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a-c scope

magazine of allis-chalmers people

Bienvenue dans la Province de Quebec

(See Page 6)

COVER PHOTO

"Welcome to the Province of Quebec" might well be the greeting of the Paul Carreau family, shown in their back-yard skating rink on this issue's cover. Carreau, a French-Canadian, is a pattern maker at the Lachine Works of Canadian Allis-Chalmers.

CONTENTS

PHOTO CREDITS

Cover — James A. Brammer, West Allis Works; Page 3 — Don Ackerman, West Allis Works; Page 4, top right — Jerome Gosseck, West Allis Works; Page 6, lower right — Armour Landry, Montreal, Que.; Pages 6-7, others — Brammer; Page 8, top left — Landry; Page 8, others — Brammer; Page 10, center — LaPorte Herald-Argus; Pages 9-10-11, others — Dave Ward, LaPorte Works; Page 12, top left and lower right — Ackerman; Page 12, top right — Gosseck; Page 12, lower left — Herb Zeck, West Allis Works; Page 13 — Frank Hart, West Allis Works; Back cover — M. S. Maloney, Steam Turbine Department, West Allis Works.

A-C SCOPE

MAGAZINE OF ALLIS-CHALMERS PEOPLE — Arthur V. Swenson, Editor . . . James A. Brammer, Assistant Editor. Published by Information Services, Industrial and Community Relations division, Allis-Chalmers Mfg. Co., Milwaukee 1, Wisconsin.

Welcome to the A-C Family

With this issue, we add to our circulation list more than 1100 employes of the former S. Morgan Smith Company and welcome them to the Allis-Chalmers family. The Smith Company, located in York, Pa., has been a leader in the hydraulic turbine field for more than 80 years.

A new division, the Hydraulic Division, has been created by combining the Smith employes and facilities with the former Hydraulic department of Allis-Chalmers. Beauchamp E. Smith, president of S. Morgan Smith since 1942, is general manager of the new division. It is the fifth division of the Industries Group; the others are the General Products, Industrial Equipment, Atomic Energy and Power Equipment Divisions.

Allis-Chalmers has shown steady growth in its 112 years of making machinery to do man's work more efficiently. The addition of the S. Morgan Smith organization is another long stride forward. The affiliation brings new engineering know-how, new production skills and quality products to provide greater strength for our Company.

S. Morgan Smith designed and built some of the biggest hydraulic turbines in operation today in the United States and Canada. The facilities at York include some of the largest machine tools on the North American Continent. In joining A-C, the Smith Company's employes bring the experience and abilities that contributed to greatly to the success and prestige of their firm. As part of Allis-Chalmers, they can expect to find the opportunity to grow in a highly diversified, progressive company.

We repeat, it is a pleasure to welcome these new members of the Allis-Chalmers family.

More Than Meets the Eye...

During National Electrical Week (Feb. 8-14), much attention is given to the contribution of electricity to our nation's progress. And, at Allis-Chalmers, we are cognizant of the role played by the electrical industry as a customer for A-C products.

But there's more to this matter than meets the eye. Electrical progress does not merely affect the A-C people who make and sell electrical machinery. The company's participation in the generation and distribution of electric power goes beyond the turbines, transformers and other electrical products made by A-C. For the electric industry draws heavily from other industries for the wherewithal to make, distribute and utilize electricity. And these industries — aluminum, copper, steel, chemical, rubber, textile and paper, to name a few — have been users of Allis-Chalmers products — both electrical and non-electrical — for years.

So Allis-Chalmers employes are concerned with the progress of the electrical industry, not only through the company's broad line of electrical products supplied to this industry, but also through the A-C products used in the supporting industries.

Farm equipment dealer meetings, like this one at the Madison, Wis., branch, were used to honor A-C dealers for their achievements in 1958 and to plan sales strategy for the coming year. Speaker is Cliff Briggs, Farm Equipment advertising and sales promotion.

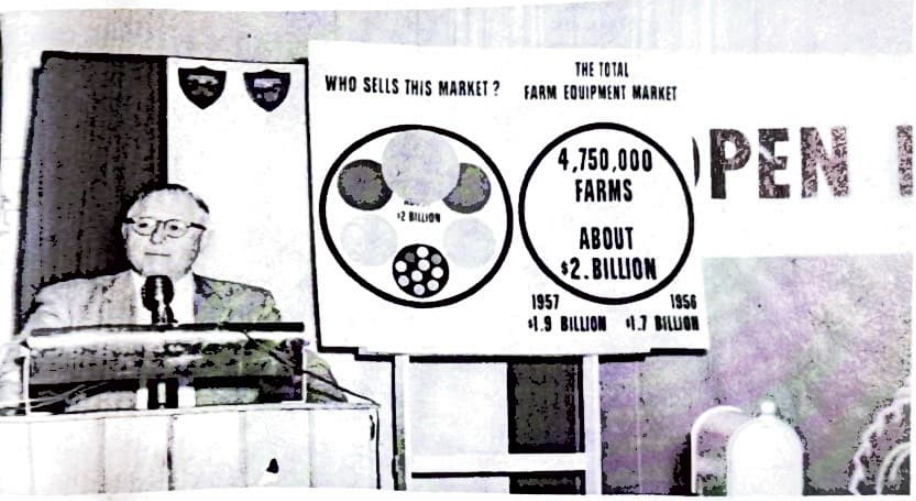
Allis-Chalmers sales management men are looking forward to 1959 as a year of challenge, with orders to be had by those who get out and work for them. Improvements or continued high sales levels are anticipated in farm equipment, construction machinery, power equipment and industrial markets as the country recovers from the general business recession.

A-C's preparations for 1959 have not been confined to a few product lines or a handful of market areas. There has been an across-the-board sharpening of sales techniques and emphasis on customer-tested product features. Last December, A-C SCOPE took a look at two of the many ways in which the company is preparing for the sales battles of 1959.

One area of sales preparation was the 23rd National Power Show, an occasion for the company to show its products to a specific group of customers. Another area of extensive sales activity was found in the series of Farm Equipment dealer meetings held by the various Tractor branch offices.

These are but two examples . . . sales planning and preparation has been just as intensive in other divisions of Allis-Chalmers and in other market areas. There is no hint of waiting to see "what competition does," but a feeling of "Let competition see what we are going to do."

The Power Show was held in New York, Dec. 1-4, in conjunction with the conference of the American Society of Mechanical Engineers. The Allis-Chalmers exhibit included actual prod-



W. J. Klein, vice president, director of sales promotion, Tractor Group, addresses the Madison branch meeting. Klein and other A-C executives stressed the need for competitive selling in their talks at the various dealer meetings.

Each of the dealer meetings featured a skit to emphasize the theme "Open New Gates in 1959." In this scene, J. D. Morris, utility tractor sales manager, plays the "farmer," while the "dealer" is R. C. Doggett, implement sales manager.

Frank Osterland, supervisor, Motor and Generator sales promotion, rehearses the *Silco-Flex* insulation demonstration, assisted by Marlene Zehner, Publications and Industrial Press department. Photo is one of a series taken for distribution to trade press editors to explain the Allis-Chalmers demonstration at the Power Show.

