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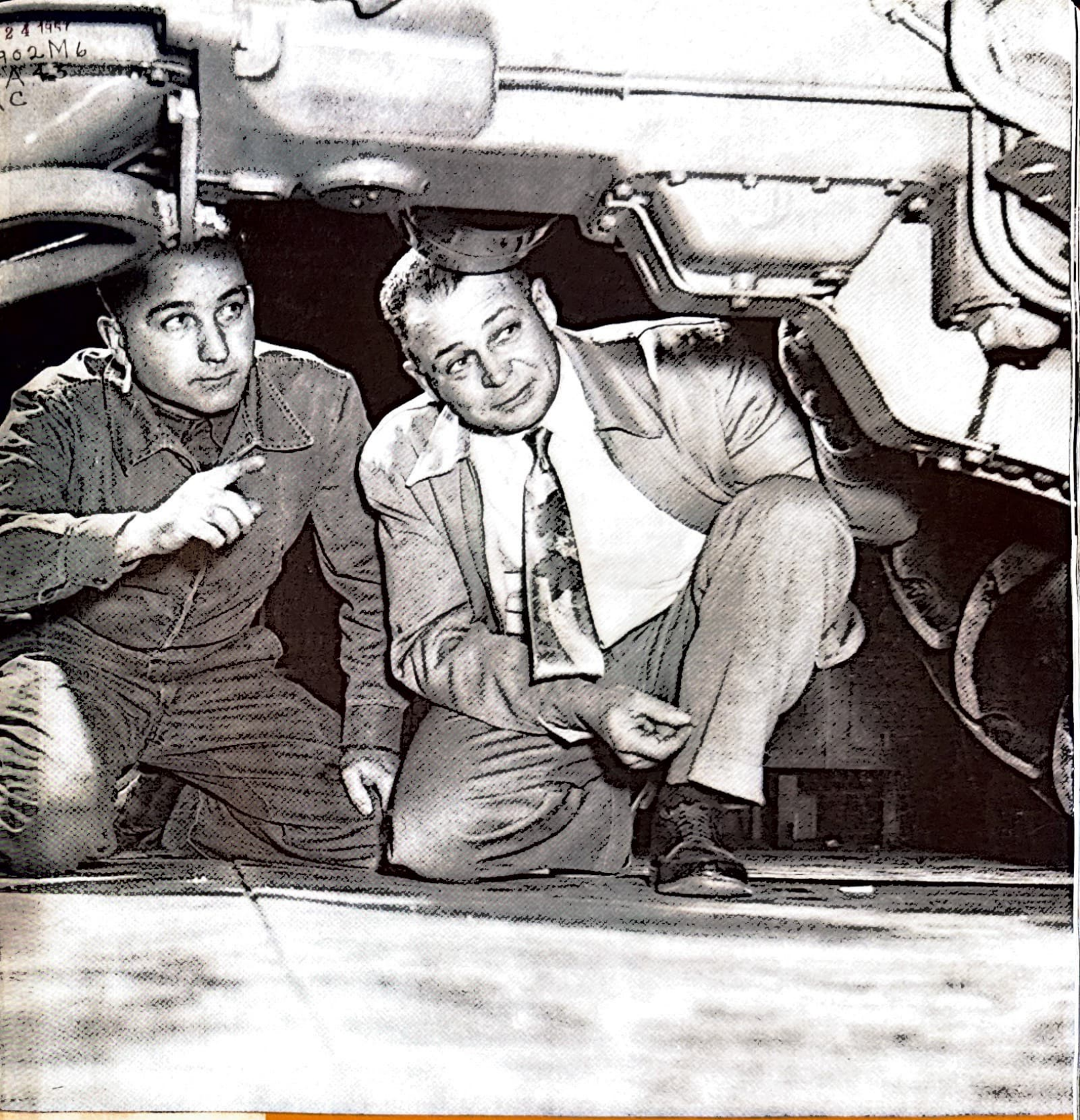

march-april
1957

a-c scope

magazine of allis-chalmers people

It Works Both Ways

In this issue of A-C Scope is the description of the purchase of a brand new D-14 tractor by Iowa farmer Leo Jungman. This machine was the product of many Allis-Chalmers employes, cooperating on a single project.

What is Farmer Jungman going to do with his new tractor? He'll use it in the production of corn, soybeans, oats and alfalfa. And it's highly likely that some of the A-C employes who aided in the building of the tractor and implements will eat food grown on the Jungman farm.

This is a neat capsule illustration of the dual role we all serve — as the employe and the employer. As the employe, we complete our daily assigned tasks; as the employer we buy the services of others to supply our wants of food, clothing, shelter and satisfy our desires for recreation and entertainment.

This point is not new. It was recognized and presented with feeling and understanding in a speech by E. P. Allis, founder of Allis-Chalmers, in 1881. Here are his remarks of 76 years ago:

"You look upon me, perhaps, simply as an employer, and yourselves simply as employes, while the truth is *we are every one of us both employer and employed.* I could not employ you for a single day unless someone employed me, and you could not work for me a single day unless you employed someone else. A man employs me to build an engine, and I employ you to help me do it, or, rather, to do it for me. You also are employers to a greater or less extent. You employ the carpenter and the mason to build your house, the merchant to furnish the material, and the tailor to make your clothes. And so it is throughout human society; we are each and all dependent upon others and all have our duties both as employer and employed, and society is raised or lowered as we perform these duties toward each other."

A Job Well Done

Allis-Chalmers people everywhere can take pride in the tribute paid the company and its employes by the U. S. Savings Bonds division of the Treasury department. A-C people in the U. S. have subscribed to the payroll deduction plan at the rate of 52 percent of total employment. They are investing more than six million dollars per year in U. S. Savings Bonds. This $6,000,000 figure represents roughly three percent of the total A-C payroll and it is six percent of the approximate payroll for the more than 20,000 employes now buying Savings Bonds. The photograph on the back cover of this issue shows some of the men who worked on the campaign that raised A-C's payroll deduction participation figure from 18 to 52 percent. Actually, to do justice to those responsible for making the campaign a success, the photograph should show the entire group of more than 20,000 people.

COVER PHOTO

Leo Jungman (right), Booneville, Iowa, farmer, gets a dramatic view of the high crop clearance of A-C's new D-14 farm tractor. With him is John Swallow, service manager for Crow Implement Co., West Des Moines. Jungman bought the new model.

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PHOTO CREDITS

Front cover—Darrold Pries, West Allis Works; Pages 3 through 9—Pries, Dick Piaseki, Don Ackerman, Herb Zeck, West Allis Works; Pages 10-11—D. C. Irwin, Gadsden Works; Page 12, top—Harold Shrode, West Allis Works; Others, Pages 12 through 16—Courtesy of individual A-C works and community organizations portrayed; Pages 17-18-19—Jimmie Wallace, Louisville, Ky.; Page 20, top right—Mike Durante, West Allis Works; Lower right—Dave Ward, LaPorte Works; Lower left—Milwaukee Journal; Page 21—Jerry Gosseck, West Allis Works; Pages 22-23—Fay Photo Service, Boston, Mass.; Pages 22-23, Pen-and-ink drawings—Martin Murk, Bert S. Gittins Agency; Page 24—Frank Hart, West Allis Works.

A-C SCOPE

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

Leo Jungman, Booneville, Iowa, farmer, positions the D-14's adjustable seat as he inspects the new model. Dashboard cigaret lighter is standard equipment.

Jungman signs purchase order for D-14 tractor and three-bottom plow to work his 160 acres and another 210 rented acres.

"D-14" —New Face for a Proud Line

"Open the doors and I'll drive her home —" Jungman says as he sits on his D-14. Owner of WC, WD and WD-45 models, he appreciates Allis-Chalmers performance.

Russ Hookom, head of Crow Implement Co., A-C farm equipment dealer in West Des Moines, scores with a D-14 selling point as Murray Neilson (right), A-C blockman, prepares to talk about "Power Director" shifting on-the-go.

Leo Jungman, a farmer near Booneville, Iowa, recently bought a new Allis-Chalmers farm tractor. It was the new D-14 three-plow tractor, brand new — to him and to the industry, and in production since early this year at the West Allis Works.

Jungman had owned an A-C WD-45 and the earlier WD for several trouble-free years, working 370 acres.

"When Russ Hookom (rhymes with yokum) of Crow Implement Company (A-C farm equipment dealer at West Des Moines) called and said he had his first D-14, it perked up my interest in a new tractor," said Jungman.

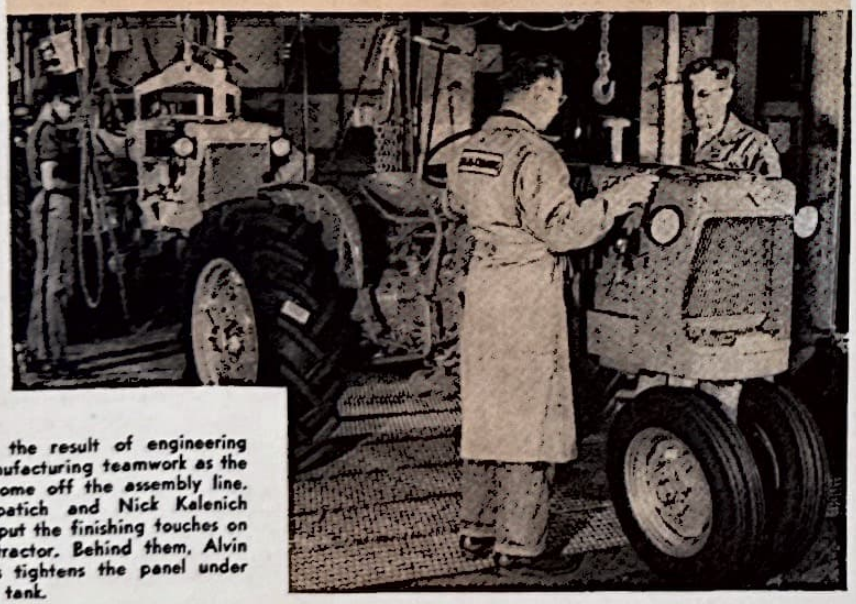
"I still wasn't much on getting a new tractor this year, but Russ started talking. Before much time went by I was in the driver's seat, under the hood, checking crop clearance, getting the feel of things. Then, with my WD about six years old, we started talking trade and I got the D-14." Leo has been buying from Crow Implement since 1938.

What Leo didn't realize at the time— was the years of planning, engineering and manufacturing skill which went into this "new concept" for farm tractors. He'll be using a product that involved

Serious business demands serious thinking as Leo and Russ talk about D-14. Jungman has dealt with Crow Implement since 1938, has confidence in their sales and service.

