all manufacturing level. Lumber made the poorest showing, with an average loss for the 11 years of 1.6 percent. In only 5 years, 1926-29 and 1936 did this group come out in the black. Textiles were next to the bottom, barely breaking even over the period. The metal group was next to the top with a general average of 4.6 percent, while the stone-clay group followed a middle course. The largest annual loss, 10.3 percent, was recorded by the lumber group in 1932, and the largest profit was the 1929 ratio of 11.1 percent for the metal group. Not only was the food group the most profitable, but also its earnings were the most stable during the period. The profit ratio for this group varied within a range of only 7.9 percent. The all manufacturing range was 12.1 percent, while the stone and metal groups fluctuated almost twice as much as the food industry. The metal group's ratio fell from the 11.1 percent profit in 1929 to a 6.4 percent loss in 1932, a range of 17.5 percent. By 1936 this industry was again earning money at the rate of 8.2 percent on its capital stock and surplus.

The pronounced variation, from industry to industry, not only in the average profit rate but also in its stability, suggests that some industrial groups must be expanding and others declining relative to all manufacturing corporations. Such is, in fact, the case, as indicated by table 9. This tabulation sets forth the proportion of total manufacturing corporation assets held by each of the five industrial groups, for each of the periods 1926-29, 1930-33, and 1934-36.⁶ Food's share increased a full percent over the 11 years, while lumber declined 1.4 percent and textiles 1.3 percent in relative importance. These trends jibe with what we observed concerning the profit ratios of these groups. The absence of a trend either way in the stone and metals group is expected from the closeness with which their profit ratios approximate the all manufacturing average. The principal question remaining is whether the contraction in the lumber and textile industries has been as pronounced as their poor profit records would seem to warrant. Although table 2 presents evidence of the mobility of capital, it may also testify to insufficient mobility. Under equilibrium conditions one would expect the profit ratios of the different industries to equalize; to ascertain whether that is actually happening requires a longer test and more accurate data than are available here.

⁶ These 5 industrial groups include only a part (about two-thirds) of total manufacturing, so the percentages do not total 100 percent. It may be observed that the share of total manufacturing held by these 5 subgroups is less in depression than in prosperity.

TABLE 9.—Percentage distribution of total manufacturing corporation assets held by 5 industrial subgroups, by periods, 1926–29, 1930–33, 1934–36

	Total manufacturing	Food	Textiles	Lumber	Stone	Metals
	Percent	Percent	Percent	Percent	Percent	Percent
1926 to 1929 ¹ -----	100	13.7	9.9	5.7	3.5	33.0
1930 to 1933 ¹ -----	100	13.5	7.9	4.6	3.4	32.8
1934 to 1936 ¹ -----	100	14.7	8.6	4.3	3.5	33.1

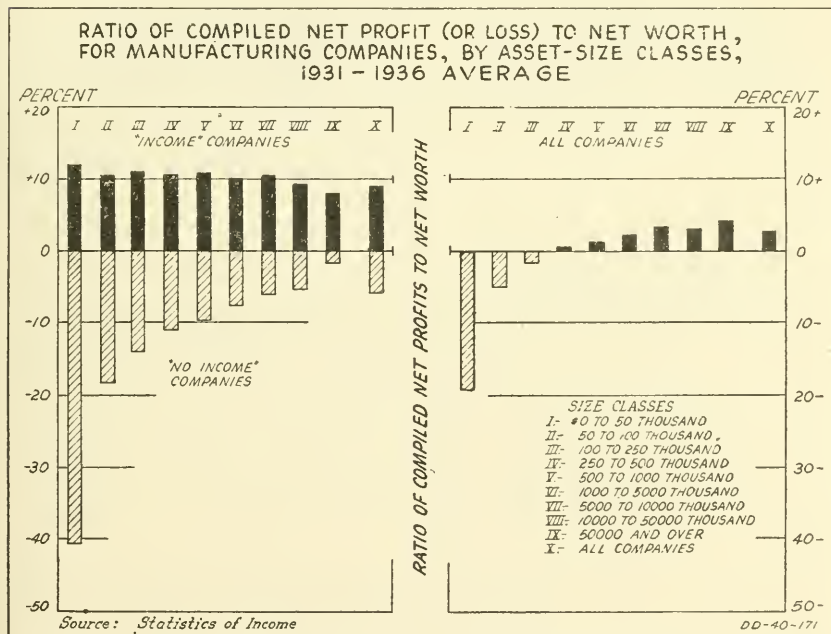
¹ Averages of the annual percentages.

Source: Statistics of Income.

Profitability and Size.

With the general-profits picture of manufacturing industry behind us, it is appropriate to examine the profit ratios of different size groups of corporations. Since 1931 certain balance sheet and income items have been classified, in the Statistics of Income tabulations, by asset size of the reporting corporations. The companies are grouped into nine size classes and divided into income and no-income categories.

CHART 3



The average ratios over the period 1931–36 of compiled net profit or loss (before taxes)⁷ to net worth for all manufacturing corporations are plotted on chart 3. The black bars indicate a positive ratio and the white a negative ratio. On the left-hand side are presented the data for income and no-income companies separately; on the right-hand side, for both groups combined. The size classes are detailed at the

⁷ Similar ratios with compiled net profit after tax will be presented later for total manufacturing in 1936.

bottom of the chart; the tenth bar in each figure refers to the respective ratio for all the companies without regard to asset size.

The cardinal question which it is attempted to answer from these data is whether the large manufacturing corporations are more profitable than the small. Chart 3 indicates that over the period 1931-36 they were. If we consider all companies—the right half of the chart—there is a definite progression upward⁸ of the profit rate with size. In only the next-to-largest class—\$10,000,000 to \$50,000,000—is this progression not found; and the regression in this one instance is slight. The fact that the corporations below the \$250,000 asset level averaged a loss over the 6 years while those above that point averaged a profit, suggests strongly that the larger firms have the higher profitability. The 19-percent average loss of the smallest group (under \$50,000) and the 4-percent average profit of the largest group (\$50,000,000 and over) represent extremes in profitability as well as in asset size. The greater relative dominance of the larger, and more profitable, concerns is evidenced by the 3-percent average profit of all companies without regard to size.

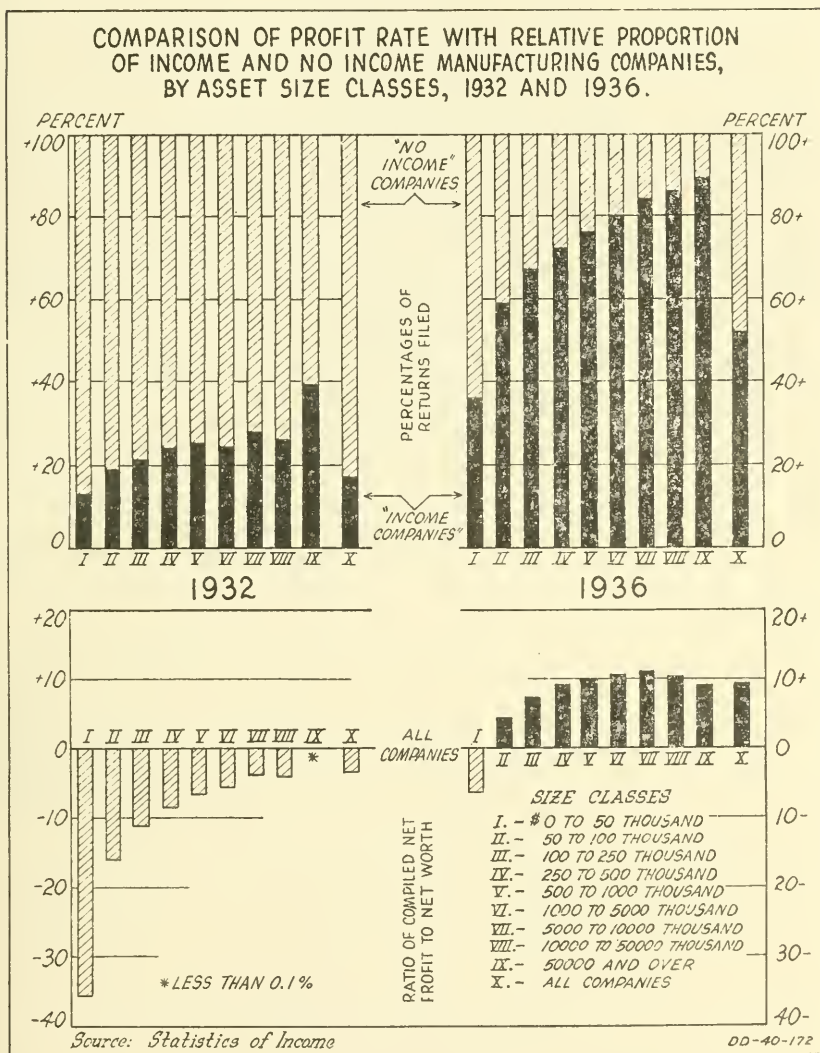
An interesting deviation from this over-all pattern appears when the income and no-income classes are examined separately (see left half of chart 3). If we consider only the income companies—admittedly a shifting group from year to year—a slight downward trend in the profit ratio with increasing asset size is observable. This regression is slight—covering a span of about 4 percent—but is pointed by the fact that the most profitable class is the smallest-asset size with an average ratio for the 6 years of 12 percent, while the least-profitable class is the largest-asset size with a ratio of 8 percent. The average for all income companies under \$1,000,000 is about 11 percent, while that for all income companies above that size is about 9½ percent. If, on the other hand, we consider only the no-income companies—also a shifting group from year to year—a definite progression, with increasing size, from most unprofitable to least unprofitable emerges. The 41-percent average loss over the 6 years of the smallest-size class is in sharp contrast to the less than 2-percent average loss of the largest-size class. Moreover, between these two extremes there is a persistent progression. The fact of the matter seems to be that this progression of the profit rate of the no-income companies is so pronounced, and the relative importance of the no-income companies so great, that when they are combined with the income companies, the profit pattern of the former is dominant and the over-all pattern, as pointed out above, is definitely progressive; that is, profitability increases directly with asset size.

Thus far, we have been concerned with average ratios for the 6 years, 1931-36. In order to disclose cyclical differences in the profitability pattern, the data for 1932 (a depression year) and 1936 (a recovery year) are plotted on chart 4. At the top of the chart appears the division of the returns filed by the companies in each size class into income and no-income groups; the black area represents the percentage of returns reporting an income, and the white area the percentage of returns with a loss. In the lower half of chart 4 appears the profit

⁸ When discussing the variation of a ratio with asset size, it is convenient to employ the term "progressive" when we mean increasing ratio with increasing asset size, and the term "regressive" when we mean decreasing ratio with increasing asset size.

ratios for each size class for all companies, that is, income and no-income companies combined. A comparison of the 2 years brings out interesting differences.

CHART 4



The proportion of income companies is, quite naturally, much smaller in 1932 than in 1936. Similarly, the profitability picture for every asset size class is white in 1932 and black (except for the smallest size class) in 1936. The progression, with asset size, of the profitability ratios and the proportion of companies with incomes, however, offers interesting contrasts. In 1932 the progression upward of the profitability ratio is marked as to both range and persistency. The 35.5 percent loss of the smallest size class and the breaking even of the

largest companies represent extremes. Moreover, only between the seventh and eighth size classes is the progression of the profit ratio absent, and the regression here is negligible. The progression of the ratio of income company returns to returns for all companies, however, is somewhat spotty. In the first place, its range, from 13 percent in the smallest class to 39 percent in the largest, is not so broad as that in the profit ratios. Secondly, the progression is definitely absent in two instances: between the fifth and sixth size classes and again between the seventh and eighth size classes. There is definite progression over all size classes, but it seems less marked than that of the profit ratios. In 1936, on the other hand, a contrasting picture appears. The progression in the proportion of returns filed by income companies is not only clearly marked but definitely persistent. There are no interrupting regressions, and the range from 36 percent in the smallest size class to 89 percent in the largest is extensive. The profit ratios, however, are progressive only up to the \$10,000,000 asset level; after that point they decline. These differences suggest that the progression or regression of the profit ratios with asset size is not determined solely by the relative number of income and no income companies in each size class. It must also be determined by a factor not showing on this chart: The relative size of the income as compared with the loss. Thus, in 1936 the progression in the percentage of income company returns continued in the eighth and ninth size classes, while regression appeared in the profit ratios. This must mean that, although there were relatively more income companies in these two largest size classes, the income they reported did not outweigh the losses reported by the money-losing firms quite so much as in the next smaller size class.

This conclusion is perhaps more labored than its significance merits. The fact remains that in both the years 1932 and 1936 there is a definite upward movement of the profit ratios with asset size. This surge upward is virtually uninterrupted in 1932; in 1936 the profitability curve reaches a peak at the \$5,000,000 to \$10,000,000 asset class, but the decline beyond that point is modest. The conclusion cannot be gainsaid that, taking all manufacturing companies together, the larger firms are more profitable than the smaller when one defines profitability in terms of net income (before tax) to net worth.

Compiled net income after tax classified by asset size is not given in the published Statistics of Income tabulations. The tax figure, by asset size, has been obtained from the Source Book of Statistics of Income,⁹ original compilations maintained by the Bureau of Internal Revenue. Deducting this from the compiled net profit before tax gives a figure for compiled net profit after tax. The ratio of this profit figure to net worth is similarly progressive, as shown by table 10 which presents the 1936 total manufacturing ratios separately for income companies and for all companies.¹⁰ This profit ratio, after tax, is modestly regressive in 1936 for income companies, falling with

⁹ Henceforth referred to as the Source Book. The Source Book is a comprehensive compilation of data, supplementary to the published volumes of Statistics of Income. A copy of the Source Book is maintained in the Statistical Section, Income Tax Unit, Bureau of Internal Revenue, and is available for research purposes to qualified students representing accredited organizations and to administrative officials of State and other governmental units.

¹⁰ There is obviously no difference between compiled net profit before and after tax for no income companies, so ratios for these companies are not included in table 10.

only one interruption from 12.8 percent in the smallest asset class to 8.6 percent in the largest. In the case of all manufacturing companies, however, the profit ratio after tax is still progressive. The upward trend of the ratio with asset size is marked and persists through the \$5,000,000- to \$10,000,000-asset class. Thereafter the ratio declines modestly. The general conclusion is that taking the profit ratio after Federal tax does not eliminate the progression of profitability with size, if one considers income and no income companies combined.

A similar pattern of profitability classified by asset size also appears in each of the five industrial subgroups of manufacturing considered here. (See table 11.) If we limit our examination to income companies only, a modest regression is clearly marked, in the 1931-33 period, in all subgroups except food. In the case of food there is some evidence of regression, but the ratio fluctuates too wildly to permit a definite conclusion. In the 1934-36 period the regression of the income companies is more clearly marked for food, lumber, and metals than for the other divisions. For the no-income companies there is definite progression of the profit rate without exception either for industry or time period. The profit rates of all companies are strongly progressive in each industrial subdivision in the first period, and moderately progressive in the second period. The 1931-36 overall patterns for these industrial subgroups are, it may be added, similar to those set forth in table 11.

TABLE 10.—Ratio of compiled net profit after tax to net worth for total manufacturing, shown separately for income companies and for all companies, 1936

Asset size classes	Income-reporting companies	All companies
	Percent	Percent
0 to \$50,000	12.8	-7.6
\$50,000 to \$100,000	11.7	3.0
\$100,000 to \$250,000	12.0	5.7
\$250,000 to \$500,000	11.9	7.1
\$500,000 to \$1,000,000	11.9	7.9
\$1,000,000 to \$5,000,000	11.4	8.6
\$5,000,000 to \$10,000,000	11.2	9.1
\$10,000,000 to \$50,000,000	10.0	8.6
\$50,000,000 and over	8.6	7.9
Total	10.0	7.9

Source: Statistics of Income and Source Book.

TABLE 11.—Ratio of compiled net profit to net worth for 5 manufacturing subgroups classified by asset size, income and no-income companies, by periods, 1931-33 and 1934-36

Asset size classes	Food		Textiles		Lumber		Stone		Metals	
	1931-33	1934-36	1931-33	1934-36	1931-33	1934-36	1931-33	1934-36	1931-33	1934-36
INCOME COMPANIES										
0 to \$50,000	Pct. 13.0	Pct. 18.4	Pct. 9.1	Pct. 8.9	Pct. 8.3	Pct. 10.9	Pct. 7.8	Pct. 11.0	Pct. 9.6	Pct. 13.7
\$50,000 to \$100,000	9.8	14.2	8.4	9.3	7.9	8.6	8.0	11.2	8.3	12.7
\$100,000 to \$250,000	9.6	13.6	8.3	10.3	6.7	9.1	7.7	11.2	7.1	12.6
\$250,000 to \$500,000	10.0	14.3	8.5	10.4	5.2	8.8	7.2	10.1	7.2	12.3
\$500,000 to \$1,000,000	11.4	14.3	7.5	9.9	5.3	8.1	6.3	10.4	7.1	12.7
\$1,000,000 to \$5,000,000	*9.2	*15.1	7.0	8.6	(*)	*6.9	6.1	8.1	6.4	12.0
\$5,000,000 to \$10,000,000	*10.4	*14.2	*5.5	(*)	(*)	*5.3	5.5	11.8	7.3	11.1
\$10,000,000 to \$50,000,000	*9.2	*11.7	(* a)	*8.1	(*)	(* a)	(*)	*9.7	7.6	9.8
\$50,000,000 and over	*11.4	*11.2	(* a)	(*)	(*)	(* a)	(*)	*12.0	7.0	10.9
Classes grouped (minimum)	10.7		5.5		3.7					
Classes grouped (maximum)	10.6	12.7	5.8	8.0	5.0	5.3	5.2	10.5		
All companies	10.6	12.9	6.6	8.7	5.3	6.4	5.6	10.2	7.2	11.1
NO-INCOME COMPANIES										
0 to \$50,000	-34.4	-28.9	-63.1	-43.6	-55.9	-39.9	-35.2	-28.4	-42.8	-30.3
\$50,000 to \$100,000	-18.1	-13.9	-29.3	-17.1	-26.7	-18.6	-17.0	-12.8	-20.6	-14.0
\$100,000 to \$250,000	-14.7	-11.6	-21.7	-12.7	-18.9	-13.2	-14.3	-10.6	-15.6	-10.3
\$250,000 to \$500,000	-10.9	-8.8	-13.2	-9.9	-14.8	-9.7	-11.8	-7.8	-13.3	-8.6
\$500,000 to \$1,000,000	-9.1	-8.0	-11.3	-8.3	-12.0	-7.0	-9.5	-11.4	-10.8	-7.2
\$1,000,000 to \$5,000,000	*-9.9	(*)	-8.3	-6.2	*-9.8	*-5.4	-8.0	-4.9	-9.3	-6.3
\$5,000,000 to \$10,000,000	(* a)	(*)	*-9.6	*-6.0	*-6.6	*-3.7	-6.5	-5.3	-7.4	-6.1
\$10,000,000 to \$50,000,000	(* a)	(*)	(* a)	(*)	(*)	(* a)	(*)	*-3.1	-7.5	-4.5
\$50,000,000 and over	(* a)	(*)	(* a)	(*)	(*)	(* a)	(*)	(*)	-3.0	-1.2
Classes grouped (minimum)	-5.8		-7.0		-3.1					
Classes grouped (maximum)	-6.5	-3.7	-7.9	-5.3	-6.7	-4.0	-3.9	-3.1		
All companies	-8.5	-6.8	-11.2	-8.5	-9.5	-6.5	-7.6	-6.9	-6.0	-4.6
ALL COMPANIES										
0 to \$50,000	-14.6	-3.5	-37.9	-17.1	-39.4	-14.4	-20.3	-12.3	-30.7	-8.2
\$50,000 to \$100,000	-5.4	2.9	-14.8	-8	-18.5	-4.4	-9.5	-1.9	-13.6	2.2
\$100,000 to \$250,000	-3.1	4.9	-8.8	2.1	-13.2	-1.4	-13.9	.3	-9.9	4.4
\$250,000 to \$500,000	.3	7.2	-4.0	3.8	-10.9	.1	-9.3	1.6	-7.8	5.6
\$500,000 to \$1,000,000	2.2	8.8	-2.8	4.3	-8.3	1.0	-6.0	3.6	-6.3	6.4
\$1,000,000 to \$5,000,000	*1.3	(*)	-1.9	3.8	(*)	*1.3	-4.9	3.1	-5.6	7.2
\$5,000,000 to \$10,000,000	(* a)	(*)	*-3.9	(*)	(*)	*.9	-3.6	6.3	-3.7	6.8
\$10,000,000 to \$50,000,000	(* a)	(*)	(* a)	(*)	(*)	(* a)	(*)	*6.5	-4.0	6.1
\$50,000,000 and over	(* a)	(*)	(* a)	(*)	(*)	(* a)	(*)	*12.0	-6	8.2
Classes grouped (minimum)	6.6		-1.2		.1					
Classes grouped (maximum)	5.8	11.0	-1.9	4.4	-5.5	.7	.4	8.2		
All companies	4.6	10.1	-3.5	3.5	-7.4	.1	-2.2	5.4	-2.9	7.2

* See special note.

a See special note.

SPECIAL NOTE.—To avoid disclosure in Statistics of Income it is sometimes necessary to group certain size classes. The number of classes it is necessary to group varies from year to year, industry to industry, and as between income and no-income companies. In order to achieve "income" to "no-income" as well as interperiod consistency and at the same time to present the finest possible asset size break-down for each period, it has been necessary to show 2 classes grouped figures, a so-called "minimum" referring to the asset class ratios marked with an "a," and the so-called "maximum" referring to the asset class ratios marked with an asterisk (*). Within a given industry the "classes grouped (maximum)" figures cover the same asset classes from period to period and from income to no income companies.

Source: Statistics of Income. Figures are averages of the annual ratios.

Epstein and Paton Affirm Otherwise.

At this point let us interrupt the analysis of the Statistics of Income data long enough to consider the conclusion of two other writers on profitability and size, which appears on the surface to disagree with that formulated here. Ralph C. Epstein, in *Industrial Profits in the United States*,¹¹ classified the 1924 and 1928 profit ratios of 2,046

¹¹ A publication of the National Bureau of Economic Research, this book analyzes the results of a statistical study Epstein made for the Department of Commerce and published in *Source Book for the Study of Industrial Profits* (1931). An identical sample of corporation income tax returns, including 2,046 manufacturing companies, was pulled from the Bureau of Internal Revenue files for the years 1919-23, and the financial data thereon specially tabulated by the Bureau of the Census. No analysis is presented in the *Source Book*, and neither there nor in the National Bureau publication is any description given of how the study originated, how the sample was drawn, why the tabulations made were selected, and how the work was carried on. Evidently the desire to treat the data in strictest confidence resulted in these omissions.

manufacturing corporations by size of capitalization. He then concluded that—

beyond question, among manufacturing corporations of all sizes of capital from \$250,000 to over \$50,000,000, the smaller corporations earn profits at higher rates than the largest ones * * * (p. 132).

W. A. Paton, in *Corporate Profits as shown by Audit Reports*,¹² classified the 1927–29 profit ratios of 341 identical manufacturing companies by size of assets. He then reached—

* * * the apparent conclusion that by and large in the period covered the high-earning companies are those with assets of \$200,000 or less rather than the large companies * * * (p. 76).

The conclusions of these men will be considered in turn.

Epstein drew his sample from the income-tax returns filed with the Bureau of Internal Revenue. The figures apply to 2,046 manufacturing corporations in 1924 and again to the same firms in 1928. The companies are classified into seven total capital classes from “under \$500,000” to “\$50,000,000 and over,” total capital being taken equal to funded debt plus net worth. Two profit ratios are given. The first is the ratio of net income to capitalization, which corresponds in general to our ratio of compiled net profit to net worth. The second is the ratio of net profit before payment of interest (estimated bond interest) to total capital. It is this latter ratio which Epstein emphasizes, but the difference between the two is slight in each size class and in each of the 2 years. Both of them are presented in table 12, which is essentially a reproduction of Epstein’s table 26.

The data in *Statistics of Income*, unfortunately, cannot be classified by size of capital. However, for the years 1931–36 it is possible to ascertain the average amounts of total capital and of total assets held by manufacturing corporations in each of nine asset classes. A calculation of these average capitals and average assets for 1935 reveals that the former run about three-fourths of the latter. The only exception is in corporations below the \$250,000 level, when net worth plus funded debt runs between a half and three-quarters of total net assets. There are slight differences if one considers income companies separately from no income corporations, the capital-to-assets ratio of the former running above, and that for the latter running below, the all companies percentages. Epstein’s capital class of “under \$500,000” therefore probably corresponds with the first four *Statistics of Income* asset classes combined (i. e., 0 to \$50,000, \$50,000 to \$100,000, \$100,000 to \$250,000, \$250,000 to \$500,000) and some part of the next asset class (\$500,000 to \$1,000,000). Similarly, the other capital classes will overlap the asset classes somewhat, while two of Epstein’s capital classes (\$1,000,000 to \$2,499,999 and \$2,500,000 to \$4,999,999) are virtually comprehended by one of the asset classes (\$1,000,000 to \$5,000,000). Such discrepancies are so slight, however, that it would probably be no distortion of the comparison to group the smallest four asset classes in *Statistics of Income* together and then line up the asset classes directly with the capital classes. Since the small concerns are admittedly underrepresented in Epstein’s sample—firms with total capital under \$250,000 constitute less than 2 percent of the total number in each year¹³—a good argument can

¹² Also a National Bureau of Economic Research publication, based on confidential reports in the files of members of the American Institute of Accountants.

¹³ Epstein’s *Industrial Profits*, footnote on p. 132. In the universe covered by *Statistics of Income* in 1936, firms with assets under \$50,000 constitute, in number, 81 percent of all manufacturing corporations.

be made for omitting altogether from the discussion the three smallest asset classes in Statistics of Income.

A glance back at charts 3 and 4 should convince even the skeptical reader that whether the four smallest asset classes were combined or the three smallest sloughed off, the ratio of compiled net profit to net worth for all manufacturing corporations still progresses upward with asset size over the period 1931-36 and in each of the years 1932 and 1936. Moreover, this ratio corresponds to Epstein's income to capitalization figures presented in table 12, the movement of which is regressive with capital size.

In order to correspond roughly with Epstein's ratio of profits (before bond interest) to total capital (including all liabilities except current items), we present in table 13 the ratio of compiled net profit (before tax) plus all interest (both long and short term) to total assets. Bond interest is not segregated from short-term interest on the income-tax returns and Epstein's methods of making the segregation seems to be a potentially dangerous refinement.¹⁴ Therefore no attempt has been made here to introduce the segregation; and under these circumstances it has seemed more reasonable to take total assets rather than total capital as the denominator.

The resulting ratios are presented in table 13 for total manufacturing over the periods 1931-33 and 1934-36, for income companies, no income companies, and all companies. For the present, attention is directed to the all companies column: The ratio of compiled net profit plus interest to total assets is also progressive with asset size. It rises in the first period from 13.2-percent loss in the smallest class to 1.8-percent profit in the largest; and in the second period from 3.7-percent loss to 5.6-percent profit. This conclusion persists whether we combine the four smallest asset classes or lop off the three smallest classes. This profit ratio is definitely larger for the big than for the small corporations. Moreover, the progression is regular, the only exception being the 1934-36 averages for the two largest asset classes.

TABLE 12.—*Epstein's sample: Earnings rates, 2,046 manufacturing corporations by capital classes, 1924 and 1928*

Capital classes	1924			1928		
	Number of corporations	Percent income to capitalization	Percent profits ¹ to total capital	Number of corporations	Percent income to capitalization	Percent profits ¹ to total capital
Under \$500,000.....	230	20.4	20.3	187	20.3	20.2
\$500,000 to \$999,000.....	461	17.9	17.7	376	13.5	13.4
\$1,000,000 to \$2,499,000.....	596	15.6	15.4	607	13.8	13.6
\$2,500,000 to \$4,999,000.....	310	13.1	12.9	351	14.3	14.0
\$5,000,000 to \$24,999,000.....	315	9.8	9.5	376	10.0	9.7
\$25,000,000 to \$49,999,000.....	68	13.0	12.6	67	12.3	11.8
\$50,000,000 and over.....	66	8.6	8.1	82	10.5	9.8

¹ Including estimated long-term interest.

Source: Epstein, *Industrial Profits in the United States*, p. 133.

¹⁴ See the appropriate appendix to *Industrial Profits* for an explanation of Epstein's adjustment. After deriving what he considers a representative bond interest rate, he applies this to the funded-debt figure and obtains thereby estimated long-term interest. Such an overall percentage seems not only dangerous to employ, but is also derived from the experience of large companies. It appears that there might be significant differences in such a percentage between large and small corporations, while the incidence of default probably also varies by asset size.

The contrast between this picture and that portrayed by the profit to total capital column in Epstein's tabulation (see table 12) is as distinct as that between his income to capitalization and our compiled net profit to net worth (cf. supra). Both are contrasts which require explanation.

The two sets of figures cover different time periods. Epstein's data refer to 1924 and 1928, while the Statistics of Income figures cover the years 1931-36. There seems to have been nothing which happened between 1928 and 1931, however, which could have completely reversed the trend of the profit ratios with size of corporation.

Since both sets of data are drawn from the same basic source—Federal income-tax returns—it must be that the characteristics of the corporations on which the tables are based differ. Since, further, the Statistics of Income tabulations include practically all reporting corporations—almost 90,000 manufacturing corporations as compared with Epstein's 2,046—there must have been something about the Epstein sample which creates the discrepancy.

It will be recalled that Epstein's sample consists of identical firms, that is, for a corporation to qualify for inclusion in the 1924 sample it had also to be in existence in 1928. W. C. Mitchell, in his introduction to *Industrial Profits*, admitted that Epstein's sample has a substantially lower proportion of no-income companies than report to the Bureau of Internal Revenue. He concluded that "if the latter vastly larger body of returns is fairly representative of average experience, then the present sample tends to overstate profits" (p. 19).

This seems to offer the clue to the discrepancy. If we consider only the income companies in our tabulations, it is true that the profit rate is somewhat regressive with size. Reference to chart 3 reveals that the ratio of compiled net profit to net worth (corresponding to Epstein's income to capitalization) for income companies alone is slightly higher (around 11 percent) for the small companies than for the large (around 9½ percent). The same thing can be seen from table 13, which corresponds roughly to Epstein's ratio of profit to total capital: The ratio, for income companies only, of compiled net profit plus interest to total assets is slightly regressive.

TABLE 13.—Ratio of compiled net profit plus interest¹ to total assets, for total manufacturing classified by asset size, income and no-income companies, 1931-33 and 1934-36 averages

Asset classes	1931-33 average ²			1934-36 average ²		
	Income companies	No-income companies	All companies	Income companies	No-income companies	All companies
	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
0 to \$50,000.....	8.2	-20.3	-13.2	9.3	-11.8	-3.7
\$50,000 to \$100,000.....	7.2	-11.1	-5.7	9.0	-6.2	1.7
\$100,000 to \$250,000.....	7.4	-9.1	-3.8	8.9	-5.1	3.3
\$250,000 to \$500,000.....	7.6	-7.5	-2.4	10.0	-4.3	4.5
\$500,000 to \$1,000,000.....	7.8	-6.7	-1.5	10.3	-4.0	5.2
\$1,000,000 to \$5,000,000.....	7.4	-5.8	-1.0	9.6	-2.9	6.8
\$5,000,000 to \$10,000,000.....	8.2	-4.4	0.2	9.6	-2.0	6.1
\$10,000,000 to \$50,000,000.....	6.9	-4.2	.1	8.6	-1.3	5.9
\$50,000,000 and over.....	5.8	-9	1.8	7.8	+4	5.6
All companies.....	6.6	-3.8	.2	8.7	-2.1	5.4

¹ Both long and short term.

² Averages of annual ratios.

We can conclude that Epstein's sample, at least in this one respect, follows the pattern of profitable companies only, and that his conclusion is therefore applicable only to that group of companies. If all corporations are represented, quite a different conclusion follows. Profit rates which are regressive with size for the profitable companies become progressive when all companies are taken into account.

Let us now turn to Paton's results gained from a study of audit reports. Through the cooperation of the American Institute of Accountants with the National Bureau of Economic Research, Paton had a body of auditor's reports for 700 small- and medium-size corporations covering the years 1927-29. Of this number, 341 were manufacturing corporations and hence are of particular interest in the present instance. In his analysis of the effect of size on earnings, Paton took 3-year (1927-29) aggregates of the ratio of profits, including interest charges (apparently both long and short term), to total assets. Such aggregates—that is, the sum of profits plus interest for the 3 years divided by the sum of total assets for the 3 years—are classified into five asset classes. Paton's resulting ratios for 1927-29 are set forth in table 14, alongside 1931-36 Statistics of Income figures made as comparable as possible. The size classes are roughly similar and the same definition of profitability has been followed.

The contrast between the regression of Paton's ratios and the progression of the ratios for all companies under Statistics of Income cannot be denied. In Paton's sample the companies under the \$500,000 level average around 11 percent while those over that level are not much above 8 percent. In the Statistics of Income figures the progression is consistently upward from 2.4 percent loss for the smallest class to a 3.3 percent profit for the largest.

TABLE 14.—Percentage return¹ on assets by asset size: Paton's sample 1927-29 and Statistics of Income universe 1931-36

[Ratio of 3-year and 6-year aggregates, respectively]

Paton's Sample, 1927-29 (341 manufacturing companies)			Statistics of Income, 1931-36 (all manufacturing corporations)			
Asset classes	Number of companies	Ratio of profit ¹ to assets	Asset classes	Ratio of profit ¹ to assets		
				Income companies	No-income companies	All companies
		<i>Percent</i>		<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
Under \$200,000.....	78	11.34	Under \$250,000.....	8.8	-10.2	-2.4
\$200,000 to \$500,000.....	53	10.69	\$250,000 to \$500,000.....	9.2	-6.5	1.1
\$500,000 to \$1,500,000.....	85	7.30	\$500,000 to \$1,000,000.....	9.5	-6.8	2.0
\$1,500,000 to \$5,000,000.....	79	8.27	\$1,000,000 to \$5,000,000.....	9.0	-4.9	2.4
Over \$5,000,000.....	46	8.60	\$5,000,000 and over.....	7.5	-1.7	3.3
All companies.....	341	9.21	All companies.....	8.0	-3.3	2.6

¹ Including interest charges.

Sources: Paton's Corporate Profits and U. S. Treasury's Statistics of Income and Source Book.

Again, the difference in time periods covered would not seem to account wholly for the discrepancy, but a peculiarity of Paton's sample may. Like Epstein's sample, this one, too, is limited to identical companies—that is, the same companies are analyzed in each of

the 3 years. Colonel Rorty, in a note to the N. B. E. R. publication (p. 77) comments that "the smaller concerns perhaps more often fail—and firms in positive distress have perhaps automatically been excluded from the reports * * * a true average of all small concerns might show different figures." In addition, one might infer that those firms which had their books audited would probably be the better companies.

This leads us to the suspicion that Paton's sample follows the pattern of the more profitable concerns, and this suspicion is abetted if his ratios are compared with the income companies column under Statistics of Income (see table 14). If only firms making a profit are considered, the Statistics of Income ratios are also regressive with size, falling—not too persistently—from almost 9 percent in the smallest class to 7.5 percent in the largest.

We may conclude that Paton's sample, like Epsteins,' represents primarily the profit-making companies, and that his conclusion respecting profitability classified by size applies to that class of corporations.¹⁵ If one considers the profitable corporations, as Paton does, earning rates are modestly regressive with size; if one considers all corporations, as Statistics of Income does, the profit pattern becomes definitely progressive with size.

Officers' compensation a qualifying factor.

It is well known that compensation of officers, a sizable amount in the profit-and-loss statement of any concern, is particularly important in the case of small corporations. Moreover, in the case of such manufacturers, officers' compensation may consist not only of return for the managerial and labor function, but also of return on capital and for entrepreneurial risk-taking. In the large corporations the returns for these different functions are probably more clearly distinguished as between salaries, wages, dividends, interest, and rent. Hence one might argue that a profit ratio which included not only interest but also compensation of officers would be more consistent as between large and small corporations. Of course, the relative importance of the labor contribution of the officer of a small corporation is a qualifying factor, for in large corporations this contribution is deducted as a cost (wages) before determining even gross profits. From Statistics of Income it is impossible to classify, for manufacturing corporations by asset size, the amount of compiled net profit plus interest plus officers' compensation (henceforth called, loosely, gross profit). Recourse to the Source Book of Statistics of Income, however, gives us the additional break-down, making possible the ratios of gross profit to total assets which appear in table 15 for all manufacturing companies, income companies and no-income companies.

¹⁵ Paton's sample may underrepresent the very small companies, while it is possible that differences in accounting procedures lead to part of this discrepancy in profit rates. For example, the auditors may allow more depreciation for the big companies than the B. I. R. regulations permit, and may not have allowed certain expenses for small corporations which they normally deduct on their income-tax returns. It would be surprising, however, if such differences actually accounted for all the divergency in trends. The fact of the matter seems to be that Paton's sample is characterized by the more profitable companies.

TABLE 15.—Ratio of compiled net profit plus interest plus officers' compensation to total assets, for total manufacturing classified by asset size, income and no-income companies, 1931-33 and 1934-36 averages.

Asset classes	1931-33 average ¹			1934-36 average ¹		
	Income companies	No income	All companies	Income companies	No income	All companies
0 to \$50,000.....	26.9	-4.5	3.3	31.9	5.3	15.5
\$50,000 to \$100,000.....	19.0	-3.2	3.4	21.8	.8	11.8
\$100,000 to \$250,000.....	15.3	-4.1	2.2	17.7	-.9	9.8
\$250,000 to \$500,000.....	12.8	-4.1	1.7	15.2	-1.5	8.8
\$500,000 to \$1,000,000.....	11.4	-4.4	1.3	13.8	-2.2	8.2
\$1,000,000 to \$5,000,000.....	9.4	-4.4	.5	11.4	-1.9	7.3
\$5,000,000 to \$10,000,000.....	9.3	-3.7	1.0	10.5	-1.5	7.0
\$10,000,000 to \$50,000,000.....	7.5	-3.8	.6	9.2	-1.0	6.3
\$50,000,000 and over.....	6.1	-.8	2.0	8.0	.5	5.7
All companies.....	8.0	-2.6	1.5	10.3	-.5	6.9

¹ Averages of annual ratios.

Source: Statistics of Income and Source Book.

Instead of the upward progression of the profit rate with increasing size—a trend found in the profit to capital ratios—we have here a regression of the ratio of gross profit to total assets with asset size (see table 15). This regression is not so pronounced as the aforementioned progression, but it is nonetheless distinct. In the first period, 1931-33, for all manufacturing companies, the gross profit ratio falls from a level of 3.3 percent and 3.4 percent in the two bottom classes to 0.6 percent in the \$10,000,000 to \$50,000,000 category. An exception to this tendency is the top class, \$50,000,000 and over, which has a relatively high ratio of 2 percent. Regression also appears in the gross profit ratio for all manufacturing companies in the 1934-36 period. The regression here covers the whole size class range, falling from 15.5 percent registered by the 0 to \$50,000 asset class and proceeding without interruption to a low of 5.7 percent for the \$50,000,000 and over group. That the smaller manufacturers have a higher gross profit ratio than the large firms is plain from these data. Up to the \$250,000 asset size these firms are definitely more profitable—defining profits in a gross sense to include not only interest paid but also compensation of officers—than above that level. However, the smallest class is the most profitable in only one period, that distinction being shared by the next size class in the other period. In addition, the top class was least profitable only in 1934-36; that position was held by the \$1,000,000 to \$5,000,000 class in the earlier period.

If we consider income companies separately from no-income firms (see table 15) the regression is found for the former in both periods and for the latter in the second-period. The gross profit ratio of the no-income group in the 1931-33 period hovered around the 4 percent loss level in all size classes except the largest, which had a significantly smaller loss of 0.8 percent. In this one case some progression could be inferred from the fact that the smallest and largest size classes had the largest and smallest losses, respectively.

If we consider now the gross profit ratios for the five industrial subgroups (see table 16), we can see that this regression found for all

manufacturing exists also in each industry. It is less marked in some (e. g. food, stone) than in others (e. g. textiles, metal), but it can be discerned in each.

TABLE 16.—Ratio of compiled net profit plus interest plus officers' compensation to total assets for 5 manufacturing subgroups classified by asset size, income and no-income companies, 1931-33 and 1934-36 averages ¹

Asset classes	Food		Textiles		Lumber		Stone		Metals	
	1931-33	1934-36	1931-33	1934-36	1931-33	1934-36	1931-33	1934-36	1931-33	1934-36
INCOME COMPANIES										
0 to \$50,000.....	22.0	27.6	33.4	34.6	19.2	24.9	17.9	24.7	24.9	31.7
\$50,000 to \$100,000.....	17.1	20.2	22.0	22.0	14.6	16.2	14.8	18.4	18.6	22.5
\$100,000 to \$250,000.....	14.6	16.7	16.3	17.3	11.2	13.7	12.7	15.0	13.8	18.1
\$250,000 to \$500,000.....	13.1	15.4	13.1	14.0	8.8	11.3	11.4	12.7	11.8	15.3
\$500,000 to \$1,000,000.....	12.9	14.1	10.3	12.1	7.6	9.4	8.6	11.5	10.0	13.9
\$1,000,000 to \$5,000,000.....	² 9.9	² 13.0	8.4	9.2	(²)	² 7.3	7.3	8.7	7.8	11.9
\$5,000,000 to \$10,000,000.....	² 10.1	² 11.1	² 6.0	(²)	(²)	² 4.9	6.0	11.4	7.7	10.0
\$10,000,000 to \$50,000,000.....	² 8.4	(²)	(²)	(²)	(²)	(²)	(²)	² 8.4	7.5	8.6
\$50,000,000 and over.....	² 10.4	(²)	(²)	(²)	(²)	(²)	(²)	² 11.3	5.9	8.9
Classes grouped.....	9.9	10.8	5.4	7.2	5.5	5.5	5.1	9.3	-----	-----
All companies.....	10.4	11.7	9.1	10.4	7.6	8.0	6.5	10.1	7.4	10.2
NO-INCOME COMPANIES										
1.....	-3.9	1.9	-4.4	10.9	-12.0	.6	-7.0	-.2	-6.0	4.5
2.....	-2.4	.0	-4.1	3.1	-6.8	-1.8	-4.2	-1.1	-4.0	.4
3.....	-3.1	-.8	-4.7	-.4	-6.5	-2.6	-4.8	-2.1	-4.6	-.7
4.....	-2.4	-1.2	-3.9	-1.7	-6.4	-2.2	-4.7	-1.9	-5.1	-1.4
5.....	-2.7	-1.3	-4.6	-2.5	-5.5	-2.2	-3.8	-2.2	-4.7	-1.5
6.....	² -4.1	(²)	-4.1	-2.2	² -5.0	² -1.5	-3.4	-1.7	-5.1	-2.3
7.....	(²)	(²)	² -5.5	² -2.8	² -3.3	² -1.0	-2.9	-2.2	-3.9	-2.1
8.....	(²)	(²)	(²)	(²)	(²)	(²)	(²)	² -.9	-4.5	-1.2
9.....	(²)	(²)	(²)	(²)	(²)	(²)	(²)	-----	-1.6	.2
Classes grouped.....	-2.3	.0	-4.6	-2.4	-3.3	-1.2	-1.8	-.9	-----	-----
All companies.....	-2.4	-.2	-4.3	-1.1	-4.2	-1.4	-3.1	-1.5	-3.0	-.7
ALL COMPANIES										
1.....	4.7	12.7	6.6	20.2	-6.2	9.1	-2.8	7.5	-.4	14.8
2.....	5.2	10.7	5.0	13.7	-2.7	5.9	-.5	6.3	.8	12.1
3.....	4.5	9.5	3.4	10.2	-2.9	5.1	-1.7	5.2	-.5	10.1
4.....	5.0	9.4	2.9	8.2	-3.7	4.1	-1.7	4.9	-1.0	9.0
5.....	5.4	9.5	1.7	7.1	-3.0	3.3	-.6	5.5	-1.3	8.3
6.....	² 3.5	(²)	.9	5.2	(²)	² 2.7	-1.2	4.3	-2.2	7.6
7.....	(²)	(²)	² -1.4	(²)	(²)	² 1.7	-.5	6.3	-1.3	6.5
8.....	(²)	(²)	(²)	(²)	(²)	(²)	(²)	² 5.9	-1.8	5.6
9.....	(²)	(²)	(²)	(²)	(²)	(²)	(²)	² 11.3	.3	6.5
Classes grouped.....	5.9	9.3	-.4	4.3	-2.4	1.8	1.3	7.4	-----	-----
All companies.....	5.7	9.4	1.0	6.4	-2.7	2.8	-.1	6.2	-.6	6.9

¹ Averages of annual ratios.

² Classes grouped.

Source: Statistics of Income and Source Book.

It is in this gross profit ratio that we may have at least a partial explanation of why these small firms, which by ordinary standards of profitability are frequently "in the red", persist in staying in business and operating. Even the lumber group, whose ratio of compiled net profit to net worth was negative in the smaller size classes throughout the period 1931-36, was actually showing a positive ratio (around 1.5 percent in the smallest size classes) of compiled net profit plus interest plus compensation of officers to total assets. That is to say, these small firms whose equity shares are owned largely by their officers feel no compulsion for liquidating just because, on a normal accounting basis, there is no income left for dividends. The owners receive their

remuneration in their position as officers.¹⁶ Probably this officers' compensation in the small companies is an overpayment for the managerial function, some part of it being, economically, return on capital, and another part wages. Without ownership and management being separated in fact, it is impossible to segregate their respective remuneration. In an analysis of the influence of asset size of company on profitability, consideration only of the rate of profit on capitalization is biased in favor of the big companies. The gross profit ratio is needed as a qualification of the other ratio; unfortunately it is too far removed from the concept of "end result" to present a complete picture all by itself.

LARGE CORPORATIONS

One of the peculiar advantages of using material for identical corporations rather than for a varying number of corporations is that interyear comparisons are thereby made more revealing. If to this advantage is added the feature of having available the individual data for particular corporations in a sample study, it becomes possible to derive frequency counts and cross-classifications of the particular relationship under consideration. The Standard Statistics composite of 400 corporations covering the period 1927 through 1938, has both of these advantages. They are illustrated in the accompanying table 17 which classifies these corporations according to the size of their profit ratio in each of the years 1927-38. The definition of profit ratio employed in this case is the broad one of net profit before fixed charges to total invested capital. The denominator is the sum of bonded debt and net worth. Six different size classes of this profit ratio are employed, ranging from a 5-percent loss or more, up to a 15-percent profit or more. Each of these classes except the open-end classes covers a range of 5 percent.

The incidence of the depression beginning in the fall of 1929 is clearly evident from this table. Even these 400 corporations, the leading corporations in America today, were hard hit by the fall in business activity which commenced in the early thirties and has only recently given way to recovery forces. In the 3 years of the 1920's covered by this table the corporations with a loss of 5 percent or more were negligible in number. In the opening year of the last decade, however, the money losers suddenly became significant, and by 1932 there were more corporations in the big-loss category than in any other of the table. The recovery since 1932 has been quite sharp as the

¹⁶ On the basis of Statistics of Income it is impossible to test this thesis statistically, but some support for it may be gained from the following figures showing the average compensation of officers per corporation by asset size, for total manufacturing in 1936:

Asset size class:	Average compensation per corporation
0 to \$50,000.....	\$3, 981
\$50,000 to \$100,000.....	8, 127
\$100,000 to \$250,000.....	11, 857
\$250,000 to \$500,000.....	17, 225
\$500,000 to \$1,000,000.....	22, 913
\$1,000,000 to \$5,000,000.....	36, 569
\$5,000,000 to \$10,000,000.....	66, 851
\$10,000,000 to \$50,000,000.....	107, 408
\$50,000,000, and over.....	235, 545
Total manufacturing.....	10, 871

Source: Statistics of Income and Source Book. The smallest size corporations probably have no more than one full-time officer, and a compensation of almost \$4,000 would seem sufficient to keep him working even if he got no dividend return on his equity investment. In the next size class, 2, and in the third class, 3, full-time officers could get as much.

figures in each of the classes indicate; but the fall again in 1938 also cannot be ignored.

TABLE 17.—*Frequency distribution of profit ratio,¹ Standard Statistics Composite of 400 companies, 1927-38*

Year	5 percent loss or more	0 to 5 percent loss	0 to 5 percent profit	5 to 10 percent profit	10 to 15 percent profit	15 percent profit or more
1927	3	17	66	120	97	97
1928	3	9	51	134	97	106
1929	7	15	43	117	109	109
1930	32	87	109	105	67	50
1931	69	78	116	76	33	28
1932	113	103	97	55	18	14
1933	47	85	128	87	33	20
1934	32	54	151	94	44	25
1935	19	38	121	122	64	36
1936	12	14	79	144	82	69
1937	17	13	73	151	71	75
1938	53	49	124	110	43	21

¹ Ratio of net profit (before fixed charges) to total invested capital (i. e., funded debt plus net worth).

Source: Standard Statistics Co. Tabulated at Income Tax Study, Philadelphia.

It will be observed that the class with the most number of corporations is that of 5- to 10-percent profit in the first 3 years of the period and in the years 1935, 1936, and 1937. This distinction was shared in 1930, 1931, 1933, 1934, and 1938 by the 0- to 5-percent profit category. The precipitous decline in 1932 has already been commented upon. The 113 corporations in the 5-percent-loss-or-more category in this year outnumber those in any other profit category that year. The profit class with the smallest number of corporations is that of 5-percent loss or more in the first 4 years, that of 15-percent profit or more in the next 4 years, that of 5-percent loss or more in the next 2 years, 1935 and 1936, that of 0- to 5-percent loss in 1937, and, finally, that of 15-percent profit or more in the year 1938. That is to say, the least-frequent category jumps from one end of the range to the other in response to changes in the business picture.

The profit ratio presented in this table gives a better clue to the financial solvency of a corporation than does the ordinary profit ratio of net income after bond interest to capital stock outstanding. When the ratio of net profit before fixed charges to total invested capital falls below the 5-percent profit level the corporation may be in financial difficulty if it has outstanding any interest-bearing securities. If a corporation, of course, has no fixed charges it would perhaps not be financially embarrassed under such circumstances. However, it seems safe to say that the bulk, at least, of the corporations covered in the first three columns of table 17, that is, corporations with a loss of 5 percent or more on up to corporations with a profit of 0 to 5 percent, are in financially embarrassing circumstances.

Conversely, those corporations in the last three columns, that is, those with a profit of 5 percent or more, are probably in a tolerable financial condition. This is not to deny the fact that those with a ratio of only 5 to 10 percent may find their situation somewhat ticklish, especially if their capital structure involves considerable trading on the equity.

It is interesting to observe the number of corporations in each of these two categories, that is, those whose financial situations may be

characterized as dangerous, and those whose financial situation is apparently relatively secure. For the first 3 years of the period, more than three-fourths of the corporations were in the tolerably secure category. This proportion fell decidedly in 1930 when only slightly more than a half were in the safe category. By 1931 only about a third were in this position, and in 1932 somewhat less than a fourth could consider their profit situation as financially sound. The recovery from the low of 1932, however, was not only rapid, but persistent. The year 1933 was up to the 1931 level again, while 1934 was slightly higher than 1933. In 1935 the proportion was on a par with 1930, while in 1936 and 1937 almost three-fourths of the corporations were again in the safe category. The proportion in this category fell again in 1938 to significantly less than one-half of the total number of corporations, that is to say, almost back to the 1934 level.

So much for the over-all picture presented in table 17. In tables not presented here for lack of space it is possible to observe which industries are characterized by the money-losing firms, and which by the more profitable firms. In 1927 there were only two industrial groups in which there were firms with a loss of 5 percent or more: Two makers of autos and trucks and some member of a so-called non-manufacturing group comprising coal, retail trade, and theaters. In 1928 a maker of auto parts, a sugar producer, and a textile manufacturer were the only firms in the 5-percent-loss-or-more category. By 1929 there were several more in that group: Two makers of auto parts, one of auto tires, one of electrical equipment, one miscellaneous manufacturer, and two textile manufacturers. By 1930 practically all industrial groups in the composite were represented in the sizable-loss category except advertising and printing, beverages, chemicals, containers, food products, machinery, medicine, metals, office equipment, paper products, railroad equipment, steel and iron, and tobacco products. By the trough of the depression in 1932 there were only six industrial groups not represented in the 5-percent-loss-or-more category: Beverages, containers, medicines, chemicals, paper products, and shipping and shipbuilding. Of these six, the first three were even spared inclusion in the 0-to-5-percent-loss group. By 1937 the number of industries represented in the big-loss category had thinned out noticeably, but the money losers became again more prominent in the following year.

One is tempted to draw from these observations conclusions concerning industrial differences in ability to maintain earning power during business depression. A certain amount of such reasoning on the basis of the above data is probably warranted, but the reader is warned that the number of firms in these industrial categories is frequently so small that profitability conclusions based thereon could hardly be said to apply to the entire industry. Of more significance are the over-all figures covering the 400 corporations presented in table 17.

SMALL MANUFACTURING CORPORATIONS

An interesting picture of the gyrations in profitability for a sample of small manufacturing corporations over the period 1926-36 is presented in table 18. The profit ratios for all corporations in both the original sample of 1,000 in 1926 and in the supplementary sample of 300 in 1930 are presented in this table. The profit ratio, net income

to capital stock, gives a general idea of the earnings of the corporations based upon the invested equity capital. For a group of large corporations such a ratio would probably not be as significant as the one presented in the accompanying table for small corporations, because many large corporations not only use par-value stock but also are wont to change the stated value of their stock at will.¹⁷ Such accounting manipulations are not so frequently encountered in the financial statements of small corporations, and it is therefore probably reasonable to associate the capital stock as listed on the balance sheets of these small corporations with the original investment of the owners of the enterprise.

The profit ratios in table 18 are broken down into five categories: More than 5 percent loss, 0 to 5 percent loss, 0 to 5 percent profit, 5 to 10 percent profit, and finally, 10 percent profit or over. The industries covered are bakeries, men's clothing, furniture, stone-clay, and machine tools and accessories. The totals for each year are subdivided into firms that failed and firms that survived throughout the period 1926-36 in the case of the original sample, and 1930-36 in the case of the supplementary sample.

The proportion of these small manufacturing corporations losing money is indicated in the third column, percent of total. This proportion for the entire sample hovered around 40 percent for 1926 through 1929, and by 1932 had risen to 86 percent. That is to say, at the bottom of the depression 9 out of 10 of these small manufacturing corporations were unable to earn any net income on equity capital. By 1936 profits had sufficiently recovered so that only 45 percent were in the loss category. In each of the years, 1930-35, more than one-half of the corporations failed to make money.

In the late 1920's the most profitable industry was machine tool, measured in terms of relative proportion of money makers. In the year 1926, the tool manufacturers had the fewest money losers, relatively: Furniture manufacturers were second high, while bakeries, men's clothing concerns, and stone-clay manufacturers were in the group with a relatively small proportion of money makers. By 1932 the positions had been reversed, to a large extent. Bakeries were in the top rank, having the largest relative number of profitable firms. Men's clothing and machine tools were in the next highest category, while the stone-clay producers and the furniture manufacturers were in the poorest position. By 1936, bakeries, men's clothing, and machine tools did equally well. The furniture group was in the middle with a one-to-one proportion between money makers and money losers. Stone-clay producers were still in the poor side with less than 50 percent of the corporations making a profit in 1936.

So much for the relative proportion between the money losers and the money makers. Now let us examine the composition of and shift in the top group, those making a profit of 10 percent or over. In the late 1920's, 30 to 40 percent of the total number of corporations were in the high-profit class. Of the 975 firms in the sample in 1926, 352, or 36 percent, made a profit of 10 percent or more. In 1929, 280 of the 742 firms, that is 38 percent, were in the top profit category. Thereafter, however, the proportion fell sharply. By 1932 the 43 firms out of 758 in this category constituted only 6 percent. The proportion rose slowly and reached 10 percent in 1933, stayed at about the same

¹⁷ Cf. table 55 in ch. 5.

level in 1934, rose to 17 percent in 1935, and finally reached 24 percent in 1936. This proportion of the firms in the top group in 1936, however, is still considerably below the proportion enjoying profits of 10 percent or more in 1926, 1927, 1928, and 1929. The machine tool and accessory manufacturers had the largest number relatively speaking in this top-profit category in 1926, 1928, and 1929. Bakeries held this position in 1927, 1930-34. Machine tools regained the position in the last 2 years, 1935 and 1936. As one would expect, the corporations in the sample which failed some time during the period covered predominate in the money-losing group, and the corporations which survived throughout the period predominate in the money-making group. Before the depression about 50 percent of the failures and about a fourth of the survivors were in the money-losing category. With the onset of poor business in 1930, this spread between the relative proportions of failures and survivors in the money-losing category narrowed. By 1932, there were almost the same proportions of each group in the money-losing category; that is to say, 89 percent of the failures and 85 percent of the survivors lost money in that year. In 1933 and succeeding years the spread between the groups widened.

It may be observed from the accompanying table that 163 of the 574 failures were in the 10-percent-profit-and-over category in 1926. When it is recalled that all of these corporations did not fail immediately—that is, that some of the 163 corporations in the 10-percent-and-over group probably did not fail until 1935 or 1936—the fact that there were almost a third of the firms that failed in the highest-profit group in 1926 need not prove startling. The proportion falls consistently as we progress forward to 1936, which jibes with what one would anticipate. In 1928 a particularly sharp fall occurred in the number of failures in the 10-percent profit and over category. In the years after 1930 this group dwindled to a negligible number. The proportion of survivors in this top-profit class started out in 1926 on about the same level as the proportion of failures in that category. In the next 2 years the proportion of survivors in this top class lost ground *pari passu* with the proportion of failures in the top class. In 1929, however, the proportion of survivors shot upward to a point slightly above the 1926 level, while that of failures continued on the decline. The proportion of survivors in the highest-profit class fell again until 1932, after which it started rising slightly and by 1936 was practically back to the 1926 level.

This frequency distribution of the profit ratios for a sample of small firms is not strictly comparable to that for the large corporations presented above, since the former ratio is more "net" than the latter. However, even allowing for this discrepancy, differences between the proportions of profitable to unprofitable firms appear. Assuming that the Standard Statistics firms reporting a loss plus those reporting a profit of less than 5 percent on total invested capital correspond roughly with the small manufacturers showing a loss on invested equity,¹⁸ we find that a smaller proportion of the large than of the small firms fall in this category. In 1927 the 22 percent for large firms compares with the 45 percent for small ones, in 1932 it is 78 percent against 86 percent, and in 1936, 26 percent against 45 percent.

¹⁸ An hypothesis probably biased in favor of the small manufacturers.

TABLE 18.—Frequency distribution of ratio of net income¹ to capital stock by selected industries, sample of small manufacturing corporations, 1926-36

Industry and year	Loss			Profit			Total number companies
	5 percent and over	0 to 5 percent	Percent of total	0 to 5 percent	5 to 10 percent	10 percent and over	
1926							
Bakeries.....	66	13	43	23	22	60	184
Men's clothing.....	71	19	44	47	20	48	205
Furniture.....	59	16	38	19	20	86	200
Stone and clay.....	63	20	44	22	16	69	190
Machine tools.....	49	17	34	25	16	89	196
Total.....	308	85	40	136	94	352	975
Failures.....	238	50	50	77	46	163	574
Survivors.....	70	35	26	59	48	189	401
1927							
Bakeries.....	46	14	49	18	16	73	167
Men's clothing.....	69	22	50	39	14	40	184
Furniture.....	67	15	45	26	13	63	184
Stone and clay.....	64	27	50	23	9	59	182
Machine tools.....	56	25	44	32	13	60	186
Total.....	302	103	45	138	65	295	903
Failures.....	214	58	54	69	29	131	501
Survivors.....	88	45	33	69	36	164	402
1928							
Bakeries.....	58	14	44	20	16	55	163
Men's clothing.....	49	10	39	40	14	40	153
Furniture.....	75	5	60	19	18	46	163
Stone and clay.....	52	17	44	20	19	48	156
Machine tools.....	43	8	29	26	21	77	175
Total.....	277	54	41	125	88	266	810
Failures.....	198	29	56	53	36	92	408
Survivors.....	79	25	26	72	52	174	402
1929							
Bakeries.....	40	8	32	11	15	76	150
Men's clothing.....	48	15	47	23	11	36	133
Furniture.....	45	8	37	28	20	44	145
Stone and clay.....	52	21	50	23	16	33	145
Machine tools.....	28	10	23	25	15	91	169
Total.....	213	62	38	110	77	280	742
Failures.....	144	29	51	51	31	87	342
Survivors.....	69	33	26	59	46	193	400
1930							
Bakeries.....	64	15	43	20	23	64	186
Men's clothing.....	84	19	55	32	17	37	189
Furniture.....	111	19	69	19	15	24	188
Stone and clay.....	90	28	67	21	11	26	176
Machine tools.....	106	21	74	22	15	36	200
Total.....	455	102	59	114	81	187	939
Failures.....	232	41	70	35	31	51	390
Survivors.....	223	61	52	79	50	136	549
1931							
Bakeries.....	68	17	51	30	10	43	168
Men's clothing.....	99	10	70	26	7	14	156
Furniture.....	111	12	73	19	14	13	169
Stone and clay.....	109	22	80	11	12	10	164
Machine tools.....	119	23	73	14	10	29	195
Total.....	506	84	69	100	53	109	852
Failures.....	213	22	78	30	12	26	303
Survivors.....	293	62	65	70	41	83	549
1932							
Bakeries.....	90	21	75	15	5	17	148
Men's clothing.....	93	22	87	8	4	5	132
Furniture.....	117	11	90	9	0	5	142
Stone and clay.....	113	21	90	7	2	6	149
Machine tools.....	139	27	89	9	2	10	187
Total.....	552	102	86	48	13	43	758
Failures.....	161	30	89	10	3	10	214
Survivors.....	391	72	85	38	10	33	544

¹ Net economic income (before any dividends).

TABLE 18 — *Frequency distribution of ratio of net income to capital stock by selected industries, sample of small manufacturing corporations, 1926-36—Continued*

Industry and year	Loss			Profit			Total number companies
	5 percent and over	0 to 5 percent	Percent of total	0 to 5 percent	5 to 10 percent	10 percent and over	
1933							
Bakeries.....	57	38	68	17	7	21	140
Men's clothing.....	44	19	55	30	9	13	115
Furniture.....	62	25	69	19	5	16	127
Stone and clay.....	87	32	90	6	3	5	133
Machine tools.....	93	42	76	20	8	14	177
Total.....	343	156	72	92	32	69	692
Failures.....	88	34	84	11	5	7	145
Survivors.....	255	122	69	81	27	62	547
1934							
Bakeries.....	62	30	69	17	8	17	134
Men's clothing.....	36	20	58	27	6	8	97
Furniture.....	43	36	71	15	10	8	112
Stone and clay.....	60	34	76	12	6	11	123
Machine tools.....	52	56	64	28	17	17	170
Total.....	253	176	68	99	47	61	636
Failures.....	50	22	80	11	5	2	90
Survivors.....	203	154	65	88	42	59	546
1935							
Bakeries.....	49	21	59	18	6	24	118
Men's clothing.....	24	29	59	22	5	10	90
Furniture.....	38	21	55	24	7	17	107
Stone and clay.....	46	35	68	16	8	14	119
Machine tools.....	38	40	48	34	15	37	164
Total.....	195	146	57	114	41	102	598
Failures.....	23	17	76	7	4	2	53
Survivors.....	172	129	55	107	37	100	545
1936							
Bakeries.....	25	20	43	16	13	32	106
Men's clothing.....	14	20	43	30	6	9	79
Furniture.....	22	18	50	25	14	22	101
Stone and clay.....	30	29	54	18	7	26	110
Machine tools.....	30	35	43	28	13	44	150
Total.....	121	122	45	117	53	133	546
Failures.....	1	0	100	0	0	0	1
Survivors.....	120	122	44	117	53	133	545

Source: Proposal 14, Income-Tax Study, Philadelphia. For basic data classified by asset size and area see tables 16 and 17 in Appendix F. This table was a preliminary test tabulation done at the Income Tax Study. The numbers of corporations in each category are not final.

CHAPTER III

DIVIDENDS OF AMERICAN MANUFACTURING CORPORATIONS

An analysis of the profitability of corporations, as distinguished from unincorporated enterprises, is made peculiar by the fact that only a part of the story is revealed by the net income of the corporate entity. The rest of the story is not uncovered until we find out how the stockholders have fared. The stockholder's fate can be viewed from two angles—capital and income. He is interested in the marketable values of his investment as well as in the income flowing from his holdings. Analysis of the former requires information on stock quotations, which exist for only a modest proportion of the corporations covered in this survey and are readily available for still a smaller fraction. Analysis of the latter requires information on dividend disbursements, which is available, in ranging degrees of detail, for all the corporations in the Statistics of Income and Standard Statistics compilations. This section will be concerned with this latter segment of the problem, and is limited to cash dividends, stock dividends being ignored. The material will first be presented for all manufacturing corporations and then, in more detail, for the 400 large corporations. Finally, some of the factors influencing dividend policy will be singled out for special treatment.

ALL MANUFACTURING CORPORATIONS

Two aspects of the dividend picture are covered in Statistics of Income. One concerns the proportion of earnings which American manufacturing corporations pay out to their stockholders in the form of cash dividends. The other is the ratio of this return which the stockholders receive in cash (i. e., cash dividends paid) to the total equity of the shareholders in the corporations (i. e., net worth). It is convenient in calculating the former, so-called disbursement, ratio, to consider only those corporations which make a profit, for otherwise we would get problematical negative ratios from dividing cash dividends paid by net loss suffered.¹

Table 19 presents the disbursement ratio for the years 1926-36, for all manufacturers making a net profit and for each of the five subgroups. Over the entire period the whole group disbursed about three-fourths of their profits, after Federal income taxes, in the form of cash dividends on preferred and common stock. In textiles the proportion was 62 percent while in lumber it was 78 percent. Temporal variation in this ratio is greater than spatial, running for all manufactures from 56 percent in 1926 to 105 percent in 1932. The lumber group had the widest amplitude of fluctuation, varying from 34 percent in 1933 to 109 percent in 1930, while stone was next with

¹ A table giving the disbursement ratio for all companies combined (i. e., income and no-income firms) is presented below, primarily by way of illustration.

a low of 51 percent in 1928 and a high of 123 percent in 1932. Food had the most stable ratio, varying from 55 percent in 1926 to 96 percent in 1932. The disbursement ratio usually reached a high level in the early stages of depression, because the stability of dividends is greater than that of net income. It must be remembered that as soon as a corporation shows a loss it is not included in table 19, even though many such corporations continue to pay dividends. Since this disbursement ratio comprehends both preferred and common shares, its bottom level is relatively high because of the strong pressure to pay preferred dividends if any profit at all is made.

TABLE 19.—*Ratio of cash dividends paid to compiled net profit (after Federal tax) for total manufacturing and 5 subgroups, income companies only, 1926-36*¹

	Total manufacturing	Food	Textiles	Lumber	Stone	Metals
	Percent	Percent	Percent	Percent	Percent	Percent
1926.....	55.6	55.1	53.5	70.2	56.0	52.6
1927.....	62.4	62.6	47.8	81.2	57.5	66.2
1928.....	60.7	60.3	55.0	74.4	50.8	57.5
1929.....	60.2	65.6	54.6	70.6	55.7	51.1
1930.....	92.5	80.8	82.5	108.5	84.3	93.4
1931.....	97.0	82.1	83.4	94.0	90.6	108.5
1932.....	104.6	95.8	78.4	103.9	123.0	108.8
1933.....	71.9	76.7	31.6	33.5	63.9	72.3
1934.....	75.4	78.1	67.0	67.0	71.7	79.7
1935.....	70.6	75.9	58.2	80.4	68.2	60.9
1936.....	83.7	83.0	66.6	78.6	82.5	76.0
1926 to 1929 ²	59.7	60.9	52.7	74.1	55.0	59.9
1930 to 1933 ²	91.5	83.9	69.0	85.0	90.5	95.8
1934 to 1936 ²	76.6	79.0	63.9	75.3	74.1	72.2
1926 to 1936 ²	75.9	74.2	61.7	78.4	73.1	75.2

¹ All reporting corporations with net income.

² Averages of annual ratios.

Source: Statistics of Income.

The disbursement ratio of income companies exhibits a consistent variation with asset size, the smaller corporations paying out a smaller proportion of their earnings (see table 20). Over the 1931-36 period as a whole, for total manufacturing, the ratio rises regularly from 46 percent in the 0-\$50,000 asset class to 100 percent in the \$50,000,000 and over bracket. This consistent progression of total manufacturing's percentage also exists in the two periods 1931-33 and 1934-36 as well as in each of the years 1931-36. In each year there is a slight irregularity in the progression, but this is negligible and does not vitiate the conclusion that among income companies the large manufacturers pay out a larger share of their net earnings in the form of dividends than do the small firms. This conclusion dovetails with an earlier observation on the role played by officers' compensation.

There is no reason to believe that this disbursement ratio loses its progressive character when broken up by industrial subgroups. Tables, not published here for lack of space, show that the experience of total manufacturing is typical of that for each of the five industrial subgroups covered in this study.

TABLE 20.—*Ratio of cash dividends paid to compiled net profit (after Federal tax) for total manufacturing classified by asset size, income companies only, 1931-36*¹

Asset classes	1931	1932	1933	1934	1935	1936	1931-33 ²	1934-36 ²	1931-36 ²
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
0 to \$50,000	36.6	56.0	34.6	53.8	38.0	58.0	42.4	49.9	46.2
\$50,000 to \$100,000	48.6	59.5	25.3	42.1	39.9	69.4	44.5	50.5	47.5
\$100,000 to \$250,000	63.2	60.6	31.0	39.3	45.5	71.6	51.6	52.1	51.9
\$250,000 to \$500,000	70.3	71.0	32.2	49.0	50.9	73.9	57.8	57.9	57.9
\$500,000 to \$1,000,000	78.8	76.0	37.7	61.1	58.3	70.6	64.2	63.3	63.7
\$1,000,000 to \$5,000,000	78.9	83.1	47.1	75.7	64.1	71.0	69.7	70.3	70.0
\$5,000,000 to \$10,000,000	92.4	92.3	54.2	66.9	77.1	74.3	79.6	72.8	76.2
\$10,000,000 to \$50,000,000	98.3	100.0	75.8	88.3	84.2	81.0	91.4	84.5	87.9
\$50,000,000 and over	112.0	126.9	104.6	81.9	72.7	100.0	114.5	84.9	99.7
All companies	97.4	104.8	71.6	75.1	70.6	84.0	91.3	76.6	83.9

¹ All net income corporations submitting balance sheets.² Averages of annual ratios.

Sources: Statistics of Income and Source Book.

If income and no-income companies are grouped together, the disbursement ratio undergoes wild fluctuations. Table 21 presents the ratio of cash dividends paid to compiled net profit (after tax) for total manufacturing, including income and no-income companies combined, 1926-36. This disbursement ratio jumps from a level of 70 percent in 1929 to 222 percent in 1930, a rise which is wholly accounted for by a drastic fall in the denominator (compiled net profit). Dividends remained almost the same in the 2 years. In the next year the ratio, loosely speaking, passed the infinity mark and became a negative 438 percent, which means merely that dividend disbursements were slightly more than four times the compiled net loss in 1931. The ratio was still negative in 1932, but became positive, at 494 percent in 1933. Thereafter it declined to 95 percent in 1936. An average of the annual ratios excluding 1931 and 1932 comes out at 150 percent, that of the annual ratios for all 11 years is meaningless. Such ratios have some significance, but the fact that they may very easily rise to infinity tends to make them misleading.

TABLE 21.—*Disbursement ratio*¹ *for total manufacturing including income and no-income companies, 1926-36*

Year:	Ratio (percent)	Year:	Ratio (percent)
1926	69.9	1933	494.1
1927	85.4	1934	138.0
1928	75.8	1935	103.4
1929	69.6	1936	94.7
1930	221.9	Annual average:	
1931	² 438.3	1926-30, 1933-36	150.3
1932	² 82.1		

¹ Cash dividends paid to compiled net profit after tax.² Deficit.

Source: Statistics of Income.

It is one thing for dividends to comprise such and such a percentage of net income, but it is another thing for dividends to constitute such and such a percentage return on total stockholders' equity. This latter relationship—cash dividend return on total equity—is summarized by the ratio of cash dividends paid to net worth. This ratio, covering all companies classified by industry, is presented for the years 1926-36 in table 22. The asset size break-down of this ratio for total manufacturing classified into income, no income, and all

companies for the years 1931-36 is presented in table 23. Since this ratio is a derivative of two ratios previously discussed (i. e., dividends paid to compiled net profit and compiled net profit to net worth), it will be considered in relatively brief compass here.²

Manufacturing corporations over the period 1926-36 paid to their preferred and common stockholders cash dividends equivalent to 5.2 percent of the total owners' equity. One industrial group, food, paid out distinctly more than this percent, 7.7 percent, while lumber paid out much less, 2.9 percent. Textiles and stone were also low, while metals was about average. Cyclically the ratio varies directly with business activity, being high in prosperity and low in depression. The all-manufacturers ratio hit a pre-depression high of 6.3 percent in 1929, fell to 2.7 percent in 1933, and then reached an all-time high of 7.5 percent in 1936. Each of the industry groups showed all-time peaks in 1936 except lumber, and even this exception would be eliminated if the secular decline in lumber's ratio were removed. This is some evidence, even though not conclusive, that the undistributed profits tax influenced the dividend policy of these manufacturing corporations in the direction of increased disbursements relative to net worth. We have already seen (*supra*, table 19) that there was such an increase relative to compiled net profits.

TABLE 22.—Ratio of cash dividends paid to net worth, for total manufacturing and 5 subgroups, 1926-36

	Total manufacturing	Food	Textiles	Lumber	Stone	Metals
1926.....	5.5	5.4	4.2	4.6	6.0	5.7
1927.....	5.4	5.7	4.0	4.1	4.7	5.9
1928.....	6.0	5.9	4.0	4.2	4.4	6.1
1929.....	6.3	6.4	3.9	3.9	4.9	6.9
1930.....	6.1	7.3	3.2	2.8	4.1	6.0
1931.....	4.8	7.9	2.7	1.7	3.5	4.6
1932.....	3.0	6.7	1.7	.9	1.9	2.4
1933.....	2.7	6.8	1.8	.8	1.7	1.1
1934.....	4.1	9.2	2.9	2.1	3.1	3.7
1935.....	5.8	10.7	3.1	2.3	4.4	5.8
1936.....	7.5	12.6	5.7	4.0	7.2	9.8
1926 to 29 ¹	5.8	5.9	4.0	4.2	5.0	6.2
1930 to 33 ¹	4.2	7.2	2.4	1.6	2.8	3.5
1934 to 36 ¹	5.8	10.8	3.9	2.8	4.9	6.4
1926 to 36 ¹	5.2	7.7	3.4	2.9	4.2	5.3

¹ Averages of annual ratios.

Source: Statistics of Income.

The classification of this ratio for total manufacturing by asset size for the years 1931-36 (see table 23) reveals a modest progression upward of the ratio not only for all companies and for income companies but also for no-income firms. The smallest size class consistently has a slightly higher ratio over the 6 years than the next larger class, \$50,000 to \$100,000 and in some years the smallest class has a ratio higher than that for any of the three or four next larger classes. In no case, however, does this high ratio for the bottom class negate the upward progression over the entire range of size classes. In most cases the highest ratio is registered either by the largest or next

² In computing the ratio of dividends to net worth, the denominator was not adjusted to cover all reporting corporations (rather than those submitting balance sheets). The universe is considered to consist of those corporations submitting balance sheets. The numerator (covering all reporting corporations) needs no adjustment because the proportion of dividends reported paid by corporations which did not file balance sheets with their returns is negligible. Cf. appendix A.

to largest brackets, and the lowest by one of the three bottom brackets.

The persistence of the upward progression of this ratio even when we consider only those corporations making a profit gives cause to wonder whether samples such as Epstein's and Paton's would not also show that stockholders in large corporations receive a higher cash return on their total equity (even though these same corporations are accused of having inflated surpluses) than do the smaller manufacturing companies.

In support of our previous observation that the undistributed profits tax exercised an effect on dividend policy, we have the fact that the income companies in every size class but one—\$10,000,000 to \$50,000,000—had a higher ratio in 1936 than in any preceding year back through 1931; no-income companies had lower ratios in 1936 than in 1935 in every size class, and only in 1933 was their average standing as low as the 1936 figure of 0.7 percent. The fact that the very large corporations showed a smaller relative increase in dividends than the small companies may also be evidence that the undistributed-profits tax bore less heavily on the big firms with large accumulated surpluses.

TABLE 23.—*Ratio of cash dividends paid to net worth for total manufacturing, classified by asset size, income, and no-income companies, 1931-36*

Asset classes	1931	1932	1933	1934	1935	1936	1931-33 ¹	1934-36 ¹	1931-36 ¹
Income companies:									
0 to \$50,000.....	4.2	5.2	3.0	5.9	4.2	7.4	4.1	5.8	5.0
\$50,000 to \$100,000.....	4.2	4.2	2.0	4.0	4.0	8.1	3.5	5.4	4.4
\$100,000 to \$250,000.....	4.9	4.3	2.5	3.7	4.7	8.6	3.9	5.7	4.8
\$250,000 to \$500,000.....	5.4	4.8	2.7	4.7	5.3	8.8	4.3	6.3	5.3
\$500,000 to \$1,000,000.....	6.2	5.2	3.2	5.9	6.3	8.4	4.9	6.9	5.9
\$1,000,000 to \$5,000,000.....	6.0	5.6	3.6	6.5	6.5	8.1	5.1	7.0	6.1
\$5,000,000 to \$10,000,000.....	8.0	6.8	4.5	6.1	7.8	8.3	6.4	7.4	6.9
\$10,000,000 to \$50,000,000.....	7.2	6.1	5.7	6.9	8.4	8.1	6.3	7.8	7.1
\$50,000,000 and over.....	8.9	6.8	4.5	6.1	6.5	8.6	6.7	7.1	6.9
All companies.....	7.7	6.3	4.4	6.2	6.9	8.4	6.1	7.2	6.7
No-income companies:									
0 to \$50,000.....	1.8	.8	.6	.7	1.2	.7	1.1	.9	1.0
\$50,000 to \$100,000.....	1.3	.7	.4	.5	.4	.3	.8	.4	.6
\$100,000 to \$250,000.....	1.3	.8	.4	.4	.6	.5	.8	.5	.7
\$250,000 to \$500,000.....	1.4	.9	.5	.7	.7	.7	.9	.7	.8
\$500,000 to \$1,000,000.....	1.5	1.0	.5	1.6	.8	.6	1.0	1.0	1.0
\$1,000,000 to \$5,000,000.....	1.7	1.2	.6	.9	1.1	.7	1.2	.9	1.0
\$5,000,000 to \$10,000,000.....	1.9	1.1	.9	1.1	1.0	.7	1.3	.9	1.1
\$10,000,000 to \$50,000,000.....	2.1	1.6	.6	.9	1.4	.7	1.4	1.0	1.2
\$50,000,000 and over.....	3.9	2.1	.9	1.6	7.2	.8	2.3	3.2	2.8
All companies.....	2.8	1.6	.7	1.2	3.2	.7	1.7	1.7	1.7
All companies:									
0 to \$50,000.....	2.8	1.6	1.4	3.1	2.7	4.6	1.9	3.5	2.7
\$50,000 to \$100,000.....	2.5	1.5	1.0	2.3	2.5	5.6	1.7	3.5	2.6
\$100,000 to \$250,000.....	2.8	1.6	1.4	2.2	3.1	6.4	1.9	3.9	2.9
\$250,000 to \$500,000.....	3.0	1.9	1.6	3.0	3.7	7.0	2.2	4.6	3.4
\$500,000 to \$1,000,000.....	3.3	2.2	1.9	4.2	4.5	6.9	2.5	5.2	3.8
\$1,000,000 to \$5,000,000.....	3.3	2.3	2.2	4.4	4.9	7.0	2.6	5.4	4.0
\$5,000,000 to \$10,000,000.....	4.3	2.8	2.7	4.3	6.0	7.3	3.3	5.9	4.6
\$10,000,000 to \$50,000,000.....	4.4	2.9	3.3	4.7	6.5	7.4	3.5	6.2	4.9
\$50,000,000 and over.....	6.0	3.6	2.9	4.1	6.7	8.0	4.2	6.3	5.2
All companies.....	4.8	3.0	2.7	4.1	5.8	7.5	3.5	5.8	4.7

¹ Averages of annual ratios.

Source: Statistics of Income.

LARGE MANUFACTURING CORPORATIONS

The dividend record of all manufacturing corporations in aggregate terms has already been presented on the basis of Statistics of Income tabulations. The purpose of the present section is to present a more intensive analysis of the dividend experience of a sample of large manufacturing corporations. The Standard Statistics sample used

for this purpose covers the period 1927-38 and permits an analysis not only of aggregate ratios, but also of the frequency distribution of particular ratios depicting the size of the dividend disbursements. These frequency counts are made possible by the fact that for the Standard Statistics sample we have the dividend records for each particular corporation, whereas, for the Statistics of Income tabulation, we have the dividend records only for all corporations combined, classified by industry groups. The present plan is to outline, first, the number of corporations paying common-stock dividends in cash in each of the years 1927-38, based on the Standard Statistics sample; second, the ratio of dividends paid to common stock and surplus, by years and by periods for all companies in the sample; third, the ratio of dividends to common stock and surplus by years and by periods for the corporations in the sample paying dividends; fourth, a frequency distribution of the size of the dividend rate of return in each year by corporations in the sample classified by industries; fifth, the stability of the dividend payments by these corporations; and finally, certain factors influencing dividend policies. Stability is here considered not only in terms of the number of years but also the number of consecutive years during the period in which a particular corporation paid dividends.

The ratio of dividends to common stock and surplus, used in this analysis, gives a general picture of the return on total equity received by the common stockholders. It is not a rate of return on original invested equity, for two reasons. The denominator of this ratio includes surplus, some portion of which is composed of retained earnings and another portion of which may be composed of revaluations. In addition, the common stock included in this denominator may or may not correspond with the actual investment, depending on whether it is par or no-par and if the former, on whether par value has been changed. However, the figure used in this analysis does give an idea of the rate of return on the total equity as shown by the books of the company.

The quantitative picture.

Table 24 shows the number of corporations in the Standard Statistics sample paying dividends by-years. Of the total sample, three-fourths paid dividends during the years 1927-30. The proportion paying dividends during the years 1932-34 was somewhat less than one-half. In 1937 the proportion was up to three-fourths and in 1938 down to something over one-half.

It may seem somewhat surprising that, considering only these 400 large and relatively successful corporations, the proportion paying dividends in any one year is at no time larger than three-fourths. On the other hand, at least two-fifths of them are found to be paying dividends in the trough of depression.

TABLE 24.—Number of corporations paying dividends in each year from 1927 to 1938 in the Standard Statistics composite of 400 corporations by industry

	Total number of companies	Number of corporations paying dividends											
		1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Total sample.....	400	294	301	315	313	267	188	153	198	228	276	302	248
Advertising, printing, and publishing.....	17	5	5	5	6	5	3	3	2	3	4	4	4
Automobile trucks.....	13	11	11	11	11	10	6	5	5	6	6	6	4
Automobile parts.....	27	19	19	22	21	17	10	8	10	17	22	21	15
Automobile tires.....	10	4	5	6	4	3	2	1	2	2	3	5	4
Beverages.....	4	1	3	3	4	3	3	1	2	2	3	3	3
Building and real estate.....	22	21	19	19	19	15	11	6	10	12	15	17	13
Chemicals.....	19	14	15	16	17	15	13	12	15	16	17	16	14
Coal ²	7	2	3	3	2	2	2	2	2	2	2	2	2
Containers.....	3	2	2	3	3	3	2	2	3	3	3	3	3
Electric equipment and radio.....	10	6	7	8	7	6	4	1	1	5	8	8	6
Food products.....	27	21	21	22	22	22	21	19	20	22	23	24	20
Household products.....	16	13	13	13	13	6	7	5	8	7	12	11	7
Leather, shoes.....	7	5	5	5	6	6	5	4	4	5	5	5	5
Machinery.....	25	21	21	21	22	21	12	9	9	9	13	18	16
Medicines, drugs.....	5	5	5	5	5	4	4	4	4	4	4	5	4
Metals.....	21	18	17	18	16	12	4	4	7	9	11	18	12
Miscellaneous securities.....	24	16	16	16	16	12	6	5	11	12	16	17	12
Office and business equipment.....	9	8	8	9	9	8	3	3	5	7	8	9	9
Oil producing and refining.....	³ 25	22	21	23	22	19	14	12	16	18	21	24	22
Paper and products.....	3	2	2	2	2	1	1	1	2	2	3	3	3
Railroad equipment.....	10	10	10	9	9	9	5	5	5	5	7	7	7
Retail trade ²	25	17	19	20	20	19	16	14	15	17	20	21	17
Shipping and shipbuilding.....	7	2	3	3	5	4	3	3	4	3	5	4	4
Steel and iron.....	17	11	13	14	14	11	2	1	6	7	8	11	7
Sugar producing and refining.....	8	7	6	7	5	4	4	5	5	6	6	6	6
Textiles.....	30	17	17	16	17	15	11	5	10	13	16	18	14
Theaters ²	3	2	2	2	2	1	1	1	1	1	1	1	1
Tobacco products.....	16	12	13	14	14	14	13	12	14	14	14	15	14

¹ 6 corporations—1927 through 1933.² Nonmanufacturing corporations.³ 24 corporations 1936.

Source: Standard Statistics Co.

Industrially speaking, the tire manufacturers, textiles, and the shipping and shipbuilding groups give a relatively poor account of themselves, as far as the number of corporations in each year paying dividends is concerned. Among the industrial groups rather fully represented by the dividend payers are advertising, trucks, building supplies, leather, office equipment, railroad equipment, sugar, and finally, the best represented of all, medicines. In no year does an industry fail of representation by at least one dividend payer.

The aggregate ratios of dividends to common stock and surplus for all companies in the Standard Statistics sample, classified by periods, are presented in table 25. For all 400 companies the ratio of cash dividends on common to equity stood at 7.1 percent in the prosperity years 1927-29. In the depression years, 1930-33, the corresponding ratio was 4.9 percent, and in the recovery years 1934-38, 5.6 percent. The over-all average for the entire period 1927-38 for all 400 companies stood at 5.7 percent; that is to say, considering all the common stockholders of all 400 companies in the Standard Statistics composite in the aggregate, they received over the entire period 1927-38, on the average, a return on their total equity in these corporations of 5.7 percent in cash dividends. This figure is remarkably close to the 5.2 percent figure representing the dividend return on net worth for all manufacturing corporations (supra, table 22). The two figures are

not strictly comparable in that the 5.2 percent relates to both preferred- and common-stock dividends and to net worth while the 5.7 percent covers only common-stock dividends and common stock plus surplus. However, if preferred-stock dividends for total manufacturing averaged over the period 5 or 6 percent, the record for the Statistics of Income universe would seem to be about as good as that for the sample of 400 large corporations.

TABLE 25.—Average ratio of common dividends paid to common stock and surplus for Standard Statistics composite of 400 corporations by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38

	Number of companies	Common dividends paid to common stock and surplus			
		1927-29	1930-33	1934-38	1927-38
Advertising, printing, and publishing.....	7	6.3	4.4	2.2	4.0
Automobile trucks.....	13	10.2	4.8	3.8	5.8
Automobile parts.....	27	8.5	5.1	7.2	6.8
Automobile tires.....	10	3.1	1.3	1.1	1.7
Beverages.....	4	5.8	6.2	9.3	7.4
Building and real estate.....	22	6.5	3.1	3.0	3.9
Chemicals, fertilizer.....	19	9.6	7.0	6.7	7.5
Coal ¹	7	3.0	1.8	1.2	1.9
Containers.....	3	4.4	5.5	7.9	6.2
Electric equipment and radios.....	10	6.4	3.4	4.9	4.8
Food products.....	27	8.3	7.7	7.7	7.8
Household products.....	16	16.4	6.0	5.5	8.4
Leather, shoes.....	7	6.7	6.0	9.5	7.6
Machinery.....	25	6.2	4.1	5.2	5.1
Medicines, drugs.....	5	33.1	23.0	17.3	23.1
Metals.....	21	8.4	2.2	3.9	4.5
Miscellaneous securities.....	24	4.7	2.4	3.1	3.3
Office and business equipment.....	9	9.3	6.0	8.3	7.8
Oil products and refining.....	25	5.5	3.1	4.0	4.1
Paper and paper products.....	3	2.9	2.2	5.6	3.8
Railroad equipment.....	10	6.6	3.7	2.4	3.9
Retail trade ¹	25	6.2	4.7	5.2	5.3
Shipping and shipbuilding.....	7	2.0	3.2	2.8	2.7
Steel and iron.....	17	4.0	2.0	2.8	2.8
Sugar products and refining.....	8	5.2	2.6	5.2	4.3
Textiles and apparel.....	30	4.1	2.0	2.7	2.8
Theaters and pictures ¹	3	4.1	3.1	2.1	3.0
Tobacco products.....	13	8.7	8.0	10.0	9.0
Mainly manufacturing.....	365	7.1	4.9	5.6	5.7
Nonmanufacturing.....	35	6.2	5.2	6.0	5.8
All companies.....	400	7.1	4.9	5.6	5.7

¹ Nonmanufacturing corporations.

Source: Standard Statistics Co.

There are interesting industrial differences in this average rate of return not only over the entire period, but also as between the different phases of the period. The three industrial groups, excluding non-manufacturing, ranking highest and the three ranking lowest over the 1927-38 period follow:

Medicines and drugs.....	Percent 23.1	Steel and iron.....	Percent 2.8
Tobacco.....	9.0	Textiles.....	2.8
Household products.....	8.4	Shipping.....	2.7
		Tires.....	1.7

In the prosperity years 1927-29, the corresponding groupings were:

Medicines.....	Percent 33.1	Tires.....	Percent 3.1
Household products.....	16.4	Paper products.....	2.9
Trucks.....	10.2	Shipping.....	2.0

In the depression years 1930-33, the ranking was as follows:

	<i>Percent</i>		<i>Percent</i>
Medicines-----	23.0	Textiles-----	2.0
Tobacco-----	8.0	Steel and iron-----	2.0
Food products-----	7.7	Tires-----	1.3

In the recovery years 1934-38, the companies in the three highest and three lowest ranks were:

	<i>Percent</i>		<i>Percent</i>
Medicines-----	17.3	Railroad equipment-----	2.4
Tobacco-----	10.0	Advertising-----	2.2
Leather-----	9.5	Tires-----	1.1

The nonmanufacturing industrial groups have been excluded in arranging these brackets. Had they been included, coal would have fallen in the small percentage group in every period and theaters in the recovery period.

Two different types of trends are primarily exhibited by the 28 industries in the sample. Fourteen of them exhibit a downward trend from prosperity to depression and upward from depression to recovery.

A declining trend over the entire period is shown by 11 industries. The beverages and container industries are unusual by reason of the fact that they exhibit an upward trend in the ratio of cash dividends paid to common stock and surplus over the period 1927-38. The remaining industry, shipping and shipbuilding, records a trend that is higher in the depression period than in either the prosperity or recovery years. The trend exhibited by all 400 companies, as pointed out above, is from a high point in 1927-29 to a low point in 1930-33 back to a point midway between the previous high and the current low in 1934-38.

A break-down of the dividend return by years reveals not only interesting differences in the amplitude of fluctuation, but also serves to spotlight the crucial years as far as dividend experience is concerned. Starting out with a ratio of 6.8 percent in 1927 (see table 26), the total sample of 400 companies increased the aggregate rate of dividend return on total stockholders' equity to 7.4 percent by 1929. The percentage fell abruptly thereafter to a low point of 3.1 percent in 1933. The subsequent rise carried the figure to 7.7 percent in 1937, but a decline to 4.8 percent occurred in 1938. The ratio, for all 400 companies, of common dividends paid in cash to common stock and surplus jumped from 4.4 percent in 1935 to 7.3 percent in 1936, probably in part representing the effect of the undistributed-profits tax. The fact that the ratio remained at a level of 7.7 percent in the succeeding year, which is above that attained in any previous year of the period, is also evidence of a strong factor influencing dividend disbursements. Not only did the entire sample of 400 companies make its best showing in the 1936-37 biennium, but also seven of the mainly manufacturing groups and one of the nonmanufacturing groups made their best dividend records, speaking in aggregate terms, in this period. The sharp depression drop of the ratio for all companies occurred mainly in 1931 and 1932. The ratio fell from 6.9 percent to 5.8 percent from 1930 to 1931, and from 5.8 percent to 3.8 percent from 1931 to 1932.

TABLE 26.—Average ratio of common dividends paid to common stock and surplus for Standard Statistics composite of 400 corporations by industry, 1927-38

	Number of companies	Common dividends paid to common stock and surplus											
		1927 ¹	1928 ¹	1929 ¹	1930 ¹	1931 ¹	1932 ¹	1933	1934	1935	1936 ¹	1937	1938
Advertising, printing, and publishing.....	7	5.9	6.5	6.6	7.1	6.0	3.2	1.4	1.8	2.0	2.5	2.5	2.0
Automobiles, trucks.....	13	9.9	10.4	10.4	9.2	5.1	3.1	1.9	2.0	2.6	7.5	5.5	1.4
Automobile parts.....	27	8.3	7.4	9.7	9.5	6.5	2.7	1.7	4.0	6.6	10.9	11.8	2.9
Automobile tires.....	10	2.0	2.1	5.1	2.6	2.0	4	2	3	3	7	2.8	1.5
Beverages.....	4	3.6	6.0	7.7	8.9	6.8	6.1	3.0	4.6	7.7	12.5	9.6	12.3
Building and real estate.....	22	7.2	6.1	6.1	5.7	3.9	1.8	9	1.2	1.9	3.7	5.7	2.4
Chemicals.....	19	9.3	10.2	9.3	10.1	8.3	5.2	4.4	5.7	6.3	7.8	8.4	5.2
Coal ²	7	2.4	3.4	3.3	2.5	2.2	1.4	1.1	1.4	1.2	1.3	1.1	1.0
Containers.....	3	3.8	4.3	5.0	7.4	6.3	4.3	4.1	5.6	7.0	9.1	10.2	7.6
Electrical equipment and radio.....	10	5.7	6.3	7.2	7.1	5.1	.9	.4	.6	2.3	7.3	9.0	5.5
Food products.....	27	8.4	7.4	9.0	9.3	8.8	7.1	5.6	6.9	7.2	8.6	8.8	6.9
Household products.....	16	11.6	20.6	17.1	13.3	3.4	4.6	2.8	3.4	3.7	8.2	7.7	4.5
Leather, shoes.....	7	9.3	5.5	5.2	7.1	7.2	5.4	4.1	4.4	5.8	7.2	7.3	22.7
Machinery.....	25	6.1	6.0	6.6	7.0	5.1	2.3	1.8	2.5	3.7	6.8	7.5	5.3
Medicines, drugs.....	5	33.5	31.7	34.1	25.4	23.8	21.9	20.7	18.8	17.8	17.8	17.3	14.8
Metals.....	21	7.5	7.6	10.2	5.8	2.1	.4	.6	2.0	2.4	4.4	7.6	3.1
Miscellaneous securities.....	24	5.2	5.0	3.9	4.4	3.3	1.2	.7	1.5	1.8	5.1	4.8	2.3
Office and business equipment.....	9	7.3	8.3	12.2	11.1	6.5	3.5	2.8	4.3	5.3	9.3	14.3	8.5
Oil producing and refining.....	25	6.1	4.5	5.9	5.4	3.2	2.2	1.7	2.4	2.4	4.5	6.6	4.0
Paper and paper products.....	3	2.4	3.6	2.6	2.8	1.5	2.1	2.3	5.4	3.9	6.5	7.5	4.9
Railroad equipment.....	10	6.8	6.6	6.4	6.1	5.0	2.0	1.7	1.6	1.8	3.5	3.9	1.4
Retail trade ³	25	5.9	6.3	6.5	6.2	5.9	3.7	2.9	3.6	4.1	7.8	6.0	4.5
Shipping and shipbuilding.....	7	1.4	2.0	2.5	8.3	2.8	1.0	.7	1.9	1.6	3.3	3.7	3.4
Steel and iron.....	17	3.0	4.3	4.7	5.0	2.5	.3	.2	1.3	2.3	3.4	4.7	2.1
Sugar producing and refining.....	8	5.3	5.3	4.9	3.3	2.1	1.9	3.0	4.1	4.0	6.9	6.1	4.9
Textiles and apparel.....	30	4.6	3.8	3.9	3.4	2.5	1.2	.8	1.4	1.8	4.0	4.2	1.9
Theaters and pictures ⁴	3	5.8	2.6	3.8	5.4	2.7	2.8	1.6	.5	1.4	1.5	5.2	2.1
Tobacco products.....	16	8.7	8.2	9.2	9.1	7.5	7.3	8.0	10.5	8.3	10.5	10.6	10.0
Mainly manufacturing.....	365	6.8	7.1	7.5	7.0	5.8	3.7	3.1	3.9	4.4	7.2	7.7	4.7
Nonmanufacturing.....	35	6.6	5.8	6.3	6.4	6.5	4.6	3.4	3.7	4.5	8.1	7.9	5.9
All companies.....	400	6.8	7.0	7.4	6.9	5.8	3.8	3.1	3.9	4.4	7.3	7.7	4.8

¹ 399 corporations.² 6 corporations.³ Nonmanufacturing corporations.⁴ 24 corporations.

Source: Standard Statistics Co.

Some industrial groups reached drastic low points early in the depression. The steel and iron group and the tire manufacturers both recorded a percentage of 0.2 in 1933. On the other hand, certain industrial groups maintained a relatively high proportion throughout the entire period. Food got no lower than 5.6 percent in 1933; tobacco, 7.3 percent in 1932; and containers, 4.1 percent in 1933. Tobacco's record is truly remarkable. This industry's dividend rate of return is not only on a high level, around 10 percent, but also is surprisingly stable over the entire period. On the other hand, although medicine's proportion of cash dividends paid to common stock and surplus is surprisingly high, it exhibits a distressing tendency to fall over the entire period covered by the Standard Statistics sample. Starting at 33.5 percent in 1927, it rises to 34.1 percent in 1929 and thereafter falls consistently to 14.8 percent in 1938. The absence of

a recovery period rise in the dividend record for this industry is singular.

Industries characterized by a relatively wide range from high to low are, in order, medicines with a range of 19.3 percent; household products, 17.8 percent; office equipment, 11.5 percent; and auto parts, 10.1 percent. The manufacturing industries characterized by a small fluctuation, in absolute terms, are tobacco, the percentages for which over the entire period covered a range from high to low of 3.3 percent; food, 3.7 percent; and textiles, 3.8 percent. Also in this group with small fluctuations are two mainly nonmanufacturing industries—coal with a variation from high to low of 2.4 percent and retail stores with 4.9 percent.

Thus far in the analysis of the dividend record of the Standard Statistics composite, we have been considering all corporations included in the sample, regardless of whether they paid dividends. The picture for the companies paying dividends is, however, weighted heavily by the companies not paying dividends. In order to ascertain the relative amount of the cash dividends paid by those companies disbursing dividends in a particular year, the following two tables are presented to correspond with the preceding ones covering all companies.

Table 27 presents the rate of return for the dividend-paying companies in the sample of 400 companies, by industry and by periods, and reveals that this rate is higher for the sample of companies paying dividends than for the preceding sample of all 400 companies (including those not paying dividends). The break-down of these industries into three highest and the three lowest, however, corresponds remarkably closely with that presented for the preceding tables covering all corporations. In the 1927-38 period, beverages replace tobacco in the group paying a large amount of dividends relative to net worth while, railroad equipment and oil intrude themselves into the low group, if the sample is limited to dividend payers. In the prosperity period chemicals and fertilizers replace truck manufactures in the high group and steel and iron producers replace tire manufacturers in the low group if one changes from an over-all picture of all 400 firms to the selected group of dividend-paying companies. Similarly, in the depression period, the food products industry replaces the leather industry in the high bracket while no change is undergone in the low percentage groups. In the recovery period beverages again displace tobacco in the high percentage group, while textiles and advertising replace building supplies and railroad equipment in the bottom three industries. Finally, as far as the trends over the 1927-38 period are concerned, limiting the tabulation to the dividend-paying companies decreases from 11 firms to 10 the group with a declining trend and increases from 14 companies to 15 the group with a declining and then rising trend over the period. In the increasing trend group, paper replaces beverages, while in the group reaching a high point in the depression year, shipping and shipbuilding replaces theaters, if one limits oneself to the dividend-paying companies and compares the experience with corresponding percentages for all companies in the sample of 400.

TABLE 27.—Average ratio of common dividends paid to common stock and surplus for dividend-paying companies in the Standard Statistics composite of 400 corporations by industry and by periods 1927-29, 1930-33, 1934-38 and 1927-38

	Number of companies	Common dividends paid to common stock and surplus			
		1927-29	1930-33	1934-38	1927-38
Advertising, printing, and publishing.....	7	7.6	6.0	4.7	5.9
Automobile trucks.....	13	12.1	7.3	10.6	9.9
Automobile parts.....	27	11.4	8.9	11.0	10.4
Automobile tires.....	10	6.0	4.3	2.9	4.1
Beverages.....	4	10.8	9.5	14.1	11.7
Building and real estate.....	22	7.2	4.8	4.6	5.3
Chemicals, fertilizer.....	19	12.2	9.1	8.1	9.5
Coal ¹	7	8.1	6.4	4.2	5.9
Containers.....	3	5.8	6.6	7.9	6.9
Electric equipment and radio.....	10	9.2	6.2	8.0	7.7
Food products.....	27	10.4	9.8	9.5	9.8
Household products.....	16	20.2	11.2	9.5	12.8
Leather, shoes.....	7	9.4	7.8	13.6	10.6
Machinery.....	25	7.4	6.0	9.8	7.9
Medicines, drugs.....	5	33.1	27.1	20.8	26.0
Metals.....	21	10.0	4.1	6.9	6.7
Miscellaneous securities.....	24	7.0	5.3	5.2	5.7
Office and business equipment.....	9	9.9	9.4	9.6	9.6
Oil producing and refining.....	25	6.2	4.5	4.7	5.0
Paper and paper products.....	3	4.3	5.6	6.6	5.7
Railroad equipment.....	10	6.8	4.9	3.9	5.0
Retail trade ¹	25	8.4	6.7	7.1	7.3
Shipping and shipbuilding.....	7	5.4	5.1	4.8	5.1
Steel and iron.....	17	5.3	4.1	5.8	5.1
Sugar products and refining.....	8	6.2	4.6	7.1	6.0
Textiles and apparel.....	30	7.3	4.7	5.4	5.6
Theaters and pictures ¹	3	6.1	7.4	6.4	6.7
Tobacco products.....	16	10.7	9.7	11.3	10.6

¹ Nonmanufacturing corporations. Source: Standard Statistics Co.

The ratio of cash dividends to common stock and surplus by years for dividend payers only (see table 28) also corresponds closely with the parallel table for all companies. From the experience based on the selected sample of dividend payers, certain rather abrupt changes in the dividend equity ratio for some industries may be observed. The ratio for beverages, for example, fell from 14.3 to 8.0 percent in 1928. The dividend record of the medicine industry underwent a similarly drastic decline in 1930, falling from 34.1 to 25.4 percent. In the next year the shipping and shipbuilding industry fell more than a half from 11.6 to 4.8 percent. In 1934 as compared with 1933, 15 industrial groups increased the rate of dividend return on total stockholders' equity. Moreover, 17 industries increased their dividend return some time during the depression years 1931-1933. Eleven of these 17 increased their dividends significantly: beverages from 8.2 to 11.8 percent in 1933; electrical equipment from 2.2 to 3.9 percent in 1933; household products from 9.0 to 10.5 percent in 1932; medicines from 25.4 to 29.8 percent in 1931; metals from 1.9 to 3.3 percent in 1933; office equipment from 7.3 to 10.6 percent in 1932; steel and iron from 2.2 to 4.1 percent in 1933; sugar from 3.8 to 4.8 percent in 1933; textiles from 3.2 to 4.5 percent in 1933; and finally, paper products which increased consistently from 3.9 to 8.2 percent over the period 1929-34 and tobacco which increased consistently from 8.6 to 12.0 percent over the period 1931-34.

TABLE 28.—Average ratio of common dividends paid to common stock and surplus for the dividend-paying companies in the Standard Statistics composite of 400 corporations by industry, 1927-38

	Common dividends paid to common stock and surplus											
	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Advertising, printing, and publishing.....	7.1	7.8	8.0	7.1	7.2	6.3	3.3	6.4	4.6	4.4	4.5	3.5
Auto trucks.....	11.7	12.3	12.3	10.9	6.6	6.7	4.9	5.1	8.6	16.2	18.6	4.6
Auto parts.....	11.8	10.5	11.9	12.2	10.4	7.2	5.6	10.8	10.4	13.3	15.2	5.2
Auto tires.....	5.1	4.2	8.6	6.6	6.5	2.1	1.9	1.4	1.5	2.3	5.6	3.8
Beverages.....	14.3	8.0	10.2	8.9	9.0	8.2	11.8	9.2	15.3	16.6	12.8	16.4
Building and real estate.....	7.5	7.1	7.0	6.6	5.8	3.6	3.3	2.7	3.5	5.5	7.4	4.1
Chemicals.....	12.6	12.9	11.0	11.3	10.5	7.6	7.0	7.2	7.5	8.7	10.0	7.1
Coal ¹	8.6	8.0	7.8	8.9	7.8	5.1	3.9	4.9	4.1	4.6	3.9	3.5
Containers.....	5.8	6.5	5.0	7.4	6.3	6.5	6.2	5.6	7.0	9.1	10.2	7.6
Electrical equipment and radio.....	9.5	9.0	9.0	10.1	8.5	2.2	3.9	5.9	4.7	9.1	11.3	9.2
Food products.....	10.8	9.5	11.0	11.4	10.9	9.1	7.9	9.4	8.8	10.0	9.9	9.3
Household products.....	14.2	25.4	21.0	16.4	9.0	10.5	9.0	6.7	8.5	10.9	11.2	10.2
Leather, shoes.....	13.1	7.7	7.3	8.3	8.5	7.2	7.2	7.8	8.1	10.0	10.2	31.7
Machinery.....	7.3	7.1	7.9	7.9	6.1	4.7	5.1	7.0	10.4	13.1	10.4	8.3
Medicines, drugs.....	33.5	31.7	34.1	25.4	29.8	27.4	25.9	23.5	22.2	22.3	17.3	18.5
Metals.....	8.8	9.4	11.9	7.6	3.6	1.9	3.3	6.1	5.5	8.5	8.8	5.4
Miscellaneous securities.....	7.8	7.5	5.8	6.6	6.7	4.8	3.2	3.1	3.6	7.7	6.8	4.6
Office and business equipment.....	8.2	9.3	12.2	11.1	7.3	10.6	8.4	7.7	6.8	10.5	14.3	8.5
Oil producing and refining.....	6.9	5.4	6.4	6.1	4.2	4.0	3.6	3.8	3.4	5.1	6.9	4.5
Paper and products.....	3.6	5.4	3.9	4.3	4.6	6.4	7.0	8.2	5.9	6.5	7.5	4.9
Railroad equipment.....	6.8	6.6	7.1	6.8	5.5	3.9	3.4	3.3	3.6	5.0	5.6	2.0
Retail trade ¹	8.7	8.3	8.1	7.8	7.8	5.9	5.2	6.0	6.0	9.7	7.1	6.6
Shipping and shipbuilding.....	4.9	4.6	6.6	11.6	4.8	2.4	1.5	3.4	3.7	4.7	6.5	5.9
Steel and iron.....	4.6	5.6	5.7	6.1	3.9	2.2	4.1	3.7	5.5	7.2	7.3	5.1
Sugar products and refining.....	6.0	7.1	5.6	5.3	4.3	3.8	4.8	6.5	5.3	9.2	8.1	6.5
Textiles.....	8.1	6.6	7.3	6.0	5.0	3.2	4.5	4.1	4.3	7.6	7.0	4.0
Theaters and pictures ¹	8.7	3.9	5.7	8.2	8.1	8.4	4.7	1.5	4.2	4.5	15.7	6.3
Tobacco and products.....	11.6	10.1	10.5	10.4	8.6	9.0	10.6	12.0	9.5	12.1	11.3	11.4

¹ Nonmanufacturing corporations. Source: Standard Statistics Co.

It was observed in discussing table 26 above, covering all companies that the rate of cash dividend return on total stockholders' equity for the medicine group fell consistently from 1929 to 1938. If, however, one limits oneself to the dividend-paying companies, the trend for the medicine group declines less consistently. A decline from 1929 to 1938 is still in evidence, but it is interrupted in 1931, again in 1936, and more decisively in 1938.

Table 29, a type peculiar to tabulations of corporate financial data which permit the computation of ratios for each company in the group is a frequency distribution of the companies in the Standard Statistics composite by the size of the ratio of cash dividends paid to common stock and surplus. Three groups of companies are distinguished; all 400 companies in the Standard Statistics sample, the 365 companies which are mainly manufacturing, and the 35 companies which are nonmanufacturing. The percentage size classes across the top range from zero, meaning that a corporation in this group paid no common-stock dividends, to 25 percent and over, meaning that a corporation in this group paid cash dividends on common equal to 25 percent and over of the common stock and surplus. A final group labeled "deficit" includes a corporation which may or may not have paid dividends, but for which a ratio could not be computed because its deficit excluded the common stock.

TABLE 29.—*Frequency distribution of the ratio of common dividends paid to common stock and surplus, Standard Statistics composite of 400 corporations, 1927-38*

ALL 400 COMPANIES

Years	Percentage size classes							Deficit
	0 percent	0.1 to 4.9 percent	5.0 to 9.9 percent	10.0 to 14.9 percent	15.0 to 19.9 percent	20.0 to 24.9 percent	25 percent and over	
1927	105	78	132	41	21	9	13	1
1928	98	78	141	46	16	11	9	1
1929	84	76	134	60	22	13	10	1
1930	86	83	133	59	19	6	13	1
1931	132	114	86	44	13	3	7	1
1932	211	97	55	20	13	2	1	1
1933	247	79	46	16	9	1	2	0
1934	202	91	62	30	7	5	3	0
1935	172	110	67	30	17	1	3	0
1936	123	79	100	54	22	13	8	1
1937	98	82	115	56	23	16	10	0
1938	152	108	92	30	8	4	6	0

365 MAINLY MANUFACTURING

1927	91	75	119	37	21	9	12	1
1928	87	71	129	43	15	11	8	1
1929	74	69	123	54	21	13	10	1
1930	75	78	121	53	19	5	13	1
1931	119	104	80	40	12	3	6	1
1932	195	85	51	18	12	2	1	1
1933	229	67	45	12	9	1	2	0
1934	185	81	58	26	7	5	3	0
1935	157	99	60	28	17	1	3	0
1936	109	75	87	50	22	11	8	1
1937	87	76	102	53	21	16	10	0
1938	137	102	80	29	7	4	6	0

35 NONMANUFACTURING

1927	14	3	13	4	0	0	1	0
1928	11	7	12	3	1	0	1	0
1929	10	7	11	6	1	0	0	0
1930	11	5	12	6	0	1	0	0
1931	13	10	6	4	1	0	1	0
1932	16	12	4	2	1	0	0	0
1933	18	12	1	4	0	0	0	0
1934	17	10	4	4	0	0	0	0
1935	15	11	7	2	0	0	0	0
1936	12	4	13	4	0	2	0	0
1937	11	6	13	3	2	0	0	0
1938	15	6	12	1	1	0	0	0

Source: Standard Statistics Co.

The skewness of the distribution set forth by table 29 is obvious. Eliminating the zero class and considering all companies, there is a steep rise from the 1 to 5 percent class, to the 5 to 10 percent class. Thereafter the decline is rapid to the 10 to 15 percent class and continues on down, to the virtual vanishing point, in some years, for companies paying 25 percent and over in dividends. In 1927 through 1930 the most popular percentage size class is the 5 to 10 percent. The category of no dividends is second in importance in these years, while the group of 10 to 15 percent is rising persistently over the period. In the years 1931 through 1936 the zero class leads in number of companies, while the 1 to 5 percent group is second. Over the years 1934 to 1936, however, the 5 to 10 percent group gains persistently and by 1937 is ahead, the zero group falling to second place. In 1938

the zero group again rises to the top, the 1 to 5 percent group falling to second place.

It is rather surprising to observe that in certain of the years a sizable proportion of the companies, in some years more than 10 percent, pay out dividends greater than a fifth of the total stockholders' equity. Five years of such dividends would mean that the stockholder has gotten back his entire equity in the concern.

The final table in this group is designed to give some insight into the stability of the dividend payments of these companies. Table 30 is divided into two groups, the first of which gives the number of companies in each industry paying dividends 1, 2, 3, and so on up to 12 years out of the period, and also the number of companies failing to pay dividends in any year of the period. The right half gives the number of companies in each industrial group paying dividends a specified number of consecutive years, the number of consecutive years ranging from 0 up to 12. It is apparent that the number of corporations which paid dividends 12 years out of the period will correspond exactly with the number of corporations which paid dividends in 12 consecutive years; similarly, the zero classes in the two sides of table 30 will correspond.

TABLE 30.—Stability of dividend payments for the Standard Statistics composite of 400 corporations, 1927-38

Num-ber of com-panies	Number of years dividends were paid												Greatest number of consecutive years dividends were paid													
	Number of years paid												Consecutive years paid													
	0	1	2	3	4	5	6	7	8	9	10	11	12	0	1	2	3	4	5	6	7	8	9	10	11	12
7	0	0	0	0	1	1	2	0	0	2	1	0	1	0	0	0	0	1	2	1	1	0	1	0	0	1
13	2	0	0	1	1	2	2	1	0	0	0	0	0	2	0	0	0	1	1	1	0	0	0	0	0	2
27	0	3	1	3	0	2	1	2	5	3	4	3	3	3	3	3	2	2	6	5	1	0	0	0	4	
10	2	1	2	0	0	2	1	0	0	0	0	1	0	2	1	2	1	1	0	0	0	0	0	0	3	
4	0	0	0	0	0	1	0	1	0	0	0	1	0	0	0	0	1	0	2	0	0	0	0	0	5	
22	0	1	2	3	1	0	3	2	0	0	3	5	0	0	1	2	0	4	4	5	0	1	0	0	9	
19	2	0	1	0	0	0	2	2	1	0	3	9	2	0	0	1	0	0	4	2	0	0	0	0	2	
7	4	0	1	0	0	0	0	0	0	0	0	2	4	0	0	1	0	0	0	0	0	0	0	0	2	
3	0	0	0	0	0	0	0	1	0	0	0	0	2	0	0	0	0	1	1	0	0	0	0	0	2	
10	1	0	1	0	1	0	1	2	0	1	2	0	1	0	0	0	2	1	1	3	0	0	0	0	1	
30	1	2	1	1	0	1	0	0	0	1	5	15	1	1	2	1	1	1	1	3	0	0	0	0	2	
27	1	0	0	1	3	0	2	2	1	2	0	4	1	1	0	1	1	6	1	1	0	0	0	1	15	
16	1	0	0	1	3	0	2	2	1	2	0	4	1	0	0	1	1	6	1	1	0	0	0	0	4	
7	1	0	0	1	0	0	0	0	1	0	1	3	1	0	0	0	1	0	0	0	0	0	0	0	3	
25	1	0	2	0	2	2	5	1	1	2	0	1	8	1	0	2	3	2	6	2	0	0	0	0	3	
5	0	0	0	0	1	0	0	0	0	0	0	4	0	0	0	0	0	1	0	0	0	0	0	0	4	
21	2	0	1	1	2	1	2	1	3	2	2	1	3	2	1	1	1	4	8	1	0	0	0	0	3	
24	3	0	2	1	3	1	1	1	5	1	1	0	3	0	0	2	3	5	6	1	0	0	0	0	3	
9	0	0	0	0	0	0	1	1	0	3	1	1	0	0	0	0	0	1	0	0	0	0	0	0	3	
25	1	0	1	0	0	1	1	2	2	3	1	1	12	1	0	0	1	0	5	0	0	0	0	0	3	
3	0	0	0	0	0	1	0	0	0	0	0	0	1	0	0	0	0	4	5	2	0	0	0	0	12	
10	0	0	0	0	2	1	0	0	2	0	0	1	4	0	0	0	1	0	1	0	0	0	0	0	1	
25	2	0	0	0	0	1	4	0	0	0	0	1	4	0	0	0	1	3	3	2	0	1	0	0	4	
25	0	1	1	1	1	0	0	0	1	0	1	4	0	2	0	1	1	0	0	0	0	0	0	0	0	
17	2	0	1	0	1	3	3	2	0	1	2	0	2	0	1	1	2	0	1	0	0	0	0	0	2	
8	1	0	0	1	0	0	0	0	1	2	1	1	1	2	0	1	1	3	8	1	0	0	0	0	1	
39	6	0	3	1	4	2	1	2	2	0	3	1	3	6	0	4	1	4	5	5	0	1	0	0	3	
3	1	0	0	1	0	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	1	
16	1	0	0	0	0	0	1	2	1	0	0	1	10	1	0	0	0	0	2	1	1	0	0	0	1	
400	34	8	19	13	25	25	27	24	28	27	18	32	118	34	9	25	22	47	80	38	3	5	2	4	118	
365	27	8	18	13	23	21	25	24	28	27	17	28	106	27	9	25	20	43	77	36	3	4	2	4	106	
35	7	0	1	0	2	4	3	1	1	0	1	4	12	7	0	0	2	4	3	2	0	1	0	0	12	

Total.....

Mainly manufacturing.....

* All other corporations.....

Source: Standard Statistics Co.
 * Non manufacturing corporations.

Considering, first, the left half of the table, on the number of years dividends were paid, we find that only 34 companies out of the entire 400 failed to pay dividends in any year out of the period. On the other hand, 118 of the companies paid dividends in all 12 years and 32 companies paid dividends in 11. The most popular range for the dividend payers was that from 4 to 9 years out of the period. In each of these categories 25 or more companies are to be found. Every company in the advertising group paid dividends in 4 years or more out of the period; in the beverages group, 5 years or more; in the containers group, 8 years or more; in the railroad-equipment group, 4 or more; and in the tobacco group, with one exception, 7 or more years out of the period. In the medicine group 1 company paid dividends for 5 years and the remainder for all 12 years, while in the paper group, all companies paid dividends in 5 or more years out of the period.

Turning now to the right-hand side of the table we find that, except for the extremes where 34 companies paid no dividends in any year and 118 companies paid dividends in every year of the period, the most popular stretch of consecutive years was 5, with 80 companies falling in this group. The stretch of 4 consecutive years was next high with 47 companies and that of 6 consecutive years was third high with 38 companies. If one excludes from consideration those companies paying dividends in all 12 years out of the period, relatively few companies paid dividends in more than 6 consecutive years. This seems due to the timing of the depression. If a company paid dividends in 1927 and continued through to 1932, it would have paid dividends 6 consecutive years. Most companies had difficulty in getting beyond the year 1932 with their dividend disbursements. Paying dividends out of surplus can be carried on only a certain number of years after profits fail, not indefinitely. Moreover, if a company should get into the black sufficiently by 1934 to start paying dividends and continue paying through 1938, it would fall into the 5-consecutive-years group. The companies which managed to get into the group paying dividends more than 6 consecutive years over the 1927-38 period established an enviable record, if the average for these 400 companies may be considered as normal.

The controlling factors.

Students of corporation finance have speculated at length on the factors which influence the decisions of corporate management concerning dividend policy. The layman generally feels that dividend policies of corporations are determined largely by profits and surplus, while scattered comments have been made in this report that the undistributed-profits tax may have influenced the amount of dividend disbursements. There is considerable evidence for the popular conception. Large corporations with a relatively stable income are famed for the consistency of their dividends, while during the depression it was emphasized that many corporations were apparently paying dividends out of surplus, not out of profits.

General support for the popular belief concerning the influence of profits on dividends has been implied in tables already presented in this report. Table 23 showed that the ratio of cash dividends paid to net worth for all manufacturing corporations filing income-tax returns increased with asset size, while chart 3 illustrated that the ratio

of net profit to net worth also increased with asset size for the same corporations. Therefore we may infer that the more profitable firms pay more dividends than the less profitable companies. In a table to be presented in another chapter, showing the ratio of surplus to net worth for the same group of all manufacturing corporations, we find that the larger corporations have a higher ratio; that is, they have a relatively large surplus. This testifies to the concomitance of large surplus with large dividends.

Although few writers seem to have emphasized the point, another factor which gives every indication of exerting a significant influence on the decision of corporate managers to pay or not to pay dividends is the liquidity position. That is to say, a corporation cannot pay dividends in cash unless it has sufficient cash, or assets which can be readily converted into cash, to permit such a payment. One might therefore expect the payment of cash dividends on common stock to be influenced somewhat by the liquidity position of the corporation in question. The liquidity factor is one which could operate without specific or necessary reference to profits or the surplus position. That is to say, it is possible for a corporation to show a nice profit and to have a sizable surplus, but still be without adequate cash resources for the payment of dividends. In order to ascertain whether there seems to be any effect exercised by the liquidity position of a company upon its dividend policy, table 31 was constructed to show a cross-classification of the disbursement ratio with the liquidity ratio. The disbursement ratio gives the proportion of cash dividends paid on common stock to net income available for such dividends. Two separate categories are distinguished: Those with and those without net income available. The former are divided into three groups: Those paying no dividends, those paying up to half of their income in dividends, and those paying more than half. The next group is divided into those paying and those not paying dividends. The liquidity ratio, with which the disbursement ratio is cross-classified, has for its numerator cash-and-equivalent-plus-receivables, and for the denominator, current liabilities. Cash-and-equivalent-plus-receivables is construed to mean cash, marketable securities, and trade receivables. Three size classes of this ratio are depicted in the table—under 2, 2 to 6, and 6 and over, sometimes referred to in this report as low, medium and high. Within each liquidity class we have the number of companies and the percentage that this number bears to the total number in that liquidity class. If the liquidity ratio has no effect upon dividend payments, and if random influences are eliminated by size of sample, one would expect these percentages, reading horizontally, to be similar. Consider, for instance, those companies with a net income but paying no dividends. If the liquidity position of a company exercises no effect upon its dividend policy we would expect to find the same percentage of the companies in this particular category in each of the liquidity classes. That is to say, we may consider the percentages in the total column under each year as "normal," or what one would expect if liquidity had no effect upon the disbursement ratio. By comparing the percentages for each liquidity class with the percentage for all companies without respect to liquidity position, we are enabled to draw certain conclusions concerning the apparent effect of liquidity upon dividend policy.

TABLE 31.—Cross-classification of disbursement¹ and liquidity² ratios for Standard Statistics composite of 400 identical companies, 1927-38

Disbursement ratio ¹	Liquidity ratio ²							
	Under 2		2 to 6		6 and up		Total	
	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent
1927								
Companies with net income available:								
Paying no dividends.....	35	30	27	13	12	16	74	19
Paying 1 to 50 percent of income.....	18	15	51	25	7	9	76	19
Paying 50 percent and over.....	47	40	118	57	49	64	214	53
Companies without net income:								
Not paying dividends.....	17	15	9	4	6	8	32	8
Paying dividends.....	0	0	2	1	2	3	4	1
Total.....	117	100	207	100	76	100	400	100
1928								
Companies with net income available:								
Paying no dividends.....	25	24	35	17	19	23	79	20
Paying 1 to 50 percent of income.....	28	26	74	35	14	17	116	29
Paying 50 percent and over.....	39	37	96	45	44	54	179	45
Companies without net income:								
Not paying dividends.....	13	12	3	1	4	5	20	5
Paying dividends.....	1	1	4	2	1	1	6	1
Total.....	106	100	212	100	82	100	400	100
1929								
Companies with net income available:								
Paying no dividends.....	19	16	22	11	17	22	58	14
Paying 1 to 50 percent of income.....	37	31	67	33	10	13	114	29
Paying 50 percent and over.....	47	40	106	52	44	57	197	49
Companies without net income:								
Not paying dividends.....	12	10	8	4	6	8	26	7
Paying dividends.....	4	3	1	(?)	0	0	5	1
Total.....	119	100	204	100	77	100	400	100
1930								
Companies with net income available:								
Paying no dividends.....	6	7	15	7	7	6	28	7
Paying 1 to 50 percent of income.....	5	6	23	11	4	4	32	8
Paying 50 percent and over.....	48	56	125	61	67	61	240	60
Companies without net income:								
Not paying dividends.....	16	19	24	12	18	16	58	15
Paying dividends.....	10	12	18	9	14	13	42	10
Total.....	85	100	205	100	110	100	400	100
1931								
Companies with net income available:								
Paying no dividends.....	5	7	8	4	6	4	19	5
Paying 1 to 50 percent of income.....	3	4	4	2	7	5	14	3
Paying 50 percent and over.....	25	34	101	54	64	47	190	48
Companies without net income:								
Not paying dividends.....	32	43	43	23	37	27	112	28
Paying dividends.....	9	12	32	17	24	17	65	16
Total.....	74	100	188	100	138	100	400	100

¹ Ratio of dividends paid on common stock to net income available for such dividends.² Ratio of cash and equivalent plus receivables to current liabilities.³ Less than one-half of 1 percent.

TABLE 31.—*Cross-classification of disbursement and liquidity ratios for Standard Statistics composite of 400 identical companies, 1927-38—Continued*

Disbursement ratio	Liquidity ratio							
	Under 2		2 to 6		6 and up		Total	
	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent
	1932							
Companies with net income available:								
Paying no dividends.....	5	7	11	7	5	3	21	5
Paying 1 to 50 percent of income.....	3	4	5	3	1	1	9	2
Paying 50 percent and over.....	13	18	57	36	55	33	125	31
Companies without net income:								
Not paying dividends.....	52	70	67	42	70	42	189	48
Paying dividends.....	1	1	20	12	35	21	56	14
Total.....	74	100	160	100	166	100	400	100
	1933							
Companies with net income available:								
Paying no dividends.....	22	23	40	23	20	16	82	21
Paying 1 to 50 percent of income.....	8	8	23	13	7	5	38	9
Paying 50 percent and over.....	11	11	42	25	47	36	100	25
Companies without net income:								
Not paying dividends.....	55	56	66	38	42	32	163	41
Paying dividends.....	2	2	1	1	14	11	17	4
Total.....	98	100	172	100	130	100	400	100
	1934							
Companies with net income available:								
Paying no dividends.....	23	23	34	18	16	15	73	18
Paying 1 to 50 percent of income.....	7	7	28	15	6	5	41	10
Paying 50 percent and over.....	18	18	78	41	51	47	147	37
Companies without net income:								
Not paying dividends.....	51	50	47	25	31	28	129	32
Paying dividends.....	2	2	3	1	5	5	10	3
Total.....	101	100	190	100	109	100	400	100
	1935							
Companies with net income available:								
Paying no dividends.....	35	29	41	22	13	12	89	22
Paying 1 to 50 percent of income.....	27	22	31	16	4	3	62	15
Paying 50 percent and over.....	20	16	85	45	53	47	158	40
Companies without net income:								
Not paying dividends.....	37	30	30	16	17	15	84	21
Paying dividends.....	3	3	1	1	3	3	7	2
Total.....	122	100	188	100	90	100	400	100
	1936							
Companies with net income available:								
Paying no dividends.....	36	23	29	15	6	12	71	18
Paying 1 to 50 percent of income.....	25	16	22	11	3	6	50	13
Paying 50 percent and over.....	70	45	123	63	37	72	230	57
Companies without net income:								
Not paying dividends.....	24	16	19	1	5	10	48	12
Paying dividends.....	0	0	1	(³)	0	0	1	(³)
Total.....	155	100	194	100	51	100	400	100

³ Less than one-half of 1 percent.

TABLE 31.—*Cross-classification of disbursement and liquidity ratios for Standard Statistics composite of 400 identical companies, 1927-38—Continued*

Disbursement ratio	Liquidity ratio							
	Under 2		2 to 6		6 and up		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1937								
Companies with net income available:								
Paying no dividends.....	31	18	16	9	7	14	54	14
Paying 1 to 50 percent of income.....	28	17	20	11	0	0	48	12
Paying 50 percent and over.....	74	44	134	73	40	82	248	62
Companies without net income:								
Not paying dividends.....	31	19	11	6	2	4	44	11
Paying dividends.....	4	2	2	1	0	0	6	1
Total.....	168	100	183	100	49	100	400	100
1938								
Companies with net income available:								
Paying no dividends.....	19	16	14	7	6	8	39	10
Paying 1 to 50 percent of income.....	10	9	12	6	2	3	24	6
Paying 50 percent and over.....	34	29	120	59	51	65	205	51
Companies without net income:								
Not paying dividends.....	50	42	49	24	14	18	113	28
Paying dividends.....	5	4	9	4	5	6	19	5
Total.....	118	100	204	100	78	100	400	100

Source: Standard Statistics. Tabulated at Income Tax Study, Philadelphia.

Let us look more closely at the pictures presented by this table for each of the years 1927, 1932, 1936, and 1938. The first and second years represent prosperity and depression, respectively. The third is the year of the undistributed-profits tax, and the fourth is the latest year available.

In 1927 the income companies not paying dividends and having a liquidity ratio of under 2, that is, a relatively low liquidity ratio, constituted 30 percent of the corporations in this liquidity size class. The percentage without regard to liquidity, however, was 19 percent and in each of the other two liquidity classes, that is, those with a ratio of 2 to 6 and those with a ratio of 6 and over, were 13 percent and 16 percent, respectively, both of them being under the 19 percent over-all figure. That is to say, if a company had a net income available for common-stock dividends and still paid no dividends, the liquidity ratio would seem to be at least a partial explanation of the reason why no dividends were paid. Consider, now, the income companies paying out a relatively large proportion of their income in the form of dividends; that is, those paying out a half or more of their income available. Fifty-three percent of all corporations, and only 40 percent of those with a low liquidity ratio, were in this category, while those with a medium and high liquidity ratio, respectively, had percentages of 57 and 64. That is to say, the corporations paying out in dividends a relatively large amount of their income were characterized by a relatively high liquidity ratio. The income companies paying dividends, but paying a relatively small proportion, that is, one to 50 percent of their income in that form, are in a mixed group. If one ignores the liquidity ratio, 19 percent of the companies fall in this category.

Less than this percentage are in the low liquidity ratio class, more than this percentage are in the 2 to 6 liquidity ratio class, and less are in the 6 and over class. Even this mixed result, however, is some evidence of the influences of liquidity on the payment of dividends. Now let us consider the companies without a net income available for common stock dividends in 1927. Ignoring the liquidity position, 8 percent and 1 percent are the relative proportions of those not paying and those paying dividends. If one takes into account liquidity position, however, the proportion of those with a small liquidity ratio not paying and paying dividends are 15 percent and 0 percent, respectively. That is to say, no corporations without a net income available for dividends paid dividends unless their liquidity ratio was at least as high as 2 to 1. In the liquidity ratio class of 2 to 6, 1 percent of the corporations without a net income paid dividends and in the liquidity class of 6 and over, 3 percent of the corporations without a net income available paid dividends. This is what a thesis that liquidity influences dividend payments would lead one to expect.

A similar picture can be observed for 1932. The percentages for the companies not paying dividends in the under-2 liquidity class are larger than the percentages for the same group of companies in the total column. Similarly, considering the companies paying a large amount of dividends, the percentage in the under-2 liquidity class is smaller than in the total column. This jibes with our thesis. The companies with a net income available paying 50 percent and over in the form of dividends in 1932 constitute 31 percent of all companies. Only 18 percent of the firms in the low liquidity group as contrasted with 36 and 33 percent, respectively, in the medium and high liquidity groups, fall in this category. Similarly, it can be observed that dividend-paying companies without a net income are rarely in the low liquidity group, whereas, those without a net income and not paying dividends are relatively concentrated in the low liquidity group. That is to say, the depression does not seem to have mitigated the effect which liquidity position apparently exercises on dividend policy.

In 1936 the liquidity position, even in the face of the undistributed profits tax, still seemed to exert its influence on dividend payments. The companies with a net income paying no dividends constituted 18 percent of the total number of all companies. Introducing the liquidity break-down reveals that 23 percent of those with a poor liquidity ratio, and 15 and 12 percent, respectively, of those in the medium and high liquidity ratio groups had a net income but paid no dividends. The income companies paying a relatively large amount of dividends were also concentrated, relatively, in the high liquidity classes.

The latest year for which the necessary figures are available, 1938, still finds the liquidity ratio exercising its apparent influence upon the dividend policy of corporations. The picture in this year is similar to that for the preceding years. The corporations paying dividends in sizeable amounts are relatively concentrated in the high liquidity classes and those not paying them are dominated by the low liquidity firms.

The evidence seems to show that liquidity exercises some influence on dividend policy. It can also be shown, although perhaps less conclusively, that the current ratio exercises a similar influence on dividends. A cross-classification corresponding to that contained in table

31 has also been constructed³ using the current ratio—i. e., the ratio of current assets to current liabilities—and a remarkably similar picture is found. Companies without a net income available and not paying dividends are relatively concentrated in the low current ratio group while such companies paying dividends are generally those with a high current ratio. There is some evidence, however, that the influence of the current ratio on dividend policy is slightly less marked than that of the liquidity ratio.

³ But not included in this report, for lack of space.

CHAPTER IV

WORKING CAPITAL ¹ OF AMERICAN MANUFACTURING CORPORATIONS

Thus far we have been concerned with the end results of the operation of American manufacturing corporations, with their net profits and dividend disbursements. Such figures catch the popular fancy; some of their more obvious characteristics are well known to the average reader, and much of the current polemical literature on social conditions is concerned, explicitly or implicitly, with them.

There is another body of corporate financial data which is less well known to the lay reader than the profits data, but which is nevertheless of crucial importance in the financial analysis of business enterprises. Reference is had to the figures on working ¹ and fixed capital, some of which will be presented in this and the following chapter. The value of such financial data has become recognized relatively recently by business-cycle analysts. They have long been followed closely by bankers and credit men, while managers of business enterprises have always been accustomed to use them as guides in the formulation of their policies.

Because the working capital and fixed-capital ratios are of more technical than general interest, they will not be discussed here in as much detail as that accorded the profits figures. The aim is to give the reader a broad picture of the working- and fixed-capital positions of all manufacturing corporations in the aggregate and then of samples of large and small manufacturing corporations in particular.

QUANTITATIVE MEASURES

With respect to working capital, attention will first be focused on quantitative measures of its magnitude, and then on qualitative measures of its utilization. The present distinction between quantitative and qualitative measures, although clearly cut, is not that between measurable and nonmeasurable. In the present instance both are naturally quantitative. But the former refers to ratios using only balance-sheet items, while the latter refers to the turn-over ratios using the sales item. The former shows the magnitude of the working capital, the latter the rapidity of its utilization.

It is important to remember that these working-capital ratios for manufacturing corporations are not adapted to refined analysis. Aside from the fact that the number of firms represented varies from year to year,² the dollar figures themselves are as of the end of a 12-month period rather than averages over 12 months. This last

¹ Working capital is here construed in its broad sense and refers to all the items of current assets and current liabilities. The narrow definition of working capital—denoting the difference between current assets and current liabilities—is here called net working capital.

² Except in the material presented on the sample of large manufacturing corporations.

factor vitiated somewhat the profit ratios, as pointed out above, because the capital taken as the denominator was not all available during the year covered by the income figure in the numerator. Since elements of working capital are usually subject to more fluctuation, especially within a year, than the fixed capital, this factor is of even more importance in this and the succeeding chapters. All one can say about working-capital ratios computed from annual figures is that they show the position at a point of time, each point of time being separated by 12 months. Nothing definite or even probable can be inferred about the position between these points of time; the end-of-year standing may represent window dressing, or an unfavorable position resulting from purely temporary factors. Working-capital figures which were an average of the actual level at the end of each month during the year, or which were analyzed on a monthly basis, would be much better suited to refined analysis.

All Manufacturing Corporations.