Intent expressions are displayed by visitors who watched the *Silco-Flex* insulation demonstration staged by Osterland (extreme left) at the Power Show. Demonstrators cut, re-wound, dried and tested insulation to show ease of repair in the field. One customer watched the demonstration and ordered an A-C motor on the spot.

Another view of the *Silco-Flex* insulation demonstration at the Power Show. Water tank in left foreground is used to test repaired coils to show the effectiveness of insulation under water at 12,000 volts.

This Super Seal motor provided an effective demonstration of its insulation. The motor was enclosed in a glass case and subjected to sprays of water while it was running.

Overall Allis-Chalmers exhibit at the Power Show made the most of its vantage spot at the head of the stairs. Displays show salient features of several product lines.

1959 . . . year of challenge

ucts, demonstrations and cutaway models. It was staffed by sales representatives from product departments, from the New York district office and from the Syracuse Engine-Material Handling division branch office. Customers at the Power Show included electric utility representatives, manufacturers, consulting engineers, contractors and builders.

The company's exhibit included engine-generator sets from Harvey and Norwood Works, *Texrope* V-belt drives, a model boiler feed pump, a full-sized Type KSG pump with motor, and "before and after" sections of water pipes to illustrate advantages of water conditioning.

"Stars" of the A-C exhibit, however, were a *Super Seal* motor from Norwood Works and a demonstration of *Silco-Flex* insulation material. The motor, enclosed in a glass case, ran at full speed with no ill effects from the sprays of water which came from all directions. It required no operator to point out the features of a type of construction which has operated completely immersed in water without a failure.

The *Silco-Flex* demonstration was offered at regular intervals in the A-C exhibit area. It gave Frank Osterland and John DiTrapani of West Allis Works Motor and Generator department an opportunity to talk about A-C's unique silicon-rubber insulation material. They opened their demonstration by running 12,000 volts through a *Silco-Flex* insulated motor coil which was immersed in a large goldfish bowl.

After they had demonstrated that the original insulation was unaffected by water, they showed how easily the material can be repaired by cutting away a portion of the insulation and then repairing the break as the customers watched.

When the insulation had been rewound and dried, the coil was replaced in the water to show that it was as good as new. The result was a highly effective demonstration of the ease with which *Silco-Flex* insulation can be repaired in the field. One customer, after witnessing the demonstration, ordered an Allis-Chalmers motor on the spot and countless others were impressed by the simple but dramatic sales message.

Like the Power Show exhibit and other Industries Group sales promotion activities, the Farm Equipment dealer meeting program was designed to get the most out of sales prospects for 1959. Held at every Farm Equipment division branch, the meetings served a dual purpose — to honor A-C dealers for their achievements in 1958 and to point the way to even greater sales in 1959. The theme, "Open New Gates in 1959," emphasized the sales opportunities to be found in customers who are presently operating competitive equipment.

Competitive selling, A-C dealers were told, will be the key to another successful agricultural machinery sales year. And, with two proven performers in the D-14 and D-17 farm tractors, plus new implements to fill out the A-C line, the Allis-Chalmers dealer has a good story for any customer, old or new.

Company executives spoke to the dealers at the meetings, as well as Farm Equipment sales personnel. One of the features of the meetings was a skit in which a "dealer" and a "farmer" talked over the outlook for the coming year.

In preparation for 1959's competitive selling, Allis-Chalmers dealers were given some real sales ammunition in the form of the results of a "20-Gallon Test" of the D-17 and two competitive farm tractors. In an actual test, the D-17 was compared with two late model units which outweighed the A-C machine by 2560 and 1230 pounds, respectively.

Each tractor was filled with exactly 20 gallons of gasoline and equipped with the same size plows, set at the same depth. Then each tractor plowed in the same type of soil until the fuel was gone.

The result? The 6200-pound D-17, equipped with the Traction Booster system, plowed 12.1 acres of ground as compared with 10.5 acres for the 8760-pound unit and 9.1 acres for the 7430-pound machine. An aerial photograph of the test helps emphasize the point that the D-17 used fewer gallons per acre plowed, as well as fewer gallons of gasoline per hour.

That's an example of the sales features Allis-Chalmers dealers will be telling their customers about in 1959.

E. E. Strickland (left), manager, industrial sales, New York district office, explains features of a cutaway model to a prospect at the Power Show. In background, center, is R. C. Allen, director of mechanical engineering, Industries Group.

Notre Dame Cathedral looks out over Montreal's Place d'Armes. It is an exact replica of Notre Dame de Paris and lends an old world air to the modern metropolis founded by Sieur de Maisonneuve.

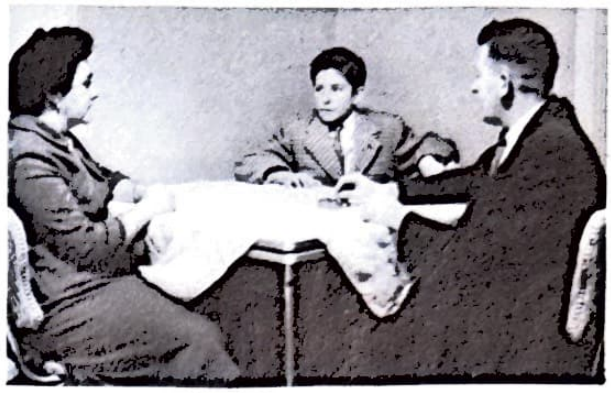
L'église Notre-Dame domine la Place d'Armes à Montréal. Elle est la réplique exacte de Notre-Dame de Paris, et elle prête à la métropole moderne fondée par le Sieur de Maisonneuve, une atmosphère 'vieux monde'.

Bob Flynn (below) is a tool maker at Lachine Works. His daughters Kathy and Sharon are very active in winter sports although Kathy is often called upon to pull her younger sister.

Bob Flynn (ci-dessous) est outilleur à l'Usine de Lachine. Ses filles Kathy & Sharon s'adonnent activement aux sports d'hiver quoique Kathy doive souvent trainer sa cadette.

Flynn, his wife, Ruth, and son, Harold, spend a few quiet moments talking about Hal's last basketball game. Young Flynn is more interested in his Meadowbrook school team than in hockey, which seems to be Canada's national pastime.

Flynn, son épouse Ruth, et son fils Harold, discutent paisiblement la dernière joute de basketball de ce dernier. Flynn cadet est plus intéressé à son équipe de l'école Meadowbrook qu'au hockey qui semble être le sport national au Canada.



Big City – with an old world air

"Bienvenue," reads the sign at Dorval Air Terminal. With this "welcome" the visitor to La Province de Quebec immediately notices other signs reading, "Gardez la droite — keep to the right", "Stationnement interdit — no parking", and "Arretez — Stop".

Quebec is Canada's largest province, territorially speaking, with a land mass that is almost three times the size of France. Its largest city, Montreal, is Canada's biggest metropolis and ranks as the second largest French-speaking city in the world.

