

1954

TO OUR EMPLOYEES:

The year just closed marks another mile-stone in the history of Carolina Mills, Inc. This Company was organized in 1928 to carry on the operations started by Carolina Cotton Mills in 1918. The parent plant at Maiden confined its production principally to 20/2 sales yarn, with some 16's and 24's being made for special customers. The need for productive facilities on which to make coarser carded yarn counts had long been felt, but it was not until 1939 that the company was strong enough financially to purchase the equipment. Thus Plant #2 at Newton was assembled and production at this unit on 8's, 10's and 12's was started in 1940.

In recent years the prices of buildings and textile machinery has soared to fantastic heights. Further expansion by assembling new units was out of the question. In spite of these handicaps your officers felt that further diversification would be beneficial so this year New City Mills Company, with its looms operating on Canton Flannel, was merged with Carolina Mills, Inc. through an exchange of stock. At the same time, the productive facilities of Abernethy Manufacturing Company, Laurinburg, N. C. and Knit Fabrics Company, Hickory, N. C. were acquired the same way.

You company now makes a fairly complete range of sales yarns from 8's to 24's and is selling the production of 200 looms in Canton Flannel and filter cloth. Infants wear and accessories are being produced by the Knit Fabrics division. A great deal of experimenting has been done with production of blended yarns from synthetic fibres and we hope to delve into this field further in the future. While the 200 looms now in operation are on staple items, we hope to start up the 50 box looms now in storage on some fancy fabrics that will further diversify our production.

As it now stands, Carolina Mills, is operating 4 distinct units, employing approximately 750 people with a weekly payroll of around \$30,000.00. It buys and spins each year more than twice as much cotton as is produced in Catawba County.

During the next year we expect to complete our building program at the New City Plant. All of the machinery will be re-arranged and most of it overhauled. When this work is finished we expect to be able to compete with the best mills in each of our varied lines and expect that the layout will be flexible enough that a high rate of operation can be maintained in the competitive years that lie ahead.

In view of the sharply rising cost of living we are proud of the fact that our hourly pay scale and take-home pay has been increased even more. Believing that action speaks louder than words, we have tried to show our appreciation of your loyalty and efforts by providing you with steady employment at highest prevailing wages. As additional evidence of our appreciation, a generous Christmas Bonus is being distributed again this year.

May your Holidays be Merry and may the New Year bring you full measure of Happiness and Prosperity.

CAROLINA MILLS, INC.

Leonard Moretz  
Secretary-Treasurer

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