Probably the best known of the working-capital indexes is the current ratio. Being the number of times current assets equal current liabilities,³ it gives a good picture of the short-run solvency of an enterprise. Its theoretical significance stems from the fact that current assets are subject to shrinkage while current liabilities are not, and for a firm's financial position to be safe current assets should exceed current liabilities enough so that the potential shrinkage of the former would not imperil the company's ability to meet the latter and hence remain solvent. One should not, however, attach much significance to the absolute level of working-capital ratios; their trend is more revealing, by reason of the fact that different conditions determine what is a satisfactory ratio for each particular company. In addition to the variation among satisfactory ratios within an industry, there are also marked differences among industries. W. C. Schluter⁴ has effectively singled out some of the "factors that make for a wide difference in the requirements and management of working capital as between any two industries or individual enterprises" as follows:

1. Nature of goods dealt in—type of industry.
2. Location of firm in relation to the markets in which it buys and sells.
3. Financial connections.
4. Integration and agreements with other enterprises.
5. Relative stability or instability of demand.
6. Manufacturing period.
7. Terms of sale and purchase.
8. Potential and actual competition.

The current ratios over the 1926-36 period for all manufacturing corporations reported in Statistics of Income and for all the corporations in the five selected subgroups are given in table 32. In addition to the annual ratios, this table also contains averages of the annual figures for the prosperity period 1926-29, the depression period 1930-33, the recovery years 1934-36, and the entire period 1926-36. These figures emphasize the high current ratio maintained by these

³ More strictly: The number of times current liabilities divide into current assets. Since this is usually greater than 1, the ratio is not converted to percentages. For Statistics of Income current liabilities do not include accrued expenses; for the other sources they do.

⁴ Credit Analysis, p. 242. This is a standard work which has proved helpful in much of the present analysis.

manufacturing corporations in bad years as well as good ones. In no year do current assets fail to cover twice the current liabilities for all manufacturing corporations and for each of the industrial subgroups. In only one industry, lumber, is the coverage consistently and significantly below 3 to 1. This is surprising when one considers that "no income" as well as "income" companies, liquidating as well as expanding firms, failures as well as successes, are all grouped together in the figures which make up these ratios. These figures undoubtedly conceal considerable dispersion among the current ratios for particular firms making up these aggregates, but that they could come out on an average basis as high as they do is striking.

The trend of these ratios indicates that these companies in the aggregate had failed by 1936 to restore their current position of 1933, not to mention that of 1929 and 1930. This was true for total manufacturing and for each of the subgroups except textiles and lumber. The undistributed-profits tax may have resulted in some weakening of the cash position in 1936. But the fact that for the total and for every industry except stone-clay, the 1935 ratio is less than that for 1936 lends support to the argument that other factors were probably more important. The major weakening of the current position did not occur until after 1933, except in the case of lumber, when the drop occurred in 1932, and in the case of textiles, which exhibited a surprising stability over the entire period.

TABLE 32.—*Current ratio for total manufacturing and 5 subgroups, 1926-36*

Year	Total manufacturing	Foods	Textiles	Lumber	Stone-clay	Metals
1926.....	3.38	2.89	2.96	2.20	3.37	4.20
1927.....	3.31	2.82	3.03	2.14	3.39	4.18
1928.....	3.41	3.09	2.91	2.24	3.45	4.56
1929.....	3.51	2.94	2.94	2.43	3.42	4.86
1930.....	3.48	3.19	2.96	2.34	3.23	5.05
1931.....	3.37	3.20	3.01	2.37	3.09	4.12
1932.....	3.12	3.39	3.07	2.03	2.96	4.08
1933.....	3.13	3.26	3.13	2.06	3.48	4.71
1934.....	2.78	3.00	3.08	2.00	2.78	3.34
1935.....	2.89	3.01	3.02	2.21	3.10	3.17
1936.....	2.95	3.21	3.03	2.39	3.07	3.55
1926-29 ¹	3.40	2.94	2.96	2.25	3.41	4.45
1930-33 ¹	3.28	3.26	3.04	2.20	3.19	4.49
1934-36 ¹	2.87	3.07	3.04	2.20	2.98	3.35
1926-36 ¹	3.21	3.09	3.01	2.22	3.21	4.17

¹ Averages of annual ratios.

Source: Statistics of Income. Current liabilities do not include accrued expenses.

This maintenance of the current ratio through 1933 probably indicates an unwillingness on the part of the entrepreneurs to incur risks necessitating an increase in current debt, since this item fell commensurately with current assets. In other words, their expectations in declining years 1930-32 must have been such that they refused to undertake operations which would have entailed further borrowing either through notes or accounts payable. The effect of this factor was supplemented by relatively stable cash holdings;⁵ the flow from inventory through receivables stopped with the liquidation of the latter into cash. The failure of the current ratio to respond more heartily to the 1934-36 recovery movement seems attributable largely to the willingness of businessmen again to incur the risks incident to

⁵The cash holdings of all manufacturing corporations submitting balance sheets with their income-tax returns were (in billions of dollars) 3.8 in 1929, 3.5 in 1931, and 3.3 in 1932. By 1936 they were 3.5.

short-term borrowing. The rise in current assets over the 1934-36 period was matched by an increase in current liabilities.

The highest current ratio, of more than 4 to 1 over the 11-year period, was registered by the metals group; the poorest, of slightly more than 2 to 1, by lumber. Total manufacturing and the other industrial subgroups clustered about the 3-to-1 level. Without attributing undue importance to these inter-industry differences, it is perhaps safe to say that the relatively low ratio of the lumber group is not wholly dissociated from its poor earnings position which was described in chapter 2.

The current ratios for all manufacturing corporations combined, classified into nine asset size classes, are presented in table 33 for each of the years 1931-36 and for the periods 1931-33, 1934-36, and 1931-36. The differences between the size classes seem large and consistent enough to be significant: the larger firms have a higher ratio, almost 4 to 1, than the smaller, about 1.4 to 1. The biggest ratio, however, is not always found in the largest size class: in 4 years out of the 6-year period the highest ratio was shown for either the \$5,000,000 to \$10,000,000 or \$10,000,000 to \$50,000,000 classes. In every year, the smallest size class had the lowest ratio, and in general the upward progression of the current ratio with asset size is persistent and regular. Concomitant with their higher ratio, the larger companies also underwent a relative weakening of their current position after 1931. Current assets declined while current liabilities remained constant. The ratio of the smallest size group remained remarkably stable (even though distressingly low) throughout the period, while the ratios for the next three size groups ranging up to the \$500,000 level actually rose slightly over the entire period, current assets proving more stable than current liabilities. That is to say, so far as the absolute level of the current ratio is concerned, the larger firms seem to be in the better position; but so far as the incidence of the depression is concerned, the smaller ones seem to have fared the better.⁶ Even considering the greater decline in the current ratio of the big corporations, their position was still better—if one may label a higher ratio as “better”—than that of the smaller companies. The best showing of all, however, seems to have been recorded by the medium-sized corporations. Their current ratio was not only high enough to be satisfactory, but also strong enough to withstand the ravages of business depression.

TABLE 33.—*Current ratio for total manufacturing, classified by asset size, 1931-36*

Asset classes	1931	1932	1933	1934	1935	1936	1931-33 ¹	1934-36 ¹	1931-36 ¹
\$0 to \$50,000.....	1.43	1.36	1.41	1.39	1.42	1.44	1.40	1.42	1.41
\$50,000 to \$100,000.....	1.73	1.73	1.76	1.84	1.84	1.82	1.74	1.53	1.79
\$100,000 to \$250,000.....	2.02	1.95	2.06	2.05	2.10	2.08	2.01	2.08	2.04
\$250,000 to \$500,000.....	2.23	2.35	2.41	2.30	2.40	2.40	2.33	2.37	2.35
\$500,000 to \$1,000,000.....	2.68	2.69	2.69	2.50	2.53	2.54	2.68	2.52	2.60
\$1,000,000 to \$5,000,000.....	3.27	3.27	3.44	2.80	2.97	3.15	3.33	2.98	3.15
\$5,000,000 to \$10,000,000.....	4.04	3.95	3.87	3.06	3.24	3.59	3.95	3.30	3.62
\$10,000,000 to \$50,000,000.....	4.00	3.83	3.70	3.10	3.32	3.66	3.84	3.36	3.60
\$50,000,000 and over.....	4.22	3.54	3.48	3.15	3.23	3.11	3.75	3.16	3.46

¹ Averages of annual ratios.

Source: Statistics of Income. Current liabilities do not include accrued expenses.

⁶ This may be due to the fact that small firms whose current ratios fell in these years went out of business. The ratios of the firms in this group are already so low, on an aggregate basis, that they virtually constitute a bottom level below which they could not go without involving insolvency. In addition, larger firms with their higher current ratios may have moved down, during the depression, into the small asset size class.

The current ratio is one of the best indicators of the working capital position of business enterprises. The picture it portrays, however, is not complete, and other ratios are needed to round it out. One of these is the net working capital to net capital assets ratio, of which industry figures are presented in table 34 and a size break-down of total manufacturing in table 35. Other such ratios are the various turn-over indicators which will be presented next in order.

Net working capital is the difference between current assets and current liabilities, and indicates the amount of current items which would be remaining if all the current debt were paid off. The ratio of net working capital to fixed assets compares the amount of net working capital with amount of investment in plant; that is, it sets forth the usés to which the corporations are putting their capital. Changes in this ratio indicate not only greater or less reliance on short-term credit—either bank or mercantile—to provide working capital for production operations, but also changes in control over working capital needed to keep the plant going.

TABLE 34.—Ratio of net working capital to capital assets for total manufacturing and 5 subgroups, 1926-36

Year	Total manufacturing	Foods	Textiles	Lumber	Stone-clay	Metals
	Percent	Percent	Percent	Percent	Percent	Percent
1926.....	64.5	62.2	93.2	44.8	40.7	70.5
1927.....	65.4	63.3	93.4	42.9	39.5	72.2
1928.....	66.5	71.0	90.4	44.8	38.0	76.3
1929.....	65.9	66.0	91.5	49.5	37.0	76.6
1930.....	58.6	67.2	74.4	42.5	33.5	68.1
1931.....	50.4	63.0	61.2	34.4	29.8	55.9
1932.....	45.6	60.8	54.9	25.9	25.8	48.1
1933.....	50.1	64.8	69.1	27.8	30.1	53.5
1934.....	58.9	74.5	72.2	28.6	30.3	66.5
1935.....	62.9	78.0	78.2	35.3	37.7	66.6
1936.....	66.8	86.4	96.1	41.3	39.5	76.4
1926-29 ¹	65.6	65.6	92.1	45.5	38.8	73.9
1930-33 ¹	51.2	64.0	64.9	32.7	29.8	56.4
1934-36 ¹	62.9	79.6	82.2	35.1	35.8	69.5
1926-36 ¹	59.6	68.8	79.5	38.0	34.7	66.3

¹ Averages of annual ratios.

Source: Statistics of Income. Current liabilities do not include accrued expenses.

TABLE 35.—Ratio of net working capital to capital assets for total manufacturing classified by asset size, 1931-36

Asset classes	1931	1932	1933	1934	1935	1936	1931-33 ¹	1934-36 ¹	1931-36 ¹
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
0 to \$50,000.....	38.9	31.7	38.0	40.0	44.3	48.4	36.2	44.2	40.2
\$50,000 to \$100,000.....	51.1	45.6	51.7	59.1	61.3	66.3	49.5	62.2	55.9
\$100,000 to \$250,000.....	54.7	47.4	55.0	58.0	64.8	72.2	52.4	65.0	58.7
\$250,000 to \$500,000.....	53.8	50.8	57.3	58.5	66.4	75.0	54.0	66.6	60.3
\$500,000 to \$1,000,000.....	58.4	52.1	57.5	58.8	65.6	71.6	56.0	65.3	60.7
\$1,000,000 to \$5,000,000.....	56.8	52.0	59.7	58.5	67.3	77.9	56.2	67.9	62.0
\$5,000,000 to \$10,000,000.....	55.2	47.7	53.0	57.3	62.4	73.8	52.0	64.5	58.2
\$10,000,000 to \$50,000,000.....	48.4	44.8	49.7	56.9	62.5	69.6	47.6	63.0	55.3
\$50,000,000 and over.....	47.7	42.7	45.4	61.6	60.9	58.2	45.3	60.2	52.8

¹ Averages of annual ratios.

Source: Statistics of Income.

The facts that manufacturing corporations as a group maintain over a long period about three-fifths as much net working capital as they have invested (net) in fixed plant and equipment and that different industries require varying proportions of working capital are significant conclusions to be drawn from table 34. The all manufacturing proportion is nearer two-thirds in good times, but falls off to less than one-half in 1932. Net working capital and fixed assets both declined in the depression years, the former falling off the more. In the recovery years 1934-36 net working capital increased while fixed assets remained constant. The textile group is characterized by an exceptionally high ratio; in 1936 they had almost a dollar of net working capital for every dollar of net investment in land, plant, and equipment. Concurrently with their high ratio, however, the textile companies also had a wide amplitude of fluctuation: in 1932 their ratio of 55 percent was under that for the food group, while their 11-year average was 80 percent. The stone group is marked by the lowest ratio, around 40 percent in good years and as low as one-quarter in 1932. Close to the bottom, and characterized by less vitality than that for the stone group, is the net working capital to net capital assets ratio of the lumber companies. This industry was the only one which by 1936 had failed to recover its pre-depression level. In fact, all the other divisions except the stone group had more than regained their 1926-29 standing by 1936.

The emphatic response of this ratio to the recovery movement is in contrast to the sluggishness of the current ratio (cf. *supra*). The stability of the current ratio was due to commensurate increases in the current assets and current liabilities. This would nevertheless make for an increase in net working capital—i.e., a widening of the spread between current assets and current liabilities—which, when compared with the relatively constant amount of fixed assets maintained in these years, would show a rising net working capital to fixed assets ratio.

Interesting asset-class differences in the net working capital to capital assets ratio for total manufacturing are revealed by table 35. Up to the \$5,000,000 asset level there is a definite upward progression of this ratio with asset size, over the 1931-36 period, from 40 percent to over 60 percent. Above that point the ratio is regressive. In only 1 year, significantly enough 1934, do the largest firms have the highest proportion of working capital. In the first 2 years the \$500,000 to \$1,000,000 class topped the list, while in the remaining 3 years the \$1,000,000 to \$5,000,000 class ranked first. In every year the lowest ratio, around 40 percent, was recorded by the smallest size class, while in every year but 1934 the largest class, \$50,000,000 and over, had the next to smallest proportion of working capital. The recovery all along the line in these ratios since 1933-34 is clearly brought out.

Comparison of the trends in the current ratio and the net working capital to fixed assets ratio is revealing. Concurrent declines would indicate a weakening of position, for the margin between current assets and current liabilities is decreasing at the same time that the firms may be having difficulty keeping on hand a supply of working capital sufficient to permit undertaking large new orders.

These two ratios for total manufacturing over the period 1926-36 follow:

Year	Current assets to current liabilities	Working capital to fixed assets	Year	Current assets to current liabilities	Working capital to fixed assets
1926.....	3.38	64.5	1932.....	3.12	45.6
1927.....	3.31	65.4	1933.....	3.13	50.1
1928.....	3.41	66.5	1934.....	2.78	58.9
1929.....	3.51	65.9	1935.....	2.89	62.9
1930.....	3.48	58.6	1936.....	2.95	66.8
1931.....	3.37	50.4			

The marked weakening in the current position in 1930-32 is emphasized by this comparison. The current ratio fell from 3.51 in 1929 to 3.12 in 1932, while the net working capital to fixed-assets ratio declined concurrently from 65.9 in 1929 to 45.6 in 1932. In 1933 both series rose slightly, but in the next year the current ratio continued to decline while the other ratio rose. Thereafter the current ratio rose, but, unlike the net working capital to fixed-assets ratio, failed to regain its pre-depression standing.

Large Manufacturing Corporations.

Differences in the current ratio from industry to industry and company to company are emphasized by tables 36 and 37 based on Standard Statistics data on 400 large corporations over the period 1927-38. The figures in table 36 are period averages covering 1927-29, 1930-33, and 1934-38, classified into 25 industrial groups. The ratios for each of these periods are averages of the annual ratios which are, in turn, aggregate ratios for all corporations in the industry group. Table 37 comprises a frequency distribution of the current ratios for each of the 400 companies, these ratios being grouped into three size classes. For this source, current liabilities include accrued expenses.

The current ratio for the 400 companies (see table 36) is in general higher than that for all manufacturing corporations reported in Statistics of Income, and does not fall so consistently over the period covered by the data. The average for all 400 companies over the entire period 1927-38 stands at 5.3. Statistics of Income shows a corresponding average for total manufacturing of 3.2 over the period 1926-36. The fact that the ratio for the Standard Statistics composite is higher than that for the universe of total manufacturing in Statistics of Income is probably due to the fact that the Standard Statistics sample is limited to the large corporations. As the asset size of corporations increases, the current ratio also increases, the Statistics of Income data for total manufacturing show. This would explain the disparity between the current ratio for the Statistics of Income universe and the Standard Statistics sample. The difference in trend may possibly be accounted for on somewhat similar grounds. The current ratio for total manufacturing in Statistics of Income fell consistently over this period from 3.4 in prosperity to 3.3 in depression and then again from 3.3 in depression to 2.9 in recovery. The movement of the Standard Statistics ratio for the corresponding periods

was from 4.9 in the prosperity period up to 6.3 in the depression period back to 4.7 in the recovery period. These large corporations in the Standard Statistics composite considerably strengthened their current position in the depression period, whereas the universe of all corporations was unable to maintain the current position. The large corporations in Statistics of Income, however, had a higher ratio in depression than in recovery, and if they also had a higher ratio in depression than in the 1926-29 prosperity years (a question which we cannot answer from the present Statistics of Income compilations), the large size of the 400 companies would explain the difference in trend. Perhaps if the Statistics of Income material covered the two additional years 1937 and 1938 covered by the Standard Statistics sample, this difference would be modified further.

TABLE 36.—Current ratio ¹ for Standard Statistics composite of 400 corporations, by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38

Industry	Number of companies	Current ratio			
		1927-29	1930-33	1934-38	1927-38
Advertising, printing, and publishing.....	7	4.1	6.3	6.5	5.8
Autos and trucks.....	13	3.5	5.3	3.4	4.0
Auto parts.....	27	4.2	6.8	4.3	5.1
Auto tires.....	10	4.8	8.3	5.4	6.2
Beverages.....	4	8.2	4.8	4.4	5.5
Building and real estate.....	22	6.2	9.2	6.7	7.4
Chemicals, fertilizer.....	19	7.8	10.2	6.5	8.1
Containers.....	3	5.3	6.0	4.3	5.1
Electric equipment and radio.....	10	5.7	8.8	6.4	7.0
Food products.....	27	4.2	5.7	4.7	4.9
Household products.....	16	7.1	10.0	7.1	8.1
Leather shoes.....	7	6.0	10.5	7.4	8.1
Machinery.....	5	6.4	11.1	6.8	8.1
Medicine, drugs.....	5	4.1	4.5	4.0	4.2
Metals.....	21	3.8	2.9	4.0	3.6
Miscellaneous securities.....	24	4.8	5.8	5.1	5.2
Office and business equipment.....	9	6.4	8.4	5.9	6.8
Oil producing and refining.....	25	4.9	5.4	3.7	4.6
Paper and paper products.....	3	2.8	4.9	3.2	3.6
Railroad equipment.....	10	7.3	9.9	7.1	8.1
Shipping and shipbuilding.....	7	4.6	5.5	4.9	5.0
Steel and iron.....	17	5.2	6.8	5.3	5.8
Sugar producing and refining.....	8	5.3	5.7	5.8	5.6
Textile and apparel.....	30	7.2	9.8	4.9	7.1
Tobacco products.....	16	11.0	20.1	11.5	14.2
Mainly manufacturing.....	365	5.0	6.4	4.8	5.4
All other companies.....	35	3.6	4.1	4.3	4.1
All companies.....	400	4.9	6.3	4.7	5.3

¹ Current assets to current liabilities, the latter including accrued expenses.

Source: Standard Statistics.

The highest current ratio in the Standard Statistics sample was recorded by the tobacco industry. This ratio of over 14 is exceptional. The next highest ratios were recorded by the chemical and fertilizer, railroad equipment, household products, leather and shoe, and machinery industries. These were around the eight-point level. The lowest current ratios for the industries covered by the Standard Statistics sample are in the paper and paper products industry and the metal industry. Both of these industries had a ratio of 3.6 over the entire period, but even this low ratio is higher than that recorded by all manufacturers in Statistics of Income, namely 3.2. Other industries in the Standard Statistics composite near the bottom rung

of the current ratio ladder are auto and truck manufacturers and medicine and drug manufacturers.

All of the industrial groups in the Standard Statistics sample except advertising and printing, beverages, metals, sugar, and the nonmanufacturing classifications exhibit a trend over the period similar to that for the total sample; that is to say, the highest ratio is recorded in the depression years. In the case of advertising, printing and publishing, sugar producers and refiners, and the nonmanufacturing classifications the current ratio rose over the entire period. In the case of the beverages group, the ratio actually fell over the entire period, while in the case of the metals group the ratio was lower instead of higher in the depression years 1930-33.

Table 37 illustrates the dispersion of the current ratios for each of the 400 companies in the Standard Statistics sample. In each of the years 1927-38 only a modest fraction of the companies—4 to 9 percent—had a current ratio less than 2, while in several years—particularly the depression years—over half the companies had current assets which were at least 6 times their current liabilities.

TABLE 37.—*Frequency distribution of current ratio,¹ Standard Statistics composite of 400 corporations, 1927-38*

Year	Number of companies with current ratio—			Year	Number of companies with current ratio—		
	Under 2	2 to 6	6 and up		Under 2	2 to 6	6 and up
1927.....	26	200	174	1933.....	23	132	245
1928.....	17	208	175	1934.....	19	158	223
1929.....	23	195	182	1935.....	19	200	181
1930.....	18	163	219	1936.....	22	240	138
1931.....	23	116	261	1937.....	37	232	131
1932.....	22	112	266	1938.....	23	187	190

¹ Current assets to current liabilities, the latter including accrued expenses.

Source: Standard Statistics. Tabulated at Income Tax Study, Philadelphia.

So much for the current positions of these large manufacturing corporations. The ratio presented in table 38 is designed to shed some light upon the use to which corporations put their capital. This ratio, net working capital to net property account, tells how much of their funds is invested in net working capital as compared with how much is invested in fixed capital. The characteristics of this ratio have previously been explained.

There is small difference between the net working capital to net property ratio for the 399⁷ companies of the Standard Statistics sample and the same ratio for the total manufacturing group in Statistics of Income. The Standard Statistics composite shows a ratio of 58 percent over the period 1927-38, while the corresponding figure for the total manufacturing group in Statistics of Income is 60 percent. The asset size break-down of the net working capital to capital assets ratio for total manufacturing in Statistics of Income reveals that the largest companies have slightly smaller ratios than the medium-size companies but not less than the smaller corporations. The dominance of the medium-size companies in the universe might account for the slight differential that exists between the Standard

⁷ Oppenheim Collins accounts show no fixed assets, so this company had to be excluded from table 38.

Statistics and the Statistics of Income ratios. The trend of the proportion of working to fixed capital is also the same in both sets of data. It falls from a high, in the case of Statistics of Income, of 65.6 percent in 1926-29 to 51.2 percent in 1930-33 and then rises again to 62.9 percent in 1934-36. In the case of the Standard Statistics group the ratio falls from 64 percent in the period 1927-29 down to 53 percent in the period 1930-33 and then rises to 57 percent in the period 1934-38; that is to say, both sets of data show that corporations have a smaller proportion of working relative to fixed capital in depression years than in prosperity years.

TABLE 38.—*Ratio of net working capital to net property account for Standard Statistics composite of 399 corporations,¹ by industry and by periods, 1927-29, 1930-33, 1934-38, and 1927-38*

Industry	Number of companies	1927-29	1930-33	1934-38	1927-38
		Percent	Percent	Percent	Percent
Advertising, printing, and publishing.....	7	92	115	159	128
Autos and trucks.....	13	97	88	97	94
Auto parts.....	27	80	69	99	85
Auto tires.....	10	112	84	102	99
Beverages.....	4	193	203	277	232
Building and real estate.....	22	56	50	59	55
Chemicals, fertilizer.....	19	80	68	66	70
Containers.....	3	44	40	50	45
Electrical equipment and radio.....	10	261	179	194	206
Food products.....	27	71	66	83	74
Household products.....	16	99	79	97	92
Leather shoes.....	7	264	240	277	262
Machinery.....	25	173	166	181	174
Medicine, drugs.....	5	326	240	257	268
Metals.....	21	34	23	29	28
Miscellaneous securities.....	24	72	57	63	63
Office and business equipment.....	9	233	163	127	166
Oil producing and refining.....	25	45	37	34	37
Paper and paper products.....	3	16	27	28	24
Railroad equipment.....	10	69	48	42	51
Shipping and shipbuilding.....	7	35	25	32	30
Steel and iron.....	17	32	26	30	29
Sugar producing and refining.....	8	72	56	56	60
Textile and apparel.....	30	127	101	105	109
Tobacco products.....	16	626	726	809	736
Mainly manufacturing.....	365	64	53	57	58
All other companies.....	34	57	46	57	53
All companies.....	399	64	53	57	58

¹ The sample is composed of 400 corporations, but it was impossible to compute this ratio for one of them, Oppenheim Collins store.

Source: Standard Statistics.

In the industrial break-down of the net working to fixed capital ratio for the Standard Statistics composite, the tobacco group stands out prominently. Its ratio of 736 percent for the period 1927-38 is far above that for any other group. The other ratios vary from the low of 24 percent for paper and paper products to 268 percent for manufacturers of medicines and drugs. Other industries in the group with a high ratio of, say, 200 percent and over, are leather and shoes, beverages, and electrical equipment and radios. Others in the low group, say, 50 percent or less, are metals, shipping and shipbuilding, oil producing and refining, steel and iron, and containers. These last industries are generally characterized by heavy investment in fixed plant, so one would expect a lower ratio of working to fixed capital. The high ratio reported by tobacco is to be explained on the grounds of

relatively high inventory holdings.⁸ The other high ratios, reported by medicines and drugs, leather, beverages, and electrical-equipment producers, seem somewhat more logical.

We have seen that the trend of this ratio for the period is down, then up; that is, the ratio is relatively high in the prosperity years 1927-29, low in the depression years, and somewhat higher again in the recovery years 1934-38. This trend was also found in the Statistics of Income compilations. In the Standard Statistics group 16 industries and the so-called mainly nonmanufacturing group follow the pattern for all 400 companies. Four industries have a rising trend over the entire period: Tobacco, paper producers, beverages, and advertising, printing, and publishing. Five had a declining trend over the entire period: Chemical and fertilizer, office and business equipment, oil producers and refiners, railroad equipment, and sugar producers and refiners.

Notes payable.—Since the banking holiday in 1933, and even before, there has been considerable discussion concerning the decline of the commercial bank loan. Some commentators have been known to attribute much of the former weakness in our banking system, and much of the banking system's inability to earn satisfactory profits, to the decline of their short-term advances to industry, particularly, and to trade. Most tabulations of corporate financial data do not show a break-down of current liabilities into notes payable and accounts payable of the enterprise. Even those which do show such a break-down rarely give the added desirable information of whether the notes payable are to banks, to trade, or to others. In fact, corporate reports themselves failed to give this last-mentioned break-down until the institution of the Securities and Exchange Commission's regulations for the financial statements of registered American corporations. However, the S. E. C. materials giving a break-down of notes into banks, trade and others do not cover a sufficiently long time period to permit any very satisfactory conclusions to be drawn concerning a possible decline in bank loans to industry. Therefore, in order to provide some information on this question, even though not wholly satisfactory information, the break-down of notes and accounts payable for the 400 corporations in the Standard Statistics composite was obtained. The only break-down feasible over the period 1927-28 was that into notes payable and accounts payable. Even in the case of this one break-down, it was necessary to assume that, if the corporation showed no break-down of current payables on its balance sheet, all of this item consisted of accounts payable. This is obviously an assumption which would not hold true in every instance. Assuming, however, that the failure of this hypothesis to be borne out by the facts did not change considerably over the period, our general conclusion as to changes in the magnitude of the notes payable frequency in the case of these corporations may be tolerably significant. If our discussion is to be related particularly to the commercial loan it is necessary to assume further that notes payable on the balance sheet of a corporation are probably notes payable to banks. This, too, is not a strictly valid hypothesis for every instance which may occur. Assuming again, however, that the

⁸ There is a lot to be said for the thesis that the tobacco group should be included in trade rather than manufacturing; the argument runs that tobacco companies are more distributors than manufacturers. Distributors usually have large inventories.

areas in which this hypothesis are not true do not change greatly over the period 1927-38, the conclusion we draw from the trend of the figures may be tolerably significant.

The results obtained from analyzing a frequency distribution of the break-down into notes and accounts payable of the 400 corporations over the period 1927-38 are presented in table 39. From this table several conclusions are obvious. The most important is that in practically every year out of the period approximately two-thirds of the 400 corporations in the sample did not use any notes payable for their working capital. This is undoubtedly an exaggerated figure, but it gives some idea of the number of larger corporations which did not rely on commercial banks for their working capital during the period 1927-38.

There are certain changes from year to year in this proportion.⁹ Starting out at 64 percent in 1927 it rose to 69 percent in the next year and after a slight falling back in 1929, jumped up to 77 percent in 1930. In the following year it again fell back to slightly under 70 percent and stayed at that level until 1935 when it went into a decline. This decline was not arrested until 1937 when it hit 58 percent, the lowest over the entire period. In 1938 banks were again on the short end, 70 percent of the companies showing no notes payable. It is particularly striking that the lowest percentage was recorded in 1937, a year when there was a marked expansion in business activity and also a year when there was alleged in some quarters to have been a stringency of bank credit for business enterprises. There may indeed have been a stringency in the absolute sense but there can hardly be said to have been a stringency in the relative sense when there were more corporations with notes payable in that year than in any other year of the entire 1927-38 period, if the experience of the Standard Statistics composite is representative. Furthermore, the precipitous rise of the ratio in the next year to 70 percent, a proportion as high as that obtained in any other year of the period, is evidence that the corporations were freeing themselves from dependency upon bank or mercantile loans for working capital.

⁹The smallness of these changes, particularly between the years before and after institution of the S. E. C., lends support to the belief that this break-down into notes and accounts is not far wrong in absolute terms.

CONCENTRATION OF ECONOMIC POWER

TABLE 39.—Standard Statistics composite of 400 companies classified by size of ratio of notes payable to notes and accounts payable, and by industry, 1927-38

Industry	1927			1928			1929			1930			1931			1932		
	No notes payable	0 to 45 per-cent up	45 per-cent and up	No notes payable	0 to 45 per-cent up	45 per-cent and up	No notes payable	0 to 45 per-cent up	45 per-cent and up	No notes payable	0 to 45 per-cent up	45 per-cent and up	No notes payable	0 to 45 per-cent up	45 per-cent and up	No notes payable	0 to 45 per-cent up	45 per-cent and up
Advertising, printing, and publishing.....	7	0	1	5	1	1	6	1	0	1	1	0	5	2	0	4	2	1
Automobiles, trucks.....	13	2	1	11	1	1	11	1	1	1	1	0	12	1	0	12	1	0
Automobile parts.....	27	4	1	22	4	1	24	2	2	2	2	5	19	3	3	20	1	6
Automobile tires.....	10	4	4	5	0	5	4	1	4	1	1	5	3	4	3	5	1	4
Beverages.....	22	0	1	4	0	0	2	1	2	1	1	2	2	0	2	1	1	4
Building supplies.....	19	4	2	18	2	2	19	2	2	1	1	1	20	0	2	18	1	2
Chemicals, fertilizer.....	14	1	4	13	4	2	16	2	1	1	1	1	15	2	2	15	2	2
Containers.....	3	0	0	3	0	0	3	0	0	0	0	0	3	0	0	3	0	0
Electrical equipment and radios.....	10	8	1	9	1	0	9	0	1	1	1	1	10	0	0	9	1	0
Food products.....	27	13	6	14	6	7	13	7	7	5	6	3	18	6	3	20	4	3
Household products.....	16	12	2	15	1	0	8	0	8	1	6	4	12	0	4	13	2	1
Leather, shoes.....	7	3	0	4	2	1	4	2	1	4	3	1	5	1	1	6	0	1
Machinery.....	25	20	2	3	1	5	19	1	2	2	1	3	3	1	1	6	0	1
Metals.....	5	3	1	3	1	1	3	0	2	4	0	1	4	1	1	6	1	4
Metals.....	21	14	2	15	1	5	12	4	5	2	4	4	18	1	6	20	1	4
Miscellaneous securities.....	24	12	4	8	5	5	11	3	7	12	4	4	12	4	5	0	0	0
Office equipment.....	9	8	1	9	0	0	8	0	6	16	2	6	14	5	5	16	2	6
Oil producing and refining.....	25	17	5	3	20	4	16	8	1	8	0	1	8	0	0	8	0	1
Paper products.....	3	1	1	2	0	1	2	0	1	10	2	2	13	8	4	12	10	3
Railroad equipment.....	10	10	0	10	0	0	8	0	2	0	0	1	2	1	0	2	1	0
Shipping, shipbuilding.....	17	3	1	3	1	3	5	3	1	1	1	1	3	2	0	3	0	1
Steel and iron.....	8	3	0	5	1	1	4	0	4	0	0	4	12	0	5	12	0	1
Sugar products and refining.....	30	11	2	17	1	13	16	2	12	19	2	9	4	0	4	17	4	9
Textiles, apparel.....	16	9	0	6	2	8	10	2	4	10	1	5	20	1	10	17	4	9
To tobacco products.....																		
Mainly manufacturing—365 companies.....	365	82	47	256	42	67	240	49	76	56	67	255	69	41	69	261	42	62
Percent.....	100	22	13	70	12	18	66	13	21	15	18	70	19	11	19	71	12	17
Nonmanufacturing—35 companies.....	35	6	8	19	8	8	18	12	5	13	8	17	11	7	18	15	2	2
Percent.....	100	17	23	54	23	23	52	34	14	37	40	49	31	20	51	43	6	6
Total—400 companies.....	400	88	55	275	50	75	258	61	81	77	75	272	76	52	76	279	57	64
Percent.....	100	22	14	69	12	19	65	15	20	14	19	68	19	13	19	70	14	16

CONCENTRATION OF ECONOMIC POWER

TABLE 39.—Standard Statistics classified by size of ratio of notes payable to notes and accounts payable, and by industry, 1927-38—Continued

Industry	Number of companies	1933			1934			1935			1936			1937			1938		
		No notes payable	45 per cent and up	No notes payable	0 to 45 per cent	45 per cent and up	No notes payable	0 to 45 per cent	45 per cent and up	No notes payable	0 to 45 per cent	45 per cent and up	No notes payable	0 to 45 per cent	45 per cent and up	No notes payable	0 to 45 per cent	45 per cent and up	
Advertising, printing, and publishing.....	7	5	2	5	2	0	0	6	1	0	0	6	1	0	6	1	0		
Automobiles, trucks.....	13	11	0	9	3	1	4	1	11	2	0	7	3	3	8	1	1		
Automobile parts.....	27	17	4	6	20	5	2	20	4	4	3	17	4	6	16	5	6		
Automobile tires.....	10	5	5	0	3	5	2	4	5	3	3	5	3	3	8	2	0		
Beverages.....	4	3	1	0	2	1	4	0	2	1	1	2	1	1	3	0	1		
Building supplies.....	22	16	3	3	18	2	2	18	2	2	5	15	2	5	16	2	4		
Chemicals, fertilizer.....	19	17	2	0	17	1	1	16	2	2	3	14	2	3	17	0	2		
Chemicals.....	3	3	0	0	3	0	0	3	0	0	3	0	0	3	0	0	0		
Containers.....	10	9	0	1	8	0	2	2	1	1	1	4	0	6	3	0	2		
Electrical equipment and radios.....	10	9	0	3	18	6	3	19	6	6	3	6	2	10	2	7	7		
Food products.....	27	18	6	3	18	6	3	19	6	6	3	15	2	10	11	0	5		
Household products.....	16	13	1	2	11	2	3	11	2	4	2	10	0	4	18	0	7		
Leather, shoes.....	7	5	1	1	5	1	4	1	2	1	2	4	0	3	4	1	2		
Machinery.....	25	22	1	2	19	3	3	15	1	9	4	13	0	4	10	6	9		
Medicines, drugs.....	5	5	0	5	0	5	0	5	0	4	1	4	0	3	10	0	5		
Metals.....	21	13	5	3	11	5	5	14	5	2	14	2	13	3	15	3	3		
Miscellaneous securities.....	24	20	2	2	20	1	3	16	4	4	5	19	2	3	20	0	4		
Office equipment.....	9	7	1	1	6	2	1	7	2	0	5	2	2	2	7	1	1		
Oil producing and refining.....	25	14	9	2	13	11	1	11	12	2	14	10	1	11	19	6	0		
Paper products.....	3	2	1	0	3	0	0	3	0	0	3	0	0	2	1	2	0		
Railroad equipment.....	10	9	0	1	9	1	0	9	1	0	7	1	1	1	9	1	0		
Shipping, shipbuilding.....	7	5	2	0	6	1	0	6	1	0	6	1	0	7	0	0	0		
Steel and iron.....	17	11	2	4	10	3	4	12	4	1	6	0	1	5	15	1	1		
Sugar products and refining.....	8	5	1	2	5	0	3	4	1	3	6	1	1	7	6	1	1		
Textiles, apparel.....	30	15	4	11	16	3	11	11	3	16	10	4	16	2	15	2	13		
Tobacco products.....	16	13	0	3	13	0	3	10	2	4	1	9	0	7	11	0	5		
Mainly manufacturing—365 companies.....	365	263	47	55	255	68	52	243	64	68	61	217	48	100	256	40	69		
Percent.....	100	72	13	15	70	16	14	67	15	17	17	60	13	27	70	11	19		
Nonmanufacturing—35 companies.....	35	19	0	10	16	14	6	16	13	16	13	16	16	12	7	23	8		
Percent.....	100	54	29	17	43	40	17	46	37	37	17	46	34	20	66	23	11		
Total—400 companies.....	400	282	65	53	270	72	58	259	71	70	81	233	60	107	279	48	73		
Percent.....	100	70	16	13	68	18	15	65	17	17	20	58	15	27	70	12	18		

Source: Standard Statistics Co. Tabulated at Income Tax Study, Philadelphia.

Of those corporations having an item of notes payable among their current liabilities on the balance sheet, how many had a relatively large amount of notes relative to total payables and how many had a relatively small amount? On table 39 a clue to the answer of this question is presented by the second and third columns under each year, which tell how many corporations have notes payable equal to less than 45 percent of their notes and accounts payable but greater than zero, and how many have notes payable equivalent to 45 percent or more of their notes and accounts payable. In the first 6 years of the period—that is, through the trough of the depression in 1932—there was consistently a smaller number of corporations in the 0 to 45 percent category. In the next 4 years, carrying the recovery movement which commenced in 1933 up through 1936, the reverse was true. That is, more corporations having notes payable were in 0 to 45 percent category than were in the 45 percent and up group. In the last 2 years covered the break-down reverted to the pre-recovery picture in which a larger number of corporations had a relatively large amount of notes payable.

This picture is somewhat surprising. In the recovery period when one would expect corporations to be drawing heavily upon commercial loans, we find that the majority of those having notes payable are in the 0 to 45 percent category—that is to say, those having notes payable do not have a very large amount thereof. This tendency moreover is unaccounted for by a larger number of corporations being in the notes-payable category in the recovery years 1933 through 1936. In fact, larger percentages were recorded in 1930 and 1932 than were recorded in any of the years 1933 through 1936. The fact that the relative proportion for the corporations with notes payable could change so decidedly from 1936 to 1937 is also surprising. In the former year, of 148 corporations having notes payable, 81 had a relatively small amount, and 67 had a relatively large amount. In the next year of the 167 corporations having notes payable, only 60 had a relatively small amount, while 107 had a large amount. Here is evidence that the banks in 1937 not only granted more credit in the form of notes to business, but larger credits since more of the corporations were in the 45 percent and up category. A similar picture is true in 1938 except for the magnitudes involved, then 48 corporations were in the 0 to 45 percent category and 73 had a relatively large amount of notes payable.

The conclusions of the preceding paragraph are not altered significantly if we limit ourselves to the primarily manufacturing industries comprising 365 companies in the Standard Statistics composite. The number of companies in each of the 25 industrial categories is hardly large enough to permit detailed analysis, but it may be observed that certain industrial groups are characterized by a relatively large amount of dependency upon notes payable for working capital and others seem to be independent of them. Those industries in which there are a relatively large number of corporations—that is, around 50 percent—dependent upon notes payable for some of their working capital are automobile tires, food products, leather and shoes, medicines and drugs, miscellaneous, paper products, shipping and shipbuilding, sugar producers, textile manufacturers, and tobacco products. At the other extreme are those industrial groups characterized by little if any dependence upon notes payable for working

capital. Among these are advertising, printing and publishing, beverages, containers, electrical equipment and radios, office equipment, and railroad equipment. The relative standings of these industries as far as their dependence upon notes payable for working capital is concerned seem to change little over the 12 years covered.

Due to the small number of corporations in each industrial group, too much significance should not be attached to the industrial differences pointed out here on a frequency distribution basis. More significant seem to be the conclusions of the preceding paragraphs relating to the proportion of all corporations in the sample which were and were not dependent upon notes payable for some part of their working capital during the period 1927-38. A clearer view of industrial differences in this break-down is given by table 40, which differs from table 39 in that the latter is a frequency distribution while table 40 contains ratios of aggregates.

TABLE 40.—*Ratio of notes payable to notes and accounts payable for Standard Statistics composite of 400 corporations, by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38*

Industry	Number of companies	Notes payable to notes and accounts payable			
		1927-29	1930-33	1934-38	1927-38
		Percent	Percent	Percent	Percent
Advertising, printing, publishing.....	7	5	14	8	10
Autos, trucks.....	13	6	2	3	3
Auto parts.....	27	25	20	17	20
Auto tires.....	10	39	13	31	30
Beverages.....	4	21	52	33	36
Building supplies.....	22	11	13	17	14
Chemicals, fertilizer.....	19	8	6	9	8
Containers.....	3	0	0	13	6
Electrical equipment.....	10	3	9	20	12
Food products.....	27	9	16	45	33
Household products.....	16	25	27	34	29
Leather, shoes.....	7	54	20	35	35
Machinery.....	25	12	15	20	16
Medicines, drug.....	5	36	16	12	19
Metals.....	21	34	70	41	49
Miscellaneous manufactures.....	24	31	37	26	31
Office equipment.....	9	3	8	26	15
Oil products and refining.....	25	9	12	25	17
Paper and its products.....	3	40	3	15	17
Railroad equipment.....	10	14	33	11	19
Shipping and shipbuilding.....	7	32	25	1	17
Steel and iron.....	17	3	13	15	11
Sugar products and refining.....	8	44	51	28	40
Textiles, apparel.....	30	60	53	65	60
Tobacco products.....	16	58	26	58	47
Mainly manufacturing.....	365	22	24	27	25
Nonmanufacturing.....	35	36	54	26	42
Total.....	400	23	25	28	28

Source: Standard Statistics.

From table 40 we can observe that the textile group is most reliant (in percentage form) upon bank loans, and the auto truck group least reliant. On the average over the entire period 1927-38, 60 percent of the notes and accounts payable of the 30 firms in the textile group were composed of notes payable. At the other extreme, for autos and trucks, only 3 percent were in the form of notes payable. The other industries hovering near textiles at the top are metals, tobacco, and sugar. Those close to autos and trucks at the bottom are containers, chemicals, and advertising and printing.

As far as the temporal trend in the break-down is concerned, the tendency is for a slight rise over the entire period. For all 400 companies, 23 percent of the notes and accounts payable were in the form of notes payable in 1927-29. In the depression period 1930-33 the corresponding percentage was 25, and in the recovery period 1934-38 it was 28 percent. This rising trend is to be observed in 9 of the 25 industries for which specific figures have been calculated. In 3 industries there is a declining trend of the ratio of notes payable to current liabilities. Six industries have a higher ratio in depression than in the prosperity or recovery periods, and 7 industries have a lower ratio in depression than in either of the terminal periods.

Small Manufacturing Corporations.

The ratio of current assets to current liabilities is presented in table 41 in frequency distribution form for a sample of small manufacturing corporations classified into five selected industrial groups and covering the years 1925-36. Five different size classes of the current ratio are distinguished: less than 1, 1 to 2, 2 to 3, 3 to 4, and 4 and over. These five classes are further broken into three percentage groups. The first percentage group is that having a current ratio of less than 1. This group may be characterized as low current ratio. Secondly are those with a current ratio of 1 to 4, which may be considered in the medium current ratio category. Finally, we have the percentage of corporations in the category of 4 and over. Such corporations may be characterized as high current ratio enterprises.

The percentages of companies falling in the low and the high current ratio categories appear to be related to the business cycle. Of the total number of companies in the sample in each year, 26 or 27 percent were in the low category before 1929. The percentage fell to 23 in 1929 and then rose to 34 percent in 1932, after which it fell to 27 percent in 1936. That is to say, from a fourth to a third of these small manufacturing corporations, depending on the phase of the business cycle, have a current ratio which is definitely low. At the other extreme, the companies having a current ratio of 4 and over, we find a fifth to a fourth of the companies in the 1920's. The figure remained at about a fourth during the 1930's. The remaining 50 percent or so of these small manufacturing corporations had a current ratio which is what may be termed medium, that is, ranging somewhere between 1 and 4.

Accrued expenses are included in the denominator of the current ratio based on the tabulations covering the small manufacturing corporations. This was not the case, it will be remembered, with the current ratio based on the Statistics of Income tabulations, because these latter do not show accrued expenses separately.

CONCENTRATION OF ECONOMIC POWER

TABLE 41.—Frequency distribution of the current ratio by selected industries, sample of small manufacturing corporations, 1925-36

Industry and year	Less than 1	Percentage, less than 1	1-1.9	2-2.9	3-3.9	4 and over	Percentage, 4 and over	Total
	<i>Number of companies</i>	<i>Percent</i>	<i>Number of companies</i>	<i>Number of companies</i>	<i>Number of companies</i>	<i>Number of companies</i>	<i>Percent</i>	<i>Number of companies</i>
1925								
Bakeries.....	79	49	44	11	3	26	16	163
Men's clothing.....	8	5	65	57	20	28	16	178
Furniture.....	25	14	70	32	12	46	25	185
Stone and clay.....	57	34	43	17	11	39	23	167
Machine tools.....	55	30	42	27	9	48	27	181
Total.....	224	26	264	144	55	187	21	874
Failures.....	149	30	169	87	27	72	14	504
Survivors.....	75	20	95	57	28	115	31	370
1926								
Bakeries.....	91	50	50	14	5	24	13	184
Men's clothing.....	18	9	81	49	17	37	18	202
Furniture.....	24	12	80	39	13	45	22	201
Stone and clay.....	70	37	45	24	12	37	20	188
Machine tools.....	54	28	45	29	20	46	24	194
Total.....	257	27	301	155	67	189	20	969
Failures.....	182	31	193	98	34	72	12	579
Survivors.....	75	19	108	57	33	117	30	390
1927								
Bakeries.....	84	50	39	11	7	28	17	169
Men's clothing.....	16	9	75	47	13	29	16	180
Furniture.....	28	15	69	36	9	41	22	183
Stone and clay.....	69	40	34	20	12	38	22	173
Machine tools.....	48	26	48	31	13	46	25	186
Total.....	245	27	265	145	54	182	20	891
Failures.....	174	35	165	82	19	61	12	501
Survivors.....	71	18	100	63	35	121	31	390
1928								
Bakeries.....	78	49	33	19	4	24	15	158
Men's clothing.....	13	9	60	33	13	32	21	151
Furniture.....	29	18	58	28	14	33	20	162
Stone and clay.....	57	38	30	24	9	31	21	151
Machine tools.....	34	20	48	22	15	55	32	174
Total.....	211	27	229	126	55	175	22	796
Failures.....	138	34	137	59	21	53	13	408
Survivors.....	73	19	92	67	34	122	31	388
1929								
Bakeries.....	62	42	42	13	6	26	17	149
Men's clothing.....	11	8	54	26	9	31	24	131
Furniture.....	20	14	52	27	17	29	20	145
Stone and clay.....	46	33	37	10	11	37	26	141
Machine tools.....	33	20	39	23	15	58	35	168
Total.....	172	23	224	99	58	181	25	734
Failures.....	114	33	123	41	14	50	15	342
Survivors.....	58	15	101	58	44	131	33	392
1930								
Bakeries.....	82	44	40	23	7	33	18	185
Men's clothing.....	16	9	66	43	21	37	20	183
Furniture.....	33	18	55	41	12	48	25	189
Stone and clay.....	52	31	41	21	6	47	28	167
Machine tools.....	44	22	45	29	14	67	34	199
Total.....	227	25	247	157	60	232	25	923
Failures.....	140	37	122	55	16	50	13	383
Survivors.....	87	16	125	102	44	182	34	540
1931								
Bakeries.....	77	48	33	16	5	30	19	161
Men's clothing.....	26	17	36	32	16	45	29	155
Furniture.....	35	21	48	24	13	50	29	170
Stone and clay.....	61	39	35	13	7	41	26	157
Machine tools.....	52	27	42	22	17	60	31	193
Total.....	251	30	194	107	58	226	27	836
Failures.....	133	44	85	30	13	38	13	299
Survivors.....	118	22	109	77	45	188	35	537

TABLE 41.—Frequency distribution of the current ratio by selected industries, sample of small manufacturing corporations, 1925-36—Continued

Industry and year	Less than 1	Percentage, less than 1	1-1.9	2-2.9	3-3.9	4 and over	Percentage, 4 and over	Total
	Number of companies	Percent	Number of companies	Number of companies	Number of companies	Number of companies	Percent	Number of companies
1932								
Bakeries.....	68	47	28	18	5	25	17	144
Men's clothing.....	26	20	24	22	11	46	36	129
Furniture.....	39	28	34	19	13	36	26	141
Stone and clay.....	54	37	36	11	4	41	28	146
Machine tools.....	67	36	29	25	12	53	29	186
Total.....	254	34	151	95	45	201	27	746
Failures.....	113	54	34	24	11	28	13	210
Survivors.....	141	26	117	71	34	173	32	536
1933								
Bakeries.....	62	46	33	10	10	19	14	134
Men's clothing.....	23	20	29	22	13	28	24	115
Furniture.....	28	23	34	19	8	35	28	124
Stone and clay.....	49	38	28	13	6	32	25	128
Machine tools.....	57	32	36	22	16	46	26	177
Total.....	219	32	160	86	53	160	24	678
Failures.....	73	52	28	12	6	22	16	141
Survivors.....	146	27	132	74	47	138	26	537
1934								
Bakeries.....	64	50	21	15	7	20	16	127
Men's clothing.....	13	13	21	22	14	28	29	98
Furniture.....	25	22	24	19	15	29	26	112
Stone and clay.....	50	41	25	7	5	35	29	122
Machine tools.....	51	30	39	24	12	42	25	168
Total.....	203	32	130	87	53	154	25	627
Failures.....	45	54	13	8	9	9	11	84
Survivors.....	158	29	117	79	44	145	27	543
1935								
Bakeries.....	57	49	23	11	6	19	16	116
Men's clothing.....	12	13	32	23	7	18	20	92
Furniture.....	23	21	17	30	11	27	25	108
Stone and clay.....	47	39	26	8	3	36	30	120
Machine tools.....	50	31	32	17	20	40	25	159
Total.....	189	32	130	89	47	140	24	595
Failures.....	21	40	12	7	4	9	17	53
Survivors.....	168	31	118	82	43	131	24	542
1936								
Bakeries.....	38	36	33	8	8	17	16	104
Men's clothing.....	13	17	29	19	5	13	17	79
Furniture.....	19	19	28	25	6	22	22	100
Stone and clay.....	41	38	22	10	6	29	27	108
Machine tools.....	34	23	39	18	17	41	28	149
Total.....	145	27	151	80	42	122	23	540
Failures.....	1	100	0	0	0	0	0	1
Survivors.....	144	27	151	80	42	122	23	539

Source: Proposal 14, Income Tax Study, Philadelphia. The basic data classified by asset, size, and area are available in Washington. See Appendix F, Hist of omitted tables (numbers 18 and 19).

Examination of the industrial break-down of the current ratio distribution reveals marked differences. In 1925, 49 percent of the bakeries had a low current ratio while only 5 percent of the clothing manufacturers fell in this category. The other industry groups were ranged from high to low percent as follows: Stone clay, machine tools, and furniture. The percentage of clothing manufacturers in this low current ratio group rose somewhat in the years following 1925. In 1936 the spread between the high and low had changed decidedly. In this year, 1936, stone clay had the largest relative number of firms in the low-current ratio category with a percentage of 38; bakeries

were in the same general neighborhood with a percentage of 36. Next highest was machine tools with 23 percent of the firms in the under-1 current ratio category. Furniture is next to the bottom with 19 percent and clothing is still at the bottom, but the percentage in the under-1 category is now 17, whereas in 1925 it was 5 percent.

Similar shifts in the industrial composition of the high-current ratio category, that is, current ratio of 4 and over, may be observed. In 1925 machine tools ranked at the top with 27 percent of their firms having a current ratio of 4 or over; bakeries and clothing manufacturers tied for bottom place with 16 percent each; furniture and stone clay were between the two in that order. The 1929 line-up was roughly similar, with minor changes in the in-between groups. By 1932 rather more definite changes in the industrial line-up of the highest current ratio groups were observable. Clothing was at the top with 36 percent of the firms falling in the group with a current ratio of over 4; bakeries were again at the bottom with 17 percent. The other industries from high to low were machine tools, stone clay, and furniture. By 1936 clothing had plummeted to next to the bottom. The high ranking was accorded the machine-tool industry with 28 percent; bakeries were still low with 16 percent. Stone clay and furniture followed immediately after machine tools in the upper bracket.

The machine-tool industry is at or near the top of the 4-and-over group in each year. The clothing group which was at the bottom to begin with, rose to the top and then finally fell again to near the bottom by 1936. The stone clay and furniture groups generally are rather stable and the bakery industry is found at the bottom or near the bottom in each of the years. That is to say, a relatively large percentage of the machine-tool manufacturers have an exceptionally high current ratio and a relatively small percentage of the baking corporations have an exceptionally high current ratio.

The division of these small manufacturing corporations into those which survived throughout the periods covered—1926-36 and 1930-36—and those which failed some time during the same periods, reveals a current ratio distribution such as one might expect. The failures predominate in the low-current ratio group; that is, about twice as many failures as survivors have a current ratio of less than 1. Conversely, in the high-current ratio category we find the survivors predominating over the failures in the general fashion of 2 to 1. There can be no question but that the current ratio is an indicator of the financial stability of a firm and, for that reason, of the economic success of a firm.¹⁰

QUALITATIVE MEASURES

The quantitative aspects of working capital have been discussed in some detail. Attention will now be directed to certain turn-over ratios which indicate the qualitative aspects of working capital. Turn-over is the circuit through which the typical working-capital dollar travels from cash to merchandise to receivables, back to cash. Since an increment of profit is generally made each time a working-capital dollar makes this circuit, a high turn-over implies a high efficiency if the profit margins do not differ. Actually, however, the character of

¹⁰ The 1936 division into failures and survivors is not available. Although we do not know which of the firms existing in 1936 failed in 1937, 1938, or 1939, certainly some of them did.

operations in different industries requires varying degrees of liquidity. This leads to differing turn-over ratios as well as differing profit margins. For the universe of all manufacturing corporations three turn-over ratios will be analyzed: Sales to current assets (tables 42 and 43), sales to inventory (tables 44 and 45), and sales to receivables (table 46). These are supplemented by an additional ratio, inventory to receivables for all corporations (table 47) and for a sample of large corporations (table 48). The data for all manufacturing corporations have been procured from Statistics of Income; those for the sample of large companies from Standard Statistics.

All Manufacturing Corporations.

The over-all turn-over ratio, sales to current assets, indicates the number of times sales exceed, i. e., turn-over, the current assets. Table 42 presents this ratio by industries for 1926 through 1936, and shows that over the entire period the food industry had the highest turn-over (3.58) while lumber had the lowest (1.66). The others were near the 2-to-1 level. This corresponds closely to the earnings picture, which put the food group at the head of the list and the lumber division at the foot. Turn-over decreased about a third during the depression, more in some industries (metals and lumber) than in others (textiles and food). Current assets and sales both decreased, but the latter fell off the more sharply. The secular increase of the textile ratio, due primarily to a long-range decrease in current assets, is particularly noteworthy; even the depression failed to interrupt it. Most of the industries had fairly well recovered the pre-depression level of their ratios by 1936, current assets and sales both being off about the same amount.

TABLE 42.—*Ratio of sales to current assets for total manufacturing and 5 subgroups, 1926-36*

Year	Total manufacturing	Foods	Textiles	Lumber	Stone-clay	Metals
1926.....	2.46	4.18	2.38	1.93	2.42	2.12
1927.....	2.50	3.97	2.30	1.89	2.28	2.23
1928.....	2.53	3.95	2.29	1.87	2.26	2.29
1929.....	2.66	3.90	2.39	1.86	2.34	2.60
1930.....	2.42	3.69	2.42	1.54	2.03	1.97
1931.....	2.04	3.42	2.55	1.40	1.80	1.58
1932.....	1.68	2.87	2.29	1.06	1.39	1.06
1933.....	1.81	2.91	2.31	1.28	1.52	1.35
1934.....	2.08	3.26	2.54	1.48	1.65	1.65
1935.....	2.34	3.56	2.70	1.76	1.78	1.99
1936.....	2.56	3.65	2.68	2.14	2.21	2.24
1926-29 ¹	2.54	4.00	2.34	1.89	2.33	2.31
1930-33 ¹	1.99	3.23	2.39	1.32	1.69	1.49
1934-35 ¹	2.33	3.49	2.64	1.79	1.88	1.96
1926-36 ¹	2.28	3.58	2.44	1.66	1.97	1.92

¹ Averages of annual ratios.

Source: Statistics of Income.

The asset-size classification of these ratios in table 43 reveals a definitely and progressively declining turn-over with increase in size. In every year, for total manufacturing, the highest turn-over is registered by the firms in the smallest-size class. Similarly the second and next from largest size classes have the lowest turn-over. The decline is from a turn-over of 4 to a turn-over of less than 2.

This, coupled with the fact that the larger firms are more profitable, leads to the conclusion that a relatively rapid turn-over implies a relatively small unit profit.¹¹ In temporal comparisons of turn-over for particular firms within an industry, there would probably be a positive relationship between rates of turn-over and of earnings. In this case turn-over would indicate the efficiency of utilization of the working capital.

TABLE 43.—Ratio of sales to current assets for total manufacturing, classified by asset size, 1931-36

Asset classes	1931	1932	1933	1934	1935	1936	1931-33 ¹	1934-36	1931-36 ¹
0 to \$50,000.....	3.97	3.46	3.55	4.14	4.27	4.43	3.66	4.28	3.97
\$50,000 to \$100,000.....	3.14	2.71	2.83	3.34	3.50	3.78	2.89	3.56	3.23
\$100,000 to \$250,000.....	2.73	2.30	2.46	2.93	3.16	3.40	2.50	3.17	2.83
\$250,000 to \$500,000.....	2.45	2.07	2.19	2.68	2.89	3.13	2.24	2.90	2.57
\$500,000 to \$1,000,000.....	2.27	1.84	2.03	2.50	2.68	2.94	2.05	2.71	2.38
\$1,000,000 to \$5,000,000.....	2.04	1.65	1.80	2.12	2.40	2.58	1.83	2.37	2.10
\$5,000,000 to \$10,000,000.....	1.83	1.49	1.62	2.00	2.22	2.41	1.65	2.21	1.93
\$10,000,000 to \$50,000,000.....	1.91	1.47	1.56	1.71	2.02	2.14	1.65	1.96	1.80
\$50,000,000 and over.....	1.84	1.52	1.63	1.76	2.04	2.32	1.66	2.04	1.85

¹ Averages of annual ratios.

Source: Statistics of Income.

In order to synthesize the quantitative aspects of working capital with the qualitative, the 1926-36 averages of the current ratio and of the sales to current assets ratio, by industry groups, are set side by side:

Industry	Average of 1926-36 annual—		Industry	Average of 1926-36 annual—	
	Current ratio	Current assets turn-over		Current ratio	Current assets turn-over
Total manufacturing.....	3.21	2.28	Lumber.....	2.22	1.66
Food.....	3.09	3.58	Stone.....	3.21	1.97
Textiles.....	3.01	2.44	Metals.....	4.17	1.92

The strong position of the food group and the weak position of the lumber division are apparent at first glance. The former has a sizable proportion of working funds and the highest turn-over; the latter not only has the smallest relative amount of working capital, but also the slowest turn-over of current assets by sales. Metal's relatively low turn-over is compensated for by the quantity of its working capital.

The following tabulation brings out temporal comparisons in these two ratios for total manufacturing, over the period 1926-36:

	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Total manufacturing:											
Current ratio.....	3.38	3.31	3.41	3.51	3.48	3.37	3.12	3.13	2.78	2.89	2.95
Current assets turn-over.....	2.46	2.50	2.53	2.66	2.42	2.04	1.68	1.81	2.08	2.34	2.56

¹¹ Cf. Schluter, *Credit Analysis*, who writes (p. 256): "According to statistical evidence, a rapid rate of turn-over is usually accompanied by a smaller increment of profit for each turn-over than is a slower rate. This proposition must be regarded as a fundamental law, because, otherwise, all business capital would flow to the industries and enterprises in which the turn-over rate was high."

Parallel downward movements of these ratios are generally considered a bad omen; parallel increases, a strengthened position; and counteracting movements, a holding of position. There was a modest strengthening of position between 1926 and 1930, but a sharp break came the next year and continued into 1932; quantity and turn-over decreased concurrently. The subsequent further decline of the current position was counteracted, perhaps no more than in part, by the increased turn-over. On the basis of the 1926-29 average standings of these ratios, American manufacturing corporations had not, by 1936, fully recouped the working capital losses caused by the depression; the turn-over ratio had risen back to the 1926-29 level, but the current ratio was still under its earlier standing.¹²

A comparison of these two ratios for all manufacturing concerns over the period 1931-36, classified by asset-size class (I is 0 to \$50,000, IX is \$50,000,000 and over), follows:

	I	II	III	IV	V	VI	VII	VIII	IX
Total manufacturing:									
Current ratio.....	1.41	1.79	2.04	2.35	2.60	3.15	3.62	3.60	3.46
Current assets turn-over.....	3.97	3.23	2.83	2.57	2.38	2.10	1.93	1.80	1.85

The counteracting tendencies are what one would normally expect—the higher current ratios are associated with lower turn-overs of current assets, and vice versa. It is difficult to draw conclusions concerning any interclass differences there may be in the strength of the general working capital position, but it may be observed that the product of these two ratios (a figure equivalent to the current liabilities turn-over) rises from the smallest amount class to the seventh, and then falls to the largest asset-size group.

The sales to current assets ratio gives an over-all view of working capital turn-over. It is desirable, however, to supplement this picture with analysis of the turn-over characteristics of particular segments of working capital. Important segments, in this respect, are inventory and receivables. Their turn-over characteristics are the subject of the immediately following paragraphs.

Tables 44 and 45 present sales-to-inventory ratios corresponding to the current assets turn-over figures contained in tables 42 and 43. Moreover, the picture portrayed by the two different turn-overs are similar. Hence many of the remarks concerning tables 42 and 43 apply also to tables 44 and 45. The food group has distinctly the highest inventory turn-over, 7.1 times. Lumber is again low with a turn-over of 3.3, while the other subgroups are modestly below the total manufacturing level of 4.9. The inventory turn-over displays considerable vitality over the period. Textiles actually recorded an increase due to a relatively greater fall in inventory, and all the industrial groups except food and metals had more than regained their 1926-29 level by 1936. The asset size break-down in table 45 presents the familiar regressive pattern: A decline in the inventory turn-over with increasing asset size, from 10.5 in the smallest class to 3.84 in the \$10,000,000 to \$50,000,000 bracket. All size groups shared in the

¹² It is conceivable that this shift in the working capital position effected during the depression constitutes a more or less permanent change in the financial structure of American manufacturing enterprises.

1934-36 rise in the turn-over of inventories due to a more marked increase in sales than in inventory.

TABLE 44.—Ratio of sales to inventory for total manufacturing and 5 subgroups, 1926-36

Year	Total manufacturing	Food	Textiles	Lumber	Stone	Metals
1926.....	4.87	7.73	4.31	3.82	5.20	4.44
1927.....	5.13	7.46	4.11	3.64	4.87	4.72
1928.....	5.36	7.40	4.13	3.86	5.10	5.32
1929.....	5.49	7.45	4.49	3.81	4.88	5.57
1930.....	5.17	7.62	4.68	3.00	4.16	4.42
1931.....	4.60	7.45	5.18	2.81	3.69	3.56
1932.....	3.95	6.57	4.79	2.33	2.87	2.44
1933.....	4.00	6.01	4.13	2.59	3.20	2.97
1934.....	4.69	6.46	4.71	3.08	3.64	3.72
1935.....	5.24	7.20	5.08	3.56	4.12	4.36
1936.....	5.33	6.73	5.23	4.27	5.07	4.68
1926-29 ¹	5.21	7.51	4.26	3.78	5.01	5.01
1930-33 ¹	4.43	6.91	4.69	2.68	3.48	3.35
1934-36 ¹	5.09	6.80	5.01	3.63	4.28	4.25
1926-36 ¹	4.90	7.10	4.62	3.34	4.26	4.20

¹ Averages of annual ratios.

Source: Statistics of Income.

TABLE 45.—Ratio of sales to inventory for total manufacturing classified by asset size, 1931-36

Asset classes	1931	1932	1933	1934	1935	1936	1931-33 ¹	1934-36 ¹	1931-36 ¹
0 to \$50,000.....	10.44	9.03	8.99	10.89	11.44	11.94	9.48	11.42	10.45
\$50,000 to \$100,000.....	7.70	6.64	6.60	8.02	8.73	9.29	6.98	8.68	7.83
\$100,000 to \$250,000.....	6.21	5.26	5.35	6.57	7.19	7.68	5.61	7.12	6.36
\$250,000 to \$500,000.....	5.28	4.51	4.54	5.69	6.20	6.59	4.78	6.16	5.47
\$500,000 to \$1,000,000.....	4.79	3.95	4.07	5.17	5.56	6.04	4.27	5.59	4.93
\$1,000,000 to \$5,000,000.....	4.13	3.49	3.58	4.38	4.98	5.18	3.74	4.85	4.29
\$5,000,000 to \$10,000,000.....	3.82	3.31	3.34	4.28	4.66	4.75	3.49	4.57	4.03
\$10,000,000 to \$50,000,000.....	4.06	3.29	3.17	3.80	4.37	4.31	3.51	4.16	3.84
\$50,000,000 and over.....	4.50	3.94	4.10	4.37	4.96	4.93	4.18	4.75	4.47

¹ Averages of annual ratios.

Source: Statistics of Income.

The sales-to-receivables ratios presented in table 46 give an indication of changes in the volume of credit business done or in the duration of credits extended by these manufacturing corporations over the years 1926-36.¹³ Receivables include not only accounts receivable (net), but also notes receivable, which may comprise certain assets not arising out of sales such as stock subscriptions or loans to officers and employees. If we assume such nonoperating items are relatively small, then a high ratio means a relatively small amount of credit sales, or a short credit period, and vice versa. Relatively speaking, the food companies do practically a cash business. Their receivables turn-over of 11 to 1 not only heads the list, but is almost double that of the total manufacturing average of 6.14. Lumber has the largest volume of receivables, relative to sales, with a turn-over of 4.07. Stone and metals are below the all-manufacturers level, while textiles are second high with a turn-over of 7.40. The proportion of credit sales swelled during the depression, the receivables turn-over for total manufacturing declining from a 1929 high of 7.23 to a 1932 low of 4.42.

¹³ Unfortunately, Statistics of Income tabulations do not permit an asset size break-down of this ratio.

Eleven-year highs in the turn-over (i. e. lows in credit sales) were recorded in 1936 by total manufacturing, textiles, lumber, and stone. Such a result could only follow from a relatively large volume of total sales, or a relatively small volume of credit sales, or the combined action of both forces. The dollar figures reveal that total sales (the numerator of the ratio) were the active element, receivables increasing less markedly.

TABLE 46.—*Ratio of sales to receivables for total manufacturing and 5 subgroups, 1926-36*

Year	Total manufacturing	Food	Textiles	Lumber	Stone	Metals
1926.....	6.99	13.23	7.19	4.82	6.48	6.10
1927.....	6.81	12.36	6.95	4.82	6.32	6.17
1928.....	6.77	12.24	6.89	4.46	5.93	5.75
1929.....	7.23	11.68	6.68	4.33	6.43	7.21
1930.....	6.61	10.58	7.28	3.89	5.96	5.49
1931.....	5.30	9.92	7.54	3.40	5.19	4.41
1932.....	4.42	8.61	6.85	2.41	4.12	3.08
1933.....	4.78	8.80	7.53	3.10	4.39	3.86
1934.....	5.22	9.60	7.98	3.61	5.10	4.44
1935.....	6.19	10.93	8.28	4.42	5.11	5.83
1936.....	7.26	11.94	8.21	5.47	7.07	6.70
1926-29 ¹	6.95	12.38	6.93	4.61	6.29	6.31
1930-33 ¹	5.28	9.48	7.30	3.20	4.92	4.21
1934-36 ¹	6.22	10.82	8.16	4.50	5.76	5.66
1926-36 ¹	6.14	10.90	7.40	4.07	5.65	5.37

¹ Average of annual ratios.

Source: Statistics of Income.

The inventory-to-receivables ratio supplements the working-capital-turn-over ratio inasmuch as it indicates the composition of the working capital. Its trend is influenced by the fact that there tends to be more cash selling in periods of rising prices (sellers' market) and more credit sales when prices fall (i. e. in buyers' market). Table 47 presents the ratio of inventories to receivables, and discloses a remarkable constancy temporally as well as spatially.¹⁴ Inventories are in every case somewhat in excess of receivables, in textiles more so (1.61) and in lumber less so (1.21) on the average over the 11 years. If we consider funds tied up in receivables one step nearer cash than those invested in inventory, an increase in the inventory-to-receivables ratio would be a favorable sign in periods of business revival,¹⁵ and a decrease a favorable sign toward the end of a prosperity period. What actually happened, on the basis of the ratios in table 47? From 1929 to 1932 a falling ratio, under the foregoing interpretation, would be a "good" sign: The ratio actually fell for total manufacturing, foods, and metals, inventory falling more sharply than receivables. Textiles' rising ratio, as well as that for lumber, was arrested in 1931. Stone's ratio proved quite perverse: Falling from 1930 to 1931, it rose again to its former high level the next year and did not fall definitely until 1933, several years "too late." In the recovery years of 1934-36 a rising ratio would generally be desired: Such was the case for total manufacturing, food, lumber, and metals, receivables remaining relatively constant in the face of increasing inventories. Textiles' ratio fell rather persistently after 1933 since receivables increased faster than inventories. The

¹⁴ Unfortunately, Statistics of Income tabulations do not permit an asset size break-down of this ratio.

¹⁵ Because one is thereby building up inventories for presumably higher prices in a sellers' market.

perversity of stone's ratio continued: An "unwanted" fall from 1934 to 1935 was followed by the "desired" rise the next year. It should be pointed out again, however, that too much reliance should not be placed on slight movements of this ratio, since both the numerator and denominator are point-of-time rather than average-over-a-year figures.

TABLE 47.—Ratio of inventory to receivables for total manufacturing and five subgroups, 1926-36

Year	Total man- ufacturing	Food	Textiles	Lumber	Stone	Metals
	Percent	Percent	Percent	Percent	Percent	Percent
1926	143.4	171.2	166.9	126.3	124.7	137.5
1927	132.8	165.6	169.0	132.4	129.8	130.8
1928	126.4	165.3	167.0	115.4	116.2	108.2
1929	131.8	156.8	148.8	113.8	131.8	129.4
1930	127.8	139.0	155.7	130.0	143.4	124.0
1931	115.1	133.1	145.6	121.2	140.7	124.0
1932	111.7	131.1	143.1	103.4	143.4	126.3
1933	119.5	146.3	182.5	119.9	137.4	130.2
1934	111.2	148.5	169.5	117.5	140.0	119.4
1935	118.0	151.8	163.2	124.0	123.8	133.7
1936	136.1	177.3	156.8	128.2	139.3	143.1
1926-29	133.6	164.7	162.9	122.0	125.6	126.5
1930-33 ¹	118.5	137.4	156.7	118.6	141.2	126.1
1934-36 ¹	121.8	159.2	163.2	123.2	134.4	132.1
1926-36 ¹	124.9	153.3	160.7	121.1	133.7	127.9

¹ Average of annual ratios.

Source: Statistics of Income.

Large Manufacturing Corporations.

One of the chief differences between the ratio of inventory to receivables for the Standard Statistics composite of 400 large corporations (see table 48) and the Statistics of Income tabulation of all reporting corporations, is that the former is decidedly larger than the latter. Considering all 400 companies in the former case and total manufacturers in the latter, the respective ratios of inventory to receivables are 230 percent and 125 percent, on the average over the respective periods covered by the data. Moreover, the trends exhibited by the two sets of data differ. The ratio for the 400 large corporations rises from an average standing of 196 percent in the prosperity years 1927-29 to 223 in the depression period 1930-33 and then continues the rise to 255 percent in the recovery period 1934-38. In the Statistics of Income tabulation for total manufacturing, on the other hand, the trend was down from 134 percent in the first period 1926-29, to 119 percent in the second period 1930-33. The recovery years 1934-36 saw a rise in the Statistics of Income ratio to 122 percent. On the basis of our previously enunciated principle concerning a desirable movement in this ratio with respect to the business cycle, it would seem that the ratio for total manufacturing in Statistics of Income exhibited the more favorable trend. That is to say, in the period of depression the ratio for the Standard Statistics composite continued to increase, whereas that for the Statistics of Income universe actually recorded the "desired" decrease. For the recovery years at the end of the period covered by both sets of data, the ratios in each case rose, which is, according to our principle, desirable. An examination of the ratios for each year covered by these two sets of

data—space limitations preclude presentation of the annual tables—gives no cause for impugning the validity of the foregoing conclusions.

TABLE 48.—*Ratio of inventory to receivables for Standard Statistics composite of 400 corporations, by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38.*

Industry	Number companies	1927-29	1930-33	1934-38	1927-38
		<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
Advertising, printing, and publishing.....	7	65	80	115	91
Automobiles and trucks.....	13	293	290	279	286
Automobile parts.....	27	173	185	184	182
Automobile tires.....	10	174	164	207	185
Beverages.....	4	241	434	271	318
Building and real estate.....	22	166	178	212	187
Chemicals, fertilizers.....	19	139	197	239	200
Containers.....	3	172	128	182	162
Electric equipment and radio.....	10	153	188	235	199
Food products.....	27	189	190	247	214
Household products.....	16	135	203	271	214
Leather shoes.....	7	155	142	198	169
Machinery.....	25	93	89	123	104
Medicine, drugs.....	5	144	135	144	141
Metals.....	21	273	415	428	385
Miscellaneous securities.....	24	124	151	196	163
Office and business equipment.....	9	88	112	112	106
Oil producing and refining.....	25	218	222	247	231
Paper and paper products.....	3	210	201	205	205
Railroad equipment.....	10	96	122	164	133
Shipping and shipbuilding.....	7	64	101	79	83
Steel and iron.....	17	245	493	387	387
Sugar producing and refining.....	8	162	204	374	264
Textile and apparel.....	30	177	197	213	199
Tobacco products.....	16	604	708	917	769
Mainly manufacturing.....	365	192	220	253	227
All other companies.....	35	278	274	276	276
All companies.....	400	196	223	255	230

Source: Standard Statistics.

What industrial differences are there in the ratio for the Standard Statistics composite? A glance at table 48 reveals that four industrial groups have three times as much inventory as they have receivables. These industries are tobacco, which has more than seven times as much working capital invested in inventory as in receivables, steel and iron, metals, and beverages. At the other end of the scale are two industries with a smaller amount invested in inventory than in receivables. The bottom position goes to shipping and shipbuilding, but between that low of 83 percent and the 100 percent representing parity between inventory and receivables, falls advertising, printing, and publishing. Slightly above the 100 percent mark are machinery and office equipment. These differences in the inventory to receivables ratio between the various industries are quite marked, in fact, much more marked than indicated by the ratios calculated for the industrial groups in Statistics of Income. Of the five industrial subgroups of total manufacturing studied in the analysis of the Statistics of Income data, the maximum range over the 1926-36 period was from 161 percent in the case of textiles to 121 percent in the case of lumber.

The average ratio for all 400 companies of the Standard Statistics sample increased over the entire period 1927-38. Fourteen of the 25 industry groups followed the same pattern. Six followed the Statistics of Income pattern which has a lower ratio in the depression period.

Four pointed in the other direction by having a higher ratio in the depression period than in either of the other periods. One actually had a decreasing ratio over the entire period, autos and trucks. The ratio for the mainly nonmanufacturing companies was in the so-called favorable group, showing a decline from 1927-29 to 1930-33 and an increase from 1930-33 to 1934-38.

* * * * *

This completes the discussion of working capital. No attempt has been made to present an analysis thereof which would be helpful to business cycle analysts. It is our belief the data are not adequate for that purpose. However, the attempt has been made to give the reader a background picture of the amount of working capital possessed by manufacturing corporations and of the utilization which these companies make of this revolving fund. Such a background may not only contribute to an understanding of the general financial structure of American industry, but also may provide a useful basis of reference for discussions concerning the financial characteristics of particular groups of American corporations.

CHAPTER V

FIXED CAPITAL OF AMERICAN MANUFACTURING CORPORATIONS

The earnings experience of American manufacturing corporations was described briefly in 2 and 3 chapters. The fourth chapter took up their working capital position. In this chapter we will deal with the fixed capital position—treating first their sources of fixed capital; secondly, the uses made of this fixed capital; and, thirdly, expansion policies.

Fixed capital—commonly referred to as the capital—of an enterprise is of initial importance in the launching, and then in the operation, of a business. Its composition is indicative of the degree of equity maintained by the owners, and predictive of future control over the capital invested in the enterprise.

Concerning the source and nature of capital, it is important to know how much is borrowed and how much is owned; how much represents reinvested earnings and how much stockholders' investments directly; and how much of the borrowing is short time and how much long time. In analyzing the uses and distribution of capital the aim is to ascertain the extent to which total capital invested in an enterprise covers fixed assets and current assets, respectively. Closely related to the uses and distribution of capital is a firm's expansion policies. The relation of plant expansion to volume of business is examined in a concluding section to this chapter.

NATURE AND SOURCES OF FIXED CAPITAL

In this section we are primarily interested in the relative proportions between owned and borrowed capital, between reinvested earnings and stockholders' investments directly, and between capital borrowed on long and short time. The information available on all manufacturing corporations permits a general survey of all three aspects. The data on the 400 large companies make possible an analysis of the first and third points, while the available small corporations tabulations give some information on two other aspects of capital composition, the relation of capital stock to surplus and of funded debt to capital stock.

All Manufacturing Corporations.

The basic data for all manufacturing corporations derived from Statistics of Income are presented in tables 49 and 50. The former comprises the 1926-36 industry ratios of net worth to total debt, surplus to net worth, and current debt to total debt, the latter presents asset size classifications of these three ratios for total manufacturing over the years 1931-36. This tabular scheme differs from that followed in the preceding chapter, when each working capital ratio was treated

separately. Combination analysis seems better adapted to the fixed capital position than to the working capital, although some use of it was nevertheless found helpful in the last section.

The net worth to total debt ratio gives us the relative proportion between owned and borrowed capital. Net worth is the sum of preferred and common stock and surplus, while total debt is the sum of funded and current debt. Table 49 indicates net worth is about four times total debt for most manufacturing corporations, food's low average of 2.8 indicating a relatively heavy reliance on outside or borrowed capital and stone's high average of 4.8 implying relative independence from creditors. This ratio is relatively stable during the business cycle, but a surprising secular decline occurs in the food industry ratio, due to a declining equity in the face of a relatively stable total debt.

TABLE 49.—Ratios of net worth to total debt,¹ surplus to net worth, and current debt to total debt,¹ for total manufacturing and 5 subgroups, 1926-36

Industry and ratio	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1926-29 ²	1930-33 ²	1934-36 ²	1926-36 ²
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Total manufacturing:															
Net worth to total debt ¹	400.0	395.0	388.0	409.0	409.0	411.0	410.0	403.0	354.0	338.0	339.0	393.0	403.0	344.0	387.0
Surplus to net worth.....	32.1	34.3	35.0	35.9	35.0	32.1	29.1	29.9	29.4	31.2	33.4	34.6	31.5	31.3	32.6
Current debt to total debt ¹	62.4	60.5	57.8	57.6	53.8	51.9	51.3	53.3	62.7	60.6	62.5	59.6	52.6	61.9	57.7
Food:															
Net worth to total debt ¹	334.0	306.0	319.0	312.0	317.0	279.0	303.0	264.0	242.0	221.0	220.0	318.0	291.0	228.0	293.0
Surplus to net worth.....	26.2	28.1	29.5	30.1	30.5	34.4	32.5	38.2	41.3	44.7	47.2	28.5	33.9	44.4	34.8
Current debt to total debt ¹	60.2	57.9	57.7	56.3	62.8	50.7	49.2	52.7	61.7	60.0	59.8	58.0	51.4	60.5	56.3
Textiles:															
Net worth to total debt ¹	346.0	366.0	354.0	344.0	385.0	436.0	466.0	425.0	404.0	361.0	277.0	353.0	428.0	347.0	379.0
Surplus to net worth.....	27.7	30.6	31.2	32.2	26.1	23.7	20.9	26.6	27.8	28.3	26.7	30.4	24.8	30.9	28.3
Current debt to total debt ¹	84.8	82.4	83.2	81.6	77.7	73.0	71.7	73.8	77.2	76.4	56.5	83.0	75.1	70.0	76.6
Lumber:															
Net worth to total debt ¹	318.0	319.0	308.0	313.0	310.0	320.0	308.0	309.0	280.0	298.0	295.0	315.0	312.0	291.0	307.0
Surplus to net worth.....	38.6	41.2	40.9	42.7	39.5	32.8	26.2	25.8	24.3	27.1	29.5	40.9	31.1	27.0	33.5
Current debt to total debt ¹	81.2	80.5	75.4	71.4	67.1	58.9	59.1	60.3	61.2	62.3	62.6	77.1	61.4	62.0	67.3
Stone:															
Net worth to total debt ¹	566.0	552.0	480.0	459.0	458.0	458.0	435.0	490.0	450.0	452.0	449.0	514.0	460.0	450.0	477.0
Surplus to net worth.....	30.7	32.5	32.4	31.2	30.2	28.3	22.6	23.3	21.1	26.4	28.2	31.7	26.1	25.2	27.9
Current debt to total debt ¹	66.7	61.3	52.4	49.5	49.5	48.7	44.5	43.8	54.8	54.9	56.8	57.5	46.6	55.5	53.0
Metals:															
Net worth to total debt ¹	435.0	498.0	419.0	534.0	517.0	490.0	490.0	516.0	397.0	362.0	267.0	457.0	501.0	342.0	441.0
Surplus to net worth.....	36.5	38.5	38.3	43.8	41.3	33.6	33.6	32.9	31.4	33.8	45.4	39.3	35.4	36.9	37.2
Current debt to total debt ¹	56.1	53.4	47.5	54.6	47.0	50.6	47.0	42.8	57.2	59.1	52.5	52.9	46.9	56.3	51.6

¹ Current and funded debt, exclusive of accrued expenses.

² Averages of annual ratios.

Source: Statistics of Income.

Confidence in the reliability of the next ratio, surplus and undivided profits to net worth, would be augmented were the surplus item a neater figure.¹ The figures as they stand indicate that about a third of corporate manufacturing's owned capital is derived from or represented by paid-in and earned surplus and undistributed earnings. The industry variations about this average are slight, metals running 37 percent and stone and textiles 28 percent. The ratio rises in cyclical expansion due to an increase in surplus, and falls in contraction, due to a decrease in surplus. The secular rise of the food group's ratio resulting from a marked decrease in net worth coupled with some retention of earnings, or write-ups, constitutes an exception.

The final ratio, current debt to total debt, tells us what proportion of the borrowed capital is on short term. The relative amount of current debt (including both notes and accounts payable) fluctuates decidedly with the business cycle, perhaps more so than it would have done were it limited, as one would wish,² to notes payable. The decline of this ratio in cyclical contraction is due largely to a falling off in current debt, funded debt declining less markedly. Similarly, the increase in this ratio during recovery is brought about by a marked swelling of current debt and a less pronounced rise in funded debt. Textiles and lumber have exceptionally high ratios, more than three-fourths and two-thirds respectively. Metals and stone are low, having a funded debt almost equal to their current debt.

With respect to the asset size classification (see table 50), the net worth to total debt and surplus to net worth ratios increase steadily as we pass from small to large companies; the ratio of current to total debt falls just as consistently. The progression is steep in the surplus to net worth ratio rising, in the case of the 1931-36 average for all manufacturing corporations, from a negative 63 percent to a positive 36 percent. The negative ratios in the two smallest size classes—0 to \$50,000 and \$50,000 to \$100,000—mean that these companies had, in the aggregate, a deficit in place of a surplus. The surplus to net worth ratio becomes positive in the next size class—\$100,000 to \$250,000—indicating the transition from deficit to surplus. Pronounced progression occurs in the net worth to total debt figures, from 1.2 to 4.2. The regression in the current to total debt ratio is also decisive, from 86 to 48 percent. The larger companies, therefore, have a relatively high proportion of surplus and of owned capital, and a relatively low proportion of current debt.

¹ "Surplus and Undivided Profits" in Statistics of Income tabulations includes all items of surplus, such as donated, paid-in, earned or unearned surplus, capital surplus, surplus by appreciation, surplus reserves, premiums on capital stock, etc.

² It would have been better if we could have excluded accounts payable from borrowed capital. It was not possible to do that, however, and still show the asset size break-down.

TABLE 50.—*Ratios of net worth to total debt,¹ surplus to net worth, and current debt to total debt, for total manufacturing classified by asset size, 1931-36*

Asset class and ratio	1931	1932	1933	1934	1935	1936	1931-33 ²	1934-36 ²	1931-36 ²
	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent
0 to \$50,000:									
Net worth to total debt ¹	141.0	131.0	128.0	113.0	106.0	101.0	133.0	107.0	120.0
Surplus to net worth.....	-45.2	-62.3	-66.4	-68.7	-68.4	-65.5	-58.0	-67.5	-62.8
Current debt to total debt ¹	87.7	86.3	86.6	86.1	84.6	85.4	86.8	85.4	86.1
\$50,000 to \$100,000:									
Net worth to total debt ¹	193.0	201.0	192.0	190.0	181.0	162.0	195.0	178.0	187.0
Surplus to net worth.....	-3.1	-9.9	-9.6	-8.1	-6.2	-4.6	-7.5	-6.3	-9.9
Current debt to total debt ¹	82.2	79.6	80.9	80.9	81.1	80.8	80.9	80.9	80.9
\$100,000 to \$250,000:									
Net worth to total debt ¹	246.0	249.0	246.0	234.0	225.0	204.0	247.0	221.0	234.0
Surplus to net worth.....	9.5	3.9	6.7	5.7	10.0	13.3	6.7	9.7	8.2
Current debt to total debt ¹	78.6	76.5	76.4	77.7	78.3	79.0	77.2	78.3	77.8
\$250,000 to \$500,000:									
Net worth to total debt ¹	295.0	323.0	317.0	286.0	278.0	247.0	312.0	270.0	291.0
Surplus to net worth.....	20.4	16.6	19.3	18.0	18.4	22.5	18.8	19.6	19.2
Current debt to total debt ¹	75.2	70.9	73.2	74.9	75.3	74.6	73.1	74.9	74.0
\$500,000 to \$1,000,000:									
Net worth to total debt ¹	378.0	389.0	356.0	319.0	298.0	277.0	374.0	298.0	336.0
Surplus to net worth.....	26.8	23.8	24.7	24.1	26.2	28.5	25.1	26.3	25.7
Current debt to total debt ¹	72.3	68.6	68.7	72.0	72.4	72.4	69.9	72.3	71.1
\$1,000,000 to \$5,000,000:									
Net worth to total debt ¹	446.0	452.0	447.0	374.0	355.0	360.0	448.0	366.0	407.0
Surplus to net worth.....	30.7	26.9	28.8	29.5	31.5	35.1	28.8	32.0	30.4
Current debt to total debt ¹	61.8	58.5	59.6	68.0	67.4	68.5	60.0	68.0	64.0
\$5,000,000 to \$10,000,000:									
Net worth to total debt ¹	463.0	450.0	418.0	361.0	355.0	358.0	444.0	358.0	401.0
Surplus to net worth.....	35.6	30.0	31.6	34.3	36.4	38.5	32.4	36.4	34.4
Current debt to total debt ¹	48.2	44.2	46.2	57.6	56.0	55.6	46.2	56.4	51.3
\$10,000,000 to \$50,000,000:									
Net worth to total debt ¹	469.0	467.0	444.0	391.0	361.0	407.0	460.0	386.0	423.0
Surplus to net worth.....	31.5	27.8	31.6	33.8	36.3	37.6	30.3	36.9	33.1
Current debt to total debt ¹	44.9	43.5	47.0	57.3	51.9	51.6	45.1	55.1	50.1
\$50,000,000 and over:									
Net worth to total debt ¹	437.0	432.0	438.0	392.0	376.0	375.0	436.0	381.0	408.0
Surplus to net worth.....	37.7	36.4	35.1	34.2	35.3	36.7	36.4	35.4	35.9
Current debt to total debt ¹	39.7	41.9	44.1	54.9	52.4	54.8	41.9	54.0	48.0

¹ Current and funded debt, exclusive of accrued expenses.² Averages of annual ratios.

Source: Statistics of Income.

So much for the general magnitudes of the sources of fixed capital. Let us now examine the three ratios in combination, industry by industry; and size class by size class. Arbitrarily construing "favorable" in terms of relatively large surplus and independence from outside owners and from short-term debt, we shall attempt to disclose favorable and unfavorable developments. For example, a decline in the net worth to total debt ratio is made worse if surplus to net worth also falls, since outside borrowing is not only larger but also the rate of accumulated earnings or paid-in surplus is shrinking. If, further, an increasing current debt to total debt ratio is also found, the prognosis becomes even more unfavorable because the proportion of current debt is increasing at the same time that the proportion of total debt is increasing. Oftentimes, of course, trends in the different ratios would tend to compensate for each other, and it would be difficult to say that the development was either favorable or unfavorable. The following tabular summary, derived from table 49, is an attempt to draw such general conclusions. The resulting appraisals are from a development rather than static viewpoint, and should not be taken too literally. The remarks are concerned more with possible shifts in capital's composition, are on a relative basis, and are subject to qualifications.

	1926-29	1929-33	1933-36	Remarks
Total manufacturing:				
Net worth to total debt.	Stable.....	Stable.....	Declining....	} The proportion of equity in the total capital is barely holding its own, earned capital is swelling from retained profits (or write-ups), and current debt is falling off.
Surplus to net worth.	Rising.....	Declining....	Rising.....	
Current debt to total debt.	Declining....	do.....	do.....	
Appraisal.....	Gaining.....	Holding own.	Spotty.....	
Foods:				
Net worth to total debt.	Stable.....	Declining....	Declining....	} Borrowed capital is looming more important than owned capital, within the equity there is a definite shift to earned capital, and current debt is decreasing relative to total debt.
Surplus to net worth.	Rising.....	Rising.....	Rising.....	
Current debt to total debt.	Declining....	Declining....	do.....	
Appraisal.....	Gaining.....	Holding own.	Spotty.....	
Textiles:				
Net worth to total debt.	Declining....	Rising.....	Declining....	} Owned capital is losing ground to borrowings, there is some shift to earned capital, and current debt is on the way out.
Surplus to net worth.	Rising.....	Declining....	Rising.....	
Current debt to total debt.	Declining....	do.....	Declining....	
Appraisal.....	Holding own.	Holding own.	Holding own.	
Lumber:				
Net worth to total debt.	Declining....	Stable.....	Declining....	} Total equity is giving way to borrowed capital, stockholdings are losing to earned capital, and current debt is falling.
Surplus to net worth.	Rising.....	Declining....	Rising.....	
Current debt to total debt.	Declining....	do.....	do.....	
Appraisal.....	Gaining.....	Holding own.	Holding own.	
Stone-clay:				
Net worth to total debt.	Declining....	Stable.....	Declining....	} Borrowing capital is becoming more important than owned, stock is giving way to earned capital, and short-term debt to long-term debt.
Surplus to net worth.	Rising.....	Declining....	Rising.....	
Current debt to total debt.	Declining....	do.....	do.....	
Appraisal.....	Holding own.	Holding own.	Spotty.....	
Metals:				
Net worth to total debt.	Rising.....	Declining....	Declining....	} Within total capital there is a shift to borrowed capital, within total equity to earned capital, and within total debt to funded obligations.
Surplus to net worth.	do.....	do.....	Rising.....	
Current debt to total debt.	Declining....	do.....	do.....	
Appraisal.....	Gaining.....	Losing.....	Spotty.....	

Differences between industry groups are not clearly marked by these appraisals, probably because the judgments themselves are not sufficiently refined. From the rough appraisals here made, however, a favorable development in the capital position of the lumber industry is brought out. The other groups just about held their own position during the entire period, although metals definitely lost ground during the contraction phase of the cycle. Most groups gave evidence of a trend toward borrowed capital, and of a shift within total equity toward earned capital, that is, paid in and earned surplus and undistributed earnings. The figures are not very trustworthy for this type of inference because the surplus item is the resting place of write-ups and write-downs, whose amount and timing are generally unknown. However, the persistence of the shift to earned capital (surplus) on the one hand, and to borrowed capital (total debt) on the other hand, can only mean that equity shares—common and preferred stock—are becoming relatively less important (or, at least are carried on the books at lower valuations). Since surplus is a part of stockholders' equity, the increase in surplus may compensate for the decrease in stocks outstanding and leave the total stockholders' equity unchanged. More precise answers to these questions must await more rigorous data. In any case, the developmental aspects of the fixed capital

supply should not be turned into an appraisal of the absolute standing of the different industries. An industry with a so-called unfavorable trend in its capital supply may still be in a stronger position than another industry with a so-called favorable trend.

The following tabular summary, derived from table 50, carries out a similar analysis of the asset size classification of these three ratios for total manufacturing over the period 1931-36. The trend of the ratio over the entire period is labeled as up, down, or even. The asset size classes, from small to large, are indicated by the numerals I through IX. The appraisal is, again, merely a conjecture, and the following remarks only possibilities:

Ratio	I	II	III	IV	V	VI	VII	VIII	IX
Net worth to total debt.	Down..	Down..	Down..	Down..	Down..	Down..	Down..	Down..	Down..
Surplus to net worth.	..do....	Up.....	Up.....	Up.....	Up.....	Up.....	Up.....	Up.....	Do.
Current debt to total debt.	..do....	Even...	..do....	..do....	..do....	..do....	..do....	..do....	Up.
Appraisal	Holding own		Spotty						Losing

This summary, although possibly accurate so far as the developmental aspects of capital supply are concerned, may nevertheless be misleading because the absolute standings of the different-size classes are not taken into account. For example, the smallest-size classes seem to have done the best job of maintaining their capital supply during the years 1931-36. When it is realized that the surplus to net worth ratio of these smaller firms is actually in the red, and their net worth to total debt ratio definitely smaller than that for the large companies, a different light is cast upon the above-detailed movements in these ratios. The one trend in the above summary which seems most significant is that the largest corporations (\$50,000,000 and over) seem to be losing ground, inasmuch as they show shifts from equity, from retained earnings, and to current debt. Moreover, the absolute standing of their ratios is no better than that of the VI, VII, and VIII size classes (covering assets of \$1,000,000 to \$50,000,000).³

One important factor which has been omitted from all this appraisal making is the magnitude of the upward or downward movement. Whether the movement over a given-time period was up or down was determined by inspection. If the ratio for the second half of the period seemed about the same as that for the first, the movement was characterized as "stable" or "even." Whether it fell greatly or only slightly, however, the record would show "declining" or "down." Obviously, a rigorous analysis would have to give some weight to the quantitative aspects of the "down" or "up." This weighting of the different ratios is not feasible in the present instance. The ratios are not sufficiently reliable, and it is not so easy to decide the relative importance of the different ratios. Some of the more particular factors governing the requirements of each firm have to be taken into account.

³ This is not necessarily inconsistent with the profits study of chapter 2. The largest asset size group was not usually the most profitable; the VI, VII, and VIII classes generally held this distinction.

The main value of the present discussion—it must be growing increasingly evident to the reader—lies not so much in the appraisals of these industry groups as in the general background of relative magnitudes of the various components of capital supply. The general proportions for all manufacturing corporations in the aggregate, of owned capital to borrowed capital, surplus to owned capital, and current debt to total debt, are probably reliably pictured by the figures set forth above.

Large Manufacturing Corporations.

Asset size and industrial differences in these three capital ratios have already been indicated, in a general fashion, by the foregoing data on all manufacturing corporations. Data on 400 large corporations from the Standard Statistics composite covering the years 1927-38 permit an identical-sample analysis of 2 of these ratios: Net worth to total debt (table 51), and current debt to total debt (table 52). The ratios in the tables are averages of the annual ratios for the periods 1927-29, 1930-33, 1934-38, and 1927-38.

The fact that the 1927-38 ratio of net worth to total debt for the Standard Statistics composite of 400 corporations is somewhat higher than that for the total manufacturing group covered in Statistics of Income is not surprising. (See table 51.) The difference between 4.5 recorded by the Standard Statistics sample and 3.9 recorded by Statistics of Income is probably to be explained largely by the fact that the corporations in the former sample are considerably larger in size than those of the latter universe. The net worth to total debt ratio for total manufacturing in Statistics of Income covering the period 1931-36 shows that the ratio of net worth to total debt rises from 1.2 in the case of the smallest-asset class (0 to \$50,000) to 4.1 in the case of the largest-asset class (\$50,000,000 and over). In fact, all of the corporations in the total manufacturing group in Statistics of Income with assets over \$1,000,000 have a net worth to total debt ratio of 4.0 or more. The corresponding ratio for the Standard Statistics composite is only slightly above that figure.

TABLE 51.—*Ratio of net worth to total debt¹ for Standard Statistics composite of 400 corporations, by industry and by periods, 1927-29, 1930-33, 1934-38, and 1927-38*

Industry	Number of companies	1927-29	1930-33	1934-38	1927-38
		Percent	Percent	Percent	Percent
Advertising, printing, and publishing	7	7.7	10.1	9.6	9.3
Automobiles and trucks	13	5.1	8.3	5.6	6.4
Automobile parts	27	5.5	9.0	5.8	6.8
Automobile tires	10	1.7	1.8	1.6	1.7
Beverages	4	6.4	6.7	3.4	5.2
Building and real estate	22	5.1	5.1	5.0	5.1
Chemicals, fertilizers	19	11.3	15.9	10.6	12.5
Containers	3	13.7	17.5	10.1	13.5
Electrical equipment and radio	10	5.7	13.2	9.3	9.7
Food products	27	2.4	3.1	2.9	2.8
Household products	16	5.6	5.8	6.7	6.1
Leather shoes	7	7.0	13.5	7.6	9.4
Machinery	25	6.4	7.6	6.1	6.7
Medicine, drugs	5	7.1	8.7	6.0	7.2
Metals	21	4.2	5.6	6.4	5.6
Miscellaneous securities	24	4.0	5.3	5.6	5.1
Office and business equipment	9	3.6	4.9	3.3	3.9
Oil producing and refining	25	4.2	4.3	4.1	4.2

¹ Current liabilities including accrued expenses plus funded debt.

Source: Standard Statistics.

TABLE 51.—Ratio of net worth to total debt for Standard Statistics composite of 400 corporations, by industry and by periods, 1927-29, 1930-33, 1934-38, and 1927-38—Continued

Industry	Number of companies	1927-29	1930-33	1934-38	1927-38
	Percent	Percent	Percent	Percent	Percent
Paper and paper products.....	3	2.1	2.4	2.2	2.2
Railroad equipment.....	10	6.2	5.1	5.1	5.3
Shipping and shipbuilding.....	7	2.8	2.5	2.9	2.7
Steel and iron.....	17	3.3	4.9	4.1	4.2
Sugar producing and refining.....	8	3.9	8.3	12.1	8.8
Textiles and apparel.....	30	6.0	12.1	5.8	7.9
Tobacco products.....	16	5.8	9.6	6.2	7.3
Mainly manufacturing.....	365	4.1	5.1	4.6	4.6
All other companies.....	35	3.1	3.0	3.1	3.1
All companies.....	400	4.0	4.9	4.5	4.5

The trends over the respective periods covered by the two samples are approximately the same. The ratio for the 400 companies is lowest in the prosperity years 1927-29, and in the recovery years 1934-38, and highest in the depression years 1930-33 due to a decrease in total debt. The chief difference between the universe and the sample insofar as their trends are concerned lies in the fact that the universe fell relatively more in the recovery years. In the case of the Standard Statistics group, the ratio for the years 1934-38 is higher than for the years 1927-29, whereas, in the case of the total manufacturing category in Statistics of Income, the ratio of 3.4 for the years 1934-36 is less than the ratio of 4.0 for the years 1926-29. If, however, we had Statistics of Income data for the two additional years 1937 and 1938, this difference might be eliminated, or at least attenuated.

Industrial variability is marked in the Standard Statistics sample. The highest ratios are reported by the container and the chemical and fertilizer manufacturers, the former having a ratio of 13.5 and the latter of 12.5. These ratios are in sharp contrast to that recorded by the automobile-tire manufacturers, namely, 1.7. This sharp industrial variability is to be explained largely in the aversion which some corporations have against funded debt. Other industrial groups in the category of large net worth to total debt ratios are electrical equipment, 9.7; leather and shoes, 9.4; and advertising, printing, and publishing, 9.3. Other industrial groups falling in the lower category are paper products, 2.2; shipping and shipbuilding, 2.7; and food products, 2.8. Considering the relatively stable income of the food producers, their relatively low ratio of net worth to total debt is not surprising. However, the relatively low ratio for the other industrial groups, that is, automobile tires, paper products and shipbuilders must be explained on other grounds.

The trend of the ratio of net worth to total debt is up in the depression period due to a decrease in total debt, and down in the recovery and prosperity periods when total debt is higher. This trend is observed in 18 of the industrial groups. One industry, shipping and shipbuilding, constitutes an exception since it has the lowest ratio in the depression period due to a greater relative fall in net worth. Two other industries, railroad equipment and building supplies, are peculiar because their ratios declined over the entire period as result

of a decreasing net worth. Four other industries, household products, metals, miscellaneous manufactures, and textiles and apparel, have a rising ratio over the period due to a declining total debt. The non-manufacturing group has a ratio not in line with that for all companies. It is slightly lower in the depression period than in the terminal periods, but the difference from 3.1 to 3.0 in this case is hardly large enough to merit drawing definite conclusions.

The ratio of current liabilities to total debt tells that proportion of the total borrowed moneys of a corporation due within a relatively short time and, by subtracting, that proportion due in a relatively long time. This ratio for the Standard Statistics composite of 400 corporations covering the period 1927-28, is shown in table 52.

The smallness of the current to total debt ratio for the Standard Statistics composite of 400 corporations is brought out by table 52. The average ratio is 40 percent for all 400 companies over the entire period. The corresponding ratio for all manufacturing companies reporting in Statistics of Income is 58 percent. This difference is probably to be explained by differences in the size of the corporations covered by the two sets of data. The current debt to total debt ratio for total manufacturing in Statistics of Income decreases persistently as one passes from the small companies to the large companies. This would account for the relatively small ratio of current to total debt of the Standard Statistics sample composed of large companies. The trends in the ratios for the two sets of data are roughly the same. In both cases they fall from the prosperity period to the depression period and then rise again in the recovery years, current debt being the more active variable.

TABLE 52.—Ratio of current liabilities to total debt¹ for Standard Statistics composite of 400 corporations, by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38

Industry	Number of companies	1927-29	1930-33	1934-38	1927-38
		Percent	Percent	Percent	Percent
Advertising, printing, and publishing.....	7	79	78	87	82
Automobiles and trucks.....	12	85	71	93	84
Automobile parts.....	27	74	61	83	74
Automobile tires.....	10	27	14	27	23
Beverages.....	4	36	63	63	56
Building and real estate.....	22	38	23	36	32
Chemicals, fertilizers.....	19	60	58	65	62
Containers.....	3	100	100	100	100
Electrical equipment and radio.....	10	74	79	85	80
Food products.....	27	37	28	40	35
Household products.....	16	47	30	58	46
Leather shoes.....	7	92	89	83	87
Machinery.....	25	72	48	69	63
Medicine, drugs.....	5	97	96	96	96
Metals.....	21	42	52	48	48
Miscellaneous securities.....	24	47	41	55	48
Office and business equipment.....	9	41	34	37	37
Oil producing and refining.....	25	36	30	41	36
Paper and paper products.....	3	50	17	27	22
Railroad equipment.....	10	42	19	29	29
Shipping and shipbuilding.....	7	24	14	20	19
Steel and iron.....	17	23	22	26	24
Sugar producing and refining.....	8	43	57	88	66
Textiles and apparel.....	30	50	68	79	68
Tobacco products.....	16	44	38	52	45
Mainly manufacturing.....	365	41	34	46	41
All other companies.....	35	43	28	38	36
All companies.....	400	41	33	45	40

¹ Current liabilities including accrued expenses plus funded debt.

So far as industrial variations in the current to total debt ratio are concerned, the Standard Statistics ratios cover almost the maximum possible range. The highest ratio possible is, of course, 100 percent and this very ratio is recorded by one of the industrial groups, container manufacturers. Another group practically in the same category is the medicine and drug industry, with an average of current to total debt of 96 percent. That is to say, the companies in these two industries have virtually no long-term debt. All of their debt is in current form. The lowest point to which this ratio could fall is, of course, zero. Although there are no corporations in that category, there are some not very far above. For example, the firms in the shipping and shipbuilding industry have on the average only 19 percent of their total debt in that form. Also down in that area are paper and paper products, 22 percent; tires, 23 percent; and steel and iron, 24 percent. The extreme variability in this ratio, considering the maximum possible variability, indicates the marked differences which exist among industries as to the way in which corporations incur their debts. One would expect firms with a period of production as long as that found in shipbuilding to have an extremely low ratio of current to total debt. At the other end of the scale, however, there seems to be no explanation why the container manufacturers, for example, should not have long-term debts. Certainly, length of the period of production would hardly be an explanation. It is probably to be explained as much by the profitability of the corporations and by credit facilities, as by any other reasons.

Taking all 400 companies together, the ratio was smallest in the depression years due to a greater relative decline in current debt. This same trend over the entire period is to be found in 17 of the 25 industrial groups, and in the nonmanufacturing category. The exceptions are the container and medicine industries whose ratios were practically stable over the period, and the metal industry whose ratio of current to total debt was actually higher during the depression than in either of the other two periods, due to a concurrent decrease in total debt and increase in current debt. The remaining four firms, that is, electrical equipment and radios, beverages, sugar producers and refiners, and textiles and apparel, had an increasing ratio of current liabilities to total debt over the entire period. This increasing ratio is caused by a decline in total debt greater than the fall in current debt. The fact that the metal industry had a higher ratio of current to total debt in depression times and four other industries—electrical equipment, beverages, sugar, and textiles—had a rising ratio over the entire period is indicative of their ability to withstand the depression drain on working capital funds and to scale down their fixed charges.

Small Manufacturing Corporations.

As pointed out above, an important factor in the capitalization of manufacturing corporations is how much of their equity is represented by shares of common stock outstanding and how much is represented by paid-in surplus and retained earnings. In order to gain some insight into this factor for 1,000 small manufacturing corporations covering the period 1925-36 and the 300 additional small manufacturing corporations covering the period 1930-36, the ratio of capital stock to surplus is presented in table 53.

Six ratio classes are given in the table, and percentages have been computed for three of these groups. The first column shows the

number of companies having a capital stock to surplus of less than 1; that is to say, these companies have more surplus than capital stock. The next column shows the number of companies with a capital stock to surplus ratio of 1 to 2; the third column gives the percentage which the companies in the first two categories; that is, under 1 and 1 to 2, bear to the total number of companies in each industry. The fourth column gives the number of companies with a capital stock to surplus ratio of 2 to 3, the next column that of 3 to 4, and the sixth column 4 and over. The next column gives the percentage which the number of companies having a capital stock ratio of 4 and over bears to the total number of companies in each industry group. The eighth column under each year gives the number of companies in each industry with a deficit; that is to say, no ratio of capital stock to surplus could be computed. The next column gives the percentage of deficit companies to all companies, by industries, and the final column gives the total number of companies in each industry in each year. It will be observed that these percentages serve to distinguish three broad groups of companies, based on the capital stock to surplus relationship. The first, those under 2, are the large surplus corporations, that is, large relative to capital stock. Second, those with a ratio over 4 are the small surplus corporations, and finally, there are the deficit companies.

TABLE 53.—*Frequency distribution of ratio of capital stock to surplus by selected industries, sample of small manufacturing corporations, 1925-36*

Industry and year	Less than 1	1-1.9	Percentage, 0-1.9	2-2.9	3-3.9	4 and over	Percentage, 4 and over	Deficit	Percentage deficit	Total
	<i>Number of companies</i>	<i>Number of companies</i>	<i>Per cent</i>	<i>Number of companies</i>	<i>Number of companies</i>	<i>Number of companies</i>	<i>Per cent</i>	<i>Number of companies</i>	<i>Per cent</i>	<i>Number of companies</i>
1925										
Bakeries.....	26	13	26	10	7	47	31	49	32	152
Men's clothing.....	20	17	21	13	8	79	45	40	23	177
Furniture.....	49	35	46	21	6	37	20	35	19	183
Stone and clay.....	43	20	37	7	9	41	24	51	30	171
Machine tools.....	32	19	29	14	5	36	20	72	40	178
Total.....	170	104	32	65	35	240	28	247	29	861
Failures.....	78	45	25	35	17	149	30	167	34	491
Survivors.....	92	59	41	30	18	91	25	80	22	370
1926										
Bakeries.....	24	15	21	13	15	42	23	78	42	187
Men's clothing.....	24	16	29	17	10	75	37	62	30	204
Furniture.....	51	46	48	15	5	44	22	42	21	203
Stone and clay.....	41	28	36	11	6	36	19	68	36	190
Machine tools.....	33	24	29	17	10	33	17	78	40	195
Total.....	173	129	31	73	46	230	24	328	34	979
Failures.....	77	66	25	40	16	136	23	245	42	580
Survivors.....	96	63	40	33	30	94	24	83	21	399
1927										
Bakeries.....	27	19	27	13	12	31	18	70	41	172
Men's clothing.....	21	18	21	14	16	46	25	69	38	184
Furniture.....	50	28	42	15	9	36	20	46	25	184
Stone and clay.....	44	28	40	7	7	35	19	61	34	182
Machine tools.....	37	22	32	10	6	41	22	71	38	187
Total.....	179	115	32	59	50	189	21	317	35	909
Failures.....	74	53	25	27	28	96	19	228	45	506
Survivors.....	105	62	41	32	22	93	23	89	22	403

TABLE 53.—Frequency distribution of ratio of capital stock to surplus by selected industries, sample of small manufacturing corporations, 1925-36—Continued

Industry and year	Less than 1	1-1.9	Per-centage, 0-1.9	2-2.9	3-3.9	4 and over	Per-centage, 4 and over	Deficit	Per-centage deficit	Total
1928	<i>Number of companies</i>	<i>Number of companies</i>	<i>Per-cent</i>	<i>Number of companies</i>	<i>Number of companies</i>	<i>Number of companies</i>	<i>Per-cent</i>	<i>Number of companies</i>	<i>Per-cent</i>	<i>Number of companies</i>
Bakeries.....	29	19	29	9	8	33	20	66	40	164
Men's clothing.....	20	16	24	11	14	47	31	45	29	153
Furniture.....	46	16	38	16	10	30	18	45	28	163
Stone and clay.....	44	19	40	9	3	31	20	52	33	158
Machine tools.....	44	25	40	10	10	32	18	54	30	175
Total.....	183	95	34	55	45	173	21	262	32	813
Failures.....	61	39	24	29	22	80	19	182	44	413
Survivors.....	122	56	45	26	23	93	23	80	20	400
1929										
Bakeries.....	28	18	30	14	8	31	21	52	34	151
Men's clothing.....	17	18	26	15	11	27	20	45	34	133
Furniture.....	44	19	43	9	8	24	17	41	28	145
Stone and clay.....	39	22	42	3	7	25	17	48	33	144
Machine tools.....	49	16	39	12	9	31	18	52	31	169
Total.....	177	93	36	53	43	138	19	238	32	742
Failures.....	50	39	26	21	23	48	14	162	47	343
Survivors.....	127	54	45	32	20	90	23	76	19	399
1930										
Bakeries.....	36	22	30	12	4	46	25	67	36	187
Men's clothing.....	15	22	20	19	11	62	33	59	31	188
Furniture.....	47	30	41	14	6	31	17	60	32	188
Stone and clay.....	43	17	35	11	4	32	18	67	39	174
Machine tools.....	51	15	33	11	9	46	23	69	34	201
Total.....	192	106	32	67	34	217	23	322	34	938
Failures.....	44	31	19	29	11	77	20	200	51	392
Survivors.....	148	75	41	38	23	140	26	122	22	546
1931										
Bakeries.....	38	14	31	10	6	25	15	75	45	168
Men's clothing.....	11	15	16	11	13	45	28	65	41	160
Furniture.....	37	15	31	6	12	31	18	69	41	170
Stone and clay.....	36	15	31	9	8	28	17	68	42	164
Machine tools.....	43	17	31	8	3	41	21	80	42	192
Total.....	165	76	28	44	42	170	20	357	42	854
Failures.....	30	16	15	10	12	55	18	184	60	307
Survivors.....	135	60	36	34	30	115	21	173	32	547
1932										
Bakeries.....	28	17	30	8	5	22	15	69	46	149
Men's clothing.....	7	15	17	3	4	32	25	69	53	130
Furniture.....	28	12	28	5	3	19	14	77	54	144
Stone and clay.....	30	14	30	10	4	24	16	67	45	149
Machine tools.....	30	19	27	5	4	27	15	100	54	185
Total.....	123	77	26	31	20	124	16	382	51	757
Failures.....	16	14	14	5	4	26	12	147	69	212
Survivors.....	107	63	31	26	16	98	18	235	43	545
1933										
Bakeries.....	29	11	29	9	6	14	10	70	50	139
Men's clothing.....	8	12	17	5	4	28	24	61	52	118
Furniture.....	25	10	27	6	5	15	12	68	53	129
Stone and clay.....	30	10	30	7	5	15	11	67	50	134
Machine tools.....	23	16	22	12	4	24	14	97	55	176
Total.....	115	59	25	39	24	96	14	363	52	696
Failures.....	10	8	12	0	5	21	14	105	71	149
Survivors.....	105	51	29	39	19	75	14	258	47	547

TABLE 53.—Frequency distribution of ratio of capital stock to surplus by selected industries, sample of small manufacturing corporations, 1925-36—Continued

Industry and year	Less than 1	1-1.9	Per-centage, 0-1.9	2-2.9	3-3.9	4 and over	Per-centage, 4 and over	Deficit	Per-centage deficit	Total
	Number of companies	Number of companies	Per-cent	Number of companies	Number of companies	Number of companies	Per-cent	Number of companies	Per-cent	Number of companies
1934										
Bakeries.....	24	11	36	4	6	15	11	74	55	134
Men's clothing.....	7	14	21	8	3	20	20	47	48	99
Furniture.....	22	10	28	5	2	21	19	53	47	113
Stone and clay.....	21	11	26	8	2	14	11	68	55	124
Machine tools.....	24	9	20	15	0	26	16	94	56	168
Total.....	98	55	24	40	13	96	15	336	53	638
Failures.....	4	4	9	1	0	13	14	69	76	91
Survivors.....	94	51	27	39	13	83	15	267	49	547
1935										
Bakeries.....	21	16	31	8	2	13	11	61	50	121
Men's clothing.....	6	10	17	4	4	23	25	46	50	93
Furniture.....	23	9	30	5	4	22	21	44	41	107
Stone and clay.....	19	11	25	8	0	17	14	65	54	120
Machine tools.....	26	12	24	14	2	24	15	83	52	161
Total.....	95	58	25	39	12	99	16	299	50	602
Failures.....	4	3	13	1	0	6	11	40	74	54
Survivors.....	91	55	27	38	12	93	17	259	47	548
1936										
Bakeries.....	22	16	36	3	5	15	14	46	43	107
Men's clothing.....	5	9	18	5	4	21	27	34	44	78
Furniture.....	23	8	32	5	7	20	20	38	38	101
Stone and clay.....	18	11	26	7	3	18	16	54	48	111
Machine tools.....	28	12	27	7	7	27	18	67	45	148
Total.....	96	56	28	27	26	101	19	239	44	545
Failures.....	0	0	0	0	0	0	0	1	100	1
Survivors.....	96	56	28	27	26	101	19	238	44	544

Source: Proposal 14 of the Income Tax Study, Philadelphia. The basic data classified by asset size and area are available in Washington. See Appendix F, list of omitted tables (numbers 14 and 15).

Almost a third of these small manufacturing corporations fell into the so-called large surplus category in the late 1920's. The proportion dropped to a fourth in 1934 which is evidence that perhaps surpluses were being eaten up by dividends and by losses, probably more by the latter than by the former. The proportion of small manufacturing corporations with a relatively large surplus, that is, the percentage having a capital stock to surplus ratio of under 2, rose to 28 percent again by 1936. The proportion in the small surplus category, that is, those with a capital stock to surplus ratio of 4 and over, fell from 28 percent to 19 percent over the period 1925-29. The ratio rose sharply in the year 1930, which may be due to the addition of a supplementary sample of 300 companies in that year. The fall continued in the early 1930's until the proportion of companies in the small surplus category was only 14 percent in 1933.⁴ Thereafter it rose slightly to 19 percent in 1936. Over the period, about a fifth of these small corporations had a capital stock to surplus ratio of 4 or more; that is, the capital stock is large, relative to the surplus, or, conversely, the surplus is small, relative to the capital stock. The percentage of companies having a deficit increased rather persistently from 29 percent in 1925 to 53 percent in 1934, except for a temporary

⁴ This is contrary to what one might expect in a period of losses, but may be partly explained by the concurrent increase in the proportion having a deficit.

fall after 1927. In the years subsequent to 1934 the proportion of companies in the deficit category fell back to 44 percent in 1936, only slightly above the 1931 standing.

Examination of the industry break-down of the capital stock to surplus ratio reveals a few changes over the period 1926-36 in the relative standings of the different industrial categories. In 1925 the furniture group had the largest percent of companies in the large surplus category; that is, with a ratio of under 2. The clothing group had the lowest percent, 21. Bakeries were next to the bottom, stone clay next to the top, and machine tools in the middle. Thereafter the spread between the high and low narrowed. In 1933 we find the stone group at the top, with 30 percent in the large surplus category; the clothing group still at the bottom, with 17 percent in the large surplus categories; and, ranking between those two extremes, bakeries, furniture, and machine tools, from high to low. In 1936 bakeries had finished their climb to the top and were in first place, with 36 percent of the companies having a large surplus relative to the capital stock. Clothing manufacturers were still at the bottom, with 18 percent in the large surplus category.

If we go to the other extreme, the proportion with a relatively small surplus, we find a similar picture in reverse. There the clothing industry is high, with 45 percent of the companies in that group having a capital stock to surplus ratio of 4 and over in 1925. Bakeries which were next to the top in that year—1925—had fallen to the bottom of the scale by 1933 and occupied the same place in 1936; that is to say, they started out with a relatively high proportion of companies in the small surplus category, but wound up the period with the smallest proportion of the companies in the small surplus category. As in the case of the large surplus companies, the spread between the high and low in the small surplus group also narrowed during the late 1920's. However, during the depression the spread again increased and was approximately equal to the 1925 range of high and low.

The machine-tool manufacturers dominate the companies with a deficit, while the furniture group generally has the smallest proportion of its firms in this deficit category. The spread between high and low for this ratio also narrowed considerably in the years after 1925. In 1925 machine tools had 40 percent of their firms in the deficit category, while there were 19 percent of the furniture factories in the same group. By 1929 the spread was from a high of 34 percent to a low of 28 percent, and in 1933 the range was from 55 percent for machine tools to 50 percent for stone clay and the bakery industry. In 1936 stone was high, with 48 percent of their firms in the deficit category; furniture again was low, with 38 percent. Machine tools in this year were second from the top. Bakeries, which had been next to the top in 1925, were, in 1936, next to the bottom; that is to say, over the entire period the bakery industry seemed to be sliding gradually out of the deficit category.

As might have been expected, the large surplus category predominated among the survivors, while the low surplus and the deficit groups were popular among the failures. In the group with a ratio of less than 2, the survivors outnumbered the failures 2 to 1, except in 1934, when it was 3 to 1. In the group with a ratio of 4 and over, the failures had a slight edge in 1925, but the survivors grew for the succeeding years. The proportion of failures in the deficit group is

twice that of the survivors until 1931. After that year it is slightly under 2 to 1.

One of the objections sometimes inveighed today against the capital structure of American corporations concerns their allegedly heavy funded debt. The argument is that financing should be done by equity shares rather than interest-bearing securities. Such criticisms seem to be directed primarily at the larger corporations, but one wonders whether the smaller firms may also be culpable on this score. At least a partial answer, on a sample basis, is given by table 54, which presents a frequency tabulation of the funded debt to capital-stock ratio for a group of 1,000 corporations over the period 1925-36, and for an additional group of 300 corporations beginning in 1930.

TABLE 54.—Sample of small manufacturing corporations, classified by size of ratio of funded debt to capital stock and by industry, 1925-36

Industry	No funded debt				Total number	No funded debt				Total number	No funded debt				Total number
	Number	Percent	0 to 40 percent (number)	40 percent and over (number)		Number	Percent	0 to 40 percent (number)	40 percent and over (number)		Number	Percent	0 to 40 percent (number)	40 percent and over (number)	
	1925					1926					1927				
Baking.....	129	76	19	21	169	139	74	25	24	188	126	73	23	23	172
Men's clothing.....	180	94	7	4	191	198	96	4	5	207	178	96	3	4	185
Furniture.....	171	91	7	10	188	178	88	15	10	203	160	86	14	12	186
Stone-clay.....	150	82	19	13	182	160	83	22	11	193	155	84	18	11	184
Machine tool.....	163	87	10	15	188	168	85	12	17	197	152	81	15	20	187
Total.....	793	86	62	63	918	843	85	78	67	988	771	84	73	70	914
Failures.....	470	89	34	27	531	507	87	43	35	585	442	86	36	33	511
Survivors.....	323	83	28	36	387	336	83	35	32	403	329	82	37	37	403
	1928					1929					1930				
Baking.....	118	71	25	23	166	103	68	29	20	152	127	67	34	29	190
Men's clothing.....	147	95	2	5	154	125	93	5	4	134	183	96	2	3	190
Furniture.....	137	83	14	14	165	119	81	13	15	147	149	79	22	18	189
Stone-clay.....	131	81	18	13	162	115	78	20	13	148	131	73	29	20	180
Machine tool.....	142	81	11	23	176	128	75	13	30	171	158	78	21	24	203
Total.....	675	82	70	78	823	590	78	80	82	752	748	79	110	94	952
Failures.....	356	85	33	31	420	284	81	33	32	349	324	81	43	32	399
Survivors.....	319	79	37	47	403	306	76	47	50	403	424	77	67	62	553
	1931					1932					1933				
Baking.....	110	65	30	29	169	103	69	23	24	150	91	65	26	24	141
Men's clothing.....	153	95	3	5	161	125	94	4	4	133	109	93	4	4	117
Furniture.....	138	81	13	20	171	113	78	15	17	145	100	76	16	15	131
Stone-clay.....	122	73	26	18	166	108	71	23	21	152	94	70	23	18	135
Machine tool.....	150	77	23	22	195	140	75	29	18	187	135	75	25	19	179
Total.....	673	78	95	94	862	589	77	94	84	767	529	75	94	80	703
Failures.....	246	79	35	29	310	167	77	27	23	217	110	73	25	15	150
Survivors.....	427	77	60	65	552	422	77	67	61	550	419	76	69	65	553
	1934					1935					1936				
Baking.....	89	66	23	23	135	76	63	23	22	121	73	68	19	16	108
Men's clothing.....	90	92	4	4	98	85	92	3	4	92	73	92	3	3	79
Furniture.....	86	74	16	14	116	83	77	14	11	108	72	73	7	10	99
Stone-clay.....	91	73	18	16	125	90	74	16	16	122	78	70	17	16	111
Machine tool.....	130	76	25	15	170	125	77	23	15	163	111	74	24	15	150
Total.....	486	75	86	72	644	459	76	79	68	606	407	74	80	60	547
Failures.....	72	77	11	10	93	43	78	7	5	55	1	.....	.....	.....	.....
Survivors.....	414	75	75	62	551	416	75	72	63	551	406	.....	.....	.....	.....

Source: Proposal 14 of Income Tax Study, Philadelphia. The basic data classified by asset size and area are available in Washington. See Appendix F, list of omitted tables (number 12 and 13.)

The majority of corporations in this sample of small manufacturing enterprises have no funded debt. Of the total number of corporations in all five industries in 1925, 86 percent had no funded debt. In the next year the relative percentage is 85, then 84. The proportion falling to 82 and 78 in 1928 and 1929, respectively, rises slightly in 1930, and then begins slipping again, finally falling as low as 74 percent in 1936. The proportion of corporations having no funded debt also varies industrially. About two-thirds of the baking corporations have no funded debt. That represents a low figure. In clothing, the percentage is in the 90's, which means that practically no corporations engaged in making men's clothing have a funded debt. Furniture manufacturers have the second highest proportion of firms without funded debt, while the stone-clay companies and the machine-tool manufacturers are under the furniture level. That bakers should have relatively few corporations without a funded debt is probably to be explained by the relatively stable earnings in this industry.⁵ One might imagine that machine-tool manufacturers with their heavy investments in capital goods would also be in this category, but their relatively variable earnings preclude loading themselves with heavy fixed charges. The large proportion of bakers with a funded debt is emphasized by a similar increase in the proportion of baking corporations with a funded debt over the period 1925-36. There is hardly any temporal decline in the proportion of men's clothing firms without a funded debt, but there are significant declines in this proportion for the other three industrial categories. Finally, those corporations having a funded debt are fairly evenly divided between those with a relatively small amount of long-term debt outstanding—that is, a funded debt equal to 0 to 40 percent of their capital stock—and those having a relatively large amount outstanding—that is, a funded debt equal to 40 percent or more of their capital stock. The former category has a slightly larger number in 9 of the 12 years but hardly large enough to be significant.

In the preceding paragraph it was pointed out not only that the majority of these corporations have no funded debt, but also that the proportion having no funded debt has been decreasing over the period 1925-36. To repeat, table 54 shows that of the total number in the sample in each year the proportion having no funded debt fell practically consistently from 86 percent in 1925 to 74 percent in 1936. Moreover, this tendency was to be observed in each of the five industrial groups; in some such as men's clothing, rather haltingly and in others such as baking, rather decidedly, but in all, noticeably. This apparently greater importance of funded debt in the financial structure of these small manufacturing corporations is particularly significant in view of recent discussions concerning the decline of the commercial bank loan to industry and of official pleas for less funded debt in capital structures.⁶ This table indicates that, more and more, these small manufacturing corporations are coming to rely upon long-term debts, that is bonds and mortgages of more than 5 years duration, for some part of their capital.

Another conclusion to be drawn from table 54 is that, of those corporations having a funded debt, the tendency is toward a smaller

⁵ This is on the general principle that the more stable the earnings, the smaller the proportion of equity in total capital need be.

⁶ Cf. Jerome N. Frank, "Too Much Interest in Interest," speech before National Association of Securities Commissioners, Kansas City, September 22, 1938.

funded debt. That is to say, those corporations having a funded debt are tending to concentrate themselves in the under-40-percent class at the expense of the 40-percent and over category. This tendency is not particularly well marked and may be due to the entrance of new firms into the funded debt category, a tendency pointed out in the preceding paragraphs. Nevertheless, it cannot be denied that of the 1,300 corporations considered here, those having a funded debt are tending to fall into the category of a rather small funded debt rather than in the category of a rather large funded debt, defining the former in terms of a ratio of funded debt to capital stock of less than 40 percent and the latter in terms of a ratio of funded debt to capital stock of 40 percent or more.

We come now to modifications in the foregoing conclusions introduced by dividing the corporations into two broad categories of (1) those that survived throughout the entire period covered and (2) those which failed or went out of operation sometime during the period. There were relatively more failures without a funded debt than survivors, indicating the difficulty the less successful firms have of borrowing outside capital. This was true in every year except 1932 when the proportions of failures and survivors without a funded debt were both 77 percent, and in 1933 when 76 percent of the survivors as opposed to 73 percent of the failures were without a funded debt. However, the difference between the proportion of failures and survivors having a funded debt in each year is not very large.

The trend away from the no-funded-debt condition is found in both the survivor and failure groups, but is slightly more pronounced in the latter than in the former. Of those corporations having a funded debt, the failures are more concentrated in the relatively small funded-debt group than are the survivors. More failures are to be found in the 0 to 40 percent category in every year than are found in the 40-percent-and-over group. On the other hand, the surviving corporations having a funded debt are less concentrated in the small-funded-debt group. In 4 years out of the period there were actually more survivors in the large-funded-debt group, that is, with a ratio of 40 percent or more, than there were in the smaller group, and in another year they were evenly divided between these two groups. This general distinction, however, is not very pronounced and should not be over-emphasized.

The inadequacy of an aggregate funded debt to capital-stock ratio for the companies in this sample is obvious. Such an aggregate ratio for all 547 companies in 1936 would figure out at about 15 percent.⁷ From this one might conclude that these corporations have a small funded debt relative to their capital stock. However, the truth of the matter is that of the 547 corporations, 407 had no funded debt, that is to say, 74 percent of the corporations had no long-term-debt issues outstanding. In addition, of the 140 corporations with a funded debt, the percentage is significantly higher than 15 percent. An average of the funded debt to capital-stock ratio for those corporations having a funded debt would probably come out at something in excess of 50 percent. This is quite a different picture from the 15 percent average ratio of funded debt to capital stock for all 547 corporations considered in the aggregate. Unfortunately, this ratio is no exceptional case; almost any financial ratio submitted to a similar

⁷ The data required for a more accurate approximation are not available.

test would give parallel results. It is not safe to generalize too much from aggregate ratios when analyzing the financial structure of manufacturing corporations. To get a true picture it is necessary to examine, also, the scatter of the ratios for the particular companies.

In analysis of the financial statements of corporations which normally publish their balance-sheet and income statements for each year, it would be misleading to construct such a table as the one here presented unless account had been taken of revaluations of capital stock. It not infrequently happens that, especially among the larger corporations, the capital stock outstanding as shown on the balance sheet will be doubled or halved by a mere change in the par or stated value of the stock outstanding. Some idea of the number of corporations in the Standard Statistics sample of 400 firms which altered their capital-stock valuation by mere bookkeeping entries sometime during the 1927-38 period is given in table 55. Although the bulk of the 400 firms—258, or 65 percent—did not revalue their capital stock, the rest of them made some type of alteration which probably, but not necessarily, involved a mere bookkeeping change. Changes from par to no-par, or vice versa, were made by 88 firms, shifts from no par to par predominating and indicating a reversal of a tendency (toward no-par stock) once quite marked in corporation finance. Such shifts in the type of stock outstanding need not have involved revaluation, but they probably did. The remaining firms, however, which either changed the par value of their par value stock or the stated value of their no-par stock, undoubtedly were indulging in bookkeeping revaluations. It would obviously be necessary to take these revaluations into account before attempting to construct for the Standard Statistics sample a table such as that shown here for the small manufacturing corporations. This modification has not been introduced into table 54, because of the difficulty in obtaining from the income-tax returns the desired information, and because it is not believed that revaluations of capital stock are particularly common among the small corporations to which the sample was limited. An examination of the returns revealed little evidence of changes in the par value significant enough to mar the validity of table 54. There undoubtedly were some such revaluations, but it is believed that they were not such as to invalidate the general conclusions pointed out above.

TABLE 55.—*Distribution of par and no-par common stock, Standard Statistics 1927-38 composite of 400 identical companies*

Industry	Number of companies	Unaltered par stock ¹	Unaltered no-par stock ¹	Change no-par to par ²	Change par to no-par ²	Change in par value ³	Change in stated value ³
Advertising, printing and publishing	7	0	6	0	1	0	0
Automobiles and trucks	13	2	3	2	2	4	0
Automobile parts	27	1	15	9	1	0	1
Automobile tires	10	1	6	2	0	1	0
Beverages	4	0	3	1	0	0	0
Building equipment	22	5	11	3	1	2	0
Chemicals, fertilizer	19	1	12	4	2	0	0
Containers	3	2	1	0	0	0	0
Electrical equipment, radio	10	1	7	0	2	0	0
Food products	27	6	15	0	1	5	0

¹ Par or stated value unchanged throughout the period 1927-38.

² Sometime during the period 1927-38.

³ That is, stated value of no-par shares.

Source: Moody's Industrials, 1938.

TABLE 55—*Distribution of par and no-par common stock, Standard Statistics 1927-38 composite of 400 identical companies—Continued*

Industry	Number of companies	Unaltered par stock	Unaltered no-par stock	Change no-par to par	Change par to no-par	Change in par value	Change in stated value
Household products.....	16	0	10	3	3	0	0
Leather, shoes.....	7	2	3	1	0	0	1
Machinery.....	25	3	10	4	5	1	2
Medicine, drugs.....	5	1	3	1	0	0	0
Metals.....	21	8	4	3	1	4	1
Miscellaneous manufacturing.....	24	4	10	3	3	2	2
Office and business equipment.....	9	1	4	2	0	0	2
Oil producing and refining.....	25	8	6	2	2	7	0
Paper and paper products.....	3	0	1	0	1	1	0
Railroad equipment.....	10	1	5	1	1	0	2
Shipping and shipbuilding.....	7	1	3	2	0	0	1
Steel and iron.....	17	8	6	0	1	1	1
Sugar producing and refining.....	6	2	3	0	1	1	1
Textile and apparel.....	30	5	15	4	4	2	0
Tobacco products.....	16	4	6	3	1	2	0
Mainly manufacturing.....	365	67	168	50	33	33	14
All other companies.....	35	6	17	4	1	5	2
All companies.....	400	73	185	54	34	38	16

FIXED-CAPITAL USES

The sources of the fixed capital of American manufacturing corporations have been indicated in a general fashion. There now remains to ascertain the uses to which this capital is put. Has the management of these corporations selected the safest and most productive uses from the many alternatives, and has it combined these uses in the most efficient proportions, that is, proportions yielding maximum returns at minimum costs? A satisfactory answer cannot be made to this question here—the case-study type of an analysis is indicated—but some general observations thereon can be ventured.

Four tables contain the underlying data by which it is planned to discuss this question for all manufacturing corporations. Table 56 presents ratios of net-capital assets to invested capital (i. e., net worth plus funded debt) for total manufacturing and the five sub groups for the years 1926 through 1936. The same ratio for total manufacturing classified by asset size and covering the years 1931-36 is contained in table 57. Table 58 corresponds to table 56 except that it covers the ratio of current assets to total capital (i. e., net worth plus total debt), and table 59 corresponds similarly to table 57. For the sample of 400 large corporations the ratio of fixed assets to invested capital (table 60) and the relationship between changes in plant investment and in volume of business (table 61) are analyzed. No tabulations on the sample of small corporations are available on this particular segment of corporation finance.

All Manufacturing Corporations.