Montreal today is the financial capital of the province and one of North America's chief trading centers. Spread out around an old world town of steepled churches, grey stone houses and circular wrought iron staircases, it has become the most cosmopolitan city of Canada.

Situated a few miles to the south of Montreal is the city of Lachine which began its life in 1667 as a fur trading post. Lachine later became the port of embarkation for bateaux (long boats) and canoes traveling west and with the building of the Lachine Canal it was the terminus of the first railway on the Island of Montreal. Lachine Canal, which flows alongside A-C's Lachine Works, handles lake traffic to and from the Atlantic.

Lachine is most prominently remembered in history for the Iroquois Indian massacre of August, 1689. It was part of a prepared plan to wipe out French Canada. Eighty soldiers guarding the village and 200 men, women and children were killed, and 120 were taken away as prisoners to be tortured and burned at the stake.

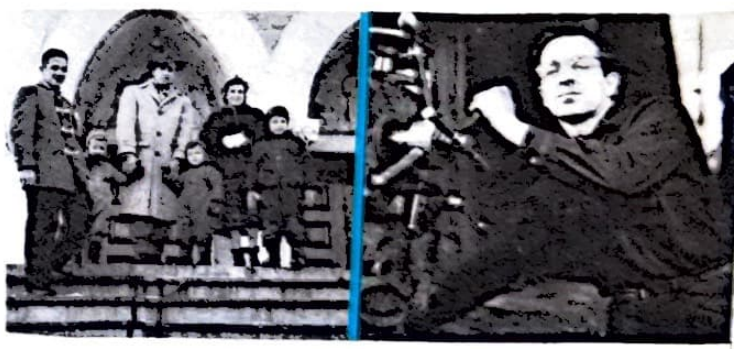
Today Lachine, named by Samuel de Champlain due to his belief that this was the westward way to China (La Chine), has a population of more than 34,000. Its people are employed in a variety of industry that is situated in this river valley, including the main office and Lachine Works of Canadian Allis-Chalmers Limited. It is an operation of the Industrial Equipment division.

The name of Allis-Chalmers in Canada dates back to 1901 when J. Cooper set up Rockfield Works to make rock drills, coal cutters, air compressors, car unloaders and steam hoists. In 1904 the plant was operated by the Bullock Manufacturing Company (which was controlled by the Allis-Chalmers Mfg. Co.). The product line then included electric motors, generators and switchboards, hydraulic turbines and mining equipment.

During World War I the firm was bought by the Canadian General Electric Company and operated as Canadian Allis-Chalmers Ltd. The organization retained manufacturing rights for A-C mechanical equipment and sales rights for

Paul Carreau, Lachine Works patternmaker, and his wife, Lucille, enjoy entertaining in their new home. The Carreau family speaks French at home but the children and their playmates often try to speak both French and English in the same conversation.

Paul Carreau, modeleur à l'Usine de Lachine et son épouse Lucille, se plaisent à recevoir dans leur nouveau logis. La famille Carreau parle le français chez-elle, mais souvent les enfants et leurs camarades mêlent le français et l'anglais dans la même conversation.



The Tony Timbro family; Andre, young Tony, Tony, Adrian, Mrs. Jeannette Timbro and Michael pause at the steps of their church. He is a drill operator at Lachine Works.

La famille de Tony Timbro, André, Tony fils, Tony, Adrien, Madame Jeannette Timbro et Michel, pose sur les marches de son église. Tony est opérateur de foreuse à l'Usine de Lachine.

electrical equipment. 1951 saw the firm's assets again being acquired by Allis-Chalmers with the operation in the hands of the Canadians.

To fully understand the people who comprise the A-C family of 500 at Lachine Works, one would have to delve into the history and background of a host of European countries. The most prevalent nationality, of course, is French. Of the 4.5 million Canadians who are of French origin, 3.5 million live in the province of Quebec and represent more than 70 percent of the province's population.

They have their own churches, schools, language, laws and way of life. Amazing as it may seem, there are descendants of English Colonial troops in many Quebec villages who do not know a word of English. In recent years, science and modern advances have had a considerable effect on their way of life. But neither business, industry, radio nor television has altered the French-Canadian's belief in his farm, his family or his church.

While the French-Canadians comprise one-fourth of Canada's population, the bulk of the nation is of British extraction. However, Canada's attraction for immigrants is emphasized by the fact that about one-fourth of the population is made up of Ukranians, Scandinavians, Germans and Russians who crossed the Atlantic after 1900.

At Lachine Works, names like Paul Carreau, Robert Flynn, Tony Timbro, Madeleine Biggs and Maria Sesia serve as an indicator of the cosmopolitanism of this area of Quebec.

Following the same cosmopolitan line, many of the famous restaurants and sights of Montreal can be traced to the Old World. Restaurants bearing the names Drury's English Inn, Chez Ernest, Black Angus and Au Lutin Qui Bouffe offer the visitor the utmost in world-wide cuisine. Along the sight-seeing routes Mt. Royal rises 750 feet in the heart of the city. At its base is a memorial stone placed where Jacques Cartier discovered the Indian town of Hochelaga in 1535. At its summit stands a 100-foot steel cross which replaced a huge wooden one which Paul de Chomedy, Sieur de Maisonneuve (accepted as the founder of Montreal) planted in 1643. Churches such as the Parish Church of Notre-Dame and the Anglican Church of St. George help to further create the illusion that here is a city which has no equal.

Montreal offers its residents and visitors a variety of sports activity that is certainly modern in nature. It is the gateway to the Laurentian Mountains where snow covered slopes draw the skiing, tobogganing and sleighing enthusiasts during the winter months. The famous Montreal Canadiens pack the Forum in this home of ice hockey. During the summer, Lake St. Louis, a widening of the St. Lawrence just above Lachine, has many well attended yachting and boating areas. Fishing in the Laurentians is also within easy reach of the city.

This is the headquarters of Canadian Allis-Chalmers. It is the home of the Carreau's the Timbro's and the Flynn's. It is a city that will gladly bid "Bienvenue" to new customs but never "Au revoir" to the old.

The Montreal City Hall forms the background for this street scene which, from all appearances, may have been taken from the *Paris Review*. The city, modern in every respect, is very proud nevertheless of its old world culture and appearance.

L'Hôtel de Ville de Montréal se dresse à l'arrière-plan de cette scène de la rue qui selon toutes apparences, aurait pu être tirée d'une revue parisienne. Ville moderne en tout point, Montréal n'en est pas moins fière de sa culture et de son atmosphère 'vieux monde'.

Maria Sesia, Lachine Works nurse, must be completely bi-lingual in her work. Many times a patient would rather speak in French than in English to tell her just what the trouble seems to be.

Maria Sesia, garde-malade à l'Usine de Lachine doit être complètement bilingue dans son travail. Souvent, un patient préfère s'exprimer en français plutôt qu'en anglais pour lui dire ce qu'il ressent.

Madeleine Biggs, secretary to P. D. MacIntyre, Manager of Industrial Relations, Lachine Works, is another of the personnel who must be bi-lingual. MacIntyre says that he would often be lost if Madeleine weren't there to help him translate.

