

# Business Report

**TO ALL EMPLOYEES**

**For Fiscal Year Ending**

**SEPTEMBER 30, 1959**

**CAROLINA MILLS**

**INCORPORATED**

## Distribution of Each Dollar of Income

Total Income .....	\$10,684,330	100.00
Cost of Raw Materials, Services and Supplies .....	\$ 7,180,840	67.21
Paid in Taxes and Donations.....	\$ 482,892	4.52
Wear and Tear on Buildings and Equipment, and Kept for Future Growth .....	\$ 471,712	4.41
Cost of Wages and Salaries .....	\$ 2,170,196	20.31
Additional for Benefit of Employees .....	\$ 238,231	2.24
(Pension Trust, Hospital Insurance, Employee Welfare, Vacation Pay, and Bonuses)		
Paid in dividends to the 123 people....	\$ 140,459	1.31
Whose savings are invested in this business		
Total	\$10,684,330	100.00

*Additional Cent per hour benefit  
for each employee, not including  
pension trust benefits* 10c

*Additional Cents per hour benefits  
for those, covered under Pension  
Trust plan* 14c

*Average cost to mill in cents per  
hour for extra benefits* 18c

## TO OUR EMPLOYEES:

During the past year we have made the most progress of any year since our organization in 1928. With our basic modernization program completed in plants No. 2, No. 3 and No. 4, these plants were able to run without serious interruption and take advantage of the stronger market that began developing the latter part of our past fiscal year. A high rate of production at low costs in these plants led to very satisfactory earnings.

All of the machinery, attachments, etc. that were on order a year ago for plant No. 1 were delivered and installed by early summer. The results of our operations for the quarter ending September 30 proves the merit of these improvements, and we are very optimistic about the future of plant No. 1.

About three months ago we began construction on a new building in Maiden to house the machinery and equipment necessary to preclean and preblend all of the cotton to be used in our various plants. So far as we can tell this will be the first unit of its kind anywhere in the country. The rainy weather this fall has delayed construction, and we are just now completing the building. Limited use of these facilities should begin during January.

The biggest thing that happened to us during the past year was our acquisition of the former Glenn Mills in Lincolnton. This unit had been producing combed yarn, principally thread yarn and knitting yarn. Since acquiring these properties in March, the combers and twisters have been disposed of and all production has been converted to high grade carded knitting yarn. There has been a strong demand for this type of yarn, and we are confident this plant will experience very satisfactory operation in the future.

The unexcavated portion of the basement of the larger unit (No. 1) in Lincolnton has been fixed up and the cards, drawing and slubbers from across the railroad track have been moved into this space. The upstairs area is being refloored and the 60 new spinning frames now on order will be erected there over the next 4 to 5 months. A new room is being built on the back side of the building and winding and packing will be located here. When the modernization program at this unit is completed, it will be one of the finest in the entire south, and should produce 90,000 to 100,000 pounds of high grade knitting yarn each week.

On top of this, 200 Draper shuttleless looms have been ordered for plant No. 3 in Newton. These looms should be operated on the ground floor so the office for plant No. 4 will be moved and a new weave shed constructed beside the present weave room. One-half of these new looms are scheduled for delivery in April and the remainder in October. The looms we are now using will be left intact and we hope to develop fabrics that will use some of our sales yarn production to weave on these looms.

A glance at our crystal ball shows that the textile markets will continue to absorb our productive capacity in most lines. It now looks as though we will have full time operations throughout next year.

We wish to thank you for your continued cooperation and patience. The fine spirit and interest you have shown in our development and growth has contributed much to our progress.

We wish you a Merry Christmas and a Happy, Prosperous New Year.

CAROLINA MILLS, Inc.

LEONARD MORETZ

*Secretary-Treasurer*