On the average over an 11-year period covering every phase of the business cycle, American manufacturing corporations held, in the aggregate, one-half of their invested capital (i. e., net worth plus funded debt) in the form of net capital assets (see table 56). Most industrial subgroups held about the same proportion, but lumber and stone, as one might expect, held nearly two-thirds of their invested

capital in this form. This percentage is subject to only modest fluctuation during the business cycle, tending to rise somewhat during depression when invested capital is depleted by current losses. In several divisions of manufacturing (e. g., textiles and metals), 1936 showed an increase in this percentage, indicating extensive new investment in plant and equipment.

TABLE 56.—Ratio of capital assets to invested capital¹ for total manufacturing and 5 subgroups, 1926-36

Year	Total manufacturing	Food	Textiles	Lumber	Stone	Metals
	Percent	Percent	Percent	Percent	Percent	Percent
1926.....	52.6	49.0	49.4	64.6	65.0	53.1
1927.....	49.2	47.8	46.8	63.0	62.8	48.4
1928.....	48.7	47.0	47.3	63.0	63.8	47.0
1929.....	48.6	46.6	47.6	60.5	63.5	47.5
1930.....	50.0	47.3	50.3	61.9	64.8	48.9
1931.....	53.1	53.9	53.3	64.9	67.2	53.3
1932.....	52.1	54.6	54.6	67.0	68.7	55.5
1933.....	50.4	58.9	52.0	66.0	66.3	51.7
1934.....	48.5	59.1	52.0	66.8	65.0	46.4
1935.....	48.2	59.1	51.3	63.6	61.6	47.8
1936.....	48.4	58.8	57.5	63.6	60.7	57.9
1926-29 ²	49.8	47.6	47.8	62.8	63.8	49.0
1930-33 ²	51.4	53.7	52.6	65.0	66.8	52.4
1934-36 ²	48.4	59.0	53.6	64.7	62.4	50.7
1926-36 ²	50.0	52.9	51.1	64.1	64.5	50.7

¹ Net worth plus funded debt.

² Averages of annual ratios.

Source: Statistics of Income.

TABLE 57.—Ratio of capital assets to invested capital¹ for total manufacturing classified by asset size, 1931-36

Asset-size classes	1931	1932	1933	1934	1935	1936	1931-33 ²	1934-36 ²	1931-36 ²
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
0 to \$50,000.....	62.9	67.1	65.5	66.7	66.7	66.3	65.2	66.6	65.9
\$50,000 to \$100,000.....	55.9	57.9	56.3	55.3	55.9	55.0	56.7	55.4	56.1
\$100,000 to \$250,000.....	54.4	56.2	54.8	54.9	53.8	52.4	55.1	53.7	54.4
\$250,000 to \$500,000.....	53.8	53.7	52.6	53.4	52.3	51.2	53.4	52.3	52.8
\$500,000 to \$1,000,000.....	51.2	52.7	52.2	53.0	51.9	51.1	52.0	52.0	52.0
\$1,000,000 to \$5,000,000.....	50.9	51.8	49.9	51.6	49.6	48.3	50.9	49.8	50.4
\$5,000,000 to \$10,000,000.....	51.6	54.0	53.0	51.4	50.4	48.3	52.9	50.0	51.5
\$10,000,000 to \$50,000,000.....	53.1	52.5	51.5	48.8	47.1	47.5	52.4	47.8	50.1
\$50,000,000 and over.....	53.9	50.8	48.7	43.8	45.4	47.3	51.1	45.5	48.3

¹ Net worth plus funded debt.

² Averages of annual ratios.

Source: Statistics of Income.

There are smaller asset-size differences in the ratio of fixed assets to invested capital than in any other ratio thus far analyzed here. (See table 57.) The regression is consistently downward, that is, a smaller ratio with increasing size, but the range of the 1931-36 proportions was only 18 percent, from 66 percent in the smallest-size class to 48 percent in the largest. Over these 6 years there is some evidence of a decline in this ratio, all size classes sharing therein except the \$500,000-\$1,000,000 bracket.

Current assets constitute a smaller proportion of total capital (net worth plus bonds, notes and accounts payable) than fixed investment does of invested capital. (See table 58.) Moreover, the former ratio exhibits more inter-industry variation than the latter, rising from a

low of 29 percent in stone-clay to a high of 50 percent in textiles, on the average over the entire period. The total manufacturing level is 38 percent, around which the other three industrial subgroups cluster. There is also somewhat more cyclical variation, in a converse direction. That is to say, the proportion falls in depression, the total manufacturing percentage declining from 42 percent in 1926 to 31 percent in 1932 and rising again to 42 percent in 1936. The metals ratio fluctuated even more from 44 percent to 32.5 percent back to 51 percent in the corresponding years. A depletion of inventories and receivables during recession would seem to account for these cyclical swings. The sharp building up of current assets in 1936 is evident; gains were registered in every division, with textiles and metals rising particularly sharply (up 15 and 10 percent, respectively).⁸

TABLE 58.—Ratio of current assets to total capital¹ for total manufacturing and 5 subgroups, 1926-36

Year	Total manufacturing	Food	Textiles	Lumber	Stone	Metals
	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
1926.....	42.2	40.1	56.3	42.7	33.8	44.0
1927.....	40.5	40.2	53.6	41.0	31.9	41.4
1928.....	40.4	42.6	53.3	41.5	31.1	41.7
1929.....	39.7	40.2	54.0	42.0	30.3	41.9
1930.....	36.8	40.4	47.5	38.3	28.6	38.4
1931.....	34.2	42.8	42.1	33.2	27.0	36.0
1932.....	31.4	41.4	38.8	29.3	24.6	32.5
1933.....	33.2	47.1	45.2	30.4	25.9	32.7
1934.....	38.4	54.1	47.1	32.1	27.7	38.4
1935.....	39.9	56.2	50.0	34.6	30.8	40.5
1936.....	42.0	60.0	64.9	37.9	31.9	50.9
1926-29 ²	40.7	40.8	54.3	41.8	31.8	42.3
1930-33 ²	33.9	42.9	43.4	32.8	26.5	34.9
1934-36 ²	40.1	56.8	54.0	34.9	30.1	43.3
1926-36 ¹	38.1	45.9	50.3	36.6	29.4	39.9

¹ Net worth plus total debt, excluding accrued expenses.

² Averages of annual ratios.

Source: Statistics of Income.

As with the preceding ratio, the asset-size variations in this ratio are consistently regressive and relatively small, from 55 percent for the smallest size class to 32 percent for the largest, on the average over the years 1931-36. (See table 59.) Conversely to the other ratio, however, this one increases over the 6-year period in every size class. Moreover, this increase is clearly marked, running around 6 percent in each of the size classes.

In summary, American manufacturing corporations have relatively more of their capital invested in fixed than in current assets; the large corporations have less of their capital devoted to these two uses, and ipso facto more devoted to other assets (goodwill, patent rights, etc.) than do the smaller firms; and the relative investment in fixed assets increases in depression while that in current assets decreases.

Large Manufacturing Corporations.

We have examined the relative proportions between fixed assets and invested capital for all manufacturing corporations. It now remains to inquire what proportion of the invested capital of the companies in the Standard Statistics composite is tied up in fixed assets. By

⁸ This is in the face of any depletion of current assets that the undistributed profits tax might have caused.

invested capital we mean, here, net worth plus funded debt, presumably the long-term capital of the concern. Fixed assets or fixed capital should have some rather definite relation thereto. Certainly the fixed assets should not exceed the invested capital. On the other hand, one would not normally expect invested capital to be greatly in excess of fixed assets, except insofar as permanent working capital was financed by long-term funds. What is the picture for the Standard Statistics group?

TABLE 59.—Ratio of current assets to total capital¹ for total manufacturing classified by asset size, 1931-36

Asset size classes	1931	1932	1933	1934	1935	1936	1931-33 ²	1934-36 ²	1931-36 ²
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
0 to \$50,000.....	52.0	50.6	53.4	56.3	58.5	60.9	52.0	58.6	55.3
\$50,000 to \$100,000.....	48.6	45.9	48.8	51.5	53.2	56.1	47.8	53.6	50.7
\$100,000 to \$250,000.....	45.7	42.7	45.6	47.7	50.6	54.0	44.7	50.8	47.7
\$250,000 to \$500,000.....	42.5	39.4	42.4	44.6	47.8	51.6	41.4	48.0	44.7
\$500,000 to 1,000,000.....	40.5	37.7	40.6	43.0	46.0	48.8	39.6	45.9	42.8
\$1,000,000 to \$5,000,000.....	37.0	34.7	37.5	40.2	43.0	46.9	36.4	43.4	39.9
\$5,000,000 to \$10,000,000.....	34.6	31.8	34.5	38.3	39.8	43.5	33.6	40.5	37.1
\$10,000,000 to \$50,000,000.....	31.6	29.4	32.0	36.2	37.4	40.5	31.0	38.0	34.5
\$50,000,000 and over.....	31.2	27.9	28.5	35.1	35.6	35.9	29.2	35.5	32.4

¹ Net worth plus total debt, excluding accrued expenses.

² Averages of annual ratios.

Source: Statistics of Income.

It can be seen from the accompanying table 60 which presents the ratio of fixed assets to invested capital, that the Standard Statistics average for all 400 companies is about 56 percent over the period. This is some 6 percent higher than the corresponding ratio for all manufacturing corporations, reported in Statistics of Income. This difference is not very large, to be sure, but contrary to differences between the sample and the universe in the case of the other ratios examined, it is not explained by the size differences in the corporations covered. The Standard Statistics sample is limited almost entirely to the large corporations.⁹ However, a break-down of the fixed assets to invested capital ratio for all manufacturing corporations in the Statistics of Income tabulation reveals that the large companies have a smaller ratio than the small companies. The ratio, in fact, falls consistently with asset size from the smallest to the largest asset classes. It is about 66 percent in the zero to \$50,000 asset class, and slightly more than 48 percent in the \$50,000,000 or over asset class, on the average over the entire period 1931-36. Therefore, one must conclude that the capital structures of the corporations in the Standard Statistics composite provide for less of the permanent working capital than those of the Statistics of Income tabulations for all corporations. That is to say, there is more harmony between the amount of fixed assets and invested capital for the large corporations in the Standard Statistics sample than there is in the Statistics of Income universe. These corporations in the Standard Statistics sample do not seem to be so prone to using invested capital as working capital.

⁹ This discrepancy is even more striking when it is recalled that the concerns in the Standard Statistics sample and in the large asset classes of Statistics of Income must be, to a great extent, identical.

TABLE 60.—Ratio of fixed assets¹ to invested capital² for Standard Statistics composite of 899 corporations,³ by industry and by periods 1927-29, 1930-33, 1934-38, and 1927-38

Industry	Number of companies	1927-29	1930-33	1934-38	1927-38
		<i>Percent</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
Advertising, printing, and publishing.....	7	32	33	31	32
Automobiles and trucks.....	13	42	40	39	40
Automobile parts.....	27	50	53	45	49
Automobile tires.....	10	37	45	46	44
Beverages.....	4	19	15	19	18
Building and real estate.....	22	60	61	59	60
Chemicals, fertilizer.....	19	43	46	47	46
Containers.....	3	67	69	64	66
Electrical equipment and radio.....	10	21	23	23	23
Food products.....	27	53	54	48	51
Household products.....	16	47	52	49	50
Leather shoes.....	7	24	25	25	25
Machinery.....	25	32	33	32	32
Medicine, drugs.....	5	13	16	18	16
Metals.....	21	65	73	70	70
Miscellaneous securities.....	24	54	55	55	55
Office and business equipment.....	9	21	27	34	29
Oil producing and refining.....	25	65	69	62	67
Paper and paper products.....	3	82	76	73	76
Railroad equipment.....	10	53	59	62	59
Shipping and shipbuilding.....	7	63	67	63	64
Steel and iron.....	17	71	76	75	74
Sugar producing and refining.....	8	51	55	59	56
Textile and apparel.....	30	40	45	46	44
Tobacco products.....	16	11	10	9	10
Mainly manufacturing.....	365	54	58	56	56
All other companies.....	34	56	50	58	58
All companies.....	399	54	58	56	56

¹ Net property account.

² Funded debt plus net worth.

³ The sample is composed of 400 corporations, but it was impossible to compute this ratio for one of them, Oppenheim Collins Store.

Source: Standard Statistics.

As far as the trends are concerned, there is little to choose between the Standard Statistics and the Statistics of Income tabulations. The ratios for both sets of data rise from the prosperity to the depression period, and fall again from the depression period to the recovery period.

There is a rather persistent, but not particularly spectacular, difference in the ratios for the different industries covered by the Standard Statistics composite. The lowest ratio of fixed assets to invested capital is found in the tobacco group, with 10 percent. The highest is in the paper products group, with 76 percent. The other industries are tolerably evenly spaced between those two extremes. Others in the low group are medicines, with 16 percent; beverages, with 18 percent; and electrical equipment and radios, with 23 percent. Others in the high group are steel and iron producers, with 74 percent; metals, with 70 percent; oil producers, with 67 percent; and container manufacturers, with 66 percent. This table serves to illustrate the striking fact that four-fifths or more of the working capital is considered permanent by some industries. The tobacco group, particularly, apparently relies on invested capital for the bulk of its working capital.

Other minor industrial differences in the trend of this ratio are to be observed. The ratio does not seem to vary significantly over the period covered by the Standard Statistics data. Moreover, although

it is true that the ratio is higher in the depression period for all 400 companies, the same trend is not observed in all the industrial groups. Eleven of them follow the pattern for all 400 companies; but 10 of them, instead of increasing and then falling, continue to increase over the entire period, while 3 of them actually decline over the period, and a final one has a smaller figure for the depression years than for any of the other periods. This last-mentioned group comprises beverage manufacturers. Those with the declining ratios are tobacco companies, paper products manufacturers, and auto and truck manufacturers. The fact that the tobacco manufacturers have a decreasing ratio merely adds to the surprise occasioned by the fact that their ratio is also the smallest of any of the industrial groups covered in the Standard Statistics sample. They are not only devoting a large amount, relatively, of their invested capital to working capital, but are also increasing the proportion.

Plant-expansion policies.

A question frequently asked by persons interested in corporate finance concerns the responsiveness of a company's investment in fixed plant and equipment to trend in volume of business. One of the arguments advanced in favor of the undistributed-profits tax was that corporate managers were oftentimes heedless of the dictates of market demand and would expand their plants in the face of an obviously declining sale of their products. The tax, it was argued, would prevent such expansion being made by means of retained earnings, and require the corporate managers to submit their case to the judgment of the capital market.

A possible method of analyzing the expansion of particular companies is to compare the trend of sales with the trend of the fixed assets account over a long period of time. This could be done to some extent with the material available on the Standard Statistics identical sample of 400 corporations covering the years 1927-38. The majority of these corporations did not report sales figures for the entire period, so the analysis was limited to the 175 companies which provided the necessary data for at least 10 of the 12 years. The method used in ascertaining the trends of the sales and fixed-assets items for each of these companies was that of so-called semi-averages; that is, the sum of the figures for the last 6 years was divided by the sum of the figures for the first 6 years, separately for the sales and net property accounts, for each company.¹⁰

In order to attenuate some of the more obvious crudities of the method used, only 5 classes of trends are distinguished: An increase or decrease of 15 percent and more, an increase or decrease of 5 to 15 percent, and stationary (defined to be a change of less than 5 percent either way). The distribution of the 175 companies into these classes is shown in table 13.

Of the 175 companies in the sample, 56 showed a decrease of more than 15 percent in both the sales and property accounts during the latter half of the 12-year period as compared with the first half, while only 19 companies registered a corresponding 15-percent increase.

¹⁰The year 1932 was considered the end point of the first period, whether sales were reported by the company in question for 10, 11, or 12 years. If sales were given only for 10 or 11 years, the figures for the first half and second half were reduced to a common basis before computing the percentage change in the average standing. Such a crude method of computing the trend was necessitated by the fact that a rough idea of the general movement of each of 350 series was required.

This illustrates the fact that the latter half of the period 1927-38 was not a period of expansion. At the other extreme, 3 companies had a 15-percent and more increase in property account in the face of a 15-percent and more decrease in sales, while 13 companies had a 15-percent and more decrease in property concurrent with a 15-percent and more increase in sales. If the two classes of increase and decrease are combined, 87 firms fall in the group having significant decreases in both property and sales, 25 in the group having significant increases in both items, 23 in the increasing sales-decreasing property group, and 10 in the decreasing sales-increasing property group. Of the remaining companies, 18 had a stationary trend, i. e., less than 5 percent in either direction, in the property account, while 14 had no significant change in the sales account. Included in these two groups were two companies which exhibited stationary trends in both items.

TABLE 61.—*Cross classification of trend¹ of sales with trend¹ of net property account for sales reporting companies in Standard Statistics sample of 175 companies, 1927-38*

Trend ¹ of property account	Trend of sales ¹					Total
	Decrease of 15 percent or more	Decrease of 5 to 15 percent	Stationary ²	Increase of 5 to 15 percent	Increase of 15 percent or more	
Decrease of 15 percent or more.....	56	14	2	1	13	86
Decrease of 5 to 15 percent.....	10	7	2	2	7	28
Stationary ²	7	3	2	3	3	15
Increase of 5 to 15 percent.....	2	1	2	0	6	11
Increase of 15 percent or more.....	3	4	6	0	19	32
Total.....	78	29	14	6	48	175

¹ Computed by the method of semiaverages: Divide average of items for 1933-39 by average of items for 1927-32 to arrive at percentage change. These tabulations were done at Income Tax Study, Philadelphia.

² Implies a change of less than 5 percent either way in the averages for the 2 halves of the period.

Two groups of companies in this tabulation merit particular attention since their trends were not what one might have expected. The 13 companies whose sales increased more than 15 percent over the period while the property account decreased a corresponding amount constitute a group which withheld indicated plant expansion for some reason or other. The trends imputed to most of these companies, moreover, are not misleading, but in some instances can be traced to unusual influences. The 15 percent and more upward trend of sales for Otis Elevator and Melville Shoe was apparently due to expansion through the acquisition of new companies. The sales increased although the property account did not, the increased assets from the acquisitions appearing in some account other than property. In another case, Yellow Truck Corporation, the unusual trend resulted from certain intercompany dealings between subsidiary companies. In the case of Park & Tilford, the sharply increased sales were due to the special circumstance of prohibition repeal. U. S. Freight Co. showed an increased-sales, decreased-property relationship by dropping from their statements certain of their inactive lines. At the other end of the table are 3 corporations in which a downward trend of more than 15 percent in sales is matched by a correspondingly large increase in the property account. For 1 company in this group, Hecla Mining, this was due to a change in account classification. The

item "ore reserves" did not appear in the property account until 1933. Anaconda Copper, another company in this group, increased its property account more than twofold in 1929 by acquiring substantial interests in other mining companies. The trend of sales did not show a corresponding jump. For the last company in this group, Standard Oil of New Jersey, the unusual change in the sales-property relationship seems to be due to certain parent-subsidiary transactions.

In addition to the limitations outlined above, an analysis of this type has other characteristics which impair its validity. The period studied, 12 years, is not long enough for a completely satisfactory analysis of trends. Moreover, the acute depression which occurred during this period may color the results somewhat. In addition, the statistical technique employed—the method of semiaverages—has serious defects, due to its failure to eliminate cyclical fluctuations from the trend. A further limitation in studying this subject is due to our inability to measure the effect of technological improvements on industrial expansion. Finally, except for such unusual circumstances as the repeal of prohibition, there are changes which result solely from different accounting procedures, examples of which have been previously given.

Despite these limitations, the broad conclusions concerning the expansion policies of these 175 companies during successive periods of prosperity, depression, and recovery, as drawn above, are probably tolerably accurate. Although each firm in the sample of 175 deserves particular case-study treatment before appraising its expansion policy, it would seem, on a purely statistical basis, that the bulk of them were fairly conservative.

Like the working-capital analysis, this description of the fixed-capital position of American manufacturing corporations has not been calculated to uncover weaknesses in their financial structure which could be set forth as causes of the great depression or which could be cited as evidence calling for remedial legislation. The aim has been merely to set forth some of the financial characteristics of American manufacturing corporations, and to point out how these characteristics have varied over the business cycle, among industries, and between large and small corporations.

CHAPTER VI

SOURCE AND DISPOSAL OF CORPORATE FUNDS

A device for analyzing financial statements which has been largely ignored by economists until recently is the source and disposal of funds statement, sometimes referred to as a statement of funds and their application. Such a statement is an outgrowth of the comparative balance sheet showing increases and decreases in assets, liabilities, and net worth between two dates. In the source and disposal of funds statement, these increases and decreases, together with certain other items of information, are arranged in such a manner as to show how the financial condition of the business has changed during the period. That is to say, such a statement traces the flow of funds through an enterprise.

The financial studies which have used this device have been few. Although accountants have long been familiar with such a flow of funds statement,¹ and although some large companies² have included such statements in their annual reports, the analytical device does not seem to have received much popular attention until Alexander Sachs used it late in 1937 when he sought to track down the causes of the recession.³ His analysis is limited to a small sample of companies, numbering 16 in 1936-37. This approach has since been taken up by the Board of Governors of the Federal Reserve System and has been used by the S. E. C. in testimony presented at hearings conducted by the T. N. E. C. Moreover, the National Bureau of Economic Research is planning to employ this technique in its proposed study of the changing financial requirements of American enterprise.

The utility of the source and disposal of funds statement is apparent at first glance. It tells, for a given time period, from what sources the cash funds of an enterprise are derived, and what use is made of these funds. If, for example, a given firm is building up inventory, such a statement will tell not only that inventory is piling up but also, *caeteris paribus*, how the company is getting the funds to accumulate this inventory. These funds, for example, may be derived from profits, or from liquidation of receivables, or from an increase in current liabilities, and so forth. A picture of the flow of business funds gives the business-cycle analyst one of his best clues for singling out the particular characteristics of industrial operations which are to be found in the different stages of the cycle. The source and disposal of funds statement is not the whole picture, but it is an important and hitherto neglected part of the picture.

¹ The standard accounting text rarely devotes more than a few pages to it, however. H. A. Finney's *Principles of Accounting* is one exception.

² E. g., United States Steel.

³ Sachs' analysis is summarized in *The Annalist*, January 14, 1938, pp. 35 and 36, and presented more fully in *Corporate Finance and Taxation*, Financial Management Series No. 15. The title is suggestive: "The Financial Dynamics of Recovery Since 1933 and the Latest Constriction Phase in Capital Flow."

The most serious objection to this type of analysis stems from the fact that unusually complete financial statements are required for the construction of a source and disposal table. The account on which particular detail is most urgently needed is surplus, and it is precisely this account on which details are most lacking. Not until 1934 when the S. E. C. regulations for financial statements became effective did most companies publish surplus reconciliations adequate for a statement of funds and their application.

As already indicated, the Statistics of Income and Standard Statistics compilations are inadequate for this purpose. In the former compilations, the debits and credits to the surplus account are not even mentioned, let alone detailed. Were the companies covered in each pair of years identical, one could compute the change in the surplus from one year to another, ascertain how much of the change was due to business savings or losses, and then surmise how much must have been due to the net effect of write-ups, write-downs, and appropriations to and from surplus. The fact that the Statistics of Income compilations for successive years do not cover the same corporations, however, makes even this method of finding the net debit or credit to surplus unsatisfactory. In the latter compilations, of the Standard Statistics Co., we are dealing with an identical sample, and the totals of the debits and credits to surplus are given. But no break-downs of the totals are made so that, for purposes of a source and disposal of funds statement, we are little better off than in the case of the Statistics of Income compilations.

In the composite tables covering the samples of small manufacturing corporations, an attempt was made to reconcile the change in the surplus for each return. This attempt was not always successful, but in most cases it was possible to trace the noncash debits and credits carried to surplus to the proper asset or liability account. Two broad categories of write-ups and write-downs taken to surplus are distinguished in the small corporations study: those to the property account, and those to all other accounts. The latter category is further broken down by means of a special tabulation which shows each account undergoing a revaluation. Such revaluations include, of necessity, errors made on the returns by the taxpayer, and in some cases, adjustments forced upon the taxpayer by internal revenue agents. The fact that the samples covered only small corporations was favorable for a source and disposal analysis, since such corporations are not in the habit of making extensive revaluations of their balance sheet accounts. That is to say, the problem of reconciling the surplus changes for the small corporations tabulations was less acute than that for the Standard Statistics tabulations would have been, or than that for the S. E. C. corporations actually was.

Source and disposal statements in the present report are derived from two separate sets of data, the one covering small manufacturing corporations and the other covering large manufacturing corporations. Those covering the small corporations are derived from proposal 14, and cover identical samples in five different industries. One sample covering five industries extends over the years 1926-36, and therefore permits source and disposal statements for each of the 10 years 1927-36. Another sample covers five industries over the years 1930-36, and therefore permits source and disposal statements for each of the

6 years 1931-36. The industrial distribution of companies in these two identical samples of small corporations follows:

	Years covered	
	1927-36	1931-36
Bakeries.....	81	27
Men's clothing.....	46	27
Furniture.....	66	28
Stone and clay.....	70	30
Machine tool.....	118	23
Total.....	381	135

The data on large corporations based on the S. E. C. reports cover 47 industries, including 525 manufacturing companies. The years covered by these S. E. C. statements are 1934-37, permitting, in most instances, source and disposal statements covering the years 1935-37. Financial data for 1934 are not available for some industries, permitting source and disposal statements for these groups only for 1936 and 1937. Financial data covering 1938 are available for certain other industries, allowing source and disposal statements for these firms to be carried through that year.

DERIVATION OF SOURCE AND DISPOSAL STATEMENT

The principle underlying the source and disposal of funds statement is relatively simple. The object is to spot those changes on the balance sheet which represent cash income or outgo. In accordance with accounting principles, and barring account revaluations and mere bookkeeping entries, the following statements hold:

1. Increase in an asset represents disposal of funds.
2. Increase in a liability represents a source of funds.
3. Decrease in an asset represents a source of funds.
4. Decrease in a liability represents a disposal of funds.

In practice it is convenient, first, to record the changes over a given period in all the balance sheet accounts except surplus; second, to introduce as a substitute for the change in surplus the net income after cash dividends and the account revaluations and other noncash debits and credits; and third, to adjust the appropriate asset accounts (particularly land, plant, and equipment) for revaluations charged to income (in this case, depreciation and depletion expense). Once this last type of adjustment has been made to the asset account, of course, the charge to income has to be put on the source side of the tabulation (i. e., in effect, added back into income).

The problem of net versus gross, so disturbing in many statistical compilations, runs throughout the source and disposal statement. The fact that the items are net sometimes has the effect of concealing certain phases of the flow of funds which may or may not be significant, depending on the purpose of the particular investigation. The net-income item provides an interesting illustration. There are at least three ways in which it can be represented: (1) Net after cash dividends, when it corresponds to the item of business savings; (2) net before dividends, when it is necessary to include cash-dividend disbursements as a disposal of funds; and (3) net after dividends and

including depreciation expense. The first and third alternatives are followed in the present report, but there is much to be said for the second. The third alternative is more a matter of account classification than a problem of net versus gross (cf. *infra*). The funded-debt account is another illustration. If several firms are being considered in the aggregate, one has the choice of presenting either the difference between the funded-debt increases and decreases or the sum of the increases on the source side and the decreases on the disposal side. Both alternatives have their particular uses. In the present report, the former is followed, but for the S. E. C. sample the numbers of firms showing increases and decreases are given. The other items on the source and disposal statement may be similarly subjected to alternative treatment, and care must be exercised by the particular investigator to choose wisely from among these possibilities.

Closely related to the net versus gross problem is another arising out of the various account classifications which may be employed. The range of the decisions which may be made on this particular question is extensive, being limited, on the one side, by the fineness of the account classification in the original source material and, on the other side, by the obvious identity of total source and total disposal of funds, which is not a very revealing comparison. Between those two extremes the decisions must be made with the aim of revealing with all possible simplicity those aspects of the flow of funds most germane to the problem under consideration.

In the source and disposal statements covering the small manufacturing corporations, 8 balance-sheet and 3 income items are distinguished. These items are current assets, investments, net property accounts, other assets, current liabilities, funded debt, other liabilities, capital stock, depreciation, net income before dividends, and cash dividends.⁴ In addition, current assets and liabilities are broken down into their respective components. In the case of the large corporations covered by the S. E. C. report, detailed source and disposal tables for 6 of the industries are presented here. These source and disposal tables cover essentially the items listed above. Summary tables for all 47 industrial groups of these large manufacturing corporations list the principal items of disposal of funds. In these summary tables, depreciation is combined with net income after dividends to give a source of funds labeled "earnings." Funded debt and capital stock are joined into "capital markets"; other assets, other liabilities, investments, and the residual are lumped into an "other" category.

The meanings of the various accounts used in the S. E. C. tabulations covering large corporations are sufficiently well known that their elaboration here is unnecessary. In the case of the small corporations, explanation of the definitions attaching to the various items can be found by reference to Appendix F.

The time period to be covered by the source and disposal table constitutes another methodological problem whose solution depends upon the purpose for which the analysis is being made. It might be desirable to have the time period cover anywhere from 1 month up to several years. In the present instance, the only choices available

⁴ Stock dividends are excluded, so far as possible, from the item labeled "cash dividends." Due to incomplete reporting, however, it cannot be said that the dividend item is free of all stock distributions.

are between 1 year and a group of years, since interim statements for the corporations in the samples are not generally available. A source and disposal statement covering an entire year is going to conceal certain sources, for example, which were canceled out by a corresponding disposal during the year; and, similarly, it will conceal certain disposals which were canceled by a corresponding source during the year. Take the following illustration: In February a corporation goes to the bank for a 6-month loan of \$100,000 for working capital purposes. At the end of 6 months the loan is repaid. That transaction, which may have been a very significant source of funds for the corporation, will not appear on a source and disposal statement covering a time period extending over the calendar year. Since a year is still the most common time period for financial statements, the present report has followed the policy of giving source and disposal statements covering 1 year rather than a group of years. It is not to be denied, however, that a statement covering several years would be significant.

Many other problems of a theoretical as well as methodological nature arise in the construction of a flow-of-funds tabulation. The question of inventory valuation is one of the most difficult theoretically, but the amount of adjustment possible in practice is so small that the whole matter may be ignored in the present instance. Considerable influence in the flow-of-funds tabulation is exercised by the acquisition of subsidiaries and by the treatment of subsidiaries in the financial statements. Over a long period this problem may become acute. In the present analysis reliance has been placed on the comparability of the S. E. C. compilations. The number of companies covered precluded detailed adjustments on this score, but it is not believed that the consequent qualifications on the results are particularly serious.

The source and disposal statements for the small manufacturing corporations were derived from composite tables available in worksheet form at the Income Tax Study in Philadelphia. After the balance sheet changes over the respective years had been entered on the source and disposal forms, all of the noncash debits and credits—that is, the surplus adjustments—which could be singled out, were cancelled against the changes in the appropriate balance sheet items. The general procedure followed for the small corporations was essentially the same as that followed for the large corporations, which is described in some detail in Appendix E. The proposal 14 tables basic to this analysis of small corporations are published in Appendix F. There are a few minor discrepancies between the source and disposal tables presented in this chapter and the basic tables in Appendix F, due to subsequent revisions of the latter.

SAMPLE OF LARGE MANUFACTURING CORPORATIONS, 1935-38

The analysis of the flow-of-funds patterns for the 525 S. E. C. registrants will be carried out along two broad lines. In the next section the detailed statements for six industries—steel, oil, baking, tool, brick, and clothing—will be surveyed. In the following section the principal items of source and disposal for all 47 industries will be presented, industrial differences singled out, and the broad flow-of-funds pattern for these 525 registrants indicated.

Detailed statements for six industries.

The six aforementioned industries were selected for special treatment because two of them—steel and oil—represent what may be called heavy industry. The other four—baking, tool, brick, and clothing—are the nearest available approach to the five industries covered by the small manufacturing corporations sample. Unfortunately no counterpart for the furniture industry is available among the S. E. C. reports.

The source and disposal statements comprised by tables 1 to 6 have been developed on special work-sheets, a copy of which appears as Form A in appendix E (in columns 5 and 6). Dollar amounts (in thousands) and percentages of total are given for each of 11 source and disposal items. In addition, a break-down of the dollar amounts for two of these items—current assets and current liabilities—is presented on the bottom of the table.

Twelve largest steel producers.—Source and disposal of funds statements for 12 steel producers with assets over \$100,000,000 each are presented for each of the years 1935–38 in table 62. An increase in current assets, largely cash, receivables and inventory, accounted for one-half of the disposals in 1935, capital expenditures of \$118,000,000 making up most of the balance. Depreciation charges equivalent to the capital expenditures provided the bulk of these funds, the capital markets and an increase in current liabilities (due both to banks and to trade) constituting the remainder. The working-capital break-down reveals that marketable securities were also liquidated—presumably to build up the other current items. Four companies accounted for the aggregate funded debt increase; the other 8 actually had modest decreases in this item.

TABLE 62.—Source and disposal of funds, 12 steel producers with assets over \$100,000,000 based on S. E. C. census of American listed corporations, 1955-58¹

[Unit: \$1,000]

Account	1955			1956			1957			1958				
	Source		Disposal	Source		Disposal	Source		Disposal	Source		Disposal		
	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent		
Current assets.....														
Investments.....	\$748	(¹)	\$133,737	49	\$12,984	3	\$101,985	27	\$2,058	(¹)	\$50,964	12	\$22,678	8
Land and plant.....			118,260	43	195,761	52	195,761	52	49,243	12	335,441	81	136,592	46
Other assets.....			2,924	1	66,160	16	66,160	16	18,071	4			6,286	2
Current liabilities.....														
Funded debt.....	74,350	27			47,217	13								
Other liabilities.....	31,761	12			92,102	25								
Capital stock.....			16,695	6	1,163	(²)			7,122	2	15,349	4	\$158,905	54
Depreciation expenditure.....	37,631	14			46,689	12			113,815	28			5,516	2
Business savings.....	109,790	40			139,076	37			151,803	37	126,144	42		
Residual.....	20,516	7	3,184	1	35,319	10	16,644	5	70,771	17	11,129	3	52,237	17
Totals.....	274,796	100	274,800	100	374,550	100	374,550	100	412,883	100	412,883	100	297,382	100
Working capital.....														
Cash.....			59,387		54,768		54,768				32,893		101,738	
Marketable securities.....			30,706		17,235		17,235						92,307	
Receivables.....	14,761				24,391								27,239	
Inventories.....			31,834		43,569		69,400						7,674	
Other current assets.....			1,226		5,041		85,904						48,832	
Accounts payable.....	29,197		5,834		1,809								70	
Other current liabilities.....	16,291				33,338								14,519	
Earmarked funds.....			41,163		41,635								1,162	
Maturing notes.....	34,696				41,122		28,669						8,669	

¹ Report No. 1.

² Under 0.5 percent.

In 1936 the flow of funds shifted slightly. Capital expenditures of \$196,000,000 were the principal application, comprising about a half of the total, while current assets, due to increases in cash, receivables, and inventories, comprised a fourth. The source pattern was similar to that for 1935, depreciation constituting a third rather than a half of the total. The sum of depreciation and net income approximately equaled capital expenditures. Six of the firms registered all the increase in funded debt, the other six actually showing slight decreases in this item:

The picture changed still further in 1937. Capital expenditures of \$335,000,000 constituted 81 percent of the disposals in that year, and current assets only an eighth. The source pattern is still relatively unchanged, the only shift this year being the increased importance of net income. The working capital break-down reveals a sharp increase in inventories in this year, combined with a paying off of current accounts. This was presumably financed in part by drafts upon cash, liquidation of receivables, and increases in notes payable and other current liabilities. The 12 companies were again evenly divided between those increasing and decreasing their funded debt. Unlike the other years, however, the increases and decreases largely canceled out.

Shifts of the disposal side continued in 1938. Capital expenditures of \$137,000,000 were back to the 1936 proportion of one-half the disposals, while the balance, instead of being an increase in current assets, was largely composed of a decrease in current liabilities and a business loss. A change also occurred on the source side, depreciation and funded debt flotations each providing a half. Although there were six decreases in funded debt, the five companies floating bond issues dominated the scene.

The changes in the roles played by the principal items over the 4 years are interesting. Current assets constituted a large but decreasing use of funds over the period, falling from 49 percent in 1935 to 27 percent in 1936, 12 percent in 1937, and 8 percent in 1938. Capital expenditures expanded as an application of funds over the first 3 years, rising from 43 percent of the total in 1935 to 81 percent in 1937. In dollar amounts this represents an increase from 118 to 335 million. In 1938, however, it fell back to 46 percent. Similarly, net income increased as a source of funds until 1938, rising from 7 percent in 1935 to 17 percent in 1937. In 1938, however, it had become a disposal of funds, business losses comprising 17 percent of the total application of funds. The depreciation charge was a relatively constant source of funds, running around 40 percent of the total in each year. In dollar figures it varied from 110,000,000 in 1935 to 152,000,000 in 1937. The capital markets were a source of funds in each year, but of varying importance from year to year. Starting at 26 percent in 1935, their share rose to 37 percent in 1936, then fell to about 24 percent⁵ in 1937, and wound up the period at 54 percent in 1938 when \$160,000,000 were obtained from the capital markets. In the first 2 years of the period, earnings (i. e. depreciation plus net income) just about covered capital expenditures. In the last 2 years they fell far short of this goal. Over the 4 years the extent to which earnings covered capital expenditures fell persistently.

⁵ Actually something more than 24 percent, because cancellation of the 4 percent debt retirement against the 28-percent stock flotation would decrease the total source and disposal and therefore increase slightly the net contribution of capital funds.

TABLE 63.—Source and disposal of funds, 17 oil refiners, based on S. E. C. census of American listed corporations, 1935-37¹

[Unit: \$1,000]

	1935			1936			1937			
	Source		Disposal	Source		Disposal	Source		Disposal	
	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent
Current assets.....										
Investments.....	\$32,052	6	\$63,295	11	\$28,125	5	\$39,844	7	\$202,880	22
Land and plant.....	4,056	1	374,050	67			474,415	82	20,428	2
Other assets.....	45,418	8					1,597	(²)	706,642	76
Current liabilities.....										
Funded debt.....			81,204	15	17,367	3			95,550	10
Other liabilities.....			13,924	2	1,714	(²)			73,262	8
Capital stock.....	10,931	2			35,275	6	64,905	11	36,008	4
Depreciation expenditure.....	352,086	63			356,810	61			92,711	10
Business savings.....	113,301	20			143,760	25			378,455	41
Residual.....			25,371	5			2,290	(²)	244,016	26
Totals.....	557,444	100	557,844	100	553,051	100	553,051	100	929,950	100
Working capital.....										
Cash.....			17,877		45,492					
Marketable securities.....			65,227		16,387				27,374	
Receivables.....	11,842				17,285					
Inventories.....			15,234				28,452			
Other current assets.....	10,474				14,942					
Notes payable.....	43,964		5,150		7,963				12,401	
Accounts payable.....									16,687	
Other current liabilities.....	16,688		3,355		36,344				16,981	
Far-marked funds.....					32,435				42,794	
Maturing notes.....			11,880				347		19,089	

¹ Report No. 10.² Under 0.5 percent.

Seventeen largest oil refiners.—Table 63 presents 1935, 1936, and 1937 source and disposal of funds statement for 17 oil refiners with producing facilities, having assets over \$50,000,000 each. Capital expenditures of \$374,000,000 constituted fully two-thirds of the total application of funds in 1935, funded-debt retirements and current asset increases comprising the balance. On the source side, depreciation matched the capital expenditures while net income comprised a fifth of the funds. Among the working capital items, funds were applied to increasing cash and receivables and were obtained from selling marketable securities and inventory and increasing notes payable and other current liabilities. Eleven companies joined in retiring their funded debt, while three firms showed an increase of this item.

In 1936 capital expenditures totaling \$474,000,000 played an even more important role on the disposal side, comprising some four-fifths of the total. Other liabilities made up another tenth of the applications. The source of funds was practically the same in 1936 as it was in 1935. The working capital break-down shows that funds were devoted to paying off notes and derived from all the current asset items except receivables, and from the remaining current liability items. All the companies but one recorded some change in funded debt, but the increases and decreases largely canceled out.

In 1937 the disposal pattern reverted back to the 1935 form, capital expenditures comprising three-fourths and current assets a fifth of the total. Nevertheless capital expenditures in 1937 were almost double those in 1935. On the source side the share contributed by depreciation fell to two-fifths while the capital markets entered the picture as a net source of funds producing some 18 percent of the total. Funds were applied to increasing marketable securities, receivables, and inventory, and were derived from a draft on cash and an expansion of current liabilities. Funded debt flotations and retirements were again evenly divided in number of companies, but the former modestly outweighed the latter in aggregate amount.

Over the 3-year period, capital expenditures were the largest single item on either side of the statement, comprising 67 percent of the total uses in 1935, 82 percent in 1936, and 76 percent in 1937. Depreciation was the next largest item, but over the period it declined from 63 percent of the total sources in 1935 to 61 percent in 1936 and to 41 percent in 1937. The capital markets were a drain upon these corporate funds in 1935 (about 13 percent of the total), and modest contributors in the other 2 years (6 percent in 1936 and 18 percent in 1937). Net income constituted a modestly increasing source of funds over the period, rising from 20 percent in 1935 to 25 percent in 1936 and 26 percent in 1937. Earnings, (i. e., net income plus depreciation) more than covered capital expenditures in 1935 and 1936, but fell 10 percent short in 1937.

Eight large bakeries.—Eight bakers of bread and cake are registered with the S. E. C. These firms are undoubtedly the larger ones in their particular industry. Table 64 presents source and disposal of funds statements covering these eight firms for the years 1935-37.

CONCENTRATION OF ECONOMIC POWER

TABLE 64.—Source and disposal of funds, 8 bakers of bread and cake, based on S. E. C. census of American listed corporations, 1935-37 1

[Unit: \$1,000]

Account	1935				1936				1937			
	Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent
Current assets.....	\$1,193	13			\$1,447	12	\$1,271	12	\$1,447	12	\$1,447	12
Investments.....	459	5			6,262	52			6,262	52	6,262	52
Land and plant.....			1,474	52	3,368	3			3,368	3	3,368	3
Other assets.....	353	4			4,053	33			4,053	33	4,053	33
Current liabilities.....	726	8			768	6	2,386	22	7,121	65	375	3
Funded debt.....			4,039	44	43	(?)	237	2	619	6	619	6
Other liabilities.....			254	3	7,119	59						
Capital stock.....			63	(?)	397	3						
Depreciation expenditures.....	6,112	67			665	5						
Business savings.....	286	3										
Residual.....			19	(?)								
Total¹.....	8,169	100	9,169	99	12,130	99	11,015	101	12,130	109	11,015	100
Working capital.....	1,119				1,604				1,545		1,027	
Cash.....	1,253											
Marketable securities.....	380											
Receivables.....			111									
Inventories.....			211									
Other C. A.....			118									
Notes payable.....	2,085								1,490			
Accounts payable.....			65									
Other C. L.....	241				303				51			
Earmarked funds.....					1,199							
Maturing notes.....			1,486		3,574							

¹ Report No. 20.

² Under 0.5 percent.

On the disposal side, capital expenditures comprised about a half of the total in 1935, funded debt retirements making up most of the balance. Depreciation provided two-thirds of the funds, and current assets about an eighth. An increase in notes payable and a draft upon cash provided the bulk of the working capital funds. Six of the companies made retirements of their funded debt. There were no bond flotations.

In the following year capital expenditures and bond retirements still figured prominently on the disposal side (a half and a third of the total, respectively) while increases in current assets took an eighth of the funds. Depreciation again contributed two-third of the funds. The fourth contributed by current liabilities is composed partly of an increase in bonds maturing within the year. In actuality, therefore, the figures for funded debt retirements are overestimated as far as the companies involved are concerned, but not as far as the funded debt accounts themselves are concerned. In effect, this picture indicates, merely as a result of account transfers that some of the bonds were retired by an increase in current debt. Four companies revealed a decrease in funded debt and one an increase.

By the next year, 1937, the source and disposal pattern had shifted significantly. Although capital expenditures still loomed largest on the disposal side—being two-thirds of the total—current liabilities were reduced, taking the bulk of the remaining funds. Depreciation again constituted the bulk of the sources, about two-thirds, but other liabilities provided most of the balance. Drafts on cash and increases in notes payable helped finance expansion of receivables and inventory. Current liabilities were again impregnated with some funded debt maturing within the year. The aggregate effect of the funded debt retirements made by five firms was largely counteracted by the bond flotations of another company.

Over the period capital expenditures were a consistently large disposal of funds, running 52 percent in 1935 and 1936 and 62 percent in 1937. Similarly, depreciation was the largest contributor, providing 67 percent of the funds in 1935, 59 percent in 1936, and 65 percent in 1938. The capital markets, instead of being source of funds, were actually net drafts on resources in all three years: 44 percent in 1935, 33 percent in 1936, and about 2 percent in 1937. The sum of net income and depreciation matched the capital expenditures in each year of the period; in fact, in the first 2 years it was considerably larger.

Seventy-nine tool manufacturers.—Table 65 presents source and disposal of funds statements for 1935-37 covering 79 manufacturers of industrial machinery, tools, parts, and equipment. This industrial group is supposed to be particularly sensitive to cyclical influences.

Current assets accounted for more than half of the total use of funds in 1935. Capital expenditures were less than a third of the total, and stock retirements and reacquisitions an eighth. On the source side three items figure prominently: depreciation, more than a third; current liabilities, a third; and net income, a fourth. The expansion in current assets was largely in cash, receivables, and inventory. This was financed in part by sale of marketable securities and an increase in current debt. The funded debt decreases totaled almost twice the increases.

TABLE 65.—Source and disposal of funds, 79 manufacturers of industrial machinery, tools, parts, and equipment, based on S. E. C. census of American listed corporations, 1935-37¹

[Unit: \$1,000]

Account	1935				1936				1937			
	Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent
Current assets.....			\$27,922	53			\$40,267	43			\$57,914	59
Investments.....	\$904	2	16,071	31	\$3,486	4	27,207	29			3,259	3
Land and plant.....	349	1			712	1					36,950	38
Other assets.....	16,988	32	2,056	4	29,573	31	19,173	20	\$22,258	23	33	(*)
Current liabilities.....			438	1			400	1	20,822	21		
Funded debt.....			6,235	12					1,368	1		
Other liabilities.....					26,953	29			4,832	5		
Capital stock.....	19,903	38			20,839	22			22,330	23		
Depreciation expenditures.....	12,003	23			12,548	13			25,130	26		
Business savings.....	2,575	5					7,005	7	1,417	1		
Residual.....												
Totals.....	52,722	100	52,722	101	94,111	100	94,112	100	98,156	100	98,156	100
Working capital.....			10,934				10,694				35,656	
Cash.....			6,036		11,511						8,855	
Marketable securities.....					3,780				12,706			
Receivables.....	9,169		17,281				25,210				8,631	
Inventories.....			13,993				24,288				52,433	
Other current assets.....							1,060				648	
Notes payable.....	219				9,121				5,291			
Accounts payable.....	4,230				7,550						458	
Other current liabilities.....	3,621				13,030				17,674			
Equity marked funds.....	8,265											
Maturing notes.....			1,127				128				250	

* Under 0.5 percent.

¹ Report No. 30.

In the next year current assets were again the principal disposal, comprising almost a half of the total. Capital expenditures were almost a third of the total, while bond retirements (rather than stock retirements) constituted a fifth. The source pattern was altered by the entry of the stock item onto the scene: Almost a third of the total funds were obtained through this channel. The working capital break-down is also similar except that cash was drawn upon instead of augmented. The increases in funded debt were only nominal in amount.

Current assets continued as the principal disposal in 1937, comprising three-fifths of the total. Capital expenditures accounted for the balance of the utilization of funds. The 1937 source pattern was similar to that for 1936, each of four items contributing about a quarter: Income, depreciation, current liabilities, and bond flotations. The working capital pattern was back to the 1935 picture: cash, receivables, and inventories were disposals; marketable securities, notes, and other current liabilities were sources. The aggregate increase in funded debt was four times the decrease.

This industry is characterized by a persistently large utilization of funds through building up current assets. The proportions of total funds utilized in this fashion were 53 percent in 1935, 43 percent in 1936, and 59 percent in 1937. The only other important application of funds was capital expenditures, fairly stable at around a third of the total. Current liabilities were a persistent but slightly declining source of funds, being 32 percent of the total in 1935, 31 percent in 1936 and 23 percent in 1937. Depreciation fell off as a source of funds, while retained profits increased. Income plus depreciation was almost double capital expenditures in 1935, and considerably more than new plant outlays in 1936 and 1937.

Nine brick manufacturers.—Nine manufacturers of brick and other clay products are covered in the source and disposal statements for 1935-37 in table 66.

Bond retirements and current-asset expansion were the major uses of funds in this industry in 1935. The former aggregated a third of the total and the latter almost as much. Third position goes to capital expenditures which totaled only a fifth of the applications. Two-thirds of the funds were contributed by depreciation, the remainder being split between stock flotations and current liability increases. Among the working-capital items, accounts payable and other current liabilities supplied funds, while receivables, inventory, and note repayments absorbed them. Four companies accounted for the funded-debt retirements, outweighing a bond flotation by one firm.

The 1936 disposal pattern was quite different. Current assets figured even more prominently, usurping the role played in 1935 by funded-debt retirements. Capital expenditures remained stable at a fifth of the total disposal. The source side is similarly marked by elimination of the capital market's previous role. Depreciation is only a third of the total funds in 1936, the current debt increase rising to match it, while other assets netted a fifth of the funds. Cash, receivables, and inventories continued to expand, partly through an increase in payables. The five companies decreasing their funded debt failed to make this item a significant application even though there were no offsetting increases.

TABLE 66.—Source and disposal of funds, 9 manufacturers of brick and clay products, based on S. E. C. census of American listed corporations, 1935-37¹

[Unit: \$1,000]

Account	1935				1936				1937			
	Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent
Current assets.....												
Investments.....			\$652	29								
Land and plant.....			16	(²)			\$3,874	67			\$1,879	46
Other assets.....			567	19			1,090	19			31	1
Current liabilities.....			200	7							2,040	50
Funded debt.....	\$549	19										
Other liabilities.....			950	33			571	10			126	3
Capital stock.....			17	1			207	4			0	(³)
Depreciation expenditures.....	639	22					29	(³)			24	1
Business savings.....	1,738	59			2,033	35			1,024	25		
Residual.....			176	6	326	6			2,025	49		
			145	5	392	7			382	9		
Totals.....	2,926	100	2,929	100	5,771	100	5,771	100	4,080	100	4,081	100
Working capital.....												
Cash.....	178		303				2,202				2,005	
Marketable securities.....							1,347				1,963	
Receivables.....	231				117				202			
Inventories.....			839				2,070		1,818			
Other current assets.....			393				581				1,899	
Notes payable.....			29		7						37	
Accounts payable.....	547		560		256				77			
Other current liabilities.....					535						477	
Maturing notes.....	576		14		880				234			
									40			

¹ Report No. 43.² Under 0.5 percent.

The disposal of funds in 1937 was evenly divided between capital expenditures and current assets. Depreciation provided a half of these funds, and stock flotations a quarter. The increase in cash and inventories was matched in part by a liquidation of receivables.

Over the 1935-37 period current assets were the largest application of funds, running 29, 67, and 46 percent of the total in each of these 3 years, respectively. Capital expenditures were an increasing disposal, standing at 19 percent in the first 2 years and 50 percent in 1937. The largest and most consistent provider of funds was depreciation, totaling 59 percent in 1935, 35 percent in 1936, and 49 percent in 1937. The capital markets were a net drain (more than 10 percent) on the funds of these corporations in each of the years 1935 and 1936, and a major source of funds (25 percent) in 1937. Retained profits were also a drain on funds in 1935 (6 percent) and a contribution in 1936 and 1937 (6 and 9 percent, respectively). In the first 2 years of the period, earnings—i. e., income plus depreciation—were more than double capital expenditures; in 1937 they were still significantly larger.

Sixteen clothing manufacturers.—The S. E. C. industrial category labeled "manufacturers of apparel other than hosiery and footwear" is comprised largely of men's clothing manufacturers. Source and disposal statements for the 16 registrants in this group are presented in table 67. Because the 1934 data for all 16 of the companies are not available, the statements in table 67 cover only the years 1936 and 1937.

TABLE 67.—Source and disposal of funds, 16 manufacturers of apparel other than hosiery and footwear, based on S. E. C. census of American listed corporations, 1936-37¹

[Unit: \$1,000]

Account	1936				1937			
	Source		Disposal		Source		Disposal	
	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent
Current assets.....			\$5,015	60			\$1,499	31
Investments.....			2,114	26	\$738	15.		
Land and plant.....	\$115	1					1,480	31
Other assets.....			519	6			52	1
Current liabilities.....	4,768	57					800	16
Funded debt.....	72	1					30	1
Other liabilities.....	196	2					912	18
Capital stock.....			680	8	2,792	58		
Depreciation expenditures.....	1,036	13			1,091	22		
Business savings.....	2,062	25					75	2
Residual.....	76	1			230	5		
Totals.....	8,325	100	8,328	100	4,851	100	4,851	100
Working capital.....			247				2,299	
Cash.....	157				50			
Marketable securities.....	213				1,284			
Receivables.....			2,232		626			
Inventories.....			3,075				3,379	
Other current assets.....			78				80	
Notes payable.....	2,424				1,561			
Accounts payable.....	835						1,060	
Other current liabilities.....	1,542						1,298	
Earmarked funds.....								
Maturing notes.....			33				3	

¹ Report No. 49.

Expansion of the current assets required two-thirds of the funds acquired by these corporations in 1936. An increase in investments (not marketable securities) took another fourth. Half the funds were supplied by an increase in current debt, while retained profits accounted for a fourth and depreciation a bare eighth. The expansion in current assets was largely in receivables and inventory, while the expansion in current debt was largely by note. Only one company registered a change in funded debt, and that one was a modest increase. The capital assets account was actually a slight source of funds in this year.

The 1937 disposal pattern was quite different. Capital expenditures resumed their more customary role and matched the current asset increase by utilizing almost a third of the total funds. A decrease in other liabilities took a fifth. Depreciation was again only a small source of funds, providing hardly more than a fifth of the total. More than a half was procured through stock issues. Receivables were liquidated, notes incurred and marketable securities sold in order to raise funds for the purchase of inventory and the settlement of accounts payable and accrued liabilities. The only funded debt change was a decrease recorded by one company.

Over the biennium current assets constituted the major disposal of funds, running 60 and 31 percent of the total in 1936 and 1937 respectively. Capital expenditures, actually a slight source of funds in 1936, were 31 percent of total applications in 1937. Depreciation was the most consistent source, aggregating 13 percent in 1936 and 22 percent in 1937. The capital markets, which were a modest drain on funds in 1936, became the most important source—58 percent of the total—in 1937. Net income plus depreciation naturally exceeded capital expenditures in 1936 (since the latter were nil) but fell a third short in 1937.

Résumé.—Interesting industrial differences are brought out by a comparison of the flow of funds pictures presented in the preceding six tables.

Current assets figured as a significant application of funds, alongside capital expenditures, in four of these industries, steel, tool, brick, and clothing. They played a declining role in steel and clothing, but in all four groups their magnitude compared favorably with that of the capital expenditures. In one industry, oil, capital expenditures played a lone role, largely, as a use of funds. In the remaining industry, baking, capital expenditures were supplemented, on a sizable scale, by retirement of outstanding securities. Much of the expansion in current assets in the steel industry went into inventory, a fact which has frequently been cited by analysis striving to explain the 1937 recession. When ranked according to the relative magnitude of the capital expenditure item the industries run, from high to low, as follows, oil (two-thirds to three-quarters), baking, steel, tool, brick, and clothing (less than a third).

Depreciation is the most persistent source of funds, industrially as well as temporally. It is prominent in each of the six industries covered here, and ranges from about two-thirds of the total sources in baking down to less than a quarter in clothing. In addition to the baking industry, it is also particularly large in brick and oil, and quite sizable in steel. Retained profits were a significant source of funds in four of the industries, tool, oil, steel, and clothing. In some

of these groups, however, it was a disposal of funds in certain years. Four industry groups found the capital markets a source of funds, steel, clothing, brick, and oil. However, three of these industry groups (steel is the exception) had a net outflow of funds into the capital markets in some year during the period. Current liabilities were a significant source of funds for one industry, tools. It was observed above that both the steel and tool industries expanded their current assets during this recovery period. Their expansion was financed in different ways, however. The former got its funds through depreciation, capital markets, and retained profits; the latter through depreciation, current liabilities (presumably a mixture of bank loans and mercantile credit), and retained profits. The greater accessibility of the steel industry to the capital markets is evident. For three of the industries—baking, tool, and brick—earnings (i. e. net income plus depreciation) covered or exceeded capital expenditures in each year studied. In the remaining three industries, such earnings covered capital expenditures in 1935 and 1936, but failed to do so in 1937 and (for steel) 1938.

Principal Sources and Uses For 47 Industries.

Detailed statements of the source and application of funds such as were included in the preceding section are impracticable when there are 47 industries to be considered, instead of 6. Such an analysis would not only be very lengthy, but also run the chance of "missing the forest for the trees." An alternative approach would be to combine the source and disposal statements of all 47 industries for each year, and examine the aggregate flow of funds. Such a method would be defensible in the case of a body of data blessed with universal coverage of, say, all manufacturing corporations. The present data covering 525 firms in 47 industries, however, is merely a sample, and not a judiciously selected one at that. An aggregate source and disposal statement of these 47 industries would be strongly weighted by the large industrial components such as steel, oil, and automobiles. An analysis of such a statement would contribute little that an analysis of the steel and oil statements had not already revealed. Therefore, in order to gain some idea of the flow of funds patterns for all 47 industries, without risking the chance of being too detailed on the one hand and of being too unrevealing on the other, the approach followed in this section will be to set forth the two largest sources of funds and the two largest uses of funds for each of the 47⁶ industries for each of the years 1935-38 in which data were available. The underlying data are presented in tables 68-71, inclusive. The capital letter "A" has been placed under the principal source and principal use for each industry, and the letter "B" under the next most important (sometimes termed "secondary") source and next most important use.

Of the 47 industries, 1935 data were not available for 14. The remaining 33 industries including 420 companies are covered in table 68, which gives the principal sources and disposals in 1935.

Earnings, comprising net income plus depreciation, were the principal source of funds for 26 of the 33 industries. Current liabilities were increased enough to play this role in 3 industries, food canners,

⁶ Based on 46 S. E. C. reports, one of which—sugar refiners—gives better coverage when split into two groups.

railroad equipment, and trucks. The capital markets provided the bulk of the funds only for the cigarette industry. In 2 industries, snuff and cereal manufactures, other liabilities played the major role, while a decrease in current assets provided the major part of the funds in the miscellaneous food group. In 14 industries current liabilities played the secondary role on the supply side, current assets did the same for 6 industries, earnings for 4 industries, and capital markets, investments, and other liabilities for 3 industries each.

Of the uses of funds, capital expenditures head the list for 13 industries. Current asset increases were the principal disposal for as many more industries, while the capital markets were the largest drain on funds in 2 industries, cement and diversified grocery specialties. Three industries, beet sugar, cigars, and snuff devoted the major part of their funds to retiring current debt. The 1935 losses after dividends of cigarette companies were their principal application of funds, while an increase in other assets played this role for the cereal companies. Capital expenditures were the secondary use of funds in 16 industries, current assets in 6, the capital markets in 8, and current liabilities, other liabilities, and business losses (after dividends) in cereal, miscellaneous food, and railroad equipment respectively.

Although net income plus depreciation was the principal source of funds in 26 of the 33 industries, capital expenditures were the principal disposal in only half as many groups. Current assets played as prominent a role on the application side. The conclusion is, therefore, that these corporations were, in general, using their funds to replenish or increase their working capital rather than fixed capital in 1935.

TABLE 68.—Principal sources and uses of manufacturing corporation funds, by selected industries, based on S. E. C. census of American listed corporations—1935¹

S. E. C. Report No.	Industry	Number of companies	Principal sources				Principal uses			
			Earnings ²	Capital markets ³	Current liabilities	Other	Capital expenditures ⁴	Current assets	Capital markets ⁵	Other
1	Steel.....	12	A		B		B	A		
2	Meat packers, over \$50,000,000 ⁶	5								
4	Automobile.....	7	A		B		B	A		
5	Tires ⁶	14								
6	Agricultural machinery ⁶	9								
7	Cigarettes.....	6	A			B ⁸	B			A ⁹
8	(Sugar refiners—beet)	5	A			B ⁷	B			A ⁹
8	(Sugar refiners—cane ⁵)	7								
10	Oil, over \$50,000,000	17	A		B		A		B	
11	Office machinery and equipment.....	9	A	B			A	B		
12	Cement.....	7	A			B ⁷	B		A	
14	Containers and closures.....	8	A			B ⁹	A	B		
16	Chemicals and fertilizers.....	20	A		B		A	B		
18	Automobile parts.....	61	A		B		B	A		
19	Biscuits and crackers.....	3	A	B			A	B		
20	Bread and cake.....	8	A			B ⁷	A		B	
21	Cereal manufacturers and millers.....	8	B							B ⁸
22	Quarrying ⁵	4				A ⁹				A ¹⁰

¹ "A" denotes largest source or disposal; "B" denotes next to largest.

² Depreciation plus net income.

³ Long-term debt plus capital stock.

⁴ Land, building, and equipment.

⁵ Data not available in this year.

⁶ Investments.

⁷ Current assets.

⁸ Current liabilities.

⁹ Other liabilities.

¹⁰ Other assets.

TABLE 68.—Principal sources and uses of manufacturing corporation funds, by selected industries, based on S. E. C. census of American listed corporations—1935—Continued

S. E. C. Report No.	Industry	Number of companies	Principal sources				Principal uses			
			Earnings	Capital markets	Current liabilities	Other	Capital expenditures	Current assets	Capital markets	Other
23	Cigars.....	10	A			B ⁷			B	A ⁸
24	Snuff.....	3	B			A ⁹	B			A ⁸
25	Meat packers, less than \$50,000,000 ⁵	9								
27	Dairy products.....	8	A			B ⁷	A		B	
28	Beverage manufacturers other than brewers and distillers.....	7	A		B			A	B	
29	Sulfur—salt.....	3	A		B		B	A		
37	Tool manufacturers.....	79	A		B		B	A		
38	Paint manufacturers ⁵	8								
39	Vegetable oils ⁴	4								
40	Toilet soap, etc.....	10	A		B		B	A		
41	Leather tanners ⁵	5								
42	Shoes ⁴	11								
43	Brick.....	9	A		B		B	A		
44	Miscellaneous building material.....	7	A		B		B	A		
45	Cotton-wool.....	6	A		B		B	A		
46	Rayon yarn ⁵	4								
47	Silk and rayon ⁵	3								
48	Hosiery.....	10	A		B		A		B	
49	Apparel—not hosiery ⁵	16								
50	Miscellaneous textiles.....	12	A		B		B	A		
51	Food canners and preservers.....	9	B		A			A	B	
52	Chewing gum, candy, confectionery.....	10	A			B ⁵	B	A		
53	Diversified grocery specialties.....	4	A			B ⁵	B		A	
54	Miscellaneous food and related products.....	8	B			A ⁷	A			B ⁹
55	Drugs and medicines.....	12	A			B ⁹	A		B	
56	Lumber products ⁴	6								
57	Paper and allied products.....	25	A	B			A	B		
58	Railroad equipment.....	11			A	B ⁷	A			B ⁹
59	Commercial cars and trucks.....	6			A	B ⁹	A	B		

² Depreciation plus net income.³ Data not available in the year.⁴ Investments.⁷ Current assets.⁸ Current liabilities.⁹ Other liabilities.

In 1936 data were available for all 47 industries comprising 525 corporations. Table 69 indicates the principal sources and uses of funds by these industries in that year.

The 1936 picture is similar to that for 1935. Of the 47 industries, 36 relied chiefly on earnings for their funds, 8 on an increase in current debt, only 2 (containers and trucks) on the capital markets, and 1 (snuff) on a reduction of current assets. An increase in current liabilities provided the next most important source of funds for 27 industries, earnings for 9, the capital markets for 5, investments and other liabilities for 2 each, current assets for cane sugar and other assets for biscuits. Instead of the increase in current assets and capital expenditures comprising the principal utilization of funds in the same number of industries (cf. 1935 experience), the former led the latter 2 to 1 in 1936. Current assets were the major disposal in 30 industries, capital expenditures in 15. In 2 industries, cigars and hosiery, the capital markets provided the bulk of the funds. The secondary role was played in 27 industries by capital expenditures, in 11 industries by current assets, in 4 industries by the capital markets, in 2 industries

by other liabilities and investments, and in 1 industry, snuff, by a decrease in current liabilities.

The flow of funds in 1936, it may be observed, was characterized even more markedly than in 1935 by an expansion in the current-asset item made possible by funds derived primarily from earnings and current debt.

The number of industries relying in 1937 chiefly on earnings for their funds had decreased to 25 (see table 70). The capital markets were coming to play a more prominent part, with 7 industries deriving the major part of their funds therefrom. An increase in current debt played the corresponding role in 7 industries. Some liquidation of current assets took place since 8 industries found this their chief source of funds. Earnings played a secondary role in providing funds for 17 industries; current liabilities for 11 industries, the capital markets for 10 industries, current asset liquidation for 5 industries, and sale of capital assets, other assets, and other liabilities for 1 industry apiece. In one industry, cotton and wool, liquidation of current assets provided all the funds.

Capital expenditures came into their own in 1937, comprising the principal use of funds in 29 of the 47 industries and the secondary disposition in 13 others. Current assets still constituted a major utilization of funds in 10 industries, and a secondary use in 16 others. Security retirements were relatively common, 7 industries finding this their chief application of funds and 1, cigars, devoting the bulk of their funds to that purpose. Other items playing the role of major use were current liabilities (3 industries), other assets (2 industries), and other liabilities and business losses after dividends (1 industry each).

In 1937 the building up of current assets so characteristic of the two earlier years slowed down somewhat, the role of capital expenditures increasing. Although earnings were still the most prominent source of funds, the capital markets became increasingly important as contributors.

TABLE 69.—Principal sources and uses of manufacturing corporation funds, by selected industries, based on S. E. C. census of American listed corporations—1936¹

S. E. C. Report No.	Industry	Number of companies	Principal sources				Principal uses			
			Earnings ²	Capital markets ³	Current liabilities	Other	Capital expenditures ⁴	Current assets	Capital markets ⁵	Other
1	Steel	12	A	B			A	B		
2	Meat packers, over \$50,000,000.	5	A		B		B	A		
4	Automobiles	7	A		B		A	B		
5	Tires	14	A		B		B	A		
6	Agricultural machinery	9	A		B		B	A		
7	Cigarettes	6			A	B ⁶	B	A		
8	Sugar refiners—beet	5	A			B ⁶	A	B		
10	Sugar refiners—cane	7	A			B ⁷	B	A		
8	Oil, over \$50,000,000.	17	A	B			A			B ⁵
11	Office machinery and equipment	9	A		B		A	B		

¹ "A" denotes largest source or disposal; "B" denotes next to largest source or disposal.

² Depreciation plus net income.

³ Long-term debt plus capital stock.

⁴ Land, building, and equipment.

⁵ Other liabilities.

⁶ Investments.

⁷ Current assets.

TABLE 69.—Principal sources and uses of manufacturing corporation funds, by selected industries, based on S. E. C. census of American listed corporations—1936—Continued

S. E. C. Report No.	Industry	Number of companies	Principal sources				Principal uses				
			Earnings	Capital markets	Current liabilities	Other	Capital expenditures	Current assets	Capital markets	Other	
12	Cement.....	7	A		B						
14	Containers and closures.....	8	B	A			A	A	B		
16	Chemicals and fertilizers.....	20	A		B		A		B		
18	Automobile parts.....	61	A		B		A	B			
19	Biscuits and crackers.....	3	A			B ⁶	B	A			
20	Bread and cake.....	8	A		B		A		B		
21	Cereal manufacturers and millers.....	8	A		B		B	A			
22	Quarrying.....	4	A	B			B	A	B		
23	Cigars.....	10	A			B ⁶	B		A		
24	Snuff.....	3	B			A ⁷	A			B ⁹	
25	Meat packers, less than \$50,000,000.....	9	B		A		B	A			
27	Dairy products.....	8	A		B		A	B			
28	Beverage manufacturers, other than brewers and distillers.....	7	A		B		B	A			
29	Sulfur—salt.....	3	A		B			A	A		B ⁸
37	Tool manufacturers.....	79	A		B		B	A	A		
38	Paint manufacturers.....	8	A		B		B	A	A		
39	Vegetable oils.....	4	B		A		B	A	A		
40	Toilet soaps, etc.....	10	A		B		B	A	A		
41	Leather tanners.....	5	B		A			A		B	
42	Shoes.....	11	A		B		B	A	A		
43	Brick.....	9	A		B		B	A	A		
44	Miscellaneous building material.....	7	A		B		A	B	A		
45	Cotton and wool.....	6	B		A		B	B	A		
46	Rayon yarn.....	4	A	B			B	B	A		
47	Silk and rayon.....	3	A		B		B	B	A		
48	Hosiery.....	10	A		B		B			A	
49	Apparel—not hosiery.....	16	B		A			B	A		B ⁸
50	Miscellaneous textiles.....	12	B		A		B	B	A		
51	Food canners and preservers.....	9	A		B		B	B	A		
52	Chewing gum, candy, confectionery.....	10	B		A		B	A			
53	Diversified grocery specialties.....	4	A		B		A	B			
54	Miscellaneous food and related products.....	8	A			B ⁸		A			B ⁸
55	Drugs and medicines.....	12	A		B		B	B	A		
56	Lumber products.....	6	A		B		B	B	A		
57	Paper and allied products.....	25	A	B			A	B	B		
58	Railroad equipment.....	11	A		B		B	B	A		
59	Commercial cars and trucks.....	6		A	B		B	B	A		

⁶ Other liabilities.⁸ Current investments.⁷ Current assets.⁸ Other assets.⁹ Current liabilities.

TABLE 70.—Principal sources and uses of manufacturing corporation funds, by selected industries, based on Securities and Exchange Commission census of American listed corporations—1937¹

S. E. C. Report No.	Industry	Number of companies	Principal sources				Principal uses			
			Earnings ²	Capital markets ³	Current liabilities	Other	Capital expenditures ⁴	Current assets	Capital markets ³	Other
1	Steel	12	A	B			A	B		
2	Meat packers, over \$50,000,000	5	B		A		A			B ⁵
4	Automobiles	7	A			B ⁶	A			B ⁷
5	Tires	14	A		B		A	B		
6	Agricultural machinery	9	A		B		B	A		
7	Cigarettes	6	B		A		B	A		
8	Sugar refiners—beet	5	B		A		B	A		
8	Sugar refiners—cane	7	A		B		B	A		
10	Oil—over \$50,000,000	17	A	B			A	B		
11	Office machinery and equipment	9	A	B			A	B		
12	Cement	7	A			B ⁶	A	B		
14	Containers and closures	8	A		B		B	B		A ⁹
16	Chemicals and fertilizers	20	A	B			A	B		
16	Automobile parts	61	A	B			A			B ⁷
19	Biscuits and crackers	3	A		B		A	B		
20	Bread and cake	8	A			B ⁹	A			B ⁷
21	Cereal manufacturers and millers	8	B			A ⁶	B			A ⁷
22	Quarrying	4	A			B ⁸	A			
23	Cigars	10	B		A			B	B	A
24	Snuff	3	B			A ⁶	B			A ⁷
25	Meat packers, less than \$50,000,000	9			B	A ⁶	A		B	
27	Dairy products	8	A		B		A		B	
28	Beverage manufacturers, other than brewers and distillers	7	A		B		A	B		
29	Sulfur—salt	3	A			B ⁴		A		B ⁷
37	Tool manufacturers	79	A	B			B	A		
38	Paint manufacturers	8	B		A		B	A		
39	Vegetable oil	4	B	A			A			B ⁷
40	Toilet soaps, etc.	10	B			A ⁶	A			B ⁷
41	Leather tanners	5	B	A					B	A ²
42	Shoes	11	A		B		A	B		
43	Brick	9	A	B			A	B		
44	Miscellaneous building material	7	A	B			A	B		
45	Cotton and wool	6				A ⁶ 10	B			A ⁷
46	Rayon yarn	4		A			A			B ⁷
47	Silk and rayon	3	B			A ⁶	A			B ⁷
48	Hosiery	10	A			B ⁶	A		B	
49	Apparel—not hosiery	16	B	A			B	A		
50	Miscellaneous textiles	12	B			A ⁶	A			B ⁷
51	Food canners and preservers	9	B		A		A	B		
52	Chewing gum, candy, confectionery	10	B		A			A	B	
53	Diversified grocery specialties	4		A	B		A	B		
54	Miscellaneous food and related products	8	B			A ⁶	B			A ⁹
55	Drugs and medicines	12	A	B			B			A ⁹
56	Lumber products	6	A		B		A	B		
57	Paper and allied products	25	E	A			A	B		
58	Railroad equipment	11	A	B			A			
59	Commercial cars and trucks	6	A			B ⁶	A			B ³

¹ "A" denotes largest source or disposal; "B" denotes next to largest source or disposal.

² Depreciation plus net income.

³ Long-term debt plus capital stock.

⁴ Land, building, and equipment.

⁵ Investments.

⁶ Current assets.

⁷ Current liabilities.

⁸ Other assets.

⁹ Other liabilities.

¹⁰ Sole source of funds.

The Securities and Exchange Commission has published the 1938 financial statements for 102 corporations in 9 of these 47 industrial groups. In each of these industries except steel, the 1938 tabulation includes a slightly larger number of registrants than were in the 1935-37 statements. The principal sources and uses of funds in 1938 are set forth in table 71 for each of these 9 industries.

Earnings are still the dominant source of funds, holding first place in four of the industries. Current assets are a principal source in three industries, indicating a reversal of a tendency found in the earlier years, and the capital markets in two industries. Earnings were a secondary source of funds in four industries, the capital markets in three, liquidation of current assets in one, and selling of investments in another.

Although capital expenditures were the principal use of funds in five industries out of the nine, reduction in current debt (also reversal of a previous tendency) ranked first in the remaining four industries. Every industry except automobiles devoted either the major or secondary portion of its funds to settlement of current liabilities. In two industries—automobiles and cigarettes—the building up of current assets still constituted the secondary use of funds and in three other industries capital expenditures were the second largest application.

The coverage of table 71 is far less adequate than that of tables 68-70, but if the 1938 experience of these 102 corporations is roughly representative of the 525, then there was a marked shift in the flow of funds, away from building up working capital and toward settlement of current payables. The recession of late 1937 seems to have led these companies to back-track by consolidating their working capital positions through contracting inventories and receivables which had become top-heavy.

TABLE 71.—Principal sources and uses of manufacturing corporation funds, by selected industries, based on Securities and Exchange Commission census of American listed corporations—1938¹

S. E. C. Report No.	Industry	Number of companies ²	Principal sources			Principal uses ^a		
			Earnings ³	Capital markets ⁴	Other	Capital expenditures ⁵	Current assets	Other
1	Steel	12	B	A		A		B ⁶
2	Meat packing	5			A ⁷ ; B ⁸	B		A ⁶
4	Automobiles	10	A	B		A	B	
5	Tires	16	A	B		A		B ⁶
6	Agricultural machinery	10	B		A ⁷	B		A ⁶
7	Cigarettes over \$10,000,000	6	B	A			B	A ⁶
11	Office machinery	10	A		B ⁷	A		B ⁶
14	Containers and closures	12	B		A ⁷	B		A ⁶
16	Chemicals and fertilizers, over \$10,000,000	21	A	B		A		B ⁶

¹ "A" denotes largest source or disposal; "B" denotes next to largest.

² Number of companies varies from those of previous years.

³ Depreciation plus net income.

⁴ Long-term debt plus capital stock.

⁵ Land, building, and equipment.

⁶ Current liabilities.

⁷ Current assets.

⁸ Investments.

TABLE 72.—Source and disposal of funds statement for an identical sample of 81 small baking corporations, by years, 1927-36

[Dollar figures in thousands]

	1927				1928				1929				1930				1931			
	Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent
Current assets			\$177.3	21	\$26.2	4	\$54.5	8	\$41.2	5	\$76.6	12	\$27.5	4	\$119.3	21	\$20.0	3		
Investments	\$10.6	1	668.6	78			597.8	82	70.9	9			368.0	58			53.7	9		
Net property account			10.1	1	.3	(1)		1.0	(1)			4.3	1			26.7	5			
All other assets	33.4	4			125.9	17			57.0	7			186.5	29			38.0	7		
Current liabilities	7.5	1			33.2	5			18.0	3										
Funded debt					3.7	1														
All other liabilities			1.2	(1)																
Capital stock	58.3	7			438.4	60	62.4	8												
Depreciation charge	412.0	48							2.0	(1)										
Net income ² after cash dividends	335.7	39	.3	(1)	98.2	13	11.2	2	315.5	41			12.8	2			84.1	15		
Totals	857.5	100	857.5	100	725.9	100	725.9	100	763.5	100	763.5	100	637.1	100	637.1	100	576.9	100	576.9	100
Working capital			143.9		152.0		27.7		98.2		9.0		109.8		92.7		2.9			
Cash and equivalent			81.7		43.5				19.7				40.0		39.0					
Receivables			73.7		10.4				83.5				75.1		85.2					
Inventories			22.0		55.1				5.7				95.1							
Notes payable			47.8		48.7								16.3							
Accounts payable	75.4				22.0															
All other current liabilities	5.9																			

¹ Less than 1 per cent.

² Including donated surplus as follows: 1927, \$17,891; 1928, \$7,931; 1929, \$4,399; 1934, \$18,341; 1935, \$29,689; 1936, \$26,841.

TABLE 72.—Source and disposal of funds statement for an identical sample of 81 small baking corporations, by years, 1927-36—Con.

	1932						1933						1934						1935						1936					
	Source			Disposal			Source			Disposal			Source			Disposal			Source			Disposal			Source			Disposal		
	Amount	Per-cent		Amount	Per-cent		Amount	Per-cent		Amount	Per-cent		Amount	Per-cent		Amount	Per-cent		Amount	Per-cent		Amount	Per-cent		Amount	Per-cent				
Current assets.....	\$175.9	26							\$48.0	10		\$58.5	13		\$7.1	1														
Investments.....	18.4	3				1.4	(1)					231.8	53		65.1	14														
Net property account.....				\$228.7	35				208.0	53		9.1	2																	
All other assets.....	17.4	3		\$49.4	10						4.4	1		39.5	8															
Current liabilities.....				80.1	12				40.7	8																				
Funded debt.....	52.0	8																												
All other liabilities.....				5.9	1			(1)	47.5	9		32.5	8																	
Capital stock.....	8	(1)																												
Depreciation charge.....	397.6	60							372.6	74					340.4	72														
Net income: after cash				346.1	52				92.9	19		99.1	23		23.0	5														
dividends.....				1.3	(1)				2.8	1		12.8	3																	
Residual.....																														
Totals.....	662.1	100		662.1	100		501.3	100	501.3	100		435.8	100	435.8	100		475.1	100	475.1	100		387.7	100	387.7	100					
Working capital.....	95.8																													
Cash and equivalent.....	22.0																													
Receivables.....	24.4																													
Inventories.....	79.5																													
Notes payable.....	6.9																													
Accounts payable.....																														
All other current liabilities.....																														
				9.1			9.8					19.4			2.5									31.9						

¹ Less than 1 percent.

² Including donated surplus as follows: 1927, \$17,891; 1928, \$7,931; 1929, \$4,399; 1934, \$15,341; 1935, \$29,689; 1936, \$26,841.

Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

TABLE 73.—Source and disposal of funds statement for an identical sample of 27 small baking corporations, by years, 1931-36

[Dollar figures in thousands]

	1931		1932		1933		1934		1935		1936	
	Source		Source		Source		Source		Source		Source	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Current assets	\$64.4	25	\$30.9	16	\$20.0	11	\$34.1	12	\$40.1	27	\$95.4	45
Investments	80.7	(1)	\$1.2	1	2.9	1	\$31.0	11	\$5.2	3	8.8	(1)
Net property account	150.9	59	70.0	37	98.0	54	113.6	41	84.8	57	86.0	41
All other assets	6.3	2	5.9	3	24.1	13	1.7	1	5.4	4	6.4	3
Current liabilities	97.0	38	16.0	9	\$22.9	12	81.2	29	7.3	5	\$98.9	33
Funded debt	36.6	14	14.9	8	18.3	10	19.7	7	15.7	10	18.3	9
All other liabilities	2.4	1	6.0	3	2.4	1	3.9	1	9.9	7	3.4	2
Capital stock	7	(1)	7.6	4	7.6	4	33.2	12	3.2	2	3.4	2
Depreciation charge	151.2	59	149.0	80	142.7	78	126.2	46	120.6	81	114.8	55
Net income after cash dividends	3.2	1	71.7	38	22.9	12	107.0	39	4.1	3	23.4	11
Residual	2.6	1	1.4	1	6.0	4	3.8	1	2.1	1	7	(1)
Totals	258.0	100	187.3	100	183.9	100	277.2	100	149.2	100	210.3	100
Working capital												
Cash and equivalent	32.4		15.0		2.9		47.9		26.9		26.5	
Receivables	7.5		30.6		5.2		8.5		11.5		28.5	
Inventories	14.4		5.3		1.1		25.9		33.4		12.7	
Notes payable	42.6		5.7		24.1		4.8		11.3		54.3	
Accounts payable	66.3		9.3		18.5		22.4		19.9		1.5	
All other current liabilities	51.5		1.9		36.1		50.8		4.6		41.6	
	20.9		4.8		5.3		7.9					

1 Less than 1 percent.

2 Including donated surplus as follows: 1931, \$10,000; 1936, \$3,357.

Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

	1932				1933				1934				1935				1936			
	Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent
Current assets	\$332.2	95																		
Investments			\$82.5	15	\$56.2	16	\$325.3	93	\$48.7	31							\$28.1	8	\$285.0	86
Net property account			7.0	1	22.9	7			71.8	46							\$6.4	2	29.1	8
Other assets					1.3	(1)			9.9	7									12.1	3
Current liabilities			107.2	19	235.9	68											274.4	74		
Undeclared debt			4.3	1	12.7	4														
All other liabilities			.9	(1)	.6	(1)														
Capital stock							3.3	1									245.6	74		
Depreciation charge					19.5	5			17.2	11										
Net income after cash dividends ²			350.1	63			10.9	3	7.9	5							67.3	18		
Residuals			7.8	1			9.6	3									3.3	2	3.1	1
Totals	559.8	100	559.8	100	349.1	100	349.1	100	155.5	100	155.5	100	370.7	100	370.7	100	370.7	100	333.1	100
Working capital							89.4													
Cash and equivalent			425.0																	
Receivables					67.1												70.1		1.2	
Inventories			312.8				86.9										94.9			
Notes payable			231.5				305.5												23.9	
Accounts payable					33.5		50.8												346.6	
All other current liabilities					102.5															
			28.8		256.3														185.3	
					30.4														17.3	
																			42.4	

¹ Less than 1 percent.

² Including donated surplus as follows: 1927, \$2,800; 1930, \$35,956; 1931, \$35,566; 1932, \$22,786; 1933, \$5,172; 1934, \$8,080; 1935, \$4,300; 1936, \$5,644.

Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

TABLE 75.—Source and disposal of funds statement for an identical sample of 27 small men's-clothing corporations, by years, 1931-36

(Dollar figures in thousands)

	1931		1932		1933		1934		1935		1936	
	Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Current assets	\$48.0	31			\$553.4	95	\$280.4	90	\$413.0	77	\$284.7	91
Investments	49.5	32	\$222.5	84	7.6	1	4.3	1	70.0	13	47.1	15
Net property account					15.5	3			10.1	2		
All other assets									4.0	1	22.1	7
Current liabilities							\$5.6	1				
Funded debt							527.0	90			194.8	62
All other liabilities					2.1	(1)			1.5	(1)	.4	(1)
Capital stock					.1	(1)						
Depreciation charge	43.3	29	28.5	11			17.0	3			10.3	3
Net income ¹ after cash dividends	12.1	8	12.8	4			12.7	2			38.4	12
Residual							23.2	4			14.5	5
	.3	(1)	2.2	1	6.8	1	13.9	4			8.4	3
Totals	155.2	100	266.3	100	585.5	100	313.1	100	533.2	100	314.4	100
Working capital												
Cash and equivalent	8.5		90.7		26.4		10.7		62.9		89.8	
Receivables	43.5		138.4		212.5		124.3		130.4		112.2	
Inventories					416.6		132.6		198.5		227.3	
Notes payable			96.1				272.2		344.9		54.9	
Accounts payable											148.5	
All other current liabilities											23.2	
							3.5		9.0		23.1	

¹ Less than 1 percent.² Including donated surplus as follows: 1931, \$21,775; 1933, \$5,000; 1934, \$13,042; 1935, \$8,448; 1936, \$6,300.

Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

TABLE 76.—Source and disposal of funds statement for an identical sample of 66 small furniture corporations, by years, 1927-36
 (Dollar figures in thousands)

	1927				1928				1929				1930				1931			
	Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent
Current assets																				
Investments	\$49.2	7	\$244.4	34	\$351.7	46	\$548.5	43	\$920.4	81	\$24.8	2	\$646.1	72						
Net property account			328.8	46	58.8	7	196.6	16			97.7	9	24.8	3						
All other assets			13.1	2	314.6	40	336.0	27	1.5	(1)	11.4	1	61.7	7						
Current liabilities	276.2	38			7.8	1														
Funded debt	132.4	19			48.8	6	157.5	13												
All other liabilities					3.1	(1)	\$14.5	1												
Capital stock			55.0	8					2.4	(1)	24.6	2								
Depreciation charge	157.7	22	50.5	7	195.6	25	8.8	1												
Net income ¹ after cash dividends	104.2	14	27.9	3	83.8	11	174.3	22	182.4	15	1,024.4	82	486.9	43						
Residual					2.8	(1)			17.5	1	14.0	1								
Totals	719.7	100	719.7	100	787.6	100	1,250.0	100	1,250.0	100	4,137.8	100	1,137.8	100	892.7	100	892.7	100	527.6	59
Working capital	32.7				400.4		708.0		464.5				431.5						7.6	1
Cash and equivalent	153.0				187		544.8		338.7				23.3							
Receivables			143.3		102.7		31.4		465.0				362.0							
Inventories			254.2		61.9				116.7				236.0							
Notes payable	184.1		6.6		44.9		173.3						98.2							
Accounts payable							3.7						339.0							
All other current liabilities	99.7				20.1				19.5				23.7							

¹ Less than 1 percent.

² Including donated surplus as follows: 1928, \$21,348; 1930, \$75,000; 1931, \$5,000; 1932, \$3,000; 1933, \$5,851; 1935, \$25,000; 1936, \$3,418.

TABLE 76.—Source and disposal of funds statement for an identical sample of 66 small furniture corporations, by years, 1927-36.—Continued
 [Dollar figures in thousands]

	1932				1933				1934				1935				1936				
	Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		
	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	
Current assets	\$1,083.7	87																			
Investments	24.8	2	\$24.7	2																	
New property acquired			16.1	1																	
All other assets			140.5	11																	
Current liabilities			65.5	5	\$196.9	50	\$125.1	35													
Unpaid debt					8.3	2	42.4	12													
All other liabilities							7.0	2													
Capital stock							19.0	5													
Depreciation charge	131.2	10	71.4	6	41.7	11	30.0	9													
Net income; after cash dividends					132.5	33	121.5	34													
Residual	10.3	1	931.6	75	17.7	4	11.5	3													
Totals	1,250.0	100	1,250.0	100	397.1	100	357.2	100	357.2	100	503.1	100	503.1	100	553.8	100	553.8	100	553.8	100	553.8
Working capital:	943.2				70.3		64.2														
Cash and equivalent	258.3				62.9																
Receivables	498.3								16.7												
Inventories	327.0								21.8												
Notes payable			92.2		58.0				75.8												
Accounts payable			63.9		106.2				28.2												
All other current liabilities	15.7				32.7		43.1														

¹ Less than 1 percent.

² Including donated surplus as follows: 1928, \$21,348; 1930, \$75,000; 1931, \$5,000; 1932, \$3,000; 1933, \$5,851; 1935, \$25,000; 1936, \$3,418.

Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

TABLE 77.—Source and disposal of funds statement for an identical sample of 28 small furniture corporations, by years, 1931-36
 (Dollar figures in thousands)

	1931		1932		1933		1934		1935		1936	
	Source		Source		Source		Source		Source		Source	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Current assets	\$301.0	75										
Investments			\$309.6	79	\$264.2	90	\$84.0	46	\$200.7	77	\$324.3	78
Net property account			9.6	2	4.5	2	10.2	6	8.9	3	5.4	1
All other assets												
Current liabilities												
Funded debt												
All other liabilities												
Capital stock												
Depreciation charge												
Net income ² after cash dividends												
Residual												
Totals	402.1	100	402.1	100	294.8	100	294.8	100	260.8	100	260.8	100
Working capital	124.5		193.8		96.3		56.5		45.3		137.8	
Cash and equivalent			44.1		12.7		29.2		52.1		29.6	
Receivables			32.2		49.6		33.9		110.7		233.8	
Inventories			204.5		227.3		147.1		37.9		114.1	
Notes payable			128.7		155.1		71.7		34.5		7.0	
Accounts payable			55.0		27.3		73.1		117.2		139.4	
All other current liabilities			102.7		92.0		4.3		3.7		40.1	
			18.8		8.5							

¹ Less than 1 percent.
² Including donated surplus as follows: 1931, \$9,754; 1932, \$5,369; 1933, \$17,132; 1934, \$35,478; 1935, \$7,529.
 Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

TABLE 78.—Source and disposal of funds statement for an identical sample of 70 small stowc and clay corporations, by years, 1927-36—Con.
 [Dollar figures in thousands]

	1932				1933				1934				1935				1936			
	Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent
Current assets.....	\$517.3	61			\$156.5	30			\$137.9	38	\$24.4	7	\$101.0	47	\$153.0	48			\$153.0	48
Investments.....	64.8	8	\$68.7	8	3.2	1	\$79.8	15	11.0	3	107.0	29	11.9	6	20.4	6			90.7	28
Net property account.....	8.3	1	16.5	2	13.1	3			23.4	6	7.3	2	3.1	1	90.7	28			90.7	28
All other assets.....					36.6	7									2.8	1			2.8	1
Current liabilities.....					102.4	20														
Funded debt.....	26.9	3	7	(1)					6.1	2	4.9	1								
All other liabilities.....			61.3	7			33.4	6											13.7	4
Capital stock.....	25.8	27			205.9	39			186.1	51									13.8	4
Depreciation charge.....							360.0	70			212.4	58								
Net income, after cash.....			698.2	83			44.4	9			9.1	3								
Residual.....	2.3	(1)																		
Totals.....	845.4	100	845.4	100	517.7	100	517.7	100	365.1	100	365.1	100	214.8	100	324.5	100	324.5	100	324.5	100
Working capital.....	501.0				183.2				159.2				110.2						100.0	
Cash and equivalent.....	132.4				6				2.2				55.8						3.3	
Receivables.....	25.7				31.9				166.4				72.0						283.3	
Inventories.....	134.7				124.0						30.8		33.2						87.7	
Notes payable.....							51.2				18.0								7.5	
Accounts payable.....					18.9						11.2								7.2	
All other current liabilities.....					69.0				50.6										45.2	

1 Less than 1 percent.

2 Including donated surplus as follows: 1927, \$8,956; 1928, \$11,395; 1929, \$34,212; 1930, \$18,906; 1931, \$1,255; 1932, \$52,163; 1933, \$64,534.

Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

TABLE 79.—Source and disposal of funds statement for an identical sample of 30 small stone and clay corporations, by years, 1931-36
 [Dollar figures in thousands]

	1931		1932		1933		1934		1935		1936	
	Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Current assets	\$193.7	43	\$266.9	71	\$112.2	29	\$14.1	4	\$19.1	8	\$6.4	3
Investments	5.2	1	11.6	3	66.3	17	19.0	8	9.2	5	98.4	33
Net property account												
All other assets												
Current liabilities	121.1	27	11.7	3	37.7	1	119.2	50	45.8	24	125.6	42
Funded debt	.4	(1)			10.4	3	89.1	23	7.8	4		
All other liabilities	.02	(1)			.7	(1)	0.2	(1)				
Capital stock	36.0	8	97.2	26	83.7	21	135.3	35	74.3	39	143.7	48
Depreciation charge	97.0	21										
Net income, after cash dividends												
Residual												
Totals	453.4	100	453.4	100	376.0	100	391.5	100	237.3	100	190.2	100
Working capital	314.8		256.4		201.3		112.8		55.0		27.2	
Cash and equivalent	21.3		61.3		5.9		11.4		47.4		12.3	
Receivables	76.7		124.7		87.5		3.1		36.7		68.7	
Inventories	95.7		80.8		18.8		14.7		19.9		42.0	
Notes payable	37.0		34.6		16.5		4.1		82.6		17.6	
Accounts payable	54.5		26.0		88.6		55.5		9.5		54.4	
All other current liabilities	29.6		1.8		16.0		59.6		27.3		53.6	

1 Less than 1 percent.

2 Including donated surplus as follows: 1932, \$13,000; 1934, \$5,369; 1935, \$4,877; 1936, \$153,480.

Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

CONCENTRATION OF ECONOMIC POWER

TABLE 80.—Source and disposal of funds statement for an identical sample of 118 small machine-tool corporations, by years, 1927-36
 [Dollar figures in thousands]

	1927				1928				1929				1930				1931				
	Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		
	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	
Current assets																					
Investments			\$38.6	7			\$388.5	37				\$372.5	23	\$764.6	54			\$307.2	38		
Net property account			37.9	6			101.3	10				234.7	15					63.0	8		
All other assets			487.1	81			560.5	53				920.2	57								
Current liabilities			6.9	1								34.0	2					2.4	(1)		
Funded debt	\$29.3	5										54.9	3					95.0	11		
All other liabilities	128.7	22																			
Capital stock	1.3	(1)					1.4	(1)			\$234.3	14						24.8	3		
Depreciation charge	46.2	8									87.2	5									
Net income after cash dividends	326.0	54									410.4	26						341.0	40		
Residual	68.4	11																			
Totals	599.9	100	599.9	100	1,051.7	100	1,051.7	100	1,616.3	100	1,616.3	100	1,616.3	100	1,411.4	100	1,411.4	833.4	100	833.4	100
Working capitals																					
Cash and equivalent																					
Receivables			9.3				127.2					427.3						402.0			
Inventories			13.1				113.8					175.7						107.3			
Notes payable			41.1				228.5				51.0							69.5			
Accounts payable			30.9				46.3				145.7							130.3			
All other current liabilities			18.3				38.6				212.0							54.2			
			41.9				54.6				103.2							57.2			
																					16.5

¹ Less than 1 percent.
² Including donated surplus as follows: 1927, \$23,128; 1928, \$7,738; 1931, \$2,637; 1932, \$13,775; 1933, \$86,690; 1934, \$52,218; 1936, \$22,932.

TABLE 80.—Source and disposal of funds statement for an identical sample of 118 small machine-tool corporations, by years, 1927-36—Continued

[Dollar figure in thousands]

	1932				1933				1934				1935				1936			
	Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent
Current assets	\$442.1	49			\$213.2	39			\$117.8	44			\$415.4	61			\$502.5	59		
Investments	34.3	4			73.2	13			10.1	4			33.5	5			86.9	4		
Net property account			89.3	1					64.0	24										
All other assets			32.4	4																
Current liabilities	41.5	2			188.2	35			23.7	9			26.1	4			76.4	9		
Funded debt	46.7	5			16.1	3			27.7	10							216.3	25		
All other liabilities			24.6	3					.8	(1)							39.5	5		
Capital stock	7.0	1			14.5	3											3.2	(1)		
Depreciation charge	341.2	38			259.4	48											150.7	18		
Net income? after cash dividends			830.0	92					203.5	37							241.4	28		
Residual	3.5	1			2.1	(1)											92.6	11		
Totals	896.3	100	896.3	100	543.7	100	543.7	100	270.7	100	270.7	100	677.8	100	677.8	100	857.0	100	857.0	100
Working capital	463.6				25.1				141.4				228.4							
Cash and equivalent					1.0				162.2				158.2							
Receivables	55.9				201.9								271.5							
Inventories	343.1				10.3															
Notes payable	35.7				25.6				74.3											
Accounts payable			69.0																	
All other current liabilities	38.4				93.5															

¹ Less than 1 percent.

² Including donated surplus as follows: 1927, \$23,128; 1928, \$7,738; 1931, \$2,637; 1932, \$12,775; 1933, \$86,690; 1934, \$52,218; 1936, \$22,932.

Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

CONCENTRATION OF ECONOMIC POWER

TABLE 81.—Source and disposal of funds statement for an identical sample of 23 small machine-tool corporations, by years, 1931-36

[Dollar figures in thousands]

	1931				1932				1933				1934				1935				1936			
	Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal		Source		Disposal	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Current assets	73.1	32	163.2	52	83.1	55	58.5	26	83.1	55	58.5	26	83.1	55	58.5	26	83.1	55	58.5	26	83.1	55	58.5	26
Investments	27.5	12	39.1	12	39.1	12	39.1	12	39.1	12	39.1	12	39.1	12	39.1	12	39.1	12	39.1	12	39.1	12	39.1	12
Net property account	8.0	4	7.0	2	7.0	2	7.0	2	7.0	2	7.0	2	7.0	2	7.0	2	7.0	2	7.0	2	7.0	2	7.0	2
All other assets	1.7	1	7.7	3	14.6	5	2.4	2	25.7	18	5.1	2	25.7	18	5.1	2	25.7	18	5.1	2	25.7	18	5.1	2
Current liabilities	0.1	(1)	14.6	5	14.6	5	2.4	2	25.7	18	5.1	2	25.7	18	5.1	2	25.7	18	5.1	2	25.7	18	5.1	2
Funded debt	33.5	15	.1	(1)	.1	(1)	1.6	1	2.2	1	18.9	8	2.2	1	18.9	8	2.2	1	18.9	8	2.2	1	18.9	8
All other liabilities	81.2	36	5.4	2	5.4	2	13.0	9	71.8	47	74.0	32	71.8	47	74.0	32	71.8	47	74.0	32	71.8	47	74.0	32
Capital stock	81.2	36	82.2	26	82.2	26	71.8	47	39.3	26	63.3	30	37.8	16	63.3	30	37.8	16	63.3	30	37.8	16	63.3	30
Depreciation charge	.3	(1)	277.3	86	277.3	86	.9	(1)	.3	(1)	.3	(1)	1.6	1	.3	(1)	1.6	1	.3	(1)	1.6	1	.3	(1)
Net income after cash dividends	226.0	100	314.3	100	314.3	100	151.6	100	151.6	100	230.3	100	230.3	100	230.3	100	230.3	100	230.3	100	230.3	100	230.3	100
Residual ¹	74.8		141.8		141.8		6.5		31.7		31.7		59.9		59.9		11.2		11.2		11.2		11.2	
Totals	74.8		141.8		141.8		6.5		31.7		31.7		59.9		59.9		11.2		11.2		11.2		11.2	
Working capital	39.7		96.5		96.5		38.3		68.1		68.1		38.3		38.3		9.1		9.1		9.1		9.1	
Cash and equivalent	47.0		51.5		51.5		21.5		21.5		21.5		35.4		35.4		8.2		8.2		8.2		8.2	
Receivables	21.2		28.6		28.6		4.3		4.3		4.3		79.5		79.5		1.8		1.8		1.8		1.8	
Inventories	18.7		.8		.8		48.8		48.8		48.8		38.5		38.5		32.8		32.8		32.8		32.8	
Notes payable	.8		6.5		6.5		6.9		6.9		6.9		.4		.4		7.1		7.1		7.1		7.1	
Accounts payable	.8		6.5		6.5		6.9		6.9		6.9		.4		.4		7.1		7.1		7.1		7.1	
All other current liabilities	.8		6.5		6.5		6.9		6.9		6.9		.4		.4		7.1		7.1		7.1		7.1	

¹ Less than 1 percent.

² Including donated surplus as follows: 1931, \$48,811; 1932, \$22,082; 1933, \$20,872; 1934, \$15,383; 1935, \$12,169; 1936, \$17,691.

Source: Proposal 14, Income Tax Study, Philadelphia, Pa.

TWO SAMPLES OF SMALL MANUFACTURING CORPORATIONS, 1927-36

In this section source and disposal statements for two identical samples of small manufacturing corporations in each of five industries will be presented and described. One sample covers 1927-36 and the other 1931-36. The five industries, listed in the order of discussion, and the number of companies in each identical sample follow:

Industry	Number of companies	
	1927-36	1931-36
Bakeries	81	27
Men's clothing	46	27
Furniture	66	28
Stone-clay	70	30
Machine tool	118	23
Total	381	135

The procedure will be to describe the 1927-36 statements for a given industry, and then the 1931-36 statements for that industry. A concluding paragraph will summarize the picture for that industry. This analysis, unfortunately, is much briefer than the original nature of the underlying data warrants. Limitations of time account for this lack of due emphasis. These basic data, however, are now being analyzed more elaborately by the National Bureau of Economic Research in New York City.

Small Baking Corporations.

Eighty-one bakers, 1927-36.—Of the original sample of 200 small baking corporations included in the small manufacturing corporations study in 1926, 81 continued in existence throughout the 11-year period 1926-36. Source and application of funds statements for these 81 companies combined for each of the years 1927-36 are contained in table 72.

Depreciation charges constitute not only a sizable but also a consistent source of funds. In dollar amounts they rose from \$412,000 in 1927 to \$447,000 in 1930 and then declined steadily to a low of \$337,000 in 1936. As a percentage of the total they fluctuated from 48 percent in 1927 to 84 percent in 1936. Stock and bond flotations, although small and fluctuating, were a source of funds in several of the years covered, while net income after dividend disbursements was a source of funds in 1927-30 and a disposal thereafter.

The applications of funds were dominated by capital expenditures which, like depreciation on the source side, were large and consistent. As a percentage of the total uses capital expenditures fluctuated from a 1932 low of 35 percent to a 1928 high of 82 percent, the percentage tending to fall off in depression. It has previously been noted that income was a net disposal of funds after 1930. Investments were a net disposal of funds in 1928 through 1931 and again in 1933 and 1934. They were a source of funds in the other years.

Current assets were primarily a disposal of funds in the late twenties, a source of funds in the early years of the depression, a disposal of funds again in 1933 and 1934 and a source of funds in the recovery of 1935-36. This item fluctuates considerably running as

low as a 1-percent source of funds in 1935 and as high as a 26-percent source of funds in 1932. Current liabilities followed a course converse to that of current assets. In 1927 and 1928 they constituted a source of funds. In the peak prosperity year 1929 and in the depression years 1931-32 they were paid off and therefore constituted a net disposal of funds. In the following years they alternated between the source and the disposal function. Like the current assets, current liabilities fluctuated widely from a 1-percent disposal in 1934 to a 29-percent disposal in 1930. An inspection of the working capital break-down reveals that inventories were built up, on balance, in the late twenties, depleted in the early thirties, and accumulated, on balance, in the 1933-36 period.

Twenty-seven bakers, 1931-36.—Of the sample of 75 small baking corporations picked from the 1930 income tax returns 27 remained in operation through the year 1936. A source and disposal statement on an aggregate basis of these 27 companies is presented in table 73.

Depreciation is again a consistently large source, running as high as 81 percent and not going below 46 percent of the total. Stock and bond flotations were a source of funds only in a few years of the period, the former in 1934-36 and the latter in 1931 and 1933. Retirement of stock and bond issues constituted a disposal in the other years. The investment item was negligible except as a source of funds in 1934. The most prominent use of funds was capital expenditures, which were sizable in each of the years 1931-36, fluctuating from 37 to 59 percent. Business losses drew upon funds significantly in the years 1932-34.

As in the larger sample, current assets were a source of funds in the depression years 1931-32 and a disposal of funds in each of the years 1933-36. As a disposal of funds they got as high as 45 percent and never fell below 11 percent over the period. Current liabilities were also sizable, occurring as a disposal in the first 2 years of the period and a source thereafter. They fluctuated from a low of 5 percent in 1935 to a high of 38 percent in 1931. Inventories were depleted in the first 2 years of the period. In the years since 1932 they were increased, on balance.

The conclusions to be drawn from this analysis are simple. Depreciation and capital expenditures are not only large but consistent as sources and uses of funds, respectively. The former is in general, larger than the latter but not significantly so. Current assets and current liabilities play a compensatory role, the former providing funds in poor times and using funds in good times, the latter providing funds in good times and using funds in poor times. The fact that current assets constituted such a significant disposal of funds in the years 1933-34 is worth repeating.

Small men's clothing companies.

Forty-six men's clothing companies, 1927-36.—Source and disposal statements for a sample of 46 identical men's clothing manufacturing companies with 1926 assets less than \$250,000 appear in table 74 covering the years 1927-36.

Depreciation appears as a surprisingly small source of funds, running around \$30,000 before the depression and hitting a low of \$17,000—less than \$400 per company—in 1934. Capital stock and net income

are both more sizable. Capital stock was a large source of funds in 1927 and 1928, a smaller but still significant source of funds in 1929 and 1930 and again in 1932 and 1936. It was a disposal of funds in the years 1931, 1933-35. In the years 1927-30, a total of \$203,400 was obtained through this source. Income appears as a source of funds in the prosperous years 1927-29, a disposal of funds in the depression years 1930-33 and a source of funds again in 1934-36.

Commensurate with the insignificant role played by depreciation, capital expenditures constituted a minor item on the disposal side. Their high level was \$48,000 in 1931, while in 1933 they comprised a source of funds to the amount of \$23,000. Current assets, investments, current liabilities, and income took their turn in absorbing the bulk of the funds acquired by these 46 men's clothing manufacturers. Current assets were a disposal of funds in the late twenties, a source of funds in the early thirties, and began in 1933 to fluctuate between the source and disposal side through to 1936. In each year current assets comprised a large segment of the total, going no lower than 31 percent and rising as high as 95 percent. In 7 out of the 10 years, current assets comprised more than 70 percent of the total source or disposal, as the case may be.

Current liabilities were also sizable, fluctuating from a low of 12 percent to a high of 76 percent. In the first 4 years of the period 1927-30 this item fluctuated between the source and disposal side. In the early thirties, however, it was a consistent disposal and in the years 1933, 1935, 1936 it was a source of funds. In 1934 it was a large disposal.

The item of investments, although running lower than current assets or current liabilities, nevertheless played a significant role in the source and disposal statements of these manufacturers. In general it fluctuated between the source and disposal side, but in each of the years 1933-36 investments were liquidated, comprising a source of funds for these small companies at a time when business operations were expanding. A large accumulation of inventories in the late twenties was rapidly depleted in the depression. Some restoration was made in 1933, and the rest in 1935 and 1936.

Twenty-seven men's clothing companies, 1931-36.—As with the larger sample, so in this sample of 27 companies commencing in 1931, depreciation played a minor role on the source side and capital expenditures a minor role on the application side of the source and disposal statement. (See table 75.) More important functions were performed by current assets, current liabilities, and investments, although income, which comprised a disposal in the years 1931-32, was fairly prominent in certain years.

Current assets were a source of funds in the first 2 years, 1931 and 1932; they made up 95 percent of the disposals in the next; were the major source in 1934; and a disposal in the next 2 years, 1935-36. In 5 out of the 6 years they ran higher than 75 percent of the total; in the remaining year they were 31 percent. Current liabilities followed a course contrary to current assets. They also figured prominently, totaling 60 percent or more in 4 out of the 6 years and never going below 45 percent. Investments followed, roughly, the course of current assets, alternating between source and disposal. Inventories were an alternating item. Starting in 1931 as a disposal of

funds, they wound up the period as a source after having changed sides in every pair of years.

The striking conclusion to be drawn from this survey is that the men's clothing industry is not a field of manufacturing dominated by capital equipment. Depreciation and capital expenditures are both relatively insignificant items. The current items, investments, and income play the major roles in determining the flow of funds pattern, and fluctuate widely from side to side of the statement. In general their role is that dictated by the business cycle, with current assets providing funds in slow times and using them in good times and current liabilities providing funds in good times and using them in poor times.

Small Furniture Manufacturers.

Sixty-six furniture manufacturers, 1927-36.—Source and disposal statements for 66 small furniture manufacturers who stayed in existence from 1926 to 1936 are presented in table 76, covering the years 1927-36.

Depreciation is a modest but consistent source of funds for these manufacturing concerns fluctuating from a low of 10 percent to a high of 34 percent. It totaled \$182,000 in 1929, the high point, and \$112,000 in 1936, the low level. Funded debt and capital stock both play rather significant roles on the source side. Funded debt was a source of funds in the late twenties, a disposal of funds in the early thirties, a source of funds again in the first years of the recovery, 1933-34, and a disposal of funds in the later years, 1935-36. Capital stock displayed a strong tendency to constitute a source of funds. After being a disposal of funds in 1927, it became a source of funds in 1928-30, then a disposal in 1931-32, and a source in 1933-36 during the recovery period.

Capital expenditures, like depreciation, were tolerably small but fairly consistent. They varied on the disposal side from a high of \$336,000 in 1929 to a low of \$14,000 in 1935. In 1931 enough plant and equipment was sold to bring in a net total of \$62,000. As percentage of the total they fluctuated from 2 to 46 percent on the use-of-funds side. In 1931, they were a 7 percent source of funds.

Current assets and current liabilities played rather important roles in the source and disposal statements of these manufacturing companies. Current assets were a disposal of funds in the late twenties, a source of funds in the early thirties, and fluctuated between disposal and source in the later years. Current liabilities displayed a converse pattern. Investments were a source of funds in every year of the period except 1928-30 and 1933, when these small furniture companies seemed to have been stocking up heavily with securities. The change from accumulation to decumulation of inventories came in 1929 and continued through 1932. Except for an interruption in 1934, inventory holdings were augmented in the years after 1932.

Twenty-eight furniture companies, 1931-36.—In the smaller sample of 28 companies covering the years 1930-36 depreciation appears again as a small but consistent source of funds, never going higher than 34 percent nor falling below 17 percent (see table 77). Income was a source of funds in 1933-36. Stock flotations provided funds in every year except 1932, 1934, and 1936, but were not particularly

prominent. Funded debt did not provide any funds except in 1934 and 1936 when 4 and 21 percent, respectively, of the total funds were derived from this source. Long-term debt retirements absorbed funds in the other years, but never more than 1 or 2 percent of the total application of funds.

Current assets and current liabilities again played important roles. Current assets provided three-fourths of the total funds in 1931 and 1932 and in the next year comprised 90 percent of the total use of funds. In 1934 they again provided 46 percent of the total funds and in the next 2 years consumed about three-fourths of the funds acquired. Current liabilities, although not quite so large, were on the opposite side of the use-and-disposal statement in each year.

Although depreciation and capital expenditures constituted relatively consistent and tolerably commensurate sources and uses of funds respectively for these small furniture manufacturers, they were not large and in 2 years were so low as to be practically negligible. In 1 year, moreover, the capital account was a sizable source of funds. Current assets and current liabilities, on the other hand, were large but fluctuated from one side of the statement to the other in their role compensatory to the business cycle. The capital markets appear to have been tapped only in the good times.

Small Stone-Clay Companies.

Seventy stone-clay companies, 1927-36.—Of the 200 stone-clay companies in the original 1926 sample of small manufacturing corporations, 70 remained in existence through 1936. Source and disposal statements on an aggregate basis for these 70 companies appear in table 78 covering the years 1927-36.

Depreciation generally comprised a fairly large proportion of the total source of funds for these clay-products companies. In one year (1935) 88 percent of the funds were derived from depreciation, but during the depression period this source of funds ran lower than 40 percent of the total. The size of the depreciation item probably explains in large part the fact that very little of the funds of these corporations was obtained from net income. They usually absorbed funds in financing business losses.

The parallel to the important position occupied by depreciation appears in the role played by capital expenditures on the disposal side of the statement. This item, though not quite as sizable a disposal as depreciation was a source, nevertheless was as high as 75 percent of the total application of funds in 1927. Over the decade, however, capital expenditures fall off and reached a low point of 6 percent of the total disposals in 1935.

Income, we noted, is more often on the disposal than on the source side of the statement. The current items, although still a shifting lot, nevertheless were tolerably large. Current assets were a disposal of funds in 1927-28, a source of funds in the next 6 years, 1929-34 and a disposal of funds in the next 2 prosperity years. In all of these years except 1927 and 1930, moreover, this item was large. Current liabilities were generally not large and followed a pattern roughly opposite to that of the current-asset item. Inventories were built up through 1930. In the next 6 years, except 1934, however, drafts were made upon these stocks.

Thirty stone-clay companies, 1931-36.—In the smaller sample of clay-products companies, depreciation again appears a consistent but relatively small source of funds, running as low as 21 percent and never going over 39 percent in the 1931-36 period (see table 79). This is a somewhat different picture from that portrayed by the larger sample of 70 companies and may be due to the heterogeneity of the industry. It will be noted, moreover, that a similar discrepancy in the failure experiences of these two samples was found. The failure rate of the larger sample was above the average, while that of the smaller sample was not only below the average, but constituted a better showing than that by any other industry.

On the disposal side appears another striking disparity between this sample of 30 companies and the other sample of 70 firms. Capital expenditures, which for the major sample were a consistent though diminishing disposal of funds, appear not only as a smaller item for the 30-company sample but also appear as sources of funds in certain years of the period. In 1931-32 capital expenditures were a disposal of funds. In the next 2 years they were sizable sources of funds. In 1935 they were a disposal of funds and in 1936 a 14-percent source of funds again. The principal disposal of funds for these companies seems to have been the income item, a disposal in every year of the period except 1936. As a disposal it got as high as 85 percent and never fell below 60 percent. Capital stock was a source of funds in the first 2 years 1931-32 and appeared as a disposal of funds in the next 4 years, 1933-36.

The current items fluctuated surprisingly little. The current assets were a source of funds in the first 3 years, ranging from 5 to 71 percent. In the last year they were a 33-percent disposal. Current liabilities were a source of funds in the first year, 1931, a disposal in the next year, and a source of funds in each of the following 4 years. This relatively consistent role played by the current items is not surprising. It carries over, moreover, to the inventory item. Depletion of inventories took place in the first 3 years of the period and again in 1935.

The principal conclusion to be drawn from this survey is that the large and small samples of these clay products' companies may not be comparable with respect to their source and use of funds statements. The reason for this incomparability is not clear, but further evidence of it may be found in a comparison of the failure experience of these samples. It seems that the discrepancy between these samples is a pervasive one, and is not limited solely to the flow of funds pattern. Taking the larger sample as more representative, we find that (1) depreciation was the major source and capital expenditures on important but decreasing disposals; (2) current assets were large, current liabilities small and both were quickly responsive to the business cycle; and (3) the large depreciation expense explains the relatively small income and helps to clarify the poor profit results exhibited in an earlier chapter by these companies.

Small Machine-tool Companies.

One hundred and eighteen machine-tool companies, 1927-36.—The original sample of 200 machine-tool companies in 1926 seems to have withstood the depression the best of these five industries, if number of failures is used as a criterion. Of the original 200 companies, 118 remained in existence through 1936. Source and disposal of funds

statements for the 118 companies combined appear in table 80 for the years 1927-36.

Depreciation comprised a sizable source of funds in every year of the period. It was more than half of the total in 1927, about one-fourth in 1929 and 1930, and a third or more in the other years. In dollar terms it reached a high of \$410,000 in 1929 and a low of \$240,000 in 1934. The year 1934 represents opposite extremes for this item. It was highest in percentage terms (89 percent) and smallest in dollar terms. Funded debt also comprised a source of funds in 1927-29 and again in 1932 and in 1936. In other years of the period funds were employed to retire long-term debt. Capital stock was a source of funds in the years 1927-30, 1932, and 1934-36 which is a surprising showing for this item. In the few remaining years capital stock seems to have been retired. Income was a source of funds in the late twenties, a disposal of funds in the 5 years 1930-34, and a source of funds again in 1935-36.

Capital expenditures were a widely fluctuating disposal of funds. In some years, for example 1927, 81 percent of the funds were utilized in this manner, whereas in 1932 the net property account was a disposal of funds only to the amount of 1 percent, or \$9,000.

Current assets were a disposal of funds in the late twenties, a source of funds in the early depression years, and a disposal of funds in the late depression years, appearing as fairly sizable items in each year. With the exception of 1927, current assets ran 23 percent or more of the source or disposal in every year. In 3 years they ran 50 percent or more of the total. Current liabilities played a role roughly compensatory to that of current assets. Investments, like current assets, were accumulated through 1930, liquidated in 1931-33, accumulated in 1934 and 1935, and liquidated in 1936. Inventory holdings increased until the onset of the depression. In 1930-32 heavy liquidation of inventories took place. Little activity appeared in this item thereafter until 1936 when stocks were augmented considerably.

Twenty-three machine-tool companies, 1931-36.—The source and disposal of funds statement for the smaller sample of machine-tool-manufacturing companies parallels closely that for the large sample (see table 81). Depreciation comprised one-third of the sources in 1931, a fourth in 1932 and 1934, and a half in 1933, 1935, and 1936. Capital stock was a source of funds in 1931-35 and a disposal in the last year. Net income was a sizable disposal of funds through 1934 and a source of funds thereafter. Capital expenditures were a significant disposal of funds in every year except 1932, when plant and equipment were liquidated to provide funds.

Current assets were liquidated in the years 1931, 1932, and 1934, therefore appearing as a source of funds. They were accumulated, however, in the other years and absorbed a large proportion of the available funds. Current liabilities were paid off in 3 out of the 6 years, appearing as a disposal of funds. They were incurred, however, in 1931, 1933, and 1935, and brought in a third of the funds in 1933 and 1935. Investments appear to have been liquidated throughout the period, thereby providing funds. Inventory holdings were depleted to bring in funds in 3 years of the period, 1931, 1932, and 1934. In the other years modest sums were devoted to restoring stocks of unfinished and finished goods.

Several conclusions may be drawn from these tabulations covering two identical samples of machine-tool companies. Current assets were accumulated in prosperity and liquidated in depression. Long-term debt and capital-stock flotations were undertaken in good times and retired in bad times, although the latter item was a surprisingly persistent source of funds. Depreciation was the most stable source, fluctuating from a quarter to a half of the total. Current liabilities appeared as a source in 7 of the 10 years, in prosperity as well as in depression. Income was a source in good times but not in periods of slow business. Investments were unimportant but appeared to act, in response to the business cycle, as do current assets.

COMPARISON OF LARGE WITH SMALL COMPANIES

Four of the industrial groups included in the sample of S. E. C. registrants correspond more or less closely with those in the samples of small manufacturing corporations. Moreover, their source and disposal of funds statements overlap for the year 1936 in every instance, and for the year 1935 in every industry but one, men's clothing. In this section the source and disposal statements of the sample of large manufacturing corporations will be compared, industry by industry, with the corresponding statements for the sample of small manufacturing corporations.⁷ The comparison will consist of listing, side by side for large and small companies, the largest and the next largest sources for each year, the largest and next largest disposals, and the role (either source or disposal) played by inventory. The percentage which each item bears to the total source or disposal of funds is also given in the following tabulation.

LARGE COMPANIES

SMALL COMPANIES

8 large and 81 small bakeries

SOURCES

	<i>Percent</i>		<i>Percent</i>
1935: Depreciation.....	67	Depreciation.....	72
Current assets.....	13	Investments.....	14
1936: Depreciation.....	59	Depreciation.....	84
Current liabilities.....	25	Capital stock.....	9

DISPOSALS

	<i>Percent</i>		<i>Percent</i>
1935: Capital expenditures.....	52	Capital expenditures.....	81
Funded debt.....	44	Business losses.....	11
1936: Capital expenditures.....	52	Capital expenditures.....	73
Funded debt.....	33	Current liabilities.....	16

INVENTORY

1935: Disposal	Source
1936: Disposal	Disposal

16 large and 46 small men's-clothing manufacturers

SOURCES

	<i>Percent</i>		<i>Percent</i>
1936: Current liabilities.....	57	Current liabilities.....	74
Net income.....	25	Income and investments, each..	8

⁷ In the case of the stone-clay companies, the sample of large companies will be compared with each of the 2 samples of small companies separately. In the cases of the other industries, the sample of large companies will be compared only with the larger of the 2 samples of small companies.

CONCENTRATION OF ECONOMIC POWER

LARGE COMPANIES

SMALL COMPANIES

DISPOSALS

	<i>Percent</i>		<i>Percent</i>
1936: Current assets.....	60	Current assets.....	86
Investments.....	26	Capital expenditures.....	10

INVENTORY

1936: Disposal	Disposal
9 large and 70 small stone-clay companies	

SOURCES

	<i>Percent</i>		<i>Percent</i>
1935: Depreciation.....	59	Depreciation.....	88
Capital stock.....	22	Other liabilities.....	4
1936: Depreciation.....	35	Depreciation.....	59
Current liabilities.....	29	Net income.....	22

DISPOSALS

	<i>Percent</i>		<i>Percent</i>
1935: Funded debt.....	33	Current assets.....	47
Current assets.....	29	Business losses.....	39
1936: Current assets.....	67	Current assets.....	48
Capital expenditures.....	19	Capital expenditures.....	28

INVENTORY

1935: Disposal	Source
1936: Disposal	Source
9 Large and 30 small stone-clay companies	

SOURCES

	<i>Percent</i>		<i>Percent</i>
1935: Depreciation.....	59	Depreciation.....	39
Capital stock.....	22	Current liabilities.....	24
1936: Depreciation.....	35	Current liabilities.....	42
Current liabilities.....	29	Depreciation.....	26

DISPOSALS

	<i>Percent</i>		<i>Percent</i>
1935: Funded debt.....	33	Business losses.....	62
Current assets.....	29	Capital expenditures.....	34
1936: Current assets.....	67	Capital stock.....	48
Capital expenditures.....	19	Current assets.....	33

INVENTORY

1935: Disposal	Source
1936: Disposal	Disposal.....

79 large and 118 small machine-tool companies

SOURCES

	<i>Percent</i>		<i>Percent</i>
1935: Depreciation.....	38	Depreciation.....	36
Current liabilities.....	32	Net income.....	29
1936: Current liabilities.....	31	Depreciation.....	28
Capital stock.....	29	Current liabilities.....	25

LARGE COMPANIES

SMALL COMPANIES

DISPOSALS

	<i>Percent</i>		<i>Percent</i>
1935: Current assets.....	53	Current assets.....	61
Capital expenditures.....	31	Capital expenditures.....	30
1936: Current assets.....	43	Current assets.....	59
Capital expenditures.....	29	Capital expenditures.....	40

INVENTORY

1935: Disposal	Source
1936: Disposal	Disposal

It will be observed that there are marked similarities between the source and disposal patterns for the large and small corporations. In every industry except stone-clay the major item of source and of disposal in each year (except 1936 for machine tool) is the same for both the large and small companies. There is frequently a difference, however, between the next largest item of source and of disposal, as between the two samples. The large bakeries procured funds through their current items and applied funds to retiring their funded debt. This characteristic is not found in the small bakeries. The large machine-tool companies relied more heavily than the small companies on current liabilities for their funds. The disposal pattern for these companies, as well as the entire flow of funds patterns for the large and small men's clothing manufacturers, are remarkably similar. The discrepancies between the samples of large and small stone-clay companies are not surprising in view of the differences between the two samples of small companies. In general, the flow of funds pattern of the large companies seems to correspond more closely with that of the smaller sample of 30 small stone-clay firms than with that of the larger sample of 70 small stone-clay companies. This may be a point in favor of the smaller sample of small stone-clay companies. The role played by the inventory item is tolerably similar as between the large and small companies, except in the case of the 9 large and 70 small stone-clay firms, where inventories played opposite roles.

SUMMARY

This survey of the financial characteristics of American manufacturing corporations has been devoid of any startling conclusions or epochal findings. The factual treatment accorded the subject was designed to acquaint the reader with the financial structure of industry as it is, and not as it ought or might be. This concluding section, therefore, is not a body of recommendations or a statement of weaknesses in our producing economy, but merely a collation of some of the broad generalizations advanced in this report. It need hardly be said that most of these generalizations can be seriously misleading unless the reader examines also their qualifications set forth in the body of the report.

In the aggregate, over a period of years, American manufacturing corporations earn a sizable rate of return on their equity capital, running more than 4 percent. Some industrial subgroups such as food are much more profitable than others, such as lumber. Moreover, some industries are subject to wider fluctuations in profits than others. There are wide fluctuations in profits for particular companies. In 1929, more than a fourth of a sample of 400 large firms earned 15 percent or more on their total invested capital, while in 1932 more than half were in the red even before fixed charges had been met. In the prosperous year 1929, more than a third of the 742 firms in a sample of small manufacturers failed to earn a penny on their equity.

Large corporations are generally more profitable than small ones. Contrary conclusions reached by some analysts are due to a bias in their samples toward the more profitable firms. Of these more successful firms, profitability does decrease slightly with asset size; but of all firms, the converse relationship holds. This progression of the profit rate with size is found in the return on equity and on total capital. Where, however, compensation of officers is included with profit before fixed charges, profitability thus defined shows a modest tendency to decrease with increasing asset size. This factor may explain why small firms continue in business for years without making a net profit on equity.

The proportion of earnings paid out in dividends fluctuates violently with the business cycle, due primarily to gyrations in the denominator of this ratio. To the better-known factors influencing dividend disbursements, such as profits, size of surplus, and special factors as the undistributed-profits tax, must be added another influence: liquidity position. The evidence indicates that the strength of the liquidity ratio helps determine whether cash dividends shall be paid.

By 1936 all manufacturing companies in the aggregate had failed to restore their current ratio position of 1933, not to mention that of 1929. The current ratio of the medium-size corporations made the best showing. It was not only relatively high, but also best withstood the ravages of business depression. Among particular companies there are wide differences in the size of the current ratio. Most of the firms in

a sample of large corporations do not derive any of their working capital from notes payable. The proportion of abstainers in this respect, moreover, is relatively constant. Unlike the current ratio, the turn-over ratios of American manufacturing corporations had regained their predepression standing by 1936.

Among manufacturing corporations the proportion of owned to borrowed capital runs about 4 to 1. Approximately a third of the owned capital is derived from paid-in and earned surplus and undistributed earnings. Of the total borrowed or outside capital, current debt comprises slightly more than a half. The largest corporations, with assets over \$50,000,000, exhibited an interesting trend over the six years 1931-36: their proportions of owned to borrowed capital and of surplus to owned capital both declined in the face of an increasing proportion of current to total debt. The experience of a sample of small manufacturing corporations indicates that funded debt has been a growing source of capital over an 11-year period. American manufacturing corporations hold in the aggregate about a half of their invested capital in the form of land, plant, and equipment, but relatively more of their capital is invested in fixed than in current assets. In general, a direct relationship between the trends in sales and in net property account was found for a sample of 175 large firms. There were a few exceptions, but some of these could be explained by special circumstances. If there was any tendency away from this relationship, it was in the direction of conservatism in expanding fixed plant.

In the recovery years, 1935-37, a sample of 525 large corporations exhibited a strong tendency toward devoting a large portion of their funds to building up current assets, particularly inventory and receivables. This tendency appears to have been reversed in the next year, capital expenditures taking the bulk of the funds, even though, in dollar amount, they decreased. In general, net income plus depreciation provides enough funds to cover capital expenditures, but there are exceptions to this rule in particular industries in particular years. The capital markets, a relatively minor source of funds in the early phase of the recovery, assumed a more important role in the later years.

Sample tabulations indicate that there are industrial differences in the flow of funds patterns for small manufacturing corporations. Although depreciation is the chief source of funds and capital expenditures the principal disposal, these items play more important roles, relatively, in the machine tool and stone-clay industries than in the baking and men's clothing industries. In these latter industries the current items take a particularly important part, while in all five industries studied their influence can hardly be ignored. In general, the current assets are built up during prosperous years at the same time that current liabilities are increased; and the current assets are liquidated during depression years concurrently with a retirement of current debt. The patterns for the small companies are tolerably similar to those for the large firms.

APPENDIX A

CORRECTION FOR NONREPORTING OF BALANCE SHEETS IN STATISTICS OF INCOME

A knotty problem in the calculation of corporate profitability ratios from Statistics of Income tabulations for years prior to 1931 arises from the fact that the profit figures apply to a larger group of corporations than are covered by the capitalization figures. This is because some corporations that file income tax returns do not submit balance sheets therewith. In 1931 and subsequent years this inconsistency between the income statement tabulations and the balance sheet data has been ironed out by presenting two sets of income statement tabulations, the one for all reporting active corporations and the other for those reporting corporations which submitted balance sheets with their returns.

The problem is to eliminate as far as possible this heterogeneity from the profit-to-capitalization ratios in the years 1926-30. There are two broad alternative approaches to this problem. The first would be to adjust the numerator so that it would include only the profits (or losses) of the so-called balance-sheet returns. The other alternative is to increase the denominator so that it comprehends the capitalization figures not only of the balance-sheet returns, but also of the nonbalance-sheet returns. Although pursuance of either alternative will result in an arbitrary adjustment, the second seems preferable for several reasons. Application of the former alternative—adjusting the numerator to cover a smaller number of corporations—would mean a reduction in the coverage, and probably in the representativeness, of the resulting profitability ratio. Moreover, application of the former alternative is relatively impracticable because, as indicated by the tabulations for 1931 and later years, the ratio of compiled net profits (less tax) for all balance-sheet returns to the same item for all reporting corporations is subject to wide variations. Thus, for all manufacturing corporations, this ratio stood at 91 percent in 1931, jumped to 125 percent in 1933, and fell back to 101 percent in 1935. It would obviously be hazardous to extrapolate such a ratio backward from 1931. On the other hand, the second alternative—adjusting the denominator to cover a larger number of corporations—does not suffer so violently from either of these defects. It not only maintains the complete coverage of reporting corporations, but also the ratio of the incomplete to the complete capitalization figure could not be expected to undergo such precipitous fluctuations incidental to the course of the business cycle. An objection to inflating the numerator, however, arises from the fact that so doing will make the 1926-30 coverage inconsistent with that for 1931-36. In the latter period only balance-sheet corporations are included. In the former, all reporting corporations would allegedly be included. Since the corporations excluded from the latter period but included in the former are probably unprofitable, the adjusted profit ratios for the years 1926-30 may be expected to be understated slightly, relative to those for the years 1931-36.

This problem was faced by Epstein, and resolved by a procedure based on the second method: The denominator was raised in coverage to be comparable with the numerator (see appendix A, pp. 601-602 of his *Industrial Profits in the United States*). Epstein "stepped up"

the capitalization figures by ascertaining the ratio of total number of returns filed to number of returns with balance sheets, and then by applying this ratio to the total capitalization of the corporations submitting balance sheets. The derivation of this "estimated" capitalization of all reporting corporations involved "the assumption that the average capitalization per company of the companies that filed balance sheets is no larger or smaller than of those that did not." This assumption was admittedly at variance with the fact that the corporations not submitting balance sheets were probably "relatively small." Therefore, Epstein struck an arithmetic average between this "estimated" capitalization and the "not stepped up" capitalization and considered this mean as the most accurate available measurement of the actual capitalization of the reporting corporations.

It would seem, however, that Epstein's final mean is still somewhat of an exaggeration of the actual capitalization. If one considers gross sales rather than number of returns, the percentage of coverage as between the balance-sheet and no-balance-sheet returns is about 99 percent over the period 1931-36, not only for all manufacturing corporations but also (with a few minor exceptions) for each of the subgroups: Foods, textiles, forest products, stone-clay-glass products, and metal products. One wonders whether this relationship may not be a better guide to the amount by which the published capitalization figure should be stepped up in order to make it comparable with the profits figure.

It can be demonstrated that multiplying the published capitalization figure by the ratio of sales of all reporting companies to sales of balance-sheet companies would give a correct figure for the capitalization of all reporting companies provided the sales to capitalization ratios for the no-balance-sheet companies averaged the same as those for the balance-sheet companies.

To test the validity of this assumption, turn-over ratios were computed for all manufacturing corporations in 1931, with break-downs according to income and no income companies and further according to asset size. The former break-down revealed little of major significance; the sales to equity ratios for the income companies were slightly above those for the no-income concerns. The asset size break-down revealed, however, that the smallest companies had a turn-over five times that of the largest, and about four times that of all companies. Since we may expect the no-balance-sheet companies to be in this smaller-size group, it is possible that their turn-over ratio is larger than that for all companies. But the fact that they are probably less active would mean that their turn-over ratio was probably less than that of the active small-balance-sheet companies.

In order to test the significance of this qualification of our basic proviso, a calculation of an average turn-over ratio for all companies was made on the assumption that all the no-balance-sheet companies fell into this smallest-size class and had a turn-over ratio characteristic of that size class. The resulting turn-over figure was changed only about 1 percent—from 0.869 to 0.878—even though it was assumed that the no-balance-sheet companies had an average turn-over characteristic of that for the smallest class. This assumption probably exaggerates the turn-over of the no-balance-sheet corporations, which means that even the 1-percent differential above noted overstates the actual discrepancy. Therefore it seems safe to conclude that a stepping up of published capitalization figures, on the

basis of this assumption, would not miss the mark very far. But it is not claimed that such an adjustment hits the bull's-eye.

Once the ratio of reporting-company sales to balance-sheet-company sales is condoned as the inflation factor for the capitalization figure, the remaining problem becomes one of extrapolating this ratio backward from 1931 through 1926. One possible guide to the movement of this ratio is the relationship of the number of returns filed to the number filed with balance sheets. This ratio is available for all years 1926-36. Unfortunately, however, the correlation in the period 1931-36 between this ratio and that indicating sales coverage of the balance-sheet returns is slight, as a glance at the accompanying table A-1 indicates. Apparently the sales-coverage ratio is influenced by factors other than the relative number of returns filed with balance sheets. However, in each industrial class except metals the sales ratio hovered around 101 percent, and for metals around 100.5 percent. Therefore, perhaps these average standings would be as satisfactory for stepping up factors as any figures derived by mathematically complex methods. Moreover, since our basic assumption concerning turn-over is subject to some qualification, we are under no delusions, in any case, concerning the accuracy of our adjusting procedure.

TABLE A-1.—*Ratio of number and of sales of all returns to balance-sheet returns, manufacturing and 5 subgroups, 1926-31*

Year	Total manufacturing		Foods		Textiles		Lumber		Stone clay		Metals	
	Returns	Sales	Returns	Sales	Returns	Sales	Returns	Sales	Returns	Sales	Returns	Sales
1936.....	107.8	102.8	110.0	102.3	106.2	102.2	107.2	101.9	107.6	105.6	106.3	102.3
1935.....	106.8	101.0	109.0	101.4	105.7	101.0	106.2	101.3	106.6	100.8	104.5	100.5
1934.....	106.8	101.3	109.2	102.1	105.6	101.4	105.8	100.9	106.6	101.6	104.6	100.5
1933.....	107.0	100.8	109.7	100.8	105.7	100.9	105.8	100.9	106.5	100.6	104.6	100.3
1932.....	107.1	100.6	110.0	100.7	106.5	101.0	105.3	100.9	106.2	100.9	104.5	100.3
1931.....	111.2	101.3	115.8	101.1	110.4	102.2	108.8	102.3	109.8	101.7	107.5	100.7
1930.....	107.0	-----	110.4	-----	105.3	-----	105.6	-----	106.4	-----	104.6	-----
1929.....	107.1	-----	110.7	-----	105.0	-----	105.6	-----	107.0	-----	104.6	-----
1928.....	107.8	-----	111.4	-----	105.4	-----	106.5	-----	107.8	-----	105.3	-----
1927.....	105.9	-----	109.5	-----	104.3	-----	104.2	-----	105.7	-----	103.8	-----
1926.....	110.7	-----	114.8	-----	106.7	-----	108.5	-----	108.8	-----	108.4	-----

Application of the method outlined here to the present tabulations merely involved multiplying the 1926-30 unadjusted figures for capital stock and surplus by 101 percent in the case of total manufacturing, foods, textiles, lumber, and stone-clay, and by 100.5 percent in the case of metals. Such stepping-up is rough, but it is at least in the right direction and is very unlikely to exceed the true capitalization figure.

The net worth figures in table 22 of this report do not need a similar adjustment, because the ratio of dividends paid by reporting corporations to dividends paid by balance-sheet corporations is not significantly greater than 100 percent in any of the years 1931-36 for any of the industrial groups. It may be noted that failure to adjust the net-worth figures in the present instance has the effect of making the dividend sample for 1926-30 comparable with that for succeeding years, in that only balance-sheet corporations are considered. Finally, an even more important problem in connection with the dividend ratio is that raised by no-par stock; so the present problem of balance-sheet coverage can well be waived.

