

STUDIES IN SECURITIES

tion reserves for intangibles, and the net results before such charges:

	Earnings Reported	Reserves other than for Depreciation	Combined
1926.....	\$9.08	\$.55	\$9.63
1925.....	7.53	.57	8.10
1924.....	6.30	.50	6.80
1923.....	6.09	.60	6.69
1922.....	4.40	.90	5.30
1921.....	4.10

Note—In 1924, results of foreign subsidiaries were included for first 9 months only. For 1921, the figure represents annual earnings rate in 9 months beginning April.

Dividend rate was increased in December, 1926, to current \$6 basis from \$5 in effect since April, 1924, when the \$4 rate paid two and one-half years was increased; the \$4 rate was begun with 1918, raised to \$5 in October, 1918, to \$6 in July, 1920, and resumed in July, 1921.

Quoting a company statement: "The diversity of the activities of the corporation's subsidiaries is an important factor in its stability and growth. The products are used in many industries for many purposes and yet the processes of manufacture are by no means unrelated."

Concentric about the electric furnace, over 120 separate plants, 1200 factory buildings, using about 250,000 electric horse-power of which at least 90,000 is owned (180,000 in reserve undeveloped), with 21,500 employes, and over 100 sales offices, make up the Union Carbide industrial group. Principal units manufacture and distribute calcium carbide, and its derivative acetylene, also oxygen, jointly used for welding and cutting; the necessary equipment; and separately acetylene for lighting rural homes, miners' lamps and motor trucks; radio batteries, dry cells, carbon specialties like electrodes; alloy steels highly resistant to heat, abrasion and corrosion; chemical compounds used in lacquer, rayon and explosives, and anti-freeze mixture for automobiles. Research laboratories are engaged in discovering new products and new or extended uses for present products.

Union Carbide stock combines investment quality with speculative promise to a degree unusual.

Union Pacific R. R.

Physical property and appurtenant working capital on the books of Union Pacific R. R. at a net figure of \$808,523,000 in 1926 produced \$43,957,000 earnings or 5.44% return and securities held at