



Business News

Deere's Net Income Up

MOLINE, IL — Deere & Company reported record second quarter 1990 net income of \$144.0 million or \$1.90 per share, an increase of 10 percent over net income of \$130.5 million or \$1.74 per share in 1989's second quarter. The second quarter of Deere & Company's fiscal year ended April 30.

Worldwide net sales and revenues increased 11 percent to \$2.120 billion in the second quarter of 1990 from \$1.915 billion in the same quarter last year. Net sales and revenues include net sales to dealers of farm and industrial equipment, which were \$1.852 billion in the current quarter, an increase of 11 percent over sales of \$1.671 billion in the second quarter of 1989. Net sales and revenues also include revenues from the company's credit, insurance and health care operations, which totaled \$237 million in the second quarter this year, compared with last year's \$219 million.

For the first six months of 1990, worldwide net income totaled \$222.5 million or \$2.94 per share, a 24 percent increase over net income of \$178.9 million or \$2.39 per share in the first half of 1989.

Worldwide net sales and revenues for the first six months of 1990 increased 14 percent to \$3.760 billion, compared with \$3.287 billion in the first half of 1989. Net sales of farm and

industrial equipment increased 15 percent during the first half of 1990 to \$3.228 billion, compared with \$2.812 billion during the same period of 1989. The company's financial services revenues grew to \$474 million this year, compared with \$428 million in the first half of 1989.

Production tonnage increased eight percent in the first six months this year, but was relatively unchanged in the second quarter.

In a joint statement, Robert A. Hanson, and Hans W. Becherer, president and chief executive officer said, "North American retail sales of John Deere agricultural equipment remained strong in the second quarter of 1990, continuing the trend we have been experiencing. Domestic retail sales of our lawn and grounds care products were also higher during the second quarter and first half of 1990."

Despite lower construction activity in some areas, retail sales of John Deere industrial equipment in North America were higher this year, compared with the second quarter and first half of 1989, according to the company. Overseas retail demand for our farm and industrial equipment was also higher during each of the first two quarters of 1990.

The company's worldwide equipment operations, which exclude the financial services subsidiaries, had net income of \$113.2 million in the second quarter this year, up 12 percent from \$101.4 million in the same period of 1989. For the first six months of 1990, these operations earned \$156.1 million, an increase of 35 percent over net income of \$115.7 million in the first half of 1989.

According to the company, the second quarter and year-to-date improvements are attributable to the company's North American operations, resulting primarily from increased sales, higher production volumes, and improved operating efficiency. Additionally, the six month results last year were adversely affected by the manufacturing start-up of new combines and large tractors.

Net income of the company's credit, insurance, and health care subsidiaries totaled \$29.1 million in the second quarter this year, compared with \$25.7 million in the same period in 1989. For the first six months of 1990, net income of these subsidiaries was \$63.5 million, compared with \$56.8 million last year. The improved earnings, which occurred in the company's credit operations, resulted mainly from a larger volume of receivables acquired and financed this year, and from gains on sales of retail notes to other financial institutions during the first six months of 1990.

North American agricultural conditions continue to be favorable, and our outlook for retail sales of John Deere agricultural equipment remains positive, according to Hanson and Becherer.

Jamesway Honors Lapp's Equipment



Dave Lapp, second from left, Charity and Jake Lapp, and Donald Gentzler of Lapp's Barn Equipment accept their Three Million Dollar Winners' Circle Award, Jamesway Top 25 Dealer Award, and Top Sales Volume Awards from John Neill, president of J-STAR Industries, left.

FORT ATKINSON, Wis. — Dave Lapp, second from left, Charity and Jake Lapp, and Donald Gentzler of Lapp's Barn Equipment, Gap, Pennsylvania accept their Three Million Dollar Winners' Circle Award, Jamesway Top 25 Dealer Award, and Top Sales Volume Awards for Jamesway feeding systems and manure systems from John Neill, president of J-STAR Industries, left.

The prestigious Winners' Circle includes Jamesway dealers from the United States and Canada who have exceeded cumulative purchase increments of \$1 million.

The Top 25 Dealer Award recognizes the Company's highest 25 Jamesway sales volume dealers in North America.

Top Volume Product Awards recognize the top five sales leaders in Jamesway's main product groups.

The presentation took place at Jamesway's recent International Dealer Meeting held at the Sheraton World Resort in Orlando, Florida. The four-day meeting gave North American dealers an opportunity to hear about products, innovations, and programs which J-STAR Industries, manufacturers of Jamesway equipment, will be featuring for the balance of 1990.