APPENDIX B

COMPANIES INCLUDED IN STANDARD STATISTICS CO.'S COMPOSITE OF FINANCIAL STATEMENT AS OF DECEMBER 31, 1938

<p>Advertising, printing, and publishing (7):</p> <ul style="list-style-type: none"> Conde Nast Publications. Cuneo Press. Curtis Publishing. General Outdoor Advertising. Intertype Corporation. McCall Corporation. Mergenthaler Linotype. <p>Automobiles and trucks (13):</p> <ul style="list-style-type: none"> Auburn Automobile. Chrysler Corporation. Federal Motor Truck. General Motors. Graham Paige. Hudson Motor. Hupp Motor Car. Mack Trucks. Nash-Kelvinator. Packard Motor Car. Reo Motors. White Motors. Yellow Truck. <p>Automobile parts and accessories (27):</p> <ul style="list-style-type: none"> Bohn Aluminum. Briggs Manufacturing. Budd Manufacturing. Budd Wheel. Campbell, Wyant & Cannon. Eaton Manufacturing. Electric Auto-Lite. Electric Storage Battery. Evans Products. Gabriel Co. Hayes Body. Libby-Owens Ford. Marlin Rockwell. Martin Parry. Midland Steel Products. Motor Products. Motor Wheel. Mullins Manufacturing. Murray Corporation. Ross Gear & Tool. Smith (A. O.). Spicer Manufacturing. Stewart Warner. Thompson Products. Timken Roller Bearing. Trico Products. Young (L. A.) Spring & Wire. 	<p>Automobile tires, rubber goods, etc (10):</p> <ul style="list-style-type: none"> Firestone Tire. General Tire & Rubber. Goodrich. Goodyear. Intercontinental Rubber. Lee Rubber. Mohawk Tire. Norwalk Tire. Seiberling Tire. United States Rubber. <p>Beverages (alcohol and soft drinks) (4):</p> <ul style="list-style-type: none"> Coca-Cola. Hires (Charles E.). National Distillers. Park & Tilford. <p>Building and equipment (22):</p> <ul style="list-style-type: none"> Alpha Portland. Barber Co. Lehigh Portland. Lone Star Cement. Penn-Dixie. American Seating. Blaw-Knox. Celotex. Certain-teed Products. Crane Co. Devoe & Reynolds. Equitable Office Building. Foundation Co. Glidden Co. Illinois Brick. Johns-Manville. Otis Elevator. Pittsburgh Plate Glass. Sherwin-Williams. United States Gypsum. Walworth. Yale & Towne. <p>Chemicals and fertilizer (19):</p> <ul style="list-style-type: none"> Air Reduction. Allied Chemical. American Cyanamid. Atlas Powder. Columbian Carbon. Commercial Solvents. Du Pont. Freeport Sulphur. Hercules Powder. Mathieson Alkali.
---	--

- Chemicals and fertilizer (19)—Con.
 Texas Gulf Sulphur.
 Union Carbide.
 United Carbon.
 United States Industrial Alcohol.
 Vulcan Detinning.
 Westvaco Chlorine.
 International Agricultural
 Tennessee Corporation.
 Virginia-Carolina Chemical.
- Containers (3):
 American Can.
 Continental Can.
 Thatcher Manufacturing.
- Electrical equipment and radio (10):
 Cutler-Hammer.
 Formica Insulation.
 General Electric.
 Westinghouse Electric & Manu-
 facturing.
 Weston Electrical Instrument.
 American Bosch.
 Crosley Radio.
 Hazeltine Corporation.
 Radio Corporation of America.
 Stromberg-Carlson.
- Food products (27):
 Continental Baking.
 Loose-Wiles.
 National Biscuit.
 United Biscuit.
 Ward Baking.
 American Chicle.
 Brach (E. J.) & Sons.
 Sweets Co. of America.
 Wrigley.
 Beatrice Creamery.
 Borden Co.
 National Dairy.
 Armour & Co.
 Cudahy Packing.
 Swift & Co.
 Wilson & Co.
 Beechnut Packing.
 California Packing.
 Corn Products Refining.
 General Foods.
 Libby, McNeil & Libby.
 Mead Johnson.
 Penick & Ford.
 Quaker Oats.
 Seeman Bros.
 United Fruit.
 Wesson Oil.
- Household products (16):
 Artloom Corporation.
 Bigelow-Sanford.
 Congoleum Nairn.
 Mohawk Carpet.
 American Ice.
 City Ice & Fuel.
 Advance Aluminum Castings.
 Airway Electric.
 Bon Ami.
 Diamond Match.
 Eureka Vacuum.
 Maytag.
- Household products (16)—Continued.
 Proctor & Gamble.
 Simmons Co.
 White Sewing Machine.
 Williams Oil-O-Matic.
- Leather and shoes (7):
 Amalgamated Leather.
 Brown Shoe.
 Endicott-Johnson.
 Florsheim Shoe.
 International Shoe.
 Kinney (G. R.)
 Melville Shoe.
- Machinery (25):
 Case (J. I.).
 Deere & Co.
 International Harvester.
 Allis-Chalmers.
 American Machine & Foundry.
 Babcock & Wilcox.
 Bliss (E. W.).
 Briggs & Stratton.
 Caterpillar Tractor.
 Chicago Pneumatic Tool.
 Fairbanks Morse.
 Foster Wheeler.
 Ingersoll-Rand
 Link Belt.
 Marion Steam Shovel.
 National Acme.
 National Supply (Del.).
 Niles Bement-Pond.
 Northwest Engineering.
 Seagrave Corporation.
 Transue & Williams.
 United Engineering & Foundry.
 United Shoe Machinery.
 United States Hoffman.
 Worthington Pump.
- Medicines, drugs, and cosmetics (5):
 American Home Products.
 Coty/
 Lambert.
 Lehn & Fink.
 Parke, Davis.
- Metals (nonferrous) (21):
 American Zinc.
 Anaconda Copper.
 Bunker Hill & Sullivan.
 Calumet & Hecla.
 Cerro de Pasco.
 Federal Mining.
 Howe Sound.
 Inspiration Consolidated Copper.
 Kennecott.
 Magma Copper.
 Miami Copper.
 Phelps Dodge.
 St. Joseph Lead.
 Aluminum Co. of America.
 American Metal.
 American Smelting and Refining.
 Butte Copper.
 Hecla Mining.
 Parke Utah.
 United States Smelting.
 Vanadium.

Miscellaneous (24):

American Bank Note.
 American Chain & Cable.
 American Safety Razor.
 Atlas Plywood.
 Atlas Tack.
 Brunswick-Balke.
 Driver-Harris.
 Eastman Kodak.
 General Refractories.
 Harbison Walker.
 Hollander (A.).
 International Salt.
 International Silver.
 Liquid Carbonic.
 Mengel.
 National Enameling.
 National Lead.
 Remington Arms.
 Savage Arms.
 Wahl Co.

Consolidated Laundries.
 New York Dock.
 United States Distributing.
 United States Freight.

Office and business equipment (9):

Art Metal Construction.
 Burroughs Adding Machine.
 General Fireproofing.
 International Business Machines.
 National Cash Register.
 Pitney-Bowes.
 Remington Rand.
 Royal Typewriter.
 Telautograph.

Oil producing and refining (25):

Amerada.
 Atlantic Refining.
 Barnsdall Oil.
 Consolidated Oil.
 Gulf Oil.
 Houston Oil.
 Humble Oil.
 Indian Refining.
 Indiana Pipe Line.
 Mid-Continent Petroleum.
 Ohio Oil.
 Phillips Petroleum.
 Pure Oil.
 Shell Union.
 Skelly Oil.
 Socony Vacuum.
 Standard Oil of California.
 Standard Oil of Indiana.
 Standard Oil of Kentucky.
 Standard Oil of New Jersey.
 Standard Oil of Ohio.
 Sun Oil.

Texas Corporation.
 Tide Water Associated.
 Union Oil of California.

Paper and paper products (3):

Container Corporation.
 Scott Paper.
 Union Bag & Paper.

Railroad equipment (10):

American Brake Shoe.
 American Locomotive.
 American Steel Foundries.
 Baldwin Locomotive.
 General American Transportation.
 General Railway Signal
 Lima Locomotive.
 New York Air Brake.
 Union Tank Car.
 Westinghouse Air Brake.

Shipping and shipbuilding (7):

American Hawaiian Steamship.
 American Ship Building.
 Atlantic Gulf & W. I.
 Eastern Steamship.
 Electric Boat.
 New York Shipbuilding.
 Todd Shipyards.

Steel and iron (17):

Acme Steel.
 American Rolling Mill.
 Bethlehem Steel.
 Byers (A. M.)
 Crucible Steel.
 Inland Steel.
 Jones & Laughlin.
 Keystone Steel.
 Otis Steel.
 Sloss Sheffield.
 Superior Steel.
 Truscon Steel.
 United States Pipe & Foundry.
 Warren Foundry & Pipe.
 United States Steel.
 Youngstown Sheet & Tube.
 Castle (A. M.).

Sugar producing and refining (8):

American Sugar.
 Central Aguirre Association.
 Cuban American Sugar.
 Fajardo Sugar.
 Great Western Sugar.
 Guantanamo Sugar.
 National Sugar Ref.
 South Porto Rico Sugar.

Textiles and apparel (30):

Cannon Mills.
 Naumkeag Steam.
 Pacific Mills.
 Pepperell.
 Powdrell & Alexander.
 Durham Hosiery.
 Gotham Silk Hosiery.
 Kayser (J.)
 Phoenix.
 Van Raalte.
 Cluett Peabody.
 Decker (A.) & Cohn.
 Hart Schaffner.
 Kuppenheim (B.)
 Manhattan Shirt.
 Munsingwear.
 Phillips-Jones.
 Richman Bros.

Textile and apparel (30)—Continued.

Reis (Robert).
 American Bemberg.
 Celanese Corporation.
 Industrial Rayon.
 Belding Heminway.
 Blumenthal (S.).
 Century Ribbon.
 United Piece Dye.
 American Woolen.
 Arlington Mills.
 Cleveland Worsted.
 Stroock (S.).

Tobacco and tobacco products (16):

American Tobacco.
 Liggett & Myers.
 Lorillard (P.).
 Morris (Phillip).
 Reynolds (R. J.).
 Universal Leaf.
 American Snuff.
 American Sumatra.
 Bayuk Cigars.
 Congress Cigar.
 Consolidated Cigar.
 General Cigar.
 Helme (G. N.).
 Mac Andrews & Forbes.
 United States Tobacco.
 Webster Eisenlohr.

All other companies (35):

Coal (7):
 Island Creek Coal.
 Lehigh Coal & Navigation.
 Pennsylvania Coal & Coke.
 Philadelphia & Reading Coal
 & Iron.

All other companies (35)—Continued.

Coal (7)—Continued.
 Pittsburgh Coal.
 Pittsburgh Terminal Coal.
 United Electric Coal.

Retail trade (25):

Abraham & Straus.
 Arnold Constable.
 Best & Co.
 Bloomingdale.
 Fair (The).
 Gimbel Bros.
 Interstate Department.
 Kaufman Department.
 Kresgc.
 May Department.
 Oppenheim Collins.
 Grant (W. T.)
 Kresge (S. S.).
 Kress (S. H.).
 Newberry (J. J.).
 Woolworth (F. W.).
 American Stores.
 First National Stores.
 Jewel Tea.
 Kroger Grocery.
 National Tea.
 Butler Bros.
 Montgomery Ward.
 Sears, Roebuck.
 Childs Co.

Theaters (3):

Loew's, Inc.
 Universal Pictures.
 Warner Bros.

APPENDIX C

DESCRIPTION OF ITEMS USED IN THE STANDARD STATISTICS SAMPLE OF 400 CORPORATIONS

Source.—From the official records of the corporation analyzed. Data are as of the close of the calendar year. Where a fiscal year does not precisely coincide with the calendar year, the data are reported under the calendar year containing the majority of months of the particular fiscal year.

Net profit.—Represents the amount available for fixed charges after depreciation, etc.

Fixed charges.—Consisting of bond interest, other interest and amortization, bond discount and expense, and subsidiary charges.

Net income.—Available for dividends after depreciation and fixed charges.

Preferred dividends.—Only payments made or declared during company's fiscal year.

Available for common.—Represents amount available for common stock after deducting preferred dividend requirements for the year, whether fully paid or not.

Common dividends.—Total cash payments during the fiscal year on the common stock.

Surplus adjustments.—Net amount charged or credited to surplus through stock dividends, property adjustments, etc.

Balance to surplus.—The net increase or decrease in profit and loss surplus through the year's operations.

Total invested capital.—Includes funded debt, preferred and common stock, capital reserves and surplus.

Property account.—Shown after depreciation and other reserves.

Investments.—Long term investments.

Intangibles.—Goodwill, patents, licenses, unamortized bond discount and like items.

Cash and equivalent.—Includes marketable securities, call loans, and Government securities and similar items.

Receivables, inventory, current assets, and current liabilities are the usual items.

Funded debt.—Long-term debt, including purchase-money mortgages, subsidiary preferred stocks, etc.

Preferred stock.—Includes all stock issues senior to the one analyzed.

Common-stock surplus.—Book or stated value of common or capital stock and surplus.

Capital reserves.—Consisting of special appropriations from surplus for contingencies.

APPENDIX D

STUDY OF SMALL MANUFACTURING CORPORATIONS

The general procedure followed in the study of small manufacturing corporations may be summarized thus: Income-tax returns of about 1,300 small manufacturing corporations were pulled from the files of the Bureau of Internal Revenue and sent to the Income Tax Study in Philadelphia, a Work Projects Administration project of the Division of Tax Research of the Treasury Department.¹ The income statements and balance sheets of these returns were transcribed at the Income Tax Study according to suggestions advanced by the planners of the study in the Department of Commerce.² After the data from the original returns had been transcribed they were then retranscribed onto another so-called adjusted-data card which contained not only all the adjustments which it was intended to make of the original data, but also all of the ratios for which frequency counts were desired. Finally, the tables were compiled on the basis of the information on the adjusted-data cards. Such tables are of two general sorts: First, composite tables which are merely aggregates of the income statement and balance-sheet information on the adjusted-data cards; and second, frequency-count tables which are classifications of the various ratios according to size. Each of these phases of the study will be explained in some detail in the pages which follow.

SAMPLING REQUIREMENTS

The requirements set up for inclusion in the sample were severalfold. In the first place, it was decided to limit the corporations to those having assets under \$250,000 in 1926. This is an arbitrary requirement intended to fulfill the condition that the corporations be small. In fact, it might be more appropriate if instead of "small," the corporations were described as "very small." Nevertheless, it is still true that the bulk of American manufacturing corporations—68,803 out of a total of 85,350 filing balance sheets, or 81 percent in 1936—fall into the less than \$250,000 asset category. Therefore, other limitations in the sample were required. The second major limitation was that the returns be restricted to five industries, as follows: Bakeries, men's clothing, furniture, stone and clay products, and machine tools and accessories. Other requirements of the sample were that the firm be in active operation in 1926, and submit a balance sheet with its income statement on its 1926 returns.

The diverse industrial fields embraced by, and the large number of, small manufacturing corporations precluded comprehending more than a few industrial categories within the modest confines of the proposed study. Therefore, industrially and geographically, the sample had to

¹ This study was sponsored and directed by the Division of Tax Research of the Treasury Department and financed by funds transferred by the Commissioner of Work Projects to the Treasury Department under authorization of the President.

² The project was known, at the Income Tax Study, as Special Proposal 14.

be controlled so that a tolerably representative picture could be obtained from examination of 1,000 corporations over the 11-year period and 300 additional corporations over the last 7 years. This accounts for limiting the sample to 5 industries. Two of these—machine-tool manufacturers and some part of the stone and clay products industry—represent producers' goods. Two of them—furniture manufacturers and the rest of the stone and clay products industry—represent consumers' durable goods. The men's clothing industry produces what may be called consumers' semidurable goods, while the bakery industry produces consumers' perishable goods. In addition, the 5 industries selected are characterized by small firms rather than large ones. Finally, the industrial groups were sufficiently easy to recognize to permit a tolerably consistent industrial break-down. The returns of the sample were drawn from 22 collection districts³ selected with an eye to industrial characteristics and regional diversity. The country was arbitrarily divided into 5 regions and enough collection districts were included in each region to cover approximately 50 percent of the eligible returns filed. Within each collection district the sample was drawn by given letters of the alphabet; that is, all the corporation returns in letter "A" for each of the 22 collection districts were examined and eligible ones drawn, and similarly for other letters. When 200⁴ returns for a given industry had been drawn, no more returns for that industry were pulled. This established procedure was continued until 200 returns had been drawn for each industry. Once the sample for 1926 had been constructed, the returns for those identical firms were drawn in succeeding years through 1936, or until a given firm failed. In addition to the original sample of 1,000 returns starting in 1926, a supplementary sample of 300 returns starting in 1930 was pulled under the same requirements as indicated for the original sample of 1,000 returns in 1926.

PULLING THE SAMPLE

The first problem encountered in pulling the returns to be included in the sample was that of geographical distribution. The income-tax returns of the Bureau of Internal Revenue are filed by collection districts. In most cases there is but one collection district to a State, although large States such as New York and Pennsylvania may require as many as five. For selection purposes the country was divided into five areas—Northeast, East, South, Midwest, and Far West. No intention was in mind of making these areas correspond to census areas or any other well-known economic classifications. It was merely desired to spread the collection districts examined throughout the entire United States. The collection districts which were actually included in each area follow:

Northeast: Massachusetts and Rhode Island.⁵

East: New York, second and third, and Pennsylvania, first.

Middle West: Ohio, first; Ohio tenth; Ohio, eleventh; Ohio, eighteenth; Illinois, first; Illinois, eighth; Missouri, first; and Missouri, sixth.

South: North Carolina, South Carolina, Georgia, Kentucky, Alabama, Texas, first, and Texas, second.

Far West: California, first; California, sixth; and Colorado.

³ A 23d district was also examined to build up the sample for the machine-tool industry. See *infra*.

⁴ In actuality, slightly more than this number were pulled, to allow for nonusable returns.

⁵ For machine tools only.

This total of 23 collection districts is less than half the number in the entire United States. In addition, only 22 of these collection districts were used for 4 of the industries covered. The twenty-third collection district, Rhode Island, was employed only in order to build up the sample of machine-tool manufacturers. It was found virtually impossible to obtain the required number of machine-tool manufacturers unless the Rhode Island collection district was sampled.

It was stated above that the collection districts were selected with the intention not only of giving industrial representation, but also of including about one-half the total corporate returns filed in each area. The States included in each area, for this purpose, follow:

New England: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut.

East: New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia.

Middle West: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas.

South: Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, and Texas.

Far West: Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, and California.

The letters of the alphabet comprehended by the sample and the order in which these letters were examined, were determined by using the names of persons connected with the project. The procedure was to examine the returns filed under, say, the letter "A" in each of the 22 collection districts covered for all industries and the Rhode Island district for the machine-tool industry. In going through the returns filed under the letter "A," all manufacturing corporations were spotted. Of these manufacturing corporations, all those fulfilling the industrial and size requirements were segregated. Finally, from this last group were pulled all those that had filed balance sheets with the income statements and were in active operation in 1926. The same procedure was followed for the 1930 supplementary sample. In general, the returns filed under a given letter were examined for all of the collection districts covered before the returns filed under another letter were examined.⁶

In order to collate the 200 desired bakeries, it was necessary to go through 10 letters in all 22 of the collection districts covered, another letter in 6 of the districts, 2 more letters in 3 of the districts and 2 more letters in 2 of the districts. In order to obtain the 200 desired men's clothing manufacturers, it was necessary to go through 10 letters in all 22 districts, 1 additional letter in 7 of the districts, 4 additional letters in 5 of the districts and 6 additional letters in 3 of the districts. All 200 of the furniture manufacturing corporations were procured by going through 10 letters in all 22 districts. To obtain the 200 stone and clay products manufacturers, it was necessary to go through 10 letters in all 22 districts, 2 additional letters in 5 of the districts and 4 additional letters in 1 of the districts. In order to obtain the 200

⁶ Exceptions to this procedure were necessary to speed up the pulling of the sample. Such exceptions consisted in examining returns under additional letters in those collection districts most productive of usable returns.

machine tool and accessory manufacturers, it was necessary to go through 10 letters in all 23 districts, this time including Rhode Island, an additional letter in 8 of the districts, 4 additional letters in 6 of the districts, 2 additional letters in 5 of the districts, and 9 additional letters in 4 of the districts. In other words, in order to obtain the desired number of machine-tool companies, it was necessary to go through every letter of the alphabet for at least 4 of the districts, practically every letter for 5 of the districts, a slightly fewer number of letters for 6 of them, and 10 of the letters for the rest.

The distribution of the returns in the original sample of 1,000 firms in 1926 and the supplementary sample of 300 firms in 1930, as pulled, is given in the accompanying tables D-1 and D-2. Table D-1 gives the industry totals by collection districts and area for the original sample of 1926, while table D-2 gives the industry totals by collection districts and area for the supplementary sample of 1930.

TABLE D-1.—*Industry, collection district, and area break-down of small manufacturing corporations original sample of 1926*¹

Collection district and area	Baking	Men's clothing	Furniture	Stone and clay	Machine tools	Total
Massachusetts.....	35	19	33	22	27	136
Rhode Island.....	0	0	0	0	15	15
North.....	35	19	33	22	42	151
New York, second and third	37	128	34	10	21	230
Pennsylvania, first.....	21	5	18	22	9	75
East.....	58	133	52	32	30	305
Ohio:						
First.....	10	8	10	6	27	61
Tenth.....	7	0	7	17	8	39
Eleventh.....	3	0	5	12	2	22
Eighteenth.....	17	9	8	21	31	86
Illinois:						
First.....	26	26	31	22	54	159
Eighth.....	3	2	0	8	0	13
Missouri:						
First.....	6	6	7	6	7	32
Sixth.....	1	0	2	4	1	8
Midwest.....	73	51	70	96	130	420
North Carolina.....	2	0	23	6	0	31
South Carolina.....	5	1	0	5	0	11
Georgia.....	4	1	5	6	1	17
Kentucky.....	6	2	9	6	1	24
Alabama.....	2	0	1	7	1	11
Texas:						
First.....	2	0	0	7	0	9
Second.....	3	0	1	4	0	8
South.....	24	4	39	41	3	111
Californias:						
First.....	7	0	7	3	2	19
Sixth.....	5	2	9	10	2	28
Colorado.....	6	1	0	6	0	13
West.....	18	3	16	19	4	60
Total.....	208	210	210	210	209	1,047

¹ Unrevised. The figures in this table show the composition of the sample at the conclusion of pulling it. Some of these firms were thrown out in the transcription. For the revised figures showing the number of corporations in each cell whose returns were actually transcribed and used in the tabulations, see table on pp. 9 and 10 in the text of this report.

TABLE D-2.—*Industry, collection district, and area break-down of small manufacturing corporations supplementary sample of 1930*¹

Collection district and area	Baking	Men's clothing	Furniture	Stone and clay	Machine tools	Total
Massachusetts.....	4	3	15	4	11	37
Rhode Island.....	0	0	0	0	1	1
North.....	4	3	15	4	12	38
New York, second and third.....	4	80	12	1	3	100
Pennsylvania, first.....	4	1	6	1	2	14
East.....	8	81	18	2	5	114
Ohio:						
First.....	4	0	2	4	5	15
Tenth.....	0	0	0	0	1	1
Eleventh.....	3	0	2	3	1	9
Eighteenth.....	1	1	1	3	6	12
Illinois:						
First.....	1	3	13	7	6	30
Eighth.....	3	0	0	3	0	6
Missouri:						
First.....	1	1	2	1	0	5
Sixth.....	5	0	2	0	0	7
Midwest.....	18	5	22	21	19	88
North Carolina.....	2	0	9	4	1	16
South Carolina.....	0	0	0	1	0	1
Georgia.....	2	0	1	1	0	4
Kentucky.....	1	0	1	2	1	5
Alabama.....	2	1	0	1	0	4
Texas:						
First.....	4	0	0	0	0	4
Second.....	2	0	1	2	0	5
South.....	13	1	12	11	2	39
California:						
First.....	1	0	2	3	1	7
Sixth.....	4	0	1	5	1	11
Colorado.....	2	0	0	4	0	6
West.....	7	0	3	12	2	24
Total.....	50	90	70	50	40	300

¹ Unrevised. The figures in this table show the composition of the sample at the conclusion of pulling it. Some of these firms were thrown out in the transcription. For the revised figures showing the number of corporations in each cell whose returns were actually transcribed and used in the tabulations, see table on p. 10 in the text of this report.

The definition of the industries covered in the study presented some difficulty. Perhaps the most difficult to pin down precisely was the machine-tool group. According to the National Machine Tool Builders Association, "A machine tool shall be defined as a power-driven complete metal-working machine, not portable by hand, having one or more tool and work-holding devices used for progressively removing metal in the form of chips." In actual practice, however, it was not possible to limit the sample of 200 manufacturing companies in the machine-tool group to that precise definition. In fact, it was necessary to include in the machine tool and accessory group the following various types, as indicated by the company on the face of the income-tax returns:

1. Mold tools, dies, and stamping.
2. Machine knives.
3. Tooling jigs.
4. Taps.
5. Thread-cutting tools.
6. Gauges.

7. Special machinery.
8. Hobbing cutters.
9. Punches.
10. Steel milling and cutting machines and tools.

In the case of the furniture industry it was necessary to limit the sample rather closely. In this group it was finally decided to include the following lines:

1. Upholstered parlor furniture.
2. Reed furniture.
3. Art furniture.
4. Cabinets.
5. Chairs.
6. Upholstering.
7. Beds.
8. Living-room tables.
9. Suites for breakfast rooms.
10. Cribs and bassinets.

Under the stone and clay products group the following manufacturers are included:

1. Concrete stone.
2. Brick.
3. Cement blocks.
4. Building tile.
5. Concrete pipe.
6. Clay products.
7. Lime and limestone products.
8. Cement stucco.
9. Art stone.
10. Drain and hollow tile.

It was necessary to include these various industrial groups because no precise designation consistent from company to company is found on the income-tax return itself. The reporter is asked to indicate whether his business falls into the broad category of manufacturing, finance, and so on, but within that category he is permitted to name his own industry. In the listings given above are included all of the names given on the returns in the sample. Obviously, it would not be feasible to draw up a precise technical definition which would include all of the items listed under each industrial group above, and exclude all the items not there listed. In addition, since it was necessary to follow the designation given by the person who filed the return, it is possible that these industrial groups as given are far from accurate or complete. However, considering the fact that the sample was limited to the income-tax returns filed in the Bureau of Internal Revenue, there seemed no feasible method for making the industrial classification any more refined.

To assist in maintaining the representativeness of the sample, it was decided to pull a supplementary sample of 300 small corporations in 1930 and succeeding years in which they were operating. By 1930 the original sample of 1,047 returns in 1926 had decreased to 720 returns in 1930. Bakeries fell from 208 to 150; men's clothing from 210 to 111; furniture from 210 to 133; stone-clay products from 210

to 153; and machine-tool manufacturers from 209 to 173. This means that over the 4-year period 58 bakeries dropped out of the sample, 99 men's clothing, 77 furniture, 57 stone-clay, and 36 machine tools. In order to deal with round numbers it was decided to include 300 firms in the supplement of 1930, distributed industrially in this manner:

Bakeries.....	50
Men's clothing.....	90
Furniture.....	70
Stone-clay.....	50
Machine tools.....	40
Total.....	300

The method used in selecting this sample was the same as that used for the original 1,000 corporations in 1926. Two letters of the alphabet were examined in order to obtain the 50 bakeries; 17 letters of the alphabet for the 90 mens' clothing; three letters for the 70 furniture; one letter for the 50 stone-clay; and three letters for the 40 machine tools. The corporations were selected from the same districts used in the original sample. All of the districts for each industry were examined for the various letters with the exception of mens' clothing. For this industry, three letters were examined for all 22 districts and 14 letters for only the New York City district. Since the bulk of the clothing manufacturers are centered in New York, the geographical distribution of the sample is not particularly disturbed by this one deviation.

Although the method of filing fiscal-year returns was changed during the period 1926-36 by the Bureau of Internal Revenue, the selection of the returns for inclusion in the sample of small manufacturing corporations was maintained consistently. Fiscal-year returns were pulled for that year nearest which they fell. Therefore, the sample includes not only returns compiled for the year ending December 31, but also those filed for the preceding and succeeding 6 months.

A knotty problem encountered in pulling the returns was that of locating returns which had been misfiled or were filed under a different name in succeeding years. This is a problem which would arise only in the case of an identical sample over a period of years. Every effort was made to find all of the succeeding-year returns for a given corporation. This was necessary because it was planned to assume later in the study that all those companies for which succeeding-year returns could not be found ipso facto failed or discontinued operations for one reason or another. After the original sample for 1926 and the supplementary sample for 1930 had been drawn, lists were compiled of the corporations included, and an intensive search was made in the returns filed under each of the succeeding years up to 1936 for these corporations. This task was done by employees of the Temporary National Economic Committee and at its conclusion a sizable list of returns was still missing. Those which were found were examined closely to find out if there was any evidence that the firms probably did not file a return in the succeeding year for which no returns were found, because of financial difficulties or some other reason. This still left several hundred firms for which succeeding-year returns had not been found and yet for which there was no definite indication of failure. In addition, there were about a hundred

firms for which intervening years were missing; that is to say, returns for the years 1926 through 1929 and for the years 1931 through 1934 could be found, but no returns could be found for 1930. Such firms with intervening years missing could not be grouped in the failure category; moreover, they could not be included in the group filing returns throughout the entire period unless the returns for the intervening year could be found. Therefore, all such corporations, that is, those for which intervening years were missing among the returns and those for which succeeding-year returns were missing for no assignable reason, were examined more closely. Letters were sent by the Bureau of Internal Revenue to each of the 23 collection districts covered by the study, giving the name, address and other pertinent information concerning the corporations for which intervening-year or succeeding-year returns were not available in that particular collection district. These returns were then checked with the cards on file with the district collector of revenue and a report sent back to the Bureau of Internal Revenue. This report contained the serial number of the return if one had been filed by the company. If succeeding-year returns had not been filed by the company it was assumed that the corporation had not operated. In the case of the intervening-year returns which had not been filed nothing could be done. The corporation may have filed in another collection district or it may not have filed at all. Fortunately, the number in this last category of intervening years missing without any record in the collector's office was negligible. As a final result of rather intensive searching, 29 companies finally remained in the group of corporations for which returns could not be located in the Bureau of Internal Revenue files. In some cases there were theoretical possibilities of the corporation filing returns for a period of 7 or 8 succeeding years. In most cases it was probable only one or two returns were filed. This introduces an inadequacy in the sample for which there seems to be no method of correction. In tables presented in appendix F, such corporations were included in neither the identical sample nor in the firms-that-failed sample.

If a corporation stopped filing returns in a given year it was assumed that the corporation went out of existence in that year. There is no positive check, of course, for this assumption, but its reasonableness can be argued.

In conclusion it can be said that the pulling of these returns for the study of small manufacturing corporations was a herculean task. Only the fact that it was such a task prevented a considerable increase in the size of the sample. It would obviously have been desirable to have covered, say, 5,000 returns for the 11-year period, instead of a mere 1,000. The representativeness of the sample would probably have been increased several fold. However, the difficulties encountered in pulling the returns for 1,000 corporations was sufficient to thwart any desire there may have been to quadruple or quintuple the size of the sample. As it was, three or four persons were employed for several months in the files of the Bureau of Internal Revenue pulling the returns.

COVERAGE OF THE SAMPLE

It is impossible to ascertain precisely the coverage of the small manufacturing corporations sample, within the size and industrial limits set forth. This is due to the fact that we do not know exactly

how many baking, men's clothing, stone and clay products, furniture, and machine-tool and accessory corporations having assets less than \$250,000 in 1926, there are in the United States. The best that can be done in analyzing the approximate extent of the sample is to point out at least how large the sample, in percentage terms, must be.

There are three possible means for analyzing the 1926 coverage of the original sample of 1,000 returns. The first of these is on the basis of information available in Statistics of Income for that year, the second in the Census of Manufactures for 1927, and the third from an analysis of the number of letters of the alphabet through which it was necessary to go in order to obtain the required number of firms for each industry. Each of these methods will be followed in turn.

According to the 1926 Statistics of Income, corporations submitting income data with their returns, for each of the five industrial subgroups corresponding to those covered in this study, numbered:

Bakery products—confectionery.....	3, 124
Clothing—custom-made hats, caps, underwear, shirts, etc.....	6, 326
Furniture—house and office, etc.....	4, 032
Stone, clay, glass.....	4, 606
Factory machinery, textile, paper, printing presses, machine tools, etc....	1, 848

Total for 5 subgroups..... 19, 936

If we assume that the asset-size distribution of the food, apparel, forest, stone, and metals groups in the 1936 Statistics of Income is not only broadly representative of that in the 1926 issue but also applies roughly to the five industrial subgroups, the percentages of corporations with assets less than \$250,000 follow:

	<i>Percent</i>
Food.....	32
Apparel.....	92
Forest.....	77
Stone.....	79
Metals.....	77
Average for all 5.....	81

Applying these percentages to the number of returns in the respective industrial subgroups in 1926, and dividing the resulting product into 200, the number of firms per industry in the 1926 sample, we have the following approximate percentages of coverage:

	<i>Percent</i>
Bakeries.....	8
Men's clothing.....	3
Furniture.....	6
Stone-clay.....	5
Machine tools.....	14
Total sample.....	6

These represent bottom limits to the coverage of the sample because (1) they include only corporations with income data, there being, of course, fewer still reporting balance sheets; (2) the industrial categories as defined in Statistics of Income are somewhat broader than those defined for the purpose of the present study; and (3) there may have been a larger proportion of small manufacturing corporations in 1926 than in 1936.

Another approximation can be obtained by examining the data on the number of establishments in the Census of Manufactures for 1927. In that year there were 18,129 establishments making bread and other bakery products. This would give the sample a minimum coverage of only 1.1 percent. However, when it is realized that all these bakeries are not incorporated—in fact, the bulk of them are not incorporated—the coverage of the sample, limited as it is to corporations, would be increased considerably above the 1.1 percent level. There were 3,562 establishments making men's and boys' clothing, not including work clothing. This would give the sample of 200 firms a 5.6-percent coverage. Under furniture, the Census of Manufactures gives 3,222 establishments. This includes not only those making wood and household furniture but also other furniture, namely office equipment and the like. The relative proportion of the wood household furniture to the total is about 65 percent, based on the value of products. Sixty-five percent of 3,222 gives 2,090, which means that the present sample would have a coverage of about 9.9 percent in the furniture field. In 1927 there were 2,162 establishments in the clay-products industry which would give the 200 firms a coverage of 9.3 percent. In 1927 there were 355 machine-tool manufacturers, using a somewhat narrower definition than that followed in the present study. This would give 56.4 percent which is an overstated coverage for the sample, because the Census' industrial definition is narrower than ours. Taking all firms together, there are 27,298 establishments in the five industries covered by the study of small manufacturing corporations. The sample of 1,000 represents 3.8 percent of all those establishments taken together. These estimates, based on the Census, of the coverage of the sample are also bottom limits, for several reasons. Corporations may have more than one establishment. All establishments reported in the Census of Manufactures are not incorporated. The Census of Manufactures statistics include all establishments, both below and above \$250,000 in assets, and no break-down by size is possible. Finally, the industrial classifications in the Census of Manufactures are slightly broader in certain instances than those followed in the present study.

The fact that the number of manufacturing corporations included within each area covered by the study approximated 50 percent of the total in each area, and the fact that the bulk of the letters of the alphabet were examined in order to obtain the required number of firms in each sample, lead to the conclusion that the actual coverage of the returns in the sample of small manufacturing corporations, assuming the requirements laid down by the conditions of sampling, must be not far from the 50-percent level. It is probably smallest in the furniture group and largest in the machine tools. It is probably larger in the men's clothing than in bakeries, and clay and stone products. Precise percentages cannot even be estimated.

OPERATIONS AT THE INCOME TAX STUDY

As soon as the original sample of 1,000 returns in 1926 had been drawn from the Bureau of Internal Revenue files, they were shipped to the Income Tax Study in Philadelphia. By means of these 1926 returns, a test transcription was conducted of the desired balance sheet and income statement items in order to ascertain some of the

problems which would arise in training a small crew of clerks to transcribe these returns. By the time the test transcription had been completed, and the results appraised, the returns for the sample corporations for succeeding years had been pulled from the Bureau of Internal Revenue files and shipped to Philadelphia.

The transcription procedure finally adopted was to copy the desired information from the returns onto so-called original data cards and supplementary data cards. The returns had been audited by the B. I. R.,⁷ but they were not edited before transcription because they were original returns, not duplicates. All adjustments made in the figures copied from the returns were indicated by footnotes on the original data cards. The 54 items on the original data card and the 17 items on the supplementary data card were transcribed according to detailed instructions. After the data had been transcribed to the original data and supplementary data cards, of which there was one for each corporation in the study, the material was verified against original source by a separate crew. The checks used were the more obvious ones of balancing assets against liabilities, gross capital assets minus depreciation reserve against net capital assets, and the like. When the original data and supplementary data cards had been filled out to the supervising staff's satisfaction, the data were transferred to the adjusted data card, of which there was also one for each corporation in the sample. The purpose of the adjusted data card was to transform the data on the original data card into shape for final tabulation. That is to say, it was necessary to pass from the balance sheet and income statement items as given on the returns and as transcribed onto the original data card, to the balance sheet and income statement items desired in the final tables. In addition, the adjusted data card contained all of the ratios between balance sheet and income statement items which were to be used in the frequency counts and cross classifications comprehended in the final tables. After the data had been transferred to the adjusted data card, the adjusted data card was subjected to a series of checks which were even more detailed than those applied to the original data and supplementary data cards.

The final tables were divided into two broad groups. The first are composite tables, aggregates of the balance sheet and income statement items which appear on the adjusted data card. The other broad group of tables comprises the so-called frequency tables and cross-classifications. These tables concern the number of corporations, for example, falling in given profit classes, given current ratio classes, and the like. These frequency tables utilize the ratios which appear on the adjusted data card.

At one time in the study it was planned to maintain both asset size and area break-downs for all tables. However, a preliminary tabulation of four of the frequency tables on, first, the basis of asset size, and second, the basis of area, revealed that in the sample as composed, there was not a significant difference revealed by the asset size and area break-downs. This does not mean that asset size and area have no effect on the financial structure of corporations. However, it does imply that an asset size break-down of a small sample of corporations, all of which are small in asset size, may not be significant enough to warrant the extra labor required in obtaining

⁷ Unlike this study, the Statistics of Income tabulations are compiled from unaudited returns.

such a break-down; and, in the case of the area break-down, it implies that any effect area may have on the financial statements of these corporations has been dissipated by the smallness of the sample on the one hand, and by the fact that certain of the industries represented in the sample of the study of small manufacturing corporations were largely peculiar to particular areas.

Aside from the use of adding and calculating machines, all of the work on the Study of Small Manufacturing Corporations was manual, or nonmachine. That is to say, although the study was perhaps large enough to lend itself to punch-card and tabulating-machine operations, it was nevertheless limited to purely manual operations. The frequency counts were all derived by means of hand tally, and the aggregate tables were done on ordinary adding machines.

At every stage of the operations at the Income Tax Study rigid controls were in effect. A careful check was maintained on the returns of each corporation as they passed through the stages of transcription to original data cards, transcription to adjusted data cards, and utilization in final tables. Control sheets were used throughout. In addition, at the completion of each stage in the process careful checks were applied to see that no mechanical errors had crept in. The final series of checks was applied to the final tables, that is, to both the composites and the frequency counts.

FIRMS USED IN TABLES

It is obvious from the division of the composite tables into those which concern the identical sample—that is, the sample of firms which remained in existence throughout the period covered—and those which concern the firms that failed, it was necessary to divide all of the corporations into these broad categories. In addition to these broad categories, there was a third, consisting of those corporations for which returns for intervening or succeeding years were missing.⁸

The category of so-called failure firms raised one of the most difficult problems faced in the study. The mere fact that a firm happened to be in the failure category in this study does not mean that it actually went into bankruptcy or some form of legal receivership. The companies in the "firms that failed" sample consist of two sorts. The first are those which give a definite indication on the return for the last year available that the corporation was in receivership or in the hands of trustees or in liquidation or was being dissolved, or some similar statement. The other broad category of companies in the "firms that failed" sample comprises firms which stopped filing returns⁹ with the Bureau of Internal Revenue in a given year, say in 1932, and which generally gave indication on the last several returns filed that they were in financial difficulties. Although no statement is made to the effect that they actually went into receivership or dissolution, there is a presumption that they probably did, and that this explains the failure of the corporation to file returns with the Bureau of Internal Revenue for succeeding years. All firms which do not fall into the failure category because either explicitly or implicitly

⁸ By "intervening year missing" is meant the inability to find the return for a corporation for some such year as, say 1930, there being returns for the years 1929 and 1931 already in the sample. By "succeeding year missing" is meant failure to find a return for a given corporation for all the years after, say 1931, there being no indication on the 1931 return for the corporation that it failed or went out of business in that year.

⁹ As attested by the collectors.

they went out of business and which did not fall into the identical category, automatically fall into a third category of incomplete sets without indication of failure.¹⁰ The returns in this third category are not used in the tables as actually completed in this study. It had originally been planned to use them along with the returns falling into the identical and failure category in tables which were to be based on the successive-year identical grouping. Due to limitations of time it was not possible to do these so-called successive-year identicals, and hence, returns which were otherwise in the identical sample, had they not had intervening years missing, and returns which were otherwise in the identical sample had they not had succeeding years missing, were not finally included in any of the tables in the Study of Small Manufacturing Corporations except the four above-mentioned test tables which were designed to examine the significance of the asset size and geographical break-downs.

DEFINITIONS OF ITEMS

It is not feasible to give here the detailed definitions of each income and balance sheet item used in the Study of Small Manufacturing Corporations. In general, the same definitions were observed here that are followed in the Statistics of Income tabulations.¹¹ A few items, however, warrant a word of explanation. Economic income is the most important of these. In proposal 14 tables this item approximates book income as shown on the tax returns. It is equivalent to statutory income minus unallowable deductions and plus nontaxable income. In addition, it is net of the Federal and State income tax. Both economic and statutory net income in these tables have been adjusted for the deduction of prior year losses, permitted in certain years under study. The item dividends paid, in the composite tables, includes only cash dividend disbursements reported on the return, stock dividends being shown in footnotes. In the frequency tables using the dividends paid item, it includes both cash and stock dividends.¹² Tangible net worth is book net worth minus intangibles and deferred charges. Total investments in enterprise equals net worth, plus funded debt; total debt equals current liabilities plus funded debt; and total capital equals total debt plus net worth. Investments include marketable securities, and other current liabilities comprise expenses. Working capital is the difference between current assets and current liabilities.

The items used in these tabulations have been reported for income-tax purposes, and hence are subject to important biases. The tendency to minimize profits is well known. There is also a tendency toward incomplete reporting, however, where the tax liability is not affected thereby. This type of bias is more common with items of deduction than with balance sheet accounts, and with no-income than with income corporations. It is found particularly in such deductions as taxes, interest, and rent, but might affect any item. Therefore, these tables, and especially the deduction items, should be used circumspectly.

¹⁰ Also included in this third category are the few firms affected by mergers and acquisitions.

¹¹ The latter, however, are based on unaudited returns while the small-manufacturers' tables are compiled from audited returns.

¹² This is an unfortunate discrepancy which passed undetected until too late for revision. Happily, stock dividends by these companies were generally small and infrequent.

13: Enter the sum of the depreciation and depletion charges for the period as both a debit and a credit. The debit will be closed out to line 3 as an adjustment of the change in the net property account, while the credit will be carried over directly to column 6.

14: This item, from S. E. C. Table V a, can be checked by examining lines 2 and 3 of S. E. C. Table VII. Eliminate capital gains and losses shown on P. & L. account. Credit a profit and debit a loss.

17-26: The entries under "other additions," in S. E. C. Table VII, are credits; those under "other deductions" are debits. Enter on these lines only the net amount of these adjustments, rather than the total of the debits and credits.

17: The net debit or credit of "recoveries—bad debts, etc.," and "extraordinary bad-debt losses."

18: Debit any "write-down of inventories."

19: The net debit or credit of "write-up of security investments," "profit on disposal of securities," "write-down of security investments," and "loss on disposal of securities."

20: The net debit or credit of "write-up of land," "write-up of plant accounts," "profit on disposal of capital assets," "write-down of land," "write-down of plant accounts," and "loss on disposal of capital assets."

21: The net debit or credit of "write-up of intangibles," "write-down of intangibles," "unamortized debt discount and expense," "discount on capital stock." If the revaluation of intangibles seem large in comparison with the figure for total intangibles, check the company figures to see if some part of the adjustment should be made to the buildings-and-equipment account.

22: Credit any "profit on redemption or reacquisition of debt."

23: The net debit or credit of "profit on retirement or reacquisition of stock," "reduction of par or stated value of stock," and all stock dividends.

24: Debit the sum of cash dividends on both preferred and common stock.

26: This item merely provides a mathematical check, and is the net debit or credit of "reserve adjustments" (under "other additions"), "miscellaneous credits," "loss on retirement or reacquisition of securities," "reserve adjustments" (under "other deductions"), "miscellaneous debits," any dividends paid in other than cash or stock; and the net debit or credit of capital gain or loss. If the residual amounts to more than 10 percent of the total source or disposal, spot the companies with the largest unaccounted-for surplus debits and credits, look up their reports in Moody's *Industrial*s, and ascertain to which accounts these surplus entries refer. Make enough of these adjustments to bring the residual down to 10 percent or less.

28: Enter here the period change in the difference between current assets and current liabilities. This is not only the net entry of lines 1 and 7, but also the net entry of lines 29 through 38.

29-38: Enter on these lines the changes in each of the working-capital items over the period covered.

B. INSTRUCTION FOR ENTERING THE PERIOD'S ADJUSTMENTS, BOTH DEBITS AND CREDITS (COLUMNS 3 AND 4) (FORM A)

These columns are employed to transfer the adjustment items (mainly for non-cash debits and credits) to the appropriate balance sheet accounts. The entries in lines 13, 17-24 will be closed out by regular accounting procedures to the items in the preceding lines, as indicated by the letters in the cross-reference column. For example, assume a write-down of land: The debit in line 20 of column 1 would be transferred to the land, buildings, and equipment account by entering the amount as a credit in line 20 of column 2 and again as a debit in line 3 of column 3. Attention is called to the fact that both the depreciation charge (line 13) and land and plant revaluations (line 20) are closed out to the land, buildings and equipment item (line 13), and that the revaluations both of receivables (line 17) and of inventories (line 18) are carried up to the current assets item (line 1).

C. INSTRUCTIONS FOR ENTERING THE SOURCE AND DISPOSAL ITEMS (COLUMNS 5 AND 6) (FORM A)

These columns are derived by consolidating the period's adjustments with the period's excess of debits and credits. Note that even though the depreciation and depletion charge (line 13) was carried as a debit adjustment to the land, buildings and equipment item, it is also entered as a credit item (source of funds) in column 6 of line 13.

APPENDIX F

STATISTICAL TABLES FOR REFERENCE USE—SAMPLE OF SMALL MANUFACTURING CORPORATIONS

These tables are basic to the material on small manufacturing corporations discussed in the text. They were compiled as special tabulations (proposals 7 and 14)¹ at the Philadelphia Income Tax Study in accordance with procedures outlined in appendix D and the data are subject to the limitations there discussed.

Because Federal income-tax returns request balance-sheet data for the beginning as well as the end of the year, it has been possible in many of these tables to include the year 1925. The identical samples, however, are rarely complete for that year because some firms did not present the beginning-of-year balance sheet. Hence, differences between the 1925 and 1926 figures should be used guardedly. Finally, the tables published here incorporate a few minor revisions not available when the analysis in the text of this report was made.

The tables are not numbered consecutively. Omissions represent data compiled but not published here. These data are of less importance but will be maintained in a Source Book by the United States Treasury Department in Washington, D. C. This Source Book is available for research purposes to qualified students representing accredited organizations and to administrative officials of State and other Governmental units. In the appended list the headings of these omitted tables are given. It may be added that all the composite tables in these original compilations give the breakdown between income and no-income companies while the published composites show only the totals, and that certain data shown only for selected years in the published tables are given annually in the original compilations.

Table 2A: Year-to-year changes in balance-sheet items for an identical sample of small baking corporations classified into income and no-income companies, showing the aggregate amounts over the period, 1926-36.

Table 11A: Frequency distribution of companies based upon the identity or lack of identity of State of location and State of incorporation by asset size for a sample of small baking corporations, 1930-36.

Table 12A: Frequency distribution of companies and percentages of total by the ratio of funded debt to capital stock, cross-classified by asset size and by failure or survivorship, for a sample of small baking corporations, 1926-36.

Table 13A: Frequency distribution of companies and percentages of total by the ratio of funded debt to capital stock, cross-classified by geographical location and by failure or survivorship, for a sample of small baking corporations, 1926-36.

Table 14A: Frequency distribution of companies and percentages of total by the ratio of capital stock to surplus, cross-classified by asset size and by failure or survivorship, for a sample of small baking corporations, 1926-36.

Table 15A: Frequency distribution of companies and percentages of total by the ratio of capital stock to surplus, cross-classified by geographical location and by failure or survivorship, for a sample of small baking corporations, 1926-36.

¹ Proposal 7 was merely an extension of proposal 14, in which the inventory item was subjected to further tabulation. Proposal 7 tables have been joined to those for proposal 14, the only distinction between the two proposals being one of administration at the Income Tax Study.

13: Enter the sum of the depreciation and depletion charges for the period as both a debit and a credit. The debit will be closed out to line 3 as an adjustment of the change in the net property account, while the credit will be carried over directly to column 6.

14: This item, from S. E. C. Table V a, can be checked by examining lines 2 and 3 of S. E. C. Table VII. Eliminate capital gains and losses shown on P. & L. account. Credit a profit and debit a loss.

17-26: The entries under "other additions," in S. E. C. Table VII, are credits; those under "other deductions" are debits. Enter on these lines only the net amount of these adjustments, rather than the total of the debits and credits.

17: The net debit or credit of "recoveries—bad debts, etc.," and "extraordinary bad-debt losses."

18: Debit any "write-down of inventories."

19: The net debit or credit of "write-up of security investments," "profit on disposal of securities," "write-down of security investments," and "loss on disposal of securities."

20: The net debit or credit of "write-up of land," "write-up of plant accounts," "profit on disposal of capital assets," "write-down of land," "write-down of plant accounts," and "loss on disposal of capital assets."

21: The net debit or credit of "write-up of intangibles," "write-down of intangibles," "unamortized debt discount and expense," "discount on capital stock." If the revaluation of intangibles seem large in comparison with the figure for total intangibles, check the company figures to see if some part of the adjustment should be made to the buildings-and-equipment account.

22: Credit any "profit on redemption or reacquisition of debt."

23: The net debit or credit of "profit on retirement or reacquisition of stock," "reduction of par or stated value of stock," and all stock dividends.

24: Debit the sum of cash dividends on both preferred and common stock.

26: This item merely provides a mathematical check, and is the net debit or credit of "reserve adjustments" (under "other additions"), "miscellaneous credits," "loss on retirement or reacquisition of securities," "reserve adjustments" (under "other deductions"), "miscellaneous debits," any dividends paid in other than cash or stock; and the net debit or credit of capital gain or loss. If the residual amounts to more than 10 percent of the total source or disposal, spot the companies with the largest unaccounted-for surplus debits and credits, look up their reports in Moody's *Industrials*, and ascertain to which accounts these surplus entries refer. Make enough of these adjustments to bring the residual down to 10 percent or less.

28: Enter here the period change in the difference between current assets and current liabilities. This is not only the net entry of lines 1 and 7, but also the net entry of lines 29 through 38.

29-38: Enter on these lines the changes in each of the working-capital items over the period covered.

B. INSTRUCTION FOR ENTERING THE PERIOD'S ADJUSTMENTS, BOTH DEBITS AND CREDITS (COLUMNS 3 AND 4) (FORM A)

These columns are employed to transfer the adjustment items (mainly for non-cash debits and credits) to the appropriate balance sheet accounts. The entries in lines 13, 17-24 will be closed out by regular accounting procedures to the items in the preceding lines, as indicated by the letters in the cross-reference column. For example, assume a write-down of land: The debit in line 20 of column 1 would be transferred to the land, buildings, and equipment account by entering the amount as a credit in line 20 of column 2 and again as a debit in line 3 of column 3. Attention is called to the fact that both the depreciation charge (line 13) and land and plant revaluations (line 20) are closed out to the land, buildings and equipment item (line 13), and that the revaluations both of receivables (line 17) and of inventories (line 18) are carried up to the current assets item (line 1).

C. INSTRUCTIONS FOR ENTERING THE SOURCE AND DISPOSAL ITEMS (COLUMNS 5 AND 6) (FORM A)

These columns are derived by consolidating the period's adjustments with the period's excess of debits and credits. Note that even though the depreciation and depletion charge (line 13) was carried as a debit adjustment to the land, buildings and equipment item, it is also entered as a credit item (source of funds) in column 6 of line 13.

APPENDIX F

STATISTICAL TABLES FOR REFERENCE USE—SAMPLE OF SMALL MANUFACTURING CORPORATIONS

These tables are basic to the material on small manufacturing corporations discussed in the text. They were compiled as special tabulations (proposals 7 and 14)¹ at the Philadelphia Income Tax Study in accordance with procedures outlined in appendix D and the data are subject to the limitations there discussed.

Because Federal income-tax returns request balance-sheet data for the beginning as well as the end of the year, it has been possible in many of these tables to include the year 1925. The identical samples, however, are rarely complete for that year because some firms did not present the beginning-of-year balance sheet. Hence, differences between the 1925 and 1926 figures should be used guardedly. Finally, the tables published here incorporate a few minor revisions not available when the analysis in the text of this report was made.

The tables are not numbered consecutively. Omissions represent data compiled but not published here. These data are of less importance but will be maintained in a Source Book by the United States Treasury Department in Washington, D. C. This Source Book is available for research purposes to qualified students representing accredited organizations and to administrative officials of State and other Governmental units. In the appended list the headings of these omitted tables are given. It may be added that all the composite tables in these original compilations give the breakdown between income and no-income companies while the published composites show only the totals, and that certain data shown only for selected years in the published tables are given annually in the original compilations.

Table 2A: Year-to-year changes in balance-sheet items for an identical sample of small baking corporations classified into income and no-income companies, showing the aggregate amounts over the period, 1926-36.

Table 11A: Frequency distribution of companies based upon the identity or lack of identity of State of location and State of incorporation by asset size for a sample of small baking corporations, 1930-36.

Table 12A: Frequency distribution of companies and percentages of total by the ratio of funded debt to capital stock, cross-classified by asset size and by failure or survivorship, for a sample of small baking corporations, 1926-36.

Table 13A: Frequency distribution of companies and percentages of total by the ratio of funded debt to capital stock, cross-classified by geographical location and by failure or survivorship, for a sample of small baking corporations, 1926-36.

Table 14A: Frequency distribution of companies and percentages of total by the ratio of capital stock to surplus, cross-classified by asset size and by failure or survivorship, for a sample of small baking corporations, 1926-36.

Table 15A: Frequency distribution of companies and percentages of total by the ratio of capital stock to surplus, cross-classified by geographical location and by failure or survivorship, for a sample of small baking corporations, 1926-36.

¹ Proposal 7 was merely an extension of proposal 14, in which the inventory item was subjected to further tabulation. Proposal 7 tables have been joined to those for proposal 14, the only distinction between the two proposals being one of administration at the Income Tax Study.

Table 18A: Frequency distribution of companies and percentages of total by the ratio of current assets to current liabilities, cross-classified by asset size and by failure or survivorship, for a sample of small baking corporations, 1926-36.

Table 19A: Frequency distribution of companies and percentages of total by the ratio of current assets to current liabilities, cross-classified by geographical location and by failure or survivorship, for a sample of small baking corporations, 1926-36.

Table 20A: Frequency distribution of companies by the ratio of statutory net income to economic income for an identical sample of small baking corporations, 1926-36.

Table 21A: Frequency distribution of companies by the ratio of statutory net income to economic income for an identical sample of small baking corporations, 1930-36.

Table 22A: Dividend disbursements expressed as amounts and as percentages of economic income available for dividends, for an identical sample of small baking corporations, 1926-36.

Table 23A: Dividend disbursements expressed as amounts and as percentages of economic income available for dividends, for an identical sample of small baking corporations, 1930-36.

Table 25A: Frequency distribution of companies by the ratio of officers' compensation to economic income for an identical sample of small baking corporations, 1926-36.

Table 26A: Frequency distribution of companies by the ratio of officers' compensation to economic income for an identical sample of small baking corporations, 1930-36.

Table 27A: Frequency distribution of companies by the ratio of cost of goods sold plus operating expenses to sales, for an identical sample of small baking corporations, 1926-36.

Table 28A: Frequency distribution of companies by the ratio of cost of goods sold plus operating expenses to sales, for an identical sample of small baking corporations, 1930-36.

Table 31A: Frequency distribution of companies by the ratio of rent paid to sales, for an identical sample of small baking corporations, 1926-36.

Table 32A: Frequency distribution of companies by the ratio of rent paid to sales, for an identical sample of small baking corporations, 1930-36.

Table 35A: Frequency distribution of companies by the ratio of dividends to sales cross-classified by the ratio of officers' compensation to sales for an identical sample of small baking corporations, 1926-36.

Table 36A: Frequency distribution of companies by the ratio of dividends to sales cross-classified by the ratio of officers' compensation to sales for an identical sample of small baking corporations, 1930-36.

Table 37A: Frequency distribution of companies by the size of economic income cross-classified by the size of dividends for an identical sample of small baking corporations, 1926-36.

Table 38A: Frequency distribution of companies by the size of economic income cross-classified by the size of dividends for an identical sample of small baking corporations, 1930-36.

Table 39A: Frequency distribution of companies by the size of economic income cross-classified by the size of officers' compensation for an identical sample of small baking corporations, 1926-36.

Table 40A: Frequency distribution of companies by the size of economic income cross-classified by the size of officers' compensation for an identical sample of small baking corporations, 1930-36.

Table 42A: Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent paid to sales for an identical sample of small baking corporations, 1930-36.

Table 45A: Frequency distribution of companies by the ratio of cash to current assets for an identical sample of small baking corporations, 1925-36.

Table 46A: Frequency distribution of companies by the ratio of cash to current assets for an identical sample of small baking corporations, 1930-36.

Table 47A: Frequency distribution of companies by the ratio of accounts receivable to current assets for an identical sample of small baking corporations, 1926-36.

Table 48A: Frequency distribution of companies by the ratio of accounts receivable to current assets for an identical sample of small baking corporations, 1930-36.

Table 49A: Frequency distribution of companies by the ratio of notes receivable to current assets for an identical sample of small baking corporations, 1925-36.

Table 50A: Frequency distribution of companies by the ratio of notes receivable to current assets for an identical sample of small baking corporations, 1930-36.

Table 53A: Frequency distribution of companies by the ratio of working capital to current assets for an identical sample of small baking corporations, 1925-36.

Table 54A: Frequency distribution of companies by the ratio of working capital to current assets for an identical sample of small baking corporations, 1930-36.

Table 69A: Frequency distribution of companies by the ratio of mortgages to funded debt for an identical sample of small baking corporations, 1925-36.

Table 70A: Frequency distribution of companies by the ratio of mortgages to funded debt for an identical sample of small baking corporations, 1930-36.

Table 71A: Frequency distribution of companies by the ratio of economic income to capital stock for an identical sample of small baking corporations, 1926-36.

Table 72A: Frequency distribution of companies by the ratio of economic income to capital stock for an identical sample of small baking corporations, 1930-36.

Table 77A: Frequency distribution of companies by the ratio of officers' compensation and income to capital stock for an identical sample of small baking corporations, 1926-36.

Table 78A: Frequency distribution of companies by the ratio of officers' compensation and income to capital stock for an identical sample of small baking corporations, 1930-36.

Table 81A: Frequency distribution of companies by the ratio of sales to tangible net worth for an identical sample of small baking corporations, 1926-36.

Table 82A: Frequency distribution of companies by the ratio of sales to tangible net worth for an identical sample of small baking corporations, 1930-36.

Table 91A: Frequency distribution of companies by the ratio of repairs to gross capital assets (excluding land) for an identical sample of small baking corporations, 1926-36.

Table 92A: Frequency distribution of companies by the ratio of repairs to gross capital assets (excluding land) for an identical sample of small baking corporations, 1930-36.

Table 93A: Frequency distribution of companies by the ratio of other assets to total assets, cross-classified by the ratio of economic income to capital stock for an identical sample of small baking corporations, 1926-36.

Table 94A: Frequency distribution of companies by the ratio of other assets to total assets, cross-classified by the ratio of economic income to capital stock for an identical sample of small baking corporations, 1930-36.

Table 95A: Frequency distribution of companies by the size of net sales cross-classified by the size of total assets for an identical sample of small baking corporations, 1926-36.

Table 96A: Frequency distribution of companies by the size of net sales cross-classified by the size of total assets for an identical sample of small baking corporations, 1930-36.

Table 97A: Frequency distribution of companies by the size of dividends cross-classified by the ratio of current assets to total assets for an identical sample of small baking corporations, 1926-36.

Table 98A: Frequency distribution of companies by the size of dividends cross-classified by the ratio of current assets to total assets for an identical sample of small baking corporations, 1930-36.

Table 101A: Frequency distribution of companies by the size of dividends cross-classified by the ratio of surplus and undivided profits to total capital for an identical sample of small baking corporations, 1926-36.

Table 102A: Frequency distribution of companies by the size of dividends cross-classified by the ratio of surplus and undivided profits to total capital for an identical sample of small baking corporations, 1930-36.

Table 103A: Frequency distribution of companies by the size of economic income cross-classified by the ratio of depreciation to gross capital assets (excluding land) for an identical sample of small baking corporations, 1926-36.

Table 104A: Frequency distribution of companies by the size of economic income cross-classified by the ratio of depreciation to gross capital assets (excluding land) for an identical sample of small baking corporations, 1930-36.

Table 105A: Frequency distribution of companies by the ratio of total taxes to net worth for an identical sample of small baking corporations, 1926-36.

Table 106A: Frequency distribution of companies by the ratio of total taxes to net worth for an identical sample of small baking corporations, 1930-36.

Table 107A: Frequency distribution of companies by the ratio of nonincome taxes to total taxes for an identical sample of small baking corporations, 1926-36.

Table 108A: Frequency distribution of companies by the ratio of nonincome taxes to total taxes for an identical sample of small baking corporations, 1930-36.

Table 109A: Frequency distribution of companies by the ratio of nonincome taxes to net worth for an identical sample of small baking corporations, 1926-36.

Table 110A: Frequency distribution of companies by the ratio of nonincome taxes to net worth for an identical sample of small baking corporations, 1930-36.

Table 111A: Frequency distribution of companies by the ratio of nonincome taxes to cost of goods sold and operating expenses for an identical sample of small baking corporations, 1926-36.

Table 112A: Frequency distribution of companies by the ratio of nonincome taxes to cost of goods sold and operating expenses for an identical sample of small baking corporations, 1930-36.

Table 113A: Frequency distribution of companies by the trends in total capital and in income for an identical sample of small baking corporations, by periods 1926-36.

Table 114A: Frequency distribution of companies by the trends in total capital and in sales for an identical sample of small baking corporations, by periods 1926-36.

Table 115A: Frequency distribution of companies by the trends in total investment and in income for an identical sample of small baking corporations, by periods 1926-36.

Table 118A: Frequency distribution of companies by the ratio of accounts receivable to current assets cross-classified by the number of years before failure for a sample of small baking corporations failing between 1927 and 1936.

Table 119A: Frequency distribution of companies by the ratio of notes receivable to current assets cross-classified by the number of years before failure for a sample of small baking corporations failing between 1927 and 1936.

TABLE I-A.—Selected income statement and balance sheet items for an identical sample of small baking corporations, showing frequencies and aggregate amounts by years, 1925-36

[Figures in parentheses indicate loss]

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
I. Total assets:												
Number of companies.....	75	81	81	81	81	81	81	81	81	81	81	81
Amount.....	\$5,276,880	\$5,764,364	\$6,221,791	\$6,414,315	\$6,631,850	\$6,391,972	\$6,265,807	\$5,779,462	\$5,619,093	\$5,535,490	\$5,438,696	\$5,363,819
2. Total net sales:												
Amount.....		\$13,965,831	\$14,826,140	\$15,033,520 ¹	\$15,725,358	\$15,130,462	\$12,692,269	\$10,246,434	\$10,462,222	\$12,407,816	\$13,437,630	\$14,050,394
3. Economic income:												
Amount.....		\$371,453	\$582,038	\$307,861	\$533,798	\$299,149	\$89,115	(\$268,827)	(\$52,509)	(\$75,874)	(\$28,245)	\$147,086
4. Interest expense:												
Number of companies.....		57	56	51	51	53	50	51	56	51	53	51
Amount.....		\$64,462	\$82,118	\$80,451	\$86,093	\$76,343	\$69,289	\$48,073	\$61,084	\$55,617	\$54,869	\$41,316
5. Federal and State income taxes:												
Number of companies.....		42	48	41	53	44	32	28	36	40	39	51
Amount.....		\$58,128	\$81,253	\$44,282	\$59,242	\$41,209	\$27,137	\$21,450	\$22,582	\$22,095	\$29,590	\$42,983
6. Depreciation and depletion:												
Number of companies.....		71	75	75	73	74	75	75	75	76	75	72
Amount.....		\$356,890	\$412,003	\$438,377	\$441,680	\$446,817	\$418,301	\$397,675	\$372,631	\$348,515	\$340,395	\$336,618
7. Dividends paid: ¹												
Number of companies.....		26	29	30	28	30	25	22	10	14	14	23
Amount.....		\$216,431	\$264,273	\$217,586	\$222,704	\$238,330	\$173,219	\$77,286	\$40,340	\$41,494	\$55,767	\$208,317
8. Income before interest, income taxes, and depreciation:												
Amount.....		\$850,933	\$1,157,412	\$870,971	\$1,120,813	\$863,518	\$603,842	\$198,371	\$403,791	\$350,353	\$396,909	\$568,203
9. Income before income taxes and depreciation:												
Amount.....		\$786,471	\$1,075,294	\$790,520	\$1,034,720	\$787,175	\$534,553	\$150,298	\$342,707	\$294,736	\$341,740	\$526,887
10. Income before interest and income taxes:												
Amount.....		\$494,043	\$745,409	\$432,594	\$679,133	\$416,701	\$155,541	(\$199,304)	\$31,157	\$1,838	\$56,214	\$231,585
11. Income before depreciation:												
Amount.....		\$728,343	\$994,041	\$746,238	\$975,478	\$745,966	\$507,416	\$128,848	\$320,125	\$272,641	\$312,150	\$464,604

¹ This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	1926	1929	1936
Number of companies.....	1	1	1
Amount.....	\$94,800	\$19,100	\$5,000

CONCENTRATION OF ECONOMIC POWER

60. Finished goods:	11	12	9	9	8	10	12	14	17	19	20
Number of companies.....	\$22, 714	\$23, 390	\$13, 031	\$9, 627	\$5, 667	\$8, 012	\$6, 405	\$7, 559	\$8, 065	\$22, 292	\$22, 659
Amount.....	17	17	17	15	15	14	17	16	13	9	8
60A. Inventory (unspecified):	\$166, 762	\$146, 926	\$177, 066	\$99, 212	\$93, 736	\$79, 244	\$68, 973	\$75, 290	\$61, 810	\$25, 528	\$24, 497
Number of companies.....	38	39	40	38	36	38	38	38	39	41	40
Amount.....	\$64, 507	\$67, 210	\$85, 763	\$102, 719	\$83, 234	\$89, 865	\$82, 295	\$106, 672	\$98, 903	\$102, 069	\$116, 948
61. Supplies:	49	49	51	51	51	51	51	51	53	52	51
Number of companies.....	\$1, 843, 360	\$2, 026, 592	\$2, 098, 902	\$2, 159, 460	\$2, 211, 479	\$2, 263, 768	\$2, 214, 108	\$2, 226, 305	\$2, 237, 679	\$2, 249, 778	\$2, 212, 254
Amount.....	76	76	77	77	78	78	78	77	78	78	78
62. Buildings:	\$1, 534, 179	\$1, 784, 864	\$1, 915, 220	\$2, 080, 595	\$2, 264, 024	\$2, 334, 481	\$2, 394, 698	\$2, 374, 177	\$2, 315, 915	\$2, 382, 023	\$2, 365, 535
Number of companies.....	67	68	67	67	66	66	65	65	65	63	64
Amount.....	\$153, 899	\$132, 556	\$163, 621	\$152, 656	\$148, 896	\$145, 552	\$134, 125	\$133, 366	\$138, 831	\$133, 060	\$114, 612
63. Machinery and equipment:	42	45	47	48	47	49	49	48	48	50	49
Number of companies.....	\$370, 436	\$432, 222	\$537, 427	\$565, 109	\$517, 394	\$540, 213	\$508, 738	\$495, 982	\$496, 612	\$566, 726	\$539, 008
Amount.....	74	74	73	73	72	73	73	70	71	72	72
64. Furniture and fixtures:	\$998, 579	\$1, 008, 839	\$1, 110, 580	\$1, 131, 648	\$1, 136, 977	\$1, 097, 969	\$1, 075, 790	\$928, 137	\$906, 445	\$911, 147	\$929, 430
Number of companies.....	1	1	1	3	4	4	4	4	4	5	2
Amount.....	22	23	25	25	27	25	24	24	25	26	24
65. Land:	\$435, 929	\$509, 261	\$550, 005	\$531, 516	\$532, 726	\$496, 840	\$550, 763	\$531, 116	\$598, 065	\$570, 832	\$528, 211
Number of companies.....	52	52	46	46	41	50	52	57	55	53	57
66. All other capital assets:	\$36, 059	\$36, 059	\$37, 206	\$38, 263	\$45, 010	\$43, 885	\$43, 141	\$50, 502	\$45, 741	\$44, 365	\$44, 912
Number of companies.....	19	19	19	19	19	19	21	21	19	15	19
Amount.....	1	1	1	1	1	1	1	1	1	1	1
67. Bonds and notes (unsecured):	18	15	17	21	22	24	20	20	18	18	27
Number of companies.....	\$2, 714	\$3, 252	\$3, 187	\$4, 963	\$4, 982	\$7, 018	\$7, 599	\$3, 548	\$2, 941	\$2, 644	\$7, 254
Amount.....	57	50	55	54	55	52	56	67	72	74	73
68. Mortgages, etc. (secured):	\$28, 397	\$24, 538	\$32, 275	\$33, 562	\$36, 960	\$27, 916	\$28, 383	\$31, 961	\$36, 020	\$39, 396	\$41, 671
Number of companies.....	1	1	1	1	1	1	1	1	1	1	1
Amount.....	45	45	45	45	45	45	45	45	45	45	45
69. Property taxes deducted:	\$28, 006	\$3, 252	\$3, 187	\$4, 963	\$4, 982	\$7, 018	\$7, 599	\$3, 548	\$2, 941	\$2, 644	\$7, 254
Number of companies.....	18	15	17	21	22	24	20	20	18	18	27
Amount.....	57	50	55	54	55	52	56	67	72	74	73
70. Sales taxes deducted:	\$24, 538	\$24, 538	\$32, 275	\$33, 562	\$36, 960	\$27, 916	\$28, 383	\$31, 961	\$36, 020	\$39, 396	\$41, 671
Number of companies.....	1	1	1	1	1	1	1	1	1	1	1
Amount.....	45	45	45	45	45	45	45	45	45	45	45
71. Pay-roll taxes deducted:	\$28, 006	\$3, 252	\$3, 187	\$4, 963	\$4, 982	\$7, 018	\$7, 599	\$3, 548	\$2, 941	\$2, 644	\$7, 254
Number of companies.....	18	15	17	21	22	24	20	20	18	18	27
Amount.....	57	50	55	54	55	52	56	67	72	74	73
72. State income taxes deducted:	\$24, 538	\$24, 538	\$32, 275	\$33, 562	\$36, 960	\$27, 916	\$28, 383	\$31, 961	\$36, 020	\$39, 396	\$41, 671
Number of companies.....	1	1	1	1	1	1	1	1	1	1	1
Amount.....	45	45	45	45	45	45	45	45	45	45	45
73. Other taxes deducted:	\$28, 006	\$3, 252	\$3, 187	\$4, 963	\$4, 982	\$7, 018	\$7, 599	\$3, 548	\$2, 941	\$2, 644	\$7, 254
Number of companies.....	18	15	17	21	22	24	20	20	18	18	27
Amount.....	57	50	55	54	55	52	56	67	72	74	73

TABLE 1-B.—Selected income statement and balance-sheet items for an identical sample of small men's clothing corporations, showing frequencies and aggregate amounts by years, 1925-36

CONCENTRATION OF ECONOMIC POWER

[Figures in parentheses indicate loss]

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
1. Total assets:												
Number of companies.....	42	46	46	46	46	46	46	46	46	46	46	46
Amount.....	\$3,139,414	\$3,457,083	\$3,601,782	\$3,676,739	\$4,168,482	\$3,545,960	\$3,037,105	\$2,543,626	\$2,771,076	\$2,644,629	\$2,931,513	\$3,196,454
2. Total net sales:												
Amount.....	\$8,548,767	\$9,040,292	\$9,040,292	\$9,172,926	\$9,608,872	\$8,181,392	\$6,792,360	\$4,848,371	\$5,912,386	\$7,516,574	\$8,599,210	\$8,837,588
3. Economic income:												
Amount.....	\$219,472	\$127,686	\$127,686	\$162,896	\$110,826	(\$118,725)	(\$279,832)	(\$364,265)	\$10,443	\$1,025	\$64,945	\$103,018
4. Interest expense:												
Number of companies.....	35	36	36	34	37	34	31	29	35	30	32	28
Amount.....	\$27,928	\$40,776	\$40,776	\$34,345	\$35,941	\$33,863	\$27,387	\$17,620	\$15,139	\$17,249	\$22,905	\$26,593
5. Federal and State income taxes:												
Number of companies.....	27	27	27	23	28	23	17	20	31	31	30	33
Amount.....	\$34,031	\$25,749	\$25,749	\$19,305	\$14,727	\$9,042	\$4,535	\$3,740	\$19,801	\$17,535	\$24,428	\$26,992
6. Depreciation and depletion:												
Number of companies.....	39	39	40	39	39	38	34	34	34	29	30	32
Amount.....	\$27,695	\$32,107	\$32,107	\$35,271	\$32,227	\$33,184	\$24,184	\$19,927	\$19,538	\$17,215	\$20,272	\$23,729
7. Dividends paid: ¹												
Number of companies.....	10	10	11	9	7	7	4	5	6	4	4	7
Amount.....	\$141,528	\$119,126	\$119,126	\$87,488	\$40,893	\$36,130	\$1,375	\$8,698	\$26,506	\$1,220	\$1,973	\$82,220
8. Income before interest, income taxes and depreciation:												
Amount.....	\$309,126	\$226,318	\$226,318	\$251,817	\$193,721	(\$42,636)	(\$223,726)	(\$322,978)	\$64,921	\$53,024	\$132,550	\$180,332
9. Income before income taxes and depreciation:												
Amount.....	\$281,198	\$185,542	\$185,542	\$217,472	\$157,780	(\$76,499)	(\$251,113)	(\$340,698)	\$49,782	\$35,775	\$109,645	\$153,739
10. Income before interest and income taxes:												
Amount.....	\$281,431	\$194,211	\$194,211	\$216,546	\$161,494	(\$75,820)	(\$247,910)	(\$342,905)	\$45,383	\$35,809	\$112,278	\$156,603
11. Income before depreciation:												
Amount.....	\$247,167	\$159,793	\$159,793	\$198,167	\$143,053	(\$85,541)	(\$255,648)	(\$344,338)	\$29,981	\$18,240	\$85,217	\$126,747
12. Business savings:												
Amount.....	\$77,944	\$8,560	\$8,560	\$75,408	\$69,933	(\$154,855)	(\$281,207)	(\$372,963)	(\$16,063)		(\$205)	\$20,798
13. Funded debt:												
Number of companies.....	4	4	3	3	5	4	5	4	6	5	5	5
Amount.....	\$47,845	\$42,845	\$57,817	\$57,662	\$92,350	\$61,947	\$83,897	\$79,647	\$92,347	\$87,347	\$87,347	\$87,918
14. Preferred stock:												
Number of companies.....	4	5	5	6	5	5	5	5	4	4	4	4
Amount.....	\$102,350	\$136,500	\$148,500	\$158,500	\$137,500	\$137,000	\$137,000	\$139,000	\$129,000	\$129,000	\$127,250	\$127,250
15. Common stock:												
Amount.....	\$1,390,908	\$1,486,180	\$1,594,301	\$1,653,428	\$1,703,764	\$1,743,090	\$1,721,039	\$1,625,169	\$1,585,369	\$1,670,369	\$1,619,349	\$1,546,433
16. Total capital stock:												
Amount.....	\$1,493,268	\$1,622,680	\$1,742,801	\$1,811,928	\$1,841,264	\$1,880,090	\$1,858,039	\$1,764,169	\$1,714,369	\$1,799,369	\$1,746,599	\$1,673,683

17. Total capital: Amount.....	\$1,541,103	\$1,665,525	\$1,800,618	\$1,869,590	\$1,933,614	\$1,942,037	\$1,941,936	\$1,843,816	\$1,806,716	\$1,886,716	\$1,833,946	\$1,761,601
18. Bad debts expense: Number of companies.....		37	32	33	35	34	35	37	39	34	33	33
Amount.....		\$92,931	\$110,944	\$74,111	\$105,353	\$105,353	\$141,309	\$139,444	\$58,139	\$31,720	\$30,198	\$35,212
19. Cash and equivalent: Number of companies.....		39	42	45	45	45	45	44	43	44	44	45
Amount.....		\$292,762	\$283,575	\$243,826	\$256,438	\$207,519	\$285,789	\$273,211	\$218,235	\$291,276	\$196,387	\$209,871
20. Notes receivable: Number of companies.....		17	16	11	12	14	17	14	16	16	11	10
Amount.....		\$62,729	\$76,948	\$41,560	\$49,718	\$55,778	\$39,211	\$23,766	\$26,694	\$19,910	\$13,830	\$16,415
21. Accounts receivable (net): Number of companies.....		40	45	45	45	46	46	45	46	46	45	45
Amount.....		\$1,314,259	\$1,501,909	\$1,513,576	\$1,595,975	\$1,752,226	\$1,425,087	\$1,121,817	\$879,352	\$979,880	\$1,009,883	\$1,156,691
22. Total receivables: Number of companies.....		41	45	45	45	46	46	45	46	46	45	45
Amount.....		\$1,376,988	\$1,578,837	\$1,555,136	\$1,645,693	\$1,808,004	\$1,464,298	\$1,145,523	\$906,046	\$999,790	\$1,023,713	\$1,173,106
23. Inventories: Number of companies.....		41	45	45	45	45	45	45	45	45	44	44
Amount.....		\$997,041	\$1,055,937	\$1,207,851	\$1,186,059	\$1,504,547	\$1,132,574	\$968,692	\$1,042,731	\$927,296	\$1,173,929	\$1,296,066
24. Total current assets: Amount.....		\$2,636,791	\$2,918,369	\$3,006,813	\$3,088,190	\$3,520,070	\$2,882,661	\$2,387,426	\$1,841,670	\$2,118,362	\$2,394,029	\$2,679,043
25. Nontaxable investments: Number of companies.....		5	6	6	6	7	6	4	4	5	2	3
Amount.....		\$55,871	\$65,703	\$112,486	\$102,678	\$106,033	\$66,851	\$19,269	\$25,986	\$64,484	\$1,450	\$1,450
26. Stock of domestic corporations: Number of companies.....						6	9	10	8	7	7	6
Amount.....						\$26,163	\$75,882	\$63,733	\$59,623	\$63,482	\$65,857	\$63,820
27. Bonds of domestic corporations: Number of companies.....		14	20	19	17	1	3	3	3	3	2	2
Amount.....		\$47,631	\$68,979	\$114,298	\$117,344	\$800	\$21,930	\$22,192	\$22,042	\$19,683	\$14,603	\$11,456
28. All other investments: Number of companies.....						12	14	14	17	14	17	14
Amount.....						\$149,794	\$91,735	\$117,764	\$191,681	\$96,628	\$82,991	\$60,043
29. Total investments: Number of companies.....		16	23	22	21	19	23	22	23	21	22	19
Amount.....		\$103,502	\$134,682	\$226,784	\$220,022	\$282,790	\$256,398	\$222,958	\$299,332	\$171,322	\$164,901	\$136,769
30. Gross capital assets (excluding land): Amount.....		\$328,655	\$348,949	\$369,980	\$382,861	\$419,727	\$454,589	\$493,787	\$462,714	\$485,777	\$495,777	\$504,498

1 This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935
Number of companies.....	3	1	1	1	1	1	1	1	1	1
Amount.....	\$35,000	\$27,000	\$1,379		\$18,000	\$8,300		\$3,500	\$40,000	\$40,000

TABLE 1-B.—Selected income statement and balance-sheet items for an identical sample of small men's clothing corporations, showing frequencies and aggregate amounts by years, 1925-36—Continued

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
31. Depreciation and depletion reserves:												
Number of companies.....	25	33	33	32	34	35	35	34	34	35	33	35
Amount.....	\$75,732	\$97,274	\$131,265	\$140,878	\$173,338	\$197,975	\$203,578	\$200,743	\$211,751	\$238,248	\$237,939	\$253,451
32. Net capital assets (excluding land):												
Amount.....	\$252,923	\$251,675	\$238,715	\$241,983	\$246,389	\$256,614	\$290,209	\$269,329	\$250,963	\$247,529	\$257,838	\$251,047
33. Net capital assets (including land):												
Amount.....	\$255,023	\$275,613	\$263,153	\$266,421	\$272,827	\$315,081	\$349,869	\$328,989	\$288,566	\$285,332	\$295,641	\$288,850
34. All other assets:												
Number of companies.....	22	24	23	23	23	25	24	22	22	24	24	26
Amount.....	\$144,098	\$128,419	\$105,032	\$102,106	\$92,793	\$91,250	\$76,852	\$73,635	\$72,361	\$69,613	\$76,942	\$91,822
35. Intangibles and deferred charges:												
Number of companies.....	21	24	21	21	23	25	24	22	23	24	26	26
Amount.....	\$108,739	\$113,865	\$98,980	\$95,050	\$86,741	\$85,202	\$70,343	\$66,764	\$64,866	\$61,296	\$68,621	\$87,329
36. Notes payable:												
Number of companies.....	27	30	33	31	31	32	29	32	31	28	31	36
Amount.....	\$373,234	\$449,378	\$355,027	\$321,290	\$350,879	\$319,184	\$300,908	\$267,884	\$216,558	\$209,526	\$233,423	\$418,767
37. Account's payable:												
Number of companies.....	40	44	44	44	44	44	43	43	43	46	45	45
Amount.....	\$671,841	\$718,063	\$851,664	\$843,363	\$1,109,614	\$691,883	\$501,992	\$399,533	\$665,852	\$562,374	\$801,334	\$818,653
38. Total current liabilities:												
Number of companies.....	40	44	44	45	45	45	45	45	44	46	46	46
Amount.....	\$1,193,192	\$1,338,129	\$1,362,677	\$1,294,938	\$1,625,173	\$1,105,130	\$850,641	\$743,410	\$979,305	\$853,504	\$1,127,906	\$1,372,110
39. Working capital:												
Amount.....	\$1,443,599	\$1,580,240	\$1,644,136	\$1,793,252	\$1,894,897	\$1,777,531	\$1,536,785	\$1,098,260	\$1,187,707	\$1,264,858	\$1,266,123	\$1,306,933
40. Total debt:												
Number of companies.....	40	44	44	45	45	45	45	45	43	46	46	46
Amount.....	\$1,241,037	\$1,380,974	\$1,420,494	\$1,352,600	\$1,717,523	\$1,167,077	\$934,538	\$823,057	\$1,071,652	\$940,851	\$1,215,253	\$1,460,028
41. Other liabilities:												
Number of companies.....	2	3	2	3	1	1	2	2	3	3	2	2
Amount.....	\$1,309	\$696	\$1,737	\$1,035	\$597	\$961	\$2,226	\$1,363	\$1,955	\$1,093	\$3,386	\$3,675
42. Surplus:												
Number of companies.....	38	44	44	44	45	45	45	46	46	46	46	44
Amount.....	\$393,781	\$450,736	\$429,970	\$503,951	\$609,098	\$498,162	\$242,292	(\$44,963)	(\$16,900)	(\$96,684)	(\$33,725)	\$59,098
43. Undivided profits:												
Number of companies.....	1	2	2	1								
Amount.....	\$10,029	\$1,997	\$6,780	\$7,225								
44. Surplus and undivided profits:												
Number of companies.....	39	45	45	45	45	45	45	46	46	46	46	44
Amount.....	\$403,810	\$452,733	\$436,750	\$511,176	\$609,098	\$498,162	\$242,292	(\$44,963)	(\$16,900)	(\$96,684)	(\$33,725)	\$59,098
45. Net worth:												
Amount.....	\$1,897,068	\$2,075,413	\$2,179,551	\$2,323,104	\$2,450,362	\$2,378,252	\$2,100,331	\$1,719,206	\$1,697,469	\$1,702,685	\$1,712,874	\$1,732,781
46. Total investment in enterprise:												
Amount.....	\$1,944,913	\$2,118,258	\$2,237,368	\$2,380,766	\$2,542,712	\$2,440,199	\$2,184,228	\$1,798,853	\$1,789,816	\$1,790,032	\$1,800,221	\$1,820,699

47. Tangible net worth:	\$1,788,329	\$1,961,548	\$2,080,571	\$2,228,054	\$2,363,621	\$2,293,050	\$2,029,988	\$1,652,442	\$1,632,883	\$1,641,389	\$1,644,253	\$1,645,452
Amount.....												
48. Cost of goods sold and of operations:		\$6,703,019	\$7,239,590	\$7,228,166	\$7,666,588	\$6,521,224	\$5,514,299	\$3,989,139	\$4,745,703	\$6,238,618	\$7,142,773	\$7,177,947
Amount.....												
49. Repairs expense:		362	660	89,096	15,215	55,262	5,919	11,138	66,357	12,053	12,887	13,173
Number of companies.....	14	14	18	15	15	15	9	11	12	12	11	12
50. Dividends deductible:		3	4	3	4	3	4	2	1	4	6	10
Amount.....	\$623	\$842	\$1,037	\$1,579	\$781	\$781	\$1,080	\$482	\$247	\$772	\$4,625	\$3,319
51. Compensation of officers:		43	43	44	44	43	43	41	44	45	42	42
Number of companies.....	43	43	44	44	43	43	43	41	44	45	42	42
Amount.....	\$626,672	\$650,859	\$629,662	\$650,461	\$572,942	\$458,122	\$376,716	\$391,655	\$452,073	\$430,121	\$451,001	\$451,001
52. Rent paid on business property:		42	42	44	44	44	42	42	43	43	43	41
Number of companies.....	42	42	44	44	44	44	42	42	43	43	43	41
Amount.....	\$172,911	\$189,406	\$204,595	\$203,650	\$201,485	\$174,095	\$131,613	\$116,349	\$106,454	\$103,907	\$115,064	\$115,064
53. Capital gains and losses:		6	2	4	4	1	5	5	5	4	3	4
Number of companies.....	6	2	4	4	1	5	5	5	5	4	3	4
Amount.....	\$733	\$734	\$131	\$2,780	\$454	(\$1,385)	(\$6,348)	(\$22,365)	(\$749)	(\$65)	(\$65)	(\$2,209)
54. Tax-exempt interest received:												
Number of companies.....												
Amount.....												
55. Nonincome taxes deducted:		25	25	25	25	27	26	25	40	39	40	38
Number of companies.....	25	25	25	25	25	27	26	25	40	39	40	38
Amount.....	\$9,970	\$11,028	\$10,152	\$14,173	\$9,955	\$8,617	\$8,617	\$5,889	\$11,636	\$15,767	\$15,219	\$24,299
56. Total taxes deducted:		38	39	38	41	41	37	38	43	41	43	43
Number of companies.....	38	39	38	41	41	41	37	38	43	41	43	43
Amount.....	\$44,001	\$36,777	\$29,457	\$24,853	\$18,997	\$13,152	\$13,152	\$9,828	\$31,238	\$33,302	\$39,647	\$61,291
57. Statutory net income:		37	32	38	34	18	11	5	22	20	18	25
Number of companies.....	37	32	38	34	18	18	11	5	22	20	18	25
Positive.....		9	14	8	12	28	35	41	21	26	28	21
Negative.....												
Amount.....												
58. Raw materials:		227,984	\$201,617	\$187,370	\$153,390	\$61,713	\$37,115	\$6,030	\$121,825	\$97,921	\$144,334	\$159,498
Number of companies.....	5	5	5	5	5	5	5	5	5	5	5	5
Amount.....	\$285,440	\$284,840	\$311,150	\$427,957	\$300,608	\$273,038	\$210,505	\$301,504	\$194,631	\$196,218	\$280,121	\$280,121
59. Work in process:		5	5	5	5	3	2	2	3	3	4	7
Number of companies.....	5	5	5	5	3	3	2	2	3	3	4	7
Amount.....	\$43,545	\$37,571	\$28,406	\$23,148	\$5,652	\$4,092	\$3,788	\$30,617	\$5,345	\$59,221	\$70,990	\$70,990
60. Finished goods:		10	10	11	9	14	15	16	14	15	15	14
Number of companies.....	10	10	11	9	14	15	15	16	14	15	15	14
Amount.....	\$191,968	\$76,341	\$182,730	\$187,989	\$202,047	\$405,885	\$306,561	\$189,572	\$290,576	\$190,317	\$288,618	\$258,664
60A. Inventory (unspecified):		19	22	21	20	16	16	17	15	17	15	16
Number of companies.....	19	22	21	20	16	16	16	17	15	17	15	16
Amount.....	\$444,016	\$623,454	\$678,998	\$650,926	\$708,668	\$406,780	\$363,342	\$318,187	\$429,121	\$439,506	\$564,774	\$571,407
61. Supplies:		5	7	10	10	8	8	10	9	7	7	7
Number of companies.....	5	7	10	10	8	8	8	10	9	7	7	7
Amount.....	\$32,072	\$33,731	\$56,577	\$40,465	\$69,323	\$13,632	\$21,689	\$15,150	\$9,913	\$7,496	\$65,098	\$114,884

TABLE I-B.—Selected income statement and balance-sheet items for an identical sample of small men's clothing corporations, showing frequencies and aggregate amounts by years, 1925-36—Continued

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
62. Buildings:												
Number of companies		3	4	4	4	4	4	4	3	3	3	3
Amount		\$57,216	\$75,216	\$75,216	\$84,091	\$119,368	\$127,603	\$130,372	\$112,476	\$112,476	\$112,476	\$112,476
63. Machinery and equipment:												
Number of companies		27	26	25	27	26	27	25	25	26	26	27
Amount		\$192,288	\$187,661	\$201,166	\$219,100	\$218,037	\$197,027	\$155,318	\$109,658	\$210,862	\$219,464	\$229,358
64. Furniture and fixtures:												
Number of companies		25	25	28	27	26	27	25	25	24	22	23
Amount		\$54,834	\$59,274	\$58,008	\$70,491	\$73,028	\$95,925	\$87,233	\$89,602	\$84,534	\$86,545	\$88,507
65. Land:												
Number of companies	2	3	4	4	4	5	5	5	4	4	4	4
Amount	\$2,100	\$23,938	\$24,438	\$24,438	\$26,438	\$59,067	\$59,660	\$59,660	\$37,603	\$37,803	\$37,803	\$37,803
66. All other capital assets:												
Number of companies		9	10	11	12	11	11	13	13	13	12	13
Amount		\$44,631	\$47,829	\$48,471	\$45,965	\$44,153	\$73,232	\$97,149	\$90,978	\$77,904	\$77,292	\$74,157
67. Bonds and notes (unsecured):												
Number of companies					1				1			
Amount					\$28,203				\$4,000			
68. Mortgages, etc. (secured):												
Number of companies	4	4	3	3	4	4	5	5	5	5	5	5
Amount	\$47,845	\$42,845	\$57,817	\$57,682	\$64,147	\$61,947	\$83,997	\$79,647	\$87,347	\$87,347	\$87,347	\$87,918
69. Property taxes deducted:												
Number of companies		15	17	16	16	17	13	11	13	12	16	17
Amount		\$6,799	\$7,973	\$6,854	\$7,890	\$7,381	\$5,647	\$3,670	\$3,457	\$2,082	\$5,023	\$5,039
70. Sales taxes deducted:												
Number of companies					1	1			17	12	11	12
Amount					\$13	\$13			\$2,862	\$3,818	\$3,414	\$2,944
71. Pay-roll taxes deducted:												
Number of companies												21
Amount												\$18,665
72. State income taxes deducted:												
Number of companies		18	18	16	20	13	13	16	17	16	17	18
Amount		\$3,310	\$3,845	\$4,627	\$6,137	\$5,348	\$2,626	\$2,865	\$2,464	\$2,644	\$1,823	\$3,738
73. Other taxes deducted:												
Number of companies		17	20	20	18	17	19	23	36	39	34	34
Amount		\$3,173	\$3,052	\$3,297	\$2,223	\$2,560	\$2,969	\$2,418	\$5,116	\$9,467	\$6,783	\$7,751

TABLE 1-C.—Selected income statement and balance sheet items for identical sample of small furniture corporations, showing frequencies and aggregate amounts by years, 1925-36

(Figures in parentheses indicate loss)

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
1. Total assets:												
Number of companies.....	65	66	66	66	66	66	66	66	66	66	66	66
Amount.....	\$7,179,279	\$7,164,828	\$7,656,163	\$8,554,330	\$9,440,973	\$8,487,391	\$7,462,481	\$6,249,141	\$6,305,904	\$6,068,367	\$6,101,311	\$6,502,756
2. Total net sales:												
Amount.....	\$11,484,237	\$10,983,932	\$11,177,570	\$12,160,184	\$9,337,009	\$7,397,088	\$4,446,360	\$5,556,791	\$6,074,756	\$6,074,756	\$7,988,460	\$10,048,565
3. Economic income:												
Amount.....	\$384,999	\$290,387	\$229,339	\$1,308,415	(3320,163)	(3327,094)	(1141,552)	(771,101)	(1141,552)	(1176,267)	(779,938)	\$227,107
4. Interest expense:												
Number of companies.....	50	52	49	48	47	46	45	45	45	47	45	51
Amount.....	\$58,148	\$64,744	\$72,067	\$95,192	\$69,838	\$61,358	\$49,477	\$47,122	\$47,122	\$45,446	\$45,194	\$45,754
5. Federal and State income taxes:												
Number of companies.....	45	43	44	35	26	22	22	22	35	31	38	45
Amount.....	\$67,118	\$68,191	\$47,736	\$157,527	\$69,479	\$13,481	\$5,646	\$20,579	\$20,579	\$17,740	\$31,064	\$62,769
6. Depreciation and depletion:												
Number of companies.....	62	59	61	59	59	57	56	56	59	55	59	59
Amount.....	\$144,080	\$157,690	\$174,260	\$182,417	\$177,272	\$160,177	\$131,227	\$132,461	\$132,461	\$121,494	\$119,930	\$111,578
7. Dividends paid: ¹												
Number of companies.....	30	23	21	22	23	24	24	14	13	17	18	25
Amount.....	\$283,606	\$186,211	\$166,865	\$283,994	\$241,646	\$205,521	\$163,509	\$33,025	\$33,025	\$63,856	\$70,378	\$201,568
8. Income before interest income taxes and depreciation:												
Amount.....	\$654,345	\$571,012	\$523,402	\$1,743,551	(83,574)	(892,078)	(558,451)	(558,451)	(558,451)	\$8,413	\$116,250	\$447,208
9. Income before income taxes and income taxes:												
Amount.....	\$596,197	\$506,268	\$451,335	\$1,648,359	(73,412)	(153,436)	(683,428)	(683,428)	(683,428)	(837,033)	\$71,056	\$401,454
10. Income before interest and income taxes:												
Amount.....	\$510,265	\$413,322	\$349,142	\$1,561,134	(180,846)	(252,255)	(771,078)	(771,078)	(773,851)	(1113,081)	(83,680)	\$335,630

¹ This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	1926	1927	1928	1929	1930	1936
Number of companies.....	1	2	3	1	1	1
Amount.....	\$17,343	\$63,000	\$30,372	\$352	\$100,000	\$17,400

TABLE 1-C.—Selected income statement and balance sheet items for identical sample of small furniture corporations, showing frequencies and aggregate amounts by years, 1925-36—Continued

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
11. Income before depreciation:												
Amount		\$529,079	\$448,077	\$403,599	\$1,490,832	\$142,891	\$166,917	\$639,874	\$9,091	\$54,773	\$39,992	\$338,685
12. Business savings:												
Amount		\$101,393	\$104,176	\$62,474	\$1,024,421	\$561,809	\$532,615	\$934,610	\$174,577	\$240,123	(\$150,316)	\$25,539
13. Funded debt:												
Number of companies	5	6	8	11	14	14	14	11	15	19	18	19
Amount	\$102,992	\$88,838	\$221,234	\$555,090	\$569,595	\$498,192	\$419,963	\$354,478	\$362,774	\$381,730	\$287,549	\$283,868
14. Preferred stock:												
Number of companies	11	11	20	13	13	13	12	13	14	14	13	14
Amount	\$311,100	\$301,200	\$362,200	\$375,600	\$398,600	\$334,300	\$385,900	\$413,900	\$426,954	\$446,629	\$437,903	\$473,421
15. Common stock:												
Amount	\$2,716,249	\$2,895,213	\$2,805,418	\$3,018,373	\$3,014,475	\$3,178,320	\$3,105,016	\$2,815,656	\$2,818,057	\$2,773,403	\$2,745,665	\$2,801,189
16. Total capital stock:												
Amount	\$3,027,349	\$3,196,413	\$3,167,618	\$3,336,973	\$3,403,075	\$3,512,620	\$3,490,916	\$3,229,556	\$3,245,011	\$3,220,032	\$3,183,570	\$3,274,610
17. Total capital:												
Amount	\$3,130,341	\$3,285,251	\$3,388,832	\$3,949,063	\$3,972,670	\$4,010,812	\$3,910,879	\$3,584,034	\$3,607,785	\$3,601,762	\$3,471,119	\$3,558,478
18. Bad debts expense:												
Number of companies		53	48	57	54	51	54	53	53	48	48	51
Amount		\$89,130	\$108,072	\$90,707	\$116,897	\$149,361	\$153,698	\$172,036	\$112,222	\$43,658	\$48,216	\$38,295
19. Cash and equivalent:												
Number of companies	63	64	64	66	65	66	66	64	65	65	65	64
Amount	\$409,316	\$511,873	\$358,832	\$545,891	\$1,090,684	\$751,983	\$728,645	\$470,303	\$407,425	\$424,131	\$393,937	\$374,024
20. Notes receivable:												
Number of companies	29	33	32	35	35	36	36	32	30	28	31	30
Amount	\$47,584	\$78,825	\$96,307	\$120,786	\$88,408	\$117,526	\$181,616	\$91,305	\$88,290	\$59,247	\$51,640	\$57,801
21. Accounts receivable (net):												
Number of companies	64	65	65	65	64	65	65	65	65	64	64	64
Amount	\$2,271,397	\$2,155,244	\$2,273,277	\$2,351,476	\$2,415,266	\$1,921,165	\$1,474,197	\$1,053,199	\$1,142,291	\$1,192,366	\$1,449,444	\$1,778,056
22. Total receivables:												
Number of companies	64	65	65	64	64	65	65	65	65	64	64	64
Amount	\$2,318,981	\$2,234,069	\$2,369,584	\$2,472,262	\$2,503,674	\$2,038,691	\$1,655,813	\$1,144,504	\$1,230,584	\$1,251,613	\$1,501,084	\$1,835,857
23. Inventories:												
Number of companies	65	66	66	66	65	66	66	66	66	65	65	66
Amount	\$2,183,261	\$2,068,190	\$2,332,367	\$2,394,300	\$2,366,641	\$2,249,958	\$2,010,066	\$1,679,012	\$1,773,363	\$1,614,751	\$1,662,081	\$1,779,182
24. Total current assets:												
Amount	\$4,911,558	\$4,814,132	\$5,060,733	\$5,412,453	\$5,960,999	\$5,040,632	\$4,394,524	\$3,293,819	\$3,416,374	\$3,290,495	\$3,559,102	\$3,989,063
25. Non-taxable investments:												
Number of companies	7	11	8	8	7	7	8	8	7	6	5	5
Amount	\$105,717	\$121,133	\$120,936	\$119,175	\$108,020	\$105,020	\$92,013	\$112,889	\$93,386	\$66,784	\$51,804	\$41,094
26. Stocks of domestic corporations:												
Number of companies							12	11	12	13	12	13
Amount							\$75,570	\$84,145	\$90,506	\$100,542	\$101,099	\$88,818

TABLE 1-C.—Selected income statement and balance sheet items for identical sample of small furniture corporations, showing frequencies and aggregate amounts by years, 1925-36—Continued

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
45. Net worth:												
Amount.....	\$5,052,023	\$5,273,836	\$5,412,547	\$6,029,103	\$7,063,144	\$6,660,493	\$5,835,833	\$4,927,891	\$4,812,877	\$4,619,029	\$4,606,810	\$4,698,882
46. Total investment in enterprise:												
Amount.....	\$5,155,015	\$5,362,674	\$5,633,781	\$6,584,193	\$7,632,739	\$7,158,685	\$6,355,796	\$5,282,369	\$5,175,651	\$5,000,759	\$4,894,389	\$4,982,750
47. Tangible net worth:												
Amount.....	\$4,981,659	\$5,103,194	\$5,333,352	\$5,912,055	\$6,934,662	\$6,508,859	\$5,806,583	\$4,810,734	\$4,694,385	\$4,517,481	\$4,505,344	\$4,590,120
48. Cost of goods sold and of operations:												
Amount.....	\$7,522,691	\$8,212,204	\$8,144,828	\$9,095,987	\$9,995,987	\$6,980,751	\$5,358,023	\$3,715,989	\$4,301,877	\$4,795,601	\$6,226,523	\$7,817,344
49. Repairs expense:												
Number of companies.....	40	42	46	46	46	45	44	45	42	46	47	46
Amount.....	\$45,577	\$37,440	\$39,272	\$39,272	\$45,150	\$40,781	\$29,850	\$19,583	\$22,361	\$26,831	\$36,467	\$52,442
50. Dividends deductible:												
Number of companies.....	5	5	4	4	6	5	4	4	7	6	6	10
Amount.....	\$3,482	\$2,347	\$1,983	\$1,983	\$2,096	\$1,878	\$1,761	\$2,519	\$3,183	\$3,251	\$3,698	\$489
51. Compensation of officers:												
Number of companies.....	56	56	58	58	59	58	59	54	57	59	60	59
Amount.....	\$602,498	\$617,374	\$638,855	\$764,176	\$682,802	\$621,905	\$521,905	\$339,376	\$333,296	\$367,544	\$378,849	\$477,876
52. Rent paid on business property:												
Number of companies.....	42	45	45	45	43	40	41	41	39	38	39	39
Amount.....	\$198,906	\$211,428	\$209,105	\$209,105	\$207,872	\$198,993	\$182,429	\$134,771	\$109,508	\$101,772	\$102,655	\$109,058
53. Capital gains and losses:												
Number of companies.....	6	9	8	8	8	8	5	7	8	9	10	6
Amount.....	\$10,680	\$4,714	(\$3,168)	\$1,093,499	(\$6,740)	(\$6,740)	\$12,119	(\$2,862)	(\$10,396)	\$1,560	\$5,006	\$1,412
54. Tax-exempt interest received:												
Number of companies.....										3	3	2
Amount.....										\$1,769	\$843	\$363
55. Non-income taxes deducted:												
Number of companies.....	57	58	57	57	57	58	59	63	64	64	64	65
Amount.....	\$65,992	\$60,674	\$63,145	\$65,120	\$65,120	\$72,937	\$65,082	\$63,128	\$72,518	\$65,012	\$69,430	\$105,298
56. Total taxes deducted:												
Number of companies.....	62	64	65	65	65	65	64	64	65	65	66	65
Amount.....	\$133,110	\$118,867	\$110,884	\$222,648	\$222,648	\$142,419	\$78,564	\$68,686	\$92,846	\$82,745	\$100,494	\$108,079
57. Statutory net income:												
Positive.....	51	51	40	40	48	28	25	6	24	17	25	39
Negative.....	15	15	26	26	18	38	41	60	42	49	41	27
Amount.....												
Positive.....	\$528,557	\$467,686	\$1,421,697	\$1,421,697	\$1,421,697	\$173,204	\$95,116	\$12,794	\$117,288	\$97,633	\$108,765	\$334,429
Negative.....	\$66,047	\$109,015	\$170,999	\$93,903	\$93,903	\$370,541	\$448,787	\$901,821	\$261,670	\$238,576	\$157,061	\$63,140
58. Raw materials:												
Number of companies.....	28	33	34	35	35	33	32	33	32	34	34	32
Amount.....	\$608,787	\$557,332	\$614,048	\$673,052	\$572,509	\$491,324	\$389,234	\$291,806	\$336,160	\$367,233	\$374,725	\$358,195

59. Work in process:	20	24	25	29	29	29	25	27	27	25	28	29	28
Number of companies	176,989	193,633	225,858	229,273	306,783	286,753	250,020	183,829	183,829	222,124	249,799	305,035	249,799
Amount	\$176,989	\$193,633	\$225,858	\$229,273	\$306,783	\$286,753	\$250,020	\$183,829	\$183,829	\$222,124	\$249,799	\$305,035	\$249,799
60. Finished goods:	28	30	32	31	31	30	30	31	31	32	34	35	34
Number of companies	494,309	467,911	555,110	572,640	630,703	638,811	606,243	577,385	577,385	541,323	492,955	515,124	492,955
Amount	\$494,309	\$467,911	\$555,110	\$572,640	\$630,703	\$638,811	\$606,243	\$577,385	\$577,385	\$541,323	\$492,955	\$515,124	\$492,955
60A. Inventory (unspecified):	29	28	27	28	26	28	28	28	28	28	28	27	28
Number of companies	883,610	819,412	880,672	793,088	793,390	787,839	688,425	554,199	554,199	585,394	513,030	414,989	513,030
Amount	\$883,610	\$819,412	\$880,672	\$793,088	\$793,390	\$787,839	\$688,425	\$554,199	\$554,199	\$585,394	\$513,030	\$414,989	\$513,030
61. Supplies:	16	18	17	21	21	17	17	17	17	17	18	21	18
Number of companies	19,566	29,902	26,679	63,247	63,256	66,231	76,144	71,793	71,793	83,364	51,734	52,208	51,734
Amount	\$19,566	\$29,902	\$26,679	\$63,247	\$63,256	\$66,231	\$76,144	\$71,793	\$71,793	\$83,364	\$51,734	\$52,208	\$51,734
62. Buildings:	39	39	40	40	40	37	37	38	38	39	39	38	39
Number of companies	1,357,334	1,357,334	1,495,672	1,649,061	1,844,729	1,862,269	1,636,292	1,589,491	1,589,491	1,659,102	1,737,951	1,620,970	1,737,951
Amount	\$1,357,334	\$1,357,334	\$1,495,672	\$1,649,061	\$1,844,729	\$1,862,269	\$1,636,292	\$1,589,491	\$1,589,491	\$1,659,102	\$1,737,951	\$1,620,970	\$1,737,951
63. Machinery and equipment:	61	61	62	62	63	63	62	64	64	65	65	61	65
Number of companies	942,056	942,056	1,165,900	1,290,713	1,425,972	1,464,168	1,466,128	1,437,787	1,437,787	1,453,737	1,382,694	1,317,918	1,382,694
Amount	\$942,056	\$942,056	\$1,165,900	\$1,290,713	\$1,425,972	\$1,464,168	\$1,466,128	\$1,437,787	\$1,437,787	\$1,453,737	\$1,382,694	\$1,317,918	\$1,382,694
64. Furniture and fixtures:	49	49	47	49	48	49	49	49	49	50	52	51	52
Number of companies	152,789	152,789	98,353	134,577	110,044	116,553	115,513	125,983	125,983	106,233	107,454	106,250	107,454
Amount	\$152,789	\$152,789	\$98,353	\$134,577	\$110,044	\$116,553	\$115,513	\$125,983	\$125,983	\$106,233	\$107,454	\$106,250	\$107,454
65. Land:	25	27	31	31	32	32	32	34	34	34	33	32	33
Number of companies	186,857	225,180	262,285	503,780	526,101	495,095	476,556	480,777	480,777	476,354	475,597	450,536	475,597
Amount	\$186,857	\$225,180	\$262,285	\$503,780	\$526,101	\$495,095	\$476,556	\$480,777	\$480,777	\$476,354	\$475,597	\$450,536	\$475,597
66. All other capital assets:	40	40	40	41	42	44	43	46	46	46	47	45	47
Number of companies	147,108	147,108	162,251	238,936	190,320	212,838	235,346	258,746	258,746	176,222	179,557	216,198	179,557
Amount	\$147,108	\$147,108	\$162,251	\$238,936	\$190,320	\$212,838	\$235,346	\$258,746	\$258,746	\$176,222	\$179,557	\$216,198	\$179,557
67. Bonds and notes (unsecured):	3	3	3	3	3	3	2	1	1	2	5	5	5
Number of companies	85,585	85,585	85,585	85,585	85,585	85,585	83,516	88,084	88,084	85,356	15,826	15,762	15,826
Amount	\$85,585	\$85,585	\$85,585	\$85,585	\$85,585	\$85,585	\$83,516	\$88,084	\$88,084	\$85,356	\$15,826	\$15,762	\$15,826
68. Mortgages, etc. (secured):	5	6	8	11	11	11	12	11	11	13	15	14	15
Number of companies	102,992	88,838	221,224	555,090	484,010	440,330	386,447	346,394	346,394	357,418	423,404	320,287	423,404
Amount	\$102,992	\$88,838	\$221,224	\$555,090	\$484,010	\$440,330	\$386,447	\$346,394	\$346,394	\$357,418	\$423,404	\$320,287	\$423,404
69. Property taxes deducted:	41	41	45	39	40	41	38	38	38	37	39	45	39
Number of companies	45,869	45,869	40,592	44,467	51,392	54,146	60,874	51,368	51,368	49,457	41,108	48,064	41,108
Amount	\$45,869	\$45,869	\$40,592	\$44,467	\$51,392	\$54,146	\$60,874	\$51,368	\$51,368	\$49,457	\$41,108	\$48,064	\$41,108
70. Sales taxes deducted:	1	1	1	1	1	1	1	3	3	8	8	10	8
Number of companies	890	890	890	890	890	890	123	131	131	478	384	3,048	384
Amount	\$890	\$890	\$890	\$890	\$890	\$890	\$123	\$131	\$131	\$1,478	\$3,384	\$3,048	\$3,384
71. Pay-roll taxes deducted:	2	2	2	2	2	2	2	2	2	2	2	2	2
Number of companies	8986	8986	8986	8986	8986	8986	8986	8986	8986	8986	8986	8986	8986
Amount	\$8986	\$8986	\$8986	\$8986	\$8986	\$8986	\$8986	\$8986	\$8986	\$8986	\$8986	\$8986	\$8986
72. State income taxes deducted:	16	18	18	23	23	19	21	20	20	20	18	21	18
Number of companies	85,885	85,885	85,885	85,973	85,973	56,790	86,335	83,787	83,787	83,938	83,655	86,356	83,655
Amount	\$85,885	\$85,885	\$85,885	\$85,973	\$85,973	\$56,790	\$86,335	\$83,787	\$83,787	\$83,938	\$83,655	\$86,356	\$83,655
73. Other taxes deducted:	44	44	45	43	49	48	48	57	57	60	61	60	61
Number of companies	20,123	20,123	20,084	18,681	13,729	18,704	14,086	11,641	11,641	21,332	20,513	17,430	20,513
Amount	\$20,123	\$20,123	\$20,084	\$18,681	\$13,729	\$18,704	\$14,086	\$11,641	\$11,641	\$21,332	\$20,513	\$17,430	\$20,513

TABLE 1-D.—Selected income statement and balance-sheet items for an identical sample of small stone and clay-products corporations, showing frequencies and aggregate amounts by years, 1925-36

[Figures in parentheses indicate loss]

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
1. Total assets:												
Number of companies	70	70	70	70	70	70	70	70	70	70	70	70
Amount	\$6,617,890	\$6,964,012	\$7,043,894	\$7,368,684	\$7,305,945	\$7,082,422	\$6,471,852	\$5,784,026	\$5,462,799	\$5,200,854	\$5,077,644	\$5,162,472
2. Total net sales:												
Amount	.....	\$7,604,959	\$8,055,510	\$8,199,394	\$7,653,069	\$6,354,190	\$4,098,027	\$2,113,478	\$1,873,854	\$2,321,541	\$2,791,447	\$4,561,031
3. Economic income:												
Amount	.....	\$495,635	\$392,913	\$501,665	\$105,320	(\$116,967)	(\$392,196)	(\$682,838)	(\$344,084)	(\$165,258)	(\$21,289)	\$239,198
4. Interest expense:												
Number of companies	.....	53	52	54	55	53	54	55	53	50	49	48
Amount	.....	\$57,509	\$65,719	\$72,290	\$78,986	\$78,290	\$72,278	\$58,724	\$61,872	\$66,783	\$60,182	\$52,825
5. Federal and State income taxes:												
Number of companies	.....	43	38	33	33	33	21	16	16	23	31	37
Amount	.....	\$84,590	\$71,588	\$67,732	\$29,563	\$14,695	\$7,461	\$3,556	\$6,901	\$14,367	\$33,056	\$74,620
6. Depreciation and depletion:												
Number of companies	.....	64	64	65	66	64	62	61	69	61	63	65
Amount	.....	\$286,813	\$318,631	\$343,722	\$356,833	\$347,241	\$313,355	\$225,801	\$205,947	\$186,125	\$187,901	\$192,622
7. Dividends paid: ¹												
Number of companies	.....	27	24	28	20	21	18	15	8	13	15	24
Amount	.....	\$311,798	\$406,367	\$405,530	\$133,666	\$136,017	\$143,613	\$67,554	\$15,891	\$47,128	\$62,916	\$263,800
8. Income before interest, income taxes, and depreciation:												
Amount	.....	\$924,547	\$846,851	\$985,418	\$570,702	\$323,268	\$898	(\$394,777)	(\$69,364)	\$102,017	\$259,880	\$589,265
9. Income before income taxes and depreciation:												
Amount	.....	\$867,038	\$783,132	\$913,119	\$491,716	\$244,969	(\$71,380)	(\$453,501)	(\$131,236)	\$35,234	\$199,668	\$536,440
10. Income before interest and income taxes:												
Amount	.....	\$637,734	\$528,220	\$641,696	\$213,869	(\$23,973)	(\$312,457)	(\$620,578)	(\$275,311)	(\$84,108)	\$71,949	\$396,643
11. Income before depreciation:												
Amount	.....	\$782,448	\$711,544	\$845,387	\$462,153	\$230,274	(\$73,841)	(\$457,057)	(\$138,137)	\$20,867	\$106,612	\$461,820
12. Business savings:												
Amount	.....	\$183,837	(\$13,554)	\$96,135	(\$28,346)	(\$252,984)	(\$533,809)	(\$750,412)	(\$359,975)	(\$212,386)	(\$84,205)	\$5,398
13. Funded debt:												
Number of companies	.....	15	15	19	18	20	18	19	21	21	21	22
Amount	.....	\$289,194	\$233,775	\$245,152	\$240,361	\$299,866	\$274,928	\$301,796	\$403,143	\$395,822	\$398,901	\$343,595
14. Preferred stock:												
Number of companies	.....	6	4	4	5	5	5	5	5	5	5	5
Amount	.....	\$191,750	\$267,230	\$152,650	\$121,900	\$161,950	\$161,950	\$161,950	\$161,950	\$161,950	\$161,950	\$161,950
15. Common stock:												
Amount	.....	\$2,834,462	\$2,901,428	\$3,025,013	\$3,113,283	\$3,101,908	\$3,126,308	\$3,021,358	\$2,919,703	\$2,914,678	\$2,914,678	\$2,821,084
16. Total capital stock:												
Amount	.....	\$3,026,212	\$3,168,678	\$3,177,663	\$3,255,183	\$3,262,058	\$3,288,258	\$3,183,305	\$3,081,653	\$3,076,628	\$3,076,628	\$3,043,427

TABLE I-D.—Selected income statement and balance-sheet items for an identical sample of small stone and clay-products corporations, showing frequencies and aggregate amounts by years, 1925-36—Continued

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
33. Net capital assets (including land):												
Amount.....	\$3,354,409	\$3,532,442	\$3,618,114	\$3,710,870	\$3,706,677	\$3,506,987	\$3,376,123	\$3,280,975	\$3,131,859	\$2,994,008	\$2,786,580	\$2,692,629
34. All other assets:												
Number of companies.....	29	28	30	33	33	34	39	34	38	37	41	40
Amount.....	\$178,562	\$161,341	\$158,923	\$158,571	\$141,163	\$126,476	\$83,240	\$84,900	\$71,756	\$60,134	\$57,887	\$60,735
35. Intangibles and deferred charges:												
Number of companies.....	28	28	30	32	32	34	34	37	41	39	42	38
Amount.....	\$165,890	\$160,908	\$158,461	\$157,583	\$140,334	\$125,447	\$92,569	\$81,900	\$69,771	\$58,041	\$53,731	\$54,415
36. Notes payable:												
Number of companies.....	40	41	43	49	44	44	44	44	44	40	41	43
Amount.....	\$489,812	\$602,041	\$654,962	\$735,070	\$757,550	\$639,575	\$706,402	\$701,214	\$640,021	\$622,014	\$588,788	\$526,431
37. Accounts payable:												
Number of companies.....	54	60	58	56	53	58	56	60	63	63	64	62
Amount.....	\$467,085	\$535,814	\$556,862	\$617,431	\$584,263	\$590,736	\$494,796	\$409,608	\$478,573	\$467,418	\$479,668	\$458,363
38. Total current liabilities:												
Number of companies.....	63	68	67	63	66	67	64	66	66	64	69	68
Amount.....	\$1,150,587	\$1,227,422	\$1,313,828	\$1,477,477	\$1,398,158	\$1,379,203	\$1,278,105	\$1,260,358	\$1,277,106	\$1,298,512	\$1,289,647	\$1,178,589
39. Working capital:												
Amount.....	\$1,774,924	\$1,852,961	\$1,803,235	\$1,845,447	\$1,797,869	\$1,754,310	\$1,392,467	\$891,293	\$718,086	\$559,877	\$661,777	\$928,317
40. Total debt:												
Number of companies.....	66	68	68	65	66	68	64	66	66	69	69	68
Amount.....	\$1,439,781	\$1,461,197	\$1,558,980	\$1,717,838	\$1,632,377	\$1,679,069	\$1,553,033	\$1,562,154	\$1,680,249	\$1,694,334	\$1,688,548	\$1,522,184
41. Other liabilities:												
Number of companies.....	6	6	9	4	3	3	2	3	2	3	6	5
Amount.....	\$3,174	\$12,118	\$5,120	\$8,144	\$3,028	\$2,489	\$1,933	\$1,240	\$1,086	\$7,156	\$16,251	\$2,480
42. Surplus:												
Number of companies.....	69	70	70	70	70	69	70	70	70	70	70	70
Amount.....	\$2,123,886	\$2,314,666	\$2,298,968	\$2,414,936	\$2,415,829	\$2,162,844	\$1,681,944	\$1,135,863	\$823,690	\$555,787	\$419,991	\$700,988
43. Undivided profits:												
Number of companies.....	2	5	5	7	6	3	4	6	5	5	5	5
Amount.....	\$24,840	\$7,352	\$3,165	\$7,418	\$7,348	\$25,836	\$53,366	\$97,939	\$123,969	\$133,050	\$123,773	(\$106,604)
44. Surplus and undivided profits:												
Number of companies.....	69	70	70	70	70	69	70	70	70	70	70	70
Amount.....	\$2,148,726	\$2,322,018	\$2,302,133	\$2,407,518	\$2,408,481	\$2,137,008	\$1,628,578	\$1,037,924	\$699,721	\$422,737	\$296,218	\$594,384
45. Net worth:												
Amount.....	\$5,174,938	\$5,490,696	\$5,479,796	\$5,642,701	\$5,670,539	\$5,400,866	\$4,916,836	\$4,221,232	\$3,781,374	\$3,499,365	\$3,372,846	\$3,637,811
46. Total investment in enterprise:												
Amount.....	\$5,464,132	\$5,724,471	\$5,724,948	\$5,883,062	\$5,904,758	\$5,700,732	\$5,191,764	\$4,523,028	\$4,184,517	\$3,895,187	\$3,771,747	\$3,981,406
47. Tangible net worth:												
Amount.....	\$5,009,048	\$5,329,788	\$5,321,335	\$5,485,118	\$5,530,205	\$5,275,419	\$4,824,267	\$4,130,332	\$3,711,603	\$3,441,324	\$3,319,115	\$3,583,396
48. Cost of goods sold and of operations:												
Amount.....	\$5,003,173	\$5,269,831	\$5,198,075	\$4,991,344	\$4,220,732	\$2,809,396	\$1,610,041	\$1,313,432	\$1,594,755	\$1,899,527	\$2,927,983	

TABLE 1-D.—Selected income statement and balance-sheet items for an identical sample of small stone and clay-products corporations, showing frequencies and aggregate amounts by years, 1925-36—Continued

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
63. Machinery and equipment: Number of companies.....		64	66	64	64	65	64	64	64	65	65	62
Amount.....		\$1,747,780	\$1,748,827	\$1,825,558	\$2,048,286	\$2,100,271	\$2,076,330	\$2,121,586	\$2,175,047	\$2,028,610	\$1,448,786	\$1,960,516
64. Furniture and fixtures: Number of companies.....		47	48	46	46	46	45	47	46	46	47	47
Amount.....		\$61,739	\$63,387	\$64,979	\$66,271	\$66,986	\$66,713	\$61,120	\$60,853	\$60,814	\$54,572	\$44,946
65. Land: Number of companies.....	48	48	49	49	50	51	49	51	51	51	51	51
Amount.....	\$623,964	\$658,121	\$674,831	\$643,353	\$673,871	\$649,310	\$652,330	\$653,957	\$670,697	\$662,480	\$626,075	\$615,674
66. All other capital assets: Number of companies.....		52	54	58	55	55	55	56	57	55	56	55
Amount.....		\$1,016,528	\$976,587	\$1,309,143	\$1,359,598	\$1,276,470	\$1,359,715	\$1,283,710	\$1,142,669	\$1,192,627	\$1,775,639	\$1,120,034
67. Bonds and notes (unsecured): Number of companies.....						1	1	2	2	2	3	3
Amount.....						\$10,000	\$10,000	\$12,400	\$12,400	\$12,400	\$45,400	\$45,300
68. Mortgages, etc. (secured): Number of companies.....	13	14	15	17	17	20	18	18	20	20	20	20
Amount.....	\$285,194	\$229,775	\$241,152	\$236,361	\$230,219	\$289,861	\$260,928	\$286,596	\$387,943	\$380,622	\$350,701	\$295,495
69. Property taxes deducted: Number of companies.....		51	45	47	49	52	53	49	49	46	55	55
Amount.....		\$44,505	\$51,144	\$54,532	\$51,688	\$68,719	\$69,971	\$46,963	\$45,673	\$41,441	\$40,643	\$37,355
70. Sales taxes deducted: Number of companies.....										5	6	7
Amount.....								\$375	\$379	\$348	\$1,467	\$1,247
71. Pay-roll taxes deducted: Number of companies.....												31
Amount.....												\$10,916
72. State income taxes deducted: Number of companies.....		8	8	9	10	9	8	6	7	9	11	14
Amount.....		\$4,549	\$3,820	\$4,116	\$2,830	\$1,529	\$1,038	\$177	\$532	\$718	\$3,857	\$8,734
73. Other taxes deducted: Number of companies.....		48	51	50	48	49	51	52	59	63	60	64
Amount.....		\$24,779	\$23,034	\$27,748	\$24,466	\$23,093	\$15,031	\$19,774	\$17,174	\$19,205	\$13,546	\$20,786

TABLE I-E.—Selected income statement and balance sheet items for an identical sample of small machine tool corporations, showing frequencies and aggregate amounts by years, 1925-86

[Figures in parentheses in dicate loss]

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
1. Total assets:												
Number of companies.....	114	118	118	118	118	118	118	118	118	118	118	118
Amount.....	\$7,292,228	\$7,528,323	\$7,748,301	\$8,392,469	\$9,577,918	\$8,943,972	\$8,236,470	\$7,506,998	\$7,298,364	\$7,171,020	\$7,503,132	\$8,035,680
2. Total net sales:												
Amount.....	\$9,778,180	\$9,549,961	\$11,671,167	\$15,231,989	\$9,842,993	\$6,588,650	\$4,340,648	\$4,792,609	\$7,210,975	\$8,781,863	\$11,694,672	
3. Economic income:												
Amount.....	\$332,988	\$176,526	\$524,428	\$1,211,781	(\$285,066)	(\$489,136)	(\$815,402)	(\$255,205)	(\$8,962)	\$302,708	\$443,001	
4. Interest expense:												
Amount.....	79	85	87	85	85	81	83	85	82	85	85	79
Number of companies.....	59,880	\$66,833	\$75,850	\$82,880	\$75,488	\$66,367	\$57,771	\$54,138	\$69,276	\$65,141	\$63,223	
5. Federal and State income taxes:												
Amount.....	\$60,176	\$51,921	\$65,788	\$131,012	\$32,249	\$15,485	\$5,107	\$23,760	\$45,830	\$87,728	\$127,883	81
6. Depreciation and depletion:												
Amount.....	103	106	106	106	107	103	98	96	97	98	100	104
Number of companies.....	\$311,297	\$325,960	\$375,680	\$410,368	\$381,603	\$340,962	\$341,242	\$259,434	\$240,291	\$242,495	\$241,376	
7. Dividends paid: 1												
Amount.....	26	26	28	37	35	25	14	14	13	17	21	38
Number of companies.....	\$205,168	\$131,271	\$210,301	\$338,225	\$342,228	\$148,666	\$27,414	\$34,879	\$34,879	\$69,877	\$105,412	\$373,329
8. Income before interest, income taxes, and depreciation:												
Amount.....	\$764,341	\$621,240	\$1,041,746	\$1,836,041	\$204,274	(\$66,322)	(\$411,282)	\$82,127	\$346,435	\$698,072	\$875,483	
9. Income before income taxes and depreciation:												
Amount.....	\$704,461	\$554,407	\$965,806	\$1,753,161	\$128,786	(\$132,689)	(\$469,053)	\$27,989	\$277,159	\$632,931	\$812,260	
10. Income before interest and income taxes:												
Amount.....	\$453,044	\$295,280	\$666,066	\$1,425,673	(\$177,329)	(\$407,284)	(\$752,524)	(\$177,307)	\$106,144	\$455,577	\$634,107	

1 This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	1925	1927	1928	1929	1930	1931	1936
Number of companies.....	2	1	1	4	3	1	1
Amount.....	\$36,600	\$40,000	\$20,816	\$76,800	\$104,990	\$18,000	\$6,000

TABLE 1-E.—Selected income statement and balance sheet items for an identical sample of small machine tool corporations, showing frequencies and aggregate amounts by years, 1925-86—Continued

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
11. Income before depreciation:												
Amount.....		\$644,285	\$502,486	\$900,108	\$1,622,149	\$96,537	(\$148,174)	(\$474,160)	\$4,229	\$231,329	\$545,203	\$684,377
12. Business savings:												
Amount.....		\$127,820	\$45,255	\$314,127	\$873,556	(\$627,294)	(\$637,802)	(\$842,816)	(\$290,084)	(\$78,839)	\$197,296	\$99,672
13. Funded debt:												
Number of companies.....	19	19	24	26	34	31	32	33	31	32	32	33
Amount.....	\$364,953	\$329,098	\$457,831	\$484,405	\$718,663	\$696,886	\$381,664	\$628,353	\$612,234	\$584,562	\$558,472	\$579,409
14. Preferred stock:												
Number of companies.....	18	18	18	18	19	20	19	19	19	20	20	20
Amount.....	\$518,950	\$520,450	\$566,150	\$564,650	\$602,150	\$645,600	\$644,300	\$645,800	\$645,800	\$732,225	\$742,425	\$798,075
15. Common stock:												
Amount.....	\$3,713,702	\$3,883,712	\$3,924,243	\$3,963,225	\$4,089,752	\$4,323,626	\$4,338,261	\$4,343,784	\$4,261,773	\$3,898,782	\$3,806,056	\$3,922,245
16. Total capital stock:												
Amount.....	\$4,232,652	\$4,404,162	\$4,490,393	\$4,527,875	\$4,691,902	\$4,969,126	\$4,982,561	\$4,989,584	\$4,907,573	\$4,631,007	\$4,608,481	\$4,720,320
17. Total capital:												
Amount.....	\$4,597,605	\$4,733,260	\$4,948,224	\$5,012,280	\$5,410,565	\$5,666,012	\$5,564,225	\$5,617,937	\$5,519,807	\$5,215,569	\$5,106,933	\$5,299,729
18. Bad-debts expense:												
Number of companies.....		74	61	74	72	69	70	71	70	71	61	66
Amount.....		\$59,992	\$71,621	\$79,101	\$80,066	\$47,462	\$61,929	\$72,278	\$59,446	\$93,485	\$36,245	\$66,679
19. Cash and equivalent:												
Number of companies.....	113	117	115	118	117	116	112	110	115	114	115	117
Amount.....	\$275,531	\$377,272	\$390,360	\$504,122	\$679,861	\$478,328	\$370,984	\$329,861	\$330,844	\$493,045	\$651,250	\$316,972
20. Notes receivable:												
Number of companies.....	42	41	41	45	42	43	45	46	45	43	43	42
Amount.....	\$101,987	\$94,673	\$106,581	\$82,269	\$89,656	\$111,129	\$97,725	\$227,730	\$141,260	\$102,912	\$104,807	\$95,083
21. Accounts receivable (net):												
Number of companies.....	111	118	118	117	118	118	114	118	117	117	117	116
Amount.....	\$1,199,320	\$1,210,129	\$1,239,522	\$1,524,409	\$1,574,394	\$1,082,227	\$1,025,733	\$835,474	\$1,047,154	\$1,051,548	\$1,321,120	\$1,515,371
22. Total receivables:												
Number of companies.....	112	118	118	117	118	118	117	118	118	118	117	117
Amount.....	\$1,301,307	\$1,304,802	\$1,346,103	\$1,606,678	\$1,664,050	\$1,193,356	\$1,123,458	\$1,063,204	\$1,188,414	\$1,154,460	\$1,425,927	\$1,610,454
23. Inventories:												
Number of companies.....	107	111	111	111	111	111	111	111	111	112	112	111
Amount.....	\$1,763,866	\$1,792,659	\$1,777,362	\$1,826,293	\$1,965,270	\$1,860,532	\$1,725,152	\$1,380,028	\$1,390,519	\$1,380,068	\$1,339,700	\$1,486,861
24. Total current assets:												
Amount.....	\$3,341,004	\$3,475,033	\$3,513,825	\$3,937,063	\$4,309,181	\$3,532,216	\$3,219,594	\$2,773,093	\$2,909,777	\$3,027,573	\$3,416,937	\$3,914,287
25. Nontaxable investments:												
Number of companies.....	10	12	8	9	11	12	9	10	9	10	8	9
Amount.....	\$94,104	\$140,260	\$134,242	\$183,013	\$221,132	\$309,628	\$269,693	\$244,368	\$214,010	\$210,510	\$233,242	\$227,809
26. Stocks of domestic corporations:												
Number of companies.....					15	14	17	17	18	19	25	21
Amount.....					\$173,029	\$238,825	\$153,581	\$165,667	\$146,340	\$175,838	\$210,853	\$226,966

