

# Business Report

TO ALL EMPLOYEES

FOR FISCAL YEAR ENDING  
SEPTEMBER 30, 1950

CAROLINA MILLS

INCORPORATED

## Distribution of Each Dollar of Income

Total Income .....	\$6,691,506	100.00
Cost of Raw Materials, Services and Supplies .....	\$4,508,827	67.38
Paid in Taxes and Donations.....	\$ 185,366	2.77
Wear and Tear on Buildings and Equip- ment. Spent for New Equipment. Kept for Future Growth.....	\$ 115,315	1.73
Cost of Wages and Salaries.....	\$1,672,156	24.99
Additional for Benefit of Employees..... (Pension Trust, Hospital Insurance, Employee Welfare and Vacation Pay)	\$ 123,943	1.85
Paid in Dividends to the 83 Folks whose savings are invested in this business.....	\$ 85,899	1.28
Total	\$6,691,506	100.00

## TO OUR EMPLOYEES:

Our world is in a very chaotic condition. We do not know at what moment World War No. III will begin. The two primary groups to be involved in World War III are Russia and her Satellite Nations and the United States and other Free Democracies.

Russia's great strength lies in the fact that she has literally enslaved all of the people under her rule and jurisdiction. Everyone there lives and works for the government, and personal comforts and liberties are unknown to them.

In contrast to this, the United States has become the greatest and the most productive nation on earth through her program of Free Enterprise. Under the Free Enterprise system, a man is free to work where he chooses, as long as he chooses, and his reward is in line with his efforts and ability. If he feels he can be more productive in some other occupation, he is free to switch jobs or to start a business of his own.

This same freedom is extended to corporations in a limited way, and the story of your company is an interesting example of Free Enterprise at work. Our Company was organized in 1928 with 110 employees. In 1939, the old Yount Mill in Newton was acquired, and again in 1947 your Company took a major step forward by merging with New City Mills Company, Abernethy Manufacturing Company, and Knit Fabrics Company.

Last year the owners of Anchor Mills Company decided to sell. Our Company did not have enough surplus money to buy the property, but our officers and directors decided that this plant could be operated profitably in conjunction with the other plants already being operated. The stockholders of Carolina Mills decided to sell sufficient new stock in our Company to raise the necessary capital to purchase Anchor Mills Company. Most of the people owning stock in our Company bought some more, but in order to raise the full amount of money needed, stock was sold to 41 people who had never owned stock in our

Company before. This brings the number of people who have invested in our Company up to 83.

The old and new stockholders combined paid in \$280,582.50 for the purchase and operation of Anchor Mills, our Plant No. 5. This brings the total investment of our stockholders up to \$2,033,000.00. Since there are now 1,000 people employed by Carolina Mills, this means that there is above \$2,000.00 invested in plants, machinery, and supplies for each worker employed.

As you will notice from the schedule on the second page, this investment by your stockholders has enabled our Company to pay out in excess of \$1,672,000.00 in wages and salaries during the past year, although the Anchor Plant was in operation only several months. Our wages and salaries are now running at an annual rate of \$2,350,000.00.

We had six months of this year when there was no profit and often a loss in the business taken, but we would like to remind you that we kept our plants running and our employees at work with less interruption than most of the textile plants in this section, resulting in a higher annual income to all those working with Carolina Mills.

We desire to thank all loyal employees for their co-operation, and we pledge to you our best efforts to make our plants a good place in which to work, and to maintain with our workers the best possible relationship.

Wishing you a Merry Christmas and a Happy New Year.

CAROLINA MILLS, Inc.