PJCA Meets

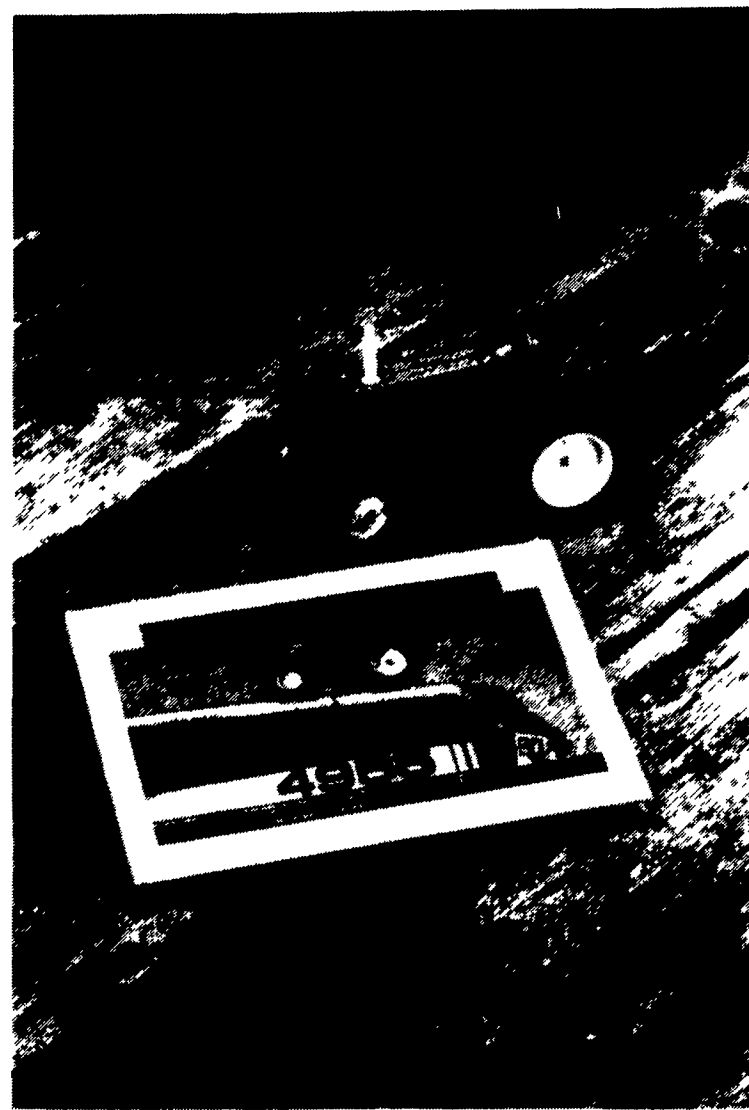
The Pennsylvania Junior Cattleman's Association (PJCA) held its first meeting at the Pennsylvania Beef Exposition on March 30.

The meeting began with talks from Jeremy Hay, president of the Pennsylvania Junior Simmental Association; Steve Fritz, president of the Pennsylvania Junior Polled Hereford Association; and Michele Hosterman, representative from the Junior Chianina Association.

Lori Cash, a National Junior Angus director and Miss American Angus, presented a slide show on the events sponsored by the National Junior Angus Association.

Dr. Temple Grandin, Grandin Livestock Handling Systems, Inc., gave an educational and informative speech on livestock handling and facility designs. She also spoke on the humane treatment of animals on the farm, in livestock auctions, and at slaughtering facilities.

Toys, Past And Present



"The Toy and the Real McCoy... John Deere Toys and the Real Products They Replicate" is a new book which features past and present John Deere toys. The book will be available July 9 from John Deere dealers within the U.S. for \$14.95.

MOLINE, IL — "THE TOY AND THE REAL McCoy... John Deere Toys and the Real Products They Replicate," a new book which features past and present John Deere toys, is being published by Deere & Company. In this book, the toys are used to trace the development, growth, and diversification of the John Deere Product line since the turn of the century.

For more than 45 years, the Ertl Company of Dyersville, Iowa has manufactured the scale-model toys through an agreement with John Deere.

Ralph Hughes, Deere's director of advertising, said the book is written for the thousands of people — both youngsters and adults — who collect scale-model John

Deere toys. It features not only farm-product toys, but also toys patterned after John Deere construction and grounds-care equipment.

"Each time a new John Deere toy is introduced by Ertl, collectors ask for more information about the real John Deere product after which the toy was patterned," Hughes said. "The toy carton lists some information. But this book will give the collectors a lot more specifications and performance facts."

The 6 x 9-inch book will be available at John Deere dealers within the U.S. and from the Ertl Company, Hwy 136 & 20, Dyersville, IA 52040 on July 1, 1990. Suggested retail price is \$14.95.

Black Bear In Fifth Year

COGAN STATION (Lycoming Co.) — Black Bear Truss Corporation — a small, quality-oriented manufacturer of Floor & Roof Trusses — is located in the Lycoming Creek Valley.

Their plant turns out Roof Trusses up to 80 foot span with a work force averaging 14 people. Now in its fifth year, volume has grown to \$1 million in annual sales.

Deliveries are individually scheduled using their own trucks and drivers with regular runs to Baltimore; Washington, D.C.; Philadelphia; and Harrisburg. Expansion is currently in process to include State College and Scranton, Pennsylvania, in addition to Elmira, Binghamton, Albany & Rochester, New York.

Trusses are computer-designed and custom built to meet or exceed building code and project requirements. Ongoing quality assurance is maintained through regular inspections by Truss Plate Institute, reinforced by the even more stringent requirements of Black Bear Truss.

"There can be no compromise on quality!" said George Ridge, president. "Our customers are entitled to the best we can build on every order." Ridge is usually there when the trucks are loaded, should the principle need reinforcing. At five months into their fiscal year, sales volume stands at 38 percent above the same period twelve months ago.