27. Bonds of domestic corporations:																					
Number of companies	19	23	23	23	7	8	9	9	10	9	9	9	9	10	9	9	9	9	10	9	7
Amount	\$70,831	\$132,943	\$185,355	\$185,355	\$56,411	\$86,980	\$63,183	\$54,471	\$55,312	\$23,869	\$24,923	\$24,923	\$24,923	\$55,312	\$23,869	\$24,923	\$24,923	\$55,312	\$23,869	\$24,923	\$12,331
28. All other investments:																					
Number of companies					16	18	21	22	23	22	21	21	22	23	22	21	21	22	23	22	25
Amount					\$52,529	\$124,758	\$118,630	\$99,073	\$50,175	\$62,058	\$57,456	\$57,456	\$57,456	\$50,175	\$62,058	\$57,456	\$57,456	\$50,175	\$62,058	\$57,456	\$58,958
29. Total investments:																					
Number of companies	26	26	28	28	35	38	38	41	44	44	44	44	44	44	44	44	44	44	44	44	44
Amount	\$164,935	\$267,185	\$368,428	\$368,428	\$603,101	\$760,191	\$605,087	\$503,579	\$465,837	\$472,275	\$472,275	\$472,275	\$472,275	\$465,837	\$472,275	\$472,275	\$472,275	\$465,837	\$472,275	\$472,275	\$520,094
30. Gross capital assets (excluding land):																					
Amount	\$4,823,182	\$5,445,230	\$5,814,159	\$6,545,073	\$6,599,692	\$6,599,692	\$6,603,495	\$6,530,142	\$6,567,438	\$6,456,799	\$6,356,612	\$6,356,612	\$6,356,612	\$6,567,438	\$6,456,799	\$6,356,612	\$6,356,612	\$6,567,438	\$6,456,799	\$6,356,612	\$6,447,292
31. Depreciation and depletion reserves:																					
Number of companies	87	97	97	96	96	96	99	98	99	99	99	99	99	99	99	99	99	99	99	99	100
Amount	\$1,731,867	\$2,054,092	\$2,217,878	\$2,468,928	\$2,726,980	\$2,895,303	\$3,144,183	\$3,378,489	\$3,643,698	\$3,740,166	\$3,704,928	\$3,704,928	\$3,704,928	\$3,643,698	\$3,740,166	\$3,704,928	\$3,704,928	\$3,643,698	\$3,740,166	\$3,704,928	\$3,988,001
32. Net capital assets (excluding land):																					
Number of companies	87	97	97	96	96	96	99	98	99	99	99	99	99	99	99	99	99	99	99	99	100
Amount	\$3,091,315	\$3,112,820	\$3,227,352	\$3,345,231	\$3,818,093	\$3,704,389	\$3,459,312	\$3,151,653	\$2,923,740	\$2,716,633	\$2,651,684	\$2,651,684	\$2,651,684	\$2,923,740	\$2,716,633	\$2,651,684	\$2,651,684	\$2,923,740	\$2,716,633	\$2,651,684	\$2,759,291
33. Net capital assets (including land):																					
Number of companies	87	97	97	96	96	96	99	98	99	99	99	99	99	99	99	99	99	99	99	99	100
Amount	\$3,303,267	\$3,359,217	\$3,519,341	\$3,680,744	\$4,225,411	\$4,148,179	\$3,910,847	\$3,597,514	\$3,370,711	\$3,145,705	\$3,070,014	\$3,070,014	\$3,070,014	\$3,370,711	\$3,145,705	\$3,070,014	\$3,070,014	\$3,370,711	\$3,145,705	\$3,070,014	\$3,200,609
34. All other assets:																					
Number of companies	78	78	84	80	88	88	82	84	87	87	83	83	83	87	87	83	83	87	87	83	86
Amount	\$483,032	\$464,762	\$447,949	\$406,234	\$440,225	\$503,386	\$500,942	\$572,812	\$552,639	\$525,467	\$489,707	\$489,707	\$489,707	\$552,639	\$525,467	\$489,707	\$489,707	\$552,639	\$525,467	\$489,707	\$394,700
35. Intangibles and deferred charges:																					
Number of companies	78	77	81	80	88	88	82	84	85	84	83	83	83	85	84	83	83	85	84	83	85
Amount	\$480,173	\$464,696	\$444,644	\$405,169	\$431,871	\$500,272	\$495,246	\$544,757	\$532,346	\$515,081	\$480,821	\$480,821	\$480,821	\$532,346	\$515,081	\$480,821	\$480,821	\$532,346	\$515,081	\$480,821	\$588,421
36. Notes payable:																					
Number of companies	78	73	69	66	59	61	71	67	70	64	66	66	66	70	64	66	66	70	64	66	62
Amount	\$726,903	\$752,502	\$721,627	\$762,550	\$550,537	\$607,085	\$661,304	\$690,439	\$719,692	\$645,366	\$654,474	\$654,474	\$654,474	\$719,692	\$645,366	\$654,474	\$654,474	\$719,692	\$645,366	\$654,474	\$643,875
37. Accounts payable:																					
Number of companies	105	114	114	114	114	116	116	112	111	115	113	113	113	111	115	113	113	111	115	113	114
Amount	\$702,964	\$722,716	\$721,257	\$889,447	\$943,429	\$735,769	\$787,335	\$734,706	\$803,705	\$833,658	\$679,305	\$679,305	\$679,305	\$803,705	\$833,658	\$679,305	\$679,305	\$803,705	\$833,658	\$679,305	\$994,508
38. Total current liabilities:																					
Number of companies	110	117	118	118	118	117	118	118	118	118	118	118	118	118	118	118	118	118	118	118	117
Amount	\$1,621,292	\$1,670,548	\$1,680,089	\$1,946,554	\$1,881,854	\$1,603,953	\$1,690,084	\$1,711,276	\$1,899,637	\$1,894,940	\$2,081,964	\$2,081,964	\$2,081,964	\$1,899,637	\$1,894,940	\$2,081,964	\$2,081,964	\$1,899,637	\$1,894,940	\$2,081,964	\$1,894,940
39. Working capital:																					
Number of companies	110	117	118	118	118	117	118	118	118	118	118	118	118	118	118	118	118	118	118	118	117
Amount	\$1,719,712	\$1,804,485	\$1,833,736	\$1,990,509	\$2,427,327	\$1,928,263	\$1,529,560	\$1,061,817	\$1,010,140	\$1,132,633	\$1,334,973	\$1,334,973	\$1,334,973	\$1,010,140	\$1,132,633	\$1,334,973	\$1,334,973	\$1,010,140	\$1,132,633	\$1,334,973	\$1,334,973
40. Total debt:																					
Number of companies	110	117	118	118	118	117	118	118	118	118	118	118	118	118	118	118	118	118	118	118	117
Amount	\$1,986,245	\$1,999,646	\$2,137,920	\$2,430,959	\$2,600,517	\$2,300,839	\$2,271,698	\$2,339,629	\$2,511,871	\$2,478,502	\$2,640,436	\$2,640,436	\$2,640,436	\$2,511,871	\$2,478,502	\$2,640,436	\$2,640,436	\$2,511,871	\$2,478,502	\$2,640,436	\$2,640,436
41. Other liabilities:																					
Number of companies	4	5	5	2	2	4	9	5	5	4	2	2	2	5	4	2	2	4	2	2	4
Amount	\$1,046	\$1,317	\$2,623	\$1,135	\$1,577	\$861	\$25,752	\$1,142	\$1,089	\$307	\$2,131	\$2,131	\$2,131	\$1,089	\$307	\$2,131	\$2,131	\$1,089	\$307	\$2,131	\$2,131
42. Surplus:																					
Number of companies	106	117	117	117	116	116	117	117	116	117	116	116	116	116	117	116	116	117	116	116	116
Amount	\$983,086	\$1,018,022	\$965,590	\$1,276,737	\$2,032,966	\$1,462,517	\$849,615	\$72,519	(\$169,959)	\$36,659	\$168,919	\$168,919	\$168,919	(\$169,959)	\$36,659	\$168,919	\$168,919	(\$169,959)	\$36,659	\$168,919	\$168,919
43. Undivided profits:																					
Number of companies	5	5	4	3	2	2	3	3	3	2	2	2	2	3	2	2	2	1	2	2	1
Amount	\$89,198	\$105,176	\$151,775	\$145,763	\$250,956	\$210,629	\$106,844	\$104,124	\$47,790	\$23,546	\$83,165	\$83,165	\$83,165	\$47,790	\$23,546	\$83,165	\$83,165	\$47,790	\$23,546	\$83,165	\$136,621
44. Surplus and undivided profits:																					
Number of companies	106	117	117	117	116	116	117	117	116	117	116	116	116	116	117	116	116	117	116	116	116
Amount	\$1,072,284	\$1,123,198	\$1,117,365	\$1,432,500	\$2,283,922	\$1,673,146	\$966,459	\$176,643	(\$122,169)	\$80,205	\$252,084	\$252,084	\$252,084	(\$122,169)	\$80,205	\$252,084	\$252,084	(\$122,169)	\$80,205	\$252,084	\$252,084

TABLE 1-E.—Selected income statement and balance sheet items for an identical sample of small machine tool corporations, showing frequencies and aggregate amounts by years, 1925-36—Continued

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
45. Net worth:												
Amount.....	\$5,304,936	\$5,527,360	\$5,607,758	\$5,960,375	\$6,975,324	\$6,642,272	\$5,939,020	\$5,166,227	\$4,785,404	\$4,691,212	\$4,860,565	\$5,315,928
46. Total investment in enterprise:												
Amount.....	\$5,669,889	\$5,856,458	\$6,065,589	\$6,444,780	\$7,694,487	\$7,339,158	\$6,520,684	\$5,794,580	\$5,397,638	\$5,275,774	\$5,419,037	\$5,895,337
47. Tangible net worth:												
Amount.....	\$4,824,763	\$5,062,664	\$5,163,114	\$5,555,206	\$6,543,953	\$6,142,000	\$5,443,774	\$4,621,470	\$4,253,058	\$4,176,131	\$4,379,744	\$4,927,507
48. Cost of goods sold and of operations:												
Amount.....	\$6,536,026	\$6,322,764	\$7,670,274	\$9,870,551	\$6,655,844	\$4,598,721	\$3,215,087	\$3,425,117	\$4,984,113	\$6,221,740	\$8,086,093	
49. Repairs expense:												
Number of companies.....	67	75	68	75	74	74	71	66	68	62	65	63
Amount.....	\$90,324	\$89,433	\$112,238	\$191,849	\$119,204	\$119,204	\$61,020	\$33,188	\$42,004	\$66,705	\$83,661	\$114,643
50. Dividends deductible:												
Number of companies.....	4	4	4	6	6	6	3	3	3	5	7	25
Amount.....	\$1,922	\$3,500	\$5,001	\$5,958	\$8,071	\$8,071	\$7,939	\$3,021	\$2,216	\$2,195	\$5,544	\$2,359
51. Compensation of officers:												
Number of companies.....	109	107	107	107	106	107	103	102	103	105	105	108
Amount.....	\$1,054,895	\$1,039,566	\$1,191,371	\$1,456,084	\$1,149,431	\$872,750	\$695,663	\$562,383	\$707,514	\$840,919	\$1,146,052	
52. Rent paid on business property:												
Number of companies.....	86	83	83	83	86	81	80	80	87	76	75	75
Amount.....	\$202,403	\$203,602	\$204,998	\$204,998	\$210,853	\$211,514	\$197,547	\$169,718	\$139,422	\$144,477	\$146,714	\$135,211
53. Capital gains and losses:												
Number of companies.....	15	15	15	15	18	11	17	17	17	21	21	18
Amount.....	\$765	\$2,562	\$12,635	\$12,635	\$1,167	(\$6,439)	\$14,247	\$8,683	(\$6,816)	\$4,634	\$9,100	\$12,969
54. Tax-exempt interest received:												
Number of companies.....												
Amount.....												
55. Nonincome taxes deducted:												
Number of companies.....	105	107	108	108	107	107	102	106	112	112	111	115
Amount.....	\$70,415	\$64,944	\$70,329	\$70,329	\$78,803	\$81,129	\$67,570	\$65,552	\$71,455	\$84,824	\$73,699	\$124,051
56. Total taxes deducted:												
Number of companies.....	110	112	112	112	114	112	106	110	116	117	116	117
Amount.....	\$130,587	\$116,866	\$136,066	\$136,066	\$209,840	\$116,393	\$83,158	\$72,598	\$99,960	\$130,754	\$164,153	\$253,620
57. Statutory net income:												
Positive.....	77	62	82	82	92	41	25	10	31	49	61	72
Negative.....	41	56	36	36	26	77	93	108	87	69	57	46
Amount:												
Positive.....	\$551,803	\$456,072	\$792,809	\$792,809	\$1,338,644	\$397,492	\$139,324	\$36,046	\$143,388	\$292,755	\$592,315	\$663,973
Negative.....	\$207,526	\$301,350	\$153,678	\$153,678	\$93,939	\$537,537	\$761,072	\$1,017,735	\$372,098	\$269,587	\$153,559	\$174,218
58. Raw materials:												
Number of companies.....	74	75	74	74	74	75	69	69	67	71	71	69
Amount.....	\$285,014	\$308,596	\$318,630	\$324,722	\$411,362	\$356,421	\$290,978	\$225,808	\$245,200	\$269,114	\$250,938	\$313,799

59. Work in process: Amount.....	59	61	65	63	62	57	55	57	60	57	54
Number of companies.....	36	37	36	38	39	40	37	37	37	37	37
60. Finished goods: Amount.....	36	37	36	38	39	40	37	37	37	37	37
Number of companies.....	26	25	26	26	27	31	31	35	33	30	30
60A. Inventory (unspecified): Amount.....	26	25	26	26	27	31	31	35	33	30	30
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
61. Supplies: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
62. Buildings: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
63. Machinery and equipment: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
64. Furniture and fixtures: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
65. Land: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
66. All other capital assets: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
67. Bonds and notes (unsecured): Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
68. Mortgages, etc. (secured): Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
69. Property taxes deducted: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
70. Sales tax deducted: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
71. Pay-roll taxes deducted: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
72. State income taxes deducted: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34
73. Other taxes deducted: Amount.....	39	38	42	47	48	44	43	38	40	36	34
Number of companies.....	39	38	42	47	48	44	43	38	40	36	34

TABLE 3-A.—Selected income statement and balance sheet items for an identical sample of small baking corporations, showing the frequencies and aggregate amounts by years, 1929-36

[Figures in parentheses indicate loss]

	1929	1930	1931	1932	1933	1934	1935	1936
1. Total assets:								
Number of companies.....	28	27	27	27	27	27	27	27
Amount.....	\$1,830,385	\$1,782,284	\$1,721,847	\$1,619,017	\$1,621,310	\$1,576,235	\$1,586,868	\$1,660,490
2. Total net sales:								
Amount.....		\$4,456,672	\$4,054,286	\$3,471,510	\$3,605,913	\$4,341,759	\$4,717,695	\$4,962,152
3. Economic income:								
Amount.....		\$121,095	\$88,531	(\$7,183)	\$28,762	(\$55,591)	\$28,240	\$96,990
4. Interest expense:								
Number of companies.....		23	25	24	24	21	21	19
Amount.....		\$25,613	\$21,720	\$19,877	\$18,571	\$19,601	\$18,301	\$17,198
5. Federal and State income taxes:								
Number of companies.....		14	11	12	13	14	17	21
Amount.....		\$16,238	\$10,868	\$12,606	\$17,516	\$10,562	\$12,513	\$18,067
6. Depreciation and depletion:								
Number of companies.....		26	26	26	27	26	26	25
Amount.....		\$130,351	\$151,155	\$148,971	\$142,699	\$126,222	\$120,611	\$114,790
7. Dividends paid: 1								
Number of companies.....		9	8	7	4	6	6	10
Amount.....		\$129,145	\$95,335	\$64,497	\$51,640	\$51,436	\$24,108	\$46,925
8. Income before interest, income taxes, and depreciation:								
Amount.....		\$298,297	\$272,274	\$174,271	\$207,551	\$100,794	\$179,665	\$217,045
9. Income before income taxes and depreciation:								
Amount.....		\$297,684	\$250,554	\$154,394	\$188,977	\$81,193	\$161,364	\$199,847
10. Income before interest and income taxes:								
Amount.....		\$162,946	\$121,119	\$25,300	\$64,852	(\$25,428)	\$59,054	\$102,254
11. Income before depreciation:								
Amount.....		\$251,446	\$239,686	\$141,788	\$171,461	\$70,631	\$148,851	\$181,782
12. Business savings:								
Amount.....		(\$8,050)	(\$6,804)	(\$71,680)	(\$22,878)	(\$107,027)	\$4,132	\$20,065
13. Funded debt:								
Number of companies.....	8	7	8	8	9	8	8	7
Amount.....	\$223,488	\$185,500	\$222,072	\$207,127	\$225,459	\$205,785	\$182,543	\$164,221
14. Preferred stock:								
Number of companies.....	4	4	4	4	4	5	5	5
Amount.....	\$97,717	\$109,196	\$114,631	\$111,700	\$102,800	\$175,600	\$165,200	\$169,400
15. Common stock:								
Amount.....	\$709,181	\$723,476	\$720,090	\$715,408	\$716,758	\$681,627	\$682,444	\$680,778
16. Total capital stock:								
Amount.....	\$806,898	\$832,666	\$834,721	\$827,108	\$819,558	\$857,227	\$847,644	\$850,178
17. Total capital:								
Amount.....	\$1,030,386	\$1,018,166	\$1,056,793	\$1,034,235	\$1,045,017	\$1,063,012	\$1,030,187	\$1,014,399

CONCENTRATION OF ECONOMIC POWER

18. Bad-debts expense:																			
Number of companies																			
Amount																			
19. Cash and equivalent:																			
Number of companies	23																		
Amount	\$109,201																		
20. Notes receivable:																			
Number of companies	4																		
Amount	\$7,251																		
21. Accounts receivable (net):																			
Number of companies	26																		
Amount	\$125,031																		
22. Total receivables:																			
Number of companies	26																		
Amount	\$132,282																		
23. Inventories:																			
Number of companies	27																		
Amount	\$195,936																		
24. Total current assets:																			
Number of companies	4																		
Amount	\$437,469																		
25. Nontaxable investments:																			
Number of companies	1																		
Amount	\$29,641																		
26. Stocks of domestic corporations:																			
Number of companies	1																		
Amount	\$2,000																		
27. Bonds of domestic corporations:																			
Number of companies	1																		
Amount	\$979																		
28. All other investments:																			
Number of companies	1																		
Amount	\$4,850																		
29. Total investments:																			
Number of companies	4																		
Amount	\$19,541																		
30. Gross capital assets (excluding land):																			
Number of companies	5																		
Amount	\$51,752																		
31. Depreciation and depletion reserves:																			
Number of companies	21																		
Amount	\$311,791																		

† This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	1930	1931	1934
Number of companies	1	1	1
Amount	\$1,500	\$2,750	\$4,415

1

24

23

24

23

24

24

24

24

24

24

24

24

24

24

TABLE 3-A. --Selected income statement and balance sheet items for an identical sample of small baking corporations, showing the frequencies and aggregate amounts by years, 1929-36--Continued

	1929	1930	1931	1932	1933	1934	1935	1936
32. Net capital assets (excluding land):								
Amount.....	\$1,179,058	\$1,156,814	\$1,149,814	\$1,065,117	\$1,020,432	\$974,283	\$957,087	\$927,660
33. Net capital assets (including land):								
Amount.....	\$1,289,530	\$1,267,280	\$1,264,273	\$1,185,262	\$1,140,577	\$1,095,394	\$1,076,972	\$1,045,645
34. All other assets:								
Number of companies.....	18	21	23	20	20	19	20	20
Amount.....	\$51,803	\$47,778	\$54,046	\$59,913	\$83,968	\$77,275	\$82,224	\$88,683
35. Intangibles and deferred charges:								
Number of companies.....	17	21	22	19	20	19	20	20
Amount.....	\$51,611	\$47,770	\$50,178	\$56,586	\$78,183	\$73,318	\$78,561	\$85,314
36. Notes payable:								
Number of companies.....	18	21	19	19	17	17	18	18
Amount.....	\$178,984	\$157,311	\$90,967	\$81,676	\$63,179	\$85,586	\$83,376	\$81,850
37. Accounts payable:								
Number of companies.....	23	23	23	24	23	24	23	23
Amount.....	\$247,255	\$229,786	\$178,219	\$176,318	\$212,386	\$263,225	\$266,513	\$295,419
38. Total current liabilities:								
Number of companies.....	27	27	27	27	26	27	27	26
Amount.....	\$439,895	\$404,881	\$308,981	\$293,006	\$315,923	\$399,838	\$396,891	\$465,832
39. Working capital:								
Amount.....	(\$2,426)	\$13,050	\$44,517	\$29,588	\$26,711	(\$19,445)	\$12,774	\$41,572
40. Total debt:								
Number of companies.....	27	27	27	27	27	27	27	26
Amount.....	\$663,383	\$590,381	\$531,053	\$500,133	\$541,382	\$605,623	\$579,434	\$630,053
41. Other liabilities:								
Number of companies.....	3	1	2	5	5	2	4	2
Amount.....	\$5,654	\$7,004	\$4,561	\$10,581	\$8,148	\$12,027	\$8,810	\$5,420
42. Surplus:								
Number of companies.....	26	26	26	26	26	26	26	26
Amount.....	\$310,904	\$321,653	\$330,305	\$273,680	\$238,335	\$96,937	\$150,979	\$174,837
43. Undivided profits:								
Number of companies.....	1	1	1	1	1	1	1	1
Amount.....	\$43,748	\$30,504	\$21,206	\$7,517	\$13,885	\$4,419	-----	-----
44. Surplus and undivided profits								
Number of companies.....	26	26	26	26	26	26	26	26
Amount.....	\$854,652	\$352,247	\$351,511	\$281,197	\$252,220	\$101,356	\$150,979	\$174,837
45. Net worth:								
Amount.....	\$1,161,550	\$1,184,913	\$1,186,232	\$1,108,305	\$1,071,778	\$958,683	\$998,623	\$1,025,015
46. Total investment in enterprise:								
Amount.....	\$1,385,038	\$1,370,413	\$1,408,304	\$1,315,432	\$1,297,237	\$1,164,368	\$1,181,166	\$1,189,236
47. Tangible net worth								
Amount.....	\$1,109,369	\$1,137,143	\$1,136,054	\$1,051,719	\$993,595	\$885,265	\$920,062	\$939,701

48. Cost of goods sold and of operations Amount.....	\$3, 114, 130	\$2, 767, 896	\$2, 307, 428	\$2, 438, 062	\$3, 151, 917	\$3, 309, 064	\$3, 425, 392
49. Repairs expense: Number of companies.....	23	22	21	21	21	19	20
Amount.....	\$82, 303	\$64, 502	\$58, 870	\$37, 614	\$53, 699	\$76, 943	\$62, 920
50. Dividends deductible: Number of companies.....	1	1	1	1	1	1	11
Amount.....	15	35	211	35	211	819	819
51. Compensation of officers: Number of companies.....	25	25	23	23	23	23	22
Amount.....	\$209, 459	\$209, 959	\$161, 862	\$141, 095	\$155, 342	\$147, 910	\$184, 114
52. Rent paid on business property: Number of companies.....	19	19	17	17	18	19	17
Amount.....	\$52, 029	\$55, 904	\$48, 315	\$39, 339	\$38, 808	\$44, 251	\$47, 247
53. Capital gains and losses: Number of companies.....	8	3	3	5	6	7	4
Amount.....	(\$3, 847)	\$507	(\$107)	(\$200)	\$74	(\$394)	\$9, 092
54. Tax-exempt interest received: Number of companies.....	1	1	1	1	1	1	1
Amount.....	1	\$451	1	1	\$451	886	886
55. Nonincome taxes deducted: Number of companies.....	26	26	26	27	27	27	26
Amount.....	\$19, 075	\$21, 230	\$22, 910	\$33, 774	\$35, 208	\$30, 021	\$34, 944
6. Total taxes deducted: Number of companies.....	27	27	27	27	27	27	27
Amount.....	\$35, 313	\$32, 100	\$35, 516	\$33, 290	\$45, 770	\$42, 534	\$53, 011
57. Statutory net income: Number of companies.....	19	13	10	11	12	16	18
Positive.....	8	14	17	16	15	11	9
Negative.....	11	1	1	1	1	1	1
Amount: Positive.....	\$109, 358	\$114, 464	\$83, 941	\$103, 161	\$68, 599	\$79, 022	\$100, 899
Negative.....	\$15, 081	\$44, 033	\$94, 893	\$57, 424	\$109, 144	\$32, 783	\$23, 311
58. Raw materials: Number of companies.....	18	17	17	18	18	20	19
Amount.....	\$56, 909	\$39, 354	\$64, 325	\$85, 755	\$105, 420	\$109, 812	\$130, 715
59. Work in process: Number of companies.....	3	4	4	4	2	4	5
Amount.....	\$8, 517	\$9, 314	\$8, 514	\$6, 144	\$9, 101	\$8, 296	\$11, 456
60. Finished goods: Number of companies.....	9	11	10	8	9	7	8
Amount.....	\$117, 509	\$81, 156	\$48, 866	\$46, 896	\$43, 756	\$35, 535	\$68, 301
60A. Inventory (unspecified): Number of companies.....	9	11	14	13	12	14	12
Amount.....	\$13, 051	\$17, 685	\$16, 426	\$23, 492	\$33, 529	\$33, 349	\$31, 894
61. Supplies: Number of companies.....	13	14	14	14	14	14	14
Amount.....	\$518, 873	\$509, 233	\$603, 249	\$569, 971	\$562, 039	\$540, 436	\$571, 103

TABLE A.—Selected income statement and balance sheet items for an identical sample of small baking corporations, showing the frequencies and aggregate amounts by years, 1929-36—Continued

	1929	1930	1931	1932	1933	1934	1935	1936
63. Machinery and equipment:								
Number of companies.....	25	25	25	25	25	26	25	25
Amount.....	\$668,418	\$719,849	\$781,569	\$721,232	\$730,063	\$771,191	\$705,510	\$723,456
64. Furniture and fixtures:								
Number of companies.....	16	18	19	21	21	21	21	21
Amount.....	\$32,461	\$51,866	\$56,731	\$55,539	\$55,956	\$58,092	\$58,114	\$57,174
65. Land:								
Number of companies.....	11	11	12	13	13	13	13	13
Amount.....	\$110,472	\$110,466	\$114,459	\$120,145	\$120,145	\$121,111	\$119,885	\$117,985
66. All other capital assets:								
Number of companies.....	22	22	22	22	23	25	24	25
Amount.....	\$271,095	\$292,743	\$332,922	\$331,812	\$368,038	\$348,978	\$320,146	\$297,165
67. Bonds and notes (unsecured):								
Number of companies.....	1	2	1	2	2	3	4	2
Amount.....	-----	-----	\$15,798	\$17,356	\$17,608	\$35,783	\$32,651	\$15,820
68. Mortgages, etc. (secured):								
Number of companies.....	8	7	8	8	9	7	6	7
Amount.....	\$223,488	\$185,500	\$206,274	\$159,471	\$207,851	\$170,002	\$149,892	\$148,401
69. Property taxes deducted:								
Number of companies.....	16	16	17	18	20	17	19	20
Amount.....	-----	\$9,912	\$11,146	\$11,271	\$12,534	\$10,901	\$10,931	\$10,514
70. Sales taxes deducted:								
Number of companies.....	1	1	1	-----	15	9	8	6
Amount.....	-----	\$63	\$48	-----	\$10,073	\$8,536	\$3,856	\$1,123
71. Pay-roll taxes deducted:								
Number of companies.....	-----	-----	-----	-----	-----	-----	-----	15
Amount.....	-----	-----	-----	-----	-----	-----	-----	\$8,889
72. State income taxes deducted:								
Number of companies.....	-----	5	6	6	6	8	6	8
Amount.....	-----	\$712	\$862	\$1,066	\$1,269	\$883	\$845	\$1,605
73. Other taxes deducted:								
Number of companies.....	-----	25	23	23	23	27	26	26
Amount.....	-----	\$9,100	\$10,035	\$11,639	\$13,166	\$15,772	\$15,235	\$14,318

TABLE 3-B.—Selected income statement and balance sheet items for an identical sample of small men's clothing corporations, showing the frequencies and aggregate amounts by years, 1929-36

[Figures in parentheses indicate loss]

	1929	1930	1931	1932	1933	1934	1935	1936
1. Total assets:								
Number of companies.....	25	27	27	27	27	27	27	27
Amount.....	\$2,401,946	\$2,344,771	\$2,257,544	\$2,035,977	\$2,594,208	\$2,307,795	\$2,791,355	\$3,043,747
2. Total net sales:								
Amount.....		\$6,032,386	\$6,542,345	\$5,074,870	\$6,589,869	\$7,532,968	\$7,362,718	\$8,757,323
3. Economic income:								
Amount.....		\$40,411	(\$79,105)	(\$94,784)	\$19,737	\$2,373	\$35,285	\$32,232
4. Interest expense:								
Number of companies.....		22	20	14	22	24	23	24
Amount.....		\$26,744	\$18,002	\$12,180	\$17,783	\$31,927	\$23,189	\$36,466
5. Federal and State income taxes:								
Number of companies.....		17	17	22	24	23	22	24
Amount.....		\$4,552	\$2,705	\$3,339	\$8,112	\$6,325	\$9,474	\$11,345
6. Depreciation and depletion:								
Number of companies.....		22	23	23	23	22	22	22
Amount.....		\$11,052	\$12,057	\$12,830	\$12,697	\$14,468	\$13,534	\$14,529
7. Dividends paid: ¹								
Number of companies.....		6	5	5	4	4	5	4
Amount.....		\$21,417	\$3,074	\$1,755	\$1,528	\$1,533	\$2,742	\$30,100
8. Income before interest, income taxes, and depreciation:								
Amount.....		\$82,759	(\$46,341)	(\$66,435)	\$58,334	\$55,083	\$81,482	\$94,572
9. Income before income taxes and depreciation:								
Amount.....		\$56,015	(\$64,343)	(\$78,615)	\$40,546	\$23,166	\$58,293	\$58,106
10. Income before interest and income taxes:								
Amount.....		\$71,707	(\$58,398)	(\$79,265)	\$45,637	\$40,625	\$67,948	\$80,043
11. Income before depreciation:								
Amount.....		\$51,463	(\$67,048)	(\$81,954)	\$32,434	\$16,841	\$48,819	\$46,761
12. Business savings:								
Amount.....		\$18,994	(\$82,179)	(\$96,539)	\$18,209	\$840	\$32,543	\$2,132

¹ This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	1930	1933	1935
Number of companies.....	1	1	1
Amount.....	\$4,000	\$20,000	\$7,000

TABLE 3-B.—Selected income statement and balance sheet items for an identical sample of small men's clothing corporations, showing the frequencies and aggregate amounts by years, 1929-36.—Continued

	1929	1930	1931	1932	1933	1934	1935	1936
13. Funded debt:								
Number of companies	1	1	1	1	1	1	1	1
Amount	\$46,000	\$44,400	\$42,940	\$41,420	\$39,300	\$10,000	\$8,500	\$8,069
14. Preferred stock:								
Number of companies	8	9	10	10	10	10	8	8
Amount	\$144,400	\$151,900	\$161,500	\$161,500	\$161,500	\$161,500	\$153,000	\$153,000
15. Common stock:								
Number of companies	8	9	10	10	10	10	8	8
Amount	\$1,013,626	\$1,072,946	\$1,069,646	\$1,068,166	\$1,135,166	\$1,055,166	\$1,036,023	\$1,074,417
16. Total capital stock:								
Number of companies	8	9	10	10	10	10	8	8
Amount	\$1,158,026	\$1,224,846	\$1,231,146	\$1,259,686	\$1,296,666	\$1,216,666	\$1,189,023	\$1,227,417
17. Total equity:								
Number of companies	8	9	10	10	10	10	8	8
Amount	\$1,204,026	\$1,269,306	\$1,274,086	\$1,301,086	\$1,335,966	\$1,226,666	\$1,197,523	\$1,235,486
18. Bad debts expense:								
Number of companies	23	23	21	23	22	24	23	26
Amount	\$82,892	\$82,986	\$138,986	\$137,550	\$81,265	\$52,228	\$37,924	\$35,009
19. Cash and equivalent:								
Number of companies	25	25	27	26	26	27	26	24
Amount	\$296,004	\$285,193	\$276,722	\$288,757	\$213,030	\$337,355	\$206,924	\$319,167
20. Notes receivable:								
Number of companies	9	12	16	17	12	11	8	11
Amount	\$26,178	\$45,532	\$38,167	\$31,349	\$23,349	\$39,585	\$9,661	\$8,244
21. Accounts receivable (net):								
Number of companies	23	27	27	27	27	26	26	27
Amount	\$1,019,871	\$1,003,505	\$967,387	\$313,008	\$1,033,494	\$884,745	\$1,113,185	\$1,341,911
22. Total receivables:								
Number of companies	23	27	27	27	27	26	26	27
Amount	\$1,046,049	\$1,049,037	\$1,005,554	\$844,357	\$1,056,803	\$924,330	\$1,122,846	\$1,350,155
23. Inventories:								
Number of companies	23	27	26	26	26	26	27	26
Amount	\$774,100	\$734,174	\$738,104	\$642,012	\$1,058,609	\$786,427	\$1,131,345	\$1,076,484
24. Total current assets:								
Number of companies	23	27	27	27	27	26	26	27
Amount	\$2,116,153	\$2,068,404	\$2,020,380	\$1,775,126	\$2,328,532	\$2,048,112	\$2,461,115	\$2,745,806
25. Nonfable investments:								
Number of companies	1	\$100	3	3	3	3	2	2
Amount				\$15,636	\$15,636	\$15,636	\$11,121	\$7,106
26. Stocks of domestic corporations:								
Number of companies	2	2	1	1	1	1	2	3
Amount	\$1,500	\$46,550	\$1,350	\$1,350	\$1,350	\$1,350	\$11,160	\$11,276
27. Bonds of domestic corporations:								
Number of companies	1	1	1	1	1	1	1	1
Amount	\$200	\$14,000	\$15,000	\$19,000	\$19,000	\$18,300	\$18,000	\$17,950
28. All other investments:								
Number of companies	7	11	13	15	16	13	15	13
Amount	\$92,524	\$19,714	\$14,460	\$16,808	\$24,417	\$20,833	\$85,819	\$42,759

29. Total investments:	9	14	14	18	19	16	17	16
Number of companies								
Amount	\$94,224	\$80,364	\$30,810	\$52,794	\$60,403	\$56,119	\$126,150	\$79,691
30. Gross capital assets (excluding land):								
Amount	\$139,612	\$153,268	\$163,344	\$174,816	\$183,199	\$195,442	\$205,273	\$224,173
31. Depreciation and depletion reserves:	14	21	21	23	23	23	23	23
Number of companies								
Amount	\$34,450	\$45,720	\$46,218	\$53,150	\$68,725	\$78,669	\$91,981	\$103,330
32. Net capital assets (excluding land):								
Amount	\$105,159	\$109,548	\$117,126	\$116,666	\$119,474	\$116,773	\$113,292	\$120,843
33. Net capital assets (including land):								
Amount	\$111,159	\$115,548	\$123,126	\$122,666	\$125,474	\$122,772	\$119,291	\$126,843
34. All other assets:	10	12	11	13	12	13	15	14
Number of companies								
Amount	\$89,409	\$80,455	\$83,228	\$85,391	\$79,799	\$80,792	\$84,799	\$92,007
35. Intangibles and deferred charges:								
Amount	\$80,409	\$80,455	\$83,228	\$85,391	\$79,799	\$80,792	\$84,799	\$92,007
36. Notes payable:	15	18	17	14	20	17	18	21
Number of companies								
Amount	\$304,772	\$275,348	\$232,393	\$122,904	\$270,032	\$244,043	\$304,876	\$453,376
37. Accounts payable:	20	25	26	27	27	26	26	25
Number of companies								
Amount	\$577,529	\$473,574	\$462,674	\$445,505	\$821,478	\$552,745	\$958,805	\$982,041
38. Total current liabilities:	22	26	27	27	27	27	26	26
Number of companies								
Amount	\$913,681	\$776,560	\$706,892	\$575,124	\$1,102,100	\$310,864	\$1,286,766	\$1,481,571
39. Working capital:								
Amount	\$1,202,472	\$1,291,844	\$1,313,488	\$1,200,002	\$1,226,432	\$1,237,248	\$1,174,349	\$1,264,235
40. Total debt:	22	26	27	27	27	27	26	26
Number of companies								
Amount	\$959,681	\$821,020	\$749,832	\$616,544	\$1,141,400	\$820,864	\$1,295,266	\$1,489,640
41. Other liabilities:	1	3	1	1	1	2	3	3
Number of companies								
Amount	\$483	\$1,212	\$336	\$336	\$300	\$1,931	\$12,243	\$12,243
42. Surplus:	19	27	27	27	27	27	27	27
Number of companies								
Amount	\$283,805	\$297,680	\$276,569	\$150,425	\$155,840	\$270,263	\$305,129	\$314,444
43. Undivided profits:								
Amount								
44. Surplus and undivided profits:	19	27	27	27	27	27	27	27
Number of companies								
Amount	\$283,805	\$297,680	\$276,569	\$159,425	\$155,840	\$270,263	\$305,129	\$314,444
45. Net worth:								
Amount	\$1,441,831	\$1,522,536	\$1,507,715	\$1,419,091	\$1,452,506	\$1,486,929	\$1,494,152	\$1,541,861
46. Total investment in enterprise:								
Amount	\$1,487,831	\$1,565,996	\$1,550,655	\$1,460,511	\$1,491,806	\$1,496,929	\$1,502,652	\$1,549,030
47. Tangible net worth:								
Amount	\$1,361,422	\$1,442,081	\$1,424,487	\$1,333,700	\$1,372,707	\$1,406,137	\$1,409,353	\$1,449,854

TABLE 3-B.—Selected income statement and balance sheet items for an identical sample of small men's clothing corporations, showing the frequencies and aggregate amounts by years, 1929-36—Continued

	1929	1930	1931	1932	1933	1934	1935	1936
48. Cost of goods sold and of operations:								
Amount.....		\$5,052, 116	\$5, 565, 954	\$4, 305, 734	\$5, 674, 272	\$6, 503, 873	\$5, 588, 071	\$7, 608, 795
49. Repairs expense:								
Number of companies.....		6	5	4	4	5	4	6
Amount.....		\$11, 647	\$2, 027	\$1, 076	\$874	\$2, 773	\$867	\$4, 660
50. Dividends deductible:								
Number of companies.....		1	1	1			1	5
Amount.....		\$50	\$50	\$13			\$15	\$202
51. Compensation of officers:								
Number of companies.....		26	26	26	26	26	26	26
Amount.....		\$319, 422	\$308, 863	\$256, 324	\$290, 497	\$289, 055	\$308, 735	\$341, 509
52. Rent paid on business property:								
Number of companies.....		27	27	27	26	27	27	26
Amount.....		\$92, 013	\$89, 761	\$88, 763	\$72, 028	\$78, 075	\$76, 206	\$85, 004
53. Capital gains and losses:								
Number of companies.....			2				2	2
Amount.....			(\$2, 435)				(\$70)	\$38
54. Tax-exempt interest received:								
Number of companies.....								1
Amount.....								\$157
55. Nonincome taxes deducted:								
Number of companies.....		6	9	9	25	26	26	25
Amount.....		\$2, 705	\$4, 107	\$3, 229	\$7, 110	\$7, 031	\$7, 047	\$18, 873
56. Total taxes deducted:								
Number of companies.....		20	22	25	25	27	26	26
Amount.....		\$7, 257	\$6, 812	\$6, 575	\$14, 022	\$13, 356	\$16, 521	\$30, 188
57. Statutory net income:								
Number of companies:								
Positive.....		23	16	4	15	17	15	20
Negative.....		4	11	23	12	10	12	7
Amount:								
Positive.....		\$94, 200	\$27, 596	\$3, 556	\$40, 600	\$28, 191	\$49, 334	\$55, 487
Negative.....		\$10, 383	\$99, 264	\$136, 611	\$20, 888	\$20, 830	\$8, 548	\$11, 456
58. Raw materials:								
Number of companies.....		2	4	5	6	5	4	4
Amount.....		\$6, 152	\$14, 035	\$26, 789	\$79, 955	\$68, 037	\$62, 925	\$10, 272
59. Work in process:								
Number of companies.....		1		2	2	1	1	2
Amount.....		\$9, 947		\$6, 026	\$32, 559	\$30, 493	\$6, 440	\$17, 296
60. Finished goods:								
Number of companies.....		4	5	6	6	4	5	6
Amount.....		\$144, 516	\$105, 402	\$180, 664	\$197, 627	\$100, 679	\$215, 843	\$161, 495

60A. Inventory (unspecified):	16	19	19	20	20	18
Number of companies		\$618,592	\$427,858	\$587,218	\$845,862	\$887,109
Amount	17	1	1	1	1	2
Supplies:	4	\$75	\$75		\$275	\$312
Number of companies	4					
Amount	\$12,433					
62. Buildings:						
Number of companies	1	1	1	1	1	1
Amount	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000
63. Machinery and equipment:						
Number of companies	19	19	19	19	19	18
Amount	\$79,041	\$83,660	\$95,614	\$116,211	\$125,658	\$135,423
64. Furniture and fixtures:						
Number of companies	11	11	11	11	11	10
Amount	\$26,713	\$31,428	\$30,653	\$31,514	\$31,839	\$34,105
65. Land:						
Number of companies	1	1	1	1	1	1
Amount	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
66. All other capital assets:						
Number of companies	7	6	6	7	8	7
Amount	\$5,481	\$6,530	\$6,549	\$5,738	\$5,737	\$6,967
67. Bonds and notes (unsecured):						
Number of companies						
Amount						
68. Mortgages, etc. (secured):						
Number of companies	1	1	1	1	1	1
Amount	\$44,460	\$42,940	\$41,420	\$10,000	\$8,500	\$8,059
69. Property taxes deducted:						
Number of companies	3	3	2	3	2	2
Amount	\$2,111	\$2,354	\$2,601	\$180	\$2,568	\$2,498
70. Sales taxes deducted:						
Number of companies						
Amount						
71. Pay-roll taxes deducted:						
Number of companies						
Amount						
72. State income taxes deducted:						
Number of companies	12	15	21			17
Amount	\$2,382	\$2,449	\$2,850	\$2,509	\$2,470	\$4,115
73. Other taxes deducted:						
Number of companies	4	7	9	25	26	24
Amount	\$594	\$1,753	\$635	\$2,139	\$3,198	\$3,158

TABLE 3-C.—Selected income statement and balance sheet items for an identical sample of small furniture corporations, showing the frequencies and aggregate amounts by years, 1929-36

[Figures in parentheses indicate loss]

	1929	1930	1931	1932	1933	1934	1935	1936
1. Total assets:								
Number of companies.....	26	28	28	28	28	28	28	28
Amount.....	\$2,871,425	\$2,758,193	\$2,460,593	\$2,082,721	\$2,290,202	\$2,157,905	\$2,339,841	\$2,804,348
2. Total net sales:								
Amount.....		\$4,819,948	\$4,136,125	\$2,705,169	\$3,514,955	\$3,758,767	\$4,542,819	\$6,129,211
3. Economic income:		(\$140,253)	(\$125,289)	(\$254,461)	\$15,038	(\$8,001)	\$4,880	\$101,434
4. Interest expense:								
Number of companies.....	25	25	23	25	26	25	22	20
Amount.....	\$37,910	\$37,910	\$28,152	\$27,694	\$24,335	\$20,974	\$20,849	\$20,831
5. Federal and State income taxes:								
Number of companies.....	13	13	15	12	17	18	18	24
Amount.....	\$7,086	\$7,086	\$3,625	\$1,577	\$11,472	\$10,419	\$11,495	\$23,800
6. Depreciation and depletion:								
Number of companies.....	26	26	26	24	27	26	27	26
Amount.....	\$79,207	\$79,207	\$83,241	\$73,150	\$74,137	\$62,838	\$75,740	\$69,594
7. Dividends paid: ¹								
Number of companies.....	4	4	3	5	4	3	2	4
Amount.....	\$12,970	\$12,970	\$8,998	\$11,825	\$6,785	\$10,145	\$11,111	\$66,193
8. Income before interest, income taxes, and depreciation:								
Amount.....	(\$16,050)	(\$16,050)	(\$10,270)	(\$152,040)	\$125,582	\$86,230	\$112,964	\$215,659
9. Income before income taxes and depreciation:								
Amount.....	(\$53,960)	(\$53,960)	(\$38,423)	(\$179,732)	\$100,647	\$65,256	\$92,116	\$194,828
10. Income before interest and income taxes:								
Amount.....	(\$95,257)	(\$95,257)	(\$59,512)	(\$225,190)	\$51,445	\$23,392	\$37,224	\$146,065
11. Income before depreciation:								
Amount.....	(\$61,046)	(\$61,046)	(\$42,048)	(\$181,311)	\$89,175	\$54,837	\$80,620	\$171,028
12. Business savings:								
Amount.....	(\$153,223)	(\$153,223)	(\$104,287)	(\$266,286)	\$8,253	(\$18,146)	(\$6,231)	\$35,241
13. Funded debt:								
Number of companies.....	5	7	6	6	6	4	4	4
Amount.....	\$54,365	\$64,027	\$55,817	\$52,874	\$49,385	\$47,530	\$42,512	\$128,492
14. Preferred stock:								
Number of companies.....	4	4	4	4	5	5	5	7
Amount.....	\$152,600	\$180,100	\$181,120	\$181,100	\$481,100	\$196,200	\$195,300	\$205,100
15. Common stock:								
Amount.....	\$1,198,912	\$1,267,950	\$1,284,790	\$1,289,973	\$1,301,273	\$1,272,738	\$1,306,123	\$1,253,773
16. Total capital stock:								
Amount.....	\$1,351,512	\$1,448,050	\$1,465,896	\$1,471,073	\$1,482,373	\$1,468,938	\$1,501,423	\$1,458,873
17. Total capital:								
Amount.....	\$1,405,877	\$1,512,077	\$1,521,713	\$1,523,947	\$1,531,759	\$1,516,468	\$1,543,935	\$1,587,365

TABLE 3-C.—Selected income statement and balance sheet items for an identical sample of small furniture corporations, showing the frequencies and aggregate amounts by years, 1929-36—Continued

	1929	1930	1931	1932	1933	1934	1935	1936
36. Notes payable:								
Number of companies.....	21	19	23	22	21	19	18	18
Amount.....	\$487,437	\$396,879	\$341,875	\$314,545	\$315,804	\$244,007	\$271,410	\$278,395
37. Accounts payable:								
Number of companies.....	26	28	28	28	28	27	27	26
Amount.....	\$602,052	\$496,119	\$393,456	\$301,502	\$459,608	\$386,493	\$503,735	\$643,099
38. Total current liabilities:								
Number of companies.....	26	28	28	28	28	28	28	27
Amount.....	\$1,127,473	\$932,891	\$756,391	\$640,653	\$308,482	\$667,951	\$816,161	\$1,062,563
39. Working capital:								
Amount.....	\$751,682	\$777,990	\$653,484	\$459,575	\$555,907	\$612,432	\$664,902	\$802,832
40. Total debt:								
Number of companies.....	26	28	28	28	28	28	28	27
Amount.....	\$1,181,838	\$996,918	\$812,208	\$693,527	\$857,868	\$715,481	\$858,673	\$1,131,055
41. Other liabilities:								
Number of companies.....	1	1	1	1	1	1	2	1
Amount.....	\$354	\$973	\$771	\$1,585	\$2,057	\$2,361	\$2,477	\$27
42. Surplus:								
Number of companies.....	25	27	27	28	28	27	27	27
Amount.....	\$337,717	\$312,254	\$181,718	(\$83,465)	(\$52,100)	(\$9,548)	(\$22,740)	\$214,392
43. Undivided profits:								
Number of companies.....	25	27	27	28	28	27	27	27
Amount.....	\$337,717	\$312,254	\$181,718	(\$83,465)	(\$52,100)	(\$9,548)	(\$22,740)	\$214,392
44. Surplus and undivided profits:								
Number of companies.....	25	27	27	28	28	27	27	27
Amount.....	\$337,717	\$312,254	\$181,718	(\$83,465)	(\$52,100)	(\$9,548)	(\$22,740)	\$214,392
45. Net worth:								
Number of companies.....	25	27	27	28	28	27	27	27
Amount.....	\$1,689,229	\$1,760,304	\$1,647,614	\$1,387,608	\$1,430,273	\$1,440,061	\$1,478,683	\$1,673,265
46. Total investment in enterprise:								
Number of companies.....	25	27	27	28	28	27	27	27
Amount.....	\$1,743,594	\$1,824,331	\$1,703,431	\$1,440,482	\$1,479,659	\$1,487,591	\$1,521,195	\$1,801,757
47. Tangible net worth:								
Number of companies.....	25	27	27	28	28	27	27	27
Amount.....	\$1,473,101	\$1,551,989	\$1,432,323	\$1,173,709	\$1,223,468	\$1,238,526	\$1,277,507	\$1,491,250
48. Cost of goods sold and of operations:								
Number of companies.....	25	27	27	28	28	27	27	27
Amount.....	\$3,881,717	\$3,881,717	\$3,339,287	\$2,376,238	\$2,761,113	\$3,018,609	\$3,664,678	\$4,917,351
49. Repairs expense:								
Number of companies.....	18	18	16	16	16	15	15	14
Amount.....	\$26,523	\$26,523	\$19,227	\$13,081	\$21,661	\$19,779	\$23,705	\$19,326
50. Dividends deductible:								
Number of companies.....	2	2	2	2	2	2	2	6
Amount.....	\$710	\$710	\$910	\$74				\$1,236
51. Compensation of officers:								
Number of companies.....	27	27	25	25	25	25	25	25
Amount.....	\$255,655	\$255,655	\$219,932	\$177,938	\$171,793	\$184,840	\$217,836	\$279,800

TABLE 3-C.—Selected income statement and balance sheet items for an identical sample of small furniture corporations, showing the frequencies and aggregate amounts by years, 1929-36—Continued

	1929	1930	1931	1932	1933	1934	1935	1936
66. All other capital assets:								
Number of companies	18	19	19	19	19	19	18	16
Amount	\$123,250	\$163,475	\$196,105	\$166,544	\$197,117	\$190,083	\$179,191	\$202,037
67. Bonds and notes (unsecured):								
Number of companies	1	1						
Amount	\$6,950	\$8,000						
68. Mortgages, etc. (secured):								
Number of companies	5	7	7	7	6	6	5	7
Amount	\$47,415	\$56,027	\$55,817	\$52,874	\$49,386	\$48,530	\$42,512	\$128,492
69. Property taxes deducted:								
Number of companies		21	21	19	18	18	18	19
Amount		\$16,564	\$12,269	\$11,325	\$12,605	\$11,075	\$13,565	\$11,270
70. Sales taxes deducted:								
Number of companies		1	1	1	4	1	2	2
Amount		\$2	\$85	\$2	\$383	\$31	\$109	\$171
71. Pay roll taxes deducted:								
Number of companies								21
Amount								\$14,695
72. State income taxes deducted:								
Number of companies		11	14	12	12	12	15	18
Amount		\$1,519	\$1,548	\$1,064	\$1,206	\$1,989	\$2,546	\$4,526
73. Other taxes deducted:								
Number of companies		15	17	18	24	25	25	28
Amount		\$6,874	\$5,313	\$4,264	\$6,588	\$5,671	\$5,749	\$11,201

TABLE 3-D.—Selected income statement and balance sheet items for an identical sample of small stone and clay products corporations showing the frequencies and aggregate amounts by years, 1929-36

[Figures in parentheses indicate loss]

	1929	1930	1931	1932	1933	1934	1935	1936
1. Total assets:								
Number of companies	29	30	30	30	30	30	30	30
Amount	\$3,014,246	\$3,002,443	\$2,837,265	\$2,514,511	\$2,219,052	\$2,034,804	\$1,977,856	\$1,939,531
2. Total net sales:								
Number of companies								
Amount		\$2,226,490	\$1,524,584	\$819,582	\$607,089	\$639,090	\$1055,537	\$1,510,088
3. Economic income:								
Number of companies								
Amount		(\$144,257)	(\$260,940)	(\$319,515)	(\$239,863)	(\$131,239)	(\$95,918)	(\$56,237)
4. Interest expense:								
Number of companies		20	19	18	16	14	15	15
Amount		\$15,851	\$15,967	\$15,071	\$14,866	\$15,818	\$13,281	\$14,190
5. Federal and State income taxes:								
Number of companies		12	8	7	7	10	13	18
Amount		\$8,806	\$2,842	\$1,268	\$880	\$8,733	\$11,749	\$15,942
6. Depreciation and depletion:								
Number of companies		29	28	25	23	26	26	26
Amount		\$127,020	\$97,068	\$97,244	\$83,664	\$78,222	\$74,316	\$77,571
7. Dividends paid:								
Number of companies		10	8	5	4	6	4	7
Amount		60,109	34,662	14,499	2,076	24,929	26,261	62,235
8. Income before interest, income taxes, and depreciation:								
Number of companies								
Amount		\$7,420	(\$165,013)	(\$205,832)	(\$140,453)	(\$28,466)	\$3,428	\$71,466
9. Income before income taxes and depreciation:								
Number of companies								
Amount		(\$8,431)	(\$181,000)	(\$221,003)	(\$155,319)	(\$44,284)	(\$9,853)	\$57,276
10. Income before interest and income taxes:								
Number of companies								
Amount		(\$119,600)	(\$262,111)	(\$303,176)	(\$224,117)	(\$106,088)	(\$70,888)	(\$6,105)
11. Income before depreciation:								
Number of companies								
Amount		(\$17,237)	(\$183,842)	(\$222,271)	(\$156,199)	(\$53,017)	(\$21,602)	\$41,334
12. Business savings:								
Number of companies								
Amount		(\$203,186)	(\$316,782)	(\$334,014)	(\$241,939)	(\$156,168)	(\$122,179)	(\$98,475)
13. Funded debt:								
Number of companies	6	8	7	7	7	6	6	8
Amount	\$86,017	\$88,784	\$89,159	\$88,428	\$97,931	\$86,885	\$94,725	\$88,565
14. Preferred stock:								
Number of companies	5	5	6	6	6	5	5	5
Amount	\$240,600	\$343,100	\$378,200	\$378,200	\$378,200	\$343,100	\$339,800	\$191,500
15. Common stock:								
Number of companies								
Amount		\$1,374,791	\$1,302,445	\$1,392,545	\$1,201,340	\$1,200,133	\$1,196,533	\$1,200,133
16. Total capital stock:								
Number of companies								
Amount		\$1,454,371	\$1,770,645	\$1,770,745	\$1,579,440	\$1,543,233	\$1,535,333	\$1,391,633
17. Total capital:								
Number of companies								
Amount		\$1,540,388	\$1,859,804	\$1,859,173	\$1,857,477	\$1,630,118	\$1,630,058	\$1,480,198

TABLE 3-D.—Selected income statement and balance sheet items for an identical sample of small stone and clay products corporations showing the frequencies and aggregate amounts by years, 1929-36—Continued

	1929	1930	1931	1932	1933	1934	1935	1936
53. Capital gains and losses:								
Number of companies.....		4	5	4		5	6	2
Amount.....		\$8,865	(\$525)	\$7,745		\$1,690	(\$101)	\$1,628
54. Tax-exempt interest received:								
Number of companies.....						2	2	2
Amount.....						\$1,370	\$1,287	\$1,439
55. Non-income taxes deducted:								
Number of companies.....		28	29	29	29	29	29	30
Amount.....		\$37,417	\$32,745	\$27,720	\$25,140	\$29,004	\$25,282	\$30,363
56. Total taxes deducted:								
Number of companies.....		29	29	29	29	29	29	30
Amount.....		\$46,223	\$35,587	\$28,988	\$26,020	\$37,717	\$37,131	\$46,315
57. Statutory net income:								
Number of companies:								
Positive.....		14	7	1	1	5	11	14
Negative.....		16	23	29	29	25	19	16
Amount:								
Positive.....		\$57,724	\$25,391	\$2,404	\$2,749	\$60,908	\$65,125	\$75,989
Negative.....		\$202,484	\$301,574	\$109,695	\$239,677	\$201,056	\$136,042	\$104,135
58. Raw materials:								
Number of companies.....	15	15	12	12	12	13	11	11
Amount.....	\$64,306	\$54,547	\$36,881	\$31,939	\$38,274	\$35,274	\$39,774	\$36,491
59. Work in process:								
Number of companies.....	7	7	5	5	5	4	5	4
Amount.....	\$75,913	\$39,161	\$18,874	\$15,965	\$13,423	\$6,228	\$3,249	\$12,334
60. Finished goods:								
Number of companies.....	20	22	18	19	19	20	20	19
Amount.....	\$321,389	\$329,790	\$246,626	\$209,348	\$184,267	\$163,887	\$138,373	\$180,865
60A. Inventory (unspecified):								
Number of companies.....	3	4	8	8	7	5	7	8
Amount.....	\$56,719	\$57,913	\$85,856	\$50,696	\$45,455	\$41,772	\$36,655	\$33,171
61. Supplies:								
Number of companies.....	7	6	6	5	6	6	6	6
Amount.....	\$9,499	\$5,415	\$2,886	\$2,383	\$2,405	\$12,249	\$16,407	\$18,547
62. Buildings:								
Number of companies.....	25	25	25	25	25	25	25	25
Amount.....	\$620,991	\$620,991	\$692,050	\$697,996	\$694,718	\$702,042	\$680,687	\$746,357
63. Machinery and equipment:								
Number of companies.....	28	28	28	28	28	28	27	27
Amount.....	\$788,653	\$835,770	\$818,035	\$803,530	\$803,375	\$800,105	\$802,375	\$818,622
64. Furniture and fixtures:								
Number of companies.....	25	25	25	26	26	26	26	26
Amount.....	\$20,491	\$20,738	\$20,738	\$20,838	\$21,015	\$21,109	\$19,614	\$19,879

65. Land:										
Number of companies.....	16	17	17	17	17	17	17	17	17	16
Amount.....	\$231, 104	\$243, 492	\$245, 977	\$245, 384	\$337, 007	\$243, 555	\$329, 993	\$233, 981		
66. All other assets:										
Number of companies.....		23	23	23	23	21	19	20		
Amount.....		\$210, 502	\$210, 471	\$240, 940	\$234, 322	\$219, 449	\$212, 861	\$135, 924		
67. Bonds and notes (unsecured):										
Number of companies.....		2	1	1	1	1	1	1		
Amount.....		\$16, 375	\$15, 875	\$1, 875	\$15, 875	\$15, 875	\$15, 875	\$5, 000		
68. Mortgages, etc. (secured):										
Number of companies.....		7	7	7	7	6	7	7		
Amount.....		\$76, 409	\$77, 784	\$77, 353	\$77, 056	\$76, 410	\$91, 725	\$93, 565		
69. Property taxes deducted:										
Number of companies.....		18	20	20	19	18	19	21		
Amount.....		\$21, 169	\$18, 190	\$21, 294	\$18, 724	\$17, 937	\$18, 159	\$18, 724		
70. Sales taxes deducted:										
Number of companies.....						4	3	0		
Amount.....						\$241	\$709	\$1, 112		
71. Pay roll taxes deducted:										
Number of companies.....										
Amount.....								\$1, 805		
72. State income taxes deducted:										
Number of companies.....		9	7	6	6	5	6	9		
Amount.....		\$3, 181	\$1, 077	\$937	\$502	\$314	\$2, 786	\$2, 996		
73. Other taxes deducted:										
Number of companies.....		22	23	23	24	26	27	28		
Amount.....		\$16, 247	\$14, 555	\$6, 426	\$6, 178	\$9, 629	\$6, 414	\$5, 722		

CONCENTRATION OF ECONOMIC POWER

TABLE 3-E.—Selected income statement and balance sheet items for an identical sample of small machine-tool corporations, showing the frequencies and aggregate amounts by years, 1929-36

[Figures in parentheses indicate loss]

	1929	1930	1931	1932	1933	1934	1935	1936
1. Total assets:								
Number of companies.....	22	23	23	23	23	23	23	23
Amount.....	\$2,052,197	\$1,984,404	\$1,864,817	\$1,552,009	\$1,594,154	\$1,474,385	\$1,506,416	\$1,509,636
2. Total net sales:								
Amount.....	\$1,869,717	\$1,322,380	\$1,322,380	\$786,856	\$886,010	\$1,107,452	\$1,389,854	\$2,024,825
3. Economic income:								
Amount.....	(22,050)	(22,050)	(\$196,475)	(\$278,097)	(\$59,398)	(\$52,224)	\$20,583	\$113,824
4. Interest & bonds:								
Number of companies.....	17	17	17	17	20	20	19	14
Amount.....	\$13,871	\$13,859	\$13,859	\$16,994	\$12,376	\$11,130	\$10,701	\$10,708
5. Federal and State income taxes:								
Number of companies.....	14	14	10	9	12	12	16	19
Amount.....	\$7,552	\$7,552	\$2,158	\$2,153	\$4,378	\$3,481	\$10,114	\$23,883
6. Depreciation and depletion:								
Number of companies.....	19	19	18	20	20	20	20	22
Amount.....	\$86,515	\$86,515	\$81,239	\$82,232	\$71,826	\$09,274	\$67,000	\$74,123
7. Dividends paid: 1								
Number of companies.....	7	7	5	3	1	3	4	9
Amount.....	\$31,760	\$31,760	\$15,196	\$21,297	\$297	\$935	\$13,951	\$71,836
8. Income before interest, income taxes, and depreciation:								
Amount.....	\$85,988	\$85,988	(\$98,239)	(\$182,718)	\$28,682	\$31,661	\$108,398	\$222,538
9. Income before income taxes, and depreciation:								
Amount.....	\$72,017	\$72,017	(\$112,078)	(\$193,712)	\$16,306	\$20,531	\$97,697	\$211,830
10. Income before interest and income taxes:								
Amount.....	(8527)	(8527)	(\$179,478)	(\$264,950)	(\$43,144)	(\$37,613)	\$41,398	\$148,415
11. Income before depreciation:								
Amount.....	\$64,465	\$64,465	(\$114,236)	(\$195,856)	\$11,928	\$17,050	\$37,583	\$187,947
12. Business savings:								
Amount.....	(553,810)	(553,810)	(\$210,671)	(\$299,304)	(\$60,195)	(\$53,209)	\$6,632	\$41,988
13. Funded debt:								
Number of companies.....	4	4	4	6	6	6	4	5
Amount.....	\$60,430	\$72,889	\$65,168	\$50,550	\$48,377	\$78,201	\$72,128	\$82,173
14. Preferred stock:								
Number of companies.....	2	2	2	2	1	2	2	2
Amount.....	\$38,600	\$38,600	\$38,600	\$38,600	\$38,600	\$76,900	\$76,900	\$76,900
15. Common stock:								
Amount.....	\$1,050,357	\$1,070,024	\$1,104,657	\$1,110,057	\$1,123,007	\$1,158,707	\$1,144,907	\$1,092,457
16. Total capital stock:								
Amount.....	\$1,088,957	\$1,108,624	\$1,143,257	\$1,148,657	\$1,161,607	\$1,235,607	\$1,221,807	\$1,169,357
17. Total capital:								
Amount.....	\$1,149,387	\$1,181,513	\$1,208,425	\$1,196,207	\$1,209,984	\$1,313,808	\$1,293,935	\$1,251,530

TABLE 3.—Selected income statement and balance sheet items for an identical sample of small machine-tool corporations, showing the frequencies and aggregate amounts by years, 1929-36—Continued

	1929	1930	1931	1932	1933	1934	1935	1936
35. Intangibles and deferred charges:								
Number of companies.....	16	18	18	18	18	18	18	19
Amount.....	\$154,376	\$127,304	\$118,712	\$108,773	\$104,331	\$99,737	\$103,578	\$90,205
36. Notes payable:								
Number of companies.....	11	14	17	17	17	15	14	14
Amount.....	\$197,927	\$217,442	\$227,624	\$199,002	\$194,681	\$115,212	\$117,611	\$97,948
37. Accounts payable:								
Number of companies.....	21	22	22	21	22	21	21	21
Amount.....	\$130,984	\$94,696	\$75,984	\$76,764	\$125,524	\$90,726	\$123,564	\$118,230
38. Total current liabilities:								
Number of companies.....	22	23	23	23	23	23	23	23
Amount.....	\$383,789	\$338,610	\$329,268	\$307,872	\$360,775	\$234,557	\$276,897	\$263,587
39. Working capital:								
Amount.....	\$476,147	\$430,388	\$366,589	\$223,783	\$238,986	\$277,901	\$290,290	\$369,045
40. Total debt:								
Number of companies.....	22	23	23	23	23	23	23	23
Amount.....	\$444,219	\$411,303	\$394,436	\$358,422	\$409,152	\$312,758	\$349,025	\$345,760
41. Other liabilities:								
Number of companies.....	1	1	1	1	1	2	2	1
Amount.....	\$2,782	\$46	\$112	.....	\$1,576	\$5,453	.....	\$1,324
42. Surplus:								
Number of companies.....	20	22	22	22	23	21	22	22
Amount.....	\$516,241	\$464,237	\$327,011	\$45,526	(\$8,181)	(\$79,429)	(\$64,412)	\$36,693
43. Undivided profits:								
Number of companies.....	22	22	22	22	23	21	22	1
Amount.....	\$516,241	\$464,237	\$327,011	\$45,526	(\$8,181)	(\$79,429)	(\$64,412)	\$6,501
44. Surplus and undivided profits:								
Number of companies.....	22	22	22	22	23	21	22	22
Amount.....	\$1,605,198	\$1,572,861	\$1,470,268	\$1,194,183	\$1,153,426	\$1,156,178	\$1,157,305	\$1,212,551
45. Net worth:								
Number of companies.....	22	22	22	22	23	21	22	22
Amount.....	\$1,605,628	\$1,645,750	\$1,585,426	\$1,244,733	\$1,201,803	\$1,234,379	\$1,229,523	\$1,294,724
46. Total investment in enterprise:								
Number of companies.....	22	22	22	22	23	21	22	22
Amount.....	\$1,450,822	\$1,445,557	\$1,351,556	\$1,085,410	\$1,049,095	\$1,056,441	\$1,083,817	\$1,122,346
47. Tangible net worth:								
Number of companies.....	22	22	22	22	23	21	22	22
Amount.....	\$1,256,687	\$1,256,687	\$1,036,917	\$617,948	\$571,604	\$775,663	\$952,199	\$1,442,332
48. Cost of goods sold and of operations:								
Number of companies.....	13	13	13	13	13	15	17	17
Amount.....	\$15,365	\$15,365	\$7,833	\$5,136	\$12,190	\$7,778	\$12,025	\$20,951
49. Repairs expense:								
Number of companies.....	1	1	2	1	1	1	1	7
Amount.....	\$350	\$350	\$342	\$5	\$24	\$85	\$72	\$521
50. Dividends deductible:								
Number of companies.....	1	1	2	1	1	1	1	7
Amount.....	\$350	\$350	\$342	\$5	\$24	\$85	\$72	\$521

51. Compensation of officers:									
Number of companies.....	20	19	20	20	21	22			
Amount.....	\$215,946	\$195,975	\$135,854	\$120,907	\$132,667	\$146,053			\$195,144
52. Rent paid on business property:									
Number of companies.....	14	13	13	13	14	13			
Amount.....	\$34,259	\$33,006	\$24,360	\$23,157	\$20,361	\$16,815			\$14,500
53. Capital gains and losses:									
Number of companies.....	3	4	6	5	6	5			
Amount.....	(\$2,712)	\$214	(\$5,510)	(\$1,750)	(\$1,085)	\$4,966			\$3,425
54. Tax-exempt interest received:									
Number of companies.....									
Amount.....									
55. Nonincome taxes deducted:									
Number of companies.....	22	23	23	23	23	23			
Amount.....	\$18,347	\$15,605	\$16,676	\$16,029	\$16,249	\$15,971			\$26,305
56. Total taxes deducted:									
Number of companies.....	23	23	23	23	23	23			
Amount.....	\$25,899	\$17,763	\$18,829	\$21,207	\$19,730	\$26,084			\$30,188
57. Statutory net income:									
Number of companies:									
Positive.....	14	5	3	8	7	10			16
Negative.....	9	18	20	15	16	13			7
Amount.....									
58. Raw materials:									
Number of companies.....	12	12	13	12	11	12			
Amount.....	\$82,323	\$79,467	\$46,040	\$57,142	\$22,286	\$26,915			\$56,853
59. Work in process:									
Number of companies.....	8	8	7	10	9	9			
Amount.....	\$59,994	\$58,834	\$40,246	\$43,887	\$22,798	\$32,520			\$41,549
60. Finished goods:									
Number of companies.....	4	6	5	6	7	6			
Amount.....	\$30,774	\$37,737	\$14,356	\$16,831	\$22,729	\$18,863			\$18,405
60A. Inventory (unspecified):									
Number of companies.....	9	8	8	7	8	7			
Amount.....	\$126,140	\$103,241	\$90,036	\$95,783	\$102,512	\$106,840			\$95,859
61. Supplies:									
Number of companies.....	5	6	6	7	8	8			
Amount.....	\$6,334	\$47,467	\$37,559	\$36,079	\$44,042	\$37,417			\$40,298
62. Buildings:									
Number of companies.....	10	10	10	10	10	11			
Amount.....	\$261,461	\$308,187	\$316,750	\$315,300	\$314,696	\$334,799			\$336,972
63. Machinery and equipment:									
Number of companies.....	22	23	23	23	23	23			
Amount.....	\$398,543	\$943,586	\$941,942	\$813,907	\$828,046	\$838,893			\$901,321
64. Furniture and fixtures:									
Number of companies.....	16	17	17	17	18	18			
Amount.....	\$27,374	\$80,401	\$80,954	\$79,723	\$80,772	\$89,792			\$98,480

TABLE 3-E.—Selected income statement and balance sheet items for an identical sample of small machine-tool corporations, showing the frequencies and aggregate amounts by years, 1929-36—Continued

	1929	1930	1931	1932	1933	1934	1935	1936
65. Land:								
Number of companies.....	10	11	11	11	11	11	12	12
Amount.....	\$166,894	\$170,948	\$170,558	\$170,558	\$170,558	\$170,558	\$175,664	\$153,002
66. All other capital assets:								
Number of companies.....	15	14	15	14	14	13	13	13
Amount.....	\$100,164	\$114,114	\$113,260	\$108,145	\$102,437	\$102,447	\$102,555	\$108,500
67. Bonds and notes (unsecured):								
Number of companies.....	1	1	.....	2	1	3	2	1
Amount.....	\$8,600	\$7,600	.....	\$8,850	\$6,546	\$7,945	\$7,639	\$10,046
68. Mortgages, etc. (secured):								
Number of companies.....	3	3	4	5	5	5	4	5
Amount.....	\$51,830	\$65,289	\$65,168	\$41,880	\$42,011	\$70,256	\$64,489	\$72,127
69. Property taxes deducted:								
Number of companies.....	.....	18	19	18	19	21	21	18
Amount.....	.....	\$15,052	\$13,435	\$12,098	\$12,239	\$12,653	\$12,067	\$13,044
70. Sales taxes deducted:								
Number of companies.....	.....	.....	.....	1	2	2	3	4
Amount.....	.....	.....	.....	\$26	\$109	\$123	\$134	\$71
71. Pay-roll taxes deducted:								
Number of companies.....	.....	.....	.....	.....	.....	.....	.....	15
Amount.....	.....	.....	.....	.....	.....	.....	.....	\$9,088
72. State income taxes deducted:								
Number of companies.....	.....	9	9	8	8	8	9	9
Amount.....	.....	\$4,035	\$1,922	\$1,075	\$736	\$684	\$1,373	\$2,590
73. Other taxes deducted:								
Number of companies.....	.....	14	13	19	22	22	23	23
Amount.....	.....	\$3,293	\$2,172	\$4,552	\$4,482	\$3,478	\$3,770	\$4,102

TABLE 5-A.—Selected income statement and balance-sheet items for a sample of small baking corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts, by number of years before failure

[Figures in parentheses indicate loss]

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
1. Total assets:										
Number of companies.....	123	99	84	72	62	47	29	23	16	7
Amount.....	\$5,920,034	\$6,139,273	\$5,710,992	\$5,168,148	\$4,494,087	\$3,715,437	\$2,380,923	\$2,089,296	\$1,299,968	\$676,364
2. Total net sales:										
Amount.....	\$12,711,466	\$15,534,847	\$13,072,783	\$12,546,359	\$11,857,225	\$9,759,531	\$6,744,071	\$5,655,401	\$3,908,623	\$1,543,764
3. Economic income:										
Amount.....	(\$620,965)	(\$368,403)	(\$302,150)	(\$289,367)	(\$86,315)	(\$84,848)	\$28,775	\$18,498	(\$40,270)	(\$28,119)
4. Interest expense:										
Number of companies.....	87	72	63	56	48	36	23	17	11	5
Amount.....	\$84,179	\$87,251	\$86,644	\$69,358	\$51,709	\$40,125	\$22,283	\$18,756	\$11,181	\$4,948
5. Federal and State income taxes:										
Number of companies.....	24	32	26	24	22	16	13	11	4	1
Amount.....	\$12,069	\$20,911	\$22,025	\$17,731	\$22,008	\$7,732	\$8,182	\$7,565	\$2,533	\$280
6. Depreciation and depletion:										
Number of companies.....	93	87	75	67	59	44	27	22	14	7
Amount.....	\$354,086	\$398,807	\$361,411	\$366,620	\$302,745	\$241,556	\$147,157	\$118,842	\$7,421	\$30,273
7. Dividends paid: ¹										
Number of companies.....	6	8	11	8	10	7	9	3	4	2
Amount.....	\$25,092	\$83,026	\$67,379	\$12,690	\$36,640	\$15,258	\$10,462	\$7,222	\$8,350	\$8,891
8. Income before interest, income taxes, and depreciation:										
Amount.....	(\$170,611)	\$147,566	\$167,930	\$164,342	\$280,147	\$204,565	\$207,397	\$163,661	\$52,865	\$7,382
9. Income before income taxes and depreciation:										
Amount.....	(\$254,790)	\$60,315	\$81,286	\$94,984	\$238,438	\$164,440	\$185,114	\$144,905	\$41,684	\$2,434
10. Income before interest and income taxes:										
Amount.....	(\$524,697)	(\$251,241)	(\$193,481)	(\$202,278)	(\$12,598)	(\$36,991)	\$60,240	\$44,819	(\$26,566)	(\$22,801)
11. Income before depreciation:										
Amount.....	(\$266,879)	\$30,404	\$59,261	\$77,253	\$216,430	\$156,708	\$176,832	\$137,340	\$39,151	\$2,154

¹This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	Years before failure.....		
	3	8	1
Number of companies.....	2	1	10,000
Amount.....	\$8,825		

TABLE 5-A.—Selected income statement and balance-sheet items for a sample of small baking corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts, by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
12. Business savings:										
Amount	(\$646, 057)	(\$451, 429)	(\$369, 529)	(\$302, 057)	(\$122, 955)	(\$100, 106)	(\$10, 087)	\$11, 276	(\$48, 620)	(\$37, 010)
13. Funded debt:										
Number of companies	42	32	23	21	15	14	7	6	3	3
Amount	\$984, 060	\$851, 260	\$886, 131	\$632, 319	\$446, 269	\$338, 479	\$173, 475	\$165, 500	\$41, 500	\$11, 500
14. Preferred stock:										
Number of companies	16	13	11	9	9	6	3	3	1	1
Amount	\$894, 914	\$890, 580	\$809, 600	\$781, 100	\$778, 000	\$698, 200	\$343, 200	\$305, 400	\$153, 600	\$162, 000
15. Common stock:										
Amount	\$3, 441, 430	\$3, 145, 360	\$2, 602, 534	\$2, 398, 216	\$2, 186, 772	\$1, 736, 753	\$1, 163, 790	\$1, 008, 050	\$636, 200	\$278, 900
16. Total capital stock:										
Amount	\$4, 336, 344	\$4, 035, 940	\$3, 412, 134	\$3, 179, 316	\$2, 964, 772	\$2, 434, 953	\$1, 506, 990	\$1, 313, 450	\$789, 800	\$440, 900
17. Total capital:										
Amount	\$5, 319, 804	\$4, 887, 200	\$4, 298, 255	\$3, 811, 635	\$3, 411, 041	\$2, 773, 432	\$1, 680, 465	\$1, 478, 950	\$831, 900	\$482, 400
18. Bad debts expense:										
Number of companies	47	40	38	34	33	28	23	14	11	3
Amount	\$42, 070	\$69, 411	\$45, 717	\$54, 613	\$45, 284	\$43, 925	\$23, 256	\$24, 272	\$32, 513	\$3, 106
19. Cash and equivalent:										
Number of companies	86	87	74	64	58	41	27	22	16	6
Amount	\$92, 181	\$288, 510	\$219, 750	\$166, 798	\$174, 567	\$135, 599	\$100, 750	\$91, 737	\$57, 012	\$22, 720
20. Notes receivable:										
Number of companies	23	28	25	25	23	16	15	11	4	2
Amount	\$53, 609	\$70, 610	\$49, 561	\$62, 248	\$46, 222	\$59, 739	\$51, 497	\$41, 229	\$7, 665	\$1, 709
21. Accounts receivable (net):										
Number of companies	111	93	79	69	60	43	29	22	16	7
Amount	\$619, 310	\$631, 935	\$480, 488	\$488, 976	\$504, 617	\$425, 468	\$355, 319	\$324, 100	\$191, 600	\$104, 900
22. Total receivables:										
Amount	\$672, 919	\$702, 545	\$530, 049	\$551, 224	\$550, 839	\$485, 207	\$406, 816	\$385, 329	\$199, 265	\$106, 699
23. Inventories:										
Number of companies	105	98	84	71	62	46	29	23	16	7
Amount	\$551, 955	\$419, 066	\$520, 539	\$434, 799	\$422, 668	\$309, 739	\$242, 644	\$219, 066	\$105, 960	\$55, 526
24. Total current assets:										
Amount	\$1, 117, 055	\$1, 410, 121	\$1, 270, 338	\$1, 152, 821	\$1, 148, 074	\$990, 545	\$750, 210	\$676, 132	\$423, 237	\$244, 947
25. Non-taxable investments:										
Number of companies	1	2	2	2	5	2	1	1	1	1
Amount	\$180	\$4, 905	\$4, 905	\$4, 905	\$12, 175	\$12, 911	\$13, 267			\$3, 537
26. Stocks of domestic corporations:										
Number of companies	9	5	6	4	5	1	1	1	1	1
Amount	\$7, 975	\$6, 120	\$11, 970	\$860	\$1, 175	\$460				

TABLE 5-A.—Selected income statement and balance-sheet items for a sample of small baking corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts, by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
45. Net worth:										
Amount	\$2,369,021	\$2,922,820	\$2,900,985	\$2,881,443	\$2,895,894	\$2,417,321	\$1,643,609	\$1,440,450	\$914,423	\$469,775
46. Total investment in enterprise:										
Amount	\$3,352,581	\$3,774,080	\$3,787,116	\$3,513,762	\$3,342,163	\$2,755,800	\$1,817,084	\$1,605,950	\$955,923	\$511,275
47. Tangible net worth:										
Amount	\$1,908,491	\$2,427,325	\$2,428,131	\$2,432,354	\$2,456,008	\$2,119,856	\$1,461,643	\$1,268,102	\$450,907	\$430,837
48. Cost of goods sold and of operations:										
Amount	\$9,210,128	\$9,938,814	\$8,753,699	\$8,409,835	\$7,794,892	\$6,326,603	\$4,072,046	\$3,487,059	\$2,176,192	\$1,205,230
49. Repairs expense:										
Number of companies	94	82	70	57	51	41	25	20	12	6
Amount	\$189,053	\$255,305	\$231,972	\$200,118	\$203,017	\$185,642	\$125,940	\$56,924	\$43,687	\$21,644
50. Dividends deductible:										
Number of companies	1	1	1	1	1	1	1	1	1	1
Amount	\$72	\$72	\$300	\$300	\$300	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410
51. Compensation of officers:										
Number of companies	95	79	69	60	55	41	25	18	14	6
Amount	\$445,748	\$498,227	\$473,002	\$442,777	\$442,856	\$330,049	\$225,021	\$164,649	\$120,932	\$53,125
52. Rent paid on business property:										
Number of companies	90	78	63	55	49	37	21	18	14	6
Amount	\$345,562	\$378,187	\$344,806	\$289,809	\$258,526	\$204,549	\$121,188	\$73,016	\$49,552	\$12,874
53. Capital gains and losses:										
Number of companies	18	13	13	12	13	14	8	7	2	2
Amount	\$11,268	\$11,583	\$14,699	\$9,100	\$3,953	\$13,825	\$7,286	\$870	(\$120)	(\$317)
54. Tax-exempt interest received:										
Number of companies										
Amount										
55. Nonincome taxes deducted:										
Number of companies	96	80	69	60	50	38	21	17	9	6
Amount	\$56,051	\$59,674	\$59,361	\$46,166	\$40,975	\$26,778	\$14,720	\$11,930	\$6,520	\$5,980
56. Total taxes deducted:										
Number of companies	101	88	73	68	59	43	25	19	11	7
Amount	\$70,993	\$93,389	\$85,942	\$67,374	\$67,830	\$38,471	\$26,951	\$23,438	\$13,531	\$6,270
57. Statutory net income:										
Number of companies:										
Positive	27	21	27	25	29	25	16	12	7	3
Negative	96	78	57	47	33	22	13	11	9	4
Amount:										
Positive	\$114,975	\$231,374	\$195,351	\$156,084	\$199,150	\$90,150	\$95,146	\$68,525	\$21,258	\$7,841
Negative	\$692,457	\$662,804	\$478,346	\$474,823	\$270,674	\$189,409	\$54,357	\$50,124	\$58,825	\$18,152

58. Raw materials:	77	68	57	47	33	17	12	9	4
Number of companies									
Amount	\$192,744	\$214,338	\$320,224	\$224,637	\$222,701	\$145,712	\$115,797	\$118,371	\$18,066
59. Work in process:									
Number of companies		2	1	1	1	3	1		
Amount		\$650	\$1,225	\$3,197	\$3,798	\$17,756	\$4,617		
60. Finished goods:									
Number of companies	20	18	16	12	7	3	3	2	3
Amount	\$16,020	\$21,764	\$22,092	\$30,339	\$18,157	\$5,030	\$16,769	\$10,773	\$18,791
60 A. Inventory (unspecified):									
Number of companies	22	22	17	12	11	7	8	5	1
Amount	\$87,122	\$102,407	\$84,096	\$65,228	\$66,922	\$46,184	\$56,406	\$20,853	\$9,695
61. Supplies:									
Number of companies	33	39	38	34	35	26	9	5	4
Amount	\$56,069	\$79,707	\$92,942	\$111,938	\$83,636	\$59,565	\$25,477	\$16,963	\$8,976
62. Buildings:									
Number of companies	41	33	29	25	22	18	6	4	4
Amount	\$1,822,777	\$1,707,056	\$1,518,147	\$1,300,428	\$985,604	\$737,655	\$270,217	\$136,006	\$123,580
63. Machinery and equipment:									
Number of companies	102	92	79	69	59	44	27	15	7
Amount	\$2,100,182	\$2,012,849	\$2,006,445	\$1,788,666	\$1,433,971	\$1,110,743	\$687,055	\$354,777	\$274,715
64. Furniture and fixtures:									
Number of companies	76	73	64	55	44	33	14	10	4
Amount	\$346,837	\$328,868	\$303,053	\$298,855	\$199,339	\$177,561	\$37,067	\$30,764	\$5,344
65. Land:									
Number of companies	30	26	23	21	19	15	6	3	1
Amount	\$378,184	\$380,120	\$323,575	\$309,099	\$225,990	\$171,878	\$64,007	\$48,675	\$19,519
66. All other capital assets:									
Number of companies	90	85	72	63	52	39	23	14	6
Amount	\$1,182,675	\$1,182,287	\$1,127,794	\$933,195	\$786,767	\$615,261	\$269,555	\$140,990	\$34,130
67. Bonds and notes (unsecured):									
Number of companies	7	5	3	1					
Amount	\$104,523	\$49,791	\$23,567	\$3,300					
68. Mortgages, etc. (secured):									
Number of companies	37	28	22	20	15	14	6	3	3
Amount	\$871,919	\$762,538	\$662,564	\$579,019	\$446,269	\$338,479	\$173,475	\$41,500	\$1,500
69. Property taxes deducted:									
Number of companies	64	55	51	44	36	26	14	8	5
Amount	\$32,466	\$35,698	\$38,851	\$28,202	\$29,351	\$17,938	\$13,816	\$7,603	\$4,071
70. Sales taxes deducted:									
Number of companies	5	8	3						
Amount	\$4,857	\$3,395	\$1,554						
71. Pay-roll taxes deducted:									
Number of companies									
Amount									
72. State income taxes deducted:									
Number of companies	19	24	15	15	11	9	5	3	1
Amount	\$1,924	\$5,142	\$2,076	\$1,600	\$1,514	\$1,342	\$789	\$484	\$81
73. Other taxes deducted:									
Number of companies	71	61	53	48	44	34	20	10	6
Amount	\$21,579	\$24,385	\$23,512	\$21,441	\$16,471	\$12,801	\$4,953	\$3,395	\$1,919

TABLE 5-B.—Selected income-statement and balance-sheet items for a sample of small men's clothing corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
1. Total assets:										
Number of companies	197	160	118	95	53	41	24	18	8	6
Amount	\$9,490,075	\$10,420,318	\$8,533,056	\$6,926,350	\$4,068,805	\$3,177,034	\$1,989,334	\$1,269,128	\$573,097	\$495,460
2. Total net sales:										
Amount	\$24,802,049	\$25,435,945	\$20,123,222	\$17,254,133	\$10,196,331	\$7,992,495	\$4,860,747	\$2,820,652	\$1,378,611	\$1,011,572
3. Economic income:										
Amount	(\$1,888,061)	(\$1,054,913)	(\$462,265)	(\$321,467)	\$6,292	\$63,863	\$62,568	\$49,533	\$9,243	\$25,132
4. Interest expense:										
Number of companies	157	129	93	78	42	33	16	12	4	3
Amount	\$187,668	\$179,816	\$133,276	\$100,260	\$45,397	\$34,696	\$15,076	\$3,759	\$1,923	\$1,474
5. Federal and State income taxes:										
Number of companies	60	54	47	38	15	16	12	10	5	4
Amount	\$8,964	\$11,536	\$8,763	\$16,110	\$10,542	\$15,868	\$15,447	\$8,752	\$3,714	\$4,997
6. Depreciation and depletion:										
Number of companies	121	114	94	76	40	33	19	14	7	5
Amount	\$98,351	\$74,277	\$77,512	\$59,112	\$33,212	\$27,692	\$12,491	\$8,366	\$4,434	\$2,219
7. Dividends paid:										
Number of companies	9	8	9	8	7	5	8	5	2	1
Amount	\$40,117	\$22,441	\$49,692	\$67,174	\$27,012	\$25,260	\$45,846	\$31,571	\$11,106	\$2,700
8. Income before interest, income taxes, and depreciation:										
Amount	(\$1,595,078)	(\$785,284)	(\$242,714)	(\$145,985)	\$95,443	\$142,119	\$105,582	\$70,411	\$19,314	\$33,822
9. Income before income taxes and depreciation:										
Amount	(\$1,780,746)	(\$969,100)	(\$375,900)	(\$246,245)	\$50,046	\$107,423	\$90,306	\$66,652	\$17,391	\$32,348
10. Income before interest and income taxes:										
Amount	(\$1,691,429)	(\$863,561)	(\$320,226)	(\$205,097)	\$62,231	\$114,427	\$83,091	\$62,045	\$14,880	\$31,603
11. Income before depreciation:										
Amount	(\$1,786,710)	(\$980,636)	(\$384,753)	(\$362,355)	\$39,504	\$91,555	\$75,059	\$57,899	\$13,677	\$27,351
12. Business savings:										
Amount	(\$4,928,179)	(\$1,077,354)	(\$511,957)	(\$388,641)	(\$20,720)	\$38,603	\$16,722	\$17,962	(\$1,863)	\$22,432
13. Funded debt:										
Number of companies	6	4	3	3	2	3	2	2	2	2
Amount	\$102,959	\$92,858	\$102,137	\$114,271	\$36,500	\$42,411	\$28,304	-----	-----	-----
14. Preferred stock:										
Number of companies	20	21	15	12	7	7	5	2	1	1
Amount	\$629,046	\$632,094	\$623,500	\$525,500	\$234,200	\$364,000	\$185,500	\$45,000	\$20,000	\$20,000
15. Common stock:										
Amount	\$6,101,525	\$5,568,334	\$4,249,397	\$3,251,219	\$1,918,527	\$1,331,357	\$804,080	\$687,040	\$251,040	\$242,500

[Figures in parentheses indicate loss]

16. Total capital stock: Amount.....	\$6,730,571	\$4,873,297	\$3,780,719	\$1,695,357	\$990,180	\$732,040	\$301,040	\$262,500
17. Total capital: Amount.....	\$6,833,330	\$4,975,434	\$3,894,990	\$1,737,768	\$1,018,484	\$732,040	\$301,040	\$262,500
18. Bad debts expense: Amount.....	126	84	68	39	26	13	6	3
Number of companies.....	\$603,823	\$252,439	\$222,012	\$120,919	\$66,032	\$38,259	\$22,317	\$3,912
19. Cash and equivalent: Amount.....	174	109	89	52	38	21	8	6
Number of companies.....	\$605,278	\$611,727	\$482,701	\$413,635	\$227,431	\$116,880	\$27,827	\$23,790
20. Notes receivable: Amount.....	59	47	35	18	9	6	2	1
Number of companies.....	\$185,156	\$280,570	\$76,231	\$54,814	\$18,023	\$33,903	\$3,222	\$2,900
21. Accounts receivable (net): Amount.....	187	117	94	52	41	23	8	6
Number of companies.....	\$4,338,704	\$3,535,052	\$2,786,984	\$1,445,711	\$1,042,418	\$619,146	\$442,116	\$193,876
22. Total receivables: Amount.....	188	117	94	53	41	23	8	6
Number of companies.....	\$4,523,860	\$3,736,181	\$2,863,215	\$1,500,525	\$1,060,441	\$652,949	\$206,005	\$190,776
23. Inventories: Amount.....	155	113	93	53	41	24	8	6
Number of companies.....	\$2,661,208	\$3,009,950	\$2,577,827	\$1,606,779	\$1,425,327	\$841,956	\$200,700	\$197,760
24. Total current assets: Amount.....	\$7,790,346	\$7,357,858	\$5,923,743	\$3,520,939	\$2,713,199	\$1,692,830	\$494,532	\$421,326
25. Nontaxable investments: Amount.....	1	1	1	1	1	1	1	1
Number of companies.....	\$1,400	\$4,500	\$6,900	\$7,400	\$8,115	\$8,115	\$8,115	\$8,115
26. Stocks of domestic corporations: Amount.....	3	4	1	1	1	1	1	1
Number of companies.....	\$23,556	\$91,014	\$67,925	\$2,904	\$2,904	\$2,904	\$2,904	\$2,904
27. Bonds of domestic corporations: Amount.....	28	19	16	13	6	4	2	2
Number of companies.....	\$346,936	\$126,632	\$102,127	\$94,600	\$46,507	\$7,364	\$2,735	\$2,335
28. All other investments: Amount.....	34	22	13	6	5	4	2	2
Number of companies.....	\$183,236	\$97,914	\$46,683	\$11,956	\$37,291	\$28,349	\$2,736	\$2,335
29. Total investments: Amount.....	65	44	29	20	11	8	6	2
Number of companies.....	\$553,728	\$320,060	\$223,645	\$116,860	\$86,702	\$35,713	\$2,736	\$2,335
30. Gross capital assets (excluding land): Amount.....	\$1,105,720	\$1,062,165	\$827,374	\$514,230	\$432,943	\$270,595	\$98,049	\$43,622

† This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	1	3	4	5	6	7	10
Years before failure.....							
Number of companies.....	2	4	1	1	2	1	1
Amount.....	\$48,333	\$238,360	\$6,300	\$2,000	\$16,300	\$1,700	\$100,000

TABLE 5-B.—Selected income-statement and balance-sheet items for a sample of small men's clothing corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
31. Depreciation and depletion reserves:										
Number of companies.....	116	109	87	69	38	29	18	12	6	4
Amount.....	\$448,263	\$380,401	\$380,393	\$308,700	\$203,720	\$166,548	\$102,349	\$31,357	\$18,325	\$13,567
32. Net capital assets (excluding land): Amount.....	\$657,463	\$681,764	\$565,793	\$518,674	\$310,510	\$296,395	\$168,246	\$66,692	\$32,737	\$30,055
33. Net capital assets (including land): Amount.....	\$733,622	\$696,964	\$580,793	\$533,674	\$315,510	\$271,395	\$173,246	\$66,692	\$32,737	\$30,055
34. All other assets:										
Number of companies.....	66	72	59	51	26	19	12	11	4	2
Amount.....	\$412,479	\$340,257	\$274,345	\$245,288	\$115,496	\$105,738	\$87,545	\$84,288	\$43,092	\$31,743
35. Intangibles and deferred charges:										
Number of companies.....	61	70	57	50	26	20	12	10	4	2
Amount.....	\$351,074	\$297,736	\$220,982	\$183,237	\$115,501	\$105,595	\$87,546	\$84,269	\$43,092	\$31,743
36. Notes payable:										
Number of companies.....	144	128	96	71	34	26	16	15	7	2
Amount.....	\$2,121,995	\$2,278,351	\$1,725,358	\$1,009,131	\$590,077	\$419,633	\$263,976	\$123,394	\$57,994	\$30,344
37. Accounts payable:										
Number of companies.....	174	153	113	89	49	38	21	18	8	6
Amount.....	\$2,743,200	\$2,639,174	\$2,069,715	\$1,563,454	\$789,691	\$707,122	\$403,207	\$219,559	\$162,560	\$146,047
38. Total current liabilities:										
Number of companies.....	185	158	116	90	51	39	21	18	8	6
Amount.....	\$4,956,299	\$4,984,907	\$3,854,310	\$2,648,712	\$1,413,912	\$1,147,071	\$691,975	\$375,983	\$235,869	\$197,821
39. Working capital: Amount.....	\$2,834,047	\$4,070,039	\$3,563,548	\$3,275,081	\$2,107,027	\$1,566,128	\$985,351	\$699,153	\$258,633	\$223,505
40. Total debt:										
Number of companies.....	186	158	116	91	39	39	21	15	8	6
Amount.....	\$5,059,258	\$5,077,765	\$3,956,447	\$2,762,983	\$1,450,412	\$1,139,482	\$735,783	\$375,983	\$235,869	\$197,821
41. Other liabilities:										
Number of companies.....	23	22	11	4	1	2	2	1	---	---
Amount.....	\$25,563	\$56,981	\$30,517	\$11,719	\$1,937	\$3,552	\$136	\$300	---	---
42. Surplus:										
Number of companies.....	194	157	118	95	53	41	24	18	8	6
Amount.....	(\$2,201,508)	(\$824,872)	(\$323,691)	\$365,381	\$464,564	\$297,112	\$270,850	\$150,805	\$36,156	\$25,139
43. Undivided profits:										
Number of companies.....	3	5	3	5	2	1	1	---	---	---
Amount.....	(\$123,809)	(\$24,984)	(\$3,514)	\$5,548	(\$835)	(\$8,469)	(\$7,615)	---	---	---
44. Surplus and undivided profits:										
Number of companies.....	195	157	118	95	53	41	24	15	8	6
Amount.....	(\$2,325,317)	(\$849,856)	(\$327,205)	\$370,939	\$463,739	\$288,643	\$263,235	\$150,805	\$36,156	\$25,139
45. Net worth: Amount.....	\$4,403,354	\$5,285,572	\$4,546,092	\$4,111,648	\$2,616,456	\$1,984,000	\$1,253,415	\$832,845	\$337,196	\$287,639
46. Total investment in enterprise: Amount.....	\$4,408,213	\$5,378,430	\$4,648,229	\$4,263,919	\$2,632,956	\$2,026,411	\$1,281,719	\$882,845	\$337,196	\$287,639
47. Tangible net worth: Amount.....	\$4,054,180	\$4,967,816	\$4,325,110	\$3,968,411	\$2,500,955	\$1,878,465	\$1,165,869	\$798,576	\$294,104	\$255,896

48. Cost of goods sold and of operations: Amount.....	\$20,719,455	\$21,343,307	\$16,295,373	\$14,069,017	\$8,143,703	\$0,172,366	\$3,617,433	\$1,111,011	\$834,919
49. Repairs expense: Number of companies.....	35	33	27	23	11	14	7	5	2
Amount.....	\$13,296	\$25,555	\$49,361	\$52,914	\$4,195	\$4,898	\$2,134	\$1,751	\$216
50. Dividends deductible: Number of companies.....	3	1	2	3	1		1		
Amount.....	\$967	\$1,732	\$2,553	\$1,692	\$478				
51. Compensation of officers: Number of companies.....	177	150	111	88	51	39	22	14	6
Amount.....	\$1,360,354	\$1,350,355	\$1,102,909	\$955,848	\$628,441	\$515,484	\$317,119	\$187,833	\$53,989
52. Rent paid on business property: Number of companies.....	186	153	113	90	49	37	23	14	6
Amount.....	\$559,591	\$502,760	\$477,853	\$406,110	\$266,355	\$179,016	\$94,265	\$80,433	\$18,653
53. Capital gains and losses: Number of companies.....	24	12	6	3	2	4	2	1	
Amount.....	(\$29,375)	\$13,423	\$24,686	(\$121)	(\$294)	\$5,009	(\$2,849)	\$63	
54. Tax-exempt interest received: Number of companies.....									
Amount.....									
55. Nonincome taxes deducted: Number of companies.....	76	70	54	37	21	15	14	8	2
Amount.....	\$15,570	\$15,100	\$12,843	\$9,888	\$5,733	\$4,335	\$2,104	\$2,037	\$91
56. Total taxes deducted: Number of companies.....	117	107	87	66	33	26	20	13	5
Amount.....	\$24,488	\$26,564	\$21,508	\$25,998	\$16,274	\$20,184	\$17,551	\$10,788	\$5,011
57. Statutory net income: Number of companies.....	40	48	38	42	26	23	13	9	4
Positive.....	157	112	80	53	27	19	11	6	2
Negative.....									
Amount.....									
58. Raw materials: Number of companies.....	29	34	31	32	20	12	10	7	1
Amount.....	\$480,737	\$587,525	\$610,001	\$506,264	\$293,148	\$329,064	\$201,528	\$112,107	\$35,672
59. Work in process: Number of companies.....	21	17	14	14	8	3	2	2	
Amount.....	\$64,358	\$23,000	\$98,276	\$60,247	\$56,305	\$9,855	\$5,667	\$2,664	
60. Finished goods: Number of companies.....	38	40	32	30	21	14	7	6	1
Amount.....	\$423,850	\$440,364	\$561,019	\$461,829	\$384,488	\$350,306	\$100,631	\$65,998	\$16,295
60A. Inventory (unspecified): Number of companies.....	93	91	65	53	27	23	13	10	5
Amount.....	\$1,662,435	\$2,306,453	\$1,725,262	\$1,519,121	\$843,533	\$703,693	\$511,570	\$299,410	\$144,898
61. Supplies: Number of companies.....	16	16	12	13	8	4	4	3	1
Amount.....	\$29,828	\$57,571	\$15,392	\$30,366	\$29,305	\$32,409	\$22,560	\$5,164	\$895
62. Buildings: Number of companies.....	4	6	5	5	3	3	2	2	
Amount.....	\$150,691	\$180,716	\$157,371	\$162,903	\$93,997	\$98,214	\$59,898	\$765	

TABLE 5-B.—Selected income-statement and balance-sheet items for a sample of small men's clothing corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
63. Machinery and equipment:										
Number of companies.....	86	76	62	51	24	16	8	6	3	3
Amount.....	\$662,043	\$593,594	\$554,273	\$469,445	\$251,868	\$191,936	\$96,671	\$20,798	\$5,769	\$4,537
64. Furniture and fixtures:										
Number of companies.....	94	84	62	51	35	28	18	13	6	4
Amount.....	\$219,883	\$219,483	\$175,388	\$150,180	\$149,429	\$134,267	\$108,044	\$62,980	\$45,295	\$39,085
65. Land:										
Number of companies.....	5	3	2	2	1	1	1			
Amount.....	\$76,059	\$15,200	\$15,000	\$15,000	\$5,000	\$5,000	\$5,000			
66. All other capital assets:										
Number of companies.....	28	25	20	14	9	5	3	2		
Amount.....	\$64,789	\$56,258	\$50,796	\$38,939	\$6,331	\$14,790	\$3,914	\$3,500		
67. Bonds and notes (financed):										
Number of companies.....	1									
Amount.....	\$2,897									
68. Mortgages, etc. (secured):										
Number of companies.....	5	5	3	3	2	3	2			
Amount.....	\$100,062	\$92,858	\$102,137	\$114,271	\$36,500	\$42,411	\$28,304			
69. Property taxes deducted:										
Number of companies.....	18	18	17	19	10	11	5	5	1	1
Amount.....	\$8,212	\$6,713	\$6,818	\$6,968	\$3,067	\$3,317	\$1,273	\$581	\$74	\$51
70. Sales taxes deducted:										
Number of companies.....	10	5	4							
Amount.....	\$494	\$980	\$1,043							
71. Pay-roll taxes deducted:										
Number of companies.....										
Amount.....										
72. State income taxes deducted:										
Number of companies.....	51	48	40	33	13	10	8	9	4	3
Amount.....	\$5,401	\$5,303	\$5,309	\$4,621	\$3,560	\$3,441	\$1,962	\$2,430	\$1,320	\$615
73. Other taxes deducted:										
Number of companies.....	67	60	42	28	18	9	12	7	2	1
Amount.....	\$6,818	\$7,335	\$4,884	\$2,920	\$2,065	\$999	\$831	\$1,454	\$106	\$43

TABLE 5-C.—Selected income statement and balance sheet items for a sample of small furniture corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure

[Figures in parentheses indicate loss]

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
1. Total assets:										
Number of companies.....	158	134	100	73	51	38	26	18	8	4
Amount.....	\$10,455,110	\$11,020,149	\$9,296,468	\$7,113,148	\$5,019,481	\$3,893,420	\$2,890,064	\$1,997,011	\$1,062,055	\$550,948
2. Total net sales:										
Number of companies.....	158	134	100	73	51	38	26	18	8	4
Amount.....	\$15,060,700	\$15,921,015	\$12,300,157	\$10,548,117	\$7,089,788	\$5,980,254	\$4,254,607	\$2,634,391	\$1,577,495	\$736,841
3. Economic income:										
Number of companies.....	125	110	80	59	43	32	22	15	8	4
Amount.....	(\$1,815,715)	(\$1,270,924)	(\$760,476)	(\$320,359)	(\$82,766)	(\$101,052)	(\$14,554)	\$6,750	\$27,950	\$13,557
4. Interest expense:										
Number of companies.....	125	110	80	59	43	32	22	15	8	4
Amount.....	\$193,050	\$215,479	\$160,611	\$118,064	\$73,411	\$59,427	\$42,786	\$21,232	\$10,680	\$10,108
5. Federal and State income taxes:										
Number of companies.....	53	39	28	24	16	15	11	9	5	3
Amount.....	\$11,621	\$13,773	\$20,505	\$13,398	\$11,321	\$12,355	\$17,348	\$4,944	\$4,096	\$2,098
6. Depreciation and depletion:										
Number of companies.....	107	98	79	57	37	26	20	13	7	4
Amount.....	\$249,598	\$223,295	\$186,155	\$145,244	\$88,446	\$76,190	\$63,102	\$37,484	\$23,919	\$12,344
7. Dividends paid: ¹										
Number of companies.....	11	12	11	9	6	5	6	7	3	2
Amount.....	\$154,034	\$109,144	\$90,603	\$33,626	\$17,732	\$13,156	\$68,746	\$39,218	\$25,700	\$6,592
8. Income before interest, income taxes, and depreciation:										
Number of companies.....	11	12	11	9	6	5	6	7	3	2
Amount.....	(\$1,361,446)	(\$818,377)	(\$393,205)	(\$43,653)	\$90,412	\$46,913	\$108,682	\$70,410	\$66,645	\$38,107
9. Income before income taxes and depreciation:										
Number of companies.....	11	12	11	9	6	5	6	7	3	2
Amount.....	(\$1,554,496)	(\$1,033,856)	(\$553,816)	(\$161,717)	\$17,001	(\$12,507)	\$65,896	\$49,178	\$55,965	\$27,999
10. Income before interest and income taxes:										
Number of companies.....	11	12	11	9	6	5	6	7	3	2
Amount.....	(\$1,611,044)	(\$1,041,672)	(\$579,360)	(\$188,897)	\$1,966	(\$29,270)	\$45,580	\$32,926	\$42,726	\$25,763
11. Income before depreciation:										
Number of companies.....	11	12	11	9	6	5	6	7	3	2
Amount.....	(\$1,566,117)	(\$1,047,629)	(\$574,321)	(\$175,115)	\$5,680	(\$24,862)	\$48,548	\$44,234	\$51,869	\$25,901

¹ This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	Years before failure				
	1	2	3	4	5
Number of companies.....	2	1	3	3	2
Amount.....	\$17,000	\$2,744	\$63,000	\$51,050	

TABLE 5-C.—Selected income statement and balance sheet items for a sample of small furniture corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
12. Business savings:										
Amount	(\$1,969,749)	(\$1,380,068)	(\$851,079)	(\$353,985)	(\$100,498)	(\$152,608)	(\$83,300)	(\$32,468)	\$2,250	\$6,965
13. Funded debt:										
Number of companies	23	25	21	12	10	8	6	3	2	2
Amount	\$384,744	\$383,428	\$302,166	\$186,136	\$122,654	\$77,365	\$53,605	\$29,130	\$16,500	\$16,500
14. Preferred stock:										
Number of companies	23	20	16	13	8	7	5	2	2	1
Amount	\$752,810	\$690,520	\$529,246	\$442,581	\$302,981	\$267,981	\$117,981	\$137,981	\$49,231	\$35,000
15. Common stock:										
Amount	\$5,808,148	\$5,182,036	\$4,231,253	\$2,678,680	\$1,809,080	\$1,348,180	\$1,100,650	\$657,250	\$248,200	\$120,200
16. Total capital stock:										
Amount	\$6,560,958	\$5,872,556	\$4,760,499	\$3,121,261	\$2,202,061	\$1,616,161	\$1,218,081	\$795,231	\$207,431	\$155,200
17. Total capital:										
Amount	\$6,945,702	\$6,255,984	\$5,062,665	\$3,307,397	\$2,324,715	\$1,693,526	\$1,271,636	\$824,361	\$313,931	\$171,700
18. Bad debts expense:										
Number of companies	94	91	72	48	36	27	21	15	7	4
Amount	\$297,526	\$256,568	\$168,043	\$145,790	\$66,362	\$64,961	\$38,696	\$35,853	\$29,832	\$9,110
19. Cash and equivalent:										
Number of companies	121	120	93	68	51	37	24	18	8	4
Amount	\$422,872	\$285,893	\$214,996	\$151,511	\$121,764	\$106,961	\$78,130	\$81,195	\$19,626	\$12,523
20. Notes receivable:										
Number of companies	70	64	42	31	21	18	13	9	8	3
Amount	\$221,330	\$227,463	\$129,805	\$79,120	\$66,831	\$63,576	\$46,512	\$46,778	\$41,624	\$37,000
21. Accounts receivable (net):										
Number of companies	146	134	100	73	51	38	26	18	8	4
Amount	\$2,551,402	\$2,679,672	\$2,367,038	\$1,988,056	\$1,418,280	\$1,137,365	\$861,080	\$584,442	\$367,944	\$183,643
22. Total receivables:										
Number of companies	146	134	100	73	51	38	26	18	8	4
Amount	\$2,772,732	\$2,907,135	\$2,496,843	\$2,067,176	\$1,485,091	\$1,200,941	\$907,592	\$631,220	\$409,568	\$220,643
23. Inventories:										
Number of companies	141	132	99	73	51	38	28	20	8	4
Amount	\$3,022,101	\$3,561,391	\$2,998,083	\$2,424,616	\$1,685,333	\$1,328,698	\$956,304	\$707,726	\$319,022	\$135,175
24. Total current assets:										
Amount	\$6,217,705	\$6,764,419	\$5,709,922	\$4,643,303	\$3,292,188	\$2,636,600	\$1,942,026	\$1,420,141	\$748,216	\$368,341
25. Nontaxable investments:										
Number of companies	4	6	3	2	1	2	3	2		
Amount	\$1,400	\$11,800	\$3,139	\$900	\$100	\$146	\$5,231	\$600		
26. Stocks of domestic corporations:										
Number of companies	10	10	9	4	2	1				
Amount	\$187,259	\$192,725	\$126,196	\$21,225	\$18,000	\$16,500				

TABLE 5-C.—Selected income statement and balance sheet items for a sample of small furniture corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
45. Net worth:										
Amount	\$4,375,745	\$5,400,998	\$5,027,802	\$3,810,499	\$2,910,777	\$2,319,843	\$1,874,012	\$1,343,631	\$705,478	\$274,302
46. Total investment in enterprise:										
Amount	\$4,760,489	\$5,784,426	\$5,329,968	\$3,996,635	\$3,033,431	\$2,397,208	\$1,927,617	\$1,372,761	\$721,978	\$290,702
47. Tangible net worth:										
Amount	\$3,864,740	\$4,935,555	\$4,566,828	\$3,618,010	\$2,795,589	\$2,222,065	\$1,805,781	\$1,281,046	\$698,977	\$269,195
48. Cost of goods sold and of operations:										
Amount	\$12,517,093	\$12,513,462	\$9,726,827	\$8,252,561	\$5,493,417	\$4,772,185	\$3,428,396	\$2,046,043	\$1,273,648	\$572,812
49. Repairs expense:										
Number of companies	80	71	52	36	27	17	15	11	6	3
Amount	\$16,486	\$8,138	\$35,769	\$34,092	\$37,769	\$27,002	\$21,980	\$12,483	\$9,633	\$2,650
50. Dividends deductible:										
Number of companies	7	5	4	5	3	2	2	2	1	
Amount	\$1,470	\$1,202	\$7,280	\$2,630	\$769	\$626	\$584	\$850	\$20	
51. Compensation of officers:										
Number of companies	124	113	87	60	44	35	22	16	6	3
Amount	\$893,219	\$849,246	\$677,632	\$501,469	\$392,496	\$352,830	\$295,763	\$116,807	\$10,680	\$24,086
52. Rent paid on business property:										
Number of companies	105	90	67	45	32	23	13	10	3	2
Amount	\$44,454	\$405,495	\$276,392	\$178,793	\$126,482	\$94,866	\$52,378	\$27,610	\$1,200	\$5,238
53. Capital gains and losses:										
Number of companies	15	16	11	6	5	2	4	1	1	1
Amount	\$1,058	(\$9,638)	\$27,780	\$1,253	(\$2,513)	(\$2,911)	\$431	(\$83)	(\$320)	(\$11)
54. Tax-exempt interest received:										
Number of companies										
Amount										
55. Nonincome taxes deducted:										
Number of companies	115	111	82	57	41	33	25	16	8	4
Amount	\$75,817	\$75,167	\$68,898	\$49,663	\$30,183	\$32,632	\$22,734	\$14,525	\$9,400	\$4,098
56. Total taxes deducted:										
Number of companies	128	121	91	62	45	36	25	16	8	4
Amount	\$87,659	\$88,862	\$88,088	\$62,716	\$41,563	\$45,045	\$40,083	\$19,369	\$13,496	\$6,196
57. Statutory net income:										
Positive	27	33	34	31	26	15	13	12	6	3
Negative	131	101	66	42	25	23	13	6	2	1
Amount:										
Positive	\$104,006	\$121,322	\$183,975	\$131,803	\$122,961	\$109,761	\$136,182	\$52,803	\$40,430	\$21,561
Negative	\$2,240,183	\$1,589,397	\$917,153	\$437,314	\$240,622	\$219,809	\$142,625	\$44,969	\$8,587	\$1,526

58. Raw materials: Number of companies.....	58	55	36	29	21	15	12	5	3
Amount.....	\$614,321	\$636,340	\$519,202	\$418,173	\$287,296	\$220,816	\$159,743	\$66,421	\$71,860
59. Work in process: Number of companies.....	37	41	31	25	18	13	9	5	2
Amount.....	\$341,126	\$457,156	\$399,270	\$301,248	\$195,737	\$143,045	\$111,255	\$80,614	\$25,189
60. Finished goods: Number of companies.....	54	46	32	23	14	11	9	3	2
Amount.....	\$829,597	\$668,085	\$488,103	\$457,016	\$364,146	\$198,696	\$157,710	\$48,585	\$30,500
60A. Inventory (unspecified): Number of companies.....	58	37	30	18	16	11	6	3	1
Amount.....	\$1,716,350	\$1,143,570	\$918,334	\$429,986	\$417,536	\$356,524	\$269,647	\$118,827	\$2,308
61. Supplies: Number of companies.....	30	35	25	17	12	7	6	2	2
Amount.....	\$59,997	\$92,932	\$99,707	\$78,810	\$63,983	\$37,223	\$9,371	\$4,575	\$5,318
62. Buildings: Number of companies.....	55	47	37	28	22	20	7	7	3
Amount.....	\$1,639,027	\$1,418,220	\$1,081,811	\$712,620	\$544,592	\$436,690	\$234,878	\$151,265	\$44,761
63. Machinery and equipment: Number of companies.....	141	93	67	46	34	24	16	8	4
Amount.....	\$2,525,391	\$1,982,829	\$1,494,983	\$1,138,286	\$776,237	\$491,574	\$300,829	\$204,382	\$103,625
64. Furniture and fixtures: Number of companies.....	93	72	53	41	31	22	16	7	3
Amount.....	\$135,850	\$98,671	\$65,579	\$40,698	\$32,498	\$20,083	\$14,234	\$5,653	\$2,724
65. Land: Number of companies.....	47	39	31	23	18	15	11	7	3
Amount.....	\$421,848	\$265,017	\$202,083	\$147,176	\$130,809	\$83,710	\$57,773	\$19,744	\$10,250
66. All other capital assets: Number of companies.....	72	54	47	30	22	17	12	6	2
Amount.....	\$299,841	\$230,369	\$170,179	\$96,896	\$59,924	\$56,054	\$43,114	\$23,795	\$14,800
67. Bonds and notes (unsecured): Number of companies.....	4	2	2						
Amount.....	\$37,944	\$17,145	\$17,600						
68. Mortgages, etc. (secured): Number of companies.....	21	17	12	10	8	6	3	2	2
Amount.....	\$346,800	\$285,015	\$168,536	\$122,654	\$77,365	\$53,005	\$29,130	\$16,500	\$16,500
69. Property taxes deducted: Number of companies.....	59	56	39	30	27	20	12	7	3
Amount.....	\$37,968	\$47,124	\$32,699	\$24,499	\$28,260	\$19,561	\$12,574	\$8,604	\$3,832
70. Sales taxes deducted: Number of companies.....	2	3		1					
Amount.....	\$15	\$119		\$94					
71. Pay-roll taxes deducted: Number of companies.....	1								
Amount.....	\$1,418								
72. State income taxes deducted: Number of companies.....	25	20	15	7	5	3	1		
Amount.....	\$3,483	\$2,801	\$2,612	\$2,320	\$1,846	\$1,985	\$107		
73. Other taxes deducted: Number of companies.....	85	54	40	32	26	19	12	6	3
Amount.....	\$36,037	\$20,340	\$16,619	\$5,649	\$4,346	\$3,174	\$1,851	\$795	\$266

TABLE 5-D.—Selected income statement and balance-sheet items for a sample of small stone- and clay-products corporations failing some time during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure

[Figures in parentheses indicate loss]

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
1. Total assets:										
Number of companies	128	117	90	70	57	43	29	19	13	9
Amount	\$6,991,265	\$8,648,841	\$6,435,061	\$5,090,473	\$4,471,635	\$3,762,464	\$2,421,955	\$1,759,734	\$1,140,894	\$573,128
2. Total net sales:										
Amount	\$3,344,845	\$5,159,659	\$4,480,587	\$4,034,385	\$4,261,466	\$4,215,292	\$2,652,635	\$1,821,846	\$1,285,347	\$649,580
3. Economic income:										
Amount	(\$883,736)	(\$542,343)	(\$358,101)	(\$243,646)	(\$43,888)	\$79,256	\$23,698	\$80,605	\$13,380	\$474
4. Interest expense:										
Number of companies	119	109	83	64	53	41	29	17	11	8
Amount	\$121,952	\$136,352	\$98,551	\$71,290	\$57,794	\$57,832	\$32,992	\$17,827	\$12,760	\$15,422
5. Federal and State income taxes:										
Number of companies	20	25	20	13	16	16	13	10	8	4
Amount	\$14,937	\$11,404	\$11,315	\$14,596	\$22,918	\$23,531	\$13,583	\$9,651	\$4,180	\$4,155
6. Depreciation and depletion:										
Number of companies	73	78	63	47	42	34	22	17	12	7
Amount	\$265,851	\$281,356	\$245,144	\$177,242	\$159,725	\$156,258	\$88,626	\$75,915	\$56,058	\$25,608
7. Dividends paid:										
Number of companies	4	7	6	6	6	7	4	4	2	2
Amount	\$74,888	\$73,081	\$74,620	\$50,900	\$48,750	\$63,036	\$28,890	\$13,340	-----	\$40,934
8. Income before interest, income taxes and depreciation:										
Amount	(\$490,986)	(\$113,231)	(\$3,091)	\$19,452	\$196,549	\$316,907	\$158,899	\$183,998	\$82,956	\$45,689
9. Income before income taxes and depreciation:										
Amount	(\$612,946)	(\$249,583)	(\$101,642)	(\$51,808)	\$138,755	\$239,075	\$123,907	\$166,171	\$70,196	\$30,267
10. Income before interest and income taxes:										
Amount	(\$756,837)	(\$394,587)	(\$248,235)	(\$157,790)	\$36,824	\$160,649	\$70,273	\$108,083	\$30,320	\$20,031
11. Income before depreciation:										
Amount	(\$627,875)	(\$260,987)	(\$112,957)	(\$66,404)	\$115,837	\$235,544	\$112,324	\$156,520	\$66,016	\$26,132
12. Business savings:										
Amount	(\$968,614)	(\$615,424)	(\$432,721)	(\$294,546)	(\$92,638)	\$16,250	(\$5,182)	\$67,265	\$13,380	(\$40,460)
13. Funded debt:										
Number of companies	26	26	21	17	13	9	5	-----	1	-----
Amount	\$473,734	\$559,316	\$383,696	\$278,473	\$204,313	\$145,150	\$47,100	-----	\$8,333	-----
14. Preferred stock:										
Number of companies	22	18	13	7	8	5	1	1	1	-----
Amount	\$314,972	\$728,222	\$572,510	\$173,900	\$168,150	\$140,400	\$13,400	\$13,400	\$29,600	-----
15. Common stock:										
Amount	\$4,299,065	\$4,556,608	\$3,139,982	\$2,426,577	\$2,081,234	\$1,841,296	\$1,223,327	\$1,016,857	\$774,293	\$459,293

16. Total capital stock: Amount.....	\$5, 114, 037	\$3, 712, 492	\$2, 640, 477	\$2, 249, 384	\$1, 981, 696	\$1, 030, 257	\$803, 893
17. Total capital: Amount.....	\$5, 587, 771	\$4, 096, 188	\$2, 878, 950	\$2, 453, 697	\$2, 126, 846	\$1, 030, 257	\$512, 226
18. Bad debts expense: Amount.....	48 \$67, 296	38 \$40, 010	26 \$38, 979	27 \$50, 604	20 \$25, 762	9 \$3, 920	5 \$3, 026
19. Cash and equivalent: Amount.....	99 \$104, 489	80 \$118, 562	64 \$225, 346	49 \$222, 242	40 \$176, 053	14 \$116, 730	13 \$64, 605
20. Notes receivable: Amount.....	15 \$146, 240	37 \$103, 296	26 \$94, 454	22 \$51, 636	17 \$53, 094	7 \$16, 710	5 \$14, 049
21. Accounts receivable (net): Amount.....	107 \$680, 898	89 \$1, 029, 735	70 \$912, 716	56 \$955, 451	42 \$709, 032	18 \$283, 823	13 \$217, 272
22. Total receivables: Amount.....	112 \$827, 138	112 \$1, 133, 031	70 \$1, 007, 170	56 \$1, 007, 087	43 \$762, 126	19 \$300, 533	13 \$231, 321
23. Inventories: Amount.....	93 \$567, 063	89 \$806, 021	68 \$726, 063	57 \$621, 284	43 \$574, 850	19 \$278, 351	11 \$164, 357
24. Total current assets: Amount.....	\$1, 498, 690	\$2, 535, 502	\$1, 959, 179	\$1, 850, 613	\$1, 513, 059	\$695, 614	\$460, 283
25. Non-taxable investments: Amount.....	-----	-----	1 \$2, 982	1 \$2, 982	2 \$3, 119	1 \$4, 876	2 \$15, 338
26. Stocks of domestic corporations: Amount.....	9 \$120, 291	7 \$128, 991	7 \$127, 449	4 \$35, 314	3 \$13, 413	-----	-----
27. Bonds of domestic corporations: Amount.....	10 \$357, 381	6 \$17, 458	7 \$36, 749	7 \$13, 390	8 \$26, 614	2 \$17, 916	3 \$7, 996
28. All other investments: Amount.....	6 \$23, 120	7 \$43, 831	4 \$18, 407	4 \$14, 620	3 \$16, 877	-----	-----
29. Total investments: Amount.....	22 \$500, 792	15 \$190, 280	14 \$185, 857	13 \$66, 306	12 \$60, 023	3 \$22, 792	4 \$23, 334
30. Gross capital assets (excluding land): Amount.....	\$5, 212, 995	\$6, 372, 001	\$3, 332, 756	\$2, 713, 402	\$2, 246, 350	\$1, 010, 524	\$652, 930
\$459, 293	\$459, 293	\$5, 777	\$5, 777	\$16, 091	\$10, 078	\$1, 709	\$223, 163

¹ This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	Years before failure			
	1	2	6	8
Number of companies.....	1	1	1	1
Amount.....	\$200	\$21, 000	\$25, 000	\$25, 000

TABLE 5-D.—Selected income statement and balance-sheet items for a sample of small stone- and clay-products corporations failing some time during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
31. Depreciation and depletion reserves:										
Number of companies.....	70	76	57	42	35	32	18	12	9	6
Amount.....	\$1,332,137	\$1,836,012	\$1,586,968	\$1,075,921	\$747,116	\$571,637	\$366,092	\$290,204	\$157,753	\$84,173
32. Net capital assets (excluding land):										
Amount.....	\$2,880,858	\$4,535,959	\$3,177,248	\$2,256,835	\$1,966,286	\$1,674,713	\$1,027,270	\$730,320	\$495,177	\$312,907
33. Net capital assets (including land):										
Amount.....	\$4,457,189	\$5,282,664	\$3,702,430	\$2,625,392	\$2,244,616	\$1,920,670	\$1,214,863	\$572,074	\$575,373	\$348,024
34. All other assets:										
Number of companies.....	50	60	41	33	29	21	14	8	7	3
Amount.....	\$534,594	\$586,900	\$424,717	\$320,315	\$310,100	\$268,712	\$198,480	\$169,254	\$81,904	\$1,541
35. Intangibles and deferred charges:										
Number of companies.....	46	58	39	32	29	22	14	8	7	3
Amount.....	\$461,988	\$532,713	\$420,411	\$317,980	\$310,060	\$268,715	\$198,486	\$168,455	\$81,904	\$1,540
36. Notes payable:										
Number of companies.....	93	96	77	57	44	31	23	17	9	7
Amount.....	\$1,764,592	\$1,990,610	\$1,395,407	\$976,021	\$668,725	\$641,039	\$447,787	\$254,483	\$178,473	\$136,589
37. Accounts payable:										
Number of companies.....	109	105	80	62	53	40	26	17	12	8
Amount.....	\$1,142,953	\$1,579,559	\$1,053,710	\$881,140	\$811,116	\$661,080	\$352,924	\$236,518	\$144,320	\$50,373
38. Total current liabilities:										
Number of companies.....	118	115	87	68	55	41	27	18	12	8
Amount.....	\$3,007,309	\$3,678,770	\$2,519,334	\$1,919,760	\$1,576,113	\$1,352,471	\$823,779	\$500,875	\$332,973	\$196,081
39. Working capital:										
Amount.....	(\$1,508,619)	(\$1,143,208)	(\$401,700)	\$39,419	\$274,500	\$160,588	\$130,005	\$194,739	\$127,310	\$27,082
40. Total debt:										
Number of companies.....	120	115	88	68	56	42	28	18	12	8
Amount.....	\$3,481,043	\$4,238,086	\$2,943,030	\$2,198,233	\$1,780,426	\$1,497,621	\$870,579	\$500,875	\$341,306	\$196,081
41. Other liabilities:										
Number of companies.....	12	13	10	6	8	2	2	4	1	1
Amount.....	\$44,520	\$44,143	\$38,083	\$28,022	\$31,323	\$19,465	\$19,616	\$21,326	\$19,463	.....
42. Surplus:										
Number of companies.....	110	115	80	64	56	41	28	19	13	9
Amount.....	(\$1,513,864)	(\$882,337)	(\$293,805)	\$164,107	\$340,913	\$210,700	\$243,601	\$167,124	(\$23,768)	(\$82,246)
43. Undivided profits:										
Number of companies.....	7	8	4	1	1	2	2	1	.....	.....
Amount.....	(\$134,471)	(\$35,931)	\$75,291	\$99,634	\$69,680	\$52,973	\$51,132	\$40,152	.....	.....
44. Surplus and undivided profits:										
Number of companies.....	119	115	89	68	56	42	29	19	13	9
Amount.....	(\$1,648,335)	(\$918,268)	(\$218,514)	\$263,741	\$410,562	\$263,682	\$294,733	\$207,276	(\$23,768)	(\$82,246)

45. Net worth: Amount.....	\$3,465,702	\$4,366,562	\$3,493,948	\$2,964,218	\$2,659,886	\$2,245,378	\$1,527,349	\$1,237,533	\$779,825	\$377,047
46. Total investment in enterprise: Amount.....	\$3,939,436	\$4,925,878	\$3,877,644	\$3,142,691	\$2,864,199	\$2,390,528	\$1,574,449	\$1,237,533	\$788,198	\$377,047
47. Tangible net worth: Amount.....	\$3,003,714	\$3,833,849	\$3,073,537	\$2,546,238	\$2,349,826	\$1,976,663	\$1,328,863	\$1,069,078	\$697,921	\$375,507
48. Cost of goods sold and of operations: Amount.....	\$2,765,799	\$3,854,652	\$3,304,895	\$2,916,474	\$3,072,815	\$2,905,729	\$1,915,453	\$1,338,225	\$877,940	\$484,555
49. Repairs expense: Number of companies.....	73	77	64	46	37	32	22	11	11	6
Amount.....	\$105,732	\$152,230	\$117,436	\$95,593	\$87,949	\$63,493	\$48,813	\$31,001	\$36,038	\$19,973
50. Dividends distributable: Number of companies.....	1	1	1	1	2	1	1	1	1	1
Amount.....		\$25,000	\$41	\$41	\$294	\$420	\$220	\$168		
51. Compensation of officers: Number of companies.....	72	72	60	45	41	33	24	18	13	8
Amount.....	\$229,964	\$338,255	\$299,136	\$294,968	\$263,568	\$264,166	\$167,414	\$112,608	\$100,549	\$37,985
52. Rent paid on business property: Number of companies.....	51	49	39	33	27	21	13	11	8	5
Amount.....	\$80,617	\$85,874	\$75,102	\$45,187	\$52,499	\$30,923	\$23,363	\$14,131	\$11,983	\$8,617
53. Capital gains and losses: Number of companies.....	12	15	8	2	3	6	3	3	3	1
Amount.....	\$75,697	(\$3,193)	(\$2,752)	(\$862)	(\$721)	\$1,076	\$561	\$2,605	(\$5,321)	(\$158)
54. Tax-exempt interest received: Number of companies.....										
Amount.....										
55. Non-income taxes deducted: Number of companies.....	111	105	78	52	48	38	27	18	12	8
Amount.....	\$52,057	\$68,283	\$43,860	\$34,471	\$29,743	\$29,222	\$18,534	\$14,323	\$9,002	\$4,732
56. Total taxes deducted: Number of companies.....	116	108	84	66	55	42	29	19	13	9
Amount.....	\$72,694	\$79,910	\$55,635	\$49,575	\$53,157	\$54,087	\$32,687	\$24,265	\$13,603	\$9,322
57. Statutory net income: Number of companies.....	65	63	50	40	38	29	20	15	10	7
Positive.....	63	54	40	30	19	14	9	4	3	2
Negative.....										
Amount.....										
58. Raw materials: Number of companies.....	118,456	\$112,087	\$94,851	\$121,182	\$187,713	\$201,129	\$115,413	\$68,256	\$35,701	\$32,615
Amount.....	\$1,011,394	\$669,970	\$690,177	\$555,939	\$253,699	\$188,929	\$76,644	\$33,193	\$40,410	\$27,614
59. Work in process: Number of companies.....	27	36	32	21	23	14	9	3	3	2
Amount.....	\$67,218	\$118,049	\$102,820	\$80,479	\$70,862	\$77,524	\$44,450	\$20,316	\$3,943	\$2,429
60. Finished goods: Number of companies.....	12	17	13	12	9	8	6	4	2	1
Amount.....	\$35,366	\$81,522	\$66,754	\$62,885	\$33,671	\$45,744	\$41,841	\$22,050	\$21,461	\$14,423
60A. Inventory (unspecified): Number of companies.....	44	66	52	41	33	25	19	10	7	6
Amount.....	\$235,080	\$407,028	\$393,460	\$346,841	\$356,446	\$358,973	\$255,636	\$190,832	\$96,457	\$104,122
60B. Inventory (unspecified): Number of companies.....	30	27	21	18	14	9	3	4	3	2
Amount.....	\$181,821	\$457,661	\$242,925	\$450,923	\$120,534	\$61,837	\$10,163	\$32,233	\$31,656	\$7,601

TABLE 5-D.—Selected income statement and balance-sheet items for a sample of small stone- and clay-products corporations failing some time during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
61. Supplies:										
Number of companies	29	35	27	17	15	14	11	6	4	4
Amount	\$17,578	\$95,232	\$60,062	\$35,535	\$39,771	\$30,772	\$28,654	\$12,920	\$10,840	\$6,788
62. Buildings:										
Number of companies	67	73	56	45	39	32	21	12	9	5
Amount	\$1,524,812	\$1,837,432	\$1,433,213	\$1,110,175	\$897,399	\$685,619	\$422,220	\$245,155	\$218,336	\$135,585
63. Machinery and equipment:										
Number of companies	98	103	81	64	54	42	28	18	13	9
Amount	\$2,363,916	\$3,068,378	\$2,261,022	\$1,676,030	\$1,443,680	\$1,194,828	\$720,656	\$601,535	\$326,868	\$213,228
64. Furniture and fixtures:										
Number of companies	68	75	59	43	40	32	21	14	10	8
Amount	\$76,280	\$80,938	\$79,626	\$67,271	\$32,636	\$75,154	\$70,023	\$52,239	\$11,876	\$10,315
65. Land:										
Number of companies	49	59	44	34	29	27	17	11	7	4
Amount	\$576,331	\$746,075	\$525,182	\$368,557	\$278,330	\$245,957	\$187,593	\$141,754	\$80,196	\$35,117
66. All other capital assets:										
Number of companies	69	80	63	42	39	32	21	14	10	6
Amount	\$1,021,989	\$1,186,303	\$880,113	\$449,371	\$336,417	\$292,071	\$188,097	\$112,092	\$95,555	\$37,951
67. Bonds and notes (unsecured):										
Number of companies	6	4	5	3	1	1				
Amount	\$32,975	\$52,409	\$32,859	\$14,200	\$3,000	\$6,000				
68. Mortgages, etc. (secured):										
Number of companies	20	14	17	14	13	9	4		1	
Amount	\$440,759	\$506,307	\$350,837	\$264,273	\$201,313	\$139,150	\$47,100		\$8,333	
69. Property taxes deducted:										
Number of companies	64	70	51	49	31	29	25	15	9	7
Amount	\$31,445	\$39,157	\$28,789	\$29,694	\$22,085	\$21,309	\$15,891	\$9,692	\$6,603	\$3,930
70. Sales taxes deducted:										
Number of companies	2		1							
Amount	\$125		\$73							
71. Pay-roll taxes deducted:										
Number of companies										
Amount										
72. State income taxes deducted:										
Number of companies	14	14	12	10	11	9	8	5	4	
Amount	\$1,307	\$1,265	\$2,405	\$3,118	\$3,956	\$2,448	\$1,745	\$1,082	\$222	
73. Other taxes deducted:										
Number of companies	87	84	60	48	39	29	16	12	9	6
Amount	\$26,187	\$29,349	\$15,458	\$5,285	\$8,154	\$9,247	\$3,113	\$4,922	\$2,820	\$1,257

TABLE 5-E.—Selected income statement and balance sheet items for a sample of small machine tool corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure

[Figures in parentheses indicate loss]

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
1. Total assets:										
Number of companies.....	79	66	52	46	38	31	24	18	11	5
Amount.....	\$3,536,766	\$3,762,213	\$2,963,684	\$2,671,446	\$2,289,810	\$1,840,247	\$1,229,870	\$851,400	\$598,681	\$338,127
2. Total net sales:										
Amount.....	\$3,389,494	\$4,225,449	\$3,266,351	\$2,592,237	\$2,479,952	\$2,531,796	\$1,743,091	\$1,317,455	\$828,590	\$357,118
3. Economic income:										
Amount.....	(\$221,208)	(\$153,967)	(\$98,025)	(\$148,881)	(\$201,794)	\$45,865	\$106,814	(\$16,264)	\$11,172	(\$5,877)
4. Interest expense:										
Number of companies.....	54	50	40	33	27	22	13	11	6	3
Amount.....	\$45,594	\$39,605	\$48,238	\$46,418	\$27,304	\$21,012	\$15,055	\$9,015	\$2,594	\$648
5. Federal and State income taxes:										
Number of companies.....	22	15	14	12	8	13	11	4	2	1
Amount.....	\$13,410	\$8,837	\$9,887	\$4,288	\$1,585	\$14,799	\$10,308	\$1,933	\$3,280	\$445
6. Depreciation and depletion:										
Number of companies.....	56	54	43	40	33	29	24	16	9	3
Amount.....	\$170,654	\$149,310	\$140,147	\$113,994	\$97,358	\$89,325	\$46,735	\$40,844	\$31,529	\$4,191
7. Dividends paid: ¹										
Number of companies.....	7	4	5	2	3	3	1			
Amount.....	\$22,573	\$39,293	\$27,754	\$5,313	\$6,503	\$65,112	\$5,256		\$9,030	
8. Income before interest, income taxes, and depreciation:										
Amount.....	\$8,450	\$43,785	\$130,247	\$15,819	(\$75,547)	\$171,001	\$178,912	\$35,528	\$48,575	(\$503)
9. Income before income taxes and depreciation:										
Amount.....	(\$37,144)	\$4,180	\$82,099	(\$30,599)	(\$102,851)	\$149,989	\$163,857	\$26,513	\$45,961	(\$1,241)
10. Income before interest and income taxes:										
Amount.....	(\$162,204)	(\$105,525)	(\$9,900)	(\$98,175)	(\$172,905)	\$81,676	\$132,177	(\$5,316)	\$17,046	(\$4,784)
11. Income before depreciation:										
Amount.....	(\$50,554)	(\$4,657)	\$72,122	(\$34,887)	(\$104,436)	\$135,190	\$163,549	\$24,580	\$42,701	(\$1,686)

¹This item excludes the following amounts of dividends reported paid in the capital stock of the company:

	Years before failure								
	1	2	3	4	5	6	7	8	9
Number of companies.....	1	1	1	1	1	1	1	1	1
Amount.....	\$50,000	\$10,000	\$10,000	\$10,000	\$10,000	\$6,800	\$12,500		

CONCENTRATION OF ECONOMIC POWER

TABLE 5-E.—Selected income statement and balance sheet items for a sample of small machine tool corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
12. Business savings:										
Amount.....	(\$243, 781)	(\$193, 260)	(\$95, 779)	(\$154, 194)	(\$208, 297)	(\$19, 247)	\$101, 558	(\$16, 264)	\$2, 142	(\$5, 877)
13. Funded debt:										
Number of companies.....	12	11	8	7	8	6	5	2		
Amount.....	\$365, 338	\$254, 867	\$149, 370	\$116, 348	\$133, 930	\$60, 039	\$44, 005	\$7, 222		
14. Preferred stock:										
Number of companies.....	14	10	10	8	6	3	3	2	1	1
Amount.....	\$405, 950	\$364, 950	\$264, 950	\$225, 580	\$174, 400	\$121, 100	\$121, 100	\$95, 000	\$80, 000	\$80, 000
15. Common stock:										
Number of companies.....	14	10	10	8	6	3	3	2	1	1
Amount.....	\$2, 127, 063	\$2, 035, 085	\$1, 808, 571	\$1, 631, 611	\$1, 463, 339	\$950, 563	\$78, 270	\$457, 270	\$363, 380	\$162, 500
16. Total capital stock:										
Number of companies.....	14	10	10	8	6	3	3	2	1	1
Amount.....	\$2, 533, 013	\$2, 400, 035	\$2, 073, 521	\$1, 857, 101	\$1, 637, 739	\$1, 071, 663	\$999, 370	\$552, 270	\$443, 380	\$212, 500
17. Total capital:										
Number of companies.....	14	10	10	8	6	3	3	2	1	1
Amount.....	\$2, 898, 351	\$2, 654, 902	\$2, 222, 891	\$1, 973, 509	\$1, 771, 669	\$1, 131, 702	\$743, 375	\$559, 492	\$443, 380	\$242, 500
18. Bad debts expense:										
Number of companies.....	36	31	28	20	14	17	14	9	3	2
Amount.....	\$55, 401	\$34, 527	\$31, 305	\$23, 249	\$12, 342	\$19, 007	\$21, 889	\$19, 676	\$3, 136	\$943
19. Cash and equivalent:										
Number of companies.....	65	58	47	43	35	30	21	18	11	5
Amount.....	\$86, 310	\$80, 768	\$62, 109	\$51, 320	\$43, 782	\$40, 751	\$27, 511	\$21, 866	\$17, 772	\$10, 388
20. Notes receivable:										
Number of companies.....	8	10	14	12	6	7	4	5	2	
Amount.....	\$11, 483	\$12, 926	\$11, 606	\$19, 752	\$5, 132	\$7, 661	\$1, 719	\$4, 561	\$1, 175	
21. Accounts receivable (net):										
Number of companies.....	73	63	50	44	36	30	24	18	11	5
Amount.....	\$526, 487	\$684, 617	\$437, 906	\$406, 737	\$297, 317	\$264, 462	\$207, 146	\$159, 892	\$79, 959	\$31, 183
22. Total receivables:										
Number of companies.....	73	63	50	44	36	30	24	18	11	5
Amount.....	\$537, 970	\$697, 543	\$449, 512	\$426, 489	\$302, 449	\$272, 123	\$208, 865	\$164, 453	\$31, 134	\$31, 183
23. Inventories:										
Number of companies.....	61	59	47	43	36	30	22	16	9	4
Amount.....	\$609, 012	\$677, 060	\$617, 093	\$573, 427	\$535, 186	\$584, 427	\$456, 403	\$361, 897	\$291, 445	\$204, 212
24. Total current assets:										
Number of companies.....	1	3	2	2	1	1	1	1	1	1
Amount.....	\$1, 233, 292	\$1, 455, 371	\$1, 128, 714	\$1, 051, 236	\$881, 417	\$897, 301	\$692, 779	\$548, 216	\$390, 351	\$245, 783
25. Nontaxable investments:										
Number of companies.....	1	1	2	2	1	1	1	1	1	1
Amount.....	\$18, 570	\$62, 738	\$62, 136		\$4, 000	\$5, 000	\$31, 276	\$19, 950	\$12, 521	
26. Stocks of domestic corporations:										
Number of companies.....	4	4	2	2	2	2	1	1	1	1
Amount.....	\$21, 606	\$8, 647	\$300	\$300	\$300	\$350	\$100			