D-14 project engineers discuss the operational ease and safety features of A-C power steering. Left to right are K. C. Adams, power train; R. W. Johanson, hydraulics; L. E. Kleist, chassis; D. F. Semlak and Robert Carlin, assistant chief engineers, and J. M. Mather, engine. Behind them is portion of West Allis Works engineering drafting room.

Weekly meetings of engineering, manufacturing and purchasing people analyzed all the aspects of the D-14 project. Here, W. F. Strehlow, chief engineer, West Allis Works Tractor Group, leads discussion with aid of charts on unit costs.



Here is the result of engineering and manufacturing teamwork as the D-14's come off the assembly line. Vic Kopatich and Nick Kalenich (right) put the finishing touches on a new tractor. Behind them, Alvin Simmons tightens the panel under the fuel tank.

thousands of people at A-C and supplier plants.

But why a new tractor *now?* How do you go about getting a new tractor? What do you put in that's new? Who decides? What determines size?

The reasons for a new tractor *now* can best be summarized as threefold:

1. It gives Allis-Chalmers a solid entry in the three-plow field, where 31% of all farm tractors are sold. It fills a void that has existed since the WD-45 moved up to the four-plow group.

2. It emphasizes the confidence that Allis-Chalmers has in the farm economy, which has suffered in recent years from wide-spread drought and market dislocations.

3. While current models are successful, a manufacturer cannot afford to rest on his laurels. The farm equipment business is fiercely competitive.

What goes into a new tractor? Engineering, manufacturing and sales people agree that the farmer determines what A-C is going to build.

"The farmer wants low price, top performance and quality in a tractor," says A. W. Van Hercke, Tractor Group, vice president, director of engineering. "And that's our goal too."

Ideas generally come from the field. They come from farmers, dealers, A-C engineers, and sales personnel.

"These many ideas come in over a long period of time. Some have a lot of promise, others are discarded as impractical by our engineering department," according to Walter F. Strehlow, chief engineer for the Tractor Group, West Allis Works.

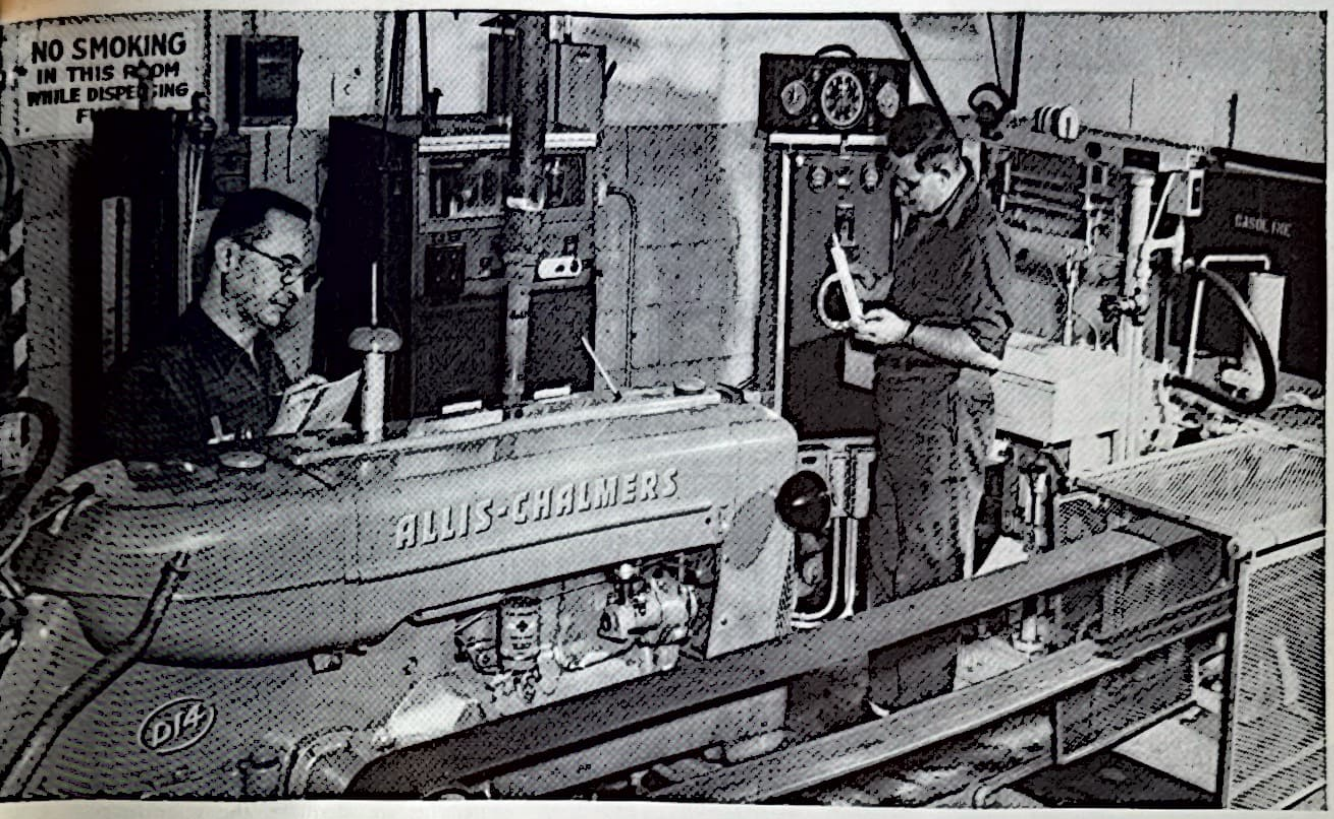
"However, the first person to take an idea and make it a reality is the engineer. He makes it practical as to performance and space requirements," he said.

Then a working model of this idea is made in the Tractor Laboratory at West Allis where it is tested and also installed in a tractor or implement for field testing.

Safety for the farmer is an important factor in design, too, both on the tractor and implements. Examples of this are easy mounting and dismounting, single hitch point, roll shift axle, power takeoff guard, fenders, etc.

Actually the D-14 was conceived some five years ago during a meeting in

Power of the D-14 is determined in this dynamometer test conducted by John Platzer (right) and Eugene Lavallee in Tractor laboratory. Power from engine takeoff is recorded on instruments.



Van Hercke's office. Discussion centered around what the "next" tractor should have — proven features and new ideas.

A distinctive styling appearance of the D-14 is the low top line and still high crop clearance. It stands only 4' 7" with a crop clearance of 25". This new concept was possible by designing the engine, power train and transmission to fit certain specifications. A fundamental A-C principle of final drive design in the rear end of the tractor provides high clearance without using high-wheels.

Other important innovations for this 4100 pound, 35 horsepower plus tractor include an exclusive and simplified method of adjusting the front axle for spacing wheels to crop row width. Another is "Power Director," for shifting on-the-go in high or low range providing eight forward speeds and two reverse. Also featured are a constant speed power take-off, an enclosed hydraulic system and an adjustable seat for operator comfort which can be flipped over and kept dry when not in use.

These performance and comfort features have a common goal of helping the farmer do his job better, easier and in turn giving the farmer more profit on his investment.

During the four years of testing, the prototype D-14 was operated in various sections of the country in all types of soil and climate conditions. A complete record was kept on each part of the tractor so that performance could be checked on any part at any time. Exhaustive break-down tests also were conducted in the laboratory with scientific instruments to check wear life of materials under undue stress and strain conditions. The total testing was equal to a farmer using his tractor 25 years.

When engineering and sales personnel concluded that "this is it," the big job of getting the tractor into production was begun.

That was where manufacturing entered the picture. It is a tremendous task to prepare for a completely new model. Thousands of blue prints of parts were submitted to the manufacturing department, for a cost estimate of the machine tools, small tools, patterns, vendor's tools, shop and building modifications.

To do this, it was necessary for the manufacturing department to establish the methods which were to be used in the production of the D-14 tractor and prepare a tooling program.

"This tooling program was submitted to the Board of Directors for approval in the fall of 1955," according to John Ernst, Tractor Group, vice president, and general works manager.

"A detailed explanation was given to the board members outlining the reasons for producing this tractor, its features and what would be needed to get into production," he pointed out.

Heading up the manufacturing end

Gerald Fisher, Tractor laboratory, builds up a fender by brushing several coats of plastic on a fabric that has been stretched over a wooden pattern. Finished plastic fender helps engineers see how real fender will appear when stamped from metal.

"D-14" —manufacturing

was Fred Worley, tractor works manager at West Allis assisted by superintendents and foremen.

While work developed on the new tractor, La Crosse, La Porte, and Oxnard Works people were busy designing and building a line of implements such as plows, harrows, harvesters, etc.

"We had a series of meetings with engineering people as we studied the many production problems involved. In some ways we helped to reduce the cost of various parts and components by having them redesigned for easier manufacturing," explained Worley.

All through these development stages manufacturing and engineering worked as an inseparable team, helping each other to put the best ideas and designs into a soundly built product.

Tools for the methods established by the manufacturing department were released to the tool designers and tool makers for building. Bids were requested for special machines.

Plant engineers made shop layouts for machines, water, oil, steam lines and building changes and alterations. Competing bids were asked for on parts that would be purchased from suppliers. Planning department personnel continued checking costs of production and methods.

Material and production control departments began ordering and scheduling through the purchasing division, the steel, castings, forgings, stampings and hardware for production of the tractor, and a date of production was established.

It is interesting to note that frequently suppliers are requested to bid on parts and components which could be manufactured in A-C shops so that the tractor can be built competitively and quality maintained.

"We carefully analyzed the machines we had in our shops that could produce parts for the D-14," said Worley. "Then we sat down with representatives from various machine tool companies in Rockford, Ill., Rochester, N. Y., Cincinnati, Ohio and other places to discuss special machine tools for some parts."

A savings could be effected by buying single purpose machines which perform several operations on the same piece. One such example is the largest group of machine tools purchased for this program to mill, bore, ream, drill and tap holes in the torque housing.

These operations could have been done on conventional machines each equipped with tooling for a particular operation. This would have required 40 machines as compared to the eight special machines used for the complete operation. The total cost of machines may have been approximately the same for either method, but the savings per piece is approximately $17.00 by using special machines. These savings are passed on to A-C customers. This setup also assures the customer that all parts produced on the same machine are identical in quality and specifications.

The torque tube housing is an excellent illustration of the tooling and initial work on one part. This is a casting about four feet long that connects the engine to the transmission. It contains the drive shaft, gears, power takeoff unit and clutches.

"The engineering for the D-14 called for this housing to serve also as a part of the frame," Worley explained. "It meant that we would need a strong casting to withstand the jolts absorbed otherwise by a frame."

It is obvious that by careful planning and thinking when the production requirements are adequate, the spending of thousands of dollars for the manufacture of a single part is justified. All of this preparation took place over a span of months without disrupting existing operations.

