

# A MESSAGE TO THE PEOPLE OF THE COMMUNITY BASED ON EASTMAN KODAK COMPANY'S 1951

## Annual Report

### Where does the money go?

Kodak took in \$552 million last year. That included \$542 million in sales and \$10 million in other income, largely from our foreign companies.

The chart at the right shows how each dollar of that money was distributed.

As the chart captions explain, a good deal of it was used in the Rochester area.

Pay checks went to nearly 34,000 Kodak men and women employed by our Rochester plants and offices. Other hundreds of Rochester area people and businesses were paid for the supplies and services Kodak

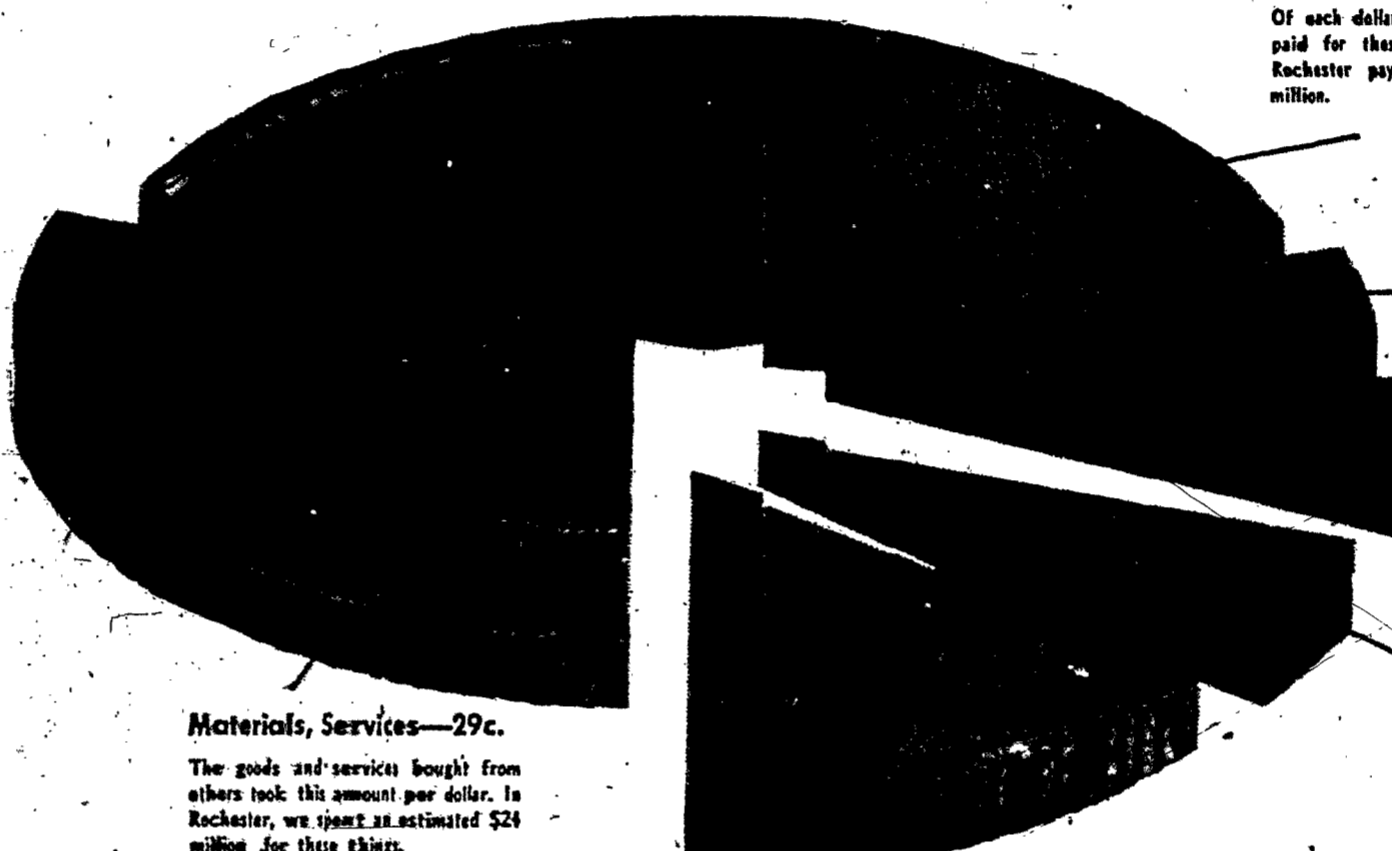
buys from them. And some 14,000 share owners who live in or near Rochester received dividends on their investment in the company.

After pay and materials, the biggest share of total income went for taxes. Principally as a result of increased taxes, Kodak's net earnings were 21% less than in 1950, though our sales were 18% more than in 1950.

Our \$542 million in sales came from these product groups in the proportions noted: Professional and commercial photo products, 25%; amateur photo products, 24%; cellulose products, 20%; special military products (proximity fuses, etc.), 12%; professional motion-picture films, 9%; chemicals, 7%; and miscellaneous products, 3%.

**A few figures:**

	1951 in millions	1950 in millions
Sales	\$542	\$458
Earnings before taxes	\$133	\$122
Income and excess profits taxes	\$84	\$40
Net earnings	\$49	\$62
Employee benefits	\$50	\$45
Employees in world	49,100	45,500
Share owners	49,510	40,337



**Pay and Benefits—42c.**

Of each dollar, this was set aside or paid for these purposes. Our 1951 Rochester pay roll was about \$136 million.

**Depreciation—4c.**

We allowed this per dollar for depreciation — to replace worn out machines, tools, buildings, and so on.