TABLE 5-E.—Selected income statement and balance sheet items for a sample of small machine tool corporations failing sometime during the period 1927-36, showing frequencies and aggregate amounts by number of years before failure—Continued

	Years before failure									
	1	2	3	4	5	6	7	8	9	10
45. Net worth:										
Amount.....	\$1,810,025	\$2,062,127	\$1,853,948	\$1,617,383	\$1,539,160	\$1,203,750	\$824,685	\$543,270	\$427,118	\$248,576
46. Total investment in enterprise:										
Amount.....	\$2,175,363	\$2,316,994	\$2,003,318	\$1,733,731	\$1,673,090	\$1,263,789	\$868,690	\$550,492	\$427,118	\$248,576
47. Tangible net worth:										
Amount.....	\$1,399,767	\$1,704,401	\$1,584,671	\$1,372,287	\$1,349,097	\$1,080,975	\$703,199	\$467,607	\$372,400	\$201,027
48. Cost of goods sold and of operations:										
Amount.....	\$2,620,380	\$2,966,280	\$2,261,861	\$1,881,536	\$1,864,953	\$1,701,471	\$1,138,407	\$883,347	\$516,580	\$241,846
49. Repairs expense:										
Number of companies.....	34	34	28	25	14	15	8	7	7	1
Amount.....	\$17,886	\$90,005	\$68,549	\$33,176	\$18,282	\$29,784	\$4,738	\$2,784	\$4,142	\$603
50. Dividends deductible:										
Number of companies.....	2	1	1			1				
Amount.....	\$451	\$9	\$35			\$24				
51. Compensation of officers:										
Number of companies.....	53	49	37	35	30	23	18	13	8	3
Amount.....	\$270,701	\$290,908	\$272,966	\$208,199	\$221,964	\$203,738	\$144,622	\$103,496	\$62,783	\$20,440
52. Rent paid on business property:										
Number of companies.....	58	49	39	35	30	25	18	17	11	5
Amount.....	\$81,406	\$94,486	\$85,283	\$76,497	\$63,442	\$52,248	\$32,400	\$35,802	\$25,444	\$6,187
53. Capital gains and losses:										
Number of companies.....	9	5	5	3	3	4	3	2	1	1
Amount.....	\$41,636	(\$34,792)	(\$526)	\$401	\$1,133	\$595	(\$108)	\$212	\$950	(\$594)
54. Tax-exempt interest received:										
Number of companies.....										
Amount.....										
55. Nonincome taxes deducted:										
Number of companies.....	60	56	45	39	36	29	20	16	11	4
Amount.....	\$24,246	\$25,958	\$26,259	\$18,172	\$20,228	\$23,765	\$21,509	\$9,808	\$7,985	\$15,987
56. Total taxes deducted:										
Number of companies.....	63	59	48	41	36	30	22	17	11	4
Amount.....	\$37,427	\$34,795	\$36,146	\$22,660	\$21,814	\$38,564	\$31,817	\$11,741	\$11,264	\$16,432
57. Statutory net income:										
Number of companies.....										
Positive.....	24	21	18	15	14	18	16	6	6	3
Negative.....	55	45	34	31	24	13	8	12	5	2
Amount.....	\$124,002	\$76,766	\$94,952	\$32,223	\$25,019	\$164,515	\$98,028	\$4,065	\$15,339	\$7,027
Negative.....	\$372,810	\$261,527	\$208,934	\$270,245	\$229,124	\$103,656	\$31,660	\$54,252	\$27,990	\$12,904

CONCENTRATION OF ECONOMIC POWER

58. Raw materials: Number of companies..... Amount.....	30 \$183,935	37 \$167,680	31 \$165,108	24 \$103,873	19 395,318	15 \$168,838	10 \$106,774	8 \$118,611	5 \$115,889	3 \$145,358
59. Work in process: Number of companies..... Amount.....	29 \$157,864	30 \$191,146	24 \$185,944	18 \$75,120	15 \$123,219	12 \$72,128	8 \$107,191	6 \$28,530	3 \$12,274	---
60. Finished goods: Number of companies..... Amount.....	13 \$111,674	20 \$135,211	15 \$148,013	16 \$159,816	12 \$109,295	13 \$105,441	8 \$37,174	5 \$33,962	3 \$20,149	2 \$8,111
60A. Inventory (unspecified): Number of companies..... Amount.....	14 \$135,760	12 \$142,210	11 \$88,142	12 \$216,061	12 \$190,274	10 \$24,867	7 \$195,788	5 \$176,668	3 \$142,557	1 \$30,269
61. Supplies: Number of companies..... Amount.....	19 \$20,679	19 \$40,813	16 \$29,886	14 \$18,557	10 \$17,080	9 \$24,153	9 \$9,476	5 \$4,126	2 \$576	1 \$474
62. Buildings: Number of companies..... Amount.....	16 \$478,186	16 \$515,585	13 \$395,336	11 \$268,765	10 \$257,253	8 \$137,063	6 \$56,245	2 \$13,183	---	---
63. Machinery and equipment: Number of companies..... Amount.....	69 \$1,647,725	63 \$1,734,799	50 \$1,436,553	45 \$1,254,321	37 \$1,117,667	30 \$849,444	23 \$420,050	16 \$355,485	9 \$241,317	3 \$49,897
64. Furniture and fixtures: Number of companies..... Amount.....	54 \$55,985	46 \$54,226	41 \$45,774	36 \$42,102	29 \$31,934	25 \$20,664	18 \$13,572	13 \$13,288	9 \$7,911	3 \$2,610
65. Land: Number of companies..... Amount.....	10 \$192,115	12 \$222,722	10 \$180,115	9 \$184,965	8 \$159,195	7 \$67,700	6 \$20,999	1 \$5,449	---	---
66. All other capital assets: Number of companies..... Amount.....	35 \$251,483	34 \$217,934	31 \$147,046	29 \$155,783	22 \$104,845	19 \$94,774	14 \$66,934	8 \$70,502	5 \$60,760	3 \$14,233
67. Bonds and notes (unsecured): Number of companies..... Amount.....	3 \$113,230	1 \$120	---	---	---	---	---	---	---	---
68. Mortgages, etc. (secured): Number of companies..... Amount.....	11 \$252,108	9 \$254,747	7 \$149,370	7 \$116,348	8 \$133,480	5 \$80,039	4 \$44,005	2 \$7,222	---	---
69. Property taxes deducted: Number of companies..... Amount.....	31 \$8,637	28 \$12,846	26 \$15,352	24 \$12,769	26 \$14,398	21 \$11,809	10 \$3,920	10 \$2,976	6 \$2,485	2 \$536
70. Sales taxes deducted: Number of companies..... Amount.....	1 \$0	---	---	---	---	---	---	---	---	---
71. Pay-roll taxes deducted: Number of companies..... Amount.....	---	---	---	---	---	---	---	---	---	---
72. State income taxes deducted: Number of companies..... Amount.....	9 \$421	9 \$598	6 \$1,765	7 \$670	5 \$553	5 \$560	1 \$63	1 \$312	---	1 \$10
73. Other taxes deducted: Number of companies..... Amount.....	50 \$15,371	51 \$13,112	37 \$10,907	32 \$5,603	26 \$5,831	23 \$11,956	19 \$17,589	14 \$6,332	5 \$5,499	4 \$15,451

TABLE 6-A.—Geographical and asset size distributions of the number of small baking corporations in original 1926 sample, supplementary 1930 sample, identical 1926-36 sample, identical 1930-36 sample, and number-of-years-before-failure groups

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in original 1926 sample											
NEW ENGLAND											
Less than \$50,000.....	22	19	17	14	13	13	12	10	8	8	7
\$50,000 to \$100,000.....	6	6	6	7	5	5	5	5	4	5	3
\$100,000 to \$150,000.....	2	1	2	1	3	2	1	1	2	1	3
\$150,000 to \$200,000.....				1		1	2	2	2	2	2
\$200,000 to \$250,000.....	2	2	1		1	1					
\$250,000 and over.....			1	2	1	1	1	1	1	1	1
Total.....	32	28	27	25	23	23	21	19	17	17	16
EAST											
Less than \$50,000.....	33	25	23	21	20	19	19	17	17	13	12
\$50,000 to \$100,000.....	12	12	9	8	8	7	6	6	5	5	5
\$100,000 to \$150,000.....	4	5	6	4	4	4	3	3	4	4	1
\$150,000 to \$200,000.....	2	3	1	4	4	3	2	3	2	1	2
\$200,000 to \$250,000.....	1	1	3	2	1	1	1				
\$250,000 and over.....					1	1		1			
Total.....	52	46	42	39	38	35	32	30	28	23	20
MIDDLE WEST											
Less than \$50,000.....	30	26	23	19	15	19	19	19	18	18	16
\$50,000 to \$100,000.....	17	17	18	16	21	13	9	10	11	8	9
\$100,000 to \$150,000.....	6	5	5	8	4	4	7	6	4	3	3
\$150,000 to \$200,000.....	6	7	5	6	7	6	4	3	2	3	2
\$200,000 to \$250,000.....	4	3	4	3	2	3					
\$250,000 and over.....	1	3	2	2	2	1					
Total.....	64	61	57	54	51	46	39	38	35	32	30
SOUTH											
Less than \$50,000.....	13	9	9	7	5	7	5	5	6	5	5
\$50,000 to \$100,000.....	5	5	4	4	4	2	2	2	2	2	1
\$100,000 to \$150,000.....				1				1	1	1	1
\$150,000 to \$200,000.....	1	2	2	1	1	1	2	1			
\$200,000 to \$250,000.....	3	2	1								
\$250 and over.....			1	1	1	1					
Total.....	22	18	17	14	11	11	9	9	9	8	7
WEST											
Less than \$50,000.....	8	8	7	9	9	5	4	3	3	3	3
\$50,000 to \$100,000.....	3	3	4	2	2	2	2	1	1	1	1
\$100,000 to \$150,000.....	2				1	1		1	2	2	3
\$150,000 to \$200,000.....	1	2	2	2	2	2	3	3	2	1	1
\$200,000 to \$250,000.....	1	2	1	1						1	1
\$250,000 and over.....			1	1							
Total.....	15	15	15	15	14	10	9	8	8	8	8
Grand total.....	185	168	158	147	137	125	110	104	97	88	81
Number of firms in supplementary 1930 sample											
NEW ENGLAND											
Less than \$50,000.....					3	3	3	3	3	2	2
\$50,000 to \$100,000.....					1	1					
\$100,000 to \$150,000.....											
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....					4	4	3	3	3	2	2

TABLE 6-A.—*Geographical and asset size distributions of the number of small baking corporations in original 1926 sample, supplementary 1930 sample, identical 1926-36 sample, identical 1930-36 sample, and number-of-years-before-failure groups—Continued*

Area and asset size	Number of years before failure									
	1	2	3	4	5	6	7	8	9	10
	Number of firms in years-before-failure groups									
NEW ENGLAND										
Less than \$50,000.....	15	12	11	9	7	6	5	3	1	1
\$50,000 to \$100,000.....	2	2	1	1	1	1				
\$100,000 to \$150,000.....	1									
\$150,000 to \$200,000.....										
\$200,000 to \$250,000.....										
\$250,000 and over.....										
Total.....	18	14	12	10	8	7	5	3	1	1
EAST										
Less than \$50,000.....	27	21	15	12	10	8	7	6	4	1
\$50,000 to \$100,000.....	6	5	5	4	5	3	3	2	2	1
\$100,000 to \$150,000.....	2	2	2	3	3	5	2	2	2	1
\$150,000 to \$200,000.....	1	1	1	1	1					
\$200,000 to \$250,000.....					1					
\$250,000 and over.....	1	1	1	1						
Total.....	37	30	24	21	20	16	12	10	8	3
MIDDLE WEST										
Less than \$50,000.....	21	16	13	10	10	7	4	3	2	1
\$50,000 to \$100,000.....	6	5	5	6	3	2			1	
\$100,000 to \$150,000.....	4	5	2	2	3	2	1	1		
\$150,000 to \$200,000.....	5	6	6	4	2	1		1	1	1
\$200,000 to \$250,000.....			1	2	2	4	3	2		
\$250,000 and over.....	2	1	1	1	2	1	1	1	1	
Total.....	38	33	28	25	22	17	9	8	5	2
SOUTH										
Less than \$50,000.....	15	8	7	5	4	3	1	1	1	
\$50,000 to \$100,000.....	2	4	2	?						
\$100,000 to \$150,000.....	1									
\$150,000 to \$200,000.....		1	2	1						
\$200,000 to \$250,000.....	1	1	1	1					1	1
\$250,000 and over.....					1	1	1	1		
Total.....	19	14	12	8	5	4	2	2	2	1
WEST										
Less than \$50,000.....	10	6	6	6	6	3	1			
\$50,000 to \$100,000.....	1	1	1	1						
\$100,000 to \$150,000.....										
\$150,000 to \$200,000.....					1					
\$200,000 to \$250,000.....				1						
\$250,000 and over.....		1	1							
Total.....	11	8	8	8	7	3	1			
Grand total.....	123	99	84	72	62	47	29	23	16	7

TABLE 6-B.—Geographical and asset size distributions of the number of small men's clothing corporations in original 1926 sample, supplementary 1930 sample, identical 1926-36 sample, and number-of-years-before-failure groups

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in original 1926 sample											
NEW ENGLAND											
Less than \$50,000.....	7	4	3	3	3	5	7	6	4	5	4
\$50,000 to \$100,000.....	9	7	7	6	5	2	2	2	4	3	3
\$100,000 to \$150,000.....	2	1		1	1	2		1			
\$150,000 to \$200,000.....	1	3	3	2	1						
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....	19	15	13	12	10	9	9	9	8	8	7
EAST											
Less than \$50,000.....	54	47	38	34	26	23	20	16	14	12	13
\$50,000 to \$100,000.....	28	23	20	16	13	12	8	8	6	5	2
\$100,000 to \$150,000.....	16	22	17	12	7	4	2	1	2	4	1
\$150,000 to \$200,000.....	8	4	4	3	2	4	2	3	2	1	2
\$200,000 to \$250,000.....	9	4	1	2	3	1	1			1	
\$250,000 and over.....		3	4	4	1	1					1
Total.....	115	103	84	71	52	45	33	28	24	23	19
MIDDLE WEST											
Less than \$50,000.....	26	28	21	22	16	16	16	16	11	10	9
\$50,000 to \$100,000.....	6	5	7	4	6	5	4	4	4	3	2
\$100,000 to \$150,000.....	12	7	5	4	3	4	3	1		1	2
\$150,000 to \$200,000.....	4	4	2	2	1			2	3		
\$200,000 to \$250,000.....	2	1	3	1	2	1	1		1	3	2
\$250,000 and over.....		1	1	4				1		1	2
Total.....	50	46	39	37	28	26	24	24	19	18	17
SOUTH											
Less than \$50,000.....	2	1	1	1	1	1	1	1	1	1	1
\$50,000 to \$100,000.....	1	1	1	1	1	1	1				
\$100,000 to \$150,000.....	1	1		1							
\$150,000 to \$200,000.....			1								
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....	4	3	3	3	2	2	2	1	1	1	1
WEST											
Less than \$50,000.....							1	1	2	2	2
\$50,000 to \$100,000.....	3	3	2	2	2	2	1	1			
\$100,000 to \$150,000.....											
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....	3	3	2	2	2	2	2	2	2	2	2
Grand total.....	191	170	141	125	94	84	70	64	54	52	46
Number of firms in supplementary 1930 sample											
NEW ENGLAND											
Less than \$50,000.....					2	1	1	1			
\$50,000 to \$100,000.....					1	2	2	1	2	2	2
\$100,000 to \$150,000.....								1	1		
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....										1	1
\$250,000 and over.....											
Total.....					3	3	3	3	3	3	3

TABLE 6-B.—Geographical and asset size distributions of the number of small men's clothing corporations in original 1926 sample, supplementary 1930 sample, identical 1926-36 sample, identical 1930-36 sample, and number-of-years-before-failure groups—Continued

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in identical 1930-36 sample—Continued											
SOUTH											
Less than \$50,000.....	1	1	1	1	1	1	1	1	1	1	1
\$50,000 to \$100,000.....											
\$100,000 to \$150,000.....											
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....	1	1	1	1	1	1	1	1	1	1	1
WEST											
Less than \$50,000.....							1	1	2	2	2
\$50,000 to \$100,000.....	2	2	2	2	2	2	1	1			
\$100,000 to \$150,000.....											
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....	2	2	2	2	2	2	2	2	2	2	2
Grand total.....	46	46	46	46	46	46	46	46	46	46	46
Number of firms in identical 1930-36 sample											
NEW ENGLAND											
Less than \$50,000.....					2	1	1	1			
\$50,000 to \$100,000.....					1	2	2	1	2	2	2
\$100,000 to \$150,000.....								1	1		
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....										1	1
\$250,000 and over.....											
Total.....					3	3	3	3	3	3	3
EAST											
Less than \$50,000.....					6	5	7	6	4	5	4
\$50,000 to \$100,000.....					7	11	9	10	13	10	7
\$100,000 to \$150,000.....					4	2	2	2	2	2	6
\$150,000 to \$200,000.....					3	1	2	1		1	1
\$200,000 to \$250,000.....					1	1	1			1	1
\$250,000 and over.....						1		2	2	2	2
Total.....					21	21	21	21	21	21	21
MIDDLE WEST											
Less than \$50,000.....					2	2	2	2	2	2	2
\$50,000 to \$100,000.....											
\$100,000 to \$150,000.....							1		1	1	
\$150,000 to \$200,000.....					1	1		1			1
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....					3	3	3	3	3	3	3
south—None.....											
west—None.....											
Grand total.....					27	27	27	27	27	27	27

TABLE 6-B.—Geographical and asset size distributions of the number of small men's clothing corporations in original 1926 sample, supplementary 1930 sample, identical 1926-36 sample, identical 1930-36 sample, and number-of-years-before-failure groups—Continued

Area and asset size	Number of years before failure									
	1	2	3	4	5	6	7	8	9	10
Number of firms in years-before-failure groups										
NEW ENGLAND										
Less than \$50,000.....	8	3	2	1	1	1	1	1	1	1
\$50,000 to \$100,000.....	3	4	2	3	2	1	1	1		
\$100,000 to \$150,000.....	1		1	1						
\$150,000 to \$200,000.....		1	1							
\$200,000 to \$250,000.....										
\$250,000 and over.....										
Total.....	12	8	6	5	3	2	2	2	1	1
EAST										
Less than \$50,000.....	92	60	40	32	16	13	3	3	2	1
\$50,000 to \$100,000.....	32	25	20	19	10	7	4	2		
\$100,000 to \$150,000.....	16	25	15	5	6	4	3	3	2	2
\$150,000 to \$200,000.....	2	4	7	6	2		2			
\$200,000 to \$250,000.....	2	3	3	3	3	4	1	1	1	1
\$250,000 and over.....	1	1	1	1	1	1	1			
Total.....	145	118	86	66	38	29	14	9	5	4
MIDDLE WEST										
Less than \$50,000.....	24	22	16	15	9	8	6	4	1	1
\$50,000 to \$100,000.....	1	2	2	1				1	1	
\$100,000 to \$150,000.....	5	3	1	2	1			1		
\$150,000 to \$200,000.....	2		1	1	1	1	1	1		
\$200,000 to \$250,000.....	1	2	1	2						
\$250,000 and over.....	1	1	2							
Total.....	34	30	23	21	11	9	7	7	2	1
SOUTH										
Less than \$50,000.....	2									
\$50,000 to \$100,000.....	1	1	1	1	1	1	1			
\$100,000 to \$150,000.....	1		1	1						
\$150,000 to \$200,000.....		1								
\$200,000 to \$250,000.....										
\$250,000 and over.....										
Total.....	4	2	2	2	1	1	1			
WEST										
Less than \$50,000.....										
\$50,000 to \$100,000.....	1	1								
\$100,000 to \$150,000.....										
\$150,000 to \$200,000.....										
\$200,000 to \$250,000.....										
\$250,000 and over.....										
Total.....	1	1								
Grand total.....	196	159	117	94	53	41	24	18	8	6

TABLE 6-C.—Geographical and asset size distributions of the number of small furniture corporations in original 1926 sample, supplementary 1930 sample, identical 1926-36 sample, identical 1930-36 sample, and number of years before failure groups

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in original 1926 sample											
NEW ENGLAND											
Less than \$50,000	13	10	8	8	9	7	7	8	5	5	5
\$50,000 to \$100,000	9	14	12	9	8	10	9	8	8	7	6
\$100,000 to \$150,000	5	3	4	4	2	1	1	1	1	2	3
\$150,000 to \$200,000	5	2	2	2	2	1					
\$200,000 to \$250,000		1					1		1	1	
\$250,000 and over			1	1	1	1		1			1
Total	32	30	27	24	22	20	18	18	15	15	15
EAST											
Less than \$50,000	22	19	20	15	12	11	11	10	9	10	8
\$50,000 to \$100,000	9	9	8	7	5	4	3	3	3	3	3
\$100,000 to \$150,000	7	7	4	4	5	4	1	1	1		
\$150,000 to \$200,000	7	6	4	2	2	2	2	2	2	1	1
\$200,000 to \$250,000	4	2	2	4	2					1	1
\$250,000 and over			1	1	1	1	1	1	1	1	1
Total	49	43	39	33	27	22	18	17	16	16	14
MIDDLE WEST											
Less than \$50,000	16	15	14	9	8	9	15	15	11	13	11
\$50,000 to \$100,000	15	18	12	14	13	16	14	11	12	7	8
\$100,000 to \$150,000	14	9	9	7	10	10	7	7	6	5	3
\$150,000 to \$200,000	16	12	9	12	7	2	1	1		1	3
\$200,000 to \$250,000	5	4	6	2	1	1				1	1
\$250,000 and over		4	3	3	1						
Total	66	62	53	47	40	38	37	34	29	27	26
SOUTH											
Less than \$50,000	5	7	5	4	4	3	1	1	3	2	1
\$50,000 to \$100,000	8	9	5	3	3	5	7	4	3	2	2
\$100,000 to \$150,000	7	3	5	5	6	3	3	2	1	1	1
\$150,000 to \$200,000	5	8	4	3	6	5	6	5	5	4	3
\$200,000 to \$250,000	5	1	5	8	3	3	1	2	2	3	2
\$250,000 and over		4	3	2	1	1					1
Total	33	32	27	25	23	20	18	14	14	12	10
WEST											
Less than \$50,000	5	4	2	3	1		1	1			
\$50,000 to \$100,000	1		1			1					
\$100,000 to \$150,000	2	1			2	1	1	1	1	1	1
\$150,000 to \$200,000	2	2	2	2	1	1					
\$200,000 to \$250,000	4		2	1		1					
\$250,000 and over		3	2	2	1						
Total	14	10	9	8	5	4	2	2	1	1	1
Grand total	194	177	155	137	117	104	93	85	75	71	66
Number of firms in supplementary 1930 sample											
NEW ENGLAND											
Less than \$50,000					11	10	7	5	5	4	4
\$50,000 to \$100,000					3	2	3	1	1	2	2
\$100,000 to \$150,000					1	1		1	1		
\$150,000 to \$200,000					1	1				1	
\$200,000 to \$250,000					1	1					1
\$250,000 and over											
Total					17	15	10	7	7	7	7
EAST											
Less than \$50,000					6	6	6	5	4	4	4
\$50,000 to \$100,000					4	2					
\$100,000 to \$150,000					1	1	1				
\$150,000 to \$200,000					1						
\$200,000 to \$250,000											
\$250,000 and over											
Total					12	9	7	5	4	4	4

TABLE 6-C.—Geographical and asset size distributions of the number of small furniture corporations in original 1926 sample, supplementary 1930 sample, identical 1926-36 sample, identical 1930-36 sample, and number of years before failure groups—Continued

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in identical 1930-36 sample—Continued											
WEST											
Less than \$50,000.....											
\$50,000 to \$100,000.....											
\$100,000 to \$150,000.....	1				1	1	1	1	1	1	1
\$150,000 to \$200,000.....		1	1	1							
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....	1	1	1	1	1	1	1	1	1	1	1
Grand total.....	66	66	66	66	66	66	66	66	66	66	66
Number of firms in identical 1930-36 sample											
NEW ENGLAND											
Less than \$50,000.....					4	4	5	5	5	4	4
\$50,000 to \$100,000.....					2	2	2	1	1	2	2
\$100,000 to \$150,000.....					1	1		1			
\$150,000 to \$200,000.....										1	
\$200,000 to \$250,000.....											1
\$250,000 and over.....											
Total.....					7	7	7	7	7	7	7
EAST											
Less than \$50,000.....					1	3	4	4	4	4	4
\$50,000 to \$100,000.....					3	1					
\$100,000 to \$150,000.....											
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....					4	4	4	4	4	4	4
MIDDLE WEST											
Less than \$50,000.....					1	1	2	2	2	2	1
\$50,000 to \$100,000.....					2	3	2	2	2	2	3
\$100,000 to \$150,000.....							1	1	1	1	1
\$150,000 to \$200,000.....					2	1	3	1	2	2	
\$200,000 to \$250,000.....					3	3		1	1	1	1
\$250,000 and over.....								1			2
Total.....					8	8	8	8	8	8	8
SOUTH											
Less than \$50,000.....					2	2	3	3	2	2	1
\$50,000 to \$100,000.....					2	2	1	1	2	2	3
\$100,000 to \$150,000.....					2	2	2	2	2	1	
\$150,000 to \$200,000.....							1		1	1	2
\$200,000 to \$250,000.....					1	1		1		1	
\$250,000 and over.....											1
Total.....					7	7	7	7	7	7	7
WEST											
Less than \$50,000.....								1	1	1	1
\$50,000 to \$100,000.....					1	1	1				
\$100,000 to \$150,000.....											
\$150,000 to \$200,000.....						1	1	1	1	1	1
\$200,000 to \$250,000.....					1						
\$250,000 and over.....											
Total.....					2	2	2	2	2	2	2
Grand total.....					28	28	28	28	28	28	28

TABLE 6-C.—Geographical and asset size distributions of the number of small furniture corporations in original 1926 sample, supplementary 1930 sample, identical 1926-36 sample, identical 1930-36 sample, and number of years before failure groups—Continued

Area and asset size	Number of years before failure									
	1	2	3	4	5	6	7	8	9	10
Number of firms in years-before-failure groups										
NEW ENGLAND										
Less than \$50,000.....	18	13	11	8	6	2				
\$50,000 to \$100,000.....	6	6	3	2	2	3	3	3		
\$100,000 to \$150,000.....		1				1				
\$150,000 to \$200,000.....		1	1							
\$200,000 to \$250,000.....	1	1								
\$250,000 and over.....										
Total.....	25	22	15	10	8	6	3	3		
EAST										
Less than \$50,000.....	30	19	16	11	7	5	2	2	1	1
\$50,000 to \$100,000.....	6	6	3	3	2	1	2	1	1	
\$100,000 to \$150,000.....	3	5	5	3	2	2				
\$150,000 to \$200,000.....	3	1	4	3	1					1
\$200,000 to \$250,000.....	1	3			1					
\$250,000 and over.....										
Total.....	43	34	28	20	13	8	4	3	2	2
MIDDLE WEST										
Less than \$50,000.....	26	19	11	5	3	2	1	1		
\$50,000 to \$100,000.....	12	13	9	7	6	6	5	3	1	
\$100,000 to \$150,000.....	5	6	5	6	4	2	2	3		
\$150,000 to \$200,000.....	4	4	5	4	1	2	2		1	1
\$200,000 to \$250,000.....	1	2			1	1	1	1	1	
\$250,000 and over.....	2	1	1							
Total.....	50	45	31	22	15	13	11	8	3	1
SOUTH										
Less than \$50,000.....	12	7	4	2	2	2				
\$50,000 to \$100,000.....	9	10	3	4	3	2	2			
\$100,000 to \$150,000.....	1	2	5	2	3	2	1	1		
\$150,000 to \$200,000.....	1	2	2	2	3	3	3	2	4	2
\$200,000 to \$250,000.....	3	2	1	4	1		2	1		
\$250,000 and over.....	1	2	4	2	1	1				
Total.....	27	25	19	16	13	10	8	4	4	2
WEST										
Less than \$50,000.....	8	4	2	3	1					
\$50,000 to \$100,000.....		2	2							
\$100,000 to \$150,000.....		1	1		1	1				
\$150,000 to \$200,000.....	2		1	3			1			
\$200,000 to \$250,000.....	3		1		1	2		1		
\$250,000 and over.....	1	3	2	1	1					
Total.....	14	10	9	7	4	3	1	1		
Grand total.....	159	136	102	75	53	40	27	19	9	5

TABLE G-D.—*Geographical and asset size distributions of the number of small stone clay products corporations in original 1926 sample, supplementary 1930 sample, and identical 1926-36 sample, identical 1930-36 sample, and number-of-years-before-failure groups*

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in original 1926 sample											
NEW ENGLAND											
Less than \$50,000	5	3	3	2	2	3	7	5	4	3	4
\$50,000 to \$100,000	8	8	7	6	6	7	3	2	2	1	1
\$100,000 to \$150,000	3	3	4	6	5	3	1	1	1	1	1
\$150,000 to \$200,000	2	3			1	1	1				
\$200,000 to \$250,000	2	1	1	1							
\$250,000 and over											
Total	20	18	15	15	14	14	12	8	7	5	5
EAST											
Less than \$50,000	9	8	7	7	6	5	4	4	6	5	4
\$50,000 to \$100,000	8	9	6	6	7	7	5	6	3	4	3
\$100,000 to \$150,000	5	3	4	3	2	2	3	1	1	1	1
\$150,000 to \$200,000	1	2	1	1	1	1					
\$200,000 to \$250,000	2	1	1								
\$250,000 and over											
Total	25	23	19	17	16	15	12	11	10	10	8
MIDDLE WEST											
Less than \$50,000	28	27	21	17	15	14	16	19	19	19	18
\$50,000 to \$100,000	27	25	22	19	19	16	14	12	13	14	12
\$100,000 to \$150,000	11	8	6	7	7	9	9	8	8	7	7
\$150,000 to \$200,000	9	12	7	8	6	5	4	3	1	1	1
\$200,000 to \$250,000	9	6	7	7	4	5	3	1	1	1	1
\$250,000 and over		2	4	3	4	1	1	3	2	2	2
Total	84	80	67	61	55	50	47	46	44	44	41
SOUTH											
Less than \$50,000	19	18	17	14	13	12	11	9	9	9	5
\$50,000 to \$100,000	11	9	9	7	7	4	2	2			
\$100,000 to \$150,000	3	5	3	3	3	3	5	5	5	4	4
\$150,000 to \$200,000	5	5	5	4	3	3	1	1			
\$200,000 to \$250,000											
\$250,000 and over											
Total	38	37	34	28	26	22	19	17	14	13	9
WEST											
Less than \$50,000	6	7	6	6	4	5	5	3	3	3	3
\$50,000 to \$100,000	6	4	4	4	4	2	2	2	2	2	1
\$100,000 to \$150,000	3	3	2	2	2	2	2	2	2	2	3
\$150,000 to \$200,000				2	1	1					
\$200,000 to \$250,000	2	2	2								
\$250,000 and over											
Total	17	16	14	14	11	10	9	7	7	7	7
Grand total	184	174	149	135	122	111	99	89	82	79	70
Number of firms in supplementary 1930 sample											
NEW ENGLAND											
Less than \$50,000					3	3	3	3	3	3	3
\$50,000 to \$100,000										1	1
\$100,000 to \$150,000					1	1	1	1	1		
\$150,000 to \$200,000											
\$200,000 to \$250,000											
\$250,000 and over											
Total					4	4	4	4	4	4	4
EAST											
Less than \$50,000					1	1	2	2	2	2	2
\$50,000 to \$100,000					1	1					
\$100,000 to \$150,000											
\$150,000 to \$200,000											
\$200,000 to \$250,000											
\$250,000 and over											
Total					2	2	2	2	2	2	2

TABLE 6-D.—Geographical and asset size distributions of the number of small stone clay products corporations in original 1926 sample, supplementary 1930 sample, and identical 1926-36 sample, identical 1930-36 sample, and number-of-years-before-failure groups—Continued

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in original 1926 sample—Continued											
MIDDLE WEST											
Less than \$50,000					7	7	9	7	7	6	5
\$50,000 to \$100,000					4	4	3	4	5	4	4
\$100,000 to \$150,000					5	3	2	2	1	1	1
\$150,000 to \$200,000					2	1	2	2	2	1	1
\$200,000 to \$250,000					1	2	1			1	1
\$250,000 and over											
Total					19	17	17	15	15	13	12
SOUTH											
Less than \$50,000					3	5	4	3	2	2	2
\$50,000 to \$100,000					2					1	1
\$100,000 to \$150,000								1	1		
\$150,000 to \$200,000					3	3	3	1	1	1	1
\$200,000 to \$250,000											
\$250,000 and over											
Total					8	8	7	5	4	4	4
WEST											
Less than \$50,000					5	5	6	4	4	4	4
\$50,000 to \$100,000						1			1	1	1
\$100,000 to \$150,000					2	1	1	2	2	2	2
\$150,000 to \$200,000							1	2	1	1	1
\$200,000 to \$250,000					3	3	1				
\$250,000 and over							1				
Total					10	10	10	8	8	8	8
Grand total					43	41	40	34	33	31	30
Number of firms in identical 1926-36 sample											
NEW ENGLAND											
Less than \$50,000			1		1	1	2	2	2	3	4
\$50,000 to \$100,000	2	2		1		1	2	2	2	1	
\$100,000 to \$150,000	1	1	3	3	3	2		1	1	1	1
\$150,000 to \$200,000		1			1	1	1				
\$200,000 to \$250,000	2	1	1	1	1	1					
\$250,000 and over											
Total	5	5	5	5	5	5	5	5	5	5	5
EAST											
Less than \$50,000	3	3	3	3	3	2	2	3	4	3	4
\$50,000 to \$100,000	3	3	2	2	3	4	4	4	3	4	3
\$100,000 to \$150,000	1	1	2	2	1	1	2	1	1	1	1
\$150,000 to \$200,000	1	1	1	1	1	1					
\$200,000 to \$250,000											
\$250,000 and over											
Total	8	8	8	8	8	8	8	8	8	8	8
MIDDLE WEST											
Less than \$50,000	10	9	8	7	10	11	14	18	18	18	18
\$50,000 to \$100,000	15	18	16	16	14	14	13	11	12	13	12
\$100,000 to \$150,000	5	2	5	5	6	8	7	6	7	6	7
\$150,000 to \$200,000	7	7	5	7	6	4	4	3	1	1	1
\$200,000 to \$250,000	4	4	5	5	2	4	3	1	1	1	1
\$250,000 and over		1	2	1	3			2	2	2	2
Total	41	41	41	41	41	41	41	41	41	41	41
SOUTH											
Less than \$50,000	4	4	4	4	4	4	5	5	5	5	5
\$50,000 to \$100,000	1	1	1	1	1	1					
\$100,000 to \$150,000	1	1	1	1	1	1	3	3	4	4	4
\$150,000 to \$200,000	3	3	3	3	3	3	1	1			
\$200,000 to \$250,000											
\$250,000 and over											
Total	9	9	9	9	9	9	9	9	9	9	9

TABLE 6-D.—*Geographical and asset size distributions of the number of small stone clay products corporations in original 1926 sample, supplementary 1930 sample, and identical 1926-36 sample, identical 1930-36 sample, and number-of-years-before-failure groups—Continued*

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in identical 1926-36 sample—Continued											
WEST											
Less than \$50,000.....	1	2	2	2	2	3	3	3	3	3	3
\$50,000 to \$100,000.....	3	2	2	2	2	1	2	2	2	2	1
\$100,000 to \$150,000.....	2	2	2	2	2	2	2	2	2	2	3
\$150,000 to \$200,000.....				1	1	1					
\$200,000 to \$250,000.....	1	1	1								
\$250,000 and over.....											
Total.....	7	7	7	7	7	7	7	7	7	7	7
Grand total.....	70	70	70	70	70	70	70	70	70	70	70
Number of firms in identical 1930-36 sample											
NEW ENGLAND											
Less than \$50,000.....					3	3	3	3	3	3	3
\$50,000 to \$100,000.....							1	1	1	1	1
\$100,000 to \$150,000.....					1	1					
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....					4	4	4	4	4	4	4
EAST											
Less than \$50,000.....					1	1	2	2	2	2	2
\$50,000 to \$100,000.....					1	1					
\$100,000 to \$150,000.....											
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....					2	2	2	2	2	2	2
MIDDLE WEST											
Less than \$50,000.....					3	3	5	5	5	5	5
\$50,000 to \$100,000.....					3	4	3	3	4	4	4
\$100,000 to \$150,000.....					3	3	2	2	1	1	1
\$150,000 to \$200,000.....					2	1	1	2	2	1	1
\$200,000 to \$250,000.....					1	2	1			1	1
\$250,000 and over.....											
Total.....					12	12	12	12	12	12	12
SOUTH											
Less than \$50,000.....					2	2	2	2	2	2	2
\$50,000 to \$100,000.....										1	1
\$100,000 to \$150,000.....								1	1		
\$150,000 to \$200,000.....					2	2	2	1	1	1	1
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....					4	4	4	4	4	4	4
WEST											
Less than \$50,000.....					4	4	4	4	4	4	4
\$50,000 to \$100,000.....								1	1	1	1
\$100,000 to \$150,000.....					1	1	1	2	2	2	2
\$150,000 to \$200,000.....							1	2	1	1	1
\$200,000 to \$250,000.....					3	3	1				
\$250,000 and over.....							1				
Total.....					8	8	8	8	8	8	8
Grand total.....					30	30	30	30	30	30	30

TABLE 6-D.—Geographical and asset size distributions of the number of small stone clay products corporations in original 1926 sample, supplementary 1930 sample, and identical 1926-36 sample, identical 1930-36 sample, and number-of-years-before-failure groups—Continued

Area and asset size	Number of years before failure									
	1	2	3	4	5	6	7	8	9	10
Number of firms in years-before-failure groups										
NEW ENGLAND										
Less than \$50,000.....	9	6	3	2	1	1	1	1	1	1
\$50,000 to \$100,000.....	3	4	6	0	6	6	5	1	1	1
\$100,000 to \$150,000.....	2	2	1	2	2	2	1	1	1	1
\$150,000 to \$200,000.....	1	1						1	1	1
\$200,000 to \$250,000.....										
\$250,000 and over.....										
Total.....	15	13	10	10	9	9	7	3	2	2
EAST										
Less than \$50,000.....	9	6	3	3	4	2	2	1	1	1
\$50,000 to \$100,000.....	5	5	6	3	3	3	1	1	1	1
\$100,000 to \$150,000.....	1	2	1	3	1	2	1	1	1	1
\$150,000 to \$200,000.....	1									
\$200,000 to \$250,000.....	1	2	1							
\$250,000 and over.....										
Total.....	17	15	11	9	8	7	4	3	2	2
MIDDLE WEST										
Less than \$50,000.....	26	19	15	11	7	4	2	1	2	2
\$50,000 to \$100,000.....	10	11	7	5	5	2	1	2	1	1
\$100,000 to \$150,000.....	7	8	4	4	1	1	1	1	1	1
\$150,000 to \$200,000.....	3	2	2	1	2	1	1	1	1	1
\$200,000 to \$250,000.....	2	6	1			2	1	1	1	1
\$250,000 and over.....		1	2	2	2	1	1			
Total.....	48	45	31	23	17	10	6	5	4	3
SOUTH										
Less than \$50,000.....	23	20	16	12	9	5	4	2	1	2
\$50,000 to \$100,000.....	6	6	7	5	5	5	4	4	3	2
\$100,000 to \$150,000.....	2	3	3	2	3	2	1	2	1	1
\$150,000 to \$200,000.....	1	3	2	1	1	1	1			
\$200,000 to \$250,000.....										
\$250,000 and over.....										
Total.....	32	32	28	20	18	13	10	8	5	4
WEST										
Less than \$50,000.....	10	6	5	3	2	1	1			
\$50,000 to \$100,000.....		3	2	3	2	2	1			
\$100,000 to \$150,000.....	1	1	1							
\$150,000 to \$200,000.....	1									
\$200,000 to \$250,000.....		1	1	1						
\$250,000 and over.....										
Total.....	12	11	9	7	4	3	2			
Grand total.....	124	116	89	69	56	42	29	19	13	9

TABLE 6-E.—Geographical and asset size distributions of the number of small machine-tool corporations in original 1926 sample, supplementary 1930 sample; identical 1926-36 sample, identical 1950-36 sample, and number-of-years-before-failure groups

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in original 1926 sample											
NEW ENGLAND											
Less than \$50,000	28	26	24	22	22	22	20	18	16	16	16
\$50,000 to \$100,000	6	5	4	5	5	6	5	5	5	5	4
\$100,000 to \$150,000	1	1	1	1	2						
\$150,000 to \$200,000	1	1	1	1			1	1	1	1	1
\$200,000 to \$250,000	1	1	1	1	1	1					
\$250,000 and over											
Total	37	34	31	30	30	29	26	24	22	22	21
EAST											
Less than \$50,000	16	15	12	11	9	10	11	11	9	9	8
\$50,000 to \$100,000	4	4	4	4	5	5	4	4	4	4	2
\$100,000 to \$150,000	1	2	2	3	2	2	2	2	2	2	3
\$150,000 to \$200,000	4	2	1	1	1						
\$200,000 to \$250,000			1								
\$250,000 and over		1	1	2	1						
Total	25	24	21	21	18	17	17	17	15	15	13
MIDDLE WEST											
Less than \$50,000	64	60	58	45	46	47	48	47	43	39	38
\$50,000 to \$100,000	29	25	19	29	23	24	23	21	21	17	16
\$100,000 to \$150,000	11	11	16	10	16	12	15	14	15	18	15
\$150,000 to \$200,000	9	11	11	11	9	13	9	8	7	6	4
\$200,000 to \$250,000	5	5	3	6	6			1	2		5
\$250,000 and over			1	4	2	2	1	1	1	3	3
Total	118	112	108	105	102	98	96	92	89	83	81
SOUTH											
Less than \$50,000	1	1	1	1	1	1	1	1	1	1	1
\$50,000 to \$100,000											
\$100,000 to \$150,000											
\$150,000 to \$200,000											
\$200,000 to \$250,000											
\$250,000 and over											
Total	1	1	1	1	1	1	1	1	1	1	1
WEST											
Less than \$50,000	1	1									
\$50,000 to \$100,000	3	3	1	1	1	1	1	2	1	1	1
\$100,000 to \$150,000			2	1	1	1	1				
\$150,000 to \$200,000				1							
\$200,000 to \$250,000											
\$250,000 and over											
Total	4	4	3	3	2	2	2	2	2	2	2
Grand total	185	175	164	160	153	147	142	136	129	123	118
Number of firms in supplementary 1930 sample											
NEW ENGLAND											
Less than \$50,000					3	3	3	3	3	5	3
\$50,000 to \$100,000						1	1	1	1	1	2
\$100,000 to \$150,000					3	3	4	4	4	2	1
\$150,000 to \$200,000					2	1	1	1	2	1	1
\$200,000 to \$250,000					1	1					
\$250,000 and over											
Total					9	9	9	9	9	9	7
EAST											
Less than \$50,000					3	3	2	1			
\$50,000 to \$100,000											
\$100,000 to \$150,000											
\$150,000 to \$200,000					1	1	1	1	1		
\$200,000 to \$250,000											
\$250,000 and over											
Total					4	4	3	2	1		

TABLE G-E.—Geographical and asset size distributions of the number of small machine-tool corporations in original 1926 sample, supplementary 1930 sample, identical 1926-36 sample, identical 1930-36 sample, and number-of-years-before-failure groups—Continued

Area and asset size	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Number of firms in original 1926 sample—Continued											
WEST											
Less than \$50,000.....									1	1	1
\$50,000 to \$100,000.....	2	2	1	1	1	1	1	2	1	1	1
\$100,000 to \$150,000.....			1	1	1	1	1				
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....	2	2	2	2	2	2	2	2	2	2	2
Grand total.....	118	118	118	118	118	118	118	118	118	118	118
Number of firms in identical 1930-36 sample											
NEW ENGLAND											
Less than \$50,000.....					3	3	3	3	3	3	3
\$50,000 to \$100,000.....						1	1	1		1	2
\$100,000 to \$150,000.....					3	2	2	2	3	2	1
\$150,000 to \$200,000.....					1	1	1	1	1	1	1
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....					7	7	7	7	7	7	7
EAST—None											
MIDDLE WEST											
Less than \$50,000.....					4	4	6	5	4	5	5
\$50,000 to \$100,000.....					3	4	4	5	6	4	3
\$100,000 to \$150,000.....					3	2	2	2	2	4	5
\$150,000 to \$200,000.....					2	2	1	1	1		
\$200,000 to \$250,000.....					1	1					
\$250,000 and over.....											
Total.....					13	13	13	13	13	13	13
SOUTH											
Less than \$50,000.....					2	2	2	2	2	2	2
\$50,000 to \$100,000.....											
\$100,000 to \$150,000.....											
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....					2	2	2	2	2	2	2
WEST											
Less than \$50,000.....											
\$50,000 to \$100,000.....					1	1	1	1	1	1	1
\$100,000 to \$150,000.....											
\$150,000 to \$200,000.....											
\$200,000 to \$250,000.....											
\$250,000 and over.....											
Total.....					1	1	1	1	1	1	1
Grand total.....					23	23	23	23	23	23	23

TABLE 6-E.—Geographical and asset size distributions of the number of small machine-tool corporations in original 1926 sample, supplementary 1930 sample, identical 1926-26 sample, identical 1930-36 sample, and number-of-years-before-failure groups—Continued

Area and asset size	Number of years before failure									
	1	2	3	4	5	6	7	8	9	10
	Number of firms in years-before-failure groups									
NEW ENGLAND										
Less than \$50,000.....	17	11	8	7	7	7	5	3	1	1
\$50,000 to \$100,000.....		1	1	1	1	1				
\$100,000 to \$150,000.....	1	1	2	2	1					
\$150,000 to \$200,000.....		2	1	1	1	1				
\$200,000 to \$250,000.....					1	0				
\$250,000 and over.....										
Total.....	18	15	12	11	11	9	5	3	1	1
EAST										
Less than \$50,000.....	12	11	6	5	2	2	2	2	1	1
\$50,000 to \$100,000.....	1	1	2	2	2	2	2	2	1	1
\$100,000 to \$150,000.....										
\$150,000 to \$200,000.....	1	1	2	2	2					
\$200,000 to \$250,000.....			1							
\$250,000 and over.....	2	2		1						
Total.....	16	15	11	10	6	4	4	4	2	2
MIDDLE WEST										
Less than \$50,000.....	30	21	18	16	14	9	10	7	5	1
\$50,000 to \$100,000.....	7	6	5	5	2	3	2	3	2	
\$100,000 to \$150,000.....	4	3	3	1	2	2	1			
\$150,000 to \$200,000.....		3	2	1	3	2	1			
\$200,000 to \$250,000.....	1			1		1			1	1
\$250,000 and over.....							1	1		
Total.....	42	33	28	24	21	17	15	11	8	2
SOUTH—None										
WEST										
Less than \$50,000.....	1	1								
\$50,000 to \$100,000.....	1	1	2	2	1	1				
\$100,000 to \$150,000.....		1								
\$150,000 to \$200,000.....	1									
\$200,000 to \$250,000.....										
\$250,000 and over.....										
Total.....	3	3	2	2	1	1				
Grand total.....	79	66	53	47	39	31	24	18	11	5

TABLE 7-9.—Methods of valuing inventories, accounting systems, and accounting periods used by a sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations, 1926¹, 1931, and 1936

	Bakeries			Men's clothing			Furniture			Stone and clay products			Machine tools																			
	1926 ¹		1931	1926 ¹		1931	1926 ¹		1931	1926 ¹		1931	1926 ¹		1931	1936																
	Number of companies	Percent	Number of companies	Percent	Number of companies	Percent	Number of companies	Percent	Number of companies	Percent	Number of companies	Percent	Number of companies	Percent	Number of companies	Percent	Number of companies	Percent														
Methods of valuing inventories:¹																																
Lower of cost or market.....	68	41	80	48	46	43	92	60	104	65	69	80	52	108	69	70	74	41	27	50	32	42	41	79	45	96	50	77	52			
Cost.....	70	43	73	43	56	52	27	18	30	18	16	20	45	29	28	18	17	18	73	49	87	55	54	53	50	33	61	32	44	30		
Other.....	26	16	15	9	6	5	34	22	27	17	9	11	30	19	21	13	7	8	35	24	18	12	6	6	39	22	34	18	26	18		
Total.....	164	100	168	100	108	100	153	100	161	100	80	100	155	100	157	100	94	100	149	100	155	100	102	100	177	100	191	100	147	100		
Basis of accounting:																																
Cash.....	33	18	24	15	14	13	30	15	20	13	11	14	35	17	24	14	11	11	47	26	32	21	21	21	34	17	30	15	19	13		
Accrual.....	137	74	133	81	90	83	172	83	134	83	65	81	154	76	135	81	88	87	125	68	116	75	80	78	156	79	155	80	121	80		
Not specified.....	14	8	7	4	4	4	4	2	7	4	4	5	14	7	8	5	2	2	12	6	7	4	1	1	8	4	9	5	10	7		
Total.....	184	100	164	100	108	100	206	100	161	100	80	100	203	100	167	100	101	100	184	100	155	100	102	100	198	100	194	100	150	100		
Accounting period:																																
Calendar year basis:	163	142	95	158	95	95	158	120	63	179	86	174	142	86	143	96	163	159	125	9	13	10	8	10	13	10	13	10	13	10		
Fiscal year basis:	8	12	12	18	6	6	15	10	10	10	6	10	12	7	12	7	7	2	2	2	6	5	3	3	9	8	5	5	5	5		
Leading ²	12	12	12	18	6	6	15	10	10	10	6	10	12	7	12	7	7	2	2	2	6	5	3	3	9	8	5	5	5	5		
Lagging ³	20	19	19	12	12	12	33	24	24	24	8	15	16	11	16	11	11	10	10	10	11	11	6	6	22	18	13	13	13	13		
Subtotal.....	6	5	5	5	5	5	21	18	18	18	5	6	6	3	6	3	3	4	4	4	5	4	4	4	8	5	5	4	4	4	4	
Leading or lagging:	5	5	5	5	5	5	21	18	18	18	5	6	6	3	6	3	3	4	4	4	5	4	4	4	8	5	5	4	4	4	4	
1 or 2 months.....	5	5	5	5	5	5	21	18	18	18	5	6	6	3	6	3	3	4	4	4	5	4	4	4	8	5	5	4	4	4	4	
3 or 4 months.....	9	7	7	4	4	4	7	5	5	5	2	5	7	4	7	4	4	3	3	3	2	2	2	3	4	3	4	3	3	3	3	
5 or 6 months.....	1	2	2	1	1	1	2	2	2	2	2	2	3	3	3	1	1	1	1	1	1	1	1	1	2	2	2	2	2	2	2	
Not specified.....	194	103	108	193	108	108	193	146	73	194	98	194	161	98	161	102	184	155	102	155	102	102	102	185	179	141	141	141	141	141		
Total.....	194	103	108	193	108	108	193	146	73	194	98	194	161	98	161	102	184	155	102	155	102	102	102	185	179	141	141	141	141	141		

¹ For method "of valuing inventories" this column refers to 1928. This information was not requested before that year.

² "Leading" means the fiscal year ends sometime between July 1 and December 30 inclusive and is counted with the Dec. 31 statements.

³ "Lagging" means the fiscal year ends sometime between Jan. 1 and June 30, inclusive, and is counted with the preceding Dec. 31 statements.

TABLE 10-A.—*Frequency distribution of companies by date of incorporation, by asset size and by date of failure for failing companies, for a sample of small baking corporations, 1926-36*

Asset size and date of failure	Number of firms showing date of incorporation						Total number of firms
	No data	Before 1915	1915-19	1920-24	1925-29	1930 or later	
Less than \$50,000:							
1927 or 1928.....	1			10	10		21
1929 or 1930.....			1	9	5		15
1931 or 1932.....		1	1	5	14	3	24
1933 or 1934.....	1	1	2	5	3		12
1935 or 1936.....			4	5	3		12
Survived through 1936.....		7	9	17	18	1	52
Total.....	2	9	17	51	53	4	136
\$50,000 to \$99,999:							
1927 or 1928.....		1		2	1		4
1929 or 1930.....		2		1	1		4
1931 or 1932.....		1	2	3	2		8
1933 or 1934.....			1				1
1935 or 1936.....			1	2	1		4
Survived through 1936.....		5	3	14	6	1	29
Total.....		9	7	22	11	1	50
\$100,000 to \$149,999:							
1927 or 1928.....				1			1
1929 or 1930.....							
1931 or 1932.....			1	2	1		4
1933 or 1934.....							
1935 or 1936.....				1	1		2
Survived through 1936.....		2	3	5	2		12
Total.....		2	4	9	4		19
\$150,000 to \$199,999:							
1927 or 1928.....		1			1		2
1929 or 1930.....							
1931 or 1932.....		1		1			2
1933 or 1934.....							
1935 or 1936.....		1			1		2
Survived through 1936.....		3	2	1	2	1	9
Total.....		6	2	2	4	1	15
\$200,000 to \$249,999:							
1927 or 1928.....							
1929 or 1930.....	1			1			2
1931 or 1932.....				1			1
1933 or 1934.....			2				2
1935 or 1936.....				1			1
Survived through 1936.....	2	2	1				5
Total.....	3	2	3	3			11

TABLE 10-B.—*Frequency distribution of companies by date of incorporation, by asset size, and by date of failure for failing companies, for a sample of small men's clothing corporations, 1926-36*

Asset size and date of failure	Number of firms showing date of incorporation					Total number of firms
	No data	Before 1915	1915-19	1920-24	1925-29		1930 or later
Less than \$50,000:						
1927 or 1928			1	17	10	28
1929 or 1930		1		12	8	21
1931 or 1932	1	2	1	3	20	31
1933 or 1934		2	1	1	9	17
1935 or 1936		1		2	4	7
Survived through 1936		6	3	7	8	30
Total	1	12	6	42	59	134
\$50,000 to \$99,999:						
1927 or 1928	1		2	6	4	13
1929 or 1930			2	3	3	8
1931 or 1932		1	1	1	4	8
1933 or 1934		1	1	3	5	10
1935 or 1936			1	1	2	3
Survived through 1936		5	5	5	6	22
Total	1	7	11	18	24	64
\$100,000 to \$149,999:						
1927 or 1928		1		3	3	7
1929 or 1930	1		2	5	2	10
1931 or 1932				5	2	8
1933 or 1934		1		1	1	3
1935 or 1936			1	1	1	2
Survived through 1936		3	1	3	4	11
Total	1	5	4	17	13	41
\$150,000 to \$199,999:						
1927 or 1928		1		1	1	3
1929 or 1930		1		1	1	3
1931 or 1932				1	2	3
1933 or 1934		1	1	1		3
1935 or 1936						
Survived through 1936			1	2	2	6
Total		3	2	6	6	18
\$200,000 to \$249,999:						
1927 or 1928						
1929 or 1930			1	2	2	5
1931 or 1932			1	1	2	4
1933 or 1934					1	1
1935 or 1936		1				2
Survived through 1936				2	2	4
Total		1	2	5	7	16

TABLE 10-C.—Frequency distribution of companies by date of incorporation, by asset size, and, by date of failure for failing companies, for a sample of small furniture corporations, 1926-36

Asset size and date of failure	Number of firms showing date of incorporation						Total number of firms
	No data	Before 1915	1915-19	1920-24	1925-29	1930 or later	
Less than \$50,000:							
1927 or 1928.....				6	11		17
1929 or 1930.....	1	4	2	8	2		17
1931 or 1932.....		3	1	4	12	1	21
1933 or 1934.....		1		1	4		6
1935 or 1936.....				1	2		3
Survived through 1936.....		2	1	12	6	1	22
Total.....	1	10	4	32	37	2	86
\$50,000 to \$99,999:							
1927 or 1928.....			1	3	3		7
1929 or 1930.....			2		2		4
1931 or 1932.....		3	2	5		1	11
1933 or 1934.....		1	2	5	2		10
1935 or 1936.....		1					1
Survived through 1936.....		11	2	8	5	1	27
Total.....		16	9	21	12	2	60
\$100,000 to \$149,999:							
1927 or 1928.....		2		2	1		5
1929 or 1930.....	1	6	1	1			9
1931 or 1932.....		2		3	2		7
1933 or 1934.....		4					4
1935 or 1936.....							
Survived through 1936.....		3	7	6	2		18
Total.....	1	17	8	12	5		43
\$150,000 to \$199,999:							
1927 or 1928.....		2		3	1		6
1929 or 1930.....	1	1		3			5
1931 or 1932.....		2		1			3
1933 or 1934.....				1		1	2
1935 or 1936.....		2	1	3			6
Survived through 1936.....		9	2	5	1		17
Total.....	1	16	3	16	2	1	39
\$200,000 to \$249,999:							
1927 or 1928.....		2			2		4
1929 or 1930.....				2			3
1931 or 1932.....		1			3		4
1933 or 1934.....			1	1	1		3
1935 or 1936.....			1				1
Survived through 1936.....		6	2	1	1		10
Total.....		9	4	4	8		25

TABLE 10-D.—Frequency distribution of companies by date of incorporation, by asset size, and by date of failure, for failing companies, for a sample of small stone and clay products corporations, 1926-36

Asset size and date of failure	Number of firms showing date of incorporation					Total number of firms
	No data	Before 1915	1915-19	1920-24	1925-29		1930 or later
Less than \$50,000:						
1927 or 1928.....		2	1	6	9	18
1929 or 1930.....		3	1	5	4	13
1931 or 1932.....	1	2	2	7	5	17
1933 or 1934.....		3		5	2	10
1935 or 1936.....		5	1	2	1	9
Survived through 1936.....		17	4	9	4	34
Total.....	1	32	9	34	25	101
\$50,000 to \$99,999:						
1927 or 1928.....				2	3	5
1929 or 1930.....		2	4	1		7
1931 or 1932.....			1	4	2	7
1933 or 1934.....	1		1		1	3
1935 or 1936.....		1	1			1
Survived through 1936.....		9	1	6		16
Total.....		12	8	13	6	39
\$100,000 to \$149,999:						
1927 or 1928.....		2	1	4		7
1929 or 1930.....						
1931 or 1932.....						
1933 or 1934.....	1			1	1	3
1935 or 1936.....		1		1		2
Survived through 1936.....		6	3	4	3	16
Total.....		10	4	10	4	28
\$150,000 to \$199,999:						
1927 or 1928.....	1	1	1	1		4
1929 or 1930.....		1		2		3
1931 or 1932.....						
1933 or 1934.....						
1935 or 1936.....						
Survived through 1936.....			1			1
Total.....	1	2	2	3		6
\$200,000 to \$249,999:						
1927 or 1928.....	1					1
1929 or 1930.....				2		2
1931 or 1932.....			1			1
1933 or 1934.....						
1935 or 1936.....						
Survived through 1936.....			1			1
Total.....	1		2	2		5
\$250,000 and over:						
1927 or 1928.....						
1929 or 1930.....						
1931 or 1932.....						
1933 or 1934.....				1		1
1935 or 1936.....						
Survived through 1936.....	1	1				2
Total.....	1	1		1		3

TABLE 10-E.—Frequency distribution of companies by date of incorporation, by asset size, and by date of failure for failing companies, for a sample of small machine tool corporations, 1926-36

Asset size and date of failure	Number of firms showing date of incorporation					Total number of firms
	No data	Before 1915	1915-19	1920-24	1925-29		1930 or later
Less than \$50,000:						
1927 or 1928.....			5	5	7	17
1929 or 1930.....				2	2	4
1931 or 1932.....			1	7	3	12
1933 or 1934.....		2	2	5	3	12
1935 or 1936.....		1		3	1	5
Survived through 1936.....		13	14	33	12	73
Total.....		16	22	55	28	123
\$50,000 to \$99,999:						
1927 or 1928.....			1	1		2
1929 or 1930.....		1	1		1	3
1931 or 1932.....		1			1	2
1933 or 1934.....			1	1		3
1935 or 1936.....			2		2	4
Survived through 1936.....		15	8	9	3	35
Total.....		17	13	11	7	49
\$100,000 to \$149,999:						
1927 or 1928.....					1	1
1929 or 1930.....		1		1	1	3
1931 or 1932.....						
1933 or 1934.....						
1935 or 1936.....						
Survived through 1936.....		6	6	2	2	16
Total.....		7	6	3	4	20
\$150,000 to \$199,999:						
1927 or 1928.....		1				1
1929 or 1930.....				1		1
1931 or 1932.....	1	1		1	1	4
1933 or 1934.....		1				1
1935 or 1936.....				1		1
Survived through 1936.....		4	4	3	1	12
Total.....	1	7	4	6	2	20
\$200,000 to \$249,999:						
1927 or 1928.....						
1929 or 1930.....						
1931 or 1932.....						
1933 or 1934.....						
1935 or 1936.....		2				2
Survived through 1936.....		6				6
Total.....		8				8

TABLE 16-A.—Sample of small baking corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by asset size

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
Less than \$50,000	45	44.6	7	6.9	7	6.9	13	12.9	29	28.7	101	100.0
\$50,000 to \$100,000	9	20.5	2	4.5	11	25.0	7	15.9	15	34.1	44	100.0
\$100,000 to \$150,000	3	21.4	3	21.4	1	7.1	1	7.1	6	42.9	14	99.9
\$150,000 to \$200,000	4	36.4			1	9.1			6	54.5	11	100.0
\$200,000 to \$250,000	4	30.8	1	7.7	3	23.1	1	7.7	4	30.8	13	100.1
\$250,000 and over	1	100.0									1	100.1
Total	66	35.9	13	7.1	23	12.5	22	12.0	60	32.6	184	100.1
Failures	51	48.6	7	6.7	12	11.4	10	9.5	25	23.8	105	100.0
Survivors	15	19.0	6	7.6	11	13.9	12	15.2	35	44.3	79	100.0
1927												
Less than \$50,000	36	42.9	7	8.3	4	4.8	8	9.6	29	34.5	84	100.1
\$50,000 to \$100,000	3	6.8	3	6.8	8	18.2	5	11.4	25	56.8	44	100.0
\$100,000 to \$150,000	1	9.1	2	18.2	3	27.3	1	9.1	4	36.4	11	100.1
\$150,000 to \$200,000	3	23.1	1	7.7	1	7.7	1	7.7	7	53.8	13	100.0
\$200,000 to \$250,000	2	18.2			2	18.2	1	9.1	6	54.5	11	100.0
\$250,000 and over	1	25.0	1	25.0					2	50.0	4	100.0
Total	46	27.5	14	8.4	18	10.8	16	9.6	73	43.7	167	100.0
Failures	35	40.2	8	9.2	9	10.3	7	8.0	28	32.2	87	99.9
Survivors	11	13.8	6	7.5	9	11.3	9	11.3	45	56.3	80	100.2
1928												
Less than \$50,000	37	46.8	6	7.6	7	8.9	7	8.9	22	27.9	79	100.1
\$50,000 to \$100,000	9	20.9	2	4.7	8	18.6	4	9.3	20	46.5	43	100.0
\$100,000 to \$150,000	2	15.4	1	7.7	1	7.7	4	30.8	5	38.5	13	100.1
\$150,000 to \$200,000	3	27.3	1	9.1	3	27.3			4	36.4	11	100.1
\$200,000 to \$250,000	5	50.0	3	30.0	1	10.0			1	10.0	10	100.0
\$250,000 and over	2	28.6	1	14.3			1	14.3	3	42.9	7	100.1
Total	58	35.6	14	8.6	20	12.3	16	9.8	55	33.7	163	100.0
Failures	45	54.2	6	7.2	10	12.1	5	6.0	17	20.5	83	100.0
Survivors	13	16.3	8	10.0	10	12.5	11	13.6	38	47.5	80	99.9
1929												
Less than \$50,000	28	40.6	2	2.9	4	5.8	4	5.8	31	44.9	69	100.0
\$50,000 to \$100,000	4	10.3	4	10.3	1	2.6	7	17.9	23	59.0	39	100.1
\$100,000 to \$150,000	1	7.1	2	14.3	1	7.1	1	7.1	9	64.3	14	99.9
\$150,000 to \$200,000	4	28.6			2	14.3	2	14.3	6	42.9	14	100.1
\$200,000 to \$250,000	2	28.6			1	14.3			4	57.2	7	100.1
\$250,000 and over	1	14.3			2	28.6	1	14.3	3	42.9	7	100.1
Total	40	26.7	8	5.3	11	7.3	15	10.0	76	50.7	150	100.0
Failures	29	41.4	5	7.1	4	5.7	5	7.1	27	38.6	70	99.9
Survivors	11	13.8	3	3.8	7	8.8	10	12.5	49	61.3	80	100.2
1930												
Less than \$50,000	34	38.2	6	6.7	9	10.1	10	11.2	30	33.7	89	99.9
\$50,000 to \$100,000	16	32.7	5	10.2	4	8.2	8	16.3	16	32.7	49	100.1
\$100,000 to \$150,000	4	23.5	2	11.8	2	11.8			9	52.9	17	100.0
\$150,000 to \$200,000	6	31.6			4	21.1	4	21.1	5	26.3	19	100.1
\$200,000 to \$250,000	1	16.7	1	16.7	1	16.7			3	50.0	6	100.1
\$250,000 and over	3	50.0	1	16.7			1	16.7	1	16.7	6	100.1
Total	64	34.4	15	8.1	20	10.8	23	12.4	64	34.4	186	100.1
Failures	38	48.1	7	8.9	9	11.4	11	13.9	14	17.7	79	100.0
Survivors	26	24.3	8	7.5	11	10.3	12	11.2	50	46.7	107	100.0

TABLE 16-A.—Sample of small baking corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by asset size—Continued

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1931												
Less than \$50,000	40	46.0	8	9.2	13	14.9	6	6.9	20	23.0	87	100.0
\$50,000 to \$100,000	11	29.7	7	18.0	7	18.9	1	2.7	11	29.7	37	99.9
\$100,000 to \$150,000	2	11.8	2	11.8	6	35.3			7	41.2	17	100.1
\$150,000 to \$200,000	7	43.8			3	18.8	2	12.5	4	25.0	16	100.1
\$200,000 to \$250,000	5	83.3			1	16.7					6	100.0
\$250,000 and over	3	60.0					1	20.0	1	20.0	5	100.0
Total	68	40.5	17	10.1	30	17.9	10	6.0	43	25.6	168	100.1
Failures	37	59.6	4	6.4	14	22.6	2	3.2	5	8.1	62	99.9
Survivors	31	29.2	13	12.3	16	15.1	8	7.5	38	35.8	106	99.9
1932												
Less than \$50,000	51	61.5	11	13.3	11	13.3	2	2.4	8	9.6	83	100.1
\$50,000 to \$100,000	17	56.6	5	16.7	1	3.3	2	6.7	5	16.7	30	100.0
\$100,000 to \$150,000	12	75.0	2	12.5	1	6.3			1	6.3	16	100.1
\$150,000 to \$200,000	7	46.7	2	13.3	2	13.3	1	6.7	3	20.0	15	100.0
\$200,000 to \$250,000	1	100.0									1	100.0
\$250,000 and over	2	66.7	1	33.3							3	100.0
Total	90	60.8	21	14.2	15	10.1	5	3.4	17	11.5	148	100.0
Failures	30	71.4	6	14.3	4	9.5			2	4.8	42	100.0
Survivors	60	56.6	15	14.2	11	10.4	5	4.7	15	14.2	106	100.1
1933												
Less than \$50,000	33	44.6	21	28.4	7	9.5	4	5.4	9	12.2	74	100.1
\$50,000 to \$100,000	12	40.0	8	26.7	5	16.7	1	3.3	4	13.3	30	100.0
\$100,000 to \$150,000	5	29.4	5	29.4	2	11.8	1	5.9	4	23.5	17	100.0
\$150,000 to \$200,000	6	40.0	3	20.0	3	20.0	1	6.7	2	13.3	15	100.0
\$200,000 to \$250,000	1	25.0	1	25.0					2	50.0	4	100.0
\$250,000 and over	1	25.0	1	25.0							4	100.0
Total	57	40.7	38	27.1	17	12.1	7	5.0	21	15.0	140	99.6
Failures	17	53.1	9	28.1	3	9.4	2	6.3	1	3.1	32	100.0
Survivors	40	37.0	29	26.9	14	13.0	5	4.6	20	18.5	108	100.0
1934												
Less than \$50,000	38	52.8	18	25.0	11	15.3	1	1.4	4	5.6	72	100.1
\$50,000 to \$100,000	14	46.7	5	16.7	2	6.7	3	10.0	6	20.0	30	100.1
\$100,000 to \$150,000	6	30.0	5	25.0	2	10.0	3	15.0	4	20.0	20	100.0
\$150,000 to \$200,000	3	33.3	2	22.2	2	22.2			2	22.2	9	99.9
\$200,000 to \$250,000												
\$250,000 and over	1	33.3					1	33.3	1	33.3	3	99.9
Total	62	46.3	30	22.4	17	12.7	8	6.0	17	12.7	134	100.1
Failures	17	63.0	5	18.5	3	11.1	1	3.7	1	3.7	27	100.0
Survivors	45	42.1	25	23.4	14	13.1	7	6.5	16	15.0	107	100.1
1935												
Less than \$50,000	30	49.2	9	14.6	9	14.8	2	3.3	11	18.0	61	100.1
\$50,000 to \$100,000	8	28.6	6	21.4	5	17.9	1	3.6	8	28.6	28	100.1
\$100,000 to \$150,000	8	50.0	2	12.5	2	12.5	2	12.5	2	12.5	16	100.0
\$150,000 to \$200,000	3	30.0	3	30.0	1	10.0	1	10.0	2	20.0	10	100.0
\$200,000 to \$250,000									1	100.0	1	100.0
\$250,000 and over			1	50.0	1	50.0					2	100.0
Total	49	41.5	21	17.8	18	15.3	6	5.1	24	20.3	118	100.0
Failures	8	61.5	3	23.1	1	7.7	1	7.7			13	100.0
Survivors	41	39.0	18	17.1	17	16.2	5	4.8	24	22.9	105	100.0
1936												
Less than \$50,000	15	26.8	11	19.6	8	14.3	6	10.7	16	28.6	56	100.0
\$50,000 to \$100,000	5	20.8	6	25.0	3	12.5	2	8.3	8	33.3	24	99.9
\$100,000 to \$150,000	4	30.8	1	7.7	1	7.7	2	15.4	5	38.5	13	100.1
\$150,000 to \$200,000	1	10.0	1	10.0	3	30.0	2	20.0	3	30.0	10	100.0
\$200,000 to \$250,000					1	100.0					1	100.0
\$250,000 and over			1	50.0			1	50.0			2	100.0
Total	25	23.6	20	18.9	16	15.1	13	12.3	32	30.2	106	100.1
Failures												
Survivors	25	23.6	20	18.9	16	15.1	13	12.3	32	30.2	106	100.1

TABLE 16-B.—Sample of small men's clothing corporations doing business some time during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by asset size

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
Less than \$50,000.....	44	45.8	9	9.4	12	12.5	7	7.3	24	25.0	96	100.0
\$50,000 to \$100,000.....	11	22.5	5	10.2	17	34.7	5	10.2	11	22.5	49	100.1
\$100,000 to \$150,000.....	11	34.4	2	6.3	8	25.0	3	9.4	8	25.0	32	100.1
\$150,000 to \$200,000.....	3	20.0	1	6.7	6	40.0	3	20.0	2	13.3	15	100.0
\$200,000 to \$250,000.....	2	15.4	2	15.4	4	30.8	2	15.4	3	23.1	13	100.1
\$250,000 and over.....												
Total.....	71	34.6	19	9.3	47	22.9	20	9.8	48	23.4	205	100.0
Failures.....	65	41.9	14	9.0	35	22.6	11	7.1	30	19.4	155	100.0
Survivors.....	6	12.0	5	10.0	12	24.0	9	18.0	18	36.0	50	100.0
1927												
Less than \$50,000.....	44	51.7	7	8.2	10	11.8	7	8.2	17	20.0	85	99.9
\$50,000 to \$100,000.....	9	20.5	7	15.9	13	29.5	4	9.1	11	25.0	44	100.0
\$100,000 to \$150,000.....	10	31.3	5	15.6	9	28.1	2	6.3	6	18.8	32	100.1
\$150,000 to \$200,000.....	5	41.7	1	8.3	4	33.3			2	16.7	12	100.0
\$200,000 to \$250,000.....	1	14.3	1	14.3	1	14.3	1	14.3	3	42.9	7	100.1
\$250,000 and over.....			1	25.0	2	50.0			1	25.0	4	100.0
Total.....	69	37.5	22	12.0	39	21.2	14	7.6	40	21.7	184	100.0
Failures.....	56	41.8	16	11.9	26	19.4	10	7.5	26	19.4	134	100.0
Survivors.....	13	26.0	6	12.0	13	26.0	4	8.0	14	28.0	50	100.0
1928												
Less than \$50,000.....	25	38.5	2	3.1	12	18.5	9	13.8	17	26.2	65	100.1
\$50,000 to \$100,000.....	11	26.8	4	9.8	12	29.3	1	2.4	13	31.7	41	100.0
\$100,000 to \$150,000.....	8	32.0	2	8.0	9	36.0	2	8.0	4	16.0	25	100.0
\$150,000 to \$200,000.....	3	30.0	2	20.0	3	30.0	1	10.0	1	10.0	10	100.0
\$200,000 to \$250,000.....	2	28.6			2	28.6			3	42.9	7	100.1
\$250,000 and over.....					2	40.0	1	20.0	2	40.0	5	100.0
Total.....	49	32.0	10	6.5	40	26.1	14	9.2	40	26.1	153	99.9
Failures.....	45	43.7	7	6.8	22	21.4	9	8.7	20	19.4	103	100.0
Survivors.....	4	8.0	3	6.0	18	36.0	5	10.0	20	40.0	50	100.0
1929												
Less than \$50,000.....	31	51.7	5	8.3	6	10.0	2	3.3	16	26.7	60	100.0
\$50,000 to \$100,000.....	5	16.1	7	22.6	7	22.6	2	6.5	10	32.3	31	100.1
\$100,000 to \$150,000.....	6	26.1	1	4.3	7	30.4	3	13.0	6	26.1	23	99.9
\$150,000 to \$200,000.....	3	42.9	1	14.3			3	42.9			7	100.1
\$200,000 to \$250,000.....	2	50.0	1	25.0					1	25.0	4	100.0
\$250,000 and over.....	1	12.5			3	37.5	1	12.5	3	37.5	8	100.0
Total.....	48	36.1	15	11.3	23	17.3	11	8.3	36	27.1	133	100.1
Failures.....	39	46.4	8	9.5	14	16.7	6	7.1	17	20.2	84	99.9
Survivors.....	9	18.4	7	14.3	9	18.4	5	10.2	19	38.8	49	100.1
1930												
Less than \$50,000.....	49	50.5	3	3.1	16	16.5	5	5.2	24	24.7	97	100.0
\$50,000 to \$100,000.....	19	41.3	11	23.9	7	15.2	6	13.0	3	6.5	46	99.9
\$100,000 to \$150,000.....	6	24.0	3	12.0	4	16.0	4	16.0	8	32.0	25	100.0
\$150,000 to \$200,000.....	4	44.4	1	11.1	2	22.2	2	22.2			9	99.9
\$200,000 to \$250,000.....	5	45.5	1	9.1	3	27.3			2	18.2	11	100.1
\$250,000 and over.....	1	100.0									1	100.0
Total.....	84	44.4	19	10.1	32	16.9	17	9.0	37	19.6	189	100.0
Failures.....	57	52.3	11	10.1	15	13.8	7	6.4	19	17.4	109	100.0
Survivors.....	27	33.8	8	10.0	17	21.3	10	12.5	18	22.5	80	100.1
1931												
Less than \$50,000.....	57	72.2	3	3.8	7	8.9	3	3.8	9	11.4	79	100.1
\$50,000 to \$100,000.....	26	55.3	5	10.6	12	25.5	2	4.3	2	4.3	47	100.0
\$100,000 to \$150,000.....	9	60.0			3	20.0	1	6.7	2	13.3	15	100.0
\$150,000 to \$200,000.....	3	42.9	1	14.3	2	28.6			1	14.3	7	100.1
\$200,000 to \$250,000.....	2	33.3	1	16.7	2	33.3	1	16.7			6	100.0
\$250,000 and over.....	2	100.0									2	100.0
Total.....	99	63.5	10	6.4	26	16.7	7	4.5	14	9.0	156	100.1
Failures.....	54	69.2	5	6.4	10	12.8	2	2.6	7	9.0	78	100.0
Survivors.....	45	57.7	5	6.4	16	20.5	5	6.4	7	9.0	78	100.0

TABLE 16-B.—Sample of small men's clothing corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by asset size—Continued

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1932												
Less than \$50,000	62	77.5	11	13.8	1	1.3	2	2.5	4	5.0	80	100.1
\$50,000 to \$100,000	23	67.6	5	14.7	4	11.8	1	2.9	1	2.9	34	99.9
\$100,000 to \$150,000	3	37.5	3	37.5	1	12.5	1	12.5			8	100.0
\$150,000 to \$200,000	3	50.0	1	16.7	2	33.3					6	100.0
\$200,000 to \$250,000	2	50.0	2	50.0							4	100.0
\$250,000 and over												
Total	93	70.4	22	16.7	8	6.1	4	3.0	5	3.8	132	100.0
Failures	42	77.8	5	9.3	2	3.7	2	3.7	3	5.6	54	100.1
Survivors	51	65.4	17	21.8	6	7.7	2	2.6	2	2.6	78	100.1
1933												
Less than \$50,000	32	49.2	14	21.5	12	18.5	2	3.1	5	7.7	65	100.0
\$50,000 to \$100,000	10	33.3	4	13.3	10	33.3	3	10.0	3	10.0	30	99.9
\$100,000 to \$150,000			1	12.5	2	25.0	2	25.0	3	37.5	8	100.0
\$150,000 to \$200,000	2	33.3			1	16.7	2	33.3	1	16.7	6	100.0
\$200,000 to \$250,000					2	100.0					2	100.0
\$250,000 and over					3	75.0			1	25.0	4	100.0
Total	44	38.3	19	16.5	30	26.1	9	7.8	13	11.3	115	100.0
Failures	25	65.8	3	7.9	6	15.8	2	5.3	2	5.3	38	100.1
Survivors	19	24.7	16	20.8	24	31.2	7	9.1	11	14.3	77	100.1
1934												
Less than \$50,000	23	46.0	12	24.0	10	20.0	1	2.0	4	8.0	50	100.0
\$50,000 to \$100,000	10	33.3	7	23.3	11	36.7	2	6.7			30	100.0
\$100,000 to \$150,000	2	33.3			2	33.3	1	16.7	1	16.7	6	100.0
\$150,000 to \$200,000	1	16.7	1	16.7	1	16.7			3	50.0	6	100.1
\$200,000 to \$250,000							1	100.0			1	100.0
\$250,000 and over					3	75.0	1	25.0			4	100.0
Total	36	37.1	20	20.6	27	27.8	6	6.2	8	8.2	97	99.9
Failures	14	73.6	3	15.8	1	5.3			1	5.3	19	100.0
Survivors	22	28.2	17	21.8	26	33.3	6	7.7	7	9.0	78	100.0
1935												
Less than \$50,000	18	39.1	16	34.8	9	19.6	1	2.2	2	4.3	46	100.0
\$50,000 to \$100,000	5	21.7	9	39.1	5	21.7	2	8.7	2	8.7	23	99.9
\$100,000 to \$150,000	1	12.5	3	37.5	4	50.0					8	100.0
\$150,000 to \$200,000					2	66.7	1	33.3			3	100.0
\$200,000 to \$250,000			1	16.7					5	83.4	6	100.1
\$250,000 and over					2	50.0	1	25.0	1	25.0	4	100.0
Total	24	26.7	29	32.2	22	24.4	5	5.6	10	11.1	90	100.0
Failures	6	50.0	4	33.3	1	8.3	1	8.3			12	99.9
Survivors	18	23.1	25	32.1	21	26.9	4	5.1	10	12.8	78	100.0
1936												
Less than \$50,000	7	18.4	13	34.2	12	31.6	5	13.2	1	2.6	38	100.0
\$50,000 to \$100,000	6	35.3	3	17.6	8	47.1					17	100.0
\$100,000 to \$150,000			2	22.2	6	66.7			1	11.1	9	100.0
\$150,000 to \$200,000	1	33.3			1	33.3			1	33.3	3	99.9
\$200,000 to \$250,000			1	16.7	1	16.7			4	66.7	6	100.1
\$250,000 and over			1	16.7	2	33.3	1	16.7	2	33.3	6	100.0
Total	14	17.7	20	25.3	30	38.0	6	7.6	9	11.4	79	100.0
Failures												
Survivors	14	17.7	20	25.3	30	38.0	6	7.6	9	11.4	79	100.0

TABLE 16-C.—Sample of small furniture corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by asset size

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
Less than \$50,000	21	33.3	4	6.3	3	4.8	5	7.9	30	47.6	63	99.9
\$50,000 to \$100,000	12	28.6	5	11.9	3	7.1	4	9.5	18	42.9	42	100.0
\$100,000 to \$150,000	14	37.8	2	5.4	4	10.8	2	5.4	15	40.5	37	99.9
\$150,000 to \$200,000	9	23.1	2	5.1	5	12.8	5	12.8	18	46.2	39	100.0
\$200,000 to \$250,000	3	15.8	3	15.8	4	21.1	4	21.1	5	26.3	19	100.1
\$250,000 and over												
Total	59	29.5	16	8.0	19	9.5	20	10.0	86	43.0	200	100.0
Failures	47	36.2	14	10.8	10	7.7	13	10.0	46	35.4	130	100.1
Survivors	12	17.1	2	2.9	9	12.9	7	10.0	40	57.1	70	100.0
1927												
Less than \$50,000	25	46.3	3	5.6	6	11.1	3	5.6	17	31.5	54	100.1
\$50,000 to \$100,000	21	38.9	6	11.1	8	14.8	2	3.7	17	31.5	54	100.0
\$100,000 to \$150,000	8	33.3			6	25.0	2	8.3	8	33.3	24	99.9
\$150,000 to \$200,000	7	22.6	2	6.5	4	12.9	2	6.5	16	51.6	31	100.1
\$200,000 to \$250,000	6	46.2	4	30.8	2	25.0	2	25.0	4	50.0	8	100.0
\$250,000 and over	6	46.2	4	30.8			2	15.4	1	7.7	13	100.1
Total	67	36.4	15	8.2	26	14.1	13	7.1	63	34.2	184	100.0
Failures	53	46.5	9	7.9	13	11.4	8	7.0	31	27.2	114	100.0
Survivors	14	20.0	6	8.5	13	18.6	5	7.1	32	45.7	70	99.9
1928												
Less than \$50,000	29	56.9			6	11.8	6	11.8	10	19.6	51	100.1
\$50,000 to \$100,000	19	46.3	1	2.4	5	12.2	4	9.8	12	29.3	41	100.0
\$100,000 to \$150,000	9	40.9	1	4.5	2	9.1	2	9.1	8	36.4	22	100.0
\$150,000 to \$200,000	8	36.4	2	9.1	2	9.1	2	9.1	8	36.4	22	100.1
\$200,000 to \$250,000	6	40.0			1	6.7	4	26.7	4	26.7	15	100.1
\$250,000 and over	4	33.3	1	8.3	3	25.0			4	33.3	12	99.9
Total	75	46.0	5	3.1	19	11.7	18	11.0	46	28.2	163	100.0
Failures	52	55.9	4	4.3	7	7.5	9	9.7	21	22.6	93	100.0
Survivors	23	32.9	1	1.4	12	17.1	9	12.9	25	35.7	70	100.0
1929												
Less than \$50,000	15	37.5	1	2.5	7	17.5	4	10.0	13	32.5	40	100.0
\$50,000 to \$100,000	12	32.4			7	18.9	4	10.8	14	37.8	37	99.9
\$100,000 to \$150,000	6	27.3	2	9.1	4	18.2	4	18.2	6	27.3	22	100.1
\$150,000 to \$200,000	4	18.2	3	13.6	6	27.3	4	18.2	5	22.7	22	100.0
\$200,000 to \$250,000	5	33.3	2	13.3	1	6.7	3	20.0	4	26.7	15	100.0
\$250,000 and over	3	33.3			3	33.3	1	11.1	2	22.2	9	99.9
Total	45	31.0	8	5.5	28	19.3	20	13.8	44	30.3	145	99.9
Failures	35	46.7	3	4.0	13	17.3	7	9.3	17	22.7	75	100.0
Survivors	10	14.3	5	7.1	15	21.4	13	18.6	27	38.6	70	100.0
1930												
Less than \$50,000	37	59.6	5	8.1	5	8.1	4	6.4	11	17.7	62	99.9
\$50,000 to \$100,000	30	60.0	4	8.0	8	16.0	5	10.0	3	6.0	50	100.0
\$100,000 to \$150,000	20	60.7	4	12.1	1	3.0	2	6.1	6	18.2	33	100.1
\$150,000 to \$200,000	13	54.1	3	12.5	3	12.5	1	4.2	4	16.7	24	100.0
\$200,000 to \$250,000	7	50.0	2	14.3	2	14.3	3	21.4			14	100.0
\$250,000 and over	4	80.0	1	20.0							5	100.0
Total	111	59.1	19	10.1	19	10.1	15	8.0	24	12.8	188	100.1
Failures	66	77.6	4	4.7	4	4.7	5	5.9	6	7.1	85	100.0
Survivors	45	43.7	15	14.6	15	14.6	10	9.7	18	17.5	103	100.1
1931												
Less than \$50,000	46	75.4	1	1.6	3	4.9	6	9.8	5	8.2	61	99.9
\$50,000 to \$100,000	43	79.6	4	7.4	4	7.4	1	1.9	2	3.7	54	100.0
\$100,000 to \$150,000	10	40.0	3	12.0	5	20.0	4	16.0	3	12.0	25	100.0
\$150,000 to \$200,000	6	40.0	2	13.3	3	20.0	2	13.3	2	13.3	15	99.9
\$200,000 to \$250,000	4	36.4	2	18.2	3	27.3	1	9.1	1	9.1	11	100.1
\$250,000 and over	2	66.7			1	33.3					3	100.0
Total	111	65.7	12	7.1	19	11.2	14	8.3	13	7.7	169	100.0
Failures	56	84.8	2	3.0	1	1.5	4	6.1	3	4.5	66	99.9
Survivors	55	53.4	10	9.7	18	17.5	10	9.7	10	9.7	103	100.0

TABLE 16-C.—Sample of small furniture corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by asset size—Continued

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.0 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1932												
Less than \$50,000.....	54	88.5	4	6.6	3	4.9					61	100.0
\$50,000 to \$100,000.....	35	83.3	4	9.5	1	2.4			2	4.8	42	100.0
\$100,000 to \$150,000.....	16	84.2	1	5.3	1	5.3			1	5.3	19	100.1
\$150,000 to \$200,000.....	10	58.9	2	11.8	3	17.6			2	11.8	17	100.1
\$200,000 to \$250,000.....	1	50.0			1	50.0					2	100.0
\$250,000 and over.....	1	100.0									1	100.0
Total.....	117	82.4	11	7.7	9	6.3			5	3.5	142	99.9
Failures.....	37	88.1	3	7.1	2	4.8					42	100.0
Survivors.....	80	80.0	8	8.0	7	7.0			5	6.0	100	100.0
1933												
Less than \$50,000.....	35	60.3	12	20.7	8	13.8	1	1.7	2	3.4	58	99.9
\$50,000 to \$100,000.....	16	48.5	9	27.3	3	9.1	1	3.0	4	12.1	33	100.0
\$100,000 to \$150,000.....	9	52.9	1	5.9	4	23.5			3	17.6	17	99.9
\$150,000 to \$200,000.....	1	8.3	3	25.0	2	16.7	3	25.0	3	25.0	12	100.0
\$200,000 to \$250,000.....					1	25.0			3	75.0	4	100.0
\$250,000 and over.....	1	33.3			1	33.3			1	33.3	3	99.9
Total.....	62	48.8	25	19.7	19	15.0	5	3.9	16	12.6	127	100.0
Failures.....	16	61.5	6	23.1			1	3.8	3	11.5	26	99.9
Survivors.....	46	45.5	19	18.8	19	18.8	4	4.0	13	12.9	101	100.0
1934												
Less than \$50,000.....	24	49.0	18	36.7	4	8.2	1	2.0	2	4.1	49	100.0
\$50,000 to \$100,000.....	11	33.4	12	36.4	5	15.2	3	9.1	2	6.1	33	100.2
\$100,000 to \$150,000.....	4	28.6	3	21.4	3	21.4	2	14.3	2	14.3	14	100.0
\$150,000 to \$200,000.....	2	18.2	2	18.2	3	27.3	2	18.2	2	18.2	11	100.1
\$200,000 to \$250,000.....	1	25.0	1	25.0			2	50.0			4	100.0
\$250,000 and over.....	1	100.0									1	100.0
Total.....	43	38.4	36	32.1	15	13.4	10	8.9	8	7.1	112	99.9
Failures.....	7	58.3	3	25.0	1	8.3	1	8.3			12	99.9
Survivors.....	36	36.0	33	33.0	14	14.0	9	9.0	8	8.0	100	100.0
1935												
Less than \$50,000.....	23	48.9	10	21.3	8	17.0	2	4.3	4	8.5	47	100.0
\$50,000 to \$100,000.....	10	35.7	6	21.4	6	21.4	2	7.1	4	14.3	28	99.9
\$100,000 to \$150,000.....	2	18.2	1	9.1	5	45.5	2	18.2	1	9.1	11	100.1
\$150,000 to \$200,000.....	1	8.3	4	33.3	2	16.7	1	8.3	4	33.3	12	99.9
\$200,000 to \$250,000.....	1	12.5			3	37.5			4	50.0	8	100.0
\$250,000 and over.....	1	100.0									1	100.0
Total.....	38	35.5	21	19.6	24	22.4	7	6.5	17	15.9	107	99.9
Failures.....	3	50.0	1	16.7	1	16.7			1	16.7	6	100.1
Survivors.....	35	34.7	20	19.8	23	22.8	7	6.9	16	15.8	101	100.0
1936												
Less than \$50,000.....	16	39.0	10	24.4	9	22.0	2	4.9	4	9.8	41	100.1
\$50,000 to \$100,000.....	4	13.8	7	24.1	7	24.1	4	13.8	7	24.1	29	99.9
\$100,000 to \$150,000.....	1	11.1			3	33.3	3	33.3	2	22.2	9	99.9
\$150,000 to \$200,000.....					2	20.0	2	20.0	6	60.0	10	100.0
\$200,000 to \$250,000.....	1	16.7	1	16.7	1	16.7	2	33.3	1	16.7	6	100.1
\$250,000 and over.....					3	50.0	1	16.7	2	33.3	6	100.0
Total.....	22	21.8	18	17.8	25	24.8	14	13.9	22	21.8	101	100.1
Failures.....												
Survivors.....	22	21.8	18	17.8	25	24.8	14	13.9	22	21.8	101	100.1

TABLE 16-D.—Sample of small stone and clay products corporations doing business sometime during the period 1926 to 1936, classified by size of ratio of economic income (or loss) to capital stock, and by asset size

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
Less than \$50,000.....	26	38.2	6	8.8	7	10.3	5	7.4	24	35.3	68	100.0
\$50,000 to \$100,000.....	19	30.6	8	12.9	9	14.5	6	9.7	20	32.2	62	99.9
\$100,000 to \$150,000.....	8	28.6	3	10.7	4	14.3	2	7.1	11	39.3	28	100.0
\$150,000 to \$200,000.....	5	29.4	.....	.....	.....	.....	1	5.9	11	64.7	17	100.0
\$200,000 to \$250,000.....	5	33.3	3	20.0	2	13.3	2	13.3	3	20.0	15	99.9
\$250,000 and over.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total.....	63	33.2	20	10.5	22	11.6	16	8.4	69	36.3	190	100.0
Failures.....	50	45.0	11	9.9	10	9.0	6	5.4	34	30.6	111	99.9
Survivors.....	13	16.5	9	11.4	12	15.2	10	12.7	35	44.3	79	100.1
1927												
Less than \$50,000.....	31	46.3	8	11.9	6	9.0	3	4.5	19	28.4	67	100.1
\$50,000 to \$100,000.....	15	26.8	10	17.9	9	16.1	3	5.4	19	33.9	56	100.1
\$100,000 to \$150,000.....	8	33.3	3	12.5	3	12.5	3	12.5	7	29.2	24	100.0
\$150,000 to \$200,000.....	8	34.8	4	17.4	2	8.7	.....	.....	9	39.1	23	100.0
\$200,000 to \$250,000.....	2	20.0	2	20.0	2	20.0	.....	.....	4	40.0	10	100.0
\$250,000 and over.....	.....	.....	.....	.....	1	50.0	.....	.....	1	50.0	2	100.0
Total.....	64	35.2	27	14.8	23	12.6	9	4.9	59	32.4	182	99.9
Failures.....	48	46.6	15	14.6	15	14.6	.....	.....	25	24.3	103	100.1
Survivors.....	16	20.3	12	15.2	8	10.1	9	11.4	34	43.0	79	100.0
1928												
Less than \$50,000.....	25	43.9	3	5.3	12	21.0	5	8.8	12	21.0	57	100.0
\$50,000 to \$100,000.....	17	36.2	9	19.2	3	6.4	7	14.9	11	23.4	47	100.1
\$100,000 to \$150,000.....	4	18.2	3	13.6	1	4.5	3	13.6	11	50.0	22	99.9
\$150,000 to \$200,000.....	3	20.0	.....	.....	2	13.3	2	13.3	8	53.3	15	99.9
\$200,000 to \$250,000.....	3	27.3	1	9.1	2	18.2	2	18.2	3	27.3	11	100.1
\$250,000 and over.....	.....	.....	1	25.0	.....	.....	.....	.....	3	75.0	4	100.0
Total.....	52	33.3	17	10.9	20	12.8	19	12.2	48	30.8	156	100.0
Failures.....	40	52.0	10	13.0	7	9.1	6	7.8	14	18.2	77	100.1
Survivors.....	12	15.2	7	8.9	13	16.5	13	16.5	34	43.0	79	100.1
1929												
Less than \$50,000.....	19	36.5	7	13.5	9	17.3	7	13.5	10	19.2	52	100.0
\$50,000 to \$100,000.....	16	38.1	5	11.9	7	16.7	3	7.1	11	26.2	42	100.0
\$100,000 to \$150,000.....	9	37.5	4	16.7	3	12.5	2	8.3	6	25.0	24	100.0
\$150,000 to \$200,000.....	6	37.5	2	12.5	1	6.3	4	25.0	3	18.8	16	100.1
\$200,000 to \$250,000.....	2	25.0	2	25.0	3	37.5	.....	.....	1	12.5	8	100.0
\$250,000 and over.....	.....	.....	1	33.3	.....	.....	.....	.....	2	66.7	3	100.0
Total.....	52	35.9	21	14.5	23	15.9	16	11.0	33	22.8	145	100.1
Failures.....	31	47.0	11	16.7	8	12.1	7	10.6	9	13.6	66	100.0
Survivors.....	21	26.0	10	12.7	15	19.0	9	11.4	24	30.4	79	100.1
1930												
Less than \$50,000.....	34	51.5	11	16.7	7	10.6	5	7.6	9	13.6	66	100.0
\$50,000 to \$100,000.....	25	51.0	10	20.4	5	10.2	2	4.1	7	14.3	49	100.0
\$100,000 to \$150,000.....	16	53.6	4	14.3	2	7.1	4	14.3	3	10.7	28	100.0
\$150,000 to \$200,000.....	12	57.1	2	9.5	4	19.0	.....	.....	3	14.3	21	99.9
\$200,000 to \$250,000.....	2	25.0	1	12.5	2	25.0	.....	.....	3	37.5	8	100.0
\$250,000 and over.....	2	50.0	.....	.....	1	25.0	.....	.....	1	25.0	4	100.0
Total.....	90	51.1	28	15.9	21	11.9	11	6.3	26	14.8	176	100.0
Failures.....	42	62.7	14	20.9	4	6.0	4	6.0	3	4.5	67	100.1
Survivors.....	48	44.0	14	12.8	17	15.6	7	6.4	23	21.1	109	99.9
1931												
Less than \$50,000.....	46	69.7	9	13.6	5	7.6	2	3.0	4	6.1	66	100.0
\$50,000 to \$100,000.....	31	75.6	4	9.8	2	4.9	3	7.3	1	2.4	41	100.0
\$100,000 to \$150,000.....	13	50.0	3	11.5	2	7.7	4	15.4	4	15.4	26	100.0
\$150,000 to \$200,000.....	14	73.7	2	10.5	1	5.3	2	10.5	.....	.....	19	100.0
\$200,000 to \$250,000.....	4	40.0	4	40.0	1	10.0	1	10.0	.....	.....	10	100.0
\$250,000 and over.....	1	50.0	.....	.....	.....	.....	.....	.....	1	50.0	2	100.0
Total.....	109	66.5	22	13.4	11	6.7	12	7.3	10	6.1	164	100.0
Failures.....	40	75.5	6	11.3	3	5.7	2	3.8	2	3.8	53	100.1
Survivors.....	69	62.2	16	14.4	8	7.2	10	9.0	8	7.2	111	100.0

TABLE 16-D.—Sample of small stone and clay products corporations doing business sometime during the period 1926 to 1936, classified by size of ratio of economic income (or loss) to capital stock, and by asset size—Continued

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1932												
Less than \$50,000	54	77.2	12	17.1	2	2.9	1	1.4	1	1.4	70	100.0
\$50,000 to \$100,000	23	76.7	4	13.3			1	3.3	2	6.7	30	100.0
\$100,000 to \$150,000	22	78.6	2	7.1	3	10.8			1	3.6	28	100.1
\$150,000 to \$200,000	10	76.9	2	15.4	1	7.7					13	100.0
\$200,000 to \$250,000	3	60.0			1	20.0			1	20.0	5	100.0
\$250,000 and over	1	33.3	1	33.3					1	33.3	3	99.9
Total	113	75.8	21	14.1	7	4.7	2	1.3	6	4.0	149	99.9
Failures	27	67.5	9	22.5	1	2.5	1	2.5	2	5.0	40	100.0
Survivors	86	78.9	12	11.0	6	5.5	1	1.0	4	3.7	109	100.1
1933												
Less than \$50,000	38	61.3	18	29.0	5	8.1	1	1.6			62	100.0
\$50,000 to \$100,000	22	75.9	4	13.8	1	3.4	2	6.9			29	100.0
\$100,000 to \$150,000	20	69.0	8	27.6					1	3.4	29	100.0
\$150,000 to \$200,000	5	55.6	2	22.2					2	22.2	9	100.0
\$200,000 to \$250,000	1	100.0									1	100.0
\$250,000 and over	1	33.3							2	66.7	3	100.0
Total	87	65.4	32	24.1	6	4.5	3	2.3	5	3.8	133	100.1
Failures	14	60.9	8	34.8	1	4.3					23	100.0
Survivors	73	66.4	24	21.8	5	4.5	3	2.7	5	4.5	110	99.9
1934												
Less than \$50,000	31	52.5	17	28.8	4	6.8	4	6.8	3	5.1	59	100.0
\$50,000 to \$100,000	15	51.7	7	24.1	4	13.8			3	10.3	29	99.9
\$100,000 to \$150,000	13	48.1	9	33.3	3	11.1	2	7.4			27	99.9
\$150,000 to \$200,000			1	20.0	1	20.0			3	60.0	5	100.0
\$200,000 to \$250,000	1	100.0									1	100.0
\$250,000 and over									2	100.0	2	100.0
Total	60	48.8	34	27.6	12	9.8	6	4.9	11	8.9	123	100.0
Failures	6	46.2	3	23.1	3	23.1	1	7.7			13	100.1
Survivors	54	49.1	31	28.2	9	8.2	5	4.5	11	10.0	110	100.0
1935												
Less than \$50,000	26	44.8	22	37.9	6	10.3	3	5.2	1	1.7	58	99.9
\$50,000 to \$100,000	12	38.7	7	22.6	5	16.1	3	9.7	4	12.9	31	100.0
\$100,000 to \$150,000	8	36.4	5	22.7	4	18.2	1	4.5	4	18.2	22	100.0
\$150,000 to \$200,000					1	25.0	1	25.0	2	50.0	4	100.0
\$200,000 to \$250,000			1	50.0					1	50.0	2	100.0
\$250,000 and over									2	100.0	2	100.0
Total	46	38.7	35	29.4	16	13.4	8	6.7	14	11.8	119	100.0
Failures	3	33.3	5	55.6	1	11.1					9	100.0
Survivors	43	39.1	30	27.3	15	13.6	8	7.3	14	12.7	110	100.0
1936												
Less than \$50,000	18	33.3	16	29.6	3	14.8	2	3.7	10	18.5	54	99.9
\$50,000 to \$100,000	5	20.8	7	29.2	6	25.0	2	8.3	4	16.7	24	100.0
\$100,000 to \$150,000	7	29.2	5	20.8	2	8.3	3	12.5	7	29.2	24	100.0
\$150,000 to \$200,000					2	50.0			2	50.0	4	100.0
\$200,000 to \$250,000			1	50.0					1	50.0	2	100.0
\$250,000 and over									2	100.0	2	100.0
Total	30	27.3	29	26.4	18	16.4	7	6.4	26	23.6	110	100.1
Failures												
Survivors	30	27.3	29	26.4	18	16.4	7	6.4	26	23.6	110	100.1

TABLE 16-E.—Sample of small machine tool corporations doing business sometime during the period 1926 to 1936, classified by size of ratio of economic income (or loss) to capital stock, and by asset size

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
Less than \$50,000	38	32.8	8	6.9	12	10.3	11	9.5	47	40.5	116	100.0
\$50,000 to \$100,000	7	16.3	5	11.6	4	9.3	1	2.3	26	60.5	43	100.0
\$100,000 to \$150,000	—	—	—	—	3	18.8	2	12.5	11	68.8	16	100.1
\$150,000 to \$200,000	2	14.3	2	14.3	5	35.7	1	7.1	4	28.6	14	100.0
\$200,000 to \$250,000	2	28.6	2	28.6	1	14.3	1	14.3	1	14.3	7	100.1
\$250,000 and over	—	—	—	—	—	—	—	—	—	—	—	—
Total	49	25.0	17	8.7	25	12.8	16	8.2	89	45.4	196	100.1
Failures	25	34.3	4	5.5	10	13.7	6	8.2	28	38.4	73	100.1
Survivors	24	19.5	13	10.6	15	12.2	10	8.1	61	49.6	123	100.0
1927												
Less than \$50,000	31	28.5	15	13.8	19	17.4	7	6.4	37	34.0	109	100.1
\$50,000 to \$100,000	13	33.3	6	15.4	5	12.8	3	7.7	12	30.8	39	100.0
\$100,000 to \$150,000	6	40.0	1	6.7	3	20.0	1	6.7	4	26.7	15	100.1
\$150,000 to \$200,000	3	21.4	1	7.1	3	21.4	1	7.1	6	42.9	14	99.9
\$200,000 to \$250,000	3	37.5	1	12.5	2	25.0	1	12.5	1	12.5	8	100.0
\$250,000 and over	—	—	1	100.0	—	—	—	—	—	—	1	100.0
Total	56	30.1	25	13.4	32	17.2	13	7.0	60	32.3	186	100.0
Failures	22	35.0	10	15.9	6	9.5	4	6.3	21	33.3	63	100.0
Survivors	34	27.6	15	12.2	26	21.1	9	7.3	39	31.7	123	99.9
1928												
Less than \$50,000	25	24.8	4	4.0	12	11.9	12	11.9	48	47.5	101	100.1
\$50,000 to \$100,000	12	41.4	2	6.9	3	10.3	2	6.9	10	34.5	29	100.0
\$100,000 to \$150,000	4	17.4	1	4.3	4	17.4	5	21.7	9	39.1	23	99.9
\$150,000 to \$200,000	1	8.3	1	8.3	3	25.0	1	8.3	6	50.0	12	99.9
\$200,000 to \$250,000	1	14.3	—	—	2	28.6	1	14.3	3	42.9	7	100.1
\$250,000 and over	—	—	—	—	2	68.6	—	—	1	33.3	3	99.9
Total	43	24.6	8	4.6	26	14.9	21	12.0	77	44.0	175	100.1
Failures	16	30.8	2	3.8	7	13.5	7	13.5	20	38.5	52	100.1
Survivors	27	22.0	6	4.9	19	15.4	14	11.4	57	46.3	123	100.0
1929												
Less than \$50,000	20	24.1	4	4.8	8	9.6	10	12.0	41	49.4	83	99.9
\$50,000 to \$100,000	5	12.5	2	5.0	8	20.0	3	7.5	22	55.0	40	100.0
\$100,000 to \$150,000	2	12.5	3	18.8	3	18.8	1	6.3	7	43.8	16	100.2
\$150,000 to \$200,000	1	7.1	1	7.1	2	14.3	1	7.1	9	64.3	14	99.9
\$200,000 to \$250,000	—	—	—	—	3	37.5	—	—	5	62.5	8	100.0
\$250,000 and over	—	—	—	—	1	12.5	—	—	7	87.5	8	100.0
Total	28	16.6	10	5.9	25	14.8	15	8.9	91	53.8	169	100.0
Failures	10	21.3	2	4.3	12	25.5	6	12.8	17	36.2	47	100.1
Survivors	18	14.8	8	6.6	13	10.7	9	7.4	74	60.7	122	100.2
1930												
Less than \$50,000	57	57.0	10	10.0	8	8.0	4	4.0	21	21.0	100	100.0
\$50,000 to \$100,000	21	48.8	6	14.0	5	11.6	4	9.3	7	16.3	43	105.0
\$100,000 to \$150,000	12	44.4	1	3.7	4	14.8	4	14.8	6	22.2	27	99.9
\$150,000 to \$200,000	8	50.0	2	12.5	4	25.0	1	6.3	1	6.3	16	100.1
\$200,000 to \$250,000	4	44.4	2	22.2	1	11.1	1	11.1	1	11.1	9	99.9
\$250,000 and over	4	80.0	—	—	—	—	1	20.0	—	—	5	100.0
Total	106	53.0	21	10.5	22	11.0	15	7.5	36	18.0	200	100.0
Failures	29	58.0	5	10.0	3	6.0	4	8.0	9	18.0	50	100.0
Survivors	77	51.3	16	10.7	19	12.7	11	7.3	27	18.0	150	100.0
1931												
Less than \$50,000	64	62.1	8	7.8	7	6.8	4	3.9	20	19.4	103	100.0
\$50,000 to \$100,000	23	50.0	10	21.7	6	13.0	3	6.5	4	8.7	46	99.9
\$100,000 to \$150,000	15	71.4	2	9.5	1	4.8	2	9.5	1	4.8	21	100.0
\$150,000 to \$200,000	12	66.7	2	11.1	—	—	1	5.6	3	16.7	18	100.1
\$200,000 to \$250,000	4	100.0	—	—	—	—	—	—	—	—	4	100.0
\$250,000 and over	1	33.3	1	33.3	—	—	—	—	1	33.3	3	99.9
Total	119	61.0	23	11.8	14	7.2	10	5.1	29	14.9	195	100.0
Failures	26	59.1	5	11.4	2	4.5	2	4.5	9	20.5	44	100.0
Survivors	93	61.6	18	11.9	12	7.9	8	5.3	20	13.2	151	99.9

TABLE 16-E.—Sample of small machine tool corporations doing business sometime during the period 1926 to 1936, classified by size of ratio of economic income (or loss) to capital stock, and by asset size—Continued

Asset size and year	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1932												
Less than \$50,000.....	73	70.9	20	19.4	3	2.9	1	1.0	6	5.8	103	100.0
\$50,000 to \$100,000.....	28	66.7	5	11.9	5	11.9	-----	-----	4	9.5	42	100.0
\$100,000 to \$150,000.....	24	96.0	1	4.0	-----	-----	-----	-----	-----	-----	25	100.0
\$150,000 to \$200,000.....	11	78.6	1	7.1	1	7.1	1	7.1	-----	-----	14	99.9
\$200,000 to \$250,000.....	2	100.0	-----	-----	-----	-----	-----	-----	-----	-----	2	100.0
\$250,000 and over.....	1	100.0	-----	-----	-----	-----	-----	-----	-----	-----	1	100.0
Total.....	139	74.3	27	14.4	9	4.8	2	1.1	10	5.3	187	99.9
Failures.....	25	69.4	7	19.4	1	2.8	-----	-----	3	8.3	36	99.9
Survivors.....	114	75.5	20	13.2	8	5.3	2	1.3	7	4.6	151	99.9
1933												
Less than \$50,000.....	57	59.4	23	24.0	7	7.3	3	3.1	6	6.3	96	100.1
\$50,000 to \$100,000.....	16	39.0	10	24.4	8	19.5	1	2.4	6	14.6	41	99.9
\$100,000 to \$150,000.....	10	43.5	6	26.1	3	13.0	3	13.0	1	4.3	23	99.9
\$150,000 to \$200,000.....	8	61.5	2	15.4	2	15.4	1	7.7	-----	-----	13	100.0
\$200,000 to \$250,000.....	1	33.3	1	33.3	-----	-----	-----	-----	1	33.3	3	99.9
\$250,000 and over.....	1	100.0	-----	-----	-----	-----	-----	-----	-----	-----	1	100.0
Total.....	93	52.5	42	23.7	20	11.3	8	4.5	14	7.9	177	99.9
Failures.....	16	61.5	8	30.8	1	3.8	-----	-----	1	3.8	26	99.9
Survivors.....	77	51.0	34	22.5	19	12.6	8	5.3	13	8.6	151	100.0
1934												
Less than \$50,000.....	30	33.7	31	34.8	16	18.0	7	7.9	5	5.6	89	100.0
\$50,000 to \$100,000.....	9	23.1	11	28.2	8	20.5	5	12.8	6	15.4	39	100.0
\$100,000 to \$150,000.....	6	25.0	8	33.3	3	12.5	4	16.7	3	12.5	24	100.0
\$150,000 to \$200,000.....	6	46.2	4	30.8	1	7.7	1	7.7	1	7.7	13	100.1
\$200,000 to \$250,000.....	-----	-----	2	50.0	-----	-----	-----	-----	2	50.0	4	100.0
\$250,000 and over.....	1	100.0	-----	-----	-----	-----	-----	-----	-----	-----	1	100.0
Total.....	52	30.6	56	32.9	28	16.5	17	10.0	17	10.0	170	100.0
Failures.....	6	31.6	8	42.1	3	15.8	2	10.5	-----	-----	19	100.0
Survivors.....	46	30.5	48	31.8	25	16.6	15	9.9	17	11.3	151	100.1
1935												
Less than \$50,000.....	26	29.2	20	22.5	21	23.6	8	9.0	14	15.7	89	100.0
\$50,000 to \$100,000.....	5	14.7	9	26.5	6	17.6	5	14.7	9	26.5	34	100.0
\$100,000 to \$150,000.....	4	14.8	8	29.6	6	22.2	2	7.4	7	25.9	27	99.9
\$150,000 to \$200,000.....	2	22.2	1	11.1	1	11.1	-----	-----	5	55.5	9	99.9
\$200,000 to \$250,000.....	-----	-----	1	100.0	-----	-----	-----	-----	-----	-----	1	100.0
\$250,000 and over.....	1	25.0	1	25.0	-----	-----	-----	-----	2	50.0	4	100.0
Total.....	38	23.2	40	24.4	34	20.7	15	9.1	37	22.6	164	100.0
Failures.....	3	23.1	4	30.8	3	23.1	2	15.4	1	7.7	13	100.1
Survivors.....	35	23.2	36	23.8	31	20.5	13	8.6	36	23.8	151	99.9
1936												
Less than \$50,000.....	18	21.7	23	27.8	19	22.9	7	8.4	16	19.2	83	100.0
\$50,000 to \$100,000.....	8	27.6	6	20.7	5	17.2	5	17.2	5	17.2	29	99.9
\$100,000 to \$150,000.....	2	8.7	4	17.3	3	13.0	-----	-----	14	60.9	23	99.9
\$150,000 to \$200,000.....	1	16.7	1	16.7	1	16.7	-----	-----	3	50.0	6	100.1
\$200,000 to \$250,000.....	1	20.0	-----	-----	-----	-----	-----	-----	4	80.0	5	100.0
\$250,000 and over.....	-----	-----	1	25.0	-----	-----	1	25.0	2	50.0	4	100.0
Total.....	30	20.0	35	23.3	28	18.7	13	8.7	44	29.3	150	100.0
Failures.....	1	100.0	-----	-----	-----	-----	-----	-----	-----	-----	1	100.0
Survivors.....	29	19.5	35	23.4	28	18.8	13	8.7	44	29.5	149	99.9

TABLE 17-A.—Sample of small baking corporations doing business sometime during the period 1926 to 1936, classified by size of ratio of economic income (or loss) to capital stock, and by area

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
New England.....	9	28.1	3	9.4	5	15.6	5	15.6	10	31.3	32	100.0
East.....	15	30.6	4	8.2	4	8.2	8	16.3	18	36.7	49	100.0
Middle West.....	26	39.4	4	6.1	9	13.6	5	7.6	22	33.3	66	100.0
South.....	11	52.4	1	4.8	4	19.0	1	4.8	4	19.0	21	100.0
West.....	5	31.3	1	6.3	1	6.3	3	18.8	6	37.5	16	100.2
Total.....	66	35.9	13	7.1	23	12.5	22	12.0	60	32.6	184	100.1
Failures.....	51	48.6	7	6.7	12	11.4	10	9.5	25	23.8	105	100.0
Survivors.....	15	19.0	6	7.6	11	13.9	12	15.2	35	44.3	79	100.0
1927												
New England.....	6	20.7			4	13.8	6	20.7	13	44.8	29	100.0
East.....	11	24.4	6	13.3	5	11.1	6	13.3	17	37.8	45	99.9
Middle West.....	19	31.7	6	10.0	6	10.0	3	5.0	26	43.3	60	100.0
South.....	8	47.1			1	5.9			8	47.1	17	100.1
West.....	2	12.6	2	12.5	2	12.5	1	6.3	9	56.3	16	100.1
Total.....	46	27.5	14	8.4	18	10.8	16	9.6	73	43.7	167	100.0
Failures.....	35	40.2	8	9.2	9	10.3	7	8.0	28	32.2	87	99.9
Survivors.....	11	13.8	6	7.5	9	11.3	9	11.3	45	56.3	80	100.2
1928												
New England.....	10	37.0	2	7.4	2	7.4	3	11.1	10	37.0	27	99.9
East.....	13	29.5	6	13.6	6	13.6	4	9.1	15	34.1	44	99.9
Middle West.....	24	40.7	4	6.8	5	8.5	7	11.9	19	32.2	59	100.1
South.....	6	35.3	2	11.8	2	11.8	1	5.9	6	35.3	17	100.1
West.....	5	31.3			5	31.3	1	6.3	5	31.3	16	100.2
Total.....	58	35.6	14	8.6	20	12.3	16	9.8	55	33.7	163	100.0
Failures.....	45	54.2	6	7.2	10	12.1	5	6.0	17	20.5	83	100.0
Survivors.....	13	16.3	8	10.0	10	12.5	11	13.6	38	47.5	80	99.9
1929												
New England.....	8	30.8	4	15.4	1	3.8	3	11.5	10	38.5	26	100.0
East.....	12	30.0			3	7.5	4	10.0	21	52.5	40	100.0
Middle West.....	14	25.5	4	7.3	3	5.5	4	7.3	30	54.5	55	100.1
South.....	2	14.3			1	7.1	2	14.3	9	64.3	14	100.0
West.....	4	26.7			3	20.0	2	13.3	6	40.0	15	100.0
Total.....	40	26.7	8	5.3	11	7.3	15	10.0	76	50.7	150	100.0
Failures.....	29	41.4	5	7.1	4	5.7	5	7.1	27	38.6	70	99.9
Survivors.....	11	13.8	3	3.8	7	8.8	10	12.5	49	61.3	80	100.2
1930												
New England.....	9	32.1	6	21.4			3	10.7	10	35.7	28	99.9
East.....	14	30.4	3	6.5	4	8.7	9	19.6	16	34.8	46	100.0
Middle West.....	21	30.0	5	7.1	13	18.6	7	10.0	24	34.3	70	100.0
South.....	7	33.3	1	4.8	1	4.8	2	9.5	10	47.6	21	100.0
West.....	13	61.9			2	9.5	2	9.5	4	19.0	21	99.9
Total.....	64	34.4	15	8.1	20	10.8	23	12.4	64	34.4	186	100.1
Failures.....	38	48.1	7	8.9	9	11.4	11	13.9	14	17.7	79	100.0
Survivors.....	26	24.3	8	7.5	11	10.3	12	11.2	50	46.7	107	100.0
1931												
New England.....	9	32.1	4	14.3	3	10.7	3	10.7	9	32.1	28	99.9
East.....	15	35.6	1	2.4	12	28.6	2	4.8	12	28.6	42	100.0
Middle West.....	26	41.9	7	11.3	13	21.0	2	3.2	14	22.6	62	100.0
South.....	11	52.4	4	19.0			2	9.5	4	19.0	21	99.9
West.....	7	46.7	1	6.7	2	13.3	1	6.7	4	26.7	15	100.1
Total.....	68	40.5	17	10.1	30	17.9	10	6.0	43	25.6	168	100.1
Failures.....	37	59.6	4	6.4	14	22.6	2	3.2	5	8.1	62	99.9
Survivors.....	31	29.2	13	12.3	16	15.1	8	7.5	38	35.8	106	99.9

TABLE 17-A.—Sample of small baking corporations doing business sometime during the period 1926 to 1936, classified by size of ratio of economic income (or loss) to capital stock, and by area—Continued

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1932												
New England.....	17	68.0	2	8.0	2	8.0	---	---	4	15.0	25	100.0
East.....	28	75.7	1	2.7	4	10.8	2	5.4	2	5.4	37	100.0
Middle West.....	29	54.7	14	26.4	4	7.5	2	3.8	4	7.5	53	99.9
South.....	10	52.6	3	15.8	3	15.8	1	5.3	2	10.5	19	100.0
West.....	6	42.9	1	7.1	2	14.3	---	---	5	35.7	14	100.0
Total.....	90	60.8	21	14.2	15	10.1	5	3.4	17	11.5	148	100.0
Failures.....	30	71.4	6	14.3	4	9.5	---	---	2	4.8	42	100.0
Survivors.....	60	56.6	15	14.2	11	10.4	5	4.7	15	14.2	106	100.1
1933												
New England.....	7	31.8	5	22.7	5	22.7	1	4.5	4	18.2	22	99.9
East.....	20	57.1	6	17.1	3	8.6	2	5.7	4	11.4	35	99.9
Middle West.....	21	39.6	18	34.0	5	9.4	4	7.5	5	9.4	53	99.9
South.....	7	41.2	5	29.4	2	11.8	---	---	3	17.6	17	100.0
West.....	2	15.4	4	30.8	2	15.4	---	---	5	38.5	13	100.1
Total.....	57	40.7	38	27.1	17	12.1	7	5.0	21	15.0	140	99.9
Failures.....	17	53.1	9	28.1	3	9.4	2	6.3	1	3.1	32	100.0
Survivors.....	40	37.0	29	26.9	14	13.0	5	4.6	20	18.5	108	100.0
1934												
New England.....	11	52.4	2	9.5	3	14.3	2	9.5	3	14.3	21	100.0
East.....	18	54.6	6	18.2	3	9.1	2	6.1	4	12.1	33	100.1
Middle West.....	19	37.3	14	27.5	8	15.6	4	7.8	6	11.8	51	100.0
South.....	7	41.2	5	29.4	3	17.6	---	---	2	11.8	17	100.0
West.....	7	58.3	3	25.0	---	---	---	---	2	16.7	12	100.0
Total.....	62	46.3	30	22.4	17	12.7	8	6.0	17	12.7	134	100.1
Failures.....	17	63.0	5	18.5	3	11.1	1	3.7	1	3.7	27	100.0
Survivors.....	45	42.1	25	23.4	14	13.1	7	6.5	16	15.0	107	100.1
1935												
New England.....	11	57.9	3	15.8	4	21.0	---	---	1	5.3	19	100.0
East.....	17	60.7	5	17.9	2	7.1	1	3.6	3	10.7	28	100.0
Middle West.....	12	27.3	11	25.0	8	18.2	3	6.8	10	22.7	44	100.0
South.....	5	33.3	1	6.7	3	20.0	1	6.7	5	33.3	15	100.0
West.....	4	33.3	1	8.3	1	8.3	1	8.3	5	41.7	12	99.9
Total.....	49	41.5	21	17.8	18	15.3	6	5.1	24	20.3	118	100.0
Failures.....	8	61.5	3	23.1	1	7.7	1	7.7	---	---	13	100.0
Survivors.....	41	39.0	18	17.1	17	16.2	5	4.8	24	22.9	105	100.0
1936												
New England.....	6	33.3	5	27.8	2	11.1	2	11.1	3	16.7	18	100.0
East.....	7	31.8	4	18.2	4	18.2	1	4.5	6	27.3	22	100.0
Middle West.....	7	17.1	9	22.0	6	14.6	5	12.2	14	34.1	41	100.0
South.....	3	21.4	1	7.1	---	---	4	28.6	6	42.9	14	100.0
West.....	2	18.2	1	9.1	4	36.4	1	9.1	3	27.3	11	100.1
Total.....	25	23.6	20	18.9	16	15.1	13	12.3	32	30.2	106	100.1
Failures.....	---	---	---	---	---	---	---	---	---	---	---	---
Survivors.....	25	23.6	20	18.9	16	15.1	13	12.3	32	30.2	106	100.1

TABLE 17-B.—Sample of small men's clothing corporations doing business sometime during the period 1926 to 1936, classified by size of ratio of economic income (or loss) to capital stock, and by area

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
New England.....	10	52.6	2	10.5	2	10.5	1	5.3	4	21.1	19	100.0
East.....	38	29.5	12	9.3	41	31.6	12	9.3	26	20.2	129	99.9
Middle West.....	19	38.0	5	10.0	2	4.0	6	12.0	18	36.0	50	100.0
South.....	2	50.0			2	50.0					4	100.0
West.....	2	66.7					1	33.3			3	100.0
Total.....	71	34.6	19	9.3	47	22.9	20	9.8	48	23.4	205	100.0
Failures.....	65	41.9	14	9.0	35	22.6	11	7.1	30	19.4	155	100.0
Survivors.....	6	12.0	5	10.0	12	24.0	9	18.0	18	36.0	50	100.0
1927												
New England.....	5	33.3	2	13.3	2	13.3	1	6.7	5	33.3	15	99.9
East.....	42	35.9	16	13.7	26	22.2	10	8.5	23	19.7	117	100.0
Middle West.....	20	43.5	3	6.5	8	17.4	3	6.5	12	26.1	46	100.0
South.....					3	100.0					3	100.0
West.....	2	66.7	1	33.3							3	100.0
Total.....	69	37.5	22	12.0	39	21.2	14	7.6	40	21.7	184	100.0
Failures.....	56	41.8	16	11.9	26	19.4	10	7.5	26	19.4	134	100.0
Survivors.....	13	26.0	6	12.0	13	26.0	4	8.0	14	28.0	50	100.0
1928												
New England.....	4	30.8	1	7.7	3	23.1	2	15.4	3	23.1	13	100.1
East.....	30	31.3	5	5.2	27	28.1	8	8.3	26	27.1	96	100.0
Middle West.....	14	35.9	4	10.3	7	17.9	4	10.3	10	25.6	39	100.0
South.....	1	33.3			1	33.3			1	33.3	3	99.9
West.....					2	100.0					2	100.0
Total.....	49	32.0	10	6.5	40	26.1	14	9.2	40	26.1	153	99.9
Failures.....	45	43.7	7	6.8	22	21.4	9	8.7	20	19.4	103	100.0
Survivors.....	4	8.0	3	6.0	18	36.0	5	10.0	20	40.0	50	100.0
1929												
New England.....	2	16.7	1	8.3	1	8.3	4	33.3	4	33.3	12	99.9
East.....	32	39.5	8	9.9	16	19.8	5	6.2	20	24.7	81	100.1
Middle West.....	13	37.1	4	11.4	5	14.3	2	5.7	11	31.4	35	99.9
South.....	1	33.3			1	33.3			1	33.3	3	99.9
West.....			2	100.0							2	100.0
Total.....	48	36.1	15	11.3	23	17.3	11	8.3	36	27.1	133	100.1
Failures.....	39	46.4	8	9.5	14	16.7	6	7.1	17	20.2	84	99.9
Survivors.....	9	18.4	7	14.3	9	18.4	5	10.2	19	38.8	49	100.1
1930												
New England.....	5	38.5	1	7.7	4	30.8	2	15.4	1	7.7	13	100.1
East.....	59	43.1	14	10.2	25	18.2	14	10.2	25	18.2	137	99.9
Middle West.....	18	52.9	3	8.8	3	8.8	1	2.9	9	26.5	34	99.9
South.....			1	33.3					2	66.7	3	100.0
West.....	2	100.0									2	100.0
Total.....	84	44.4	19	10.1	32	16.9	17	9.0	37	19.6	189	100.0
Failures.....	57	52.3	11	10.1	15	13.8	7	6.4	19	17.4	109	100.0
Survivors.....	27	33.8	8	10.0	17	21.3	10	12.5	18	22.5	80	100.1
1931												
New England.....	6	50.0	1	8.3	4	33.3	1	8.3			12	99.9
East.....	66	60.0	7	6.4	20	18.2	6	5.5	11	10.0	110	100.1
Middle West.....	24	80.0	1	3.3	2	6.7			3	10.0	30	100.0
South.....	1	50.0	1	50.0							2	100.0
West.....	2	100.0									?	100.0
Total.....	99	63.5	10	6.4	26	16.7	7	4.5	14	9.0	156	100.1
Failures.....	54	69.2	5	6.4	10	12.8	2	2.6	7	9.0	78	100.0
Survivors.....	45	57.7	5	6.4	16	20.5	5	6.4	7	9.0	78	100.0

TABLE 17-B.—Sample of small men's clothing corporations doing business sometime during the period 1926 to 1936, classified by size of ratio of economic income (or loss) to capital stock, and by area—Continued

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1932												
New England.....	6	50.0	4	33.3	2	16.7					12	100.0
East.....	64	72.7	11	12.5	6	6.8	3	3.4	4	4.5	88	99.9
Middle West.....	20	71.4	6	21.4			1	3.6	1	3.6	28	100.0
South.....	1	50.0	1	50.0							2	100.0
West.....	2	100.0									2	100.0
Total.....	93	70.4	22	16.7	8	6.1	4	3.0	5	3.8	132	100.0
Failures.....	42	77.8	5	9.3	2	3.7	2	3.7	3	5.6	54	100.1
Survivors.....	51	65.4	17	21.8	6	7.7	2	2.6	2	2.6	78	100.1
1933												
New England.....	3	25.0	1	8.3	5	41.7	1	8.3	2	16.7	12	100.0
East.....	32	43.2	12	16.2	18	24.3	7	9.5	5	6.8	74	100.0
Middle West.....	8	30.8	4	15.4	7	26.9	1	3.8	6	23.1	26	100.0
South.....			1	100.0							1	100.0
West.....	1	50.0	1	50.0							2	100.0
Total.....	44	38.3	19	16.5	30	26.1	9	7.8	13	11.3	115	100.0
Failures.....	25	65.8	3	7.9	6	15.8	2	5.3	2	5.3	38	100.1
Survivors.....	19	24.7	16	20.8	24	31.2	7	9.1	11	14.3	77	100.1
1934												
New England.....	3	27.3			6	54.5	2	18.2			11	100.0
East.....	24	39.3	17	27.9	17	27.9	2	3.3	1	1.6	61	100.0
Middle West.....	9	40.9	1	4.5	3	13.6	2	9.1	7	31.8	22	99.9
South.....			1	100.0							1	100.0
West.....			1	50.0	1	50.0					2	100.0
Total.....	36	37.1	20	20.6	27	27.8	6	6.2	8	8.2	97	99.9
Failures.....	14	73.6	3	15.8	1	5.3			1	5.3	19	100.0
Survivors.....	22	28.2	17	21.8	26	33.3	6	7.7	7	9.0	78	100.0
1935												
New England.....	1	9.1	5	45.5	3	27.3			2	18.2	11	100.1
East.....	15	27.3	19	34.5	15	27.3	2	3.6	4	7.3	55	100.0
Middle West.....	8	38.1	3	14.3	3	14.3	3	14.3	4	19.0	21	100.0
South.....			1	100.0							1	100.0
West.....			1	50.0	1	50.0					2	100.0
Total.....	24	26.7	29	32.2	22	24.4	5	5.6	10	11.1	90	100.0
Failures.....	6	50.0	4	33.3	1	8.3	1	8.3			12	99.9
Survivors.....	18	23.1	25	32.1	21	26.9	4	5.1	10	12.8	78	100.0
1936												
New England.....	2	20.0	3	30.0	5	50.0					10	100.0
East.....	8	17.4	13	28.3	17	37.0	3	6.5	5	10.9	46	100.1
Middle West.....	4	20.0	3	15.0	6	30.0	3	15.0	4	20.0	20	100.0
South.....			1	100.0							1	100.0
West.....					2	100.0					2	100.0
Total.....	14	17.7	20	25.3	30	38.0	6	7.6	9	11.4	79	100.0
Failures.....												
Survivors.....	14	17.7	20	25.3	30	38.0	6	7.6	9	11.4	79	100.0

TABLE 17-C.—Sample of small furniture corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by area—Continued

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
New England.....	13	39.4	2	6.1	5	15.2	2	6.1	11	33.3	33	100.1
East.....	14	26.9	5	9.6	5	9.6	4	7.7	24	46.2	52	100.0
Middle West.....	19	28.4	6	9.0	2	3.0	9	13.4	31	46.3	67	100.1
South.....	10	29.4	3	8.8	5	14.7	2	5.9	14	41.2	34	100.0
West.....	3	21.4	---	---	2	14.3	3	21.4	6	42.9	14	100.0
Total.....	59	29.5	16	8.0	19	9.5	20	10.0	86	43.0	200	100.0
Failures.....	47	36.2	14	10.8	10	7.7	13	10.0	46	35.4	130	100.1
Survivors.....	12	17.1	2	2.9	9	12.9	7	10.0	40	57.1	70	100.0
1927												
New England.....	11	35.4	3	9.7	4	12.9	4	12.9	9	29.0	31	99.9
East.....	18	40.0	1	2.2	9	20.0	2	4.4	15	33.3	45	99.9
Middle West.....	26	40.6	5	7.8	9	14.1	3	4.7	21	32.8	64	100.0
South.....	9	26.5	6	17.6	3	8.8	2	5.9	14	41.2	34	100.0
West.....	3	30.0	---	---	1	10.0	2	20.0	4	40.0	10	100.0
Total.....	67	36.4	15	8.2	26	14.1	13	7.1	63	34.2	184	100.0
Failures.....	53	46.5	9	7.9	13	11.4	8	7.0	31	27.2	114	100.0
Survivors.....	14	20.0	6	8.5	13	18.6	5	7.1	32	45.7	70	99.9
1928												
New England.....	12	42.9	---	---	6	21.4	6	21.4	4	14.3	28	100.0
East.....	18	43.9	---	---	5	12.2	6	14.6	12	29.3	41	100.0
Middle West.....	30	54.5	3	5.5	4	7.3	2	3.6	16	29.1	55	100.0
South.....	11	36.7	2	6.7	2	6.7	3	10.0	12	40.0	30	100.1
West.....	4	44.4	---	---	2	22.2	1	11.1	2	22.2	9	99.9
Total.....	75	46.0	5	3.1	19	11.7	18	11.0	46	28.2	163	100.0
Failures.....	52	55.9	4	4.3	7	7.5	9	9.7	21	22.6	93	100.0
Survivors.....	23	32.9	1	1.4	12	17.1	9	12.9	25	35.7	70	100.0
1929												
New England.....	6	24.0	1	4.0	9	36.0	4	16.0	5	20.0	25	100.0
East.....	10	27.0	1	2.7	2	5.4	6	16.2	18	48.7	37	100.0
Middle West.....	17	35.4	3	6.2	12	25.0	4	8.3	12	25.0	48	99.9
South.....	7	25.9	3	11.1	4	14.8	4	14.8	9	33.3	27	99.9
West.....	5	62.5	---	---	1	12.5	2	25.0	---	---	8	100.0
Total.....	45	31.0	8	5.5	28	19.3	20	13.8	44	30.3	145	99.9
Failures.....	35	46.7	3	4.0	13	17.3	7	9.3	17	22.7	75	100.0
Survivors.....	10	14.3	5	7.1	15	21.4	13	18.6	27	38.6	70	100.0
1930												
New England.....	19	50.0	7	18.4	5	13.2	4	10.5	3	7.9	38	100.0
East.....	26	57.8	2	4.4	1	2.2	6	13.3	10	22.2	45	99.9
Middle West.....	43	71.7	3	5.0	8	13.3	1	1.7	5	8.3	60	100.0
South.....	19	51.4	6	16.2	4	10.8	3	8.1	5	13.5	37	100.0
West.....	4	60.0	1	12.5	1	12.5	1	12.5	1	12.5	8	100.0
Total.....	111	59.1	19	10.1	19	10.1	15	8.0	24	12.8	188	100.1
Failures.....	66	77.6	4	4.7	4	4.7	5	5.9	6	7.1	85	100.0
Survivors.....	45	43.7	15	14.6	15	14.6	10	9.7	18	17.5	103	100.1
1931												
New England.....	22	61.1	1	2.8	5	13.9	3	8.3	5	13.9	36	100.0
East.....	23	65.7	2	5.7	4	11.4	3	8.6	3	8.6	35	100.0
Middle West.....	45	77.6	5	8.6	5	8.6	2	3.4	1	1.7	58	99.9
South.....	16	48.5	3	9.1	5	15.2	5	15.2	4	12.1	33	100.1
West.....	5	71.5	1	14.3	---	---	1	14.3	---	---	7	100.1
Total.....	111	65.7	12	7.1	19	11.2	14	8.3	13	7.7	169	100.0
Failures.....	56	84.8	2	3.0	1	1.5	4	6.1	3	4.5	66	99.9
Survivors.....	55	53.4	10	9.7	18	17.5	10	9.7	10	9.7	103	100.0

TABLE 17-C.—Sample of small furniture corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by area—Continued