Miss Florence Gress operates tabulating machine which prints repair parts identification tags for shipping department. Herbert Lane, inventory clerk, prepares inventory tickets in material control department.

Many machine tools, which were made to special design as outlined by our manufacturing people, did not arrive at West Allis until a year or more after the job was let.

Prior to the arrival of the machine tools shop areas were revamped to make room for the installation of an assembly line, sub assemblies, conveyors, and machining areas.

Millwrights played an important role in the placement of old and new machines. They moved tons of equipment with rollers, winches and trucks.

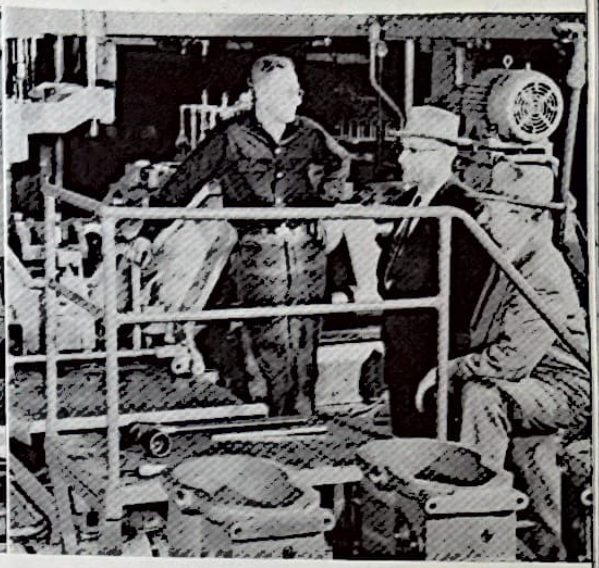
Trial production of the first tractor began early this year. With a handful of parts, machines were operated mainly to iron out kinks, make the fine, metic-

Meetings like this helped determine the types of machine tools needed for D-14 program. Here Tractor shop superintendents (left to right) Frank DeGaetano, No. 3 shop; Don Cheeseman, timestudy and planning; Mike Waligorski, No. 2 shop; Frank Mueller, maintenance; Fred Worley, works manager, and Aage Jorgenson, assistant works manager, study blueprints as Rudy Smejkal (foreground), No. 1 shop, reads the "spec sheet" on a machine manufacturer's bid.

Tool design people were responsible for the development of most of the tools and fixtures for D-14 production. Here are Herman Lauchart and Robert Hirsch disussing part Milton Oelstrom holds in hand.

A section of the overhead conveyor and guard must come down to permit this machine to be moved to a permanent location. George Plopper, Tractor shops safety supervisor (pointing), asks Frank Janda, millwright foreman, what the job entails. Steve Stano, millwright, uncrates the new machine on the flatcar in the background.

Herbert Retzlaff and Elmore Peterson (standing), timestudy and planning department, agree about the way a part should be made. They have 58 years of A-C service between them.



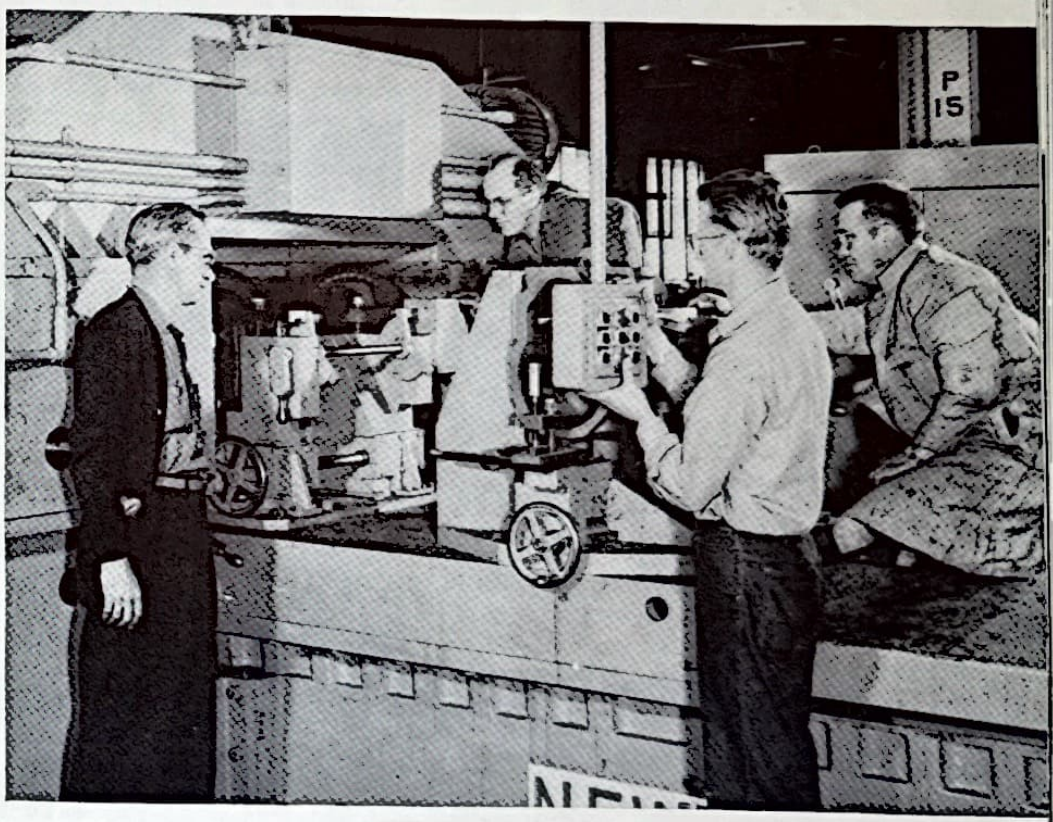
Vernon Gerndt, Dept. 1343 machine operator; Fred Worley, works manager, and Frank Mueller, superintendent of Tractor maintenance, discuss a new drilling and tapping machine.

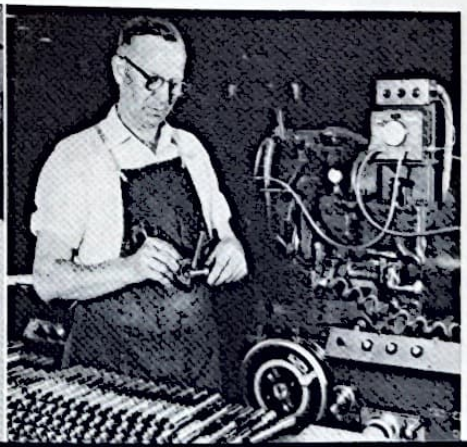
ulous adjustments required and permit operators to become familiar with the new equipment, production and inspection standards.

During this period of teaching people to operate machines and getting under way, long hours and thousands of dollars were expended to assure quality parts in mass production. Building only one tractor a day — or less — is no way to stay in business. But that must be the pace in the early stages to prepare for mass production.

If the price of a tractor were to be based on the production costs in the preliminary phases, very few could afford it. Only through proven methods on a mass production basis can the cost of the product be kept in a range of the farmer's pocketbook.

While the tooling was progressing, scheduling department worked with the purchasing people in ordering steel,





This $100,000 machine will mill the end surfaces of the torque housing in Dept. 1343. Final adjustments were made by (left to right) Reuben Sader, foreman; Ben Nelander, inspector; Robert Hill, operator and the tool manufacturer's representative.

Top quality products are assured by teaming skilled operators, such as 30-year-man Carl Lindgren, Dept. 1333 grinder, with modern precision machines. He is "miking" a small shaft for the D-14 farm tractor.

"— and the D-14 has a low silhouette because it stands four feet, seven inches high with a 25-inch crop clearance," Cecil Phillips, Tractor Group sales representative, tells the dealers at Des Moines branch meeting.

tires, rubber hoses, and other parts which were required. Inventories had to be built up on all parts so that once production began on the assembly line there would be no shortage of parts.

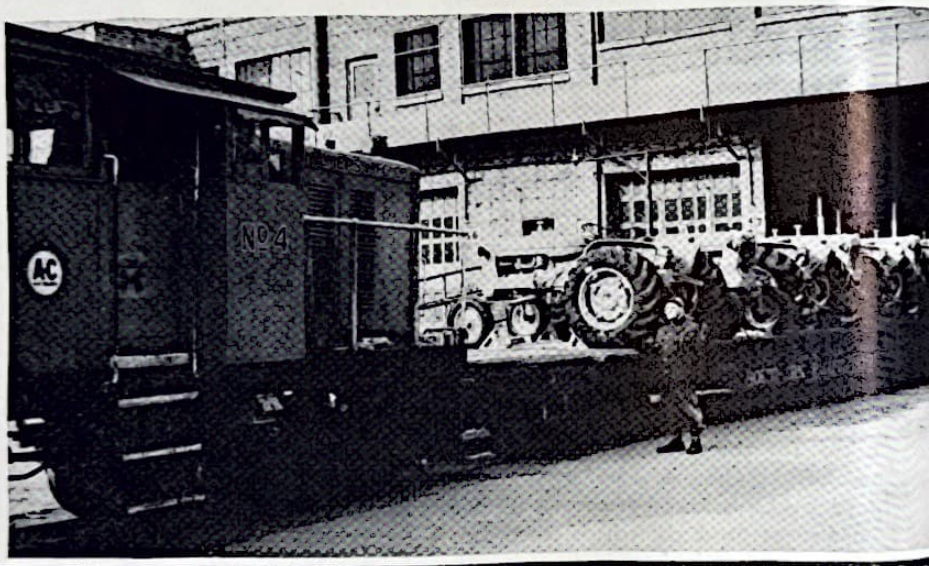
As production of the D-14's moved ahead the third group of A-C people guiding the new tractor — those in the sales department — entered the picture again.

Earlier W. J. Klein, Tractor Group, vice president, director of sales, and W. L. Voegeli, general sales manager, mapped an extensive sales promotion and advertising program.

It was decided the week of March 4-8 would be the introduction dates to dealers in the U. S. Later presentations,

A load of D-14's is pulled out of West Allis Works Tractor shops as Switchman Lambert Meyer signals the engineer.

Jungman points to identifying "D-14" decal on side of new model.



A. E. Bormann (left), Des Moines branch manager, and C. D. Troyer, Northwest territory manager, leave the Veterans Memorial auditorium Sunday after checking final details for the D-14 introductory meeting.

recognizing the slower arrival of spring weather, were scheduled for Canadian dealers.

When the final version of the D-14 was established, photographers and writers were assigned to get the story of the new tractor into picture and words for publicity, advertising and catalogs. Initial advertising for the D-14 placed in national, regional and state farm publications would blanket about 380 acres of land.

In addition, special kits were prepared for sales people and dealers to handle the local introduction to their customers — the farmer.