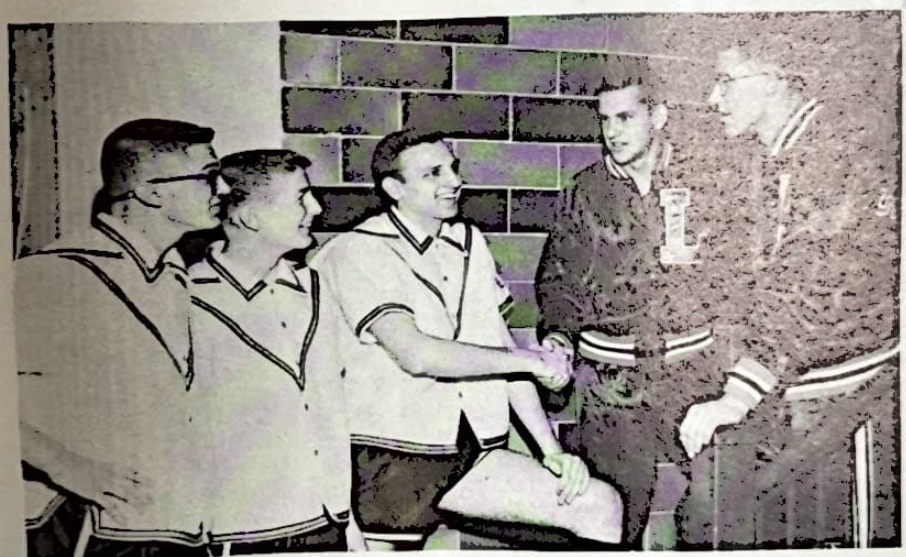
Madeleine Biggs, secrétaire de P. D. MacIntyre, gérant des relations industrielles à l'Usine de Lachine, est un autre membre du personnel qui doit être bilingue. MacIntyre dit qu'il serait perdu si Madeleine n'était pas là pour l'aider à traduire.

One of the last Great Lakes type freighters to be able to move through the ice-choked Lachine Canal in 1958 makes its way toward a winter berth. Lachine Canal handles lake traffic to and from the Atlantic.

L'un des derniers cargos des Grands Lacs à pouvoir franchir en 1958 le canal de Lachine obstrué de glace, se dirige vers un quai d'hivernement. Le canal de Lachine est la voie qui permet la navigation entre les Grands Lacs et l'Atlantique.

HOOSIER hysteria

Terre Haute Gerstmeyer players Billy Reece, Tommy John and Steve Manwaring are greeted by LaPorte high's Bill Lewis and Fred Singleton prior to the game between the two schools.



Terre Haute's Gary Hester seems to be rather crowded as he tries to break away from the LaPorte defense. Bill Lewis (33) and Jim Bailey (partially hidden) watch the action.

Throughout the country, when the blasts of winter force a change in the scenery, the complexion of sports changes from the rock and sock of football to the timed precision of basketball. Invented during the 1800's, basketball has risen to the point where it commands a greater amount of interest—and sometimes hysteria—than its companion athletic events.

Probably the most avid supporters and participants of basketball are to be found in Indiana. Here, as soon as a youngster is old enough to badger his father (if the father hadn't been potting a few at the hoop himself) into erecting a basket on the garage, he starts his career.

In LaPorte, Ind., youngsters are organized into teams as early as the fifth grade. They are taught the basic fundamentals early, and they later form the nucleus for the junior high school squads. This might be compared with a baseball team's minor league farm system. It supplies the coach with the boys who will be dumping in points for the LaPorte high school Slicers in future years.

Elsewhere in the state other teams are preparing their future stars in the same manner. Terre Haute, Ind., has several high schools, all of them with a full basketball complement. Recently, the team

HOOSIER hysteria

Bill Lewis (33) who had 25 points for the Slicers, scores on a layup. He was high man for LaPorte as the team hit a blistering 49.2 percent from the floor in topping Gerstmeyer, 86-66.

from LaPorte met the Terre Haute Gerstmeyer squad in a game at LaPorte's Municipal center.

The Slicers have three varsity men with an Allis-Chalmers family tie... Bill Lewis is the son of Marvin C. Lewis, an assembler at LaPorte Works; Fred Singleton is the son of foreman Ward R. Singleton, and Jim Bailey is the son of welder Leo Bailey. Terre Haute Gerstmeyer arrived with three varsity men who are quite familiar with the A-C family. Billy Reece, son of store room attendant Forest Reece; Tommy John, cousin of Alice Jeffers, secretary, labor relations, and Steve Manwaring, cousin of Terre Haute Works nurse Alma Gregory.

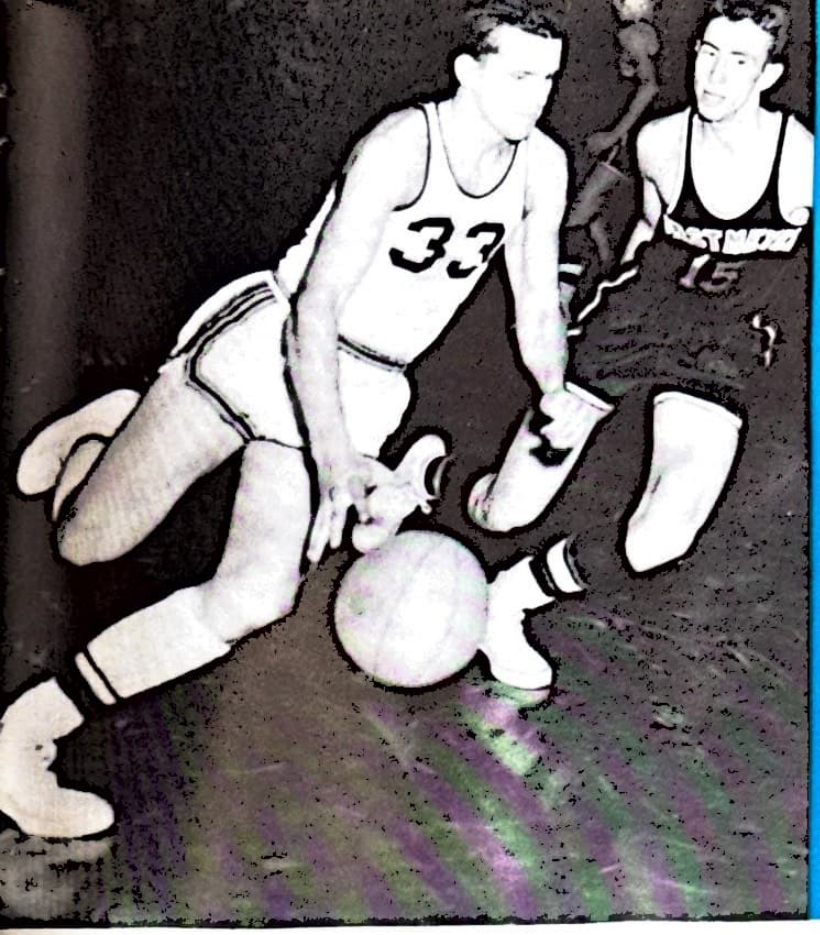
Not all of the basketball fever is limited to the players, for LaPorte general foreman Glenn L. Jones is very interested in nearby Kingsbury High School. His daughter Connie leads the student body in cheers, exerting perhaps as much energy as the varsity.