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1932												
New England.....	25	83.3	1	3.3	3	10.0			1	3.3	30	99.9
East.....	23	82.1	4	14.3	1	3.6					28	100.0
Middle West.....	48	94.1	2	3.9					1	2.0	51	100.0
South.....	17	60.7	3	10.7	5	17.9			3	10.7	28	100.0
West.....	4	80.0	1	20.0							5	100.0
Total.....	117	82.4	11	7.7	9	6.3			5	3.5	142	99.9
Failures.....	37	88.1	3	7.1	2	4.8					42	100.0
Survivors.....	80	80.0	8	8.0	7	7.0			5	5.0	100	100.0
1933												
New England.....	11	40.7	6	22.2	9	33.3	1	3.7			27	99.9
East.....	18	72.0	3	12.0	3	12.0	1	4.0			25	100.0
Middle West.....	22	46.8	12	25.5	3	6.4			10	21.3	47	100.0
South.....	7	30.4	3	13.0	4	17.4	3	13.0	6	26.1	23	99.9
West.....	4	80.0	1	20.0							5	100.0
Total.....	62	48.8	25	19.7	19	15.0	5	3.9	16	12.6	127	100.0
Failures.....	16	61.5	6	23.1			1	3.8	3	11.5	26	99.9
Survivors.....	46	45.5	19	18.8	19	18.8	4	4.0	13	12.9	101	100.0
1934												
New England.....	10	43.5	6	26.1	6	26.1			1	4.4	23	100.1
East.....	12	52.2	8	34.8	1	4.3	2	8.7			23	100.0
Middle West.....	12	29.3	15	36.6	6	14.6	6	14.6	2	4.9	41	100.0
South.....	6	28.6	7	33.3	1	4.8	2	9.5	5	23.8	21	100.0
West.....	3	75.0			1	25.0					4	100.0
Total.....	43	38.4	36	32.1	15	13.4	10	8.9	8	7.1	112	99.9
Failures.....	7	58.3	3	25.0	1	8.3	1	8.3			12	99.9
Survivors.....	36	36.0	33	33.0	14	14.0	9	9.0	8	8.0	100	100.0
1935												
New England.....	8	34.8	2	8.7	9	39.1	2	8.7	2	8.7	23	100.0
East.....	12	52.2	7	30.4	3	13.0			1	4.3	23	99.9
Middle West.....	12	31.6	9	23.7	7	18.5	4	10.5	6	15.8	38	100.1
South.....	4	20.0	3	15.0	4	20.0	1	5.0	8	40.0	20	100.0
West.....	2	66.7			1	33.3					3	100.0
Total.....	38	35.5	21	19.6	24	22.4	7	6.5	17	15.9	107	99.9
Failures.....	3	50.0	1	16.7	1	16.7			1	16.7	6	100.1
Survivors.....	35	34.7	20	19.8	23	22.8	7	6.9	16	15.8	101	100.0
1936												
New England.....	5	20.8	2	8.3	10	41.7	4	16.7	3	12.5	24	100.0
East.....	8	38.1	6	28.6	4	19.0	2	9.5	1	4.8	21	100.0
Middle West.....	7	19.4	9	25.0	7	19.4	5	13.9	8	22.2	36	99.9
South.....	2	11.1	1	5.6	3	16.7	3	16.7	9	50.0	18	100.1
West.....					1	50.0			1	50.0	2	100.0
Total.....	22	21.8	18	17.8	25	24.8	14	13.9	22	21.8	101	100.1
Failures.....												
Survivors.....	22	21.8	18	17.8	25	24.8	14	13.9	22	21.8	101	100.1

TABLE 17-D.—Sample of small stone and clay products corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by area

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5-percent loss		Less than 5 percent gain		5- to 9.9-percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
New England.....	7	36.8	3	15.8	2	10.5			7	36.8	19	99.9
East.....	9	31.0	1	3.4	5	17.2	2	6.9	12	41.4	29	99.9
Middle West.....	30	34.9	10	11.6	6	7.0	10	11.6	30	34.9	86	100.0
South.....	9	23.1	6	15.4	7	17.9	1	2.6	16	41.0	39	100.0
West.....	8	47.1			2	11.8	3	17.6	4	23.5	17	100.0
Total.....	63	33.2	20	10.5	22	11.6	16	8.4	69	36.3	190	100.0
Failures.....	50	45.0	11	9.9	10	9.0	6	5.4	34	30.6	111	99.9
Survivors.....	13	16.5	9	11.4	12	15.2	10	12.7	35	44.3	79	100.1
1927												
New England.....	8	42.1	4	21.1	3	15.8	1	5.3	3	15.8	19	100.1
East.....	6	22.2	4	14.8	3	11.1	3	11.1	11	40.7	27	99.9
Middle West.....	28	34.2	9	11.0	11	13.4	5	6.1	29	35.4	82	100.1
South.....	17	44.7	6	15.8	4	10.5			11	28.9	38	99.9
West.....	5	31.3	4	25.0	2	12.5			5	31.3	16	100.1
Total.....	64	35.2	27	14.8	23	12.6	9	4.9	59	32.4	182	99.9
Failures.....	48	46.6	15	14.6	15	14.6			25	24.3	103	100.1
Survivors.....	16	20.3	12	15.2	8	10.1	9	11.4	34	43.0	79	100.0
1928												
New England.....	7	46.7	1	6.7	2	13.3			5	33.3	15	100.0
East.....	8	34.8	2	8.7	3	13.0	3	13.0	7	30.4	23	99.9
Middle West.....	17	24.6	9	13.0	4	5.8	13	18.8	26	37.7	69	99.9
South.....	16	45.7	2	5.7	7	20.0	3	8.6	7	20.0	35	100.0
West.....	4	28.6	3	21.4	4	28.6			3	21.4	14	100.0
Total.....	52	33.3	17	10.9	20	12.8	19	12.2	48	30.8	156	100.0
Failures.....	40	52.0	10	13.0	7	9.1	6	7.8	14	18.2	77	100.1
Survivors.....	12	15.2	7	8.9	13	16.5	13	16.5	34	43.0	79	100.1
1929												
New England.....	6	40.0	3	20.0	1	6.7	1	6.7	4	26.7	15	100.1
East.....	9	42.8			4	19.0	2	9.5	6	28.6	21	99.9
Middle West.....	18	27.7	9	13.8	15	23.1	6	9.2	17	26.1	65	99.9
South.....	16	53.3	3	10.0	2	6.7	5	16.7	4	13.3	30	100.0
West.....	3	21.4	6	42.9	1	7.1	2	14.3	2	14.3	14	100.0
Total.....	52	35.9	21	14.5	23	15.9	16	11.0	33	22.8	145	100.1
Failures.....	31	47.0	11	16.7	8	12.1	7	10.6	9	13.6	66	100.0
Survivors.....	21	26.6	10	12.7	15	19.0	9	11.4	24	30.4	79	100.1
1930												
New England.....	11	61.1	1	5.6	2	11.1	1	5.6	3	16.7	18	100.1
East.....	11	55.0	3	15.0	2	10.0	2	10.0	2	10.0	20	100.0
Middle West.....	38	48.1	14	17.7	11	13.9	3	3.8	13	16.5	79	100.0
South.....	23	62.2	6	16.2	3	8.1	3	8.1	2	5.4	37	100.0
West.....	7	31.8	4	18.2	3	13.6	2	9.1	6	27.3	22	100.0
Total.....	90	51.1	28	15.9	21	11.9	11	6.3	26	14.8	176	100.0
Failures.....	42	62.7	14	20.9	4	6.0	4	6.0	3	4.5	67	100.1
Survivors.....	48	44.0	14	12.8	17	15.6	7	6.4	23	21.1	109	99.9
1931												
New England.....	12	66.7	2	11.1	2	11.1	1	5.6	1	5.6	18	100.1
East.....	12	57.1	4	19.0	2	9.5	1	4.8	2	9.5	21	99.9
Middle West.....	52	73.2	8	11.3	3	4.2	5	7.0	3	4.2	71	99.9
South.....	22	66.7	4	12.1	2	6.1	4	12.1	1	3.0	33	100.0
West.....	11	52.4	4	19.0	2	9.5	1	4.8	3	14.3	21	100.0
Total.....	109	66.5	22	13.4	11	6.7	12	7.3	10	6.1	164	100.0
Failures.....	40	75.6	6	11.3	3	5.7	2	3.8	2	3.8	53	100.1
Survivors.....	69	62.2	16	14.4	8	7.2	10	9.0	8	7.2	111	100.0

TABLE 17-D.—Sample of small stone and clay products corporations doing business sometime during the period 1926-36, classified by size of ratio or economic income (or loss) to capital stock, and by area—Continued

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1932												
New England.....	11	73.3	3	20.0			1	6.7			15	100.0
East.....	14	77.8	1	5.6	2	11.1	1	5.6			18	100.1
Middle West.....	53	79.1	8	11.9	2	3.0			4	6.0	67	100.0
South.....	24	82.8	3	10.3	2	6.9					29	100.0
West.....	11	55.0	6	30.0	1	5.0			2	10.0	20	100.0
Total.....	113	75.8	21	14.1	7	4.7	2	1.3	6	4.0	149	99.9
Failures.....	27	67.5	9	22.5	1	2.5	1	2.5	2	5.0	40	100.0
Survivors.....	86	78.9	12	11.0	6	5.5	1	1.0	4	3.7	109	100.1
1933												
New England.....	9	69.2	4	30.8							13	100.0
East.....	13	76.5	2	11.8	1	5.9	1	5.9			17	100.1
Middle West.....	44	70.9	12	19.3	3	4.8			3	4.8	62	99.8
South.....	13	52.0	9	36.0	2	8.0			1	4.0	25	100.0
West.....	8	50.0	5	31.3			2	12.5	1	6.3	16	100.1
Total.....	87	65.4	32	24.1	6	4.5	3	2.3	5	3.8	133	100.1
Failures.....	14	60.9	8	34.8	1	4.3					23	100.0
Survivors.....	73	66.4	24	21.8	5	4.5	3	2.7	5	4.5	110	99.9
1934												
New England.....	5	45.5	5	45.5					1	9.1	11	100.1
East.....	8	50.0	3	18.8	2	12.5	1	6.3	2	12.5	16	100.1
Middle West.....	35	57.4	14	22.9	7	11.5	2	3.3	3	4.9	61	100.0
South.....	6	31.6	6	31.6	3	15.8	3	15.8	1	5.3	19	100.1
West.....	6	37.5	6	37.5					4	25.0	16	100.0
Total.....	60	48.8	34	27.6	12	9.8	6	4.9	11	8.9	123	100.0
Failures.....	6	46.2	3	23.1	3	23.1	1	7.7			13	100.1
Survivors.....	54	49.1	31	28.2	9	8.2	5	4.5	11	10.0	110	100.0
1935												
New England.....	6	54.5	2	18.2	2	18.2	1	9.1			11	100.0
East.....	5	31.3	5	31.3	3	18.8	2	12.5	1	6.3	16	100.2
Middle West.....	28	47.5	17	28.8	5	8.5	3	5.1	6	10.2	59	100.1
South.....	3	17.6	5	29.4	4	23.5	1	5.9	4	23.5	17	99.9
West.....	4	25.0	6	37.5	2	12.5	1	6.3	3	18.8	16	100.1
Total.....	46	38.7	35	29.4	16	13.4	8	6.7	14	11.8	119	100.0
Failures.....	3	33.3	5	55.6	1	11.1					9	100.0
Survivors.....	43	39.1	30	27.3	15	13.6	8	7.3	14	12.7	110	100.0
1936												
New England.....	5	50.0	1	10.0	2	20.0	1	10.0	1	10.0	10	100.0
East.....	5	33.3	5	33.3	3	20.0			2	13.3	15	99.9
Middle West.....	16	29.1	16	29.1	8	14.5	5	9.1	10	18.2	55	100.0
South.....	1	7.1	3	21.4	3	21.4	1	7.1	6	42.9	14	99.9
West.....	3	18.8	4	25.0	2	12.5			7	43.8	16	100.1
Total.....	30	27.3	29	26.4	18	16.4	7	6.4	26	23.6	110	100.1
Failures.....												
Survivors.....	30	27.3	29	26.4	18	16.4	7	6.4	26	23.6	110	100.1

TABLE 17-E.—Sample of small machine-tool corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by area

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1926												
New England.....	13	32.5	5	12.5	7	17.5	1	2.5	14	35.0	40	100.0
East.....	9	33.3	3	11.1	4	14.8	1	3.7	10	37.0	27	99.9
Middle West.....	26	21.1	9	7.3	14	11.4	14	11.4	60	48.8	123	100.0
South.....									2	100.0	2	100.0
West.....	1	25.0							3	75.0	4	100.0
Total.....	49	25.0	17	8.7	25	12.8	16	8.2	89	45.4	196	100.1
Failures.....	25	34.3	4	5.5	10	13.7	6	8.2	28	38.4	73	100.1
Survivors.....	24	19.5	13	10.6	15	12.2	10	8.1	61	49.6	123	100.0
1927												
New England.....	11	29.7	8	21.6	8	21.6	1	2.7	9	24.3	37	99.9
East.....	4	15.4	6	23.1	4	15.4	2	7.7	10	38.5	26	100.1
Middle West.....	41	35.1	10	8.6	19	16.2	9	7.7	38	32.5	117	100.1
South.....							1	50.0	1	50.0	2	100.0
West.....			1	25.0	1	25.0			2	50.0	4	100.0
Total.....	56	30.1	25	13.4	32	17.2	13	7.0	60	32.3	186	100.0
Failures.....	22	35.0	10	15.9	6	9.5	4	6.3	21	33.3	63	100.0
Survivors.....	34	27.6	15	12.2	26	21.1	9	7.3	39	31.7	123	99.9
1928												
New England.....	3	8.8	3	8.8	8	23.5	4	11.8	16	47.1	34	100.0
East.....	10	43.5			4	17.4	5	21.7	4	17.4	23	100.0
Middle West.....	28	24.8	5	4.4	13	11.5	11	9.7	56	49.6	113	100.0
South.....					1	50.0			1	50.0	2	100.0
West.....	2	66.7					1	33.3			3	100.0
Total.....	43	24.6	8	4.6	26	14.9	21	12.0	77	44.0	175	100.1
Failures.....	16	30.8	2	3.8	7	13.5	7	13.5	20	38.5	52	100.1
Survivors.....	27	22.0	6	4.9	19	15.4	14	11.4	57	46.3	123	100.0
1929												
New England.....	3	9.1	2	6.1	7	21.2	5	15.2	16	48.5	33	100.1
East.....	4	18.2	2	9.1	4	18.2	4	18.2	8	36.4	22	100.1
Middle West.....	19	17.4	6	5.5	13	11.9	5	4.6	66	60.6	109	100.0
South.....							1	50.0	1	50.0	2	100.0
West.....	2	66.7			1	33.3					3	100.0
Total.....	28	16.6	10	5.9	25	14.8	15	8.9	91	53.8	169	100.0
Failures.....	10	21.3	2	4.3	12	25.5	6	12.8	17	36.2	47	100.1
Survivors.....	18	14.8	8	6.6	13	10.7	9	7.4	74	60.7	122	100.2
1930												
New England.....	24	54.5	9	20.5	3	6.8	2	4.5	6	13.6	44	99.9
East.....	18	75.0			1	4.2	1	4.2	4	16.7	24	100.1
Middle West.....	60	48.4	11	8.9	18	14.5	11	8.9	24	19.4	124	100.1
South.....	2	50.0							2	50.0	4	100.0
West.....	2	50.0	1	25.0			1	25.0			4	100.0
Total.....	106	53.0	21	10.5	22	11.0	15	7.5	36	18.0	200	100.0
Failures.....	29	58.0	5	10.0	3	6.0	4	8.0	9	18.0	50	100.0
Survivors.....	77	51.3	16	10.7	19	12.7	11	7.3	27	18.0	150	100.0
1931												
New England.....	30	68.2	6	13.6	5	11.4			3	6.8	44	100.0
East.....	17	68.0	3	12.0	2	8.0	1	4.0	2	8.0	25	100.0
Middle West.....	70	59.3	12	10.2	6	5.1	8	6.8	22	18.6	118	100.0
South.....			1	25.0	1	25.0			2	50.0	4	100.0
West.....	2	50.0	1	25.0			1	25.0			4	100.0
Total.....	119	61.0	23	11.8	14	7.2	10	5.1	29	14.9	195	100.0
Failures.....	26	59.1	5	11.4	2	4.5	2	4.5	9	20.5	44	100.0
Survivors.....	93	61.6	18	11.9	12	7.9	8	6.3	20	13.2	151	99.9

TABLE 17-E.—Sample of small machine-tool corporations doing business sometime during the period 1926-36, classified by size of ratio of economic income (or loss) to capital stock, and by area—Continued

Area	Number of firms and percentage of total showing—										Total number of firms	
	Loss of 5 percent and over		Less than 5 percent loss		Less than 5 percent gain		5 to 9.9 percent gain		Gain of 10 percent and over			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1932												
New England	29	72.5	7	17.5	3	7.5			1	2.5	40	100.0
East	18	75.0	4	16.7					2	8.3	24	100.0
Middle West	88	76.5	14	12.2	5	4.3	2	1.7	6	5.2	115	99.9
South	1	25.0	1	25.0	1	25.0			1	25.0	4	100.0
West	3	75.0	1	25.0							4	100.0
Total	139	74.3	27	14.4	9	4.8	2	1.1	10	5.3	187	99.9
Failures	25	69.4	7	19.4	1	2.8			3	8.3	36	99.9
Survivors	114	75.5	20	13.2	8	5.3	2	1.3	7	4.6	151	99.9
1933												
New England	17	44.7	12	31.6	6	15.8	2	5.3	1	2.6	38	100.0
East	15	68.2	4	18.2	1	4.5			2	9.1	22	100.0
Middle West	58	53.2	23	21.1	13	11.9	5	4.6	10	9.2	109	100.0
South	1	25.0	2	50.0					1	25.0	4	100.0
West	2	50.0	1	25.0			1	25.0			4	100.0
Total	93	52.5	42	23.7	20	11.3	8	4.5	14	7.9	177	99.9
Failures	16	61.5	8	30.8	1	3.8			1	3.8	26	89.9
Survivors	77	51.0	34	22.5	19	12.6	8	5.3	13	8.6	151	100.0
1934												
New England	15	41.7	12	33.3	5	13.9	3	8.3	1	2.8	36	100.0
East	8	42.1	5	26.3	4	21.1	2	10.5			19	100.0
Middle West	29	27.1	33	30.8	18	16.8	11	10.3	16	15.0	107	100.0
South			3	75.0			1	25.0			4	100.0
West			3	75.0	1	25.0					4	100.0
Total	52	30.6	56	32.9	28	16.5	17	10.0	17	10.0	170	100.0
Failures	6	31.6	8	42.1	3	15.8	2	10.5			19	100.0
Survivors	46	30.5	48	31.8	25	16.6	15	9.9	17	11.3	151	100.1
1935												
New England	12	33.3	11	30.6	7	19.4	3	8.3	3	8.3	36	99.9
East	5	27.8	5	27.8	3	16.7	2	11.1	3	16.7	18	100.1
Middle West	20	19.6	21	20.6	22	21.6	10	9.8	29	28.4	102	100.0
South			1	25.0	2	50.0			1	25.0	4	100.0
West	1	25.0	2	50.0					1	25.0	4	100.0
Total	38	23.2	40	24.4	34	20.7	15	9.1	37	22.6	164	100.0
Failures	3	23.1	4	30.8	3	23.1	2	15.4	1	7.7	13	100.1
Survivors	35	23.2	36	23.8	31	20.5	13	8.6	36	23.8	151	99.9
1936												
New England	7	21.9	9	28.1	7	21.9	3	9.4	6	18.7	32	100.0
East	5	33.3	6	40.0	2	13.3			2	13.3	15	99.9
Middle West	18	18.8	18	18.8	16	16.7	10	10.4	34	35.4	96	100.1
South			1	25.0	2	50.0			1	25.0	4	100.0
West			1	33.3	1	33.3			1	33.3	3	99.9
Total	30	20.0	35	23.3	28	18.7	13	8.7	44	29.3	150	100.0
Failures	1	100.0									1	100.0
Survivors	29	19.5	35	23.4	28	18.8	13	8.7	44	29.5	149	99.9

TABLE 24.—Dividend disbursements expressed as amounts and as percentage of income available for dividends, for a sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1926-36

BAKERIES

Percentage of economic income available for dividends	Number of firms and amount of dividends reported paid for year—										
	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Companies with economic income—											
Not paying dividends:											
Number of companies.....	64	64	52	61	70	49	18	33	28	33	31
Paying dividends of—											
0 to 24.9 percent:											
Number of companies.....	6	10	6	8	5	2	5	2	—	4	2
Amount.....	\$6,945	\$24,354	\$33,039	\$50,875	\$10,360	\$4,006	\$11,065	\$5,880	—	\$5,640	\$2,280
25 to 49.9 percent:											
Number of companies.....	12	9	5	4	7	5	1	2	2	3	2
Amount.....	\$46,423	\$43,390	\$19,856	\$17,736	\$12,605	\$25,538	\$4,200	\$2,640	\$11,400	\$16,765	\$5,612
50 to 74.9 percent:											
Number of companies.....	7	6	4	9	3	3	1	1	3	2	4
Amount.....	\$44,968	\$84,144	\$23,476	\$46,160	\$25,755	\$16,934	\$2,128	\$3,000	\$7,203	\$16,600	\$18,884
75 to 99.9 percent:											
Number of companies.....	4	8	7	7	4	1	1	3	—	1	9
Amount.....	\$67,230	\$106,782	\$78,833	\$117,972	\$27,246	\$1,520	\$1,266	\$52,120	—	\$4,200	\$113,805
Subtotal, 0 to 99.9 percent:											
Number of companies.....	29	33	22	28	19	11	8	8	5	10	17
Amount.....	\$165,566	\$258,670	\$155,204	\$232,743	\$75,966	\$47,998	\$18,659	\$63,640	\$18,603	\$43,205	\$140,671
100 to 124.9 percent:											
Number of companies.....	—	2	3	4	4	4	—	—	4	1	3
Amount.....	—	\$30,025	\$30,385	\$50,594	\$116,230	\$65,518	—	—	\$12,487	\$4,500	\$24,028
125 to 149.9 percent:											
Number of companies.....	2	—	—	2	3	1	1	—	2	1	3
Amount.....	\$9,221	—	\$10,184	\$19,725	\$82,423	\$25,500	\$52,500	—	\$36,200	\$14,000	\$11,749
150 to 174.9 percent:											
Number of companies.....	—	3	3	—	1	2	1	1	—	—	1
Amount.....	—	\$29,100	\$33,200	—	\$7,876	\$24,480	\$1,620	\$6,000	—	—	\$10,250
175 to 199.9 percent:											
Number of companies.....	—	1	1	1	—	1	1	—	—	1	2
Amount.....	—	\$16,200	\$16,200	\$21,598	—	\$20,000	\$10,500	—	—	\$1,031	\$11,500

200 percent and over: Number of companies.....	7	1	6	3	7	10	6	2	3
Amount.....	\$176, 107	\$7, 704	\$30, 974	\$9, 527	\$58, 971	\$70, 672	\$23, 806	\$19, 800	\$7, 532
Subtotal, 100 percent and over: Number of companies.....	9	6	15	10	15	17	9	3	6
Amount.....	\$185, 328	\$66, 829	\$120, 943	\$101, 444	\$265, 500	\$206, 170	\$93, 326	\$25, 800	\$27, 063
Total: Number of companies.....	38	39	37	38	34	28	17	11	16
Amount.....	\$350, 894	\$325, 499	\$276, 147	\$334, 187	\$341, 466	\$254, 168	\$111, 985	\$89, 440	\$70, 268
Companies without economic income— Paying dividends:									
Number of companies.....	4	4	7	2	10	8	15	3	4
Amount.....	\$13, 841	\$4, 572	\$28, 857	\$5, 952	\$37, 641	\$21, 884	\$32, 020	\$2, 540	\$9, 697
Not paying dividends: Number of companies.....	79	61	62	46	69	79	94	90	64
Amount.....									

MEN'S CLOTHING

Companies with economic income— Not paying dividends:									
Number of companies.....	85	64	67	49	60	38	11	39	34
Paying dividends of— 0 to 24.9 percent:									
Number of companies.....	2	3	2	2		3		5	2
Amount.....	\$5, 580	\$3, 600	\$17, 032	\$2, 180		\$1, 064		\$1, 769	\$991
25 to 49.9 percent:									
Number of companies.....	4	1	1	3	2			1	1
Amount.....	\$26, 900	\$5, 000	\$9, 000	\$30, 650	\$600			\$14, 985	\$600
50 to 74.9 percent:									
Number of companies.....	2	3			3	1			1
Amount.....	\$9, 950	\$42, 200			\$4, 975	\$600			\$1, 100
75 to 99.9 percent:									
Number of companies.....	3	2	2	2				1	4
Amount.....	\$92, 760	\$10, 106	\$14, 300	\$11, 433				\$360	\$40, 500
Subtotal, 0 to 99.0 percent: Number of companies.....	11	9	5	7	5	4		6	3
Amount.....	\$135, 190	\$60, 906	\$40, 332	\$44, 263	\$5, 575	\$1, 664		\$16, 754	\$41, 491
100 to 124.9 percent: Number of companies.....	3	3	3	1	1			2	2
Amount.....	\$12, 310	\$98, 986	\$44, 846	\$10, 455	\$2, 775			\$10, 320	\$30, 500
125 to 149.9 percent: Number of companies.....									
Amount.....			\$1, 379						
150 to 174.9 percent: Number of companies.....	1	1		1	2			1	
Amount.....	\$20, 000	\$2, 640		\$1, 260	\$21, 442			\$40, 300	

TABLE 24.—Dividend disbursements expressed as amounts and as percentage of income available for dividends, for a sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1926-36—Continued

MEN'S CLOTHING—Continued

Percentage of economic income available for dividends	Number of firms and amount of dividends reported paid for year—										
	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Companies with economic income—Continued.											
Paying dividends of—											
175 percent and over:											
Number of companies.....	7	7	8	3	4	1	1	2		1	
Amount.....	\$149,233	\$65,450	\$71,761	\$18,825	\$55,300	\$1,500	\$13,382	\$23,500		\$900	
200 percent and over:											
Number of companies.....	11	11	12	5	7	1	1	4		1	2
Amount.....	\$181,543	\$138,076	\$117,986	\$30,540	\$79,517	\$1,500	\$13,382	\$33,820	\$40,300	\$900	\$30,900
Subtotal, 100 percent and over:											
Number of companies.....	22	20	17	12	12	5	1	10	4	4	8
Amount.....	\$316,733	\$198,982	\$158,318	\$74,803	\$85,092	\$3,164	\$13,382	\$50,574	\$41,570	\$42,091	\$111,700
Companies without economic income—											
Paying dividends:											
Number of companies.....	8	7	1	3	9	10	13	2	6	5	2
Amount.....	\$57,441	\$45,210	\$1,500	\$11,100	\$259,489	\$27,321	\$12,004	\$960	\$27,669	\$9,624	\$620
Not paying dividends:											
Number of companies.....	76	80	56	60	93	93	94	56	42	43	29

FURNITURE

Percentage of economic income available for dividends	Number of firms and amount of dividends reported paid for year—										
	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Companies with economic income—											
Not paying dividends:											
Number of companies.....	82	64	51	59	30	27	6	26	18	29	37
Paying dividends of—											
0 to 24.9 percent:											
Number of companies.....	6	4	4	6	3	3		3	4	4	2
Amount.....	\$15,909	\$5,198	\$6,545	\$10,294	\$7,184	\$6,213		\$2,220	\$6,771	\$3,251	\$2,700
25 to 49.9 percent:											
Number of companies.....	8	6	5	7	3			4	3	4	
Amount.....	\$37,086	\$27,871	\$39,025	\$31,849	\$11,350			\$14,741	\$10,614	\$21,659	
50 to 74.9 percent:											
Number of companies.....	5	6	7	1	2	4	1	3	1	2	4
Amount.....	\$39,178	\$65,449	\$35,732	\$20,000	\$3,274	\$31,518	\$5,280	\$12,181	\$7,000	\$9,900	\$33,758

TABLE 24.—Dividend disbursements expressed as amounts and as percentage of income available for dividends, for a sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1926-36—Continued

STONE AND CLAY PRODUCTS—Continued

Percentage of economic income available for dividends	Number of firms and amount of dividends reported paid for year—											
	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	
Companies with economic income—Continued.												
30 to 74.9 percent:												
Number of companies.....	1	7	7	3	1	1	—	—	3	5	3	3
Amount.....	\$500	\$45,424	\$90,880	\$14,953	\$2,790	\$4,500	—	\$2,500	\$29,698	\$57,965	\$27,032	\$27,032
75 to 99.9 percent:												
Number of companies.....	5	2	4	2	5	2	—	—	—	3	10	10
Amount.....	\$50,900	\$20,000	\$61,623	\$5,977	\$45,455	\$7,000	—	—	—	\$6,547	\$210,149	\$210,149
Subtotal, 0 to 99.9 percent:	15	14	16	8	9	3	—	—	6	13	20	20
Number of companies.....												
Amount.....	\$128,199	\$131,706	\$171,054	\$36,356	\$57,000	\$11,500	—	\$3,057	\$39,903	\$77,889	\$255,014	\$255,014
100 to 124.9 percent:												
Number of companies.....	2	4	4	3	2	1	1	—	1	1	5	5
Amount.....	\$6,500	\$115,340	\$171,606	\$51,000	\$6,000	\$2,000	\$3,930	—	\$2,500	\$3,500	\$54,536	\$54,536
125 to 149.9 percent:												
Number of companies.....	2	4	1	1	—	1	1	—	2	—	1	1
Amount.....	\$14,000	\$36,540	\$10,000	\$15,000	—	\$4,000	\$10,093	—	\$5,058	—	\$9,125	\$9,125
150 to 174.9 percent:												
Number of companies.....	1	—	1	—	1	1	1	—	1	—	1	1
Amount.....	\$53,504	—	\$20,000	—	\$6,360	\$16,068	\$5,000	\$5,192	\$2,000	—	\$8,000	\$8,000
175 to 199.9 percent:												
Number of companies.....	1	1	1	—	—	—	—	—	—	—	—	—
Amount.....	\$22,400	\$122,650	\$40,560	—	—	—	\$2,998	—	—	—	—	—
200 percent and over:												
Number of companies.....	13	7	4	6	6	7	3	—	4	2	—	—
Amount.....	\$205,898	\$149,783	\$40,262	\$77,476	\$59,121	\$120,425	\$16,007	—	\$16,415	\$5,500	—	—
Subtotal, 100 percent and over:	19	11	11	10	9	10	7	1	8	3	7	7
Number of companies.....												
Amount.....	\$302,302	\$434,313	\$282,428	\$143,476	\$71,481	\$142,493	\$38,028	\$5,192	\$25,973	\$9,000	\$70,661	\$70,661
Total:	34	30	27	18	18	13	7	5	14	16	27	27
Number of companies.....												
Amount.....	\$430,501	\$556,019	\$453,482	\$170,832	\$128,481	\$153,993	\$38,028	\$8,249	\$65,876	\$86,889	\$325,675	\$325,675
Companies without economic income—												
Paying dividends:												
Number of companies.....	7	6	10	9	14	15	14	7	5	3	4	4
Amount.....	\$88,057	\$26,920	\$79,743	\$66,700	\$82,201	\$29,462	\$57,025	\$9,718	\$6,181	\$2,288	\$5,363	\$5,363
Not paying dividends:												
Number of companies.....	76	83	57	58	95	105	113	101	84	67	47	47

MACHINE TOOLS

Companies with economic income—	85	69	84	80	37	30	10	28	45	54	37
Not paying dividends:											
Number of companies.....	4	6	6	13	1	1	1	5	5	6	6
Paying dividends of:	\$8,668	\$19,848	\$20,721	\$69,896	\$2,000	\$641	\$250	\$4,922	\$7,134	\$14,558	\$4,543
0 to 24.9 percent:											
Number of companies.....	4	5	6	10	5	2	1	1	2	5	4
Amount.....	\$49,006	\$33,902	\$24,741	\$153,200	\$34,291	\$2,145	\$1,000	\$1,000	\$12,800	\$18,651	\$45,867
25 to 49.9 percent:											
Number of companies.....	5	4	6	9	2	2	3	1	1	3	5
Amount.....	\$45,250	\$31,450	\$62,950	\$51,921	\$3,040	\$3,040	-----	\$1,000	\$1,000	\$57,900	\$114,593
50 to 74.9 percent:											
Number of companies.....	4	2	4	4	2	4	4	1	2	2	11
Amount.....	\$42,500	\$11,000	\$31,350	\$105,138	\$9,200	\$22,017	-----	\$23,500	\$33,000	\$5,240	\$85,261
75 to 99.9 percent:											
Number of companies.....	17	17	22	36	10	7	2	7	10	16	26
Amount.....	\$145,424	\$96,200	\$139,762	\$380,161	\$48,531	\$24,803	\$1,250	\$29,422	\$53,934	\$96,349	\$250,264
100 to 124.9 percent:											
Number of companies.....	3	1	3	1	3	2	-----	-----	-----	-----	8
Amount.....	\$37,212	\$1,500	\$30,976	\$19,140	\$114,128	\$73,000	-----	-----	\$10,175	-----	\$96,049
125 to 149.9 percent:											
Number of companies.....	3	2	1	2	1	3	1	-----	-----	2	4
Amount.....	\$18,093	\$2,955	\$30,000	\$24,800	\$3,818	\$5,695	\$6,200	-----	-----	\$7,726	\$24,665
150 to 174.9 percent:											
Number of companies.....	1	-----	-----	2	1	1	-----	1	1	-----	2
Amount.....	\$9,030	-----	-----	\$3,780	\$30,000	\$7,000	-----	\$2,670	\$3,300	-----	\$50,631
175 to 199.9 percent:											
Number of companies.....	-----	2	-----	2	-----	-----	1	1	-----	-----	-----
Amount.....	-----	\$9,766	-----	\$5,407	-----	-----	\$1,125	\$1,750	-----	-----	-----
200 percent and over:											
Number of companies.....	6	4	3	3	12	2	2	-----	1	3	4
Amount.....	\$71,811	\$77,290	\$35,135	\$62,552	\$107,163	\$32,500	\$12,000	-----	\$1,500	\$11,366	\$37,041
Subtotal, 100 percent and over:											
Number of companies.....	13	9	7	8	19	8	4	2	4	5	18
Amount.....	\$136,146	\$91,512	\$96,111	\$110,282	\$260,516	\$118,095	\$19,325	\$4,420	\$11,975	\$19,092	\$208,386
Total:											
Number of companies.....	30	26	29	44	29	15	c	9	14	21	44
Amount.....	\$281,570	\$187,712	\$235,873	\$490,443	\$306,047	\$142,898	\$20,575	\$33,842	\$65,909	\$115,441	\$458,050
Companies without economic income—											
Paying dividends:											
Number of companies.....	3	5	1	1	21	18	14	5	6	4	4
Amount.....	\$3,472	\$78,085	\$.875	\$1,771	\$104,389	\$55,979	\$38,177	\$1,334	\$1,953	\$3,922	\$7,515
Not paying dividends:											
Number of companies.....	67	75	50	35	101	116	142	122	91	70	56

TABLE 30.—Frequency distribution of companies by the ratio of repairs to sales for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations, 1930-36.

A. BAKERIES

Ratio of repairs to sales	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No repairs.....	4	5	6	6	6	8	7
Less than 0.5 percent.....	4	2	5	4	4	3	5
0.5 to 0.9 percent.....	6	7	4	7	7	3	3
1 to 1.4 percent.....	4	5	4	1	3	5	2
1.5 to 1.9 percent.....	3	-----	1	2	1	3	5
2 to 2.4 percent.....	2	4	3	4	3	1	2
2.5 to 2.9 percent.....	1	1	2	1	-----	1	1
3 percent and over.....	3	3	2	2	3	3	2
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No repairs.....	21	22	23	23	22	23	21
Less than 0.5 percent.....	5	4	4	4	4	4	4
0.5 to 0.9 percent.....	-----	1	-----	-----	1	-----	2
1 to 1.4 percent.....	-----	-----	-----	-----	-----	-----	-----
1.5 to 1.9 percent.....	1	-----	-----	-----	-----	-----	-----
2 to 2.4 percent.....	-----	-----	-----	-----	-----	-----	-----
2.5 to 2.9 percent.....	-----	-----	-----	-----	-----	-----	-----
3 percent and over.....	-----	-----	-----	-----	-----	-----	-----
Total.....	27	27	27	27	27	27	27

C. FURNITURE

No repairs.....	9	13	11	13	13	13	14
Less than 0.5 percent.....	9	6	6	6	7	5	5
0.5 to 0.9 percent.....	4	5	5	6	4	6	5
1 to 1.4 percent.....	4	3	4	2	2	2	3
1.5 to 1.9 percent.....	2	-----	1	-----	1	-----	1
2 to 2.4 percent.....	-----	-----	1	-----	1	1	-----
2.5 to 2.9 percent.....	-----	1	-----	1	-----	1	-----
3 percent and over.....	-----	-----	-----	-----	-----	-----	-----
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No repairs.....	6	7	7	8	9	11	8
Less than 0.5 percent.....	6	3	5	3	3	5	3
0.5 to 0.9 percent.....	2	5	4	2	4	3	-----
1 to 1.4 percent.....	7	4	2	3	2	-----	3
1.5 to 1.9 percent.....	3	4	1	2	1	1	4
2 to 2.4 percent.....	2	1	2	2	2	1	1
2.5 to 2.9 percent.....	1	1	1	-----	2	2	-----
3 percent and over.....	5	5	8	10	7	7	11
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

No repairs.....	10	10	9	8	8	6	5
Less than 0.5 percent.....	4	6	5	5	6	8	6
0.5 to 0.9 percent.....	3	2	4	3	3	3	6
1 to 1.4 percent.....	-----	1	4	2	3	3	2
1.5 to 1.9 percent.....	2	1	1	1	1	-----	1
2 to 2.4 percent.....	2	2	-----	-----	2	1	1
2.5 to 2.9 percent.....	1	-----	-----	1	-----	-----	-----
3 percent and over.....	1	1	-----	3	-----	2	2
Total.....	23	23	23	23	23	23	23

TABLE 34.—Frequency distribution of companies by the ratio of depreciation and depletion to sales, for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine tool-corporations, 1930-36

A. BAKERIES

Ratio of depreciation and depletion to sales	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No depreciation and depletion.....	1	1	1	4	1	1	2
Less than 2 percent.....	6	3	3	4	8	9	11
2 to 3.9 percent.....	14	13	7	10	11	11	12
4 to 5.9 percent.....	5	5	10	8	5	6	2
6 to 7.9 percent.....	1	4	3	3	2		
8 to 9.9 percent.....		1	2	2			
10 percent and over.....			1				
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No depreciation and depletion.....	5	4	4	4	5	5	5
Less than 2 percent.....	22	23	23	23	22	22	21
2 to 3.9 percent.....							
4 to 5.9 percent.....							
6 to 7.9 percent.....							1
8 to 9.9 percent.....							
10 percent and over.....							
Total.....	27	27	27	27	27	27	27

C. FURNITURE

No depreciation and depletion.....	2	2	4	1	2	1	2
Less than 2 percent.....	16	15	9	12	16	20	21
2 to 3.9 percent.....	7	6	10	12	6	3	4
4 to 5.9 percent.....	2	2	2		2	2	
6 to 7.9 percent.....	1	2		1	1	1	
8 to 9.9 percent.....			1				1
10 percent and over.....		1	2	2	1	1	
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No depreciation and depletion.....	1	3	5	6	4	4	4
Less than 2 percent.....	6	4	2	4	2	4	6
2 to 3.9 percent.....	4	3	2	4	7	4	3
4 to 5.9 percent.....	5	1	1	1		3	5
6 to 7.9 percent.....	2	3	1	4	2	4	1
8 to 9.9 percent.....	4	7	3		2	1	4
10 percent and over.....	8	9	16	14	13	10	7
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

No depreciation and depletion.....	4	5	4	4	4	5	2
Less than 2 percent.....	4	3	4	2	4	4	5
2 to 3.9 percent.....	3	3	1	3	3	4	6
4 to 5.9 percent.....	7	1		2	3	4	7
6 to 7.9 percent.....	4	6	1	2	2	3	1
8 to 9.9 percent.....		1	1	2	2		1
10 percent and over.....	1	4	12	8	5	3	1
Total.....	23	23	23	23	23	23	23

TABLE 41-A.—Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent paid to sales for an identical sample of small baking corporations, 1926-36

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1926							
Less than \$100,000.....	8	3	8	3	3	3	28
\$100,000 to \$199,999.....	9	8	5				22
\$200,000 to \$299,999.....	9	4	4	2			19
\$300,000 to \$399,999.....	2	4		1			7
\$400,000 to \$499,999.....	2						2
\$500,000 and over.....	1	2					3
Total.....	31	21	17	6	3	3	81
1927							
Less than \$100,000.....	8	3	8	3	2	2	26
\$100,000 to \$199,999.....	12	3	5	1			21
\$200,000 to \$299,999.....	10	8	3				21
\$300,000 to \$399,999.....	3	3	1	1		1	9
\$400,000 to \$499,999.....							
\$500,000 and over.....	2	2					4
Total.....	35	19	17	5	2	3	81
1928							
Less than \$100,000.....	6	5	7	4		2	24
\$100,000 to \$199,999.....	16	1	4		1		22
\$200,000 to \$299,999.....	9	8	4	1			22
\$300,000 to \$399,999.....	4	2	1		1		8
\$400,000 to \$499,999.....	1	1	1				3
\$500,000 and over.....	1	1					2
Total.....	37	18	17	5	2	2	81
1929							
Less than \$100,000.....	7	3	8	4		2	24
\$100,000 to \$199,999.....	14	2	4		1		21
\$200,000 to \$299,999.....	8	8	2	1			19
\$300,000 to \$399,999.....	6	3	2	1			12
\$400,000 to \$499,999.....		2	1				3
\$500,000 and over.....		2					2
Total.....	35	20	17	6	1	2	81
1930							
Less than \$100,000.....	8	5	6	5		2	26
\$100,000 to \$199,999.....	11	4	4	1		1	21
\$200,000 to \$299,999.....	10	7	5				22
\$300,000 to \$399,999.....	5	2		1			8
\$400,000 to \$499,999.....		1					1
\$500,000 and over.....		2		1			3
Total.....	34	21	15	8		3	81
1931							
Less than \$100,000.....	12	4	5	7	3	2	33
\$100,000 to \$199,999.....	10	6	5			1	22
\$200,000 to \$299,999.....	9	5	2	3			19
\$300,000 to \$399,999.....	1	2	1				4
\$400,000 to \$499,999.....		1		1			2
\$500,000 and over.....	1						1
Total.....	33	18	13	11	3	3	81
1932							
Less than \$100,000.....	13	6	4	4	5	2	34
\$100,000 to \$199,999.....	14	10	4	3		1	32
\$200,000 to \$299,999.....	5	1	2	1			9
\$300,000 to \$399,999.....	1	3					4
\$400,000 to \$499,999.....	1		1				2
\$500,000 and over.....							
Total.....	34	20	11	8	5	3	81

TABLE 41-A.—*Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent paid to sales for an identical sample of small baking corporations, 1926-36—Continued*

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1933							
Less than \$100,000.....	14	5	6	7	1	4	37
\$100,000 to \$199,999.....	11	11	4	2	1		29
\$200,000 to \$299,999.....	5	2	3				10
\$300,000 to \$399,999.....	2	1					3
\$400,000 to \$499,999.....			1				1
\$500,000 and over.....	1						1
Total.....	33	19	14	9	2	4	81
1934							
Less than \$100,000.....	10	7	7	4	2	3	33
\$100,000 to \$199,999.....	11	11	4	1			27
\$200,000 to \$299,999.....	6	3	3	1			13
\$300,000 to \$399,999.....	3		1				4
\$400,000 to \$499,999.....	1						1
\$500,000 and over.....	2		1				3
Total.....	33	21	16	6	2	3	81
1935							
Less than \$100,000.....	12	5	7	2	2	4	32
\$100,000 to \$199,999.....	10	12	5				27
\$200,000 to \$299,999.....	5	2	3	1			11
\$300,000 to \$399,999.....	1	2	1				4
\$400,000 to \$499,999.....	4						4
\$500,000 and over.....	2		1				3
Total.....	34	21	17	3	2	4	81
1936							
Less than \$100,000.....	10	6	4	4	4	2	30
\$100,000 to \$199,999.....	11	9	7				27
\$200,000 to \$299,999.....	3	3	3				9
\$300,000 to \$399,999.....	4	3					7
\$400,000 to \$499,999.....	4	1					5
\$500,000 and over.....	2		1				3
Total.....	34	22	15	4	4	2	81

TABLE 41B.—*Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent paid to sales for an identical sample of small men's clothing corporations, 1926-36*

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1926							
Less than \$100,000.....	1	3	5	4	3	3	19
\$100,000 to \$199,999.....	2	5	5		1		13
\$200,000 to \$299,999.....		4				1	5
\$300,000 to \$399,999.....		3					3
\$400,000 to \$499,999.....		2	1				3
\$500,000 and over.....		3					3
Total.....	3	20	11	4	4	4	46
1927							
Less than \$100,000.....	1	1	3	4	3	4	16
\$100,000 to \$199,999.....	2	6	6	1			15
\$200,000 to \$299,999.....		4				1	5
\$300,000 to \$399,999.....		1	1				2
\$400,000 to \$499,999.....		4					4
\$500,000 and over.....		3		1			4
Total.....	3	19	10	6	3	5	46

TABLE 41-B.—Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent paid to sales for an identical sample of small men's clothing corporations, 1926-36—Continued

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1928							
Less than \$100,000.....		2	5	3	3	4	17
\$100,000 to \$199,999.....	2	5	6	1			14
\$200,000 to \$299,999.....		3	1			1	5
\$300,000 to \$399,999.....		2	1				3
\$400,000 to \$499,999.....		2					2
\$500,000 and over.....		4		1			5
Total.....	2	18	13	5	3	5	46
1929							
Less than \$100,000.....		1	4	4	2	3	14
\$100,000 to \$199,999.....	2	7	4	2	1		16
\$200,000 to \$299,999.....		4				1	5
\$300,000 to \$399,999.....		4	1				5
\$400,000 to \$499,999.....							
\$500,000 and over.....		5		1			6
Total.....	2	21	9	7	3	4	46
1930							
Less than \$100,000.....	1	2	3	3	4	6	19
\$100,000 to \$199,999.....		6	5	1		1	13
\$200,000 to \$299,999.....		1	2				3
\$300,000 to \$399,999.....	1	3	2		1		5
\$400,000 to \$499,999.....		4					4
\$500,000 and over.....		2					2
Total.....	2	18	10	4	5	7	46
1931							
Less than \$100,000.....		3	2	7	4	7	25
\$100,000 to \$199,999.....	1	2	5			1	9
\$200,000 to \$299,999.....	1	1	2			1	5
\$300,000 to \$399,999.....		2					2
\$400,000 to \$499,999.....		4					4
\$500,000 and over.....		1					1
Total.....	4	13	9	7	4	9	46
1932							
Less than \$100,000.....	2	1	6	7	6	9	31
\$100,000 to \$199,999.....	1	2	1	1		1	6
\$200,000 to \$299,999.....	1	3					4
\$300,000 to \$399,999.....		5					5
\$400,000 to \$499,999.....							
\$500,000 and over.....							
Total.....	4	11	7	8	6	10	46
1933							
Less than \$100,000.....	1	4	8	1	9	6	29
\$100,000 to \$199,999.....	1	4	1		2		8
\$200,000 to \$299,999.....	1	2					3
\$300,000 to \$399,999.....							
\$400,000 to \$499,999.....		5					5
\$500,000 and over.....		1					1
Total.....	3	16	9	1	11	6	46
1934							
Less than \$100,000.....	1	5	4	5	8	5	28
\$100,000 to \$199,999.....		4	2				6
\$200,000 to \$299,999.....	1	2			1		4
\$300,000 to \$399,999.....		1					1
\$400,000 to \$499,999.....		3					3
\$500,000 and over.....	1	3					4
Total.....	3	18	6	5	9	5	46

TABLE 41-B.—Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent paid to sales for an identical sample of small men's clothing corporations, 1926-36—Continued

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1935							
Less than \$100,000.....	1	6	7	4	6	5	29
\$100,000 to \$199,999.....		4	1				5
\$200,000 to \$299,999.....	1	1			1		3
\$300,000 to \$399,999.....		3					3
\$400,000 to \$499,999.....		2					2
\$500,000 and over.....	1	3					4
Total.....	3	19	8	4	7	5	46
1936							
Less than \$100,000.....	3	4	8	4	5	3	27
\$100,000 to \$199,999.....		5	1				6
\$200,000 to \$299,999.....	1	1			1		3
\$300,000 to \$399,999.....		2					2
\$400,000 to \$499,999.....		2					2
\$500,000 and over.....	1	5					6
Total.....	5	19	9	4	6	3	46

TABLE 41-C.—Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent to sales for an identical sample of small furniture corporations, 1926-36

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1926							
Less than \$100,000.....	5	3	4	4	3		19
\$100,000 to \$199,999.....	10	6	4	3	2		25
\$200,000 to \$299,999.....	4	6	2		1		13
\$300,000 to \$399,999.....	4			1			5
\$400,000 to \$499,999.....	1	2	1				4
\$500,000 and over.....							
Total.....	24	17	11	8	6		66
1927							
Less than \$100,000.....	5	6	3	1	2	3	20
\$100,000 to \$199,999.....	10	4	7	6		2	29
\$200,000 to \$299,999.....	3	4		1			8
\$300,000 to \$399,999.....	3	2	1		1		7
\$400,000 to \$499,999.....			1				1
\$500,000 and over.....		1					1
Total.....	21	17	12	8	3	5	66
1928							
Less than \$100,000.....	2	5	4	3	3	1	18
\$100,000 to \$199,999.....	9	5	5	2	3	2	26
\$200,000 to \$299,999.....	6	2	2	1	1		12
\$300,000 to \$399,999.....	4	2	1	1			8
\$400,000 to \$499,999.....			1				1
\$500,000 and over.....		1					1
Total.....	21	15	13	7	7	3	66
1929							
Less than \$100,000.....	3	2	2	5	2	1	15
\$100,000 to \$199,999.....	11	5	5	3		3	27
\$200,000 to \$299,999.....	5	2	2	3	2		14
\$300,000 to \$399,999.....	2	2	1				5
\$400,000 to \$499,999.....	1	2	1				4
\$500,000 and over.....	1						1
Total.....	23	13	11	11	4	4	66

TABLE 41-C.—Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent paid to sales for an identical sample of small furniture corporations, 1926-36—Continued

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1930							
Less than \$100,000.....	5	3	4	8	4	1	25
\$100,000 to \$199,999.....	14	3	1	2	1	3	24
\$200,000 to \$299,999.....	3	1	4	2			10
\$300,000 to \$399,999.....	4	1	2				7
\$400,000 to \$499,999.....							
\$500,000 and over.....							
Total.....	26	8	11	12	5	4	66
1931							
Less than \$100,000.....	12	3	3	4	6	9	37
\$100,000 to \$199,999.....	7	4	2	2		2	17
\$200,000 to \$299,999.....	6	1	1	0			8
\$300,000 to \$399,999.....	1	1	1	1			4
\$400,000 to \$499,999.....							
\$500,000 and over.....							
Total.....	26	9	7	7	6	11	66
1932							
Less than \$100,000.....	14	7	2	2	4	20	49
\$100,000 to \$199,999.....	10	2	2			1	15
\$200,000 to \$299,999.....	1						1
\$300,000 to \$399,999.....			1				1
\$400,000 to \$499,999.....							1
\$500,000 and over.....							
Total.....	25	9	5	2	4	21	66
1933							
Less than \$100,000.....	18	4	1	5	5	15	48
\$100,000 to \$199,999.....	6	4			1		11
\$200,000 to \$299,999.....	4	1	1				6
\$300,000 to \$399,999.....							
\$400,000 to \$499,999.....		1					1
\$500,000 and over.....							
Total.....	28	10	2	5	6	15	66
1934							
Less than \$100,000.....	17	5	2	8	1	13	46
\$100,000 to \$199,999.....	7	2	2	1			12
\$200,000 to \$299,999.....	3	3					6
\$300,000 to \$399,999.....	3						1
\$400,000 to \$499,999.....	1						1
\$500,000 and over.....		1					1
Total.....	28	11	4	9	1	13	66
1935							
Less than \$100,000.....	11	3	7	2	7	7	37
\$100,000 to \$199,999.....	9	5		2			16
\$200,000 to \$299,999.....	5	2	2				9
\$300,000 to \$399,999.....	1						1
\$400,000 to \$499,999.....							
\$500,000 and over.....	1	2					3
Total.....	27	12	9	4	7	7	66
1936							
Less than \$100,000.....	10	5	5	5	5	5	35
\$100,000 to \$199,999.....	8	3	4				15
\$200,000 to \$299,999.....	5		1				6
\$300,000 to \$399,999.....	3	2					5
\$400,000 to \$499,999.....			1				1
\$500,000 and over.....	1	3					4
Total.....	27	13	11	5	5	5	66

TABLE 41-D.—Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent paid to sales for an identical sample of small stone and clay products corporations, 1926-36

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1926							
Less than \$100,000	35	4			1	1	41
\$100,000 to \$199,999	15	4					19
\$200,000 to \$299,999	5	2	1				8
\$300,000 to \$399,999							
\$400,000 to \$499,999	1						1
\$500,000 and over		1					1
Total	56	11	1		1	1	70
1927							
Less than \$100,000	31	3	2			2	38
\$100,000 to \$199,999	16	6					22
\$200,000 to \$299,999	3	2	1				6
\$300,000 to \$399,999	2						2
\$400,000 to \$499,999	1						1
\$500,000 and over		1					1
Total	53	12	3			2	70
1928							
Less than \$100,000	32	1	1		1	1	36
\$100,000 to \$199,999	18	5	1				24
\$200,000 to \$299,999	3	4					7
\$300,000 to \$399,999	1						1
\$400,000 to \$499,999	1						1
\$500,000 and over		1					1
Total	55	11	2		1	1	70
1929							
Less than \$100,000	31	1	3	1			36
\$100,000 to \$199,999	20	5	1				26
\$200,000 to \$299,999	2	2					4
\$300,000 to \$399,999	2	1					3
\$400,000 to \$499,999	1						1
\$500,000 and over							
Total	56	9	4	1			70
1930							
Less than \$100,000	40	3	1	2			46
\$100,000 to \$199,999	16	3					19
\$200,000 to \$299,999	1	1					2
\$300,000 to \$399,999		3					3
\$400,000 to \$499,999							
\$500,000 and over							
Total	57	10	1	2			70
1931							
Less than \$100,000	50	2	3	1	1	1	58
\$100,000 to \$199,999	7	3	1				11
\$200,000 to \$299,999	1						1
\$300,000 to \$399,999							
\$400,000 to \$499,999							
\$500,000 and over							
Total	58	5	4	1	1	1	70
1932							
Less than \$100,000	58	4	3		1	3	69
\$100,000 to \$199,999	1						1
\$200,000 to \$299,999							
\$300,000 to \$399,999							
\$400,000 to \$499,999							
\$500,000 and over							
Total	59	4	3		1	3	70

TABLE 41-D.—*Frequency distribution of companies by the size of net sales cross-classified by the ratio of rent paid to sales for an identical sample of small stone and clay products corporations, 1926-36—Continued*

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1933							
Less than \$100,000.....	59	1	1	1		5	67
\$100,000 to \$199,999.....	2	1					3
\$200,000 to \$299,999.....							
\$300,000 to \$399,999.....							
\$400,000 to \$499,999.....							
\$500,000 and over.....							
Total.....	61	2	1	1		5	70
1934							
Less than \$100,000.....	54	5	2		1	4	66
\$100,000 to \$199,999.....	2	1					3
\$200,000 to \$299,999.....	1						1
\$300,000 to \$399,999.....							
\$400,000 to \$499,999.....							
\$500,000 and over.....							
Total.....	57	6	2		1	4	70
1935							
Less than \$100,000.....	52	6	2	1		3	64
\$100,000 to \$199,999.....	5						5
\$200,000 to \$299,999.....	1						1
\$300,000 to \$399,999.....							
\$400,000 to \$499,999.....							
\$500,000 and over.....							
Total.....	58	6	2	1		3	70
1936							
Less than \$100,000.....	47	5	2	1		3	58
\$100,000 to \$199,999.....	6	2					8
\$200,000 to \$299,999.....	3						3
\$300,000 to \$399,999.....							
\$400,000 to \$499,999.....	1						1
\$500,000 and over.....							
Total.....	57	7	2	1		3	70

TABLE 41-E.—Frequency distribution of companies, by the size of net sales, cross-classified by the ratio of rent paid to sales for an identical sample of small machine-tool corporations, 1926-36

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1926							
Less than \$100,000.....	19	10	27	17	2	10	85
\$100,000 to \$199,999.....	11	6	6	1			24
\$200,000 to \$299,999.....	2	2	4				8
\$300,000 to \$399,999.....			1				1
\$400,000 to \$499,999.....							
\$500,000 and over.....							
Total.....	32	18	38	18	2	10	118
1927							
Less than \$100,000.....	21	4	31	15	5	8	84
\$100,000 to \$199,999.....	13	4	7	4			28
\$200,000 to \$299,999.....	2	1	2				5
\$300,000 to \$399,999.....		1					1
\$400,000 to \$499,999.....							
\$500,000 and over.....							
Total.....	36	10	40	19	5	8	118
1928							
Less than \$100,000.....	18	10	28	10	5	6	77
\$100,000 to \$199,999.....	13	4	9	2			28
\$200,000 to \$299,999.....	2	3	2				7
\$300,000 to \$399,999.....	1	1	2				4
\$400,000 to \$499,999.....	1						1
\$500,000 and over.....	1						1
Total.....	36	18	41	12	5	6	118
1929							
Less than \$100,000.....	17	8	23	12	3	5	68
\$100,000 to \$199,999.....	9	10	10				29
\$200,000 to \$299,999.....	5	4	3				12
\$300,000 to \$399,999.....		3					3
\$400,000 to \$499,999.....	1	2					3
\$500,000 and over.....	1	2					3
Total.....	33	29	36	12	3	5	118
1930							
Less than \$100,000.....	28	6	16	15	10	13	88
\$100,000 to \$199,999.....	5	6	6	5			22
\$200,000 to \$299,999.....	3	1	1				5
\$300,000 to \$399,999.....		1					1
\$400,000 to \$499,999.....	1						1
\$500,000 and over.....		1					1
Total.....	37	15	23	20	10	13	118
1931							
Less than \$100,000.....	32	5	6	19	13	25	100
\$100,000 to \$199,999.....	5	4	3	1	1	1	15
\$200,000 to \$299,999.....							
\$300,000 to \$399,999.....	1	1					2
\$400,000 to \$499,999.....		1					1
\$500,000 and over.....							
Total.....	38	11	9	20	14	26	118
1932							
Less than \$100,000.....	34	4	9	7	8	43	105
\$100,000 to \$199,999.....	5	4	1	3			13
\$200,000 to \$299,999.....							
\$300,000 to \$399,999.....							
\$400,000 to \$499,999.....							
\$500,000 and over.....							
Total.....	39	8	10	10	8	43	118

TABLE 41-E.—Frequency distribution of companies, by the size of net sales, cross-classified by the ratio of rent paid to sales for an identical sample of small machine-tool corporations, 1926-36—Continued

Year and net sales	Number of firms showing ratio of rent to sales						Total number of firms
	No rent paid	Less than 2 percent	2 to 3.9 percent	4 to 5.9 percent	6 to 7.9 percent	8 percent and over	
1933							
Less than \$100,000	36	8	12	12	13	26	107
\$100,000 to \$199,999	2	2	2	1			7
\$200,000 to \$299,999	1	2	1				4
\$300,000 to \$399,999							
\$400,000 to \$499,999							
\$500,000 and over							
Total	39	12	15	13	13	26	118
1934							
Less than \$100,000	30	4	16	24	9	16	99
\$100,000 to \$199,999	5	5	1	1	1		13
\$200,000 to \$299,999	1	2	1				4
\$300,000 to \$399,999	1						1
\$400,000 to \$499,999							
\$500,000 and over		1					1
Total	37	12	18	25	10	16	118
1935							
Less than \$100,000	35	3	25	16	7	7	93
\$100,000 to \$199,999	5	6	2	3	1		17
\$200,000 to \$299,999	1	1					1
\$300,000 to \$399,999	1	2					3
\$400,000 to \$499,999	1		1				2
\$500,000 and over	1	1					2
Total	43	13	28	19	8	7	118
1936							
Less than \$100,000	30	10	27	12	4	5	88
\$100,000 to \$199,999	8	5	2				15
\$200,000 to \$299,999	3	1	3				7
\$300,000 to \$399,999	1	1					2
\$400,000 to \$499,999	1						1
\$500,000 and over	2	3					5
Total	45	20	32	12	4	5	118

TABLE 44.—Frequency distribution of companies by the ratio of current assets to total assets for an identical sample of small baking corporations, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of current assets to total assets	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
Nonusable returns							
Less than 15 percent	7	6	5	7	7	5	4
15 to 29.9 percent	10	12	14	11	10	10	8
30 to 44.9 percent	6	6	5	6	6	7	8
45 to 59.9 percent	2	1	1			1	3
60 to 74.9 percent	2	2	2	3	3	2	3
75 percent and over					1	2	1
Total	27	27	27	27	27	27	27

B. MEN'S CLOTHING

Nonusable returns							
Less than 15 percent			1		1	1	
15 to 29.9 percent	1	1		1			1
30 to 44.9 percent	1	1	1	1	1	1	1
45 to 59.9 percent	1	1	1	1	1	2	2
60 to 74.9 percent	2	2	3	2	2	2	2
75 percent and over	22	22	21	22	22	21	21
Total	27	27	27	27	27	27	27

C. FURNITURE

Nonusable returns							1
Less than 15 percent	1	1	2	1	1	1	1
15 to 29.9 percent	1	2	2	3	2	2	
30 to 44.9 percent	1	3	3	1	1	1	4
45 to 59.9 percent	8	6	6	8	7	6	4
60 to 74.9 percent	3	6	7	6	7	5	5
75 percent and over	14	10	8	9	10	13	13
Total	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

Nonusable returns							
Less than 15 percent	3	4	6	7	9	6	6
15 to 29.9 percent	7	7	8	6	5	8	5
30 to 44.9 percent	5	8	5	10	7	6	7
45 to 59.9 percent	7	5	5	2	3	4	5
60 to 74.9 percent	4	3	4	3	4	4	4
75 percent and over	4	3	2	2	2	2	3
Total	30	30	30	30	30	30	30

E. MACHINE TOOLS

Nonusable returns							
Less than 15 percent	2	4	5	3	3	2	1
15 to 29.9 percent	5	5	6	5	6	3	5
30 to 44.9 percent	6	6	5	8	9	12	8
45 to 59.9 percent	7	6	6	6	4	5	6
60 to 74.9 percent	3	2					2
75 percent and over			1	1	1	1	1
Total	23	23	23	23	23	23	23

TABLE 52.—Frequency distribution of companies by the ratio of inventories to current assets for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of inventories to current assets	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No inventories.....							
No current assets.....							
Less than 15 percent.....	1	1	2	2			1
15 to 29.9 percent.....	7	7	5	2	4	4	4
30 to 44.9 percent.....	7	7	7	5	10	4	3
45 to 59.9 percent.....	6	5	8	9	4	12	11
60 to 74.9 percent.....	4	6	5	7	6	4	5
75 percent and over.....	2	1		2	3	3	3
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No inventories.....		1	1	1	1		1
No current assets.....							
Less than 15 percent.....	4	5	5	3	4	3	3
15 to 29.9 percent.....	11	8	7	3	9	5	5
30 to 44.9 percent.....	5	6	6	11	4	10	9
45 to 59.9 percent.....	3	3	4	3	5	3	6
60 to 74.9 percent.....	1	2	3	1	1	5	2
75 percent and over.....	3	2	1	5	3	1	1
Total.....	27	27	27	27	27	27	27

C. FURNITURE

No inventories.....							1
No current assets.....							
Less than 15 percent.....						1	
15 to 29.9 percent.....	4	4	1	1	4	5	6
30 to 44.9 percent.....	8	7	8	8	9	8	7
45 to 59.9 percent.....	9	5	9	6	7	8	10
60 to 74.9 percent.....	5	8	7	8	5	3	2
75 percent and over.....	2	4	3	5	3	3	2
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No inventories.....							
No current assets.....							
Less than 15 percent.....	3	3	4	3	1	2	5
15 to 29.9 percent.....	6	6	6	7	6	6	5
30 to 44.9 percent.....	10	9	7	7	9	8	8
45 to 59.9 percent.....	7	7	7	5	5	7	6
60 to 74.9 percent.....	2	4	3	6	5	3	2
75 percent and over.....	2	1	3	2	4	4	4
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

No inventories.....							
No current assets.....							
Less than 15 percent.....	4						4
15 to 29.9 percent.....	6	7	6	8			7
30 to 44.9 percent.....	5	3	3				3
45 to 59.9 percent.....	4	3	2		4	4	4
60 to 74.9 percent.....	2	2	1	3	1		2
75 percent and over.....	2	3	5	3	4	3	2
Total.....	23	23	23	23	23	23	23

TABLE 56.—Frequency distribution of companies by the ratio of working capital to total capital for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of working capital to total capital	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No working capital							
Deficit working capital	11	12	12	11	14	14	12
Less than 20 percent	8	10	10	10	9	6	7
20 to 39.9 percent	7	3	2	3	2	4	3
40 to 59.9 percent						1	1
60 to 79.9 percent		1	1				1
80 to 99.9 percent			1	1			1
100 percent	1	1	1	2	2	2	2
Total	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No working capital							
Deficit working capital	1	1	2	2	2	2	2
Less than 20 percent		1		1		1	2
20 to 39.9 percent	1		1		1		
40 to 59.9 percent		1	2	1	1	2	1
60 to 79.9 percent	1	2	1	4	3	3	2
80 to 99.9 percent	12	6	9	7	8	7	8
100 percent	12	16	12	12	12	12	12
Total	27	27	27	27	27	27	27

C. FURNITURE

No working capital							1
Deficit working capital	3	4	4	4	5	5	2
Less than 20 percent	2	2	3	5	2	2	3
20 to 39.9 percent	4	4	4	3	4	3	4
40 to 59.9 percent	1		3	4	2	2	4
60 to 79.9 percent	1	3	7	4	4	6	4
80 to 99.9 percent	4	8	1	1	2	2	3
100 percent	13	7	6	7	9	8	7
Total	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No working capital							
Deficit working capital	5	8	9	10	12	11	11
Less than 20 percent	5	6	6	7	7	8	7
20 to 39.9 percent	3	2	6	4	4	6	7
40 to 59.9 percent	5	5	3	6	4	2	2
60 to 79.9 percent	5	2	3	1	1	1	1
80 to 99.9 percent	2	2	1	1	1	1	1
100 percent	5	5	2	1	1	1	1
Total	30	30	30	30	30	30	30

E. MACHINE TOOLS

No working capital							
Deficit working capital	3	4	9	7	6	7	5
Less than 20 percent	6	4	4	4	7	6	7
20 to 39.9 percent	3	6	3	7	4	5	6
50 to 59.9 percent	3	4	3	1	3	2	2
60 to 79.9 percent	2	1	1	1	1	1	2
80 to 99.9 percent	1		1	1			
100 percent	5	4	2	2	2	2	1
Total	23	23	23	23	23	23	23

TABLE 58.—*Frequency distribution of companies by the ratio of current assets to current liabilities, for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36*

A. BAKERIES

Ratio of current assets to current liabilities	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No current liabilities				1			1
No current assets							
Less than 1	10	12	12	11	15	14	12
1 to 1.9	12	8	6	10	6	6	10
2 to 2.9	2	2	3		1	1	1
3 to 3.9	1	1	2	3	2	2	2
4 and over	2	4	4	2	3	4	3
Total	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No current liabilities	1					1	1
No current assets							
Less than 1	1		2	2	2	2	2
1 to 1.9		3	4	8	6	11	14
2 to 2.9	11	10	4	8	6	8	5
3 to 3.9	5	4	4	3	5	2	2
4 and over	5	10	13	6	8	3	3
Total	27	27	27	27	27	27	27

C. FURNITURE

No current liabilities							1
No current assets							
Less than 1	3	4	4	4	5	5	2
1 to 1.9	11	8	8	10	7	8	13
2 to 2.9	6	9	9	6	8	8	8
3 to 3.9	4	2	2	3	2	2	1
4 and over	4	5	5	5	6	5	3
Total	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No current liabilities	1	1					
No current assets							
Less than 1	5	9	9	10	12	11	11
1 to 1.9	8	6	8	8	7	6	7
2 to 2.9	3	4	1	2	1	2	4
3 to 3.9	2	1	1	1	2	1	1
4 and over	11	9	11	9	8	10	7
Total	30	30	30	30	30	30	30

E. MACHINE TOOLS

No current liabilities							
No current assets							
Less than 1	3	4	8	8	6	7	5
1 to 1.9	6	7	4	3	8	6	6
2 to 2.9	3	3	5	5	2	3	2
3 to 3.9	2	2	1	2		1	4
4 and over	9	7	5	5	7	6	6
Total	23	23	23	23	23	23	23

TABLE 60.—Frequency distribution of companies by the ratio of cash and receivables to current liabilities for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of cash and receivables to current liabilities	Number of firms reported for year--						
	1930	1931	1932	1933	1934	1935	1936
No current liabilities				1		1	1
No cash and receivables							
Less than 1	21	18	18	18	21	19	20
1 to 1.9	3	4	3	6	3	3	3
2 to 2.9	2	3	3			2	1
3 to 3.9							1
4 to 4.9		1	1		1		
5 and over	1	1	2	2	2	2	1
Total	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No current liabilities	1					1	1
No cash and receivables							
Less than 1	5	4	4	10	7	10	10
1 to 1.9	11	9	9	11	7	13	12
2 to 2.9	5	3	4	3	7	2	2
3 to 3.9	1	6	2		3	2	1
4 to 4.9	2	1	2				0
5 and over	2	4	6	3	3	1	1
Total	27	27	27	27	27	27	27

C. FURNITURE

No current liabilities							
No cash and receivables							
Less than 1	15	12	13	17	12	12	13
1 to 1.9	8	11	10	7	10	9	10
2 to 2.9	2	1	2	3	2	3	2
3 to 3.9	1	2	1		3	1	1
4 to 4.9	1					1	1
5 and over	1	2	2	1	1	2	1
Total	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No current liabilities	1	1					
No cash and receivables							
Less than 1	11	14	13	15	19	16	17
1 to 1.9	5	2	5	5	1	5	4
2 to 2.9	1	3	3	3	5	2	3
3 to 3.9	2	1		4	1	2	
4 to 4.9	2	1	2			2	1
5 and over	8	8	7	3	4	3	5
Total	30	30	30	30	30	30	30

E. MACHINE TOOLS

No current liabilities							
No cash and receivables							
Less than 1	9	11	13	11	9	11	12
1 to 1.9	3	3	3	6	9	5	2
2 to 2.9	3	1	3	2		2	5
3 to 3.9	1	1		1	1		1
4 to 4.9	2	1		1	1	2	
5 and over	5	6	4	2	3	3	3
Total	23	23	23	23	23	23	23

TABLE 62.—Frequency distribution of companies by the ratio of notes payable to current liabilities for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of notes payable to current liabilities	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No current liabilities							
No notes payable	6	8	8	10	10	9	9
Less than 10 percent	1	3	3	3	5	4	3
10 to 19.9 percent	4	3	4	4	2	3	5
20 to 29.9 percent	2	1	2	2		3	3
30 to 39.9 percent	3	2	4	1	1		1
40 to 49.9 percent	1	3			2	3	
50 to 59.9 percent	2			1	2		1
60 percent and over	8	7	6	6	5	5	5
Total	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No current liabilities							
No notes payable	9	10	13	7	10	9	6
Less than 10 percent	1	3	4	2	2	3	2
10 to 19.9 percent	5	1	2	2	2	1	4
20 to 29.9 percent	2	3	2	6	3	4	3
30 to 39.9 percent	2	3	1	3	2	4	2
40 to 49.9 percent	1	2		2	2	2	5
50 to 59.9 percent	2	2	1	1	2		2
60 percent and over	5	3	4	4	4	4	3
Total	27	27	27	27	27	27	27

C. FURNITURE

No current liabilities							
No notes payable	9	7	6	7	9	10	10
Less than 10 percent	1	1	2	1	2	3	3
10 to 19.9 percent	2	1	4	5	2	3	4
20 to 29.9 percent	3	4	1	1	5	3	1
30 to 39.9 percent	2	2	4	4	4	4	2
40 to 49.9 percent	1	5	1	1	2		2
50 to 59.9 percent	4	2	2	2		2	3
60 percent and over	7	6	8	7	4	3	3
Total	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No current liabilities							
No notes payable	16	15	16	12	15	15	9
Less than 10 percent	3	2	3	3	2	1	5
10 to 19.9 percent	1	1	1	2	1	3	1
20 to 29.9 percent		1	2		2	1	
30 to 39.9 percent	1			1	3		3
40 to 49.9 percent		2		3	1	3	2
50 to 59.9 percent			1	2	1		2
60 percent and over	9	9	7	7	5	7	8
Total	30	30	30	30	30	30	30

E. MACHINE TOOLS

No current liabilities							
No notes payable	9	6	6	6	8	9	9
Less than 10 percent				1	1		
10 to 19.9 percent	1		1	3	1	1	3
20 to 29.9 percent		1	2			2	5
30 to 39.9 percent		1			2	5	
40 to 49.9 percent	2	2	3	2	4	1	2
50 to 59.9 percent	2	1	2	4	2		
60 percent and over	9	12	9	7	5	5	4
Total	23	23	23	23	23	23	23

TABLE 63.—Frequency distribution of companies by the ratio of accounts payable to current liabilities for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1926-36

A. BAKERIES

Ratio of accounts payable to current liabilities	Number of firms reported for year—										
	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
No current liabilities.....	5	4	4	2	3	5	4	4	5	5	4
No accounts payable.....	6	4	4	4	2	3	4	3	3	1	3
Less than 20 percent.....	10	13	10	8	7	9	7	7	7	5	5
20 to 39.9 percent.....	12	8	12	12	8	6	8	10	8	7	8
40 to 59.9 percent.....	13	9	9	11	14	8	5	17	16	19	15
60 to 79.9 percent.....	12	19	15	16	10	14	16	12	10	15	20
80 to 99.9 percent.....	8	10	12	13	20	16	24	13	18	18	19
100 percent.....	15	14	15	15	17	20	13	15	14	11	7
Total.....	81	81	81	81	81	81	81	81	81	81	81

B. MEN'S CLOTHING

No current liabilities.....	2	2	1	1	1	1	1	3		1	1
No accounts payable.....			1	1	1	2	2				
Less than 20 percent.....	5	4	4	6	4	5	8	2	6	3	3
20 to 39.9 percent.....	9	6	4	9	9	5	5	9	4	7	8
40 to 59.9 percent.....	6	9	7	4	6	7	7	4	8	4	8
60 to 79.9 percent.....	9	11	13	7	9	8	5	10	3	6	8
80 to 99.9 percent.....	7	5	8	10	8	7	12	11	12	15	14
100 percent.....	8	9	8	8	8	11	6	7	13	10	4
Total.....	46	46	46	46	46	46	46	46	46	46	46

C. FURNITURE

No current liabilities.....	1	1	1	1		1	1	1	1		1
No accounts payable.....	2	3	3	2	2	4	1	2	3	3	2
Less than 20 percent.....	10	6	2	5	8	5	9	10	9	7	8
20 to 39.9 percent.....	13	16	16	14	11	16	12	12	11	11	4
40 to 59.9 percent.....	13	12	12	12	11	13	9	15	10	8	14
60 to 79.9 percent.....	4	10	12	13	9	6	9	8	9	18	14
80 to 99.9 percent.....	11	8	9	8	10	7	12	8	13	10	18
100 percent.....	12	10	11	11	15	14	13	10	10	9	5
Total.....	66	66	66	66	66	66	66	66	66	66	66

D. STONE AND CLAY PRODUCTS

No current liabilities.....	2	3	7	4	3	6	4	4	1	1	2
No accounts payable.....	8	9	7	11	9	8	6	3	5	7	5
Less than 20 percent.....	13	13	11	14	21	17	15	20	21	20	18
20 to 39.9 percent.....	11	10	15	12	5	13	18	9	9	9	13
40 to 59.9 percent.....	9	9	7	9	6	6	6	6	4	4	10
60 to 79.9 percent.....	6	11	10	6	7	8	6	8	9	10	11
80 to 99.9 percent.....	9	3	3	7	9	4	4	11	8	10	3
100 percent.....	12	12	10	7	10	8	11	9	13	9	8
Total.....	70	70	70	70	70	70	70	70	70	70	70

E. MACHINE TOOLS

No current liabilities.....	1					1	1			2	1
No accounts payable.....	3	3	4	4	2	1	5	4	3	3	3
Less than 20 percent.....	21	22	15	12	21	17	19	20	20	21	27
20 to 39.9 percent.....	30	26	30	26	22	27	20	20	22	20	16
40 to 59.9 percent.....	14	21	18	19	18	14	15	20	17	12	16
60 to 79.9 percent.....	11	11	19	17	16	15	19	16	12	22	22
80 to 99.9 percent.....	14	12	12	14	16	20	16	15	21	18	20
100 percent.....	24	23	20	26	23	23	23	23	23	20	13
Total.....	118	118	118	118	118	118	118	118	118	118	118

TABLE 64.—*Frequency distribution of companies by the ratio of accounts payable to current liabilities for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36*

A. BAKERIES

Ratio of accounts payable to current liabilities	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No current liabilities.....				1			1
No accounts payable.....	4	4	3	3	3	4	3
Less than 20 percent.....	3	4	4	4	3	3	3
20 to 39.9 percent.....	4	2	2	2	3	3	3
40 to 59.9 percent.....	3	4	1	3	4	4	3
60 to 79.9 percent.....	5	4	6	4	2	3	4
80 to 99.9 percent.....	6	7	7	8	10	9	8
100 percent.....	2	2	4	2	2	1	2
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No current liabilities.....							
No accounts payable.....	2	1				1	1
Less than 20 percent.....	2	1	1	3	3	1	1
20 to 39.9 percent.....	1	1	3	2	2	3	2
40 to 59.9 percent.....	5	4	1	2	5	4	6
60 to 79.9 percent.....	4	6	4	9	4	6	5
80 to 99.9 percent.....	9	9	10	8	13	11	11
100 percent.....	4	5	8	3		1	
Total.....	27	27	27	27	27	27	27

C. FURNITURE

No current liabilities.....							
No accounts payable.....					1	1	2
Less than 20 percent.....	4	3	5	2	2	1	1
20 to 39.9 percent.....	3	3	6	8	3	4	5
40 to 59.9 percent.....	6	8	4	1	4	3	1
60 to 79.9 percent.....	6	5	3	7	7	8	9
80 to 99.9 percent.....	6	4	5	6	8	9	8
100 percent.....	3	5	5	4	3	2	2
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No current liabilities.....	1						
No accounts payable.....	1	2	1	1	2	3	3
Less than 20 percent.....	6	7	8	7	8	5	8
20 to 39.9 percent.....	4	5	3	4	1		2
40 to 59.9 percent.....	3	5	5	5	5	4	4
60 to 79.9 percent.....	6	2	2	2	3	6	4
80 to 99.9 percent.....	4	3	6	6	4	7	6
100 percent.....	5	6	5	5	7	5	3
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

No current liabilities.....							
No accounts payable.....	1	1	2	1	2	1	2
Less than 20 percent.....	8	8	5	6	4	5	3
20 to 39.9 percent.....	2	5	5	4	5	4	3
40 to 59.9 percent.....	4	3	5	4	4	5	5
60 to 79.9 percent.....	1	1	2	2	3	3	3
80 to 99.9 percent.....	5	2	3	5	4	5	5
100 percent.....	2	3	1	1	1		2
Total.....	23	23	23	23	23	23	23

TABLE 66.—Frequency distribution of companies by the ratio of net capital assets (including land) to total investment for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36—Continued

A. BAKERIES

Ratio of net capital assets (including land) to total investment	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No investment.....	1	1	1	2	2	2	2
Less than 20 percent.....				1			
20 to 39.9 percent.....	2	2	2	1	1	1	3
40 to 59.9 percent.....	2	1	1	2	2	3	1
60 to 79.9 percent.....	4	4	4	4	4	3	5
80 to 99.9 percent.....	10	9	10	10	8	6	7
100 percent and over.....	8	10	9	7	10	12	9
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No investment.....	1	1	2	1	1	2	2
Less than 20 percent.....	22	22	21	21	21	20	18
20 to 39.9 percent.....	1	2	2	3	3	3	5
40 to 59.9 percent.....	2	1	1	1	1	1	1
60 to 79.9 percent.....							
80 to 99.9 percent.....	1	1					
100 percent and over.....			1	1	1	1	1
Total.....	27	27	27	27	27	27	27

C. FURNITURE

No investment.....						1	2
Less than 20 percent.....	9	9	9	8	9	9	9
20 to 39.9 percent.....	6	6	3	4	4	5	4
40 to 59.9 percent.....	7	7	9	7	6	6	8
60 to 79.9 percent.....	3	1	1	4	5	4	3
80 to 99.9 percent.....	2	4	4	4	1	1	2
100 percent and over.....	1	1	2	1	3	2	
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No investment.....		2	2	2	2	2	2
Less than 20 percent.....	3	1	2	2	2	2	3
20 to 39.9 percent.....	7	6	4	3	4	5	4
40 to 59.9 percent.....	7	5	5	6	5	3	3
60 to 79.9 percent.....	6	5	6	6	5	6	5
80 to 99.9 percent.....	3	6	5	3	3	5	6
100 percent and over.....	4	5	6	8	9	7	7
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

No investment.....				1	1	2	
Less than 20 percent.....	1	1	1	1	1	2	2
20 to 39.9 percent.....	3	3	2	2	2	1	1
40 to 59.9 percent.....	9	7	4	2	4	5	6
60 to 79.9 percent.....	4	4	5	6	5	5	6
80 to 99.9 percent.....	3	4	4	6	5	3	3
100 percent and over.....	3	4	7	5	5	5	5
Total.....	23	23	23	23	23	23	23

TABLE 68.—Frequency distribution of companies by the ratio of funded debt to net capital assets (including land) for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of funded debt to net capital assets (including land)	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No funded debt.....	20	19	19	18	20	19	20
Less than 20 percent.....	2	1	1	2	1	2	2
20 to 39.9 percent.....	4	6	6	6	5	5	5
40 to 59.9 percent.....	1	1	1	1	1	1	2
60 to 79.9 percent.....							
80 to 99.9 percent.....							
100 percent and over.....							
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No funded debt.....	26	26	26	26	26	26	26
Less than 20 percent.....					1	1	1
20 to 39.9 percent.....							
40 to 59.9 percent.....							
60 to 79.9 percent.....	1	1	1	1			
80 to 99.9 percent.....							
100 percent and over.....							
Total.....	27	27	27	27	27	27	27

C. FURNITURE

No funded debt.....	20	21	21	22	22	23	21
Less than 20 percent.....	4	3	3	1	1	1	1
20 to 39.9 percent.....	1	2	2	3	3	2	4
40 to 59.9 percent.....	1	1	1	1	1	1	1
60 to 79.9 percent.....	1	1					
80 to 99.9 percent.....			1	1	1		1
100 percent and over.....	1					1	1
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No funded debt.....	21	22	22	22	23	23	22
Less than 20 percent.....	3	2	2	2	1	1	1
20 to 39.9 percent.....	4	4	4	3	2	1	2
40 to 59.9 percent.....	2	2	2	2	3	3	2
60 to 79.9 percent.....				1	1		1
80 to 99.9 percent.....						1	
100 percent and over.....						1	2
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

No funded debt.....	19	19	17	17	17	19	18
Less than 20 percent.....	1	1	3	2	3	1	1
20 to 39.9 percent.....	2	2	2	2	1		3
40 to 59.9 percent.....	1	1	1	2	2	3	
60 to 79.9 percent.....							1
80 to 99.9 percent.....							
100 percent and over.....							
Total.....	23	23	23	23	23	23	23

TABLE 73.—Frequency distribution of companies by the ratio of economic income to tangible net worth for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1926-36—Continued

D. STONE AND CLAY PRODUCTS

Ratio of economic income to tangible net worth	Number of firms reported for year—										
	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Returns with deficit and net profit.....		1									
Returns with loss of—											
18 percent and over.....	3	3	3	6	8	20	26	15	12	10	8
12 to 17.9 percent.....	2	1	3	3	6	8	7	9	9	6	3
6 to 11.9 percent.....	3	6		4	11	8	12	16	4	12	2
0 to 5.9 percent.....	9	10	9	12	16	15	14	14	23	12	17
Returns with deficit and net loss.				1		1	3	4	4	4	4
Returns with profit of—											
0 to 2.9 percent.....	11	9	9	15	11	8	5	6	8	8	10
3 to 5.9 percent.....	10	10	14	10	3	5	1	3	2	10	3
6 to 8.9 percent.....	8	11	11	6	7	2	1	3	3	1	4
9 to 11.9 percent.....	4	6	5	4	1	1	1		2	2	
12 to 17.9 percent.....	6	5	8	7	2				3	3	6
18 to 29.9 percent.....	10	4	5	2	5	1				1	8
30 percent and over.....	4	4	3	1		1				1	5
Total.....	70	70	70	70	70	70	70	70	70	70	70

E. MACHINE TOOLS

Returns with deficit and net profit.....	1							1	2	2	3
Returns with loss of—											
18 percent and over.....	15	14	13	10	28	42	45	27	18	15	6
12 to 17.9 percent.....	5	3		3	12	8	13	8	5	5	7
6 to 11.9 percent.....	5	8	11	5	16	18	20	18	8	8	5
0 to 5.9 percent.....	13	22	8	6	15	15	20	28	26	20	29
Returns with deficit and net loss.		2	1	1	4	4	8	10	12	10	10
Returns with profit of—											
0 to 2.9 percent.....	11	14	11	8	17	6	7	10	13	17	6
3 to 5.9 percent.....	5	14	15	8	7	6	2	6	7	4	10
6 to 8.9 percent.....	7	5	8	7	8	5	1	2	6	6	5
9 to 11.9 percent.....	13	5	7	14	2	5	1	1	8	6	5
12 to 17.9 percent.....	15	9	12	10	3	3		2	3	8	15
18 to 29.9 percent.....	11	8	15	16	3	2	1	2	4	8	7
30 percent and over.....	17	14	17	30	3	4		3	4	9	10
Total.....	118	118	118	118	118	118	118	118	118	118	118

TABLE 74.—Frequency distribution of companies by the ratio of economic income to tangible net worth for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of economic income to tangible net worth	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
Returns with negative tangible net worth—positive economic income.....							1
Returns with negative economic income—positive tangible net worth.....	6	13	15	14	14	8	8
Returns with negative economic income—negative tangible net worth.....	1	1	1	2	2	3	1
0 to 3.0 percent.....	4	2	3	2	2	4	4
3 to 5.9 percent.....	4	1	3	1	4		1
6 to 8.9 percent.....	1	1	1			2	
9 to 11.9 percent.....	1					2	1
12 to 14.9 percent.....	2	2		3		1	2
15 percent and over.....	8	7	4	4	5	7	9
Total.....	27	27	27	27	27	27	27

TABLE 74.—*Frequency distribution of companies by the ratio of economic income to tangible net worth for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36—Continued*

B. MEN'S CLOTHING

Ratio of economic income to tangible net worth	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
Returns with negative tangible net worth—positive economic income	1	1					
Returns with negative economic income—positive tangible net worth	4	11	23	10	10	13	9
Returns with negative economic income—negative tangible net worth							
0 to 3.0 percent	7	6	3	9	12	9	12
3 to 5.9 percent	8	5		3	3	2	2
6 to 8.9 percent	2			2	1		1
9 to 11.9 percent	3	2		1		2	1
12 to 14.9 percent	1	1		2	1	1	1
15 percent and over	1	1	1				1
Total	27	27	27	27	27	27	27

C. FURNITURE

Returns with negative tangible net worth—positive economic income							
Returns with negative economic income—positive tangible net worth	18	18	24	15	16	10	5
Returns with negative economic income—negative tangible net worth		1	1	1	1	2	3
0 to 3.0 percent	1	4	2	5	5	11	10
3 to 5.9 percent	3	1	1	2	3	1	4
6 to 8.9 percent	2			1			1
9 to 11.9 percent		2		1	1	1	1
12 to 14.9 percent	1			2	1	2	
15 percent and over	3	1		1	1	1	4
Total	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

Returns with negative tangible net worth—positive economic income							
Returns with negative economic income—positive tangible net worth	15	23	28	28	23	17	15
Returns with negative economic income—negative tangible net worth		1	1	1	1	2	3
0 to 3.0 percent	7	4	1	1	3	6	5
3 to 5.9 percent	2	1				2	
6 to 8.9 percent	1				1	1	2
9 to 11.9 percent	2						2
12 to 14.9 percent							
15 percent and over	3	1			2	2	3
Total	30	30	30	30	30	30	30

E. MACHINE TOOLS

Returns with negative tangible net worth—positive economic income							
Returns with negative economic income—positive tangible net worth	12	18	21	15	12	11	7
Returns with negative economic income—negative tangible net worth				1	2	2	
0 to 3.0 percent	3	2		4	3	2	3
3 to 5.9 percent	4	1		2	3	1	3
6 to 8.9 percent			1		1	3	2
9 to 11.9 percent	1	1				1	1
12 to 14.9 percent					2	1	1
15 percent and over	3	1	1	1		2	6
Total	23	23	23	23	23	23	23

TABLE 76.—Frequency distribution of companies by the ratio of economic income before interest and income taxes to total investment in enterprise for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of economic income before interest and income taxes to total investment in enterprise	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
Loss and negative total investment in enterprise	1	1	1	2	2	2	2
Net loss	6	11	11	9	13	7	6
Less than 5 percent	6	4	5	9	2	5	6
5 to 9.9 percent	4	2	3	3	5	2	3
10 to 14.9 percent	2	4	1	3	—	3	—
15 to 19.9 percent	1	1	—	1	1	4	4
20 to 24.9 percent	—	—	—	—	1	1	—
25 percent and over	6	4	3	3	3	3	6
Total	27	27	27	27	27	27	27

B. MEN'S CLOTHING

Loss and negative total investment in enterprise	—	—	—	—	—	—	—
Net loss	4	10	21	6	9	6	6
Less than 5 percent	8	9	3	11	11	15	13
5 to 9.9 percent	10	5	1	7	5	3	4
10 to 14.9 percent	3	2	1	2	1	2	2
15 to 19.9 percent	1	1	—	1	1	1	1
20 to 24.9 percent	1	—	—	—	—	—	1
25 percent and over	—	—	1	—	—	—	—
Total	27	27	27	27	27	27	27

C. FURNITURE

Loss and negative total investment in enterprise	—	—	—	—	—	1	2
Net loss	14	16	23	13	14	9	4
Less than 5 percent	8	6	4	7	8	13	11
5 to 9.9 percent	1	2	1	4	3	1	5
10 to 14.9 percent	1	3	—	2	2	2	1
15 to 19.9 percent	3	—	—	1	—	1	1
20 to 24.9 percent	—	—	—	—	—	1	1
25 percent and over	1	1	—	1	1	—	3
Total	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

Loss and negative total investment in enterprise	—	1	1	1	1	1	1
Net loss	15	22	27	25	21	16	15
Less than 5 percent	8	—	2	4	4	9	7
5 to 9.9 percent	3	5	—	—	2	2	3
10 to 14.9 percent	2	1	—	—	—	—	1
15 to 19.9 percent	—	—	—	—	—	—	—
20 to 24.9 percent	1	—	—	—	—	—	—
25 percent and over	1	1	—	—	2	2	3
Total	30	30	30	30	30	30	30

E. MACHINE TOOLS

Loss and negative total investment in enterprise	—	—	—	2	1	2	—
Net loss	10	18	20	12	12	11	6
Less than 5 percent	8	2	2	6	4	4	4
5 to 9.9 percent	1	2	—	2	4	2	3
10 to 14.9 percent	2	—	—	—	—	2	2
15 to 19.9 percent	—	—	—	—	1	—	3
20 to 24.9 percent	1	—	—	—	—	—	2
25 percent and over	1	1	1	1	1	2	3
Total	23	23	23	23	23	23	23

TABLE 80.—Frequency distribution of companies by the ratio of net worth to total debt for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36—Continued

A. BAKERIES

Ratio of net worth to total debt	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
Negative net worth.....	1	1	1	2	2	3	2
Less than 1.....	6	5	5	6	9	7	8
1 to 1.9.....	5	8	9	6	6	4	6
2 to 2.9.....	4	2	2	2	2	5	4
3 to 3.9.....	3	2	1	2			
4 to 4.9.....	1	1	1	1	2		1
5 to 9.9.....	4	3	3	4	1	2	1
10 and over.....	3	5	5	4	5	6	4
No total debt reported.....							1
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

Negative net worth.....							
Less than 1.....	4	2	2	5	6	9	16
1 to 1.9.....	10	9	7	12	6	11	5
2 to 2.9.....	6	3	3	4	4	2	2
3 to 3.9.....		4	4	1	4	1	2
4 to 4.9.....	2	3	2	2	3	1	
5 to 9.9.....	2	2	6	2	3	1	1
10 and over.....	2	4	3	1	1	1	
No total debt reported.....	1					1	1
Total.....	27	27	27	27	27	27	27

C. FURNITURE

Negative net worth.....						1	3
Less than 1.....	7	5	4	6	5	5	5
1 to 1.9.....	9	9	8	6	9	13	15
2 to 2.9.....	5	6	10	6	6	5	2
3 to 3.9.....	1	2		6	3		
4 to 4.9.....	3	2		2	1		
5 to 9.9.....	2	2	3		2	2	2
10 and over.....	1	2	3	2	2	2	1
No total debt reported.....							
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

Negative net worth.....		1	1	1	1	1	2
Less than 1.....	1	3	5	6	6	8	8
1 to 1.9.....	7	6	4	4	5	4	3
2 to 2.9.....	5	1	2	3	3	4	6
3 to 3.9.....	3	4	2	1	2		
4 to 4.9.....	1	2	1	3	2	2	2
5 to 9.9.....	1	2	5	3	5	2	3
10 and over.....	11	10	10	9	6	9	6
No total debt reported.....	1	1					
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

Negative net worth.....				1	1	2	
Less than 1.....	1	2	2	3	4	2	5
1 to 1.9.....	4	4	7	6	1	4	4
2 to 2.9.....	4	2	4	4	6	5	3
3 to 3.9.....	3	2	2	1	3	1	1
4 to 4.9.....	1	2	1	1	1	3	
5 to 9.9.....	4	7	3	3	1	2	7
10 and over.....	6	4	4	4	6	4	3
No total debt reported.....							
Total.....	23	23	23	23	23	23	23

TABLE 84.—Frequency distribution of companies by the ratio of sales to net capital assets (including land) for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of sales to net capital assets (including land)	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
Nonusable returns.....							
Less than 1.....		1	3	2	1		
1 to 1.9.....	5	3	3	4	4	5	4
2 to 2.9.....	6	6	5	3	2		1
3 to 3.9.....		3	4	4	3	3	2
4 to 4.9.....	5	2			2	4	3
5 to 9.9.....	3	8	9	11	10	10	8
10 and over.....	8	4	3	3	6	5	9
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

Nonusable returns.....	1	1	1	1	1	1	1
Less than 1.....							
1 to 1.9.....							
2 to 2.9.....							1
3 to 3.9.....			1		1	1	
4 to 4.9.....	1	1	3	2	1	1	1
5 to 9.9.....	25	25	22	24	24	24	24
10 and over.....							
Total.....	27	27	27	27	27	27	27

C. FURNITURE

Nonusable returns.....							1
Less than 1.....	2	3	4	4	3	2	1
1 to 1.9.....	2	2	3	3	3	1	3
2 to 2.9.....	1	4	6	3	2	3	2
3 to 3.9.....	5	3		1	6		
4 to 4.9.....	1		4	4		4	1
5 to 9.9.....	5	5	4	2	4	4	4
10 and over.....	12	11	8	11	11	14	16
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

Nonusable returns.....		1	1	1	1	1	1
Less than 1.....	11	15	19	18	15	13	10
1 to 1.9.....	4	4	4	4	5	3	5
2 to 2.9.....	4	4	1	3	2	4	2
3 to 3.9.....	4	1	1		2	1	3
4 to 4.9.....	2	1			1	4	1
5 to 9.9.....	2	2	2	3	2	2	6
10 and over.....	3	2	2	1	2	2	2
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

Nonusable returns.....						1	1
Less than 1.....	4	10	13	12	9	6	4
1 to 1.9.....	7	6	5	4	3	6	5
2 to 2.9.....	5	1	2	3	6	1	3
3 to 3.9.....		3	1	2	2	4	1
4 to 4.9.....	3				1	3	3
5 to 9.9.....	2	1					3
10 and over.....	2	2	2	2	2	2	3
Total.....	23	23	23	23	23	23	23

TABLE 86.—Frequency distribution of companies by the ratio of sales to working capital for an identical sample of small baking, furniture, men's clothing, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of sales to working capital	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
Nonusable returns.....							
Deficit working capital.....							
Less than 2.....	11	12	12	11	15	14	12
2 to 3.9.....							
4 to 5.9.....	1	1					
6 to 7.9.....			2	1	1	1	1
8 to 9.9.....				2			
10 and over.....	15	14	13	13	11	12	14
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

Nonusable returns.....							
Deficit working capital.....							
Less than 2.....	1	1	2	2	2	2	2
2 to 3.9.....	2	2	3	1	1	1	2
4 to 5.9.....	6	8	9	10	5	7	3
6 to 7.9.....	9	5	8	8	10	7	7
8 to 9.9.....	3	6	3	2	5	4	5
10 and over.....	4	4	2	3		1	4
Total.....	27	27	27	27	27	27	27

C. FURNITURE

Nonusable returns.....							1
Deficit working capital.....							3
Less than 2.....	3	4	4	4	5	5	3
2 to 3.9.....	10	10	7	11	11	2	2
4 to 5.9.....	8	7	8	5	5	13	8
6 to 7.9.....	3	2	3	2	2	2	5
8 to 9.9.....	2	1		2	2	2	3
10 and over.....	2	3	4	4	3	4	6
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

Nonusable returns.....							
Deficit working capital.....							
Less than 2.....	5	9	9	10	12	11	11
2 to 3.9.....	6	7	9	7	5	7	3
4 to 5.9.....	9	11	9	6	6	5	5
6 to 7.9.....	4		1	5	3	1	5
8 to 9.9.....	2				2	2	
10 and over.....	4	3	2	2	2	4	4
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

Nonusable returns.....						1	1
Deficit working capital.....						7	5
Less than 2.....	2	4	9	7	6	4	1
2 to 3.9.....	2	4	6	7	4	4	4
4 to 5.9.....	8	5	4	3	4	5	4
6 to 7.9.....	4	5	1	4	3		4
8 to 9.9.....	1		1		2	2	4
10 and over.....		2			2	2	1
Total.....	6	3	2	2	2	2	3
Total.....	23	23	23	23	23	23	23

TABLE 88.—Frequency distribution of companies by the ratio of sales to total receivables for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of sales to total receivables	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
No receivables.....	1	1	1	3	2	2	1
Less than 2.....							
2 to 3.9.....							
4 to 5.9.....							
6 to 7.9.....	1		1	1	1		
8 to 9.9.....	1	1				1	1
10 and over.....	24	25	25	23	24	24	25
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

No receivables.....					1	1	
Less than 2.....							
2 to 3.9.....	5	5	5	5	2	5	4
4 to 5.9.....	8	4	6	9	9	10	11
6 to 7.9.....	5	8	6	3	7	2	1
8 to 9.9.....	2	3	5	5		3	3
10 and over.....	7	7	5	5	8	6	8
Total.....	27	27	27	27	27	27	27

C. FURNITURE

No receivables.....							1
Less than 2.....	1		1				
2 to 3.9.....	6	6	8	6	5	2	1
4 to 5.9.....	5	9	9	10	8	6	8
6 to 7.9.....	10	4	4	5	5	10	12
8 to 9.9.....	3	4	2	4	6	4	3
10 and over.....	3	5	4	3	4	6	3
Total.....	28	28	28	28	28	28	28

D. STONE AND CLAY PRODUCTS

No receivables.....							
Less than 2.....	2	3	11	11	5	4	1
2 to 3.9.....	8	12	6	9	8	5	6
4 to 5.9.....	9	5	4		4	6	7
6 to 7.9.....	3	4	8	8	6	8	2
8 to 9.9.....	2	3			3	2	5
10 and over.....	6	3	1	2	4	5	9
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

No receivables.....						1	1
Less than 2.....	1	4	4	4	2	1	
2 to 3.9.....	3	4	3	5	2	1	
4 to 5.9.....	4	2	4	3	5	4	2
6 to 7.9.....	4	3	5	6	7	7	8
8 to 9.9.....	6	3	1		3	2	3
10 and over.....	5	7	6	5	4	7	9
Total.....	23	23	23	23	23	23	23

TABLE 89.—Frequency distribution of companies by the ratio of sales to inventory for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1926-36—Continued

E. MACHINE TOOLS

Ratio of sales to inventory	Number of firms reported for year—										
	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Nonusable returns.....	7	7	7	7	7	7	7	7	6	6	7
Less than 2.....	16	13	16	8	17	32	37	35	25	17	14
2 to 3.9.....	15	17	12	19	20	12	12	12	12	16	14
4 to 5.9.....	11	15	8	11	9	11	7	12	10	5	9
6 to 9.9.....	14	14	16	12	11	12	15	18	17	14	13
Subtotal.....	63	66	59	57	64	74	78	84	70	58	57
10 to 19.9.....	24	25	31	22	25	20	19	11	19	31	25
20 to 49.9.....	22	17	18	27	18	15	11	12	16	16	22
50 to 74.9.....	1	3	3	6	3	7	4	6	6	3	6
75 to 99.9.....	4	2	1	---	3	---	4	2	3	1	---
100 and over.....	4	5	6	6	5	2	2	3	4	9	8
Total.....	118	118	118	118	118	118	118	118	118	118	118

TABLE 90.—Frequency distribution of companies by the ratio of sales to inventory for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36

A. BAKERIES

Ratio of sales to inventory	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
Nonusable returns.....	1	1	1	1	1	1	1
Less than 2.....	---	---	---	---	---	---	---
2 to 3.9.....	---	---	---	---	---	---	---
4 to 5.9.....	---	---	---	---	---	---	---
6 to 9.9.....	---	---	---	---	1	---	---
Subtotal.....	1	1	1	1	2	1	1
10 to 19.9.....	7	5	8	11	7	7	8
20 to 49.9.....	13	15	14	10	13	15	17
50 to 74.9.....	4	3	1	5	4	3	1
75 to 99.9.....	1	2	2	---	1	1	---
100 and over.....	1	1	1	---	---	---	---
Total.....	27	27	27	27	27	27	27

B. MEN'S CLOTHING

Nonusable returns.....	---	1	1	1	1	---	1
Less than 2.....	1	1	1	---	1	---	1
2 to 3.9.....	---	1	5	7	3	5	1
4 to 5.9.....	7	5	2	5	2	7	6
6 to 9.9.....	6	7	9	7	5	7	10
Subtotal.....	14	15	18	20	12	19	19
10 to 19.9.....	6	5	3	4	7	2	5
20 to 49.9.....	5	6	5	3	7	4	1
50 to 74.9.....	2	1	---	---	1	1	1
75 to 99.9.....	---	---	1	---	---	---	---
100 and over.....	---	---	---	---	---	1	1
Total.....	27	27	27	27	27	27	27

C. FURNITURE

Nonusable returns.....	---	---	---	---	---	---	1
Less than 2.....	2	4	4	2	4	1	1
2 to 3.9.....	6	4	8	9	4	4	4
4 to 5.9.....	8	9	7	11	6	5	2
6 to 9.9.....	9	7	8	4	8	10	10
Subtotal.....	25	24	27	26	22	20	18
10 to 19.9.....	3	4	1	---	5	6	7
20 to 49.9.....	---	---	---	2	1	2	3
50 to 74.9.....	---	---	---	---	---	---	---
75 to 99.9.....	---	---	---	---	---	---	---
100 and over.....	---	---	---	---	---	---	---
Total.....	28	28	28	28	28	28	28

TABLE 90.—Frequency distribution of companies by the ratio of sales to inventory for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations, 1930-36—Continued

D. STONE AND CLAY PRODUCTS

Ratio of sales to inventory	Number of firms reported for year—						
	1930	1931	1932	1933	1934	1935	1936
Nonusable returns.....							
Less than 2.....	2	4	10	13	8	6	2
2 to 3.9.....	8	9	8	7	9	6	8
4 to 5.9.....	6	6	6	5	4	4	3
6 to 9.9.....	7	8	3	2	5	10	9
Subtotal.....	23	27	27	27	26	26	23
10 to 19.9.....	5	2		2	3	4	6
20 to 49.9.....	2	1	3		1		2
50 to 74.9.....				1			
75 to 99.9.....							
100 and over.....							
Total.....	30	30	30	30	30	30	30

E. MACHINE TOOLS

Nonusable returns.....				1	1	2	2
Less than 2.....	3	4	5	5	4	4	1
2 to 3.9.....	5	4	3	1	1		3
4 to 5.9.....	2	3	2	5	1	2	1
6 to 9.9.....	1	2	4	2	5	3	3
Subtotal.....	11	13	14	14	12	11	10
10 to 19.9.....	8	5	4	5	5	8	8
20 to 40.9.....	2	2		2	4	4	2
50 to 74.9.....		2	3	1	1		1
75 to 99.9.....	1				1		2
100 and over.....	1	1	2	1			
Total.....	23	23	23	23	23	23	23

TABLE 99-A.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small baking corporations, 1926-36

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1926							
No dividends.....	4	23	6	7	2	13	55
Less than \$500.....				1			1
\$500 to \$999.....			1				1
\$1,000 to \$1,499.....				1			1
\$1,500 to \$1,999.....		1					1
\$2,000 and over.....	1	7	5		1	8	22
Total.....	5	31	12	9	3	21	81
1927							
No dividends.....	2	20	12	3	6	9	52
Less than \$500.....		1		1		1	3
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....	1		1				2
\$2,000 and over.....		5	7	5	1	6	24
Total.....	3	26	20	9	7	16	81

TABLE 99-A.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small baking corporations, 1926-36—Continued

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1928							
No dividends.....	4	22	9	1	0	9	51
Less than \$500.....		3					3
\$500 to \$999.....							
\$1,000 to \$1,499.....						1	1
\$1,500 to \$1,999.....		1				1	2
\$2,000 and over.....		6	5	4	3	6	24
Total.....	4	32	14	5	9	17	81
1929							
No dividends.....	3	20	13	5	3	8	62
Less than \$500.....		2	1				3
\$500 to \$999.....							
\$1,000 to \$1,499.....	1	1			1		3
\$1,500 to \$1,999.....		1				1	2
\$2,000 and over.....		2	5	4	3	7	21
Total.....	4	26	19	9	7	16	81
1930							
No dividends.....	4	24	7	3	1	13	62
Less than \$500.....			1		1	1	3
\$500 to \$999.....				1			1
\$1,000 to \$1,499.....			1		1	1	3
\$1,500 to \$1,999.....		2	1				3
\$2,000 and over.....		1	7	5		6	19
Total.....	4	27	17	9	3	21	81
1931							
No dividends.....	4	19	10	9		14	56
Less than \$500.....		1				1	2
\$500 to \$999.....		1		1			2
\$1,000 to \$1,499.....			1	1			2
\$1,500 to \$1,999.....			1				1
\$2,000 and over.....		6	3	3	2	4	18
Total.....	4	27	15	14	2	19	81
1932							
No dividends.....	8	21	8	4	5	11	57
Less than \$500.....		6			1		7
\$500 to \$999.....		2					2
\$1,000 to \$1,499.....			1	2			3
\$1,500 to \$1,999.....		4	4	1		3	12
\$2,000 and over.....							
Total.....	8	33	13	7	6	14	81
1933							
No dividends.....	4	33	13	6	2	12	70
Less than \$500.....		2					2
\$500 to \$999.....							
\$1,000 to \$1,499.....		1					1
\$1,500 to \$1,999.....		1					1
\$2,000 and over.....		2		2	1	2	7
Total.....	4	39	13	8	3	14	81
1934							
No dividends.....	5	29	8	3	6	14	65
Less than \$500.....		1		1		1	3
\$500 to \$999.....			1				1
\$1,000 to \$1,499.....				1			1
\$1,500 to \$1,999.....		1		1			2
\$2,000 and over.....	1	3		4		1	9
Total.....	6	34	9	10	6	10	81

TABLE 99-A.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small baking corporations, 1926-36—Continued

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1935							
No dividends.....	8	26	10	5	7	11	67
Less than \$500.....		2	1				3
\$500 to \$999.....					1		1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....		1		3	3	3	10
Total.....	8	29	11	8	11	14	81
1936							
No dividends.....	9	25	6	4	6	8	68
Less than \$500.....				1			1
\$500 to \$999.....		3	2				5
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....	1	2	3	4	1	6	17
Total.....	10	30	11	9	7	14	81

TABLE 99-B.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small men's clothing corporations, 1926-36

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1926							
No dividends.....	4	8	5	4	5	7	33
Less than \$500.....						1	1
\$500 to \$999.....							
\$1,000 to \$1,499.....			1				1
\$1,500 to \$1,999.....		1	1				2
\$2,000 and over.....		3	4			2	9
Total.....	4	12	11	4	5	10	46
1927							
No dividends.....	1	13	7	3	4	6	34
Less than \$500.....						1	1
\$500 to \$999.....			1				1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....				1	1	1	3
\$2,000 and over.....		2	1			4	7
Total.....	1	15	9	4	5	12	46
1928							
No dividends.....	1	16	5	3	2	9	36
Less than \$500.....						1	1
\$500 to \$999.....							
\$1,000 to \$1,499.....				1		1	2
\$1,500 to \$1,999.....		1	1			2	2
\$2,000 and over.....		1	2			2	5
Total.....	1	18	8	4	2	13	46
1929							
No dividends.....	1	10	13	6		9	39
Less than \$500.....						1	1
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....				1			1
\$2,000 and over.....		3	1	1			5
Total.....	1	13	14	8		10	46

TABLE 99-B.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small men's clothing corporations, 1926-36—Continued

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1930							
No dividends.....	1	13	9	8	1	7	39
Less than \$500.....						1	1
\$500 to \$999.....							
\$1,000 to \$1,499.....			1				1
\$1,500 to \$1,999.....			1	1			2
\$2,000 and over.....		2				1	5
Total.....	1	15	11	9	1	9	46
1931							
No dividends.....	1	11	11	7	2	10	42
Less than \$500.....						3	3
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....				1			1
Total.....	1	11	11	8	2	13	46
1932							
No dividends.....	2	14	10	2		12	40
Less than \$500.....						3	3
\$500 to \$999.....			1				1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....						2	2
Total.....	2	14	11	2		17	46
1933							
No dividends.....	3	12	9	5	3	7	39
Less than \$500.....						3	3
\$500 to \$999.....						1	1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....				1	1	1	3
Total.....	3	12	9	6	4	12	46
1934							
No dividends.....	2	15	8	4	2	11	42
Less than \$500.....						3	3
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....				1			1
Total.....	2	15	8	5	2	14	46
1935							
No dividends.....	2	13	14	3	2	8	42
Less than \$500.....						2	2
\$500 to \$999.....					1		1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....				1			1
Total.....	2	13	14	4	3	10	46
1936							
No dividends.....	1	15	12	2	5	5	40
Less than \$500.....			1			1	2
\$500 to \$999.....							
\$1,000 to \$1,499.....						1	1
\$1,500 to \$1,999.....							
\$2,000 and over.....		1	1			1	3
Total.....	1	16	14	2	5	8	46

TABLE 99-C.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small furniture corporations, 1926-36

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1926							
No dividends.....	2	11	12	4		8	37
Less than \$500.....						1	1
\$500 to \$999.....		2	1				3
\$1,000 to \$1,499.....		1					1
\$1,500 to \$1,999.....							
\$2,000 and over.....		8	8	1	1	6	24
Total.....	2	22	21	5	1	15	66
1927							
No dividends.....	2	17	11	1	3	7	41
Less than \$500.....			1			1	2
\$500 to \$999.....		1					1
\$1,000 to \$1,499.....		1					1
\$1,500 to \$1,999.....							
\$2,000 and over.....	1	9	3	3	2	3	21
Total.....	3	28	15	4	5	11	66
1928							
No dividends.....		19	9	2	2	11	43
Less than \$500.....		2				1	3
\$500 to \$999.....		2	1				3
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....		6	4	3		4	17
Total.....		29	14	5	2	16	66
1929							
No dividends.....	2	20	4	6	2	8	42
Less than \$500.....	1	3		1			5
\$500 to \$999.....		1					1
\$1,000 to \$1,499.....						1	1
\$1,500 to \$1,999.....		1				2	2
\$2,000 and over.....		5	3		1	6	15
Total.....	3	30	7	7	3	16	66
1930							
No dividends.....	3	24	7	9	4	5	52
Less than \$500.....		2	1	1			4
\$500 to \$999.....							
\$1,000 to \$1,499.....		1					1
\$1,500 to \$1,999.....							
\$2,000 and over.....		4	1	1		3	9
Total.....	3	31	9	11	4	8	66
1931							
No dividends.....	1	31	9	3	1	8	53
Less than \$500.....	2		2	1			5
\$500 to \$999.....						1	1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....		4			1	2	7
Total.....	3	35	11	4	2	11	66
1932							
No dividends.....	3	24	7	9	4	5	52
Less than \$500.....		2	1				4
\$500 to \$999.....							
\$1,000 to \$1,499.....		1					1
\$1,500 to \$1,999.....							
\$2,000 and over.....		4	1	1		3	9
Total.....	3	31	9	11	4	8	66

TABLE 99-C.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small furniture corporations, 1926-36—Continued

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1933							
No dividends.....	1	31	9	3	1	8	53
Less than \$500.....	2		2	1			5
\$500 to \$999.....						1	1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....					1		
\$2,000 and over.....		4				2	7
Total.....	3	35	11	4	2	11	66
1934							
No dividends.....	1	22	9	5	3	9	49
Less than \$500.....	1	2	1			1	5
\$500 to \$999.....		1					1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....						2	2
\$2,000 and over.....		4	2	1		2	9
Total.....	2	29	12	6	3	14	66
1935							
No dividends.....		23	10	6	2	7	48
Less than \$500.....	1	4				1	6
\$500 to \$999.....							
\$1,000 to \$1,499.....						1	2
\$1,500 to \$1,999.....		6	2			3	10
\$2,000 and over.....							
Total.....	1	32	12	6	3	12	66
1936							
No dividends.....	3	21	7	1	3	8	43
Less than \$500.....	1			1			2
\$500 to \$999.....			1				1
\$1,000 to \$1,499.....						1	1
\$1,500 to \$1,999.....		1					1
\$2,000 and over.....		11	1	1		5	18
Total.....	4	33	9	3	4	13	66

TABLE 99-D.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small stone and clay products corporations, 1926-36

Year and size of dividends	Number of firms showing ratio of cash to total asset.						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1926							
No dividends.....	1	24	3	6	2	7	43
Less than \$500.....		1					1
\$500 to \$999.....		1					1
\$1,000 to \$1,499.....		1					1
\$1,500 to \$1,999.....							
\$2,000 and over.....		9	5	1	2	7	24
Total.....	1	36	8	7	4	14	70
1927							
No dividends.....	6	26	8	2	1	3	46
Less than \$500.....							
\$500 to \$999.....				1			1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....		7	3	2	4	7	23
\$2,000 and over.....							
Total.....	6	33	12	4	5	10	70

TABLE 99-D.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small stone and clay products corporations, 1926-36—Continued

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1928							
No dividends.....	2	21	10	4	1	4	42
Less than \$500.....	1						1
\$500 to \$999.....				1			1
\$1,000 to \$1,499.....		2	1				3
\$1,500 to \$1,999.....	1	11	3		2	6	23
\$2,000 and over.....							
Total.....	4	34	14	5	3	10	70
1929							
No dividends.....	2	21	14	3	3	7	50
Less than \$500.....		2					2
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....		1					1
\$2,000 and over.....		7	5	2	1	2	17
Total.....	2	31	19	5	4	9	70
1930							
No dividends.....	3	27	7	4	3	5	49
Less than \$500.....		1					1
\$500 to \$999.....		1					1
\$1,000 to \$1,499.....					1		1
\$1,500 to \$1,999.....		2				1	3
\$2,000 and over.....		4	3	3	1	4	15
Total.....	3	35	10	7	5	10	70
1931							
No dividends.....	2	28	11	6	2	4	53
Less than \$500.....		2		1	1		4
\$500 to \$999.....		1					1
\$1,000 to \$1,499.....			1			2	3
\$1,500 to \$1,999.....							
\$2,000 and over.....		3	2		1	3	9
Total.....	2	34	14	7	4	9	70
1932							
No dividends.....	3	40	6	3	1	1	54
Less than \$500.....		2		1			3
\$500 to \$999.....		1				1	2
\$1,000 to \$1,499.....	1			1			2
\$1,500 to \$1,999.....							
\$2,000 and over.....		3	2	1		3	9
Total.....	4	46	8	6	1	5	70
1933							
No dividends.....	2	40	10	3	2	5	62
Less than \$500.....		2					2
\$500 to \$999.....	1				1	1	3
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....			1			2	3
Total.....	3	42	11	3	3	8	70
1934							
No dividends.....	1	38	10	3	3	2	57
Less than \$500.....			1				1
\$500 to \$999.....					1		1
\$1,000 to \$1,499.....					1		1
\$1,500 to \$1,999.....							
\$2,000 and over.....	1	4	1	1		3	10
Total.....	2	42	12	4	5	5	70

TABLE 99-D.—*Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small stone and clay products corporations, 1926-36—Continued*

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1935							
No dividends.....	2	35	5	7	4	2	55
Less than \$500.....						1	1
\$500 to \$999.....						1	1
\$1,000 to \$1,499.....			2				2
\$1,500 to \$1,999.....						1	1
\$2,000 and over.....	1		3	1	2	3	10
Total.....	3	35	10	8	6	8	70
1936							
No dividends.....	2	29	7	1	4	3	46
Less than \$500.....		1				1	2
\$500 to \$999.....					1		1
\$1,000 to \$1,499.....	1						1
\$1,500 to \$1,999.....						1	1
\$2,000 and over.....	1	6	3	4	3	2	19
Total.....	4	36	10	5	8	7	77

TABLE 99-E.—*Frequency distribution of companies by the size of dividends, cross-classified by the ratio of cash to total assets for an identical sample of small machine-tool corporations, 1926-36*

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1926							
No dividends.....	2	43	16	13	4	14	92
Less than \$500.....							2
\$500 to \$999.....			1	1			1
\$1,000 to \$1,499.....		1					1
\$1,500 to \$1,999.....							2
\$2,000 and over.....		6	4	3	3	7	23
Total.....	2	50	21	17	7	21	118
1927							
No dividends.....	4	49	12	6	5	16	92
Less than \$500.....			1				1
\$500 to \$999.....							1
\$1,000 to \$1,499.....				1			1
\$1,500 to \$1,999.....		2	1			2	5
\$2,000 and over.....		4	4	2	3	6	19
Total.....	4	55	18	9	8	24	118
1928							
No dividends.....	1	40	17	7	5	20	90
Less than \$500.....							2
\$500 to \$999.....		1	1				2
\$1,000 to \$1,499.....							2
\$1,500 to \$1,999.....		2					2
\$2,000 and over.....		6	2	1	1	14	24
Total.....	1	49	20	8	6	34	118
1929							
No dividends.....	1	32	20	7	7	11	78
Less than \$500.....						1	1
\$500 to \$999.....						2	2
\$1,000 to \$1,499.....		1					2
\$1,500 to \$1,999.....		1	1				2
\$2,000 and over.....		10	4		4	16	34
Total.....	1	44	25	7	11	30	118

TABLE 99-E.—Frequency distribution of companies by the size of dividends, cross-classified by the ratio of cash to total assets for an identical sample of small machine-tool corporations, 1926-36—Continued

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1930							
No dividends.....	2	46	10	9	1	11	79
Less than \$500.....		1	1				2
\$500 to \$999.....					2		2
\$1,000 to \$1,499.....		1		1		1	3
\$1,500 to \$1,999.....		3	1				4
\$2,000 and over.....		12	2	4	1	9	28
Total.....	2	63	14	14	4	21	118
1931							
No dividends.....	5	55	9	8	4	12	93
Less than \$500.....		3	1			1	5
\$500 to \$999.....		1		1			3
\$1,000 to \$1,499.....			1				1
\$1,500 to \$1,999.....		1				1	2
\$2,000 and over.....		6		4	1	3	14
Total.....	5	66	12	13	5	17	118
1932							
No dividends.....	8	59	9	11	6	9	102
Less than \$500.....	1	3		1		2	7
\$500 to \$999.....						1	1
\$1,000 to \$1,499.....		2					2
\$1,500 to \$1,999.....		1				1	2
\$2,000 and over.....		1			1	2	4
Total.....	9	66	9	12	7	15	118
1933							
No dividends.....	4	53	18	10	5	16	106
Less than \$500.....		3	1		1	1	6
\$500 to \$999.....			1				1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....						1	1
\$2,000 and over.....		1	1			2	4
Total.....	4	57	21	10	6	20	118
1934							
No dividends.....	4	51	15	9	4	18	101
Less than \$500.....		1	1		1	1	4
\$500 to \$999.....				1			1
\$1,000 to \$1,499.....			1			2	3
\$1,500 to \$1,999.....			1				1
\$2,000 and over.....		3	1			4	8
Total.....	4	55	19	10	5	25	118
1935							
No dividends.....	2	41	16	10	4	24	97
Less than \$500.....		1	1			1	3
\$500 to \$999.....		1		1		2	4
\$1,000 to \$1,499.....			1	1		2	4
\$1,500 to \$1,999.....							
\$2,000 and over.....		1	2	2	2	3	10
Total.....	2	44	20	14	6	32	118
1936							
No dividends.....	2	29	17	8	6	18	80
Less than \$500.....		1		1			2
\$500 to \$999.....						2	2
\$1,000 to \$1,499.....		2				3	5
\$1,500 to \$1,999.....				1			1
\$2,000 and over.....		7	3	2	3	13	28
Total.....	2	39	20	12	9	36	118

TABLE 100-A.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small baking corporations, 1930-36

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1930							
No dividends.....		10	3	2		3	18
Less than \$500.....		1					1
\$500 to \$999.....							
\$1,000 to \$1,499.....		1					1
\$1,500 to \$1,999.....							
\$2,000 and over.....	1	2	1	1	1	1	7
Total.....	1	14	4	3	1	4	27
1931							
No dividends.....	2	9	3	2	1	2	19
Less than \$500.....							
\$500 to \$999.....							
\$1,000 to \$1,499.....		1					1
\$1,500 to \$1,999.....				1			1
\$2,000 and over.....		3	1	1		1	6
Total.....	2	13	4	4	1	3	27
1932							
No dividends.....	4	11	2		1	2	20
Less than \$500.....							
\$500 to \$999.....							
\$1,000 to \$1,499.....	1			1			2
\$1,500 to \$1,999.....		1		2			3
\$2,000 and over.....			1			1	2
Total.....	5	12	3	3	1	3	27
1933							
No dividends.....	4	9	2	3	2	3	23
Less than \$500.....	1						1
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....		1	1			1	3
Total.....	5	10	3	3	2	4	27
1934							
No dividends.....	2	9	3	2		5	21
Less than \$500.....		1					1
\$500 to \$999.....		1					1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....		2	1			1	4
\$2,000 and over.....							
Total.....	2	13	4	2		6	27
1935							
No dividends.....	6	5	6	1		3	21
Less than \$500.....							
\$500 to \$999.....	1						1
\$1,000 to \$1,499.....			1				1
\$1,500 to \$1,999.....		1					1
\$2,000 and over.....	1					2	3
Total.....	8	6	7	1		5	27
1936							
No dividends.....	1	8	5			3	17
Less than \$500.....							
\$500 to \$999.....		1					1
\$1,000 to \$1,499.....						1	1
\$1,500 to \$1,999.....		1					1
\$2,000 and over.....	1	2		1		3	7
Total.....	2	12	5	1		7	27

TABLE 100-B.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small men's clothing corporations, 1930-36

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1930							
No dividends.....	2	2	5	2	3	7	21
Less than \$500.....		1				1	2
\$500 to \$999.....						1	1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....			1	2			3
\$2,000 and over.....							
Total.....	2	3	6	4	3	9	27
1931							
No dividends.....		3	5	2	4	8	23
Less than \$500.....				1		1	2
\$500 to \$999.....				1		1	2
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....				1			1
\$2,000 and over.....							
Total.....		3	5	5	4	10	27
1932							
No dividends.....	1	3	2		5	11	22
Less than \$500.....		1		1		1	3
\$500 to \$999.....				1		1	2
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....							
Total.....	1	4	2	2	5	13	27
1933							
No dividends.....	1	4	5	6	1	5	22
Less than \$500.....			1		1		2
\$500 to \$999.....				1		1	2
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....						1	1
Total.....	1	4	6	7	2	7	27
1934							
No dividends.....		3	4	1	5	10	23
Less than \$500.....			1			1	2
\$500 to \$999.....						2	2
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....							
Total.....		3	5	1	5	13	27
1935							
No dividends.....	1	4	6	4	4	3	22
Less than \$500.....			1				1
\$500 to \$999.....						2	2
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....		1					1
\$2,000 and over.....						1	1
Total.....	1	5	7	4	4	6	27
1936							
No dividends.....	3	5	3	2	3	7	23
Less than \$500.....						1	1
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....			1	1		1	3
Total.....	3	5	4	3	3	9	27

TABLE 100-C.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small furniture corporations, 1930-36

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 4.9 Percent	6 to 5.9 percent	9 to 11.9 Percent	12 percent and over	
1930							
No dividends.....	1	11	7	2	2	1	24
Less than \$500.....		1	1				2
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....		2					2
Total.....	1	14	8	2	2	1	28
1931							
No dividends.....	1	13	5	1	1	4	25
Less than \$500.....		1					1
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....			2				2
Total.....	1	14	7	1	1	4	28
1932							
No dividends.....	1	15	5	1		1	23
Less than \$500.....		1					1
\$500 to \$999.....							
\$1,000 to \$1,499.....			1				1
\$1,500 to \$1,999.....							
\$2,000 and over.....		2	1				3
Total.....	1	18	7	1		1	28
1933							
No dividends.....	1	15	7	1			24
Less than \$500.....		1					1
\$500 to \$999.....			1				1
\$1,000 to \$1,499.....			1				1
\$1,500 to \$1,999.....							
\$2,000 and over.....						1	1
Total.....	1	16	9	1		1	28
1934							
No dividends.....	1	11	7	3	2	2	26
Less than \$500.....							
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....				1	1		2
Total.....	1	11	7	4	3	2	28
1935							
No dividends.....	1	8	6	3	4	4	26
Less than \$500.....							
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....						2	2
\$2,000 and over.....							
Total.....	1	8	6	3	4	6	28
1936							
No dividends.....	2	8	5	4	2	4	25
Less than \$500.....							
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....		2				1	3
Total.....	2	10	5	4	2	5	28

TABLE 100-D.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small stone and clay products corporations, 1930-36

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1930							
No dividends		9	5	2	1	3	20
Less than \$500			1				1
\$500 to \$999							
\$1,000 to \$1,499		1					1
\$1,500 to \$1,999							
\$2,000 and over		5		1	1	1	8
Total		15	6	3	2	4	30
1931							
No dividends	1	11	5		4		21
Less than \$500				1		1	2
\$500 to \$999					1	1	2
\$1,000 to \$1,499							
\$1,500 to \$1,999		2	1	1		1	5
\$2,000 and over							
Total	1	13	6	2	5	3	30
1932							
No dividends	1	19	3			2	25
Less than \$500		1				1	2
\$500 to \$999							
\$1,000 to \$1,499						1	1
\$1,500 to \$1,999							
\$2,000 and over		1					1
Total	1	21	3		1	4	30
1933							
No dividends		14	4	2	1	5	26
Less than \$500		2				1	3
\$500 to \$999							
\$1,000 to \$1,499							
\$1,500 to \$1,999					1		1
\$2,000 and over							
Total		16	4	2	2	6	30
1934							
No dividends	1	13	2	5		3	24
Less than \$500		1	2		1		4
\$500 to \$999							
\$1,000 to \$1,499							
\$1,500 to \$1,999							
\$2,000 and over		1		1			2
Total	1	15	4	6	1	3	30
1935							
No dividends		12	5	4	2	3	26
Less than \$500							
\$500 to \$999		1					1
\$1,000 to \$1,499							
\$1,500 to \$1,999							
\$2,000 and over		1				2	3
Total		14	5	4	2	5	30
1936							
No dividends	1	13	3	4	1	3	25
Less than \$500							
\$500 to \$999		1					1
\$1,000 to \$1,499							
\$1,500 to \$1,999		1					1
\$2,000 and over				1		2	3
Total	1	15	3	5	1	5	30

TABLE 100-E.—Frequency distribution of companies by the size of dividends cross-classified by the ratio of cash to total assets for an identical sample of small machine tool corporations, 1930-36

Year and size of dividends	Number of firms showing ratio of cash to total assets						Total number of firms
	No cash	Less than 3 percent	3 to 5.9 percent	6 to 8.9 percent	9 to 11.9 percent	12 percent and over	
1930							
No dividends.....		9	4	1		2	16
Less than \$500.....							
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....		4	2			1	7
Total.....		13	6	1		3	23
1931							
No dividends.....	1	10	2	1	2	2	18
Less than \$500.....							
\$500 to \$999.....							
\$1,000 to \$1,499.....		1			1		2
\$1,500 to \$1,999.....							
\$2,000 and over.....		2	1				3
Total.....	1	13	3	1	3	2	23
1932							
No dividends.....		11	5	2		2	20
Less than \$500.....		1					1
\$500 to \$999.....							
\$1,000 to \$1,499.....				1			1
\$1,500 to \$1,999.....							
\$2,000 and over.....		1					1
Total.....		13	5	3		2	23
1933							
No dividends.....		11	7	1		3	22
Less than \$500.....			1				1
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....							
Total.....		11	8	1		3	23
1934							
No dividends.....		10	3	1	4	2	20
Less than \$500.....	1			1	1		3
\$500 to \$999.....							
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....							
\$2,000 and over.....							
Total.....	1	10	3	2	5	2	23
1935							
No dividends.....		7	4	2	2	4	19
Less than \$500.....							1
\$500 to \$999.....		1					1
\$1,000 to \$1,499.....							1
\$1,500 to \$1,999.....					1		2
\$2,000 and over.....						2	2
Total.....		8	4	2	3	6	23
1936							
No dividends.....		5	2	2	2	3	14
Less than \$500.....						2	2
\$500 to \$999.....				1			1
\$1,000 to \$1,499.....							
\$1,500 to \$1,999.....					1		1
\$2,000 and over.....			2			3	5
Total.....		5	4	3	3	8	23

TABLE 116.—Frequency distribution of companies by the trends in total investment and in sales for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations, 1926-36

BAKERIES

Total investment change	Number of firms showing sales decreases of—					Number of firms showing less than 5 percent sales increase or decrease	Number of firms showing sales increases of—					Total number of firms
	100 percent	75 to 99.9 percent	50 to 74.9 percent	25 to 49.9 percent	5 to 24.9 percent		5 to 24.9 percent	25 to 49.9 percent	50 to 74.9 percent	75 to 99.9 percent	100 percent and over	
1926-29												
100 percent and over investment increase	1				1	1	3	3	4		3	16
75 to 99.9 percent investment increase					3		3	3			1	10
50 to 74.9 percent investment increase						2	3	3			3	12
25 to 49.9 percent investment increase					5	1	6	5	1			18
5 to 24.9 percent investment increase				1	10	5	7	3		1	4	31
Less than 5 percent investment increase or decrease			1		9	5	1	1			1	18
5 to 24.9 percent investment decrease				3	7	2	5	2	1		1	21
25 to 49.9 percent investment decrease			1	6	1	2	1					11
50 to 74.9 percent investment decrease				1	2							3
75 to 99.9 percent investment decrease				1	1			1	2			5
100 percent investment decrease					1							1
Total	1		2	12	40	18	29	21	9	1	13	146
1930-33												
100 percent and over investment increase				1	1		2	1				5
75 to 99.9 percent investment increase					1			1				2
50 to 74.9 percent investment increase					2							2
25 to 49.9 percent investment increase			2	3	1		1					7
5 to 24.9 percent investment increase				5	3	2		1	1		1	13
Less than 5 percent investment increase or decrease			1	6	4	2	1					14
5 to 24.9 percent investment decrease		2	5	16	8	3	1	2				37
25 to 49.9 percent investment decrease			5	22	2	1		1	1			32
50 to 74.9 percent investment decrease		1	6	4	3							14
75 to 99.9 percent investment decrease			2	6	1			1				10
100 percent investment decrease			1									1
Total		3	22	63	26	8	5	7	2		1	137
1933-36												
100 percent and over investment increase								4	1	1	1	7
75 to 99.9 percent investment increase								1	1			2
50 to 74.9 percent investment increase						1		2	1	1		5
25 to 49.9 percent investment increase								4				5
5 to 24.9 percent investment increase			1				1	7	4	2	2	17
Less than 5 percent investment increase or decrease					2	1	1	6	4			14
5 to 24.9 percent investment decrease				2	3	5	7	10	2	2	1	32
25 to 49.9 percent investment decrease				4	2		2	3	1			12
50 to 74.9 percent investment decrease				1	2		1	1	1	1	2	10
75 to 99.9 percent investment decrease						2	1					3
100 percent investment decrease							1					1
Total			1	7	9	10	14	38	15	7	7	108

MEN'S CLOTHING

1926-29												
100 percent and over investment increase				1	1				2	2	4	10
75 to 99.9 percent investment increase				1	1	1	3	1		3	1	10
50 to 74.9 percent investment increase				1	1		3	1	1			8
25 to 49.9 percent investment increase			1	1	1		2	1	1	1	2	10
5 to 24.9 percent investment increase				3	6	4	3	2			1	19
Less than 5 percent investment increase or decrease	1		5	4	1	1	1		1			13
5 to 24.9 percent investment decrease		1	6	12	1	3			1		1	25
25 to 49.9 percent investment decrease	1	1	1	2			1	1	2			9
50 to 74.9 percent investment decrease	2	1	2	1		1		1				8
75 to 99.9 percent investment decrease	3		1					1				5
100 percent investment decrease	1	2		1						1	1	6
Total	8	6	21	29	10	16	8	8	7	10	123	

TABLE 116.—Frequency distribution of companies by the trends in total investment and in sales for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations, 1926-36—Continued

MEN'S CLOTHING—Continued

Total investment change	Number of firms showing sales decreases of—					Number of firms showing less than 5 percent sales increase or decrease	Number of firms showing sales increases of—					Total number of firms
	100 percent	75 to 99.9 percent	50 to 74.9 percent	25 to 49.9 percent	5 to 24.9 percent		5 to 24.9 percent	25 to 49.9 percent	50 to 74.9 percent	75 to 99.9 percent	100 percent and over	
1930-33												
100 percent and over investment increase.....									1			1
75 to 99.9 percent investment increase.....					1							1
50 to 74.9 percent investment increase.....			1				1					2
25 to 49.9 percent investment increase.....			2	1	1		2	1				8
5 to 24.9 percent investment increase.....			2	1	3		3	2				11
Less than 5 percent investment increase or decrease.....		2	1	3	4		3	1			2	16
5 to 24.9 percent investment decrease.....		1	2	9	5		1	1	1		1	21
25 to 49.9 percent investment decrease.....		3	7	10				2				23
50 to 74.9 percent investment decrease.....		1	8	4			1					13
75 to 99.9 percent investment decrease.....		1	3	1	1		1					7
100 percent investment decrease.....		2	1					1				4
Total.....	10	27	29	15		2	10	8	2		4	107
1933-36												
100 percent and over investment increase.....									1		2	3
75 to 99.9 percent investment increase.....											1	1
50 to 74.9 percent investment increase.....								1			1	2
25 to 49.9 percent investment increase.....							1	3				4
5 to 24.9 percent investment increase.....					1		7	5	4	1	3	21
Less than 5 percent investment increase or decrease.....							2	9	1	2	2	16
5 to 24.9 percent investment decrease.....			1		1		5		2	2	1	12
25 to 49.9 percent investment decrease.....					2		2	2			2	8
50 to 74.9 percent investment decrease.....					1		1		1			3
75 to 99.9 percent investment decrease.....	1	1					1					3
100 percent investment decrease.....												
Total.....	1	1	1		5		1	18	20	9	5	73