Special crews of company sales personnel were trained to present the D-14 and its line of implements to dealer meetings at 35 Tractor branch houses in the United States and Canada.

For several weeks seven different crews under Frank Jones, Farm Equipment sales manager, and S. H. Sorensen, Farm Implement sales manager, practiced their sales story — to get the presentation to perfection.

During the first week of March, dealer meetings conducted by territory managers, S. O. Anderson, Pacific Coast; G. R. Campbell, Southwest; C. D. Troyer, Northwest, and John C. Walker, Eastern, and product sales personnel were staged simultaneously in various areas. They were held in branch houses, auditoriums, armories, state fair buildings, ballrooms, and arenas in cities from Los Angeles to Charlotte, from Dallas to Fargo. Tied in with the dealer meeting at Syracuse, N. Y., was a dedication of the new branch building.

Typical of these meetings was one held at the Veterans Memorial auditorium in Des Moines, where A. F. Bormann is branch manager. This branch covers 56 counties in Iowa.

This meeting was conducted by Troyer, and Cecil Phillips, a tractor sales representative and Bormann. The Monday morning session introduced the D-14 to branch house people only. Following a luncheon for dealers, the three-hour afternoon session brought the dealers "something they had been looking for."

The stage was set for the dramatic unveiling by briefly recounting, with the aid of charts and diagrams, how Allis-Chalmers has led the field in the past. For years A-C has set the pace with TRACTION BOOSTER system, SNAP-COUPLER hitch, POWER-CRATER engine, air tires, power shift wheels, and others.

It was apparent they were preparing the dealers for something big . . . and important it was. A hushed audience watched as the curtain on the stage was opened and the new D-14 shone in the spotlights.

Applause and cheers repeatedly interrupted the demonstrations of the performance and selling features of the D-14 and implements.

However, the audience of 280 people sat back waiting for the answers to the question — what about implements?

This was answered in short order — that there are more than 90 implements available for the D-14, some newly designed, others interchangeable with the WD and WD-45.

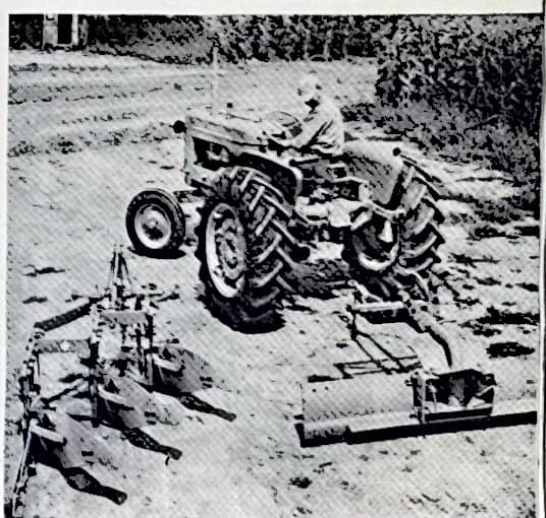
Dealers were pleased with the announcement because it would not require them to carry several lines of equipment in inventory and it would not obsolete a farmer's present equipment.

After surveying the meetings closely and the resulting orders, L. W. Davis, general manager, Farm Equipment Division, said, "if all our people who had worked on the D-14 in any way could have seen the enthusiastic reception in the field they'd certainly have added reason to be proud of the part they played."

Typical of the meetings held throughout the United States and Canada is this gathering of 280 people at Des Moines. Phillips points out the accessibility of the D-14 engine.

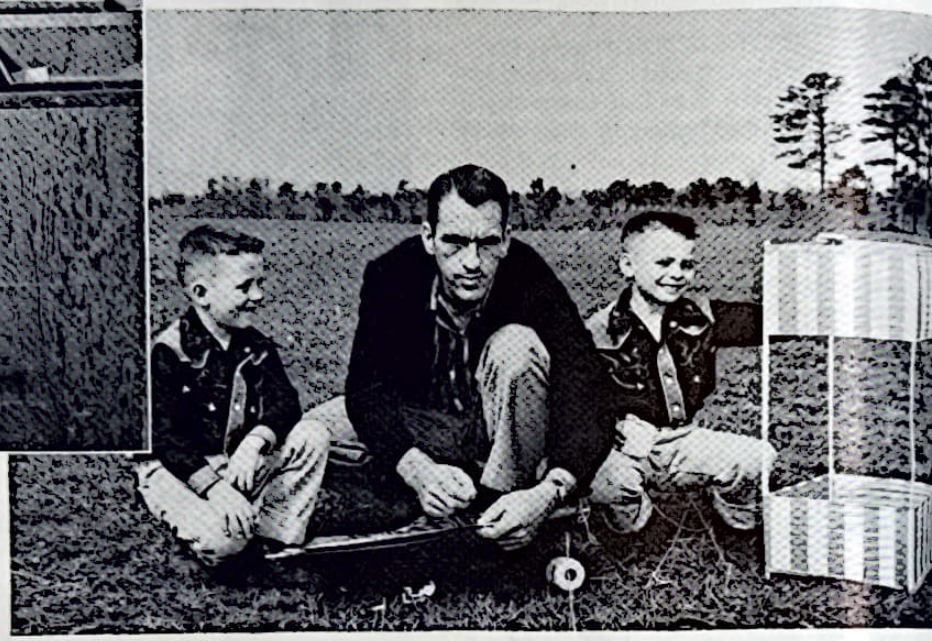
Bill Beck likes the view from the operator's seat while Irwin Beck (left) and Alfred Baier express satisfaction with the D-14 after meeting at Des Moines. All are from Beck Implement Co., Exira, Iowa. Beards are for town's centennial celebration coming up in July.

Wide implement line and SNAP-COUPLER hitch help farmer to easier and more profitable farming with A-C equipment. Left is three-bottom plow made at La Crosse Works. About to be hitched is scraper from Oxnard Works.

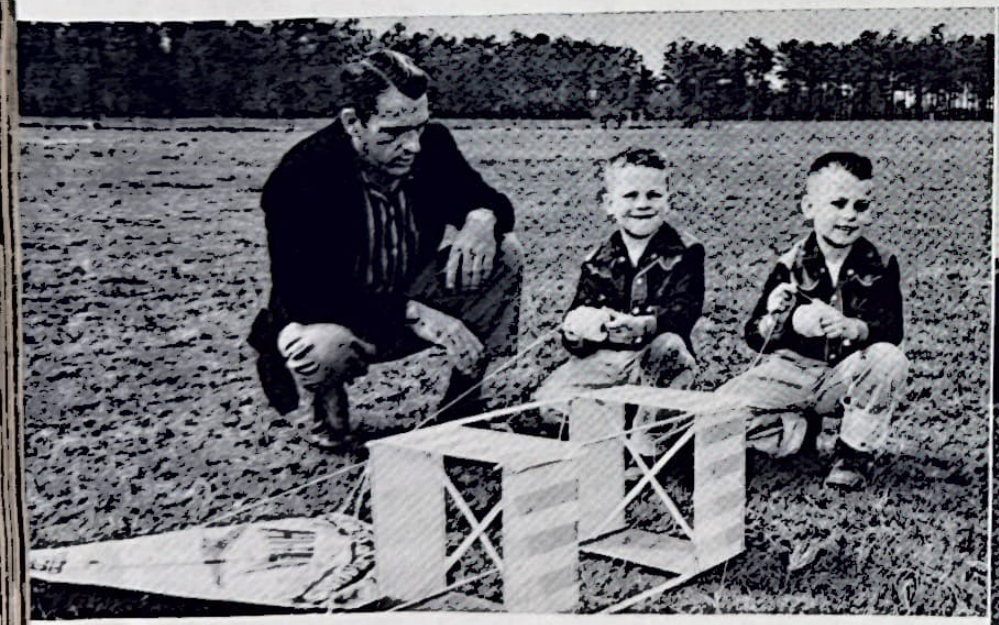


"dad"

1 When spring arrives, it's time for a man to show his son "how we flew kites when I was a boy—" And, if you have twin sons, the project ought to be twice as much fun. Father, above, is Jack Estes, core builder in Gadsden (Ala.) Works transformer assembly department and an A-C employe since 1948. First, you buy the kites and some balls of string.



2 Next, you put the kites together in spite of some eight-year-old help. That's Dan at left, David next to the box kite. They're in the second grade at Centre Elementary school, Gadsden.



6 Time to close up shop, wind up the string after a morning of kite flying. Since there were no casualties, other than the knees of Dan's trousers, both the boys and the kites will be ready for the next windy day.

shows 'em how!

3 One last knot on the bridle string and we're off. That is, Jack will do the running while the twins watch.

4 "Just a minute, dad, when do we get a chance to hold the string?" Somehow, a father hates to turn his creation over to inexperienced hands. Mrs. Estes missed the fun, staying home with Mary Jane, age 2, the baby of the family.

5 Who cares if Webster defines a kite as "a lightweight framework covered with paper or cloth, intended to be flown at the end of a string." This is real sport!

The groups which look to Allis-Chalmers for financial support are many. They represent almost every health, education, recreation and social welfare project soliciting funds in your home town. G. F. Langenohl, above, is treasurer of the Allis Chalmers Foundation through which many of the company's contributions are made.

George Reuland (left), general manager of Independence Works, inspects progress of new addition to city's sanitarium and hospital, operated by Church of the Latter Day Saints. Mayor R. P. Weatherford, Jr., points out a feature to Reuland, who served as chairman of the expansion campaign advisory committee.

Illinois college, located near the Springfield Works, is one of several institutions which benefit from the company's contributions to the Associated Colleges of Illinois, Inc.

Bill Hansen, assistant superintendent of personnel, La Crosse Works, points at sign over door of new Salvation Army building erected with help of Allis-Chalmers contributions in La Crosse.

Good Neighbor in Your Home Town

Business corporations are like private citizens in many ways, not the least of which is the matter of community responsibility or good citizenship.

Corporations can't vote, but they pay taxes, conform to laws, practice good housekeeping and contribute to the community welfare just as individuals do. And, just as individuals are asked to support fund-raising campaigns for worthy causes, so is Allis-Chalmers asked to support health, education, recreation and social welfare projects through the Allis Chalmers Foundation.

Contributions by American business firms have grown to a nation-wide total of a half-billion dollars per year — about 15 times the amount given 20 years ago. This increase came about gradually as the American businessman recognized that merely living within his legal rights was not enough. To be a good citizen, a "good neighbor," demanded fuller recognition of corporate responsibilities to society. Allis-Chalmers has kept pace and frequently led in this trend toward greater participation in community affairs in locations where the company operates. And, as A-C's participation grew, it was deemed advisable to establish a foundation as a means of handling the bulk of the company's contributions.