People in LaPorte will tell you that on basketball nights baby sitters are at a premium and Mom and Dad have to alternate the nights that they go to the game. The students turn out in force, complete with a bib arrangement that transforms the stands into a brilliant orange, the Slicer color.

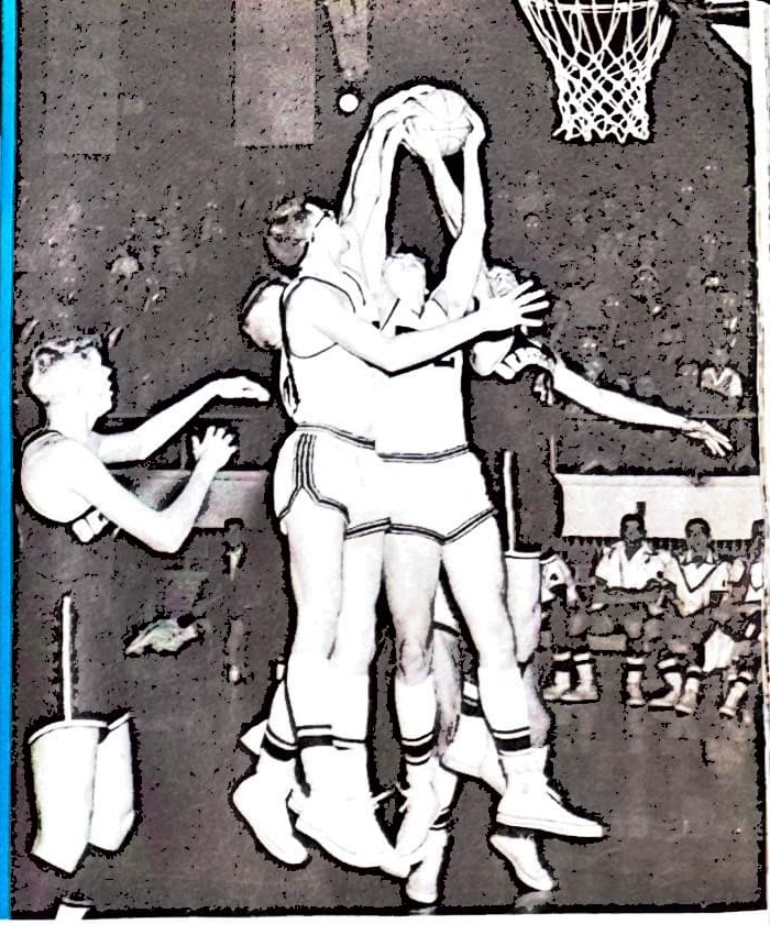
When the stands are filled, (as a matter of fact, there aren't many times when you can find an empty seat) the field house literally rocks with cheers and the tension is as electric as the last game, two out, ninth inning, score tied situation at the world series. Truly this is Hoosier Hysteria.

Connie Jones, second from left, leads the Kingsbury high school students in cheering their team to victory. These girls probably work as hard as the varsity.

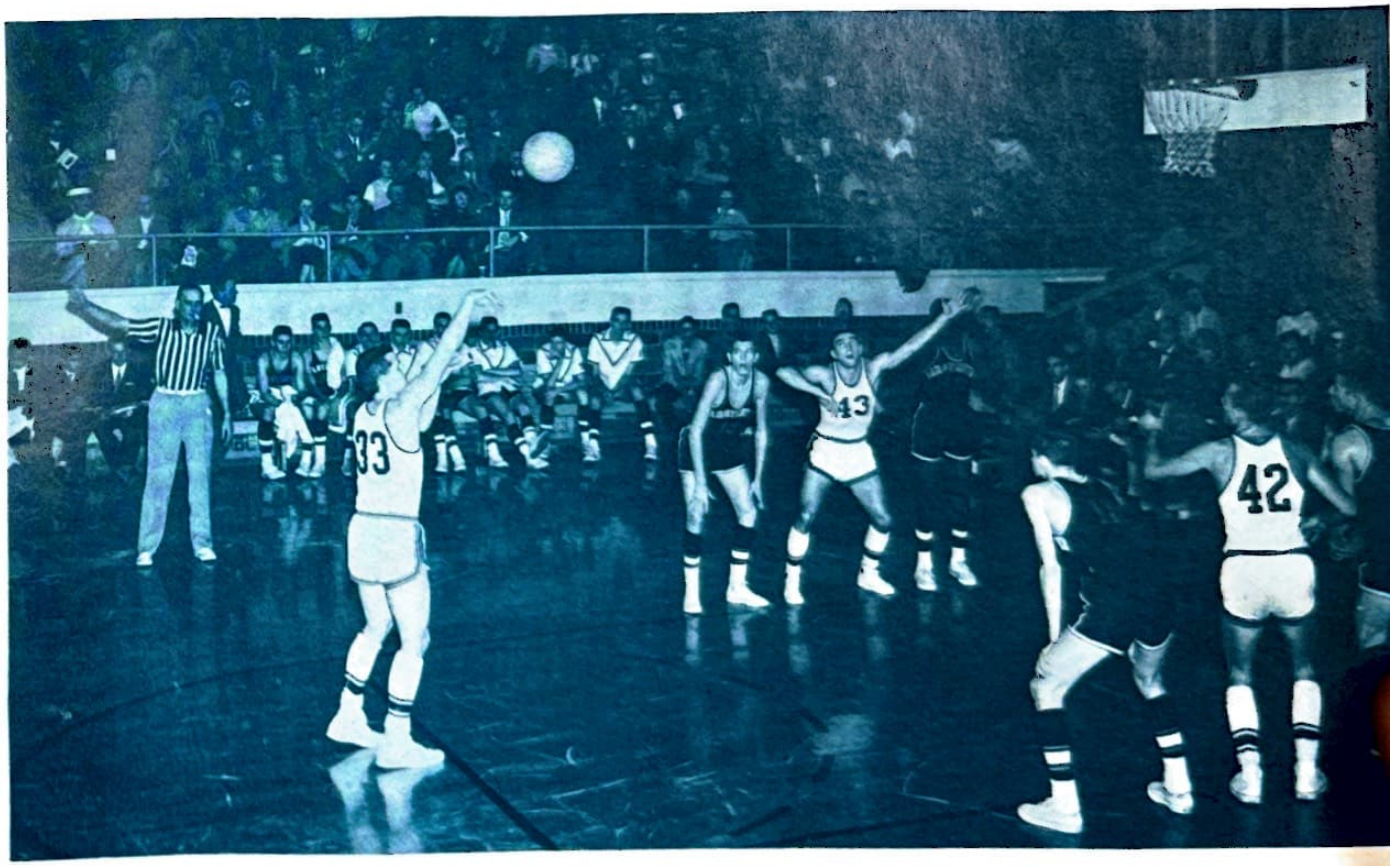
Bill Lewis, Jim Bailey and Fred Singleton talk over old times with their former coach, Bob Miller, who is now LaPorte high school principal. These varsity boys are all seniors and played freshmen basketball for Miller.