**Retained For Use—4c.**

This sum per dollar was for use in the business — new buildings, etc. Nearly \$18 million was spent in Rochester on these projects.

**Dividends—5c.**

Cash dividends to Kodak share owners amounted to a nickel-per dollar of total income. Rochester area share owners received \$7 million.

**Materials, Services—29c.**

The goods and services bought from others took this amount per dollar. In Rochester, we spent an estimated \$24 million for these things.

**Total Taxes—16c.**

Direct taxes totaled \$88 million, including federal, state, foreign, and local levies.

### What's ahead in '52?

**THE OUTLOOK**—At Kodak we anticipate a busy year and, in general, a good one.

Our business as a whole is growing.

New products, new uses for our products, and new or improved plant facilities should continue to help us progress in sales of our regular lines.

In addition, defense business is expected to rise in 1952.

Any realistic look ahead, however, must recognize that there are many unusual national and world conditions whose effect on business cannot be predicted.

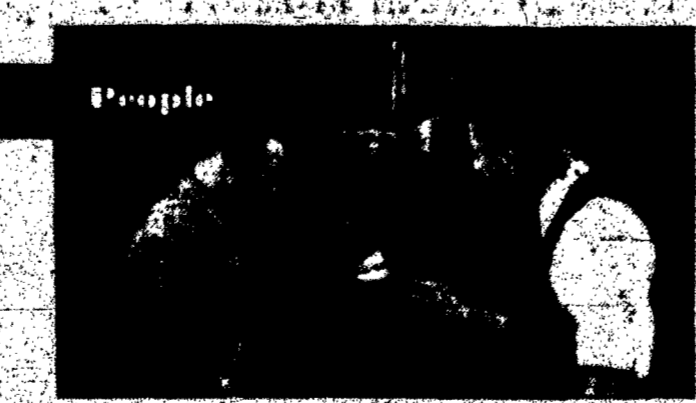
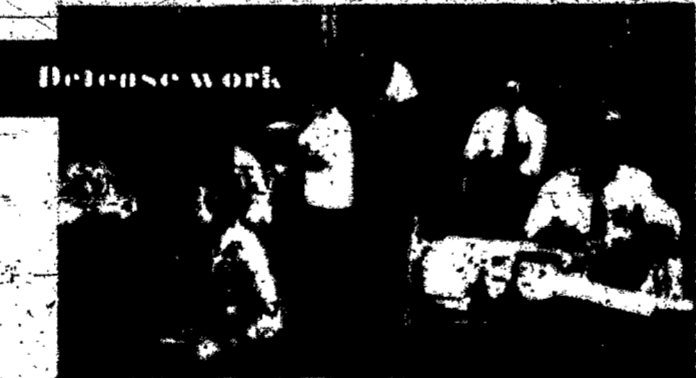
The continuing defense program, for example, has increased industrial activity, but also has produced shortages, controls and high taxes.

With such reservations in mind, we expect that our over-all sales, production, employment, and taxes will rise moderately in 1952.

Although—because of high taxes—we do not expect net earnings to keep pace with higher sales, we feel that the outlook is reasonably favorable under the present conditions.

*This message, dealing with various parts of Kodak's business, is presented in the belief that it may be of special interest to the people of Rochester and Monroe County.*

P. S. WILCOX, Chairman  
T. J. HARGRAVE, President



**Defense Work:**

Our government business probably will increase in 1952.

The major part of our sales, however, will continue to be in our regular lines.

In 1951, our government business—defense and otherwise—and our business with defense contractors and their suppliers accounted for an estimated 17% of our total sales. That compares with 8% in 1950.

These "defense sales," a relatively low-

profit business, were about one-third photographic products and two-thirds special products.

Thus, of about \$92 million in defense goods delivered in 1951, approximately \$63 million was in special armament and equipment—such as proximity fuses and tank range finders. The other \$29 million was in photographic films, paper, chemicals, and equipment.

About 10,000 Kodak men and women in the United States are working on products for the armed services.

**New Products:**

New or improved products and growing markets were important factors behind our record 1951 sales.

We are continuing an extensive product development program this year.

In the fields of film and papers, for example, Kodak research people have reported "good progress" on almost 50 new film or paper products or processes.

Among the new products introduced in 1951 were these:

**Kodak Stigmat 35 Camera**—a light, compact, 35mm still camera.

**Brownie Movie Camera**—a low-cost home-movie camera, easy to use.

**New industrial Kodagraph papers**—for document reproduction.

**Chromspin, Esticon and Teca**—new types of color-fast acetate yarn and fiber.

In our photographic lines in 1951, we made outstanding sales gains in aero films, professional motion-picture films, films for copying business records, and amateur color prints. Most of our other photographic groups also had higher sales than in 1950.

**People:**

Kodak's employment in the United States as 1951 ended was 49,400, a record high.

Further moderate increases are expected this year.

Our Rochester plants and offices employed 33,700 as of the end of 1951, a rise of 2,000.

The number of our share owners also has continued to go up. There was an increase of 9,200 in the year. Nearly 70,000

shareholders owned the company as 1951 ended.

Share owners in the Rochester area number more than 14,000. They own 26 percent of the total number of shares.

Late in 1951 we were able to modify visiting restrictions—caused by defense work—at some of our plants.

Visitors may now take conducted tours of Kodak Park at 9:30 a.m. and 1:30 p.m., and of Camera Works at 10 a.m. and 2 p.m.

We'd be happy to have you visit us.

For a copy of the complete 1951 Annual Report, please write to Eastman Kodak Company, Public Relations Department, 343 State Street, Rochester 4, N. Y.