Allis Chalmers Foundation, Inc., is a non-profit organization set up to provide funds for qualified activities. The company's 1951 Annual Report said "It is intended to make prudent annual contributions to the Foundation so that it may become the source through which we can average our welfare contributions without complete dependence upon current business conditions." Once allocated by the company to the Foundation, money can not be withdrawn.

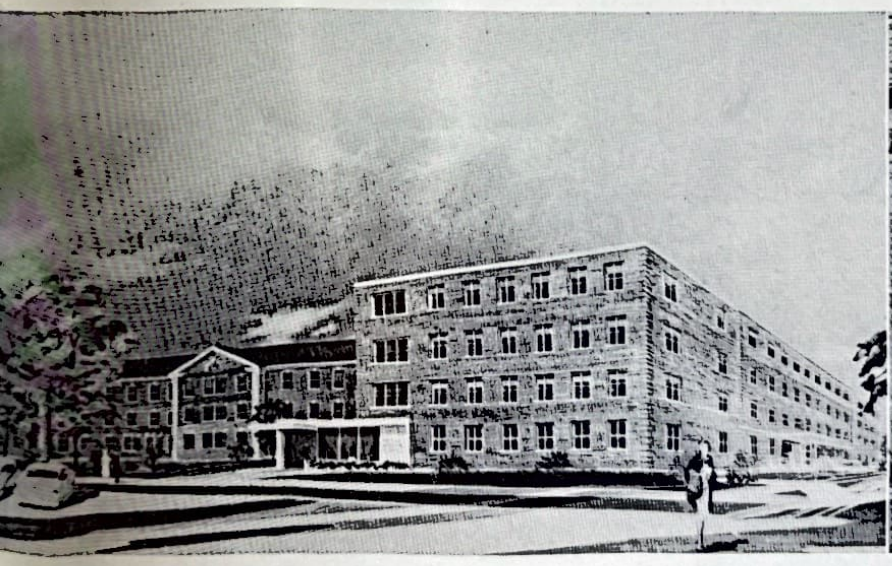
Many Allis-Chalmers contributions have been made through the Foundation, in the amount of more than $3,500,000 since it was chartered in November, 1951. Other gifts are made directly out of operating funds, so the total A-C contribution toward community affairs is substantially higher for the past five years.

Getting down to specific cases, Allis-Chalmers contributions are almost always made in cities where the company has a phase of its operations. Hospital building campaigns come in for a major share of A-C's gift dollar — they have received approximately $1,500,000 since the Foundation was formed. Gifts to hospitals are based upon the extent of the company's operations in the community as well as the community's need for the project. In other words, a hospital campaign in Springfield (where A-C employed more than 6000 people in 1956) would get a greater contribution than a hospital campaign in Boston, a larger city, but with fewer A-C employes.

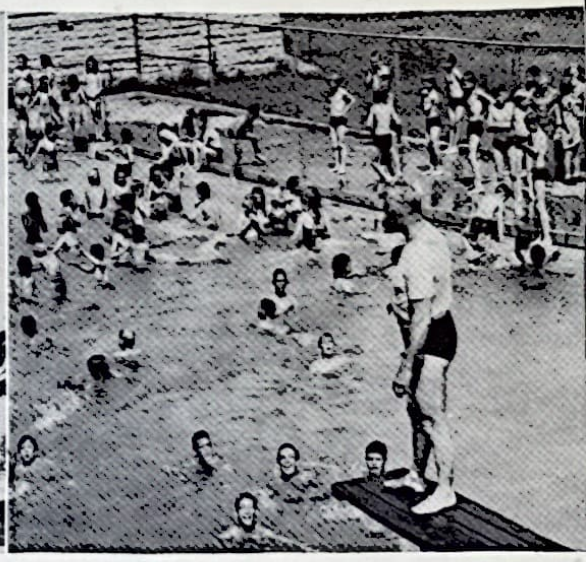
Servicemen enjoying community singing in Boston USO center are typical of those who are helped by A-C's contributions to community fund campaigns.

In the more than 80 cities where the company's branch houses or district offices are located, contributions are usually limited to gifts for Community Fund or United Appeal campaigns. Cities which have A-C plants may receive gifts for science and educational programs, health and medical campaigns in addition to other community projects.

Contributions for educational purposes include gifts to regional or state



Allis-Chalmers corporate and employe gifts in Harvey, Ill., helped a campaign to raise funds to expand and provide new equipment for Ingalls Memorial hospital, shown above in artist's drawing.



Waterfront safety programs are part of the American Red Cross activities in every city where A-C operates. Here's a Milwaukee scene which typifies this service, supported in part by company gifts.

A-C—Your Good Neighbor

Boy Scout activities in every Allis-Chalmers community benefit from the company's contributions to Community Chest or United Appeal drives.

Ventura county (Calif.) Community Chest gets its 1956 Allis-Chalmers contribution from E. E. Houston (right), general manager of Oxnard Works. A-C employes contributed more per employe than any other group in Ventura county's drive.

This double-printed photograph serves to illustrate the flood relief work done by the Red Cross in the Cincinnati area, including instances where Norwood Works employes were temporarily homeless. A-C's contribution dollar helps here, too.

Allis-Chalmers contributions help support 4-H club activities at state, local and national levels. Here's a scene at a banquet sponsored by A-C for award-winning Wisconsin 4-H youth. The company presents scholarships to national winners of 4-H garden awards.

fund-raising associations, grants for specific purposes, cost of education grants and scholarships for children of A-C employes. These gifts are intended to support and strengthen private educational institutions. No A-C contributions are made to tax-supported schools.

Reasonable requests number about 30 or 40 per month, according to G. F. Langenohl, treasurer of the Allis-Chalmers Foundation. These requests are evaluated on several counts by a contributions committee which strives to set a general pattern to govern A-C gifts in all parts of the country. Nation-wide consistency is a necessity.

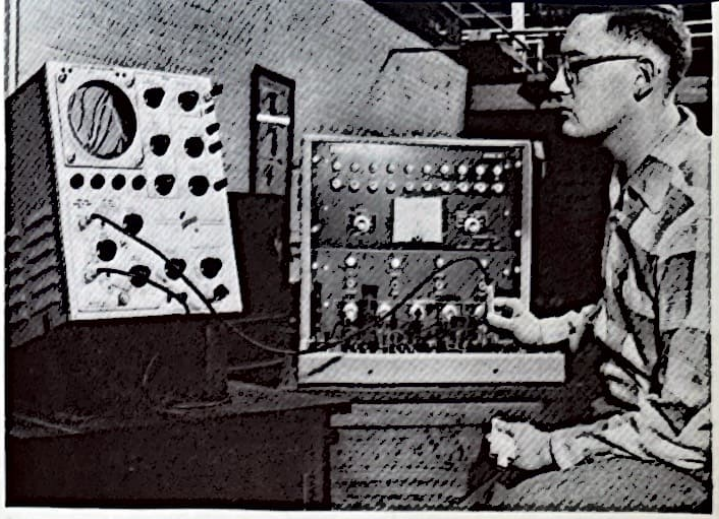
There are many relief and health agencies, public and social betterment groups, educational institutions which derive benefit from the Allis-Chalmers concept of corporate giving. However, certain types of requests are denied. For example: Gifts to political organizations — corporations are forbidden by law to make such contributions; religious organizations such as churches, missions, etc. — because Allis-Chalmers employes, shareholders and customers represent all religious groups, it is impossible to single out individual groups for contributions; war veterans organizations — unless the project is one which would help the entire community.

Many of these projects are worthy, certainly, but worthiness alone is not justification for an Allis-Chalmers contribution. Doubtless the same thinking applies to our gifts as individuals.

Gifts made by the Allis-Chalmers Foundation may be recurring, in the case of annual gifts to Community Chest campaigns, or non-recurring, in the case of a hospital building fund.

What's the reason behind the increase in corporate giving, both at Allis-Chalmers and nation-wide? It's an outgrowth of the theory that a corporation is not merely a maker and seller of goods but also "a basic unit of our multigroup society." In addition to its accepted responsibilities toward three primary groups — employes, shareholders and customers — the corporation is accepting responsibility toward a fourth group — the general public. These four groups may overlap, so that the share owner may also be a customer, and the employe may be a share owner or a member of the group which benefits from A-C contributions.

Incidentally, a public opinion survey of shareholders from many large corporations showed that these shareholders favor corporate gifts to various agencies in varying degrees. For example, 75 percent favored gifts to community fund



Engineering student shown here is John Derry, son of Howard Derry, Terre Haute Works production control department. John will be a June graduate of Rose Polytechnic Institute, Terre Haute, which shares in A-C's contributions to Associated Colleges of Indiana.

A-C's contributions for educational purposes include activities like the high school science fair held annually in Pittsburgh. Shown above is the second award winner in engineering, Charles Garda, Jr., son of Charles Garda, formerly of Pittsburgh Works and now at West Allis.

West Allis Works employes serve as advisors for this Junior Achievement project supported in part by A-C contributions. Al Schoeneman (left) and George Jester (fourth from left) are in the works accounting department, West Allis Works.

campaigns; 74 percent favored gifts to colleges and universities; 67 percent supported gifts to hospital and health campaigns; 49 percent favored gifts to social and welfare groups; and only 33 percent favored gifts to churches and religious organizations.

Gifts by corporations are tax-deductible in part, but it still costs a company some of its own money to give to community and national campaigns. It is not a case of saying, "If we don't give it away, the government will take it in taxes," because the tax saving is not equal to the sum of money contributed.

Therefore, the reason behind Allis-Chalmers contributions lies deeper than the tax laws. The reason is found in a management concept of responsibility toward the community — the sense of good citizenship and the desire to assist worthy causes.

One point should be emphasized, however: When the company makes a gift in a plant city, it does not intend to replace the gifts of individuals, whether they are employed at Allis-Chalmers or elsewhere. The need for A-C people to give as individuals is just as great, for they have their responsibility to the community regardless of the size of the gift by their employer. The company intends that its contribution will assist a community's fund-raising and supplement, but not replace, the gifts of individuals.

And as the employer helps build the community, it helps build employe relations. For many of the groups and agencies aided by Allis-Chalmers dollars serve A-C employes or their friends, relatives and neighbors.