This scene was repeated many times during the game as Bill Lewis drove in and around the Gerstmeyer defense scoring on jump shots from in front of the key.



Fred Singleton, nearest camera, wearing glasses, goes up under the boards to block a Black Cat shot. This is the type of action that characterizes Indiana basketball.



Bill Lewis lofts a shot from the free throw line. During the game he collected five points from the line. Jim Bailey (43) sets himself to haul in the rebound if Lewis's shot doesn't cut the cords.

Not just a safer product, but a machine which provides a safer way of doing the job is this Allis-Chalmers car shaker shown at right. Device is lowered over a bottom-discharge gondola car, then set in vibrating motion to literally shake frozen or lumpy coal, ore or other material from the car. Use of car shaker eliminates possibility of worker losing balance and falling through the discharge opening, a type of accident which has proved fatal in the past.

New D-14 and D-17 farm tractors have foot clutch which stops all power when necessary, also feature ease of mounting and dismounting as a contribution to convenience and safety.

A-C fork lift truck has unobstructed floorboard, which means the operator can't get his feet tangled in the pedals when mounting or dismounting.

Electrical and mechanical interlocks provide maximum safe operatin and maintenance conditions for Allis-Chalmers starters and high vol age electrical controls.

Maximum visibility and operator comfort in this motor grader are typical of the attention given to safe operating conditions for users of Allis-Chalmers construction machinery.

Putting safety into A-C products

The Allis-Chalmers "Total Safety" concept goes into three important areas — A-C employes, the general public and the customer. In the first category, most Allis-Chalmers employes are familiar with the efforts the company makes to insure each of us a safe place to work and to promote safety-consciousness both on and off the job.

In the second category, many of us are familiar with the "Back to School" community newspaper advertisements and other devices which Allis-Chalmers has used to convey safety messages to the general public.

And in the third category, the customer, what does the company do? How does a manufacturer of a wide variety of machinery promote the cause of safety with its customers?

First of all, with sound design and quality workmanship, to make a product that operates safely and efficiently with a minimum of hazards caused by accident or equipment failure.

Secondly, A-C puts safety into the use of the product by developing operating instructions which emphasize the principles of safe operation to the customer. And, thirdly, the company puts safety into the product by developing and testing safety features which serve to eliminate accident-breeding situations. Many of these latter efforts have since become accepted as standard practice in their line.

In electrical equipment, such as controls and switchgear, Allis-Chalmers provides electrical and mechanical interlocks to prevent accidental energizing of a circuit while the line is shut down for any reason. Other machinery made by A-C also has built-in safety features; for example, the "dead front" construction of rectifier equipment, the enclosed sheaves and drive belts of products using *Texrope* V-belt drives, the explosion-proof motors and sealed dry transformers which are made to conform to standards established by groups such as Underwriters Laboratories, Mine Safety Appliances council and the National Electrical Manufacturers association.

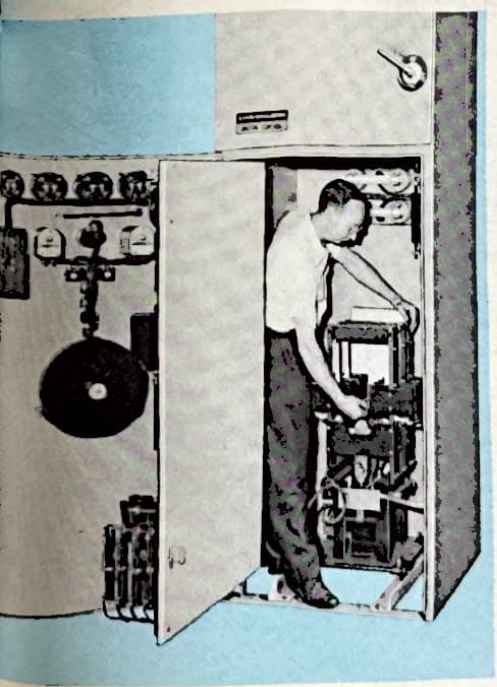
It is true that many of the safety devices found in Allis-Chalmers products are required by statute or law in most parts of the United States. But it is also true that these same safety features are built into products made for export, so A-C machinery helps raise industrial safety standards in other parts of the world.

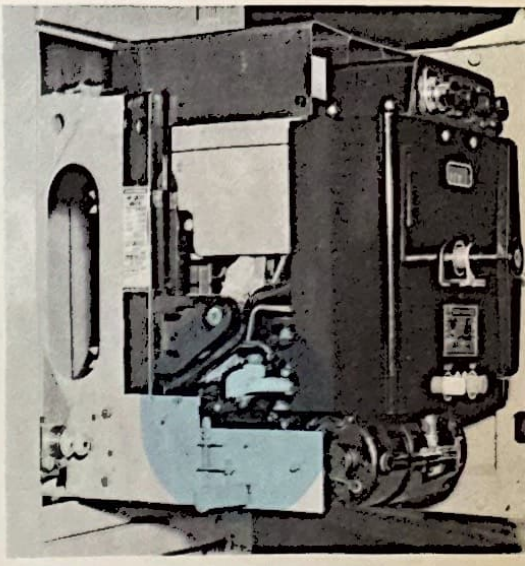
Of the Tractor Group's product safety efforts, one of the most effective is the ignition key lock, which prevents unauthorized personnel from operating a tractor, scraper or fork lift truck. A-C's farm equipment is built with low center of gravity, rounded corners, shields and guards, etc., to provide maximum safe operating conditions. The D-14 and D-17 model farm tractors are also equipped with a foot clutch which instantly stops forward motion and cuts off power to all power outlets when necessary.

Construction machinery made by Allis-Chalmers features maximum visibility, operator comfort and ease of operation to provide safe operating conditions. Like other A-C products, the Construction Machinery line is built with additional power, weight and strength to make an additional margin of safety within the unit's stated range of operation.

In the Engine-Material Handling division's range of products, maximum safety precautions are provided for operators of Allis-Chalmers fork lift trucks. Among these are ease of mounting or dismounting, unobstructed floorboards, convenient controls and extra-heavy counterweights to prevent tipping of loaded vehicles.

In any Allis-Chalmers product line, in any area where the company's machinery is used, the customer wants efficient machinery to get the job done. And, thanks to A-C's efforts to build safety into the product, we can say that "A-C equipment gets the job done — safely."