FURNITURE

1926-29												
100 percent and over investment increase.....				1		1		1	2	2	4	11
75 to 99.9 percent investment increase.....				1		1				1	1	4
50 to 74.9 percent investment increase.....				2	2		1	1	1		2	9
25 to 49.9 percent investment increase.....			1	2	4		1	2	1		1	12
5 to 24.9 percent investment increase.....			1	3	8		3	3	4	3		25
Less than 5 percent investment increase or decrease.....				6	4		2	1	4			17
5 to 24.9 percent investment decrease.....			2	6	10		3	4	1	2	1	30
25 to 49.9 percent investment decrease.....			3	2	6		1	1		1	1	14
50 to 74.9 percent investment decrease.....				1	3		1				1	7
75 to 99.9 percent investment decrease.....	1		1									2
100 percent investment decrease.....		1	2	1	2							6
Total.....	1	1	10	25	40		12	10	13	10	4	117
1930-33												
100 percent and over investment increase.....												
75 to 99.9 percent investment increase.....												1
50 to 74.9 percent investment increase.....									1			2
25 to 49.9 percent investment increase.....					1				1			9
5 to 24.9 percent investment increase.....	1		2	1	3			1	1			8
Less than 5 percent investment increase or decrease.....		1		2	3				1		1	9
5 to 24.9 percent investment decrease.....		4	13	11	3		1	2	2			36
25 to 49.9 percent investment decrease.....		6	15	11	3							35
50 to 74.9 percent investment decrease.....		3	7	2								12
75 to 99.9 percent investment decrease.....		2		4	1							7
100 percent investment decrease.....		5	1	1								7
Total.....	1	21	38	32	14		1	3	5	1	1	117

TABLE 116.—Frequency distribution of companies by the trends in total investment and in sales for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations, 1926-36—Continued

FURNITURE—Continued

Total investment change	Number of firms showing sales decreases of—					Number of firms showing less than 5 percent sales increase or decrease	Number of firms showing sales increases of—					Total number of firms
	100 percent	75 to 99.9 percent	50 to 74.9 percent	25 to 49.9 percent	5 to 24.9 percent		5 to 24.9 percent	25 to 49.9 percent	50 to 74.9 percent	75 to 99.9 percent	100 percent and over	
1933-36												
100 percent and over investment increase.....							1	1			2	4
75 to 99.9 percent investment increase.....								1	1		4	6
50 to 74.9 percent investment increase.....											2	2
25 to 49.9 percent investment increase.....					1		1	2	3	6	7	20
5 to 24.9 percent investment increase.....												2
Less than 5 percent investment increase or decrease.....						2	3	3	2	3	9	22
5 to 24.9 percent investment decrease.....			1				4	2	5	3	6	21
25 to 49.9 percent investment decrease.....					1	1	1	1	4	1	1	10
50 to 74.9 percent investment decrease.....							1		1		1	3
75 to 99.9 percent investment decrease.....					1						2	3
100 percent investment decrease.....						1		1	1			3
Total.....			1		3	4	11	11	17	13	34	94

STONE AND CLAY PRODUCTS

Total investment change	Number of firms showing sales decreases of—					Number of firms showing less than 5 percent sales increase or decrease	Number of firms showing sales increases of—					Total number of firms
	100 percent	75 to 99.9 percent	50 to 74.9 percent	25 to 49.9 percent	5 to 24.9 percent		5 to 24.9 percent	25 to 49.9 percent	50 to 74.9 percent	75 to 99.9 percent	100 percent and over	
1926-29												
100 percent and over investment increase.....		1			1	1	1				2	6
75 to 99.9 percent investment increase.....											1	1
50 to 74.9 percent investment increase.....						1	2			1	4	4
25 to 49.9 percent investment increase.....		1		1	2		7	1	1		2	15
5 to 24.9 percent investment increase.....		2	1	7	4		5	4	3	3		30
Less than 5 percent investment increase or decrease.....		1	2	4	2	2	4	1	1			17
5 to 24.9 percent investment decrease.....		3	4	8	6	4	2	1			2	30
25 to 49.9 percent investment decrease.....			3	4	5					2		15
50 to 74.9 percent investment decrease.....				1	1			1				3
75 to 99.9 percent investment decrease.....		2				1	2				1	6
100 percent investment decrease.....		1	2	1	1					1	1	7
Total.....		11	12	26	22	14	22	8	3	7	9	134
1930-33												
100 percent and over investment increase.....			1								1	2
75 to 99.9 percent investment increase.....			1									1
50 to 74.9 percent investment increase.....			1									1
25 to 49.9 percent investment increase.....		1		1								2
5 to 24.9 percent investment increase.....		1	3	1								5
Less than 5 percent investment increase or decrease.....		3	2	2	4	1					1	13
5 to 24.9 percent investment decrease.....		9	9	8	3			1				30
25 to 49.9 percent investment decrease.....		3	27	7	2	1		1		1	2	45
50 to 74.9 percent investment decrease.....			9	3	2							14
75 to 99.9 percent investment decrease.....		1	4		1							6
100 percent investment decrease.....		3	1									4
Total.....		4	57	28	16	9	1	1	1	1	2	123
1933-36												
100 percent and over investment increase.....											1	1
75 to 99.9 percent investment increase.....											1	2
50 to 74.9 percent investment increase.....							1				2	2
25 to 49.9 percent investment increase.....											5	5
5 to 24.9 percent investment increase.....											4	14
Less than 5 percent investment increase or decrease.....											9	12
5 to 24.9 percent investment decrease.....			1			1	2	1	1		2	20
25 to 49.9 percent investment decrease.....		1	1	1	2	1	2	2		2	12	27
50 to 74.9 percent investment decrease.....		1				1			1	1	1	6

TABLE 116.—Frequency distribution of companies by the trends in total investment and in sales for an identical sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations, 1926-36—Continued

STONE AND CLAY PRODUCTS—Continued

Total investment change	Number of firms showing sales decreases of—					Number of firms showing less than 5 percent sales increase or decrease	Number of firms showing sales increases of—					Total number of firms
	100 percent	75 to 99.9 percent	50 to 74.9 percent	25 to 49.9 percent	5 to 24.9 percent		5 to 24.9 percent	25 to 49.9 percent	50 to 74.9 percent	75 to 99.9 percent	100 percent and over	
1933-36												
75 to 99.9 percent investment decrease		1		1			1	1	1			5
100 percent investment decrease			2				1					3
Total		3	4	2	2	2	9	5	3	9	61	100

MACHINE TOOLS

1926-29												
100 percent and over investment increase			1	2			5	2	3	1	20	34
75 to 99.9 percent investment increase				1		2	1	1	1	1	1	8
50 to 74.9 percent investment increase					1		1	4	2	1	5	16
25 to 49.9 percent investment increase		1		2		1	1	2		3	3	13
5 to 24.9 percent investment increase		1			3	4	9	4	6		6	33
Less than 5 percent investment increase or decrease				3	4	3	1	4		1	2	18
5 to 24.9 percent investment decrease				2	6	2	6	1			2	19
25 to 49.9 percent investment decrease		1	1	1	2	2	3	1			1	12
50 to 74.9 percent investment decrease			1						1		1	3
75 to 99.9 percent investment decrease			1								1	4
100 percent investment decrease		1	1					1			1	4
Total		4	4	12	16	15	28	20	12	7	42	160
1930-33												
100 percent and over investment increase		1			1				1			3
75 to 99.9 percent investment increase			1	1	2				1			3
50 to 74.9 percent investment increase												2
25 to 49.9 percent investment increase		2	1	3	1		1					8
5 to 24.9 percent investment increase			4	4	1	1	1	3				11
Less than 5 percent investment increase or decrease		2	4	3		1	1				1	12
5 to 24.9 percent investment decrease	2	4	21	8	6	1	1	1	2	1	1	45
25 to 49.9 percent investment decrease	1	6	14	5		2	1			2	1	32
50 to 74.9 percent investment decrease	1	9	7	2		2						21
75 to 99.9 percent investment decrease		2	5	1			1		2	1		12
100 percent investment decrease	1	1	4	3	2			1				12
Total	5	27	58	32	11	7	6	5	6	4	3	164
1933-36												
100 percent and over investment increase								1	2	2	14	19
75 to 99.9 percent investment increase												1
50 to 74.9 percent investment increase												4
25 to 49.9 percent investment increase							1	1	1	2	10	15
5 to 24.9 percent investment increase				1	1			2	3	4	9	20
Less than 5 percent investment increase or decrease												
5 to 24.9 percent investment decrease	2						1	3		1	15	22
25 to 49.9 percent investment decrease			1	1	3		1	4	6	4	13	33
50 to 74.9 percent investment decrease	1				1		1	2		2	7	14
75 to 99.9 percent investment decrease				1	1					1	2	2
100 percent investment decrease		1	1					1			3	6
Total	3	1	2	3	6	1	6	13	15	14	73	141

TABLE 117.—Frequency distribution of companies by the current ratio cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations failing between 1927 and 1930

A. BAKERIES

Current ratio	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
Nonusable returns. No current liabilities.	2 7		3 2	2 2						
Less than 0.5	67	45	49	28	16	12	3	1	1	
0.5 to 0.9	22	24	13	15	14	9	8	9	7	4
1 to 1.4	7	9	13	9	13	10	6	4	3	2
1.5 to 1.9	4	5	2	5	7	5	3	1		
Subtotal	100	83	68	57	50	36	20	15	11	6
2 to 2.9	3	6	5	5	5	5	2	3	2	
3 to 3.9	2	1		1		1	1	1		
4 and over	9	6	9	7	7	5	6	4	3	1
Total	123	99	84	72	62	47	29	23	16	7

B. MEN'S CLOTHING

Nonusable returns. No current liabilities.	1 15		2 2	4 4	2 2		2 3			
Less than 0.5	24	9	3	1						
0.5 to 0.9	24	15	13	7	2					
1 to 1.4	38	34	16	13	6	6	3	3	1	
1.5 to 1.9	38	34	29	19	8	11	6	4	3	2
Subtotal	124	92	61	40	16	17	9	7	4	2
2 to 2.9	20	32	28	22	16	9	5	3	3	3
3 to 3.9	9	13	10	8	5	6	3	2		
4 and over	31	20	16	20	14	7	4	6	1	1
Total	200	159	117	94	53	41	24	18	8	6

C. FURNITURE

Nonusable returns. No current liabilities.	2 5		2 2							
Less than 0.5	34	16	7	5	2	1		1		
0.5 to 0.9	33	14	16	12	4	3	4	2	2	2
1 to 1.4	33	41	24	18	15	10	7	4	2	
1.5 to 1.9	12	21	22	12	8	8	4	2		1
Subtotal	112	95	69	47	29	22	15	9	4	3
2 to 2.9	19	21	14	17	14	7	6	3	2	1
3 to 3.9	6	3	7	6	1	5	3	1		1
4 and over	15	15	12	5	9	6	3	6	3	
Total	159	136	102	75	53	40	27	19	9	5

D. STONE AND CLAY PRODUCTS

Nonusable returns. No current liabilities.	2 11		2 4	2 2	1 1	2 2	2 2	1 1	1 1	1 1
Less than 0.5	55	44	28	16	9	4	4	2	1	1
0.5 to 0.9	25	21	19	13	15	13	5	6	2	
1 to 1.4	14	15	14	11	9	6	4	2	3	1
1.5 to 1.9	3	7	4	7	10	6	4			2
Subtotal	97	87	65	50	43	29	17	10	6	4
2 to 2.9	5	12	10	4	3	1	5	4	3	2
3 to 3.9	2	2		3	1	1	1	1	1	1
4 and over	10	13	16	10	8	6	4	3	2	1
Total	127	116	89	69	56	42	29	19	13	9

TABLE 117.—Frequency distribution of companies by the current ratio cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations failing between 1927 and 1936—Continued

F. MACHINE TOOLS

Current ratio	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
Nonusable returns.....	1	1	1							
No current liabilities.....	2	1		1	1	1	2	2		
Less than 0.5.....	23	19	11	10	7	4	2	2	2	1
0.5 to 0.9.....	22	13	11	12	9	6	6	4	1	
1 to 1.4.....	10	10	10	8	4	6	3	4	1	
1.5 to 1.9.....	7	4	3	4	6	7	3	1		1
Subtotal.....	62	46	35	34	26	23	14	11	4	2
2 to 2.9.....	4	8	7	4	7	4	3	2	4	
3 to 3.9.....	4	7	2	5	2		4	1		2
4 and over.....	6	3	8	3	3	4	1	2	3	1
Total.....	79	66	53	47	39	32	24	18	11	5

TABLE 120.—Frequency distribution of companies by the ratio of cash and receivables to current liabilities cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations failing between 1927 and 1936

A. BAKERIES

Ratio of cash and receivables to current liabilities	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
No cash and receivables.....	3		1							
Nonusable returns.....	8	3	2	2						
Less than 20 percent.....	56	33	29	26	13	8	2	1		
20 to 39.9 percent.....	16	24	17	11	13	5	4	2	1	
40 to 59.9 percent.....	14	9	9	6	4	11	3	4	6	1
60 to 79.9 percent.....	7	7	7	7	10	5	2	3	3	3
80 to 99.9 percent.....	4	5	2	3	4	3	3	5	1	1
100 percent and over.....	15	18	17	17	18	15	15	8	5	3
Total.....	123	99	84	72	62	47	29	23	16	7

B. MEN'S CLOTHING

No cash and receivables.....	7		1							
Nonusable returns.....	12	2	2	4	2	2	3			
Less than 20 percent.....	19	12	2	7	1					
20 to 39.9 percent.....	19	9	13	6	4	4	2	1	1	
40 to 59.9 percent.....	19	12	7	7	4	6	4	1	2	
60 to 79.9 percent.....	21	16	11	6	2	5		3	1	1
80 to 99.9 percent.....	17	16	14	6	6	2	3	1	1	1
100 percent and over.....	86	92	66	58	34	22	12	12	3	4
Total.....	200	159	117	94	53	41	24	18	8	6

C. FURNITURE

No cash and receivables.....	5									
Nonusable returns.....	5	2								
Less than 20 percent.....	40	15	9	5	1	1	1			
20 to 39.9 percent.....	22	24	13	9	6	3	2	1		1
40 to 59.9 percent.....	22	21	18	12	8	6	4	4	2	1
60 to 79.9 percent.....	16	25	13	11	7	6	5	1	2	1
80 to 99.9 percent.....	11	15	16	12	7	6	3	5	1	1
100 percent and over.....	38	34	33	26	24	18	12	8	4	2
Total.....	159	136	102	75	53	40	27	19	9	5

TABLE 120.—*Frequency distribution of companies by the ratio of cash and receivables to current liabilities cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations failing between 1927 and 1936—Continued*

D. STONE AND CLAY PRODUCTS

Ratio of cash and receivables to current liabilities	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
No cash and receivables.....	7	1			2	1				
Nonusable returns.....	6	2	4	2	1	2	2	1		1
Less than 20 percent.....	53	42	39	17	12	7	6	3	1	1
20 to 39.9 percent.....	15	16	9	10	9	5	4	4	2	3
40 to 59.9 percent.....	11	10	9	4	5	3	3	1	3	
60 to 79.9 percent.....	8	9	8	8	3	2	3	1	1	1
80 to 99.9 percent.....	1	8	5	4	4	5	2	1	1	
100 percent and over.....	26	28	24	24	20	17	9	8	4	3
Total.....	127	116	89	69	56	42	29	19	13	9

E. MACHINE TOOLS

No cash and receivables.....	2	2								
Nonusable returns.....	3		1	1	1	1	2	2		
Less than 20 percent.....	22	18	11	14	9	6	5	3	2	1
20 to 39.9 percent.....	10	12	9	6	5	6	2	1	3	1
40 to 59.9 percent.....	9	3	9	6	4	4	3	4	1	1
60 to 79.9 percent.....	9	7	2	5	7	3	3	3		1
80 to 99.9 percent.....	8	5	4	1	3	1	1			
100 percent and over.....	16	19	17	11	10	11	8	5	5	1
Total.....	79	66	53	47	39	32	24	18	11	5

TABLE 121.—*Frequency distribution of companies by the ratio of working capital to total assets, cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations failing between 1927 and 1936*

A. BAKERIES

Ratio of working capital to total assets	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
Deficit working capital.....	87	69	53	43	29	22	10	10	8	3
Less than 10 percent.....	9	10	10	10	12	5	6	4	2	1
10 to 19.9 percent.....	8	6	6	8	9	9	3	3	2	2
20 to 29.9 percent.....	4	6	7	4	5	7	5	2	1	
30 to 39.9 percent.....	1	3	1	2	6	2	3	3		
40 to 49.9 percent.....	4	3	7	3		2	1		3	1
50 percent and over.....	10	2		2	1		1	1		
Total.....	123	99	84	72	62	47	29	23	16	7

B. MEN'S CLOTHING

Deficit working capital.....	47	22	16	8	2					
Less than 10 percent.....	9	5	3	4	1		1	1	1	
10 to 19.9 percent.....	15	14	5	4	1	3	1	1		
20 to 29.9 percent.....	23	20	12	9	5	3	1	1		
30 to 39.9 percent.....	22	18	19	13	5	5	4	3		1
40 to 49.9 percent.....	26	21	19	13	10	13	7	3	1	3
50 percent and over.....	58	59	43	43	29	17	10	9	2	2
Total.....	200	159	117	94	53	41	24	18	8	6

TABLE 121.—Frequency distribution of companies by the ratio of working capital to total assets, cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations failing between 1927 and 1936—Continued

C. FURNITURE

Ratio of working capital to total assets	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
Deficit working capital.....	67	31	24	17	6	4	4	3	2	2
Less than 10 percent.....	14	13	5	6	6	3	1	-----	-----	-----
10 to 19.9 percent.....	13	23	12	9	8	6	5	4	1	-----
20 to 29.9 percent.....	13	22	16	9	5	5	3	2	1	-----
30 to 39.9 percent.....	16	12	11	5	8	9	2	-----	-----	1
40 to 49.9 percent.....	14	14	17	12	5	3	6	2	1	-----
50 percent and over.....	22	21	17	17	15	10	6	8	3	2
Total.....	159	136	102	75	53	40	27	19	9	5

D. STONE AND CLAY PRODUCTS

Deficit working capital.....	86	63	45	28	24	17	10	8	3	1
Less than 10 percent.....	9	14	13	10	5	4	2	2	2	2
10 to 19.9 percent.....	11	16	5	9	7	3	4	-----	1	1
20 to 29.9 percent.....	1	6	8	6	6	6	4	3	1	2
30 to 39.9 percent.....	6	3	5	4	6	8	5	2	2	3
40 to 49.9 percent.....	1	6	5	5	1	2	1	1	3	-----
50 percent and over.....	13	8	8	7	7	2	3	3	1	-----
Total.....	127	116	89	69	56	42	29	19	13	9

E. MACHINE TOOLS

Deficit working capital.....	46	33	23	22	16	10	8	6	3	1
Less than 10 percent.....	7	6	7	9	4	5	2	4	1	1
10 to 19.9 percent.....	8	10	4	1	6	5	3	-----	-----	-----
20 to 29.9 percent.....	5	8	7	2	3	4	2	-----	1	-----
30 to 39.9 percent.....	4	3	5	4	5	3	3	1	-----	-----
40 to 49.9 percent.....	2	3	3	5	1	1	1	1	4	-----
50 percent and over.....	7	3	4	4	4	4	5	6	2	3
Total.....	79	66	53	47	39	32	24	18	11	5

TABLE 122.—Frequency distribution of companies by the ratio of cash to total assets cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations failing between 1927 and 1936

A. BAKERIES

Ratio of cash to total assets	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
No cash.....	39	14	10	9	5	6	3	1	-----	1
Less than 3 percent.....	53	47	43	36	32	20	9	9	3	3
3 to 5.9 percent.....	11	16	14	12	5	5	6	4	6	1
6 to 8.9 percent.....	9	8	5	4	5	5	3	3	-----	-----
9 to 11.9 percent.....	4	7	4	7	4	3	1	1	3	1
12 to 14.9 percent.....	2	4	2	1	2	1	2	1	2	1
15 percent and over.....	5	3	6	3	6	7	5	4	2	-----
Total.....	123	99	84	72	62	47	29	23	16	7

TABLE 122.—Frequency distribution of companies by the ratio of cash to total assets cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine tool corporations failing between 1927 and 1936—Continued

B. MEN'S CLOTHING

Ratio of cash to total assets	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
No cash.....	26	13	9	6	1	3	3			
Less than 3 percent.....	63	47	30	21	9	9	5	3	2	1
3 to 5.9 percent.....	39	37	31	24	16	6		3	2	3
6 to 8.9 percent.....	23	18	17	11	6	8	5	5	1	
9 to 11.9 percent.....	15	12	9	13	4	6	3		1	
12 to 14.9 percent.....	6	7	9	4	8	2	2	2	1	
15 percent and over.....	28	25	12	15	9	7	6	5	1	2
Total.....	200	159	117	94	53	41	24	18	8	6

C. FURNITURE

No cash.....	38	16	7	6		1	2			
Less than 3 percent.....	80	84	58	43	33	25	17	14	6	3
3 to 5.9 percent.....	16	20	18	13	8	4	4	1	3	1
6 to 8.9 percent.....	7	6	6	3	4	4	1	1		
9 to 11.9 percent.....	5	3	6	1	2					1
12 to 14.9 percent.....	3		1	4	3	2	1	1		
15 percent and over.....	10	7	6	5	3	4	2	2		
Total.....	159	136	102	75	53	40	27	19	9	5

D. STONE AND CLAY PRODUCTS

No cash.....	31	14	10	7	9	2	1	6		
Less than 3 percent.....	74	72	59	40	33	24	18	7	8	7
3 to 5.9 percent.....	8	15	10	8	5	6	4	3	1	
6 to 8.9 percent.....	5	8	8	2	2	3	2			
9 to 11.9 percent.....		1		3	1	3	2		1	
12 to 14.9 percent.....	1	2		4	2	1		1		1
15 percent and over.....	8	4	2	5	4	3	2	2	3	1
Total.....	127	116	89	69	56	42	29	19	13	9

E. MACHINE TOOLS

No cash.....	16	8	6	3	3	1	3			
Less than 3 percent.....	34	37	24	33	26	20	11	11	5	3
3 to 5.9 percent.....	14	9	6	4	6	5	7	4	2	1
6 to 8.9 percent.....	3	5	2	2		2	1	1	3	1
9 to 11.9 percent.....	1	4	1		2	1		2		
12 to 14.9 percent.....	2			2	1	2	1			
15 percent and over.....	9	3	4	3	1	1	1		1	
Total.....	79	66	53	47	39	32	24	18	11	5

TABLE 123.—Frequency distribution of companies by the sales to inventory ratio cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations failing between 1927 and 1936

A. BAKERIES

Inventory turn-over	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
No inventory.....	19	2	1	2						
Less than 2.....										
2 to 3.9.....										
4 to 5.9.....			1							
6 to 9.9.....	5	6	2	4	3	2	2	1	1	1
Subtotal.....	5	6	3	4	3	2	2	1	1	1
10 to 19.9.....	16	9	13	11	13	9	4	3	3	1
20 to 49.9.....	44	45	40	33	25	22	8	12	6	3
50 to 74.9.....	15	17	17	13	13	5	10	2	2	2
75 to 99.9.....	13	12	6	6	4	6	2	3	1	
100 and over.....	11	8	4	3	4	3	3	2	3	
Total.....	123	99	84	72	62	47	29	23	16	7

B. MEN'S CLOTHING

No inventory.....	45	8	3	2						
Less than 2.....	13	11	7	7	4	4	1	1		
2 to 3.9.....	18	24	22	15	11	8	7	6	2	1
4 to 5.9.....	24	32	19	20	8	9	6	3	2	2
6 to 9.9.....	31	26	30	22	14	12	5	4	1	
Subtotal.....	86	93	78	64	37	33	19	14	5	3
10 to 19.9.....	44	35	24	16	6	2	2	2		
20 to 49.9.....	18	17	7	10	8	5	3	2	2	2
50 to 74.9.....	4	1	3		1				1	1
75 to 99.9.....	1	2		2	1	1				
100 and over.....	2	3	2							
Total.....	200	159	117	94	53	41	24	18	8	6

C. FURNITURE

No inventory.....	15	2								
Less than 2.....	7	5	4	1						
2 to 3.9.....	7	11	3		1	1				
4 to 5.9.....	2	4	2	2	1					
6 to 9.9.....	3	3	2			1				
Subtotal.....	19	23	11	3	2	2				
10 to 19.9.....	5	1	2							
20 to 49.9.....	6	2	1	1						
50 to 74.9.....	4		2	2						
75 to 99.9.....	2	3				2		1		
100 and over.....	108	105	86	68	51	36	27	18	9	5
Total.....	159	136	102	75	53	40	27	19	9	5

D. STONE AND CLAY PRODUCTS

No inventory.....	36	6	3	2			1		2	1
Less than 2.....	30	27	21	14	16	10	5	3	1	1
2 to 3.9.....	13	21	19	15	8	3	6	3	3	3
4 to 5.9.....	10	16	9	9	5	8	5	3	2	1
6 to 9.9.....	10	18	18	10	10	6	1	4	2	
Subtotal.....	63	82	67	48	39	27	17	13	8	5
10 to 19.9.....	13	21	11	14	5	7	5	3		2
20 to 49.9.....	10	7	6	3	9	5	3	2	3	1
50 to 74.9.....	4		1	1		1		1		
75 to 99.9.....	1		1			1	1			
100 and over.....				1	3	1	2			
Total.....	127	116	89	69	56	42	29	19	13	9

TABLE 123.—Frequency distribution of companies by the sales to inventory ratio cross-classified by the number of years before failure for a sample of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations failing between 1927 and 1936—Continued

E. MACHINE TOOLS

Inventory turn-over	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
No inventory.....	18	7	5	3	2	1	2	2	2	1
Less than 2.....	13	11	7	8	6	7	3	5	4	3
2 to 3.9.....	8	5	5	6	5	3	5	2	1	.....
4 to 5.9.....	7	5	3	2	2	2	1	1	.....	.....
6 to 9.9.....	8	14	9	5	3	3	3	2	2	1
Subtotal.....	39	35	24	21	16	15	12	10	7	4
10 to 19.9.....	4	5	10	8	4	7	5	2	1	.....
20 to 49.9.....	8	6	3	6	8	2	3	2	1	.....
50 to 74.9.....	1	2	2	1	.....	2	2	1	.....	.....
75 to 99.9.....	2	1	1	2	3	.....	.....	.....	.....	.....
100 and over.....	10	10	8	6	6	5	.....	1	.....	.....
Total.....	79	66	53	47	39	32	24	18	11	5

TABLE 124.—Frequency distribution of companies by the sales to current assets ratio cross-classified by the number of years before failure for a group of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations failing between 1927 and 1936

A. BAKERIES

Current assets turn-over	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
No current assets.....	3	.....	.....	.....	.....	.....	.....	.....	.....	.....
Less than 1.....	2	.....	.....	.....	.....	1	.....	.....	.....	.....
1 to 1.9.....	1	.....	.....	.....	.....	.....	.....	.....	.....	.....
2 to 2.9.....	3	.....	.....	.....	.....	.....	2	1	.....	1
Subtotal.....	6	.....	.....	.....	.....	1	2	1	.....	1
3 to 5.9.....	7	13	11	10	8	7	5	3	1	1
6 to 8.9.....	15	16	12	14	15	4	5	5	4	3
9 to 11.9.....	17	15	13	12	10	13	6	5	7	1
12 to 14.9.....	12	14	12	12	7	8	2	4	.....	.....
15 and over.....	63	41	36	24	22	14	9	5	4	1
Total.....	123	99	84	72	62	47	29	23	16	7

B. MEN'S CLOTHING

No current assets.....	6	.....	.....	.....	.....	.....	.....	.....	.....	.....
Less than 1.....	15	11	5	3	4	3	2	1	.....	.....
1 to 1.9.....	38	35	29	23	9	13	7	7	3	2
2 to 2.9.....	31	41	34	26	19	9	6	3	.....	1
Subtotal.....	84	87	68	52	32	25	15	11	3	3
3 to 5.9.....	64	49	35	29	14	11	6	4	2	1
6 to 8.9.....	15	6	5	5	4	2	2	2	1	.....
9 to 11.9.....	6	2	3	.....	.....	.....	.....	.....	.....	1
12 to 14.9.....	5	6	1	4	1	1	1	1	.....	.....
15 and over.....	20	9	5	4	2	2	.....	.....	2	1
Total.....	200	159	117	94	53	41	24	18	8	6

TABLE 124.—*Frequency distribution of companies by the sales to current assets ratio cross-classified by the number of years before failure for a group of small baking, men's clothing, furniture, stone and clay products, and machine-tool corporations failing between 1927 and 1936—Continued*

C. FURNITURE

Current assets turn-over	Number of firms showing years before failure									
	1	2	3	4	5	6	7	8	9	10
No current assets.....	3									
Less than 1.....	25	19	12	5	4	3	3	3		
1 to 1.9.....	32	35	31	23	17	9	8	7	4	2
2 to 2.9.....	39	38	27	25	18	13	7	2	1	1
Subtotal.....	66	92	70	53	39	25	18	12	5	3
3 to 5.9.....	35	40	28	18	9	14	7	7	4	1
6 to 8.9.....	15	1	3	3	4	1	2			
9 to 11.9.....	7	2	1	1						1
12 to 14.9.....	1									
15 and over.....	2	1			1					
Total.....	159	136	102	75	53	40	27	19	9	5

D. STONE AND CLAY PRODUCTS

No current assets.....	8									
Less than 1.....	34	29	22	18	13	7	1	2	1	
1 to 1.9.....	28	23	19	18	16	13	12	5	2	2
2 to 2.9.....	19	30	16	11	7	3	4	2	5	3
Subtotal.....	81	82	57	47	36	23	17	9	8	5
3 to 5.9.....	16	22	25	19	15	18	9	8	4	2
6 to 8.9.....	8	7	5	1	3		1	2	1	1
9 to 11.9.....	1	2	1	2	2	1	1			
12 to 14.9.....	5	1	1							
15 and over.....	8	2					1			1
Total.....	127	116	89	69	56	42	29	19	13	9

E. MACHINE TOOLS

No current assets.....	1	1	1							
Less than 1.....	13	7	9	6	4	3		2	2	1
1 to 1.9.....	15	12	5	10	7	6	8	4	2	2
2 to 2.9.....	9	10	7	4	6	4	2	2	1	
Subtotal.....	37	29	21	20	17	13	10	8	5	3
3 to 5.9.....	22	22	19	15	10	9	8	5	3	2
6 to 8.9.....	7	5	6	6	4	5	4	2	1	
9 to 11.9.....	2	4	1	1	1		1	3	1	
12 to 14.9.....	3		1		1		1		1	
15 and over.....	7	5	4	5	6	5				
Total.....	79	66	53	47	39	32	24	18	11	5

TABLE 125-A.—The book value of inventories and total sales classified by methods of valuing inventories for an identical sample of small baking corporations, 1926-36

	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Cost or market method of valuing inventories											
Number of companies.....	34	34	34	34	34	34	34	34	34	34	34
Amount of total sales.....	\$5,672,435	\$5,942,603	\$6,244,569	\$6,590,607	\$6,506,660	\$5,488,062	\$4,639,170	\$4,801,904	\$5,579,966	\$6,006,129	\$6,165,511
Total inventories:											
Number of companies.....	32	34	34	34	34	34	34	34	34	34	34
Amount.....	\$259,059	\$238,731	\$251,921	\$255,834	\$220,204	\$208,603	\$179,565	\$245,784	\$239,634	\$243,127	\$259,304
Raw materials:											
Number of companies.....	22	24	22	25	25	26	26	26	25	23	24
Amount.....	\$150,272	\$142,831	\$130,412	\$145,303	\$127,544	\$103,959	\$92,979	\$140,693	\$135,330	\$136,816	\$151,288
Work in process:											
Number of companies.....											
Amount.....											
Finished goods:											
Number of companies.....	5	5	4	3	2	4	4	5	8	9	11
Amount.....	\$16,051	\$15,704	\$11,959	\$7,832	\$3,570	\$6,292	\$5,081	\$5,785	\$6,174	\$18,833	\$19,280
Supplies:											
Number of companies.....	18	18	18	18	19	20	18	18	19	20	20
Amount.....	\$39,703	\$40,922	\$52,258	\$63,473	\$48,679	\$59,976	\$49,082	\$65,254	\$50,024	\$64,257	\$65,370
Unspecified:											
Number of companies.....	7	6	7	6	6	5	7	6	7	6	6
Amount.....	\$53,073	\$39,274	\$57,292	\$39,226	\$40,411	\$38,376	\$32,423	\$34,052	\$39,106	\$23,221	\$23,366
Cost method of valuing inventories											
Number of companies.....	36	36	36	36	36	36	36	36	36	36	36
Amount of total sales.....	\$6,003,009	\$6,506,087	\$6,427,339	\$6,699,153	\$6,314,515	\$5,332,435	\$4,167,915	\$4,096,720	\$4,896,949	\$5,281,378	\$5,576,233
Total inventories:											
Number of companies.....	36	36	36	36	36	36	36	36	36	36	36
Amount.....	\$238,892	\$264,902	\$270,217	\$293,692	\$221,653	\$179,683	\$143,504	\$179,245	\$187,563	\$185,880	\$216,758
Raw materials:											
Number of companies.....	28	29	31	29	30	28	29	29	30	32	30
Amount.....	\$187,266	\$202,792	\$202,388	\$190,042	\$152,210	\$122,219	\$96,471	\$125,300	\$142,297	\$156,529	\$182,897
Work in process:											
Number of companies.....											
Amount.....											
Finished goods:											
Number of companies.....	5	4	4	5	5	5	6	6	6	7	6
Amount.....	\$4,287	\$2,868	\$1,051	\$1,751	\$2,070	\$1,017	\$1,214	\$1,678	\$1,455	\$3,196	\$2,833

Unspecified methods of valuing inventories									
Supplies:									
Number of companies.....	18	16	12	15	17	16	17	16	16
Amount.....	\$24,700	\$16,998	\$23,935	\$25,269	\$24,518	\$25,677	\$25,859	\$25,858	\$29,858
Unspecified:									
Number of companies.....	5	5	6	6	4	4	2	4	2
Amount.....	\$22,639	\$42,244	\$43,438	\$30,638	\$21,301	\$18,134	\$2,296	\$18,134	\$2,296
Number of companies.....	11	11	11	11	11	11	11	11	11
Amount of total sales.....	\$2,290,387	\$2,376,860	\$2,300,287	\$1,871,872	\$1,439,319	\$1,563,508	\$1,930,904	\$2,308,650	\$2,308,650
Total inventories:									
Number of companies.....	11	11	11	11	11	11	11	11	11
Amount.....	\$136,385	\$162,717	\$116,139	\$86,864	\$72,532	\$78,136	\$90,215	\$83,875	\$83,875
Raw materials:									
Number of companies.....	5	5	8	8	6	6	9	9	9
Amount.....	\$59,312	\$47,309	\$95,605	\$71,851	\$18,478	\$44,361	\$70,987	\$61,648	\$61,648
Work in process:									
Number of companies.....									
Amount.....									
Finished goods:									
Number of companies.....	2	2	1	1	2	3	3	3	3
Amount.....	\$3,052	\$4,097	\$27	\$103	\$110	\$396	\$456	\$496	\$496
Supplies:									
Number of companies.....	3	2	4	3	3	4	4	4	4
Amount.....	\$2,807	\$3,330	\$10,020	\$4,080	\$8,095	\$15,097	\$14,202	\$13,953	\$21,720
Unspecified:									
Number of companies.....	5	6	3	3	6	5	2	1	1
Amount.....	\$71,214	\$97,981	\$9,887	\$10,230	\$15,249	\$18,282	\$4,570	\$11	\$11

TABLE 125-B.—The book value of inventories and total sales classified by the methods of valuing inventories for an identical sample of small men's clothing corporations, 1926-36

	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Cost or market method of valuing inventories											
Number of companies.....	25	25	25	25	25	25	25	25	25	25	25
Amount of total sales.....	\$6,300,513	\$6,945,548	\$7,223,998	\$7,571,785	\$6,586,469	\$5,688,212	\$4,071,796	\$4,986,855	\$6,288,184	\$7,207,067	\$7,275,577
Total inventories:											
Number of companies.....	25	25	25	25	25	25	25	25	25	25	25
Amount.....	\$781,476	\$406,786	\$908,836	\$1,206,961	\$824,146	\$700,597	\$529,027	\$838,107	\$642,331	\$1,000,131	\$1,116,718
Raw materials:											
Number of companies.....	9	7	7	8	6	6	6	8	6	6	6
Amount.....	\$88,438	\$107,116	\$100,447	\$244,472	\$111,965	\$116,571	\$77,000	\$197,836	\$109,223	\$118,921	\$107,459
Work in process:											
Number of companies.....	3	3	3	3	1	1	3	3	2	2	3
Amount.....	\$36,429	\$27,039	\$20,313	\$33,902	\$4,239	\$3,994	\$3,335	\$30,207	\$4,981	\$58,987	\$68,896
Finished goods:											
Number of companies.....	7	5	6	6	9	10	10	9	10	10	10
Amount.....	\$72,802	\$98,378	\$157,562	\$176,648	\$352,530	\$284,943	\$177,764	\$252,167	\$171,715	\$277,103	\$250,115
Supplies:											
Number of companies.....	4	6	4	3	2	3	5	4	3	3	3
Amount.....	\$32,823	\$55,099	\$38,857	\$53,691	\$2,250	\$1,040	\$11,382	\$3,606	\$2,686	\$50,925	\$109,670
Unspecified:											
Number of companies.....	14	15	14	14	12	11	11	11	11	11	10
Amount.....	\$550,964	\$619,154	\$591,757	\$697,948	\$353,162	\$293,449	\$259,546	\$354,201	\$353,726	\$484,195	\$490,578
Cost method of valuing inventories											
Number of companies.....	14	14	14	14	14	14	14	14	14	14	14
Amount of total sales.....	\$1,226,804	\$1,166,329	\$1,089,761	\$1,121,218	\$850,987	\$585,349	\$348,790	\$476,860	\$629,894	\$721,645	\$815,344
Total inventories:											
Number of companies.....	14	14	14	14	14	14	14	14	14	14	14
Amount.....	\$200,278	\$215,738	\$300,838	\$216,975	\$232,082	\$300,854	\$164,653	\$147,034	\$137,888	\$131,017	\$135,733
Raw materials:											
Number of companies.....	9	8	8	9	9	9	10	10	10	10	10
Amount.....	\$153,713	\$150,132	\$137,442	\$149,171	\$155,788	\$140,743	\$121,895	\$96,798	\$78,194	\$69,255	\$71,491
Work in process:											
Number of companies.....	1	1	2	2	2	1	1	1	1	1	2
Amount.....	\$262	\$856	\$1,790	\$2,750	\$1,430	\$688	\$453	\$410	\$365	\$234	\$2,094
Finished goods:											
Number of companies.....	3	4	4	3	5	5	5	4	3	3	2
Amount.....	\$3,539	\$22,491	\$22,902	\$25,399	\$53,355	\$21,618	\$5,374	\$15,374	\$1,378	\$1,140	\$110

		Unspecified methods of valuing inventories									
Supplies:											
Number of companies.....	3										
Amount.....	\$608										
Unspecified:											
Number of companies.....	5										
Amount.....	\$41,856										
		3	4	3	4	3	4	3	4	3	5
		\$1,328	\$1,186	\$799	\$713	\$879	\$83,373	\$521	\$59,947	\$441	\$396
		\$40,931	\$38,460	\$37,596	\$36,218	\$33,373	\$57,430	\$57,430	\$59,947	\$41,856	\$61,643
Number of companies.....	7										
Amount.....	\$1,021,360										
Total inventories:											
Number of companies.....	6										
Amount.....	\$74,183										
Raw materials:											
Number of companies.....	4										
Amount.....	\$42,689										
Work in process:											
Number of companies.....	1										
Amount.....	\$880										
Finished goods:											
Number of companies.....	1										
Amount.....	\$11,861										
Supplies:											
Number of companies.....	1										
Amount.....	\$150										
Unspecified:											
Number of companies.....	2										
Amount.....	\$30,614										
		7	7	7	7	7	7	7	7	7	7
		\$907,505	\$915,869	\$598,799	\$122,785	\$448,671	\$548,496	\$670,498	\$746,667	\$670,498	\$746,667
		\$85,327	\$81,911	\$67,241	\$43,522	\$57,590	\$47,077	\$42,781	\$43,615	\$42,781	\$43,615
		\$53,902	\$34,313	\$15,724	\$11,610	\$6,870	\$7,214	\$8,042	\$11,171	\$8,042	\$11,171
		\$511	\$1,045								
		\$7,525									
		\$158	\$14,446	\$19,250	\$1,055	\$5,338	\$4,280	\$3,732	\$4,819	\$3,732	\$4,819
		\$18,903	\$32,251	\$32,267	\$22,423	\$32,547	\$28,350	\$20,622	\$19,186	\$20,622	\$19,186

TABLE 125-C.—The book value of inventories and total sales classified by methods of valuing inventories for an identical sample of small furniture corporations, 1926-36

	Cost or market method of valuing inventories											
	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936		
Number of companies.....	43	42	43	43	43	43	43	43	43	43	43	43
Amount of total sales.....	\$8,099,222	\$8,306,911	\$9,104,281	\$6,941,596	\$5,528,770	\$3,150,027	\$3,953,977	\$4,218,654	\$5,659,050	\$6,992,651		
Total inventories:												
Number of companies.....	43	43	43	43	42	43	43	43	43	43	43	43
Amount.....	\$1,476,663	\$1,695,642	\$1,609,294	\$1,564,070	\$1,382,982	\$1,160,232	\$1,230,486	\$1,149,845	\$1,175,882	\$1,246,259		
Raw materials:												
Number of companies.....	18	20	21	20	19	21	20	21	21	21	21	21
Amount.....	\$364,541	\$467,069	\$389,044	\$339,238	\$263,249	\$205,056	\$227,221	\$201,427	\$253,199	\$274,387		
Work in process:												
Number of companies.....	11	16	17	18	15	17	15	17	19	19	19	19
Amount.....	\$119,170	\$173,616	\$191,734	\$169,137	\$161,803	\$116,853	\$139,820	\$152,415	\$152,390	\$233,875		
Finished goods:												
Number of companies.....	14	17	18	19	18	18	18	19	22	22	22	22
Amount.....	\$304,041	\$355,396	\$397,124	\$412,674	\$381,748	\$378,647	\$363,931	\$341,274	\$367,403	\$363,362		
Supplies:												
Number of companies.....	7	10	10	8	8	8	8	8	11	10	10	10
Amount.....	\$9,377	\$22,000	\$16,352	\$11,840	\$17,155	\$12,730	\$18,042	\$21,148	\$22,522	\$24,364		
Unspecified:												
Number of companies.....	21	21	19	20	20	19	20	21	19	19	19	19
Amount.....	\$786,221	\$677,561	\$675,040	\$631,181	\$559,027	\$446,946	\$481,772	\$433,581	\$350,368	\$350,371		

Cost method of valuing inventories												
Number of companies.....	11	11	11	11	11	11	11	11	11	11	11	11
Amount of total sales.....	\$1,399,025	\$1,334,704	\$1,354,012	\$997,651	\$759,289	\$582,296	\$778,181	\$806,648	\$1,145,629	\$1,531,333		
Total inventories:												
Number of companies.....	11	11	11	11	11	11	11	11	11	11	11	11
Amount.....	\$299,903	\$361,306	\$330,999	\$331,589	\$288,482	\$257,416	\$237,291	\$196,134	\$294,036	\$203,096		
Raw materials:												
Number of companies.....	9	8	7	7	8	8	8	8	8	7	6	6
Amount.....	\$139,407	\$137,790	\$118,660	\$103,814	\$73,460	\$56,761	\$61,885	\$47,175	\$55,611	\$37,775		
Work in process:												
Number of companies.....	7	7	6	6	6	6	6	6	5	5	5	5
Amount.....	\$70,607	\$69,116	\$56,124	\$60,149	\$47,813	\$40,258	\$27,610	\$19,201	\$25,000	\$23,417		
Finished goods:												
Number of companies.....	8	7	6	5	7	8	9	8	6	6	6	6
Amount.....	\$93,434	\$91,568	\$76,348	\$80,021	\$86,407	\$84,523	\$84,645	\$65,982	\$70,364	\$38,321		

Unspecified methods of valuing inventories									
Supplies:									
Number of companies	5	6	7	6	6	6	6	6	6
Amount	\$3,963	\$27,993	\$90,765	\$48,715	\$55,706	\$22,019	\$22,247	\$86,029	
Unspecified:									
Number of companies	1	2	3	2	1	2	3	3	3
Amount	\$38,761	\$34,839	\$30,037	\$27,159	\$7,545	\$31,757	\$30,814	\$67,554	
Number of companies	12	12	12	12	12	12	12	12	12
Amount	\$1,799,871	\$1,335,935	\$1,109,029	\$713,527	\$824,633	\$1,040,454	\$1,183,781	\$1,521,581	
Total inventories:									
Number of companies	12	12	12	12	12	12	12	12	12
Amount	\$291,622	\$365,922	\$338,602	\$261,364	\$310,588	\$278,772	\$282,403	\$329,827	
Raw materials:									
Number of companies	6	6	5	4	4	5	6	5	
Amount	\$53,324	\$65,688	\$52,525	\$29,989	\$47,054	\$58,031	\$65,915	\$46,003	
Works in process:									
Number of companies	6	6	4	4	4	5	5	5	
Amount	\$35,926	\$49,541	\$10,404	\$26,718	\$64,994	\$78,183	\$97,385	\$89,412	
Finished goods:									
Number of companies	8	7	5	5	5	7	7	7	
Amount	\$138,989	\$125,676	\$138,088	\$114,215	\$92,847	\$85,699	\$77,357	\$107,118	
Supplies:									
Number of companies	4	5	2	3	3	4	4	2	
Amount	\$16,562	\$13,254	\$8,224	\$10,348	\$9,616	\$8,567	\$7,439	\$8,438	
Unspecified:									
Number of companies	4	5	7	7	7	5	5	5	
Amount	\$46,821	\$80,688	\$69,361	\$80,094	\$96,077	\$17,662	\$35,807	\$78,826	

TABLE 125-D.—The book value of inventories and total sales classified by methods of valuing inventories for an identical sample of small stone and clay products corporations, 1926-36

	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Cost or market method of valuing inventories											
Number of companies.....	17	17	17	17	17	17	17	17	17	17	17
Amount of total sales.....	\$2,389,489	\$2,529,465	\$2,806,835	\$2,474,480	\$2,063,748	\$1,412,296	\$634,969	\$580,057	\$722,076	\$942,413	\$1,541,279
Total inventories:											
Number of companies.....	17	17	17	17	17	17	17	17	17	17	17
Amount.....	\$300,675	\$296,799	\$341,157	\$393,659	\$330,735	\$282,458	\$228,612	\$202,506	\$191,552	\$175,057	\$161,490
Raw materials:											
Number of companies.....	5	7	6	4	3	3	4	4	4	5	5
Amount.....	\$33,578	\$35,712	\$32,916	\$33,669	\$20,903	\$14,825	\$15,607	\$14,924	\$13,646	\$29,970	\$21,270
Work in progress:											
Number of companies.....	2	1	1	2	2	1	3	4	5	4	4
Amount.....	\$5,463	\$3,936	\$4,247	\$2,802	\$3,617	\$2,570	\$4,140	\$9,769	\$15,821	\$8,720	\$12,001
Finished goods:											
Number of companies.....	10	10	10	10	11	10	10	10	11	10	10
Amount.....	\$177,081	\$156,961	\$155,111	\$208,149	\$213,598	\$171,568	\$146,510	\$120,851	\$113,347	\$89,582	\$88,612
Supplies:											
Number of companies.....	7	7	7	6	6	6	7	7	5	5	5
Amount.....	\$27,611	\$37,197	\$48,533	\$27,213	\$16,108	\$10,492	\$7,117	\$6,778	\$4,737	\$3,310	\$6,118
Unspecified:											
Number of companies.....	4	3	4	5	5	5	6	5	4	4	4
Amount.....	\$56,942	\$62,993	\$100,350	\$121,726	\$85,449	\$83,003	\$55,238	\$50,184	\$43,981	\$44,075	\$33,489
Cost method of valuing inventories											
Number of companies.....	33	33	33	33	33	33	33	33	33	33	33
Amount of total sales.....	\$3,862,562	\$4,010,767	\$4,046,968	\$3,707,491	\$3,065,575	\$1,945,503	\$1,131,055	\$1,013,858	\$1,272,517	\$1,425,693	\$2,358,395
Total inventories:											
Number of companies.....	33	33	33	33	33	33	33	33	33	32	31
Amount.....	\$526,913	\$566,636	\$588,470	\$544,723	\$663,319	\$634,395	\$494,193	\$421,319	\$479,539	\$470,389	\$409,530
Raw materials:											
Number of companies.....	12	11	11	12	13	13	13	13	12	12	11
Amount.....	\$62,497	\$47,406	\$58,101	\$60,287	\$57,135	\$50,876	\$61,562	\$43,902	\$42,389	\$39,660	\$38,806
Work in progress:											
Number of companies.....	7	9	10	10	8	6	4	5	0	7	7
Amount.....	\$11,688	\$16,866	\$30,048	\$22,182	\$31,845	\$14,538	\$7,087	\$3,776	\$12,741	\$11,709	\$12,850
Finished goods:											
Number of companies.....	21	21	23	23	23	23	24	23	23	22	21
Amount.....	\$236,389	\$291,552	\$304,655	\$303,673	\$387,914	\$327,461	\$313,947	\$275,565	\$325,428	\$330,129	\$268,865

Supplies:		13	13	12	12	10	10	10	11	8	10
Number of companies	Amount	\$20,091	\$18,334	\$19,451	\$19,433	\$19,149	\$15,989	\$12,263	\$17,157	\$15,254	\$15,871
Unspecified:		5	5	5	5	6	7	7	6	6	6
Number of companies	Amount	\$89,382	\$81,943	\$76,881	\$74,533	\$71,825	\$65,992	\$57,717	\$47,290	\$72,590	\$59,747
Unspecified methods of valuing inventories											
Number of companies	Amount of total sales	34	34	34	34	34	34	34	34	34	34
Total inventories:	Amount	\$2,472,910	\$2,315,452	\$2,924,159	\$2,133,831	\$1,442,005	\$785,515	\$853,770	\$1,257,110	\$1,179,828	\$1,734,949
Number of companies	Amount	27	27	27	27	27	27	27	28	28	27
Raw materials:	Amount	\$400,323	\$388,430	\$385,727	\$362,255	\$318,552	\$293,778	\$298,470	\$278,094	\$251,960	\$255,888
Number of companies	Amount	20	20	19	16	14	14	14	16	18	14
Work in process:	Amount	\$53,008	\$54,417	\$49,879	\$48,511	\$40,928	\$36,030	\$36,908	\$35,457	\$32,815	\$39,219
Number of companies	Amount	13	12	14	13	11	10	11	12	11	9
Finished goods:	Amount	\$87,423	\$97,275	\$108,379	\$47,634	\$39,063	\$26,627	\$37,449	\$31,958	\$37,485	\$30,005
Number of companies	Amount	7	7	6	7	5	5	4	4	4	5
Supplies:	Amount	\$166,116	\$151,833	\$137,736	\$167,267	\$130,008	\$133,721	\$104,355	\$98,607	\$84,053	\$92,513
Number of companies	Amount	8	8	10	12	11	12	8	10	10	6
Unspecified:	Amount	\$10,830	\$11,914	\$12,217	\$13,089	\$13,499	\$9,802	\$7,955	\$7,404	\$8,840	\$7,480
Number of companies	Amount	7	7	7	7	10	9	11	9	9	11
Total	Amount	\$82,646	\$72,991	\$77,516	\$85,724	\$95,054	\$87,598	\$114,803	\$114,578	\$88,767	\$86,061

TABLE 126-A.—The book value of inventories and total sales classified by methods of valuing inventories for an identical sample of small baking corporations, 1930-36

	1930	1931	1932	1933	1934	1935	1936
Cost or market method of valuing inventories							
Number of companies.....	10	10	10	10	10	10	10
Amount of total sales.....	\$2,030,544	\$1,775,833	\$1,356,616	\$1,436,262	\$1,789,790	\$2,040,076	\$2,207,371
Total inventories:							
Number of companies.....	10	10	10	10	10	10	10
Amount.....	\$111,045	\$75,741	\$70,110	\$81,119	\$92,623	\$86,324	\$131,840
Raw materials:							
Number of companies.....	4	4	4	4	5	6	6
Amount.....	\$17,028	\$9,467	\$8,779	\$13,697	\$26,298	\$29,649	\$40,319
Work in process:							
Number of companies.....			1	1			
Amount.....			\$3,675	\$3,658			
Finished goods:							
Number of companies.....	1	2	2	2	1	2	2
Amount.....	\$9,245	\$6,173	\$5,381	\$5,202	\$8,378	\$7,128	\$8,115
Supplies:							
Number of companies.....	5	6	6	6	6	7	5
Amount.....	\$10,976	\$8,375	\$8,680	\$15,180	\$21,375	\$19,583	\$20,278
Unspecified:							
Number of companies.....	6	6	5	5	5	4	5
Amount.....	\$73,196	\$51,726	\$43,595	\$43,382	\$36,572	\$29,964	\$63,128
Cost method of valuing inventories							
Number of companies.....	11	11	11	11	11	11	11
Amount of total sales.....	\$1,511,949	\$1,392,569	\$1,322,231	\$1,347,653	\$1,491,030	\$1,507,256	\$1,562,612
Total inventories:							
Number of companies.....	11	11	11	11	11	11	11
Amount.....	\$57,533	\$53,425	\$52,766	\$66,024	\$69,121	\$60,210	\$72,764
Raw materials:							
Number of companies.....	6	7	8	9	9	9	8
Amount.....	\$14,011	\$14,549	\$40,414	\$57,457	\$57,665	\$48,403	\$57,669
Work in process:							
Number of companies.....							
Amount.....							
Finished goods:							
Number of companies.....	2	2	2	2	1	1	2
Amount.....	\$1,829	\$3,141	\$3,133	\$942	\$723	\$1,092	\$3,273
Supplies:							
Number of companies.....	3	4	4	4	3	3	3
Amount.....	\$1,995	\$6,305	\$5,013	\$5,423	\$8,527	\$7,245	\$7,702
Unspecified:							
Number of companies.....	5	5	4	2	2	2	2
Amount.....	\$39,698	\$29,430	\$4,206	\$2,202	\$2,206	\$3,470	\$4,120
Unspecified methods of valuing inventories							
Number of companies.....	6	6	6	6	6	6	6
Amount of total sales.....	\$914,179	\$885,894	\$792,663	\$821,998	\$1,060,939	\$1,170,363	\$1,192,169
Total inventories:							
Number of companies.....	6	6	6	6	6	6	6
Amount.....	\$21,548	\$18,343	\$18,960	\$18,802	\$30,062	\$40,458	\$37,762
Raw materials:							
Number of companies.....	6	6	5	5	4	5	5
Amount.....	\$19,300	\$15,338	\$15,132	\$14,601	\$21,457	\$51,760	\$32,727
Work in process:							
Number of companies.....							
Amount.....							
Finished goods:							
Number of companies.....						1	1
Amount.....						\$76	\$68
Supplies:							
Number of companies.....	3	3	4	3	3	4	4
Amount.....	\$2,248	\$3,005	\$2,733	\$2,889	\$3,627	\$6,521	\$3,914
Unspecified:							
Number of companies.....			1	1	2	1	1
Amount.....			\$1,095	\$1,312	\$4,978	\$2,101	\$1,053

TABLE 126-B.—The book value of inventories and total sales classified by methods of valuing inventories for an identical sample of small men's clothing corporations, 1930-36

	1930	1931	1932	1933	1934	1935	1936
Cost or market method of valuing inventories							
Number of companies.....	21	21	21	21	21	21	21
Amount of total sales.....	\$4,819,227	\$5,137,395	\$3,966,587	\$4,870,514	\$5,763,556	\$5,553,867	\$6,412,246
Total inventories:							
Number of companies.....	21	21	21	21	21	21	20
Amount.....	\$560,493	\$524,781	\$457,258	\$696,035	\$563,780	\$897,006	\$817,660
Raw materials:							
Number of companies.....	3	3	3	4	4	4	4
Amount.....	\$10,490	\$5,402	\$8,052	\$20,343	\$58,533	\$62,925	\$10,272
Work in process:							
Number of companies.....	1	1	1	1	1	1	2
Amount.....	\$3,662		\$4,825	\$29,543	\$30,493	\$6,440	\$17,296
Finished goods:							
Number of companies.....	6	5	5	5	4	5	6
Amount.....	\$171,360	\$105,402	\$123,350	\$142,872	\$100,679	\$215,843	\$161,495
Supplies:							
Number of companies.....	1	1	1	1	1	1	1
Amount.....	\$11,702	\$75	\$75	\$75			\$80
Unspecified:							
Number of companies.....	14	15	15	16	16	15	14
Amount.....	\$363,279	\$413,902	\$320,956	\$503,802	\$374,075	\$611,798	\$628,517
Cost method of valuing inventories							
Number of companies.....	1	1	1	1	1	1	1
Amount of total sales.....	\$92,214	\$150,698	\$137,567	\$153,256	\$172,864	\$179,757	\$193,830
Total inventories:							
Number of companies.....	1	1	1	1	1	1	1
Amount.....	\$3,282	\$4,448	\$3,674	\$9,063	\$5,429	\$3,902	\$3,352
Raw materials:							
Number of companies.....							
Amount.....							
Work in process:							
Number of companies.....							
Amount.....							
Finished goods:							
Number of companies.....							
Amount.....							
Supplies:							
Number of companies.....							
Amount.....							
Unspecified:							
Number of companies.....	1	1	1	1	1	1	1
Amount.....	\$3,282	\$4,448	\$3,674	\$9,063	\$5,429	\$3,902	\$3,352
Unspecified methods of valuing inventories							
Number of companies.....	5	5	5	5	5	5	5
Amount of total sales.....	\$1,120,945	\$1,254,252	\$970,716	\$1,566,099	\$1,596,548	\$1,629,094	\$2,151,247
Total inventories:							
Number of companies.....	5	4	4	4	4	5	5
Amount.....	\$170,399	\$208,875	\$181,080	\$352,911	\$217,218	\$230,437	\$255,472
Raw materials:							
Number of companies.....	1	1	2	2	1		
Amount.....		\$8,633	\$18,737	\$59,612	\$9,504		
Work in process:							
Number of companies.....			1	1			
Amount.....			\$1,801	\$3,016			
Finished goods:							
Number of companies.....	2	1	1	1			
Amount.....	\$5,963		\$57,314	\$54,755			
Supplies:							
Number of companies.....	1					1	1
Amount.....	\$1,088					\$275	\$232
Unspecified:							
Number of companies.....	3	3	2	2	3	4	4
Amount.....	\$163,348	\$200,242	\$103,228	\$235,528	\$207,714	\$230,162	\$255,240

TABLE 126-C.—The book value of inventories and total sales classified by methods of valuing inventories for an identical sample of small furniture corporations, 1930-36

	1930	1931	1932	1933	1934	1935	1936
Cost or market method of valuing inventories							
Number of companies.....	22	22	22	22	22	22	22
Amount of total sales.....	\$3,864,909	\$3,252,291	\$2,244,211	\$2,658,031	\$3,057,478	\$3,811,791	\$5,162,361
Total inventories:							
Number of companies.....	22	22	22	22	22	22	21
Amount.....	\$729,855	\$591,324	\$459,960	\$587,008	\$526,329	\$544,607	\$641,573
Raw materials:							
Number of companies.....	10	11	10	9	8	8	7
Amount.....	\$236,116	\$191,552	\$148,338	\$114,748	\$121,644	\$45,434	\$57,810
Work in process:							
Number of companies.....	10	10	7	7	5	7	5
Amount.....	\$156,424	\$127,176	\$88,220	\$125,845	\$100,891	\$41,216	\$13,681
Finished goods:							
Number of companies.....	10	11	9	8	7	10	9
Amount.....	\$69,824	\$87,098	\$69,769	\$71,429	\$35,220	\$54,574	\$41,500
Supplies:							
Number of companies.....	4	3	1	1	1	1	1
Amount.....	\$8,021	\$12,419	\$145	\$312	\$311	\$198	\$245
Unspecified:							
Number of companies.....	12	9	10	10	11	12	12
Amount.....	\$239,470	\$173,079	\$153,488	\$274,674	\$268,263	\$403,185	\$528,937
Cost method of valuing inventories							
Number of companies.....	3	3	3	3	3	3	3
Amount of total sales.....	\$871,541	\$798,623	\$459,834	\$793,431	\$613,956	\$619,483	\$793,788
Total inventories:							
Number of companies.....	3	3	3	3	3	3	3
Amount.....	\$73,483	\$81,595	\$69,513	\$169,756	\$86,424	\$102,651	\$119,203
Raw materials:							
Number of companies.....	1	3	2	2	2	2	1
Amount.....	\$45,668	\$60,163	\$48,929	\$149,197	\$59,383	\$83,517	\$103,809
Work in process:							
Number of companies.....		1	1				
Amount.....		\$516	\$247				
Finished goods:							
Number of companies.....	2	3	2	2	2	2	1
Amount.....	\$13,184	\$20,417	\$9,534	\$9,609	\$6,273	\$7,340	\$6,387
Supplies:							
Number of companies.....	2	2	2	2	2	2	1
Amount.....	\$715	\$499	\$829	\$2,366	\$13,125	\$10,943	\$1,249
Unspecified:							
Number of companies.....	1		1	1	1	1	2
Amount.....	\$13,916		\$9,974	\$8,584	\$7,643	\$851	\$7,758
Unspecified methods of valuing inventories							
Number of companies.....	3	3	3	3	3	3	3
Amount of total sales.....	\$83,498	\$85,211	\$61,124	\$63,496	\$87,333	\$111,545	\$173,072
Total inventories:							
Number of companies.....	3	3	3	3	3	3	3
Amount.....	\$36,315	\$38,051	\$26,410	\$26,387	\$23,319	\$26,707	\$27,307
Raw materials:							
Number of companies.....							
Amount.....							
Work in process:							
Number of companies.....							
Amount.....							
Finished goods:							
Number of companies.....						1	1
Amount.....						\$9,050	\$10,106
Supplies:							
Number of companies.....							
Amount.....							
Unspecified:							
Number of companies.....	3	3	3	3	3	2	2
Amount.....	\$36,315	\$38,051	\$26,410	\$26,387	\$23,319	\$17,627	\$17,201

TABLE 126-D.—The book value of inventories and total sales classified by methods of valuing inventories for an identical sample of small stone and clay products corporations, 1930-36

	1930	1931	1932	1933	1934	1935	1936
Cost of market method of valuing inventories							
Number of companies.....	13	13	13	13	13	13	13
Amount of total sales.....	\$850,620	\$681,903	\$342,732	\$297,191	\$440,322	\$464,659	\$695,034
Total inventories:							
Number of companies.....	13	13	13	13	13	13	13
Amount.....	\$171,920	\$134,985	\$107,090	\$87,337	\$103,453	\$97,245	\$134,431
Raw materials:							
Number of companies.....	4	3	3	3	3	3	3
Amount.....	\$32,891	\$24,761	\$19,484	\$24,028	\$22,250	\$25,644	\$26,462
Work in process:							
Number of companies.....							
Amount.....							
Finished goods:							
Number of companies.....	10	9	9	8	10	8	9
Amount.....	\$117,970	\$94,734	\$78,522	\$54,936	\$73,473	\$60,669	\$94,945
Supplies:							
Number of companies.....	3	3	2	2	1	1	1
Amount.....	\$611	\$664	\$358	\$320	\$189	\$170	\$153
Unspecified:							
Number of companies.....	2	3	3	4	2	4	3
Amount.....	\$20,448	\$14,826	\$8,726	\$8,053	\$7,541	\$10,762	\$12,871
Cost method of valuing inventories							
Number of companies.....	14	14	14	14	14	14	14
Amount of total sales.....	\$1,245,943	\$789,269	\$443,814	\$285,006	\$456,804	\$534,880	\$729,865
Total inventories:							
Number of companies.....	14	14	14	14	14	14	14
Amount.....	\$277,119	\$221,589	\$172,517	\$174,322	\$129,129	\$120,370	\$129,255
Raw materials:							
Number of companies.....	10	8	8	8	9	7	7
Amount.....	\$19,291	\$11,040	\$11,706	\$12,588	\$12,206	\$12,661	\$8,983
Work in process:							
Number of companies.....	7	5	5	5	4	5	4
Amount.....	\$39,161	\$18,874	\$15,965	\$13,423	\$6,228	\$8,249	\$12,334
Finished goods:							
Number of companies.....	10	9	9	9	9	8	8
Amount.....	\$176,398	\$126,169	\$108,606	\$108,824	\$64,405	\$57,330	\$69,244
Supplies:							
Number of companies.....	4	4	4	4	6	6	5
Amount.....	\$4,804	\$2,222	\$2,025	\$2,085	\$12,060	\$16,237	\$18,394
Unspecified:							
Number of companies.....	3	3	3	3	2	3	4
Amount.....	\$37,465	\$63,284	\$34,215	\$37,402	\$34,231	\$25,893	\$20,300
Unspecified methods of valuing inventories							
Number of companies.....	3	3	3	3	3	3	3
Amount of total sales.....	\$129,923	\$53,412	\$33,036	\$24,892	\$41,964	\$55,998	\$85,189
Total inventories:							
Number of companies.....	3	3	3	3	3	3	3
Amount.....	\$37,787	\$34,549	\$30,714	\$22,165	\$26,751	\$21,843	\$17,722
Raw materials:							
Number of companies.....	1	1	1	1	1	1	1
Amount.....	\$2,365	\$1,080	\$749	\$1,658	\$742	\$1,469	\$1,046
Work in process:							
Number of companies.....							
Amount.....							
Finished goods:							
Number of companies.....	3	3	3	3	3	3	3
Amount.....	\$35,422	\$25,723	\$22,220	\$20,507	\$26,009	\$20,374	\$16,676
Supplies:							
Number of companies.....							
Amount.....							
Unspecified:							
Number of companies.....		1	1				
Amount.....		\$7,746	\$7,745				

TABLE 126-E.—The book value of inventories and total sales classified by methods of valuing inventories for an identical sample of small machine tool corporations, 1930-36

	1930	1931	1932	1933	1934	1935	1936
Cost of market method of valuing inventories							
Number of companies.....	7	7	7	7	7	7	7
Amount of total sales.....	\$688,578	\$468,468	\$232,659	\$241,617	\$331,754	\$446,216	\$662,977
Total inventories:							
Number of companies.....	7	7	7	7	7	7	7
Amount.....	\$183,622	\$157,670	\$131,611	\$142,468	\$137,265	\$140,255	\$147,177
Raw materials:							
Number of companies.....	3	3	3	3	2	3	4
Amount.....	\$25,068	\$6,975	\$9,976	\$21,068	\$4,294	\$8,543	\$33,110
Work in process:							
Number of companies.....	1	1	1	2	1	1	1
Amount.....	\$5,741	\$2,522	\$2,117	\$5,199	\$2,024	\$2,115	\$1,386
Finished goods:							
Number of companies.....	2	2	2	2	2	2	2
Amount.....	\$19,555	\$17,095	\$10,007	\$12,785	\$17,030	\$15,393	\$14,209
Supplies:							
Number of companies.....	4	4	4	4	5	5	5
Amount.....	\$45,633	\$38,614	\$36,412	\$34,933	\$33,920	\$31,819	\$34,936
Unspecified:							
Number of companies.....	4	4	4	3	4	3	2
Amount.....	\$87,625	\$92,464	\$73,099	\$68,483	\$79,997	\$82,385	\$63,536
Cost method of valuing inventories							
Number of companies.....	5	5	5	5	5	5	5
Amount of total sales.....	\$409,141	\$308,041	\$223,521	\$310,313	\$336,529	\$420,466	\$566,280
Total inventories:							
Number of companies.....	5	5	5	5	5	5	5
Amount.....	\$42,712	\$36,247	\$22,731	\$19,419	\$22,282	\$29,348	\$32,201
Raw materials:							
Number of companies.....	1	1	1	1	1	1	1
Amount.....	\$11,248	\$6,260	\$4,565	\$4,090	\$3,985	\$3,816	\$4,591
Work in process:							
Number of companies.....		3	3	3	3	3	3
Amount.....	\$15,833	\$16,457	\$5,997	\$3,968	\$6,095	\$14,029	\$16,239
Finished goods:							
Number of companies.....	1	1	1	1	2	1	1
Amount.....	\$4,740	\$3,006	\$1,912	\$1,277	\$1,925	\$1,489	\$1,110
Supplies:							
Number of companies.....							
Amount.....							
Unspecified:							
Number of companies.....	2	2	2	2	2	2	2
Amount.....	\$10,906	\$10,524	\$10,257	\$10,084	\$10,277	\$10,014	\$10,261
Unspecified methods of valuing inventories							
Number of companies.....	11	11	11	11	11	11	11
Amount of total sales.....	\$771,998	\$545,871	\$330,675	\$334,080	\$439,169	\$523,172	\$795,568
Total inventories:							
Number of companies.....	11	11	11	10	10	10	10
Amount.....	\$100,412	\$85,807	\$73,895	\$87,835	\$54,820	\$52,952	\$73,586
Raw materials:							
Number of companies.....	8	8	9	8	8	8	8
Amount.....	\$43,151	\$34,889	\$31,499	\$31,984	\$14,007	\$14,556	\$19,152
Work in process:							
Number of companies.....	4	4	4	5	5	5	5
Amount.....	\$37,275	\$36,074	\$32,132	\$34,720	\$14,679	\$16,376	\$23,924
Finished goods:							
Number of companies.....	2	3	2	3	3	3	3
Amount.....	\$13,442	\$11,374	\$2,437	\$2,769	\$3,774	\$1,981	\$3,086
Supplies:							
Number of companies.....	3	2	2	3	3	3	3
Amount.....	\$1,834	\$1,299	\$1,147	\$1,146	\$10,122	\$5,598	\$5,362
Unspecified:							
Number of companies.....	2	2	2	2	2	2	2
Amount.....	\$4,710	\$2,171	\$6,680	\$17,216	\$12,238	\$14,441	\$22,062

INDEX

ACCOUNTING:

Small manufacturing corporations:	Page
Systems and periods (bakeries, men's clothing, furniture, stone and clay products, machine tools); number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F-----	298

ADVERTISING, PRINTING AND PUBLISHING: Standard Statistics Co. composite of 400 corporations includes analyses. *See* Standard Statistics Co.

ASSETS (TOTAL MANUFACTURING):

1926-36. Percentage distribution of total assets held by five industrial subgroups (food, textiles, lumber, stone, metals), by periods, 1926-29, 1930-33, 1934-36; comment and table 9-----	22-23
---	-------

AUTOMOBILES, TRUCKS, PARTS AND TIRES:

Standard Statistics Co. composite of 400 corporations includes analyses. *See* Standard Statistics Co.

BAKING INDUSTRY:

Accounting systems and periods:

1926-36. Cash, accrual, not specified, calendar or fiscal year; number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F-----	298
---	-----

Accounts payable to current liabilities ratio:

1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 63-64, appendix F-----	355-356
---	---------

Asset size and failures:

1926-36. Frequency distribution of companies by date of incorporation; table 10-A, appendix F-----	299
--	-----

Asset size and geographical distribution:

1926-36. *See below* Geographical distribution and asset size.

Balance sheet. *See below* Income statement and balance sheet.

Cash and receivables to current liabilities ratio:

1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 59-60, appendix F-----	351-352
---	---------

Cash and receivables to current liabilities ratio (failures):

1927-36. Frequency distribution by companies, by number of firms showing years before failure between 1927 and 1936; table 120, appendix F-----	395-396
---	---------

Cash to total assets ratio:

1926-36. Number and percent of firms, by size of dividends, 1926-36, 1930-36; tables 99A-99E, 100A-100E, appendix F-----	376-389
--	---------

Cash to total assets ratio (failures):

1927-36. Frequency distribution of companies, by number of firms showing years before failure between 1927 and 1936; table 122, appendix F-----	397-398
---	---------

Current assets to current liabilities ratio:

1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 57-58, appendix F-----	349-350
---	---------

Current assets to total assets ratio:

1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 43-44, appendix F-----	343
---	-----

Depreciation and depletion ratio to sales:

1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 33-34, appendix F-----	332
---	-----

Dividend disbursements:

1926-36. Amounts and percent of income available for dividends; table 24, appendix F-----	324-325
---	---------

Dividends:

1926-36. *See also above* Cash to total assets ratio, these dates.

BAKING INDUSTRY—Continued.

Page

Economic income before interest and income taxes to total investment in enterprise ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; table 75, appendix F	364-365
Economic income (or loss) ratio to capital stock:	
1926-36. By size of ratio and by area, number, and percent of companies, table 17A, appendix F	314-315
1926-36. By size of ratio and by asset size, number, and percent of companies, table 16A, appendix F	304-305
Economic income to tangible net worth ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Failures:	
1926-36. Frequency distribution of companies by asset size, failures, and date of incorporation; table 10A, appendix F	299
1926-36. Percentage of firms in 1926 sample surviving in each of years 1927-36; comment and chart 1	12
1930-36. Percentage of firms in 1930 sample surviving in each of years 1931-36; comment and chart 2	13
Fixed capital ratio:	
1925-36. Frequency distribution of ratio of capital stock to surplus; number of failures and survivors; comment and table 53	105-110
Funded debt to capital stock ratio:	
1925-36. Size of ratio of funded debt to capital stock; comment and table 54	110-113
Funded debt to net capital assets (including land) ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 67-68, appendix F	359-360
Geographical and asset size distribution:	
1926-36. By original 1926 sample, supplementary 1930 sample, identical 1926-36 and 1930-36 samples, and number-of-years-before-failure groups; table 6A, appendix F	278-281
Income statement and balance sheet:	
1925-36. Selected items showing frequencies and aggregate amounts by years; table 1A, appendix F	203-207
1927-36. Selected items for a sample of corporations failing during period, showing frequencies and aggregate amounts, by number of years before failure; table 5A, appendix F	253-257
1929-36. Selected items showing frequencies and aggregate amounts by years; table 3A, appendix F	228-232
Inventories and total sales:	
1926-36. Included in break-down under Small Manufacturing Companies, <i>which see</i> .	
Inventories to current assets ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 51-52, appendix F	345-346
Net capital assets (including land) to total investment ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 65-66, appendix F	357-358
Net worth to total debt ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Notes payable to current liabilities ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 61-62, appendix F	353-354
Profit ratio:	
1926-36. Frequency distribution of ratio of net income to capital stock; comment and table 18	38-42
Rent to sales ratio:	
1926-36. Frequency distribution of companies by size of net sales; table 41A, appendix F	334-335
Repairs to sales ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 29-30, appendix F	330-331

BAKING INDUSTRY—Continued.

Page

Sales and investment trends:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to current assets ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to inventory ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to inventory ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to net capital assets (including land) ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to total receivables ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to working capital ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Source and disposal of funds:	
1935-37. Composite statement of eight large bakeries, amount and percent disposal and source; comment and table 64	132-134, 139-140
Valuing inventories methods:	
1926-36. Lower of cost or market, cost, other, number, and percent of companies, 1926, 1931, 1936; table 7-9, appendix F	298
Working capital ratio:	
1925-36. Frequency distribution of current ratio; comment and table 41	83-86
Working capital ratio (failures):	
1927-36. Frequency distribution of companies by current ratio by number of years before failure between 1927 and 1936; table 117, appendix F	394
Working capital to total assets ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Working capital to total capital ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 55-56, appendix F	347-348
BALANCE SHEET:	
Small Manufacturing Corporations:	
1925-36. Selected items (baking, men's clothing, furniture, stone-clay, machine-tool samples); tables 1A-1E, appendix F	203-227
1929-36. Selected items (baking, men's clothing, furniture, stone-clay, machine-tool samples); tables 3A-3E, appendix F	232-252
BEVERAGES: Standard Statistics Co. of 400 corporations includes analyses.	
<i>See</i> Standard Statistics Co.	
BRICK AND CLAY PRODUCTS:	
Source and disposal statement:	
1935-37. Composite statement of nine brick and clay manufacturers; amount and percent disposal and source; comment and table 66	136-138, 139
BUILDING AND REAL ESTATE: Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.	
BUREAU OF INTERNAL REVENUE:	
Source book of statistics of income, nature, and availability of (u.)	26
Statistics of income (1916-), analysis	2-5, 20
Correction for nonreporting of balance sheets in Statistics of Income	174-177
Publication does not include compiled net income after tax classified by asset size	26
Size of capital classification data limitation	29
BURR, SUSAN S., joint author. <i>See</i> Ebersole, J. F.	

	Page
CLAY INDUSTRY. <i>See</i> Brick and Clay Products; Stone and Clay Products.	
CLOTHING (MEN'S) INDUSTRY:	
Accounting systems and periods:	
1926-36. Cash, accrual, not specified, calendar or fiscal year; number and percent of companies, 1926, 1931, 1936; table, 7-9, appendix F-----	298
Accounts payable to current liabilities ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 63-64, appendix F-----	355-356
Asset size and failures:	
1926-36. Frequency distribution of companies by date of incorporation; table 10B, appendix F-----	300
Balance sheet. <i>See below</i> Income Statement and balance sheet.	
Cash and receivables to current liabilities ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 59-60, appendix F-----	351-352
Cash and receivables to current liabilities ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Cash to total assets, ratio:	
1926-36. Included in break-down under Small Manufacturing Companies, <i>which see</i> .	
Cash to total assets ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Current assets to current liabilities ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 57-58, appendix F-----	349-350
Current assets to total assets ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 43-44, appendix F-----	343
Depreciation and depletion ratio to sales:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 33-34, appendix F-----	332
Dividend disbursements:	
1926-36. Amounts and percent of income available for dividends; table 24, appendix F-----	325-326
Economic income before interest and income taxes to total investment in enterprise ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Economic income (or loss) ratio to capital stock:	
1926-36. By size of ratio and by area, number, and percent of companies; table 17B, appendix F-----	316-317
1926-36. By size of ratio and by asset size, number, and percent of companies; table 16B, appendix F-----	306-307
Economic income to tangible net worth ratio:	
1926-36. Included in break-down for Small Manufacturing Corporations, <i>which see</i> .	
Failures:	
1926-36. Asset size and failures, frequency distribution of companies by date of incorporation; table 10B, appendix F-----	300
1926-36. Percentage of firms in 1926 sample surviving in each of years 1927-36; comment and chart 1-----	12
1930-36. Percentage of firms in 1930 sample surviving in each of years 1931-36; comment and chart 2-----	13
Fixed capital ratio:	
1925-36. Frequency distribution of ratio of capital stock to surplus; comment and table 53-----	105-110
Funded debt to capital stock ratio:	
1925-36. Size of ratio of funded debt to capital stock; comment and table 54-----	110-113
Funded debt to net capital assets (including land) ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 67-68, appendix F-----	359-360

CLOTHING (MEN'S) INDUSTRY—Continued.

	Page
Geographical and asset size distribution:	
1926-36. By original 1926 sample, supplementary 1930 sample, identical 1926-36 and 1930-36 samples, and number of-years-before-failure groups; table 6B, appendix F.....	282-285
Income statement and balance sheet:	
1925-36. Selected items showing frequencies and aggregate amounts by years; table 1B, appendix F.....	208-212
1927-36. Selected items for a sample of corporations failing during period, showing frequencies and aggregate amounts, by number of years before failure; table 5B, appendix F.....	258-262
1929-36. Selected items showing frequencies and amounts by years; table 3B, appendix F.....	233-237
Inventories and total sales:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Inventories to current assets ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 51-52, appendix F.....	345-346
Net capital assets (including land) to total investment ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 65-66, appendix F.....	357-358
Net worth to total debt ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Notes payable to current liabilities ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 61-62, appendix F.....	353-354
Profit ratio:	
1926-36. Frequency distribution of ratio of net income to capital stock; comment and table 18.....	38-42
Rent to sales ratio:	
1926-36. Frequency distribution of companies by size of net sales; table 41B, appendix F.....	335-337
Repairs to sales ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 29-30, appendix F.....	330-331
Sales and investment trends:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to current assets ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to inventory ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to inventory ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to net capital assets ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to total receivables ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to working capital ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Source and disposal statement:	
1936-37. Composite statement of 16 clothing manufacturers; amount and percent disposal and source; comment and table 67.....	138-139, 140
Valuing inventories methods:	
1926-36. Lower of cost or market, cost, other, number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F....	298
Working capital ratio:	
1925-36. Frequency distribution of current ratio each year; comment and table 41.....	83-86

	Page
CLOTHING (MEN'S) INDUSTRY—Continued.	
Working capital ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Working capital to total assets ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Working capital to total capital ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 55-56, appendix F-----	347-348
COMPENSATION OF OFFICERS:	
Qualifying factor in profit-and-loss statements of concerns-----	33
CONTAINERS: Standard Statistics Co., composite of 400 corporations includes analyses. See Standard Statistics Co.	
CORPORATE FINANCIAL STATEMENTS: Appraisal of-----	
CORPORATION FINANCE:	
Bureau of Internal Revenue, Statistics of Income, analysis-----	2-5, 20
Small manufacturing corporations. See Small Manufacturing Corporations.	
Standard Statistics Co.'s publications-----	5-8
DEBT RATIO:	
Current debt to total debt. See Fixed Capital Sources.	
DEWING, ARTHUR S.: Corporation finance (4 Encyclopedia Social Sciences); cited (n.)-----	
	xiii
DISBURSEMENT: Defined-----	
	61
DIVIDEND PAYMENTS:	
Analysis of factors influencing decisions of corporate management concerning dividend policy-----	59-65
Analysis of number of corporations in the Standard Statistics' composite of 400 large companies paying dividends-----	48-59
Small manufacturing corporations. See Small Manufacturing Corporations.	
1927-38. Stability of dividend payments for the Standard Statistics' composite of 400 large companies; comment and table 30-----	57-59
DIVIDEND RATIO:	
Large manufacturing companies; comment and tables-----	47-67
1926-36. Disbursement ratio (cash dividends paid to compiled net profit after tax) for total manufacturing, including income and non-income companies; comment and table 21-----	45
1926-36. Ratio of cash dividends paid to compiled net profit (after Federal tax) for total manufacturing and five subgroups (food, textiles, lumber, stone, metals); income companies only; comment and table 19-----	43-44
1926-36. Ratio of cash dividends paid to net worth, for total manufacturing and five subgroups (food, textiles, lumber, stone, and metals); comment and table 22-----	45-46
1927-38. Average ratio of common dividends paid to common stock and surplus for dividend-paying companies in the Standard Statistics' composite of 400 large companies, by 28 named industries, each year; comment and table 28-----	54-55
1927-38. Average ratio of common dividends paid to common stock and surplus for dividend-paying companies in the Standard Statistics' composite of 400 large corporations, by 28 named industries, 1927-29, 1930-33, 1934-38, 1927-38 periods; comment and table 27-----	53-54
1927-38. Average ratio of common dividends paid to common stock and surplus for Standard Statistics' composite of 400 large corporations, by 28 named industries; comment and table 26-----	51-53
1927-38. Average ratio of common dividends paid to common stock, and surplus for Standard Statistics' composite of 400 large corporations by 28 named industries, 1927-29, 1930-33, 1934-38 and 1927-38 periods; comment and table 25-----	49-51
1927-38. Cross-classification of disbursement and liquidity ratios for Standard Statistics' composite of 400 identical large companies; comment and table 31-----	60-65
1927-38. Frequency distribution of ratio of common dividends paid to common stock and surplus, Standard Statistics' composite of 400 large companies; comment and table-----	55-57

DIVIDEND RATIO—Continued.

	Page
1927-38. Number of corporations paying dividends in each year in the Standard Statistics' composite of 400 large companies, by 28 named industries; comment and table 24.....	48-49
1927-38. Rank, high and low, of industries for whole period, for prosperity years 1927-29, for depression years 1930-33, and for recovery years 1934-38; analysis of rank and trends.....	50-51
1931-36. Ratio of cash dividends paid to compiled net profit (after Federal tax) for total manufacturing classified by asset size, income companies only; comment and table 20.....	44-45
1931-36. Ratio of cash dividends paid to net worth for total manufacturing, classified by asset size, income and no-income companies, each year and average 1931-36; comment and table 23.....	46-47
EBERSOLÉ, J. F., SUSAN S. BURR and GEORGE M. PETERSON: Income forecasting by the use of Statistics of Income data (1929-30); cited (n.).....	2
ELECTRIC EQUIPMENT AND RADIO:	
Standard Statistics Co. composite of 400 corporations includes analyses. See Standard Statistics Co.	
EPSTEIN, RALPH C.: Industrial profits in the United States (1934); cited (n.).....	17, 28
Summary of conclusions.....	29-32
FABRICANT, SOLOMON: Capital consumption and adjustment (1938); cited (n.).....	20
FAILURES:	
Bakery industry. See Bakery Industry.	
Clothing industry. See Clothing (Men's) Industry.	
Furniture industry. See Furniture Industry.	
Machinery industry. See Machine Tools Industry.	
Small manufacturing corporations. See Small Manufacturing Corporations.	
Stone and clay industry. See Stone and Clay Industry.	
FERROLIZER CHEMICALS: Standard Statistics Co. composite of 400 corporations includes analyses. See Standard Statistics Co.	
FINANCIAL STATEMENTS: See Corporate Financial Statements.	
FINANCIAL STATEMENTS ANALYSIS: Source and disposal of funds device.....	123
FINNEY, H. A.: Principles of accounting; cited (n.).....	123
FIXED CAPITAL NATURE AND SOURCES RATIO:	
Distribution of par and no-par common stock, Standard Statistics' 1927-38 composite of 400 identical companies by 25 named industries; comment and table 55.....	113-114
1925-36. Frequency distribution of ratio of capital stock to surplus by selected industries (bakeries, men's clothing, furniture, stone and clay, machine tools); sample of small manufacturing companies; failures and survivors in each ratio class; comment and table 53.....	105-110
1925-36. Sample of small manufacturing corporations, by size of ratio of funded debt to capital stock and by industry (baking, men's clothing, furniture, stone-clay, machine tool); number and percent failures and survivors each year; comment and table 54.....	110-113
1926-36. Analysis of three ratios in combination industry by industry (foods, textiles, lumber, stone-clay, metals) in period groups 1926-29, 1930-33, 1934-36, with appraisals remarks for each industry group; comment and table.....	99-100
1926-36. Ratio of current debt to total debt for total manufacturing and five subgroups (food, textiles, lumber, stone, metals), each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 49.....	95-98
1926-36. Ratio of net worth to total debt for total manufacturing and five subgroups (food, textiles, lumber, stone, and metals), each year and average of annual ratios 1926-29, 1930-33, 1934-36; 1926-36; comment and table 49.....	95-98
1926-36. Ratio of surplus to net worth for total manufacturing and five subgroups (food, textiles, lumber, stone, metals), each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 49.....	95-98

FIXED CAPITAL NATURE AND SOURCES RATIO—Continued.		Page
1927-38. Ratio of current liabilities to total debt for Standard Statistics' composite of 400 large corporations in 28 named industries, by period 1927-29, 1930-33, 1934-38, 1927-38; comment and table 52.....		104-105
1927-38. Ratio of net worth to total debt for Standard Statistics' composite of 400 large corporations in 28 named industries, by period 1927-29, 1930-33, 1934-38, 1927-38; comment and table 51.....		102-104
1931-36. Ratio of current to total debt total manufacturing classified by asset size, each year and average of annual ratios 1931-33, 1934-36, 1931-36; comment and table 50.....		98-99
1931-36. Ratio of net worth to total debt for total manufacturing classified by asset size, each year and average of annual ratios 1931-33, 1934-36, 1931-36; comment and table 50.....		98-99
1931-36. Ratio of surplus to net worth for total manufacturing classified by asset size, each year and average of annual ratios 1931-33, 1934-36, 1931-36; comment and table 50.....		98-99
1931-36. Summary of three ratios classified by asset size; comment and table.....		100-101.
FIXED CAPITAL USES:		
Comment and tables.....		114-121
Plant expansion policies.....		119-121
FIXED CAPITAL USES RATIO:		
1926-36. Ratio of capital assets to invested capital for total manufacturing and five subgroups (food, textiles, lumber, stone, metals) each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 56.....		114-115
1926-36. Ratio of current assets to total capital for total manufacturing and five subgroups (food, textiles, lumber, stone, metals); comment and table 58.....		115-116
1927-38. Ratio of fixed assets to invested capital for Standard Statistics' composite of 399 corporations in 25 named industries, by periods 1927-29, 1930-33, 1934-38, 1927-38; comment and table 60.....		117-119
1931-36. Ratio of capital assets to invested capital for total manufacturing classified by asset size; comment and table 57.....		115
1931-36. Ratio of current assets to total capital for total manufacturing classified by asset size; comment and table 59.....		116-117
FLOW OF FUNDS STATEMENT		123
FOOD INDUSTRY:		
Assets:		
1926-36. Percentage of total manufacturing corporation assets held by industry, by periods 1926-29, 1930-33, 1934-36; comment and table 9.....		22-23
Dividend ratio:		
1926-36. Ratio of cash dividends paid to compiled net profit (after Federal tax), income companies only; comment and table 19.....		43-44
1926-36. Ratio of cash dividends paid to net worth; 1926-36 each year and 1926-29, 1930-33, 1934-36, 1926-36 periods, annual averages; comment and table 22.....		45-46
Fixed capital ratio:		
1926-36. Net worth to total debt, surplus to net worth, current debt to total debt, each year and average of annual ratios, 1926-29, 1930-33, 1934-36, 1926-36; comment and table 49.....		95-98
Fixed capital uses ratio:		
1926-36. Ratio of capital assets to invested capital, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36, comment and table 56.....		114-115
1926-36. Ratio of current assets to total capital, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 58.....		115-116
Profit ratio:		
1926-36. Ratio of compiled net profit (after tax) to net worth; comment and table 8.....		21-22

FOOD INDUSTRY—Continued.

	Page
Profit ratio—Continued.	
1931-36. Ratio of compiled net profit plus interest plus officers' compensation to total assets, classified by asset size, income and no-income companies, 1931-33, 1934-36 periods; comment and table 16-----	34-36
1931-36. Ratio of compiled net profit to net worth, by asset size, income, no-income, and all companies, 1931-33, 1934-36 periods; comment and table 11-----	27-28
Working capital ratio:	
1926-36. Average of annual current ratio and current assets turn-over; table-----	88
1926-36. Current ratio, each year and 1926-29, 1930-33, 1934-36, 1926-36 annual averages; comment and table 32-----	68-70
1926-36. Ratio of net working capital to capital assets, each year and 1926-29, 1930-33, 1934-36 and 1926-36 annual averages; comment and table 34-----	71-73
Working capital ratio (inventory to receivables):	
1926-36. Ratio of inventory to receivables, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 47-----	91-92
Working capital ratio (sales to inventory):	
1926-36. Ratio of sales to inventory each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 44-----	89-90
Working capital ratio (sales to receivables):	
1926-36. Ratio of sales to receivables, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 46-----	90-91
Working capital turn-over ratio:	
1926-36. Ratio of sales to current assets, each year and 1926-29, 1930-33, 1934-36, and 1926-36 annual averages; comment and table 42-----	87
FOOD PRODUCTS: Standard Statistics Co. composite of 400 corporations includes analyses. See Standard Statistics Co.	
FRANK, JEROME N.: Too much interest in interest (1938), cited (n.)--	111
FURNITURE INDUSTRY:	
Accounting systems and periods:	
1926-36. Cash, accrual, not specified; calendar or fiscal year; number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F-----	298
Accounts payable to current liabilities ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36, tables 63-64, appendix F-----	355-356
Asset size and failures:	
1926-36. Frequency distribution by companies by date of incorporation; table 10C, appendix F-----	301
Cash and receivables to current liabilities ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 59-60, appendix F-----	351-352
Cash and receivables to current liabilities ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Cash to total assets ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Cash to total assets ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Current assets to current liabilities ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 57-58, appendix F-----	349-350
Current assets to total assets ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 43-44, appendix F-----	343-344
Depreciation and depletion ratio to sales:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 33, 34, appendix F-----	332

FURNITURE INDUSTRY—Continued.

Page

Dividend disbursements:	
1926-36. Amounts and percent of income available for dividends; table 24, appendix F.....	326-327
Economic income before interest and income taxes to total investment in enterprise ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Economic income (or loss) ratio to capital stock:	
1926-36. By size of ratio and by area, number and percent of companies; table 17C, appendix F.....	318-319
1926-36. By size of ratio and by asset size, number and percent of companies; table 16C, appendix F.....	308-309
Economic income to tangible net worth ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Failures:	
1926-36. Percentage of firms in 1926 sample surviving in each of years 1927-36; comment and chart 1.....	12
1930-36. Percentage of firms in 1930 sample surviving in each of years 1931-36; comment and chart 2.....	13
1925-36. Size of ratio of funded debt to capital stock; comment and table 54.....	110-113
Fixed capital ratio:	
1925-36. Frequency distribution of ratio of capital stock to surplus; comment and table 53.....	105-110
Funded debt to net capital assets (including land) ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 67-68, appendix F.....	359-360
Geographical and asset size distribution:	
1926-36. By original 1926 sample, supplementary 1930 sample, identical 1926-36 and 1930-36 samples, and number-of-years-before-failure groups; table 6C, appendix F.....	286-289
Income statement and balance sheet:	
1925-36. Selected items showing frequencies and aggregate amounts by years; table 1C, appendix F.....	213-217
1927-36. Selected items for a sample of corporations failing during period, showing frequencies and aggregate amounts by number of years before failure; table 5C, appendix F.....	263-267
1929-36. Selected items showing frequencies and aggregate amounts, by years; table 3C, appendix F.....	238-242
Inventories and total sales:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Inventories to current assets ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 51-52, appendix F.....	345-346
Net capital assets (including land) to total investment ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; table 65-66, appendix F.....	357-358
Net worth to total debt ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Notes payable to current liabilities ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 61-62, appendix F.....	353-354
Profit ratio:	
1926-36. Frequency distribution of ratio of net income to capital stock; comment and table 18.....	38-42
Rent to sales ratio:	
1926-36. Frequency distribution of companies by size of net sales; table 41C, appendix F.....	337-338
Repairs to sales ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 29-30, appendix F.....	330-331
Sales and investment trends: —	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	

FURNITURE INDUSTRY—Continued.

Sales to current assets ratio (failures):		
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to inventory ratio:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to inventory ratio (failures):		
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to net capital assets (including land) ratio:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to total receivables ratio:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Valuing inventories methods:		
1926-36. Lower of cost or market, cost, other; number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F--	298	
Working capital ratio:		
1925-36. Frequency distribution of current ratio each year; comment and table 41-----	83-86	
Working capital, ratio (failures):		
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Working capital to total assets ratio (failures):		
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Working capital to total capital ratio:		
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 55-56, appendix F-----	347-348	
GLOSSARY:		
Disbursement-----	61	
Liquidity-----	61	
Net worth-----	96	
Profit ratio (Standard Statistics)-----	36	
Standard Statistics' sample of 400 corporations; items used defined-----	182	
Turn-over-----	86	
Working capital-----	67	
HOUSEHOLD PRODUCTS: Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.		
INCOME (OR LOSS) RATIO: Small manufacturing corporations. <i>See</i> Small Manufacturing Corporations, Economic income (or loss) ratio.		
INCOME STATEMENT:		
Small manufacturing corporations:		
1925-36. Selected items (baking, men's clothing, furniture, stone-clay, machine-tool samples); tables 1A-1E, appendix F-----	203-227	
1929-36. Selected items (Baking, men's clothing, furniture, stone-clay, machine-tool samples) tables 3A-3E, appendix F-----	232-252	
INVENTORY:		
Inventory to receivables ratio. <i>See</i> Working Capital Ratio.		
Sales to inventory ratio. <i>See</i> Working Capital Ratio.		
Valuing methods (bakeries, men's clothing, furniture, stone and clay products, machine tools); number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F-----		298
LARGE MANUFACTURING COMPANIES:		
Dividend ratio:		
Analysis of Standard Statistics' sample-----	47-67	
Fixed capital sources analysis; comment and tables-----	102-105	
Fixed capital uses ratio; comment and tables-----	116-119	
Profitability; comment-----	36-38	
Sources, disposal, inventory:		
1935-36. Comparison with small manufacturing corporations (bakeries, men's clothing, stone-clay, machine-tool companies)-----	169-171	
Working capital ratio:		
Comment and tables-----	73-83	
Inventory to receivables, 1927-38; comment and table 48-----	92-94	

	Page
LIQUIDITY: Defined-----	61
Influence on decisions of corporate management concerning dividend policy; comment and table 31-----	60-65
LUMBER INDUSTRY:	
Assets:	
1926-36. Percentage of total manufacturing corporation assets held by industry, by periods 1926-29, 1930-33, 1934-36; comment and table 9-----	22-23
Dividend ratio:	
1926-36. Ratio of cash dividends paid to compiled net profit (after Federal tax), income companies only; comment and table 19-----	43-44
1926-36. Ratio of cash dividends paid to net worth each year and 1926-29, 1930-33, 1934-36, 1926-36 periods, annual averages; comment and table 22-----	45-46
Fixed capital ratio:	
1926-36. Net worth to total debt surplus to net worth, current debt to total debt, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 49--	95-98
Fixed capital uses ratio:	
1926-36. Ratio of capital assets to invested capital, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 56-----	114-115
1926-36. Ratio of current assets to total capital, each year and average of annual ratios 1926-29, 1930-33, 1934-36; comment and table 58-----	115-116
Profit ratio:	
1926-36. Ratio of compiled net profit (after tax) to net worth; comment and table 8-----	21-22
1931-36. Ratio of compiled net profit plus interest plus officers' compensation to total assets, classified by asset size, income and no-income companies, 1931-33, 1934-36 periods; comment and table 16-----	34-36
1931-36. Ratio of compiled net profit to net worth, by asset size, income, no-income and all companies, 1931-33, 1934-36 periods; comment and table 11-----	27-28
Working capital ratio:	
1926-36. Average of annual current ratio and current assets turnover; table-----	88
1926-36. Current ratio, each year and 1926-29, 1930-33, 1934-36, 1926-36 annual averages; comment and table 32-----	68-70
1926-36. Ratio of inventory to receivables each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 47-----	91-92
1926-36. Ratio of net working capital to capital assets, each year and 1926-29, 1930-33, 1934-36, and 1926-36 annual averages; comment and table 34-----	71-73
1926-36. Ratio of sales to inventory, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 34-----	89-90
1926-36. Ratio of sales to receivables each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 46-----	90-91
Working capital turn-over ratio:	
1926-36. Ratio of sales to current assets, each year and 1926-29, 1930-33, 1934-36, 1926-36, annual averages; comment and table 42-----	87
MACHINE TOOL INDUSTRY:	
Accounting systems and periods:	
1926-36. Cash, accrual, not specified; calendar or fiscal year: number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F-----	298
Accounts payable to current liabilities ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 63-64, appendix F-----	355-356

MACHINE TOOL INDUSTRY—Continued.

Page

Asset size and failures:

1926-36. Frequency distribution of companies by date of incorporation; table 10E, appendix F..... 303

Cash and receivables to current liabilities ratio:

1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 59-60, appendix F..... 351-352

Cash and receivables to current liabilities ratio (failures):

1927-36. Included in break-down under Small Manufacturing Corporations, *which see*.

Cash to total assets ratio:

1926-36. Included in break-down under Small Manufacturing Corporations, *which see*.

Cash to total assets ratio (failures):

1927-36. Included in break-down under Small Manufacturing Corporations, *which see*.

Current assets to current liabilities ratio:

1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 57-58, appendix F..... 349-350

Current assets to total assets ratio:

1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 43-44, appendix F..... 343-344

Depreciation and depletion ratio to sales:

1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 33-34, appendix F..... 332

Dividend disbursements:

1926-36. Amounts and percent of income available for dividends; table 24, appendix F..... 329

Economic income before interest and income taxes to total investment in enterprise ratio:

1926-36. Included in break-down under Small Manufacturing Corporations, *which see*.

Economic income (or loss) ratio to capital stock:

1926-36. By size of ratio and by area, number, and percent of companies; table 17E, appendix F..... 322-323

1926-36. By size of ratio and by asset size, number and percent of companies; table 16E, appendix F..... 312-313

Economic income to tangible net worth ratio:

1926-36. Included in break-down under Small Manufacturing Corporations, *which see*.

Failures:

1926-36. Percentage of firms in 1926 sample surviving in each of years 1927-36; comment and chart 1..... 12

1930-36. Percentage of firms in 1930 sample surviving in each of years 1931-36; comment and chart 2..... 13

Fixed capital ratio:

1925-36. Frequency distribution of ratio of capital stock to surplus; comment and table 53..... 105-110

1925-36. Size of ratio of funded debt to capital stock; comment and table 54..... 110-113

Funded debt to net capital assets (including land) ratio:

1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 67-68, appendix F..... 359-360

Geographical and asset size distribution:

1926-36. By original 1926 sample, supplementary 1930 sample, identical 1926-36 and 1930-36 samples and number-of-years-before-failure groups; table 6E, appendix F..... 295-297

Income statement and balance sheet:

1925-36. Selected items showing frequencies and aggregate amounts; table 1E, appendix F..... 223-227

1927-36. Selected items for a sample of corporations failing during period, showing frequencies and aggregate amounts, by number of years before failure; table 5E, appendix F..... 273-277

1929-36. Selected items showing frequencies and aggregate amounts by years, table 3E, appendix F..... 248-252

Inventories and total sales:

1926-36. Included in break-down under Small Manufacturing Corporations, *which see*.

MACHINE TOOL INDUSTRY—Continued.		Page
Inventories-to current assets ratio:		
1925-36. Frequency distribution of companies, 1925-36, 1930-36, tables 51-52, appendix F.....		345-346
Net capital assets (including land) to total investment ratio:		
1925-36. Frequency distribution of companies, 1925-36, 1930-36, tables 65-66, appendix F.....		357-358
Net worth to total debt ratio:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Notes payable to current liabilities ratio:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Profit ratio:		
1926-36. Frequency distribution of ratio of net income to capital stock; comment and table 18.....		38-42
Rent to sales ratio:		
1926-36. Frequency distribution of companies by size of net sales; table 41E, appendix F.....		341-342
Repairs to sales ratio:		
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 29-30, appendix F.....		330-331
Sales and investment trends:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to current assets ratio (failures):		
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to inventory ratio:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to inventory ratio (failures):		
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to net capital assets ratio:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to total receivables ratio:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Sales to working capital ratio:		
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Source and Disposal Statement:		
1935-37. Composite statement of 79 manufacturers of industrial machinery, tools, parts, and equipment, amount and percent disposal and source; comment and table 65.....		134-136, 139-140
Valuing inventories methods:		
1926-36. Lower of cost or market, cost, other; number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F....		298
Working capital ratio:		
1925-26. Frequency distribution of current ratio each year; comment and table 41.....		83-86
Working capital ratio (failures):		
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Working capital to total assets ratio (failures):		
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .		
Working capital to total capital ratio:		
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 55-56, appendix F.....		347-348
MACHINERY INDUSTRY: Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.		

MEDICINES, DRUGS: Standard Statistics Co. composite of 400 corporations includes analyses. *See* Standard Statistics Co.

METALS INDUSTRY:

Assets:

1926-36. Percentage of total manufacturing corporation assets held by industry, by periods 1926-29, 1930-33, 1934-36; comment and table 9..... 22-23

Dividend ratio:

1926-36. Ratio of cash dividends paid to compiled net profit (after Federal tax), income companies only, 1926-36 each year and 1926-29, 1930-33, 1934-36, 1926-36 periods; comment and table 19..... 43-44

1926-36. Ratio of cash dividends paid to net worth each year and 1926-29, 1930-33, 1934-36, 1926-36 periods, annual averages; comment and table 22..... 45-46

Fixed capital ratio:

1926-36. Net worth to total debt, surplus to net worth, current debt to total debt, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 49..... 95-98

Fixed capital uses ratio:

1926-36. Ratio of capital assets to invested capital, each year and average of annual ratios 1926-29, 1930-33, 1933-36, 1926-36; comment and table 56..... 114-115

1926-36. Ratio of current assets to total capital, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 58..... 115-116

Profit ratio:

1926-36. Ratio of compiled net profit (after tax) to net worth; comment and table 8..... 21-22

1931-36. Ratio of compiled net profit, plus interest plus officers' compensation to total assets, classified by asset size, income and no-income companies, 1931-33, 1934-36 periods; comment and table 16..... 34-36

1931-36. Ratio of compiled net profit to net worth, by asset size, income, no-income and all companies, 1931-33, 1934-36 periods; comment and table 11..... 27-28

Standard Statistics Co. composite of 400 corporations includes analysis.

See Standard Statistics Co.

Working capital ratio:

1926-36. Average of annual current ratio and current assets turn-over, table..... 88

1926-36. Current ratio each year and 1926-29, 1930-33, 1934-36, 1926-36 annual averages; comment and table 32..... 68-70

1926-36. Ratio of inventory to receivables each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 47..... 91-92

1926-36. Ratio of net working capital to capital assets each year and 1926-29, 1930-33, 1934-36 and 1926-36 annual averages; comment and table 44..... 71-73

1926-36. Ratio of sales to inventory, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 34..... 89-90

1926-36. Ratio of sales to receivables, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 46..... 90-91

Working capital turn-over ratio:

1926-36. Ratio of sales to current assets, each year and 1926-29, 1930-33, 1934-36 and 1926-36 annual averages; comment and table 42..... 87

MITCHELL, WESLEY C.: Introduction to R. C. Epstein's Industrial profits; cited (n.)..... 17, 31

NATIONAL BUREAU OF ECONOMIC RESEARCH:

Epstein, Ralph C.:

Industrial profits in the United States (1934); cited (n.)..... 17, 28

Summary of conclusions..... 29-32

Paton, W. C.: Corporate profits as shown by audit reports; cited..... 29

Summary of conclusions..... 32-33

NET WORTH: Defined.....	
NET WORTH TO TOTAL DEBT RATIO. <i>See</i> Fixed Capital Sources.	
OIL PRODUCING AND REFINING: Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.	
OIL REFINERIES:	
Source and disposal of funds:	
1935-37. Composite statement of 17 largest oil refiners, amount and percent disposal and source; comment and table 62.....	128-130, 139-140
PAPER AND PAPER PRODUCTS: Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.	
PATON, W. C.:	
Corporate profits as shown by audit reports; cited.....	29
Summary of conclusions.....	32-33
PETERSON, GEORGE M., <i>joint author. See</i> Ebersole, J. F.	
PLANT EXPANSION POLICIES.....	119-121
PROFIT RATIO:	
Definition (Standard Statistics).....	36
Ratio of compiled net profit (or loss) to net worth for manufacturing companies, by asset-size classes, 1931-36 average; comment and chart 3.....	23-24
Ratio to net worth, calculation of.....	20
Small manufacturing corporations; comment and tables.....	38-42
1924, 1928. Earnings rates, 2,046 manufacturing corporations, by capital classes, number of corporations, percent income to capitalization, percent profits to total capital; comment and table 12.....	30-31
1926-36. Frequency distribution of ratio of net income to capital stock by selected industries (bakeries, men's clothing, furniture, stone and clay, machine tools); sample of small manufacturing industries; comment and table 18.....	38-42
1926-36. Ratio of compiled net profit (after tax) to net worth, for total manufacturing and five industrial subgroups (food, textiles, lumber, stone, metals); comment and table 8.....	21-22
1927-36. Percentage return on assets by asset size; Paton's sample 1927-29, and Statistics of income universe 1931-36; comment and table 14.....	32-33
1927-38. Frequency distribution of profit ratio, Standard Statistics composite of 400 large companies; comment and table 17.....	36-38
1931-36. Ratio of compiled net profit plus interest plus officers' compensation to total assets for five manufacturing subgroups (food, textiles, lumber, stone, metals), classified by asset size, income and no-income companies, 1931-33, 1934-36 periods; comment and table 16.....	34-36
1931-36. Ratio of compiled net profit plus interest plus officers' compensation to total assets, for total manufacturing, classified by asset size income and no-income companies, 1931-33, 1934-36 periods; comment and table 15.....	33-34
1931-36. Ratio of compiled net profit plus interest to total assets, for total manufacturing classified by asset size, income, and no-income companies, 1931-33, 1934-36 periods; comment and table 13.....	31-32
1931-36. Ratio of compiled net profit to net worth for five manufacturing subgroups (food, textiles, lumber, stone, metals) classified by asset size, income and no-income companies, 1931-33, 1934-36; comment and table 11.....	27-28
1932, 1936. Comparison of profit rate with relative proportion of income and no-income manufacturing companies, by asset size classes, 1932 and 1936; comment and chart 4.....	24-26
1936. Ratio of compiled net profit after tax to net worth for total manufacturing; income reporting companies, all companies, by asset size classes; table 10.....	27
PROFITABILITY: Characteristics summarized: Extremes, stability, size of concern, stockholders' share.....	17-19
RAILROAD EQUIPMENT: Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.	

RECEIVABLES: Inventory to receivables ratio. <i>See</i> Working Capital Ratio.	
Sales to receivables ratio. <i>See</i> Working Capital Ratio.	
REFERENCES TO LITERATURE AND SOURCES:	
Bureau of Internal Revenue:	
Source book of statistics of income (n.)	26
Statistics of income (1916), analysis	2-5, 20
Statistics of income, size of capital classification data limitation	29
Dewing, Arthur S.: Corporation finance (4 Encyclopedia Social Sciences); cited (n.)	xiii
Epstein, R. C.: Industrial profits in the United States (1934); cited (n.)	17, 28
Summary of conclusions	29-32
Fabricant, Solomon: Capital consumption and adjustment (1938); cited (n.)	20
Finney, H. A.: Principles of Accounting; cited (n. n.)	123
Frank, Jerome N.: Too much interest in interest (1938); cited (n.)	111
Mitchell, W. C.: Introduction to Epstein's Industrial profits in the United States (1934); cited (n.)	17, 31
National Bureau of Economic Research: Publications. <i>See</i> National Bureau of Economic Research.	
Paton, W. C.: Corporate profits as shown by audit reports; cited	29
Summary of conclusions	32-33
Sachs, Alexander: Financial dynamics of recovery since 1933 (1938); cited (n.)	123
Schluter, W. C.: Credit analysis (1925); cited	68, 88
Standard Statistics Co.: Standard trade and securities, Standard earnings bulletin, volume 62, No. 18, volume 65, No. 21, volume 73, No. 6 (1931-34); cited (n.)	5
SACHS, ALEXANDER: Financial dynamics of recovery since 1933 (1938); cited (n.)	123
SALES TO INVENTORY RATIO. <i>See</i> Working Capital Ratio.	
SALES TO RECEIVABLES RATIO. <i>See</i> Working Capital Ratio.	
SCHLUTER, W. C.: Credit analysis (1925); cited	68, 88
SECURITIES (MISCELLANEOUS): Standard Statistics Co. composite of 400 corporations includes analysis. <i>See</i> Standard Statistics Co.	
SECURITIES AND EXCHANGE COMMISSION: Development of Securities and Exchange Commission data: Source and disposal of corporate funds	196-198
SECURITIES AND EXCHANGE COMMISSION REGISTRANTS: Survey of American list corporations, analysis of data	14-16
SHIPPING AND SHIPBUILDING: Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.	
SHOES (LEATHER) INDUSTRY: Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.	
SMALL MANUFACTURING CORPORATIONS:	
1926, 1930. Industrial, geographical and asset size composition, by number of companies; comment and tables 5-6	9-11
Accounting systems and periods:	
1926-36. Cash, accrual, not specified; calendar or fiscal year; number and percent of companies (bakeries, men's clothing, furniture, stone and clay products, machine tools), 1926, 1931, 1936; table 7-9, appendix F	298
Accounts payable to current liabilities ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 63-64, appendix F	355-356
Asset size and failures:	
1926-36. Frequency distribution of companies by date of incorporation (bakeries, men's clothing, furniture, stone and clay products, machine tools); tables 10A-10E, appendix F	299-303
Cash and receivables to current liabilities ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 59-60, appendix F	351-352

SMALL MANUFACTURING CORPORATIONS—Continued.

Page

Cash and receivables to current liabilities ratio (failures):	
1927-36. Frequency distribution of companies by ratio of cash and receivables to current liabilities, classified by number of firms showing years before failure (baking, men's clothing, furniture, stone and clay products, machine tools), between 1927 and 1936; table 120, appendix F	395-396
Cash to total assets ratio:	
1926-36. Number and percent of firms showing ratio of cash to total assets, classified by size of dividends, 1926-36, 1930-36 (baking, men's clothing, furniture, stone and clay products, machine tools); tables 99A-99E, 100A-100E, appendix F	376-389
Cash to total assets ratio (failures):	
1927-36. Frequency distribution of companies by ratio of cash to total assets, classified by number of firms showing years before failure (baking, furniture, men's clothing, stone and clay products, machine tools), between 1927 and 1936; table 122, appendix F	397-398
Current assets to current liabilities ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 57-58, appendix F	349-350
Current assets to total assets ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 43-44, appendix F	343-344
Depreciation and depletion ratio to sales:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 33-34, appendix F	332
Dividend disbursements:	
1926-36. Amounts and percent of income available for dividends, by groups of industries; table 24, appendix F	324-329
Dividends:	
1926-36. <i>See above</i> Cash to total assets ratio.	
Economic income before interest and income taxes to total investment in enterprise ratio:	
1926-36. Frequency distribution of companies (baking, men's clothing, furniture, stone and clay products, machine tools), 1926-36, 1930-36; tables 75-76, appendix F	364-365
Economic income (or loss) ratio to capital stock:	
1926-36. By size of ratio and by asset size; by size of ratio and by area; number and percent of companies (baking, men's clothing, furniture, stone and clay products, machine tools); tables 16A-E, 17A-E, appendix F	304-323
Economic income to tangible net worth ratio:	
1926-36. Frequency distribution of companies (bakeries, men's clothing, furniture, stone and clay, machine tools), 1926-36, 1930-36; tables 73-74, appendix F	361-363
Failures:	
1925-36. Frequency distribution of ratio of capital stock to surplus; number and percent of failures and survivors; comment and table 53	106-110
1925-36. Number and percent in corporations with funded and no funded debt; comment and table 54	110-113
1925-36. Number of failures and survivors each year, by current ratio frequency distribution; table 41	84-85
1926-36. Percentage of firms in 1926 sample of 939 surviving in each of years 1927-36, by five industries (1926=100); comment and chart 1	12
1930-36. Percentage of firms in 1930 sample of 262 surviving in each of years 1931-36 by 5 industries (1930=100); comment and chart 2	13
Fixed capital sources analysis; comment and tables	105-113
Funded debt to net capital assets (including land) ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 67-68, appendix F	359-360
Geographical and asset size distribution:	
1926-36. By original 1926 sample, supplementary 1930 sample, identical 1926-36 and 1930-36 samples and number-of-years-before-failure groups; tables 6A-6E, appendix F	278-297

SMALL MANUFACTURING CORPORATIONS—Continued.

Page

Income statement and balance sheet:

- 1925-36. Selected items showing frequencies and aggregate amounts by years (bakeries, men's clothing, furniture, stone and clay products, machine tools); tables 1A-1E, appendix F... 204-227
- 1927-36. Selected items for a sample of corporations failing during period, showing frequencies and aggregate amounts, by number of years before failure; tables 5A-5E, appendix F... 253-277
- 1929-36. Selected items showing frequencies and aggregate amounts by years (bakeries, men's clothing, furniture, stone and clay, machine tools); tables 3A-3E, appendix F..... 228-252

Inventories and total sales:

- 1926-36. Book value of inventories and total sales classified by methods of valuing inventories; cost or market, cost, unspecified (baking, men's clothing, furniture, stone and clay products, machine tools) 1926-36, 1930-36; tables 125A-125E, appendix F..... 402-416

Inventories to current assets ratio:

- 1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 51-52, appendix F..... 345-346

Investment trends. *See below* Sales and investment trends.

Net capital assets (including land) to total investment ratio:

- 1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 65-66, appendix F..... 357-358

Net worth to total debt ratio:

- 1926-36. Frequency distribution of companies (bakeries, men's clothing, furniture, stone and clay products, machine tools), 1926-36, 1930-36; tables 79-80, appendix F..... 366-367

Notes payable to current liabilities ratio:

- 1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 61-62, appendix F..... 353-354

Procedure followed in study of small manufacturing corporations... 183-195

Profitability; comment..... 38-42

Rent to sales ratio:

- 1926-36. Frequency distribution of companies by size of net sales; tables 41A-41E, appendix F..... 334-342

Repairs to sales ratio:

- 1926-36. Frequency distribution of companies, 1926-36, 1930-36, by industry subgroups; tables 29-30, appendix F..... 330-331

Sales and investment trends:

- 1926-36. Frequency distribution of companies by trends in total investment and in sales (baking, men's clothing, furniture, stone and clay products, machine tools), 1926-29, 1930-33, 1933-36 periods; table 116, appendix F..... 390-393

Sales to current assets ratio (failures):

- 1927-36. Frequency distribution of companies by sales to current assets ratio, classified by number of years before failure (baking, men's clothing, furniture, stone and clay products, machine tools) between 1927 and 1936; table 124, appendix F. 400-401

Sales to inventory ratio:

- 1926-36. Frequency distribution of companies (bakeries, men's clothing, furniture, stone and clay products, machine tools), 1926-36, 1930-36; tables 89-90, appendix F..... 374-376

Sales to inventory ratio (failures):

- 1927-36. Frequency distribution of companies by sales to inventory ratio, classified by number of years before failure (baking, men's clothing, furniture, stone and clay products, machine tools) between 1927 and 1936; table 123, appendix F..... 399-400

Sales to net capital assets (including land) ratio:

- 1926-36. Frequency distribution of companies (bakeries, men's clothing, furniture, stone and clay products, machine tools), 1926-36, 1930-36; tables 83-84, appendix F..... 368-369

SMALL MANUFACTURING CORPORATIONS—Continued.	Page
Sales to total receivables ratio:	
1926-36. Frequency distribution of companies (bakeries, men's clothing, furniture, stone and clay products, machine tools), 1926-36, 1930-36; tables 87-88, appendix F.....	372-373
Sales to working capital ratio:	
1926-36. Frequency distribution of companies (bakeries, men's clothing, furniture, stone and clay products, machine tools), 1926-36, 1930-36; tables 85-86, appendix F.....	370-371
Sample study, analysis of study.....	8-14
Sources, disposal, inventory:	
1935, 1936. Comparison with large manufacturing corporations (bakeries, men's clothing, stone-clay, machine-tool companies).....	169-171
Statistical tables for reference use.....	199-416
Valuing inventories methods:	
1926-36 Lower of cost or market, cost, other; number and percent of companies (bakeries, men's clothing, furniture, stone and clay products, machine tools); 1926, 1931, 1936; table 7-9, appendix F.....	298
Working capital ratio:	
Comment and table.....	83-86
Quantitative and qualitative aspects, average of annual current ratio and current assets turn-over, by industry, 1926-36; table.....	88
Working capital ratio (failures):	
1927-36. Frequency distribution of companies by current ratio classified by number of firms showing years before failure (baking, men's clothing, furniture, stone and clay products, machine tools), between 1927 and 1936; table 117, appendix F.....	394-395
Working capital to total assets ratio (failures):	
1927-36. Frequency distribution of companies by ratio of working capital to total assets, classified by number of firms showing years before failure (baking, furniture, men's clothing, stone and clay products, machine tools), between 1927 and 1936; table 121, appendix F.....	396-397
Working capital to total capital ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 55-56, appendix F.....	347-348
SOURCE AND DISPOSAL STATEMENT:	
Bakeries (8):	
1935-37. Amount and percent disposal and source, 8 large bakers; comment and table 64.....	132-134, 139-140
Bakeries (27):	
1931-36. Amount and percent disposal and source statement; table 73 and analysis.....	149, 163
Bakeries (81):	
1927-36. Amount and percent disposal and source statement; table 72 and analysis.....	147-148, 162-163
Brick manufacturers (9):	
1935-37. Amount and percent disposal and source, 9 manufacturers of brick and clay products; comment and table 66.....	136-138, 139
Clothing manufacturers (16):	
1936-37. Amount and percent disposal and source statement; comment and table 67.....	138-139, 140
Clothing, men's (27 small):	
1927-36. Amount and percent disposal and source statement; table 74 and analysis.....	150-151, 163-164
1931-36. Amount and percent disposal and source statement; table 75 and analysis.....	152, 164-165
Derivation of.....	125-127
Furniture corporations (28, small):	
1931-36. Amount and percent disposal and source statement; table 77 and analysis.....	155, 165-166
Furniture corporations (66, small):	
1927-36. Amount and percent disposal and source statement; table 76 and analysis.....	153-154, 165
Limitations of data.....	123-125

SOURCE AND DISPOSAL STATEMENT—Continued.

Page

Machine-tool corporations (23, small):	
1931-33. Amount and percent disposal and source; table 81 and analysis.....	161, 168-169
Machine-tool corporations (79):	
1935-37. Amount and percent disposal and source, 79 manufacturers of industrial machinery, tools, parts, and equipment; comment and table 65.....	134-136, 139-140
Machine-tool corporations (118, small):	
1927-36. Amount and percent disposal and source; table 80 and analysis.....	159-160, 167-168
Oil refiners (17):	
1935-37. Amount and percent disposal and source, 17 largest refiners; comment and table 63.....	131-132, 139-140
Securities and Exchange Commission data, development of.....	196-198
Steel producers (12):	
1935-38. Twelve largest steel producers with assets over \$100,-000,000 based on Securities and Exchange Commission census of American listed corporations; amount and percent disposal and source; comment and table 62.....	128-130, 139-140
Stone and clay corporations (30, small):	
1931-36. Amount and percent disposal and source statement; table 79 and analysis.....	158, 167
Stone and clay corporations (70, small):	
1927-36. Amount and percent disposal and source statement; table 78 and analysis.....	156-157, 166
STANDARD STATISTICS CO.:	
Companies included in company's composite of financial statement as of Dec. 31, 1938.....	178-181
Composite of 400 corporations:	
Current ratio, table 36.....	74
Disbursement and liquidity ratios, table 31.....	60-65
Dividend analyses, tables 24-28, 30.....	49-58
Inventory analysis, table 48.....	93
Description of items used in sample of 400 corporations.....	182
Net worth, liabilities, common stock, assets analyses, tables 51, 52, 55, 60.....	102-118
Publications complementing statistics of income published by United States Bureau of Internal Revenue.....	5-8
Standard trade and securities—Composite of financial statements (vol. 93, No. 16, Aug. 25, 1939, sec. 2); cited.....	5
Standard trade and securities, standard earnings bulletin (vol. 62, No. 18; vol. 65, No. 21; vol. 73, No. 6 (1931-34)); cited (n.).....	5
Working capital analyses, tables 38-40.....	76-82
STATISTICS OF INCOME. See Bureau of Internal Revenue.	
STEEL AND IRON INDUSTRY: Standard Statistics Co. composite of 400 corporations includes analyses. See Standard Statistics Co.	
STEEL INDUSTRY:	
Source and disposal of funds:	
1935-39. Composite statement, 12 largest producers, amount and percent disposal and source; comment and table 62....	128-130, 139-140
STONE AND CLAY PRODUCTS:	
Accounting systems and periods:	
1926-36. Cash, accrual, not specified; calendar or fiscal year; number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F.....	298
Accounts payable to current liabilities ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 63-64, appendix F.....	355-356
Assets:	
1926-36. Percentage of total manufacturing corporation assets held by industry, by periods 1926-29, 1930-33, 1934-36; comment and table 9.....	22-23
Asset size and failures:	
1926-36. Frequency distribution of companies by date of incorporation; table 10D, appendix F.....	302

	Page
STONE AND CLAY PRODUCTS—Continued.	
Cash and receivables to current liabilities ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 59-60, appendix F.....	351-352
Cash and receivables to current liabilities ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see.</i>	
Cash to total assets, ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see.</i>	
Cash to total assets ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see.</i>	
Current assets to current liabilities ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 57-58, appendix F.....	349-350
Current assets to total assets ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 43-44, appendix F.....	343-344
Depreciation and depletion ratio to sales:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 33-34, appendix F.....	332
Dividend disbursements:	
1926-36. Amounts and percent of income available for dividends; table 24, appendix F.....	327-328
Dividend ratio:	
1926-36. Ratio of cash dividends paid to compiled net profit (after Federal tax), income companies only; comment and table 19.....	43-44
1926-36. Ratio of cash dividends paid to net worth each year and 1926-29, 1930-33, 1934-36, 1926-36 periods, annual averages; comment and table 22.....	45-46
Economic income before interest and income taxes to total investment in enterprise ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see.</i>	
Economic income (or loss) ratio to capital stock:	
1926-36. By size of ratio and by area, number and percent of companies; table 17D, appendix F.....	320-321
1926-36. By size of ratio and by asset size, number and percent of companies; table 16D, appendix F.....	310-311
Economic income to tangible net worth ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see.</i>	
Failures:	
1926-36. Percentage of firms in 1926 sample surviving in each of years 1927-36; comment and chart 1.....	12
1930-36. Percentage of firms in 1930 sample surviving in each of years 1931-36; comment and chart 2.....	13
Fixed capital ratio:	
1925-36. Frequency distribution of ratio of capital stock to surplus; comment and table 53.....	105-110
1925-36. Size of ratio of funded debt to capital stock; comment and table 54.....	110-113
1926-36. Net worth to total debt, surplus to net worth, current debt to total debt, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 49.....	95-98
Fixed capital uses ratio:	
1926-36. Ratio of capital assets to invested capital, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 56.....	114-115
1926-36. Ratio of current assets to total capital, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 58.....	115-116
Funded debt to net capital assets (including land) ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 67-68, appendix F.....	359-360

STONE AND CLAY PRODUCTS—Continued.

Page

Geographical and asset size distribution:	
1926-36. By original 1926 sample, supplementary 1930 sample, identical 1926-36 and 1930-36 samples, and number of years before failure groups; table 6D, appendix F.....	290-291
Income statement and balance sheet:	
1925-36. Selected items showing frequencies and aggregate amounts; table 1D, appendix F.....	218-222
1927-36. Selected items for a sample of corporations failing during period, showing frequencies and aggregate amounts, by number of years before failure; table 5D, appendix F.....	268-272
1929-36. Selected items showing frequencies and aggregate amounts by years; table 3D, appendix F.....	243-247
Inventories and total sales:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Inventories to current assets ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 51-52, appendix F.....	345-346
Net capital assets (including land) to total investment ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 65-66, appendix F.....	357-358
Net worth to total debt ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Notes payable to current liabilities ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 61-62, appendix F.....	353-354
Profit ratio:	
1926-36. Frequency distribution of ratio of net income to capital stock; comment and table 18.....	38-42
1926-36. Ratio of compiled net profit (after tax) to net worth; comment and table 8.....	21-22
1931-36. Ratio of compiled net profit plus interest plus officers' compensation to total assets, classified by asset size, income and no-income companies, 1931-33, 1934-36 periods; comment and table 16.....	34-36
1931-36. Ratio of compiled net profit to net worth, by asset size, income, no-income and all companies, 1931-33, 1934-36 periods; comment and table 11.....	27-28
Rent to sales ratio:	
1926-36. Frequency distribution of companies by size of net sales; table 41D, appendix F.....	339-340
Repairs to sales ratio:	
1926-36. Frequency distribution of companies, 1926-36, 1930-36; tables 29-30, appendix F.....	330-331
Sales and investment trends:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to current assets ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to inventory ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to inventory ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to net capital assets ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to total receivables ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Sales to working capital ratio:	
1926-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	

STONE AND CLAY PRODUCTS—Continued.

	Page
Valuing inventories methods:	
1926-36. Lower of cost or market, cost, other; number and percent of companies, 1926, 1931, 1936; table 7-9, appendix F-----	298
Working capital ratio:	
1925-36. Frequency distribution of current ratio each year; comment and table 41-----	83-86
1926-36. Average of annual current ratio and current assets turn-over; table-----	88
1926-36. Current ratio, each year and 1926-29, 1930-33, 1934-36, 1926-36 annual averages; comment and table 32-----	68-70
1926-36. Ratio of inventory to receivables each year and average of annual ratios, 1926-29, 1930-33, 1934-36, 1926-36; comment and table 47-----	91-92
1926-36. Ratio of net working capital to capital assets, each year and 1926-29, 1930-33, 1934-36, and 1926-36 annual averages; comment and table 34-----	71-73
1926-36. Ratio of sales to inventory, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 44-----	89-90
1926-36. Ratio of sales to receivables, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 46-----	90-91
Working capital ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Working capital to total assets ratio (failures):	
1927-36. Included in break-down under Small Manufacturing Corporations, <i>which see</i> .	
Working capital to total capital ratio:	
1925-36. Frequency distribution of companies, 1925-36, 1930-36; tables 55-56, appendix F-----	347-348
Working capital turn-over ratio:	
1926-36. Ratio of sales to current assets, each year and 1926-29, 1930-33, 1934-36 and 1926-36 annual averages; comment and table 42-----	87
SUGAR PRODUCING AND REFINING:	
Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.	
SURPLUS TO NET WORTH RATIO. <i>See</i> Fixed Capital Sources.	
TEXTILE AND APPAREL: Standard Statistics Co. composite of 400 corporations includes analyses. <i>See</i> Standard Statistics Co.	
TEXTILES INDUSTRY:	
Assets:	
1926-36. Percentage of total manufacturing corporation assets held by industry, by periods, 1926-29, 1930-33, 1934-36; comment and table 9-----	22-23
Dividend ratio:	
1926-36. Ratio of cash dividends paid to compiled net profit (after Federal tax), income companies only; comment and table 19-----	43-44
1926-36. Ratio of cash dividends paid to net worth 1926-36 each year and 1926-29, 1930-33, 1934-36, 1926-36, periods annual averages; comment and table 22-----	45-46
Fixed capital ratio:	
1926-36. Net worth to total debt surplus to net worth, current debt to total debt, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 49-----	95-98
1926-36. Ratio of capital assets to invested capital, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 56-----	114-115
Fixed capital uses ratio:	
1926-36. Ratio of current assets to total capital, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 58-----	115-116

TEXTILES INDUSTRY—Continued.

Page

Profit ratio:	
1926-36. Ratio of compiled net profit (after tax), to net worth; comment and table 8.....	21-22
1931-36. Ratio of compiled net profit plus interest plus officers' compensation to total assets, classified by asset size, income and no-income companies, 1931-33, 1934-36 periods; comment and table 16.....	34-36
1931-36. Ratio of compiled net profit to net worth, by asset size, income, no-income and all companies, 1931-33, 1934-36 periods; comment and table 11.....	27-28
Working capital ratio:	
1926-36. Average of annual current ratio and current assets turn-over; table.....	88
1926-36. Current ratio, each year and 1926-29, 1930-33, 1934-36, 1926-36 annual averages; comment and table 32.....	68-70
1926-36. Ratio of inventory to receivables each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 47.....	91-92
1926-36. Ratio of net working capital to capital assets, each year and 1926-29, 1930-33, 1934-36 and 1926-36 annual averages; comment and table 34.....	71-73
1926-36. Ratio of sales to inventory, each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 44.....	89-90
1926-36. Ratio of sales to receivables each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 46.....	90-91
Working capital turn-over ratio:	
1926-36. Ratio of sales to current assets, each year and 1926-29, 1930-33, 1934-36, 1926-36 annual averages; comment and table 42.....	87
THORP, WILLARD L.: Letter of transmittal for Temporary National Economic Committee Monograph No. 15, "Financial Characteristics of American Manufacturing Corporations.".....	
TOBACCO INDUSTRY: Question as to classification with trade or manufacturing (n.).....	77
TOBACCO PRODUCTS: Standard Statistics Co. composite of 400 corporations includes analyses. See Standard Statistics Co.	
TOTAL MANUFACTURING:	
Assets. See Assets.	
Subgroups analyses: See Food Industry, Textiles Industry, Lumber Industry, Stone and Clay Products, Metals Industry.	
Working capital ratio. See Working Capital Ratio.	
TURN-OVER: Defined.....	86
UNDISTRIBUTED-PROFITS TAX:	
Dividend payments and, comment.....	63, 64
Plant-expansion policies and.....	119
VALUATION ACCOUNTING.....	19
WORKING CAPITAL: Defined.....	67
Quantitative measures of its magnitude; comment and tables.....	67-86
WORKING CAPITAL RATIO:	
Small manufacturing companies; comment.....	83-86
1925-36. Frequency distribution of current ratio by selected industries (bakeries, men's clothing, furniture, stone and clay, machine tools), failures and survivors each year; comment and table 41.....	83-86
Standard Statistics Co. composite:	
1927-38. Current ratio for Standard Statistics' composite of 400 corporations by 28 named industries and by periods 1927-29, 1930-33, 1934-38 and 1927-38; comment and table 36.....	73-75
1927-38. Frequency distribution of current ratio, Standard Statistics' composite of 400 corporations; comment and table 37.....	75*
1927-38. Ratio of inventory to receivables for Standard Statistics' composite of 400 corporations, by 28 named industries, and by periods 1927-29, 1930-33, 1934-38, 1927-38; comment and table 48.....	92-94

WORKING CAPITAL RATIO—Continued.

Standard Statistics Co. composite—Continued.

	Page
1927-38. Ratio of net working capital to net property account for Standard Statistics' composite of 399 corporations by 28 named industries, 1927-29, 1930-33, 1934-38, 1927-38; comment and table 38.....	75-76
1927-38. Ratio of notes payable to notes and accounts payable for Standard Statistics' composite of 400 corporations, by 28 named industries, 1927-29, 1930-33, 1934-38, 1927-38; comment and table 40.....	82-83
1927-38. Standard Statistics' composite of 400 companies classified by size of ratio of notes payable to notes and accounts payable, by 28 named industries; comment and table 39.....	77-82
Total manufacturing:	
1926-36. Average of annual current ratio and current assets turn-over total manufacturing and five subgroups (foods, textiles, lumber, stone-clay, metals); table.....	88
1926-36. Comparison of current assets to current liabilities with working capital to fixed assets; comment and table.....	72-73
1926-36. Current ratio and current assets turn-over by asset size class; comment and table.....	89
1926-36. Current ratio and current assets turn-over each year; comment and table.....	88
1926-36. Current ratio for total manufacturing and five subgroups (foods, textiles, lumber, stone-clay, metals), each year 1926-29, 1930-33, 1934-36, 1926-36 annual averages; comment and table 32.....	68-70
1926-36. Ratio of inventory to receivables for total manufacturing and five subgroups (foods, textiles, lumber, stone, metals), each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 47.....	91-92
1926-36. Ratio of net working capital to capital assets for total manufacturing and five subgroups (foods, textiles, lumber, stone-clay, metals), each year and 1926-29, 1930-33, 1934-36, 1926-36 annual averages; comment and table 34.....	71-73
1926-36. Ratio of sales to inventory for total manufacturing and five subgroups (foods, textiles, lumber, stone, metals), each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 44.....	89-90
1926-36. Ratio of sales to receivables for total manufacturing and five subgroups (foods, textiles, lumber, stone, metals), each year and average of annual ratios 1926-29, 1930-33, 1934-36, 1926-36; comment and table 46.....	90-91
1931-36. Current ratio for total manufacturing classified by asset size, each year and 1931-33, 1934-36, 1931-36 annual averages; comment and table 33.....	70
1931-36. Ratio of net working capital to capital assets for total manufacturing classified by asset size, each year and 1931-33, 1934-36, 1931-36 annual averages; comment and table 35.....	71-73
1931-36. Ratio of sales to inventory for total manufacturing classified by asset size; comment and table 45.....	89-90
WORKING CAPITAL TURN-OVER RATIO:	
1926-36. Ratio of sales to current assets for total manufacturing and five subgroups (foods, textiles, lumber, stone-clay, metals), each year and 1926-29, 1930-33, 1934-36, 1926-36 annual averages; comment and table 42.....	87
1931-36. Ratio of sales to current assets for total manufacturing, classified by asset size, each year and 1931-33, 1934-36, 1931-36 averages of annual ratios; comment and table 43.....	87-88

BOSTON PUBLIC LIBRARY



3 9999 06351 917 5