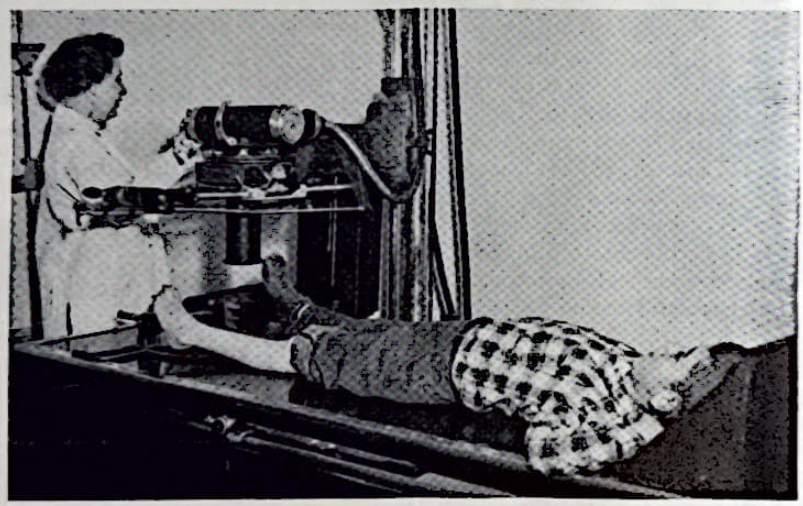
If Allis-Chalmers can help a community get a new hospital sooner, or a better YMCA, or a well-filled Community Chest, then the company is indirectly helping all of its employes within the community.

And it works the other way, too. If A-C has the reputation of being a good citizen in the community, it follows that A-C people share that reputation through their gifts as individuals.

So it's not just a matter of Allis-Chalmers being a good place to work, but also a matter of "there's a lot of good people working at Allis-Chalmers."

Another form of Allis-Chalmers contribution helps provide pleasant living quarters for these residents of the Milwaukee area Scandinavian American Old Peoples Home.

LaPorte YMCA was remodelled with the help of A-C contribution. Watching an instruction period are J. B. Klassen (right), LaPorte Works general manager, and Glenn Tripp, works comptroller, both of whom are active on the YMCA board of directors.



Crippled Childrens Clinic, serving Gadsden, Ala., is still another example of the type of medical activity supported by employe contributions and Allis-Chalmers gifts through Gadsden Works.

Camp Fire Girls come under the Cedar Rapids-Marion Community Chest, to which the company and Cedar Rapids Works employes contribute. Group leader is Mrs. H. A. Woito, wife of works' supervisor of personnel, with her daughter, Betty.

Kentucky Thoroughbred

Neill-LaVielle Supply Co., A-C Distributor, Served Louisville Customers for 80 Years

W. E. Kercheval, Louisville district office manager, presents "Quota Buster" award to Fred Pfeiffer, Sr., president, and M. H. Young, vice president and sales manager of Neill-LaVielle Supply Co.

A machinery manufacturer's reputation is no better than the local reputation of the firms that sell its products. This applies to the segment of Allis-Chalmers known as the Industries Group distributor organization . . . more than 350 companies who link their local reputation and good will with that of manufacturers such as Allis-Chalmers.

An energetic example in this highly competitive field is busy, bustling Neill-LaVielle Supply Co., distributor of A-C electric motors, controls, pumps and *Texrope* drives in Louisville, Ky. Oldest, biggest industrial supply house in the area, Neill-LaVielle is in its 80th year.

From an inauspicious start, the firm has grown to the stage where it covers a 100-mile radius from Louisville, representing a host of "big name" suppliers to hundreds of customers including industrial concerns, manufacturers, utilities, mining operations, municipalities and machine shops.

Neill-LaVielle's growth and prosperity can be traced to the combined leadership and enterprise of two men — Fred Pfeiffer, Sr., president, and M. H. "Bud" Young, executive vice president in charge of sales. These two have formed the best "one-two punch" in the Louisville area since 1930, when they assumed their present roles with the company. Vincent Adams, assistant sales manager, has worked with this team for more than 20 years.

Pfeiffer started with the original company as a delivery boy 49 years ago. Since he became president, his leadership, sense of ethics and business acumen have kept the firm in a sound financial position.

Young started as a salesman in 1914. He has devoted his energies to the sales end of the business, with marked success as a builder of sales and good will as well as a leader of men.

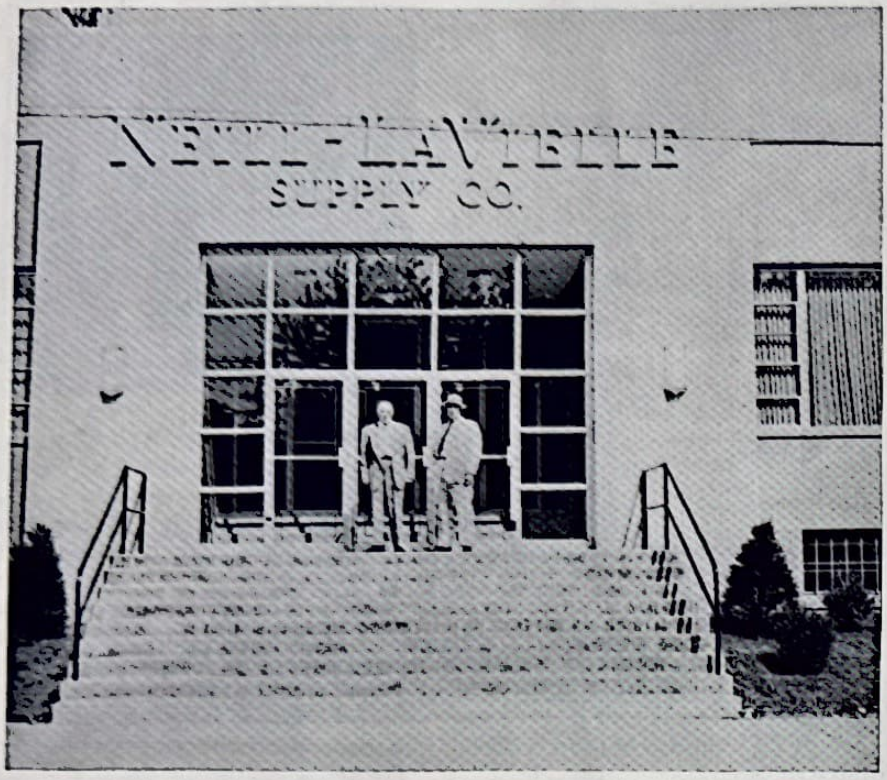
Since the team of Pfeiffer and Young took over the reins, the firm has never had a year in which it lost money. Today, Neill-LaVielle is too big to be called "typical," too aggressive to be called "average." But the company serves as a prime example of the way a distributor and an Allis-Chalmers district office work together to sell A-C products.

Along with its rich, historic past, Neill-LaVielle looks for a prosperous future through a "built-in" management training program. Pfeiffer's three sons and M. H. Young, Jr., are all active with the firm and working with the two fathers who built the firm to its present size.

Fred Pfeiffer, Jr., is vice president; Norton Pfeiffer is treasurer; George Pfeiffer is manager of the firm's steel warehouse division and "Morrie" Young is a major salesman and the company's abrasive sales specialist. Each of the "younger generation" started out by learning the business from the bottom, gaining experience which will serve them well as they assume even more important roles in the firm's management.

Recently W. E. Kercheval, Louisville district manager, presented Neill-LaVielle with a plaque identifying the company as an A-C "Quota Buster" for motors, controls, pumps and *Texrope* drives. Kercheval, who's worked with

Neill-LaVielle's outside salesmen at their desks in modern new quarters. M. H. "Bud" Young, vice president and sales manager, is at right. Don Fitzsimmons, A-C Louisville district office, is seated midway down row of desks, talking over a problem with Vince Adams, Neill-LaVielle's assistant sales manager.



A flourishing Louisville business and the men who built it. Fred Pfeiffer, Sr., and M. H. Young pose on the steps of their new building.

Fred Pfeiffer, Jr., vice president, is one of president's three sons sharing the company's management.

Fitzsimmons (right) checks firm's warehouse stock of *Texrope* sheaves with Earl Aldridge, stock clerk.

Neill-LaVielle since 1935, is proud of the fact that his friends were one of two A-C distributors in the nation to go "four-for-four" on the awards.

Kercheval calls Neill-LaVielle an "ideal" distributor, willing to devote the time and talent to do a good job of selling Allis-Chalmers equipment. Sales Representative Don Fitzsimmons does a good deal of "leg work" with Neill-LaVielle's sales force — making customer calls, checking specifications and expediting orders. And Neill-LaVielle's management and sales organization made a special visit to Norwood Works not too long ago — to see motor, pump and *Texrope* drive production facilities and talk to some of the people who design, manufacture or sell the products made at Norwood.

Neill-LaVielle moved, about 18 months ago, to a new location in the heart of Louisville's industrial belt, after spending three-quarters of a century in the downtown area. The new quarters are clean, modern and well-lighted, with more than 110,000 square feet of floor space to serve customers to the best advantage. At the buyer's service are nine trunk telephone lines, seven delivery trucks, 70 employes, including nine outside salesmen and eight on the inside.

Moving to the new location was a "shot in the arm" for Neill-LaVielle's people, after the many years in the heart of town. The occasion was observed with an open house for customers and suppliers and Allis-Chalmers was one of 76 manufacturers who had displays at the event.

The need for nine telephone lines is evident since 90 percent of the firm's orders are written up on the telephone. The outside sales force promotes the notion of the customer calling Neill-LaVielle for its needs, "selling" the firm and its ability to provide good products and good service.

Each salesman handles the full line of products listed in the Neill-LaVielle Supply Co. catalog, which is regarded as an industrial supply bible in the Louisville area. Now in its 10th printing, the catalog's 864 pages list some 68,000 individual items.

A-C's Louisville distributor spends a good deal of time and effort training all of the personnel who come into contact with customers. The new building includes a sales training and conference room which, for example, is used by Kercheval and Fitzsimmons to introduce new Allis-Chalmers products or point out new applications for established items in the A-C line.

Neill-LaVielle's inside sales force "meets" customers over phone, writes up 90 percent of firm's orders.

City sales counter (lower photo) serves customers who drop in to pick up small tools, etc.

It's important for Neill-LaVielle's salesmen to be well-versed in all of the products listed in the catalog, since they frequently compete with specialists handling a single line of equipment.

"We have tried," says Young, "to make it as easy as possible for the customer to call us and get what he wants. We must maintain proper inventory in order to make a sale — if we don't have what the customer wants, he'll quit calling us."

"Neill-LaVielle is no price-cutter and the customers know it," Kercheval points out. "They expect a fair profit on every sale and their customers expect to pay a fair price for the quality, service and delivery they get from Neill-LaVielle."

Fitzsimmons adds "The customer benefits another way, too. All of their people are well-trained — many of Neill-LaVielle's present salesmen started out in the storeroom or over-the-counter sales area and were promoted after they gained experience."

Neill-LaVielle's customers in the Louisville area include main plants or branch operations of companies like American Radiator, Colgate-Palmolive, American Air Filter, General Electric appliance division, du Pont, Ford Motor, International Harvester, as well as a good many substantial but more locally-known customers.