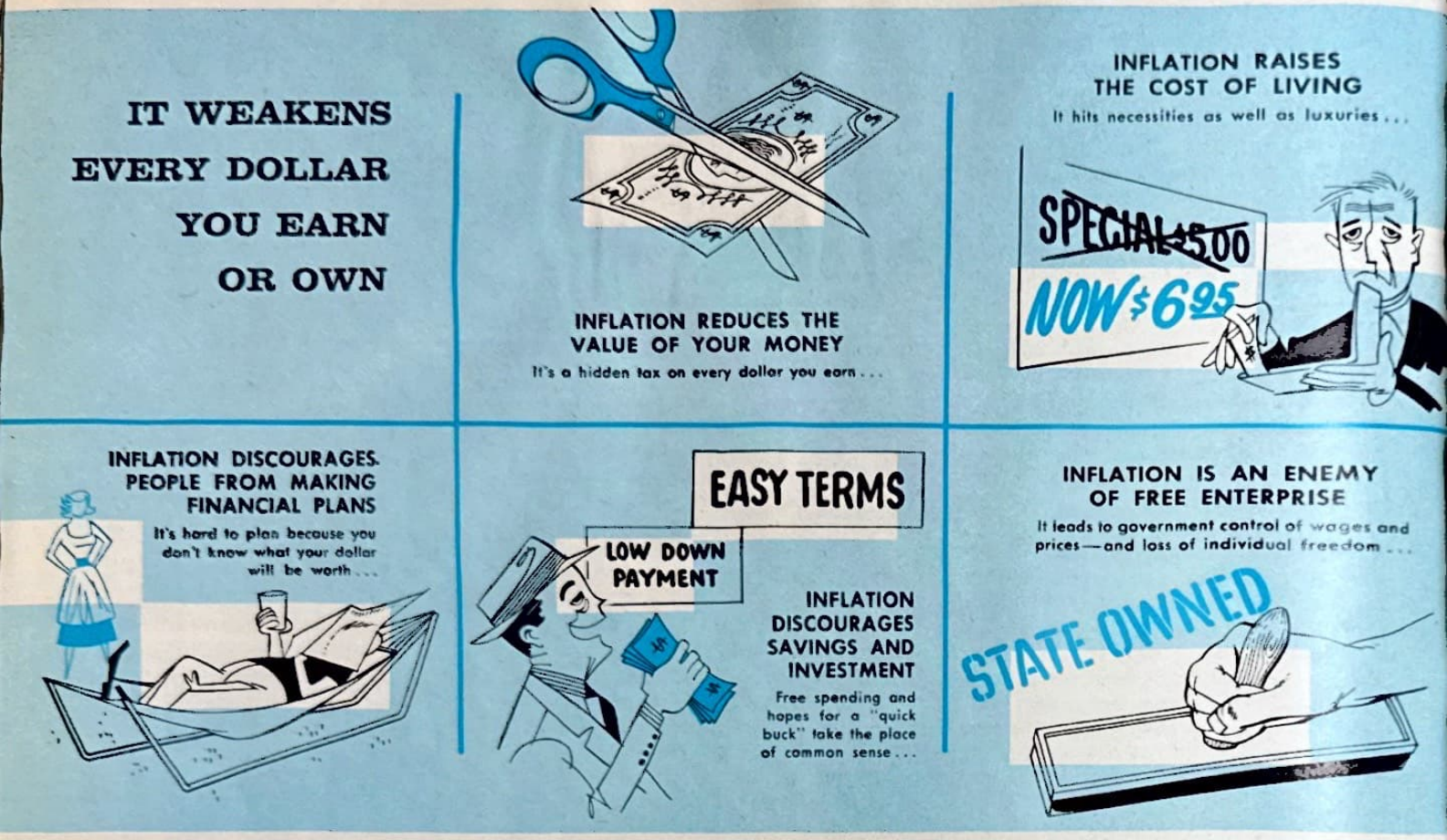




Cam-operated mechanical interlock on A-C circuit breaker prevents inserting the breaker into the unit while the breaker contacts are closed. Such an action would cause damage to the circuit and the breaker.

One of a series of five farm safety cartoons prepared by Allis-Chalmers and distributed to the farm press in the United States and Canada.

What does INFLATION do to me ?



"Inflation means rising costs to every housewife, a falling value to every pay envelope and a threat to the prosperous functioning of our economy . . ."

The President of the United States, in his 1960 Budget Address.

If you stored your household furniture for several years, you'd expect a receipt for your possessions. And, when you called for your belongings, if you found half of them missing, you'd be justified in shouting "I've been robbed!"

If you had sold your furniture and banked the cash, you'd find that you had been "robbed" when you called for the money — because the dollars you stored several years ago will buy much less in today's market.

Each form of "robbery" cuts into your worldly goods — yet we will protest one form and accept the other, more insidious form of pocket-picking known as inflation.

What is inflation? You've just seen an example, but a simple definition of inflation might be "a general rise in the overall level of prices, costs and wages."

Inflation comes in varying degrees. In its runaway form inflation can wreck a nation's economy and topple its government. In its milder form, commonly called "creeping inflation," it can bring an apparently unending succession of wage and price increases.

The United States has had creeping inflation since World War II. Inflation after a war is predictable and expected, because of a sudden release of accumulated purchasing power by consumers, business and government, coupled with a sudden availability of goods not produced during the war years. An inflationary period was experienced after World War II and, to a lesser degree, after the Korean War.

But why and how do we have inflation in the peace years between wars? How has inflation continued to rob our purses on a regular basis for the past 12 years?

The answer is found in the actions which cause creeping inflation, and in the attitude which fosters the feeling that "a little bit of inflation can't hurt us — if people have more money, they'll spend more and that will make more jobs."

Actually, when costs, prices and wages all increase together, people don't have more purchasing power — they have more dollars, but the dollars won't buy any more if prices have gone up along with wages.

Some people think that inflation must be exaggerated before it becomes dangerous. The feeling is that nobody wants to get his paycheck in a wheelbarrow full of paper money, but what's the difference if things go up on a gradual basis?

If we accept gradual inflation of 2 percent per year, our costs, prices and wages will double in a little more than 35 years. And if we think 3 percent is not too much inflation per year, we'll find our present figures doubling in 23 years.

We hear people say "What's the difference? If prices double, everybody will be making twice as much as they make today . . ."

Does that mean everybody will be just as well off? What about the 100,000,000 Americans who are presently paying life insurance premiums? What about the 67,000,000 savings bank depositors and the 15,000,000 savings and loan subscribers? What about the 14,000,000 people covered by pension plans and the 60,000,000 people under Social Security?

If you fall into any of those categories, you're going to suffer from what appears to be harmless, gradual inflation. When you think about it, you can see that there's a lot of people who are going to be "robbed" unless this continual creeping inflation is checked.

Forgetting about the future for a moment, let's consider some of the things that inflation does to us today: It puts a hidden tax on your earnings. It raises the cost of living. It makes it hard for us to plan for financial security. It encourages speculation and gambling. It is extremely tough on our free enterprise economy because it puts a squeeze on profits, discourages saving for the future and leads to government controls.

What causes creeping inflation? It's a combination of pushing and pulling which raises costs, prices and wages. To try to lay the blame in a single area would be as difficult as trying to say which blade of a pair of scissors does the cutting.