If a list of the firm's customers reads like a "Who's Who" of American business, so does the list of suppliers whose products are listed in the Neill-LaVielle catalog. Along with Allis-Chalmers, one finds American Chain, Behr-Manning, Black & Decker, Blackhawk Mfg., Brown & Sharpe, Chase Brass & Copper, Chicago Pneumatic, Cincinnati Tool, Cleveland Twist Drill, Crane, Crescent Tool, Crucible Steel, Falk, B. F. Goodrich, Lufkin, Madison Kipp, National Cylinder Gas, Nicholson File, Norton Abrasives, Pyrene, Rockwell, Simonds Saw & Steel and many others.

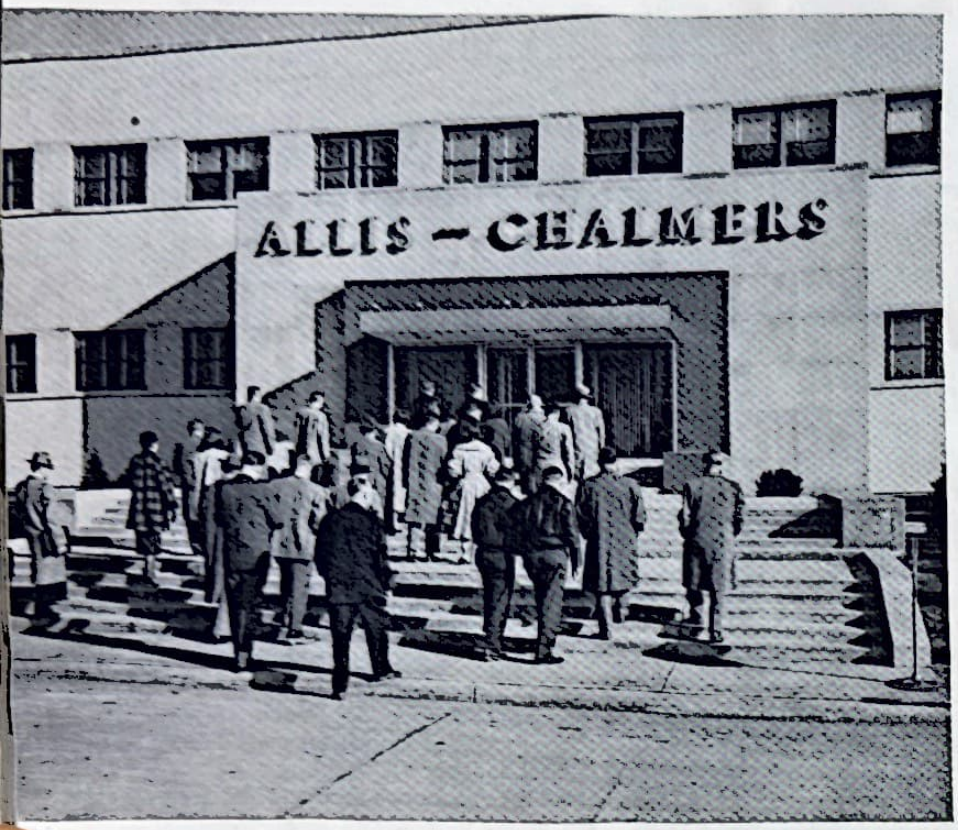
Neill-LaVielle can be proud of the big names it represents in the Louisville area, just as Allis-Chalmers can be proud to be represented in Louisville by a firm of Neill-LaVielle's size and reputation. For industrial supply selling calls for a sound organization — it's a highly competitive business.

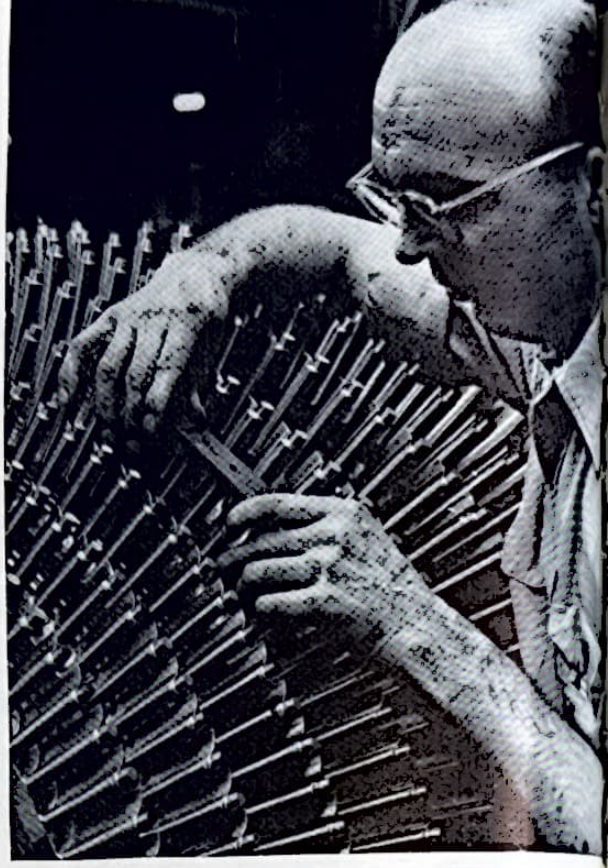
For example, Neill-LaVielle competes with 15 other Louisville firms for electric motor business, 10 to 12 companies on V-belt drives, probably five or six on pump sales. That's one of the reasons why every Neill-LaVielle salesman is on "emergency service call" seven days a week.

Factory, district sales office and distributor work hand-in-hand to serve the industrial supply customer. Neill-LaVielle uses A-C's engineering talent when necessary, just as it uses sales promotion material and direct mail advertising aids supplied by the manufacturer. As Young puts it, "A-C gives us the material to promote a product with the customers. In return, we're expected to get out and do a good job of selling it."

Judging by the Quota Buster award, Neill-LaVielle is doing a "good job of selling it." And judging by the sales performance of Allis-Chalmers General Products division in 1956, a lot of A-C distributors are doing a good job of selling the company's products.

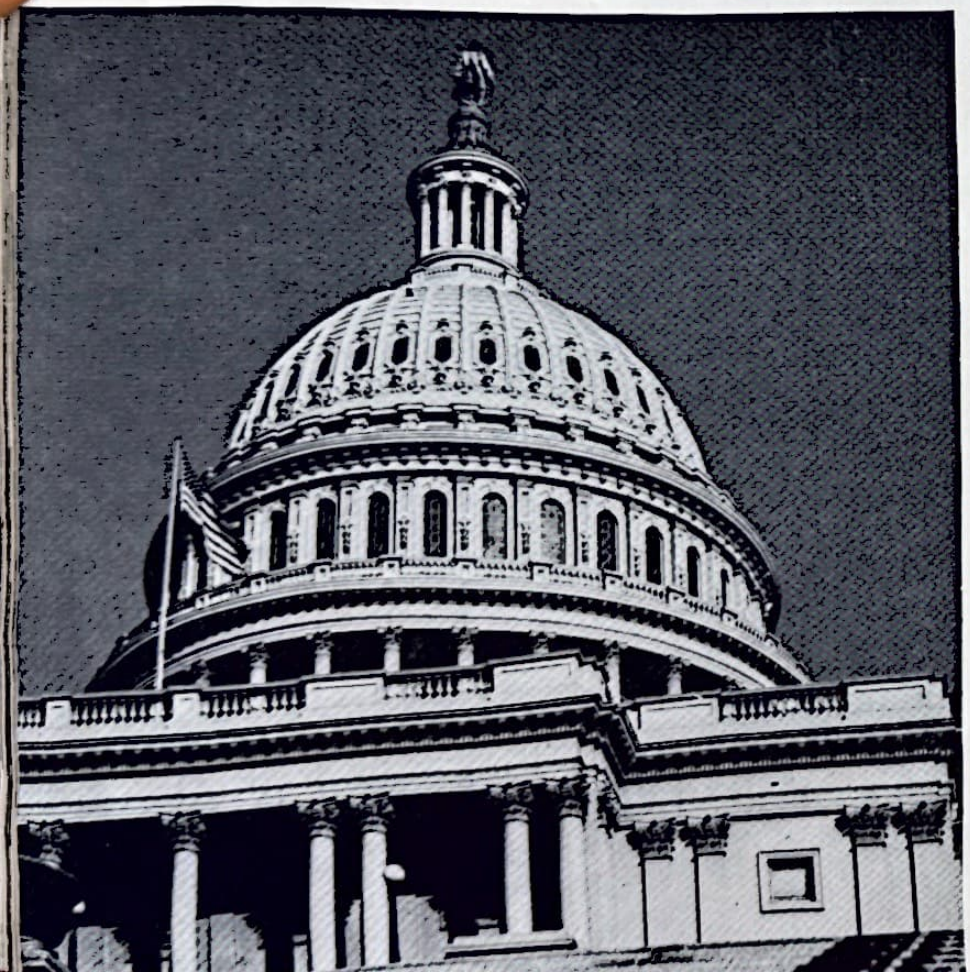
Gross investment by Allis-Chalmers in production machinery, office equipment and buildings — like Terre Haute Works shown below — totals $185,000,000, or $4768 invested for each employe. Deducting accumulated depreciation, this amounts to $2714 invested in plant and equipment per employe.





Materials — including raw stock, work in process and goods finished but not shipped — required a company-wide investment of $6248 per employe in 1956. Here's Harry Klug checking turbine blading at West Allis Works.

Federal, state and local taxes paid by A-C in 1956 amounted to $872 per employe. The bulk of these taxes are paid to the federal government.



Last year more than one-half of the company's income was spent for materials and operating expenses — an average of $7594 per employe. Here's John Rupenthal with steel stocks at LaPorte Works.

WANTED: MACHINIST — Excellent opportunity with established firm. Bring your own lathe.

TYPISTS — Pleasant working conditions, top fringe benefits. Applicants must provide electric typewriter or equal.

MACHINERY SALESMAN — Contact industrial, municipal accounts with well-moving lines. Must furnish own advertising, other sales promotional material.

YOUR JOB—

What does it take to make one job at Allis-Chalmers?

We don't see "Help Wanted" ads like those pictured above, because employers don't ask a man to furnish his own lathe, or a stenographer to provide the typewriter she works with. Modern plants are stocked with machinery and equipment for a small army of workers by a small army of stockholders.

And a company's investment in plant and tools *per employe* adds up to a pretty staggering figure when compared with 50 years ago.

At Allis-Chalmers, for example, the investment per employe has just about doubled in the past 10 years.

At the close of 1956, there was an average investment of nearly $13,500 for each employe and each job. The figure in 1947 was less than $6500.

A good portion of the money represented by this increased investment per job was used for tools and facilities. The money bought labor-saving and cost-cutting equipment.

Several Major Portions

A look at the investment per job at the close of 1956 shows that it breaks down into several major portions. On a company-wide basis, there was $6248 per job invested in materials — including raw stock, work in process and goods finished but not shipped. There was $2714 invested per job in buildings, machinery and equipment.

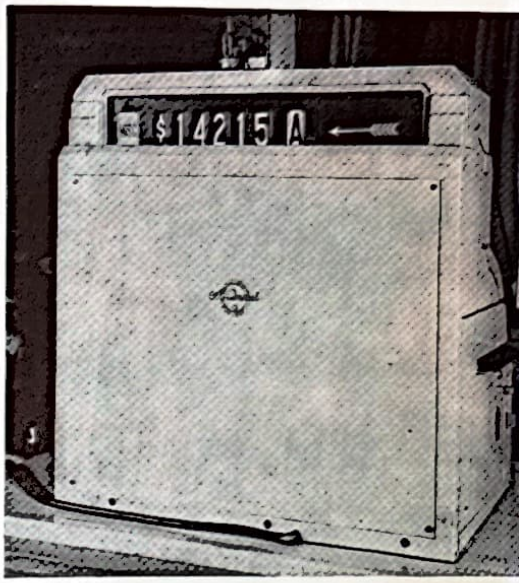
Incidentally, the amount invested in buildings, in actual covered area, figures out to 357 square feet (roughly 17½ by 20) of floor space per job. The 357 square feet per employe may seem large, but it includes areas for working and areas where the company stores the materials and supplies we work with and also the goods produced.

The investment figure includes $3257 per job to cover products which have been shipped and billed, for which payment has not yet been received. And there must be "cash-on-hand" for current purposes, and this was $850 last year.

Operating Figures for 1956

To look at it another way, let's examine the operating figures for 1956. Total Allis-Chalmers sales and other income were equal to $14,215 per employe.

In 1956, Allis-Chalmers spent $7594 per job for materials and operating expenses; an average of $5003 per job in payrolls; $872 per job in state, federal and local taxes. Depreciation charges, or the amount set aside to keep facilities and equipment up-to-date, were $221 per job. The amount paid to shareholders in dividends was equal to $430 per job, and $95 per job was reinvested in the business for the future.



In 1956, a year of record sales, Allis-Chalmers had income equivalent to $14,215 for each employe.

What does it take to make *one job* at Allis-Chalmers? Apparenty a good many things — materials, taxes, payrolls, buildings, tools, distribution facilities — and many others. These things call for enterprise, planning and investment — a great deal of sales income and investment capital to make jobs for more than 38,000 Allis-Chalmers people.

At the end of 1956, the average investment per employe was $13,500. Here are some of the items, "per job . . ."

"Cash-on-Hand" to meet current bills — $850.00

Raw Materials, work in process, finished products which have not been sold — $6248.00

Products built and sold, for which payment has not been received — $3257.00

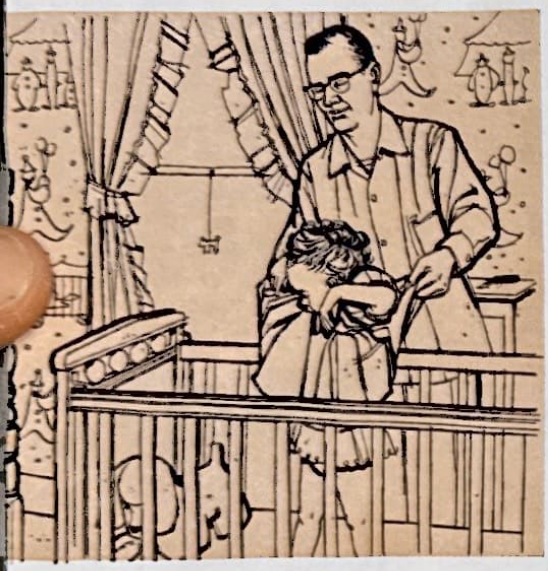
Plant and Equipment — machines, tools, office equipment, buildings — $2714.00

Campus Night Beat

They say you appreciate something a little more if you have to work hard for it. If that's the case, then John Wusteney, Boston Works tester, will really appreciate his engineering degree from Northeastern University.

Wusteney is one of almost 400 Allis-Chalmers employes studying engineering, science or business administration courses under the company's tuition refund program. You can check almost any A-C plant and find a student who'll tell you it's no "gravy train" to work full-time, raise a family and go to college, all at the same time.

Naptime for Mary, John's youngest.



But the prize is worth the effort, judging by the response to the program. John Wusteney will agree that school gets to be a grind at times, that it would be easier to stay home and watch TV with his pretty wife, Carmel, or roughhouse with his two lively daughters, Helen and Mary, aged 4 and 2.

It does take a little extra effort for John Wusteney or any other A-C student to go to school one, two or more nights a week. And Allis-Chalmers has encouraged this extra effort by reimbursing the employe for his out-of-pocket expenses for tuition fees for courses leading to a degree in science, engineering or business administration at accredited colleges.

Mind you, the company doesn't attend classes or hit the books at exam time — but A-C will spend money to help a student who's willing to devote some of his free time to higher education. And that can be a big help when you're raising a family. Tuition expenses are refunded upon satisfactory completion of approved courses. This applies to students taking freshman courses as well as those doing post-graduate work.

Thirty-year-old John Wusteney was a good student at Boston's Charlestown high school and gained four years of valuable experience installing and testing electrical equipment, plus two years as an electrician's mate in the navy. He joined A-C as a tester in September, 1950. Last year he was accepted from 18 applicants for enrollment at Northeastern under the Boston Works employe scholarship plan, which was discontinued when the company-wide tuition refund program was announced.

Northeastern is a widely-recognized engineering school in the east. Among its alumni at A-C's Boston Works are John Chipman, general manager; Frank Gifford, chief engineer; Bill Lewis, manager of sales. Northeastern is the only full-time accredited engineering school offering evening degree courses in Boston.

As a tester in Boston Works' main assembly shop, Wusteney has a good job in a constantly growing industry.

Portrait of family taking it easy, which is seldom. John and Carmel Wusteney pose with Helen (left) and Mary.

Helen, 4, and Mary, 2, share a pony ride.

John Wusteney, left, examines a speedgraph record of a mechanical test on a large circuit breaker built at Allis-Chalmers Boston Works.

It's all in the books. The big problem is knowing where to find it.

Classroom scene at Northeastern University shows popularity of night engineering courses in Boston area. School offers degree curriculum at night in addition to regular daytime classes.

"Take it easy, kids, I'm off to school . . ."

John gets a night off from classwork during the week, which gives Carmel a chance to get out and relax with her bowling league.

but working on the big circuit breakers seems to have added to his desire for more engineering knowledge.

So John and Carmel talked it over, decided that a few years of extra effort would be worth it, in view of the added knowledge and increased capabilities of the family breadwinner once the course was completed. And John's in his second year of a six-year evening course at Northeastern, studying subjects like "DC Theory, Analytic Geometry and Differential Calculus, and Applied Mechanics II."

Is it worth the extra effort? Wusteney says "If I make it for another four-and-a-half years, I'm an engineer. If I should have to quit school tomorrow, I still have a good job and the chance to use at least some of what I'm learning in school."

How about the family? According to Carmel, "John's busy, carrying 7½ credits per semester, but he knows there are three of us cheering him on. The girls realize there's a time to play with their dad and a time when he has to study. Helen, that's the older one, sits and scowls at books and plays that she's studying like Daddy. . . . "

So John Wusteney will give it "the old college try" and will get his engineering degree, barring unforeseen incidents. He won't be the first A-C man to go to night school and get a college degree. And he won't be the last. But his case is a typical example of extra employe effort combined with company support in the tuition refund program.

Naturally, all A-C employes will not want to take advantage of the tuition refund. Maybe you already have a college degree and don't want to go any further; maybe you feel you're too old, or too wrapped up in family or outside affairs to devote the time to college courses; maybe you can't see any possibility of better job horizons opening up through an increase in your education; maybe you just aren't interested in taking college courses in science, engineering or business administration. But close to 400 A-C folks — like John Wusteney — *are* interested, and the number is on the increase.

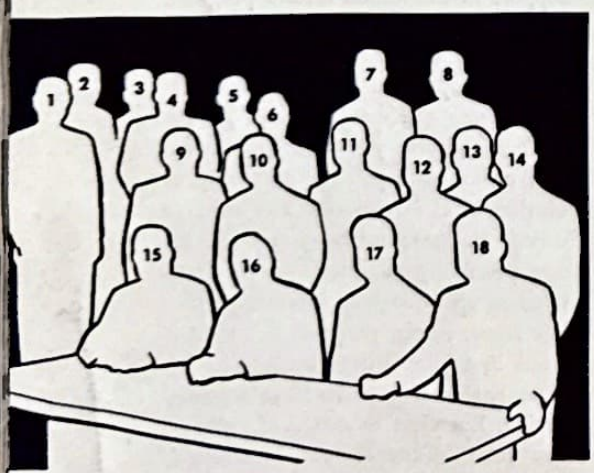
a-c scope

ALLIS-CHALMERS MFG. CO.
Box 512
Milwaukee, Wis.

BULK RATE
U. S. POSTAGE
PAID
Permit No. 1019
Milwaukee, Wis.

Form 3547 Requested

WISCONSIN HISTORICAL SOCIETY
816 STATE ST.
MADISON 6, WIS.



U. S. Treasury Dept. officials honored chairmen and vice-chairmen of Allis-Chalmers United States Savings Bonds campaigns at a ceremony in West Allis in March. "Minute Man" certificates were presented to representatives of each A-C works. A posthumous citation was presented in appreciation of the work done on behalf of U. S. Savings Bonds by the late J. F. Ryan, general chairman of the 1956 drive. Outline key (left) identifies group photo above: 1—W. H. Gostlin, co-chairman, Harvey Works; 2—J. T. Callen, Terre Haute Works; 3—G. A. Tripp, La Porte Works; 4—G. A. Sarazin, La Crosse Works; 5—D. G. McArn, Pittsburgh Works; 6—W. O. Aschbrenner, co-chairman, Harvey Works; 7—J. V. McGuire, manager, Switchgear Dept., for H. F. Twomey, Boston Works; 8—C. C. Dunsmore, Tractor Implement Sales, for J. F. Brundage, Oxnard Works; 9—H. A. Woito, Cedar Rapids Works; 10—G. R. Thompson, Gadsden Works; 11—A. C. Scott, Independence Works; 12—H. B. McGreal, West Allis Works; 13—H. H. Peck, Springfield Works; 14—H. J. Seiler, Norwood Works, for R. R. Walther; 15—H. F. Dickens, Wisconsin state supervisor, U. S. Savings Bonds division; 16—W. G. Scholl, executive vice president, Allis-Chalmers; 17—J. R. Buckley, national director, U. S. Savings Bonds division, Treasury department; 18—R. S. Stevenson, president, Allis-Chalmers.