Prices are pulled up by heavy spending on the part of consumers, business and government. Costs are pushed up by wage increases not justified by increases in productivity.

But little pushing has been done by business in the past several years. For example, profits earned by U. S. manufacturers (after taxes) averaged 5.7 percent of sales in 1950. But in the years following, the average profit has been around 3.5 percent. On the other hand, wage increases have been a big factor in pushing costs and prices up, largely through the prevalence of cost-of-living allowances and "automatic" wage increases which are demanded and granted regardless of whether or not they are justified by greater productivity. These wage increases, which could not be paid out of profits, give rise to the truism that everybody's cost is someone else's price.

The 1957-58 business recession called sharp attention to one facet of the annual wage increase system — at a time when millions of workers were laid off, many more millions still on the job got wage increases which increased the cost of doing business. At a time when business was trying to cut costs, to get as much business as possible in adverse market conditions, it was forced to increase its total payroll — not through adding more people to the work force, but because of the general wage increases. These increases undoubtedly meant that higher costs would delay the return of some people to their jobs. As a result, many of the workers on layoff in 1957-58 were paying for the wage increases which they themselves were paid, because their wage increases were not justified by greater productivity.

One of the greatest difficulties in the system which calls for annual increases is the point that wage increases benefit only a particular part of the population, while price increases affect everyone.

What can be done to fight inflation? While there may be no sure cure for what ails our economy today, there are several steps in the right direction:

1. Urge and demand that our elected government officials do their best to keep government spending on a "balanced budget" basis in normal times, to eliminate deficit financing and curtail the continually rising national debt.

2. Encourage savings to provide capital for healthy investment which will enable industry to increase its productive effort through economic growth.

3. Take part in the race between education and catastrophe. Each informed citizen should try to understand the perils of "creeping inflation" and discuss the subject with others to increase public awareness of the problem we face today.

4. Encourage increases in productivity and strengthen competition in both business and labor markets to minimize the power of either to charge excessively in profits or wages. Both business and labor should exercise responsibility over prices and wages, consistent with the best interests of maintaining price stability.

If we can follow these ideas, we will find that wages will rise no faster than the rise in productivity, prices will rise no faster than costs, and costs will no longer rise if wage increases are not made unless justified by greater productivity.

Curbing inflation does not mean that our economy must stand still. We can continue to improve our standard of living. But we need a steadily rising standard of living for everyone, not just for a portion of our population.

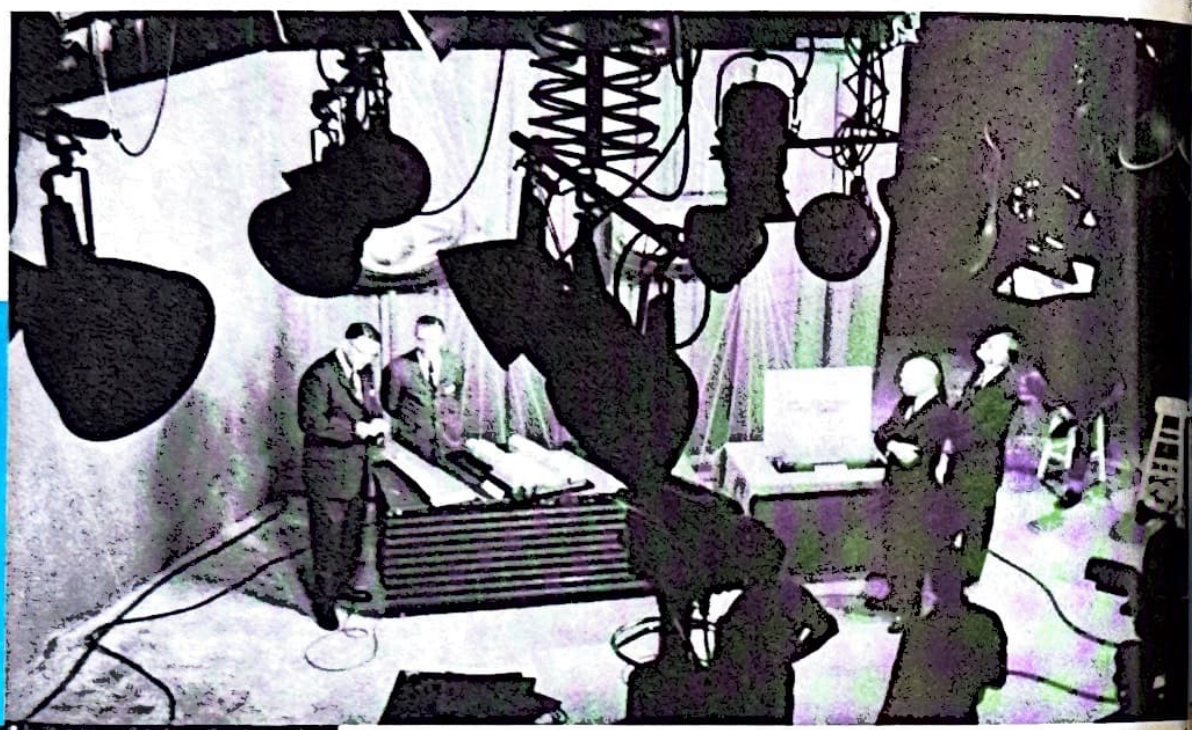
To lick inflation, we must give up the illusion that we can get more out of the economy than we put into it, that we can consume more than we produce, that we can get something for nothing.

a-c scope

ALLIS-CHALMERS MFG. CO.

Box 512
Milwaukee, Wis.

Litho in U.S.A.



Television cameras and lights are in evidence as E. P. Hansen (left) discusses steam turbine-generator units with Lee Murray, WISN-TV announcer. At right, waiting to go "on camera," are C. D. Wilson and L. W. Rosenberg.

Wilson (left) and Rosenberg (right) show Murray and the television audience the elements of a steam turbine-generator unit through the use of the model on the table.

Turbine Men Play TV Roles

Allis-Chalmers Steam Turbine department engineers were recently featured on "Challenge," a weekly television program offered to Milwaukee viewers by WISN-TV. The Sunday afternoon program portrays examples of engineering in action at various Milwaukee area firms and points out the opportunities for young people in the engineering and technical fields.

The A-C men on the show included E. P. Hansen, chief engineer; C. D. Wilson, chief turbine design engineer; L. T. Rosenberg, chief generator design engineer, and C. W. Bernhard, assistant to the chief engineer. They explained the role of steam-turbine-generator units in providing electric power for the community and told how these machines are made at West Allis Works.

Not brought out in the TV program, but of interest to A-C employes is the number of large steam turbine-generators produced in West Allis which have recently gone into operation or are in the final stages of installation. These include units ranging in size from 75,000 to 327,000-kilowatts, at Green Bay, Wis.; Williamsport, Md.; Chaison, Tex.; Scott, La.; Tampa, Fla.; New Albany, Ind.; Yorktown, Va.; Detroit, Mich., and Chicago, Ill. Other units being designed and built by A-C will go into service in the near future, continuing to increase the number of major A-C installations which help supply the demand for electric power in all parts of the United States.