

STATEMENTS SHOWING SALES AND DISTRIBUTION DATA—
1921 to 1935

EXHIBIT F.—Analysis of Sales, Farm Implements, Machines and Parts.

Schedule 1 to Exhibit F.—Indexed Analysis of Sales.

Schedule 2 to Exhibit F.—Statement showing percentage of Repair Part Sales.

Schedule 3 to Exhibit F.—Summarized Statement—Annual Average Sales.

Schedule 4 to Exhibit F.—Indexed Statement—Annual Average Sales.

Then follows the glossary. At the request of counsel I have put that in so that the terms appearing throughout the statement might be readily understood.

GLOSSARY

INTERNATIONAL HARVESTER COMPANY OF CANADA LIMITED

FINANCIAL STATEMENTS AND REPORT

REFERENCE	TERM:	EXPLANATION:
Exhibit A.	Net Sales or Net Sales Realisation.	{ The net return to the Company after deducting discounts, commissions, freight from factory to point of sale, duty, sales and excise tax and special discounts.
	Cost of Sales.	{ In the case of Canadian made goods, the factory cost at the factory door, including Material Labour Factory overhead.
		{ In the case of U.S. made goods the invoice price from the U.S.A. Company, usually not less than 86.62% of dealer's price at factory in the United States on implements and machines.
	Gross Profit.	Also termed mark-up before distribution expenses, etc.
		{ The difference between Net Sales Realisation and Cost of Sales. Alternatively it may be termed the excess over invoice price or factory cost which the product, when sold, realised to the Company.
Exhibit A. Schedule 1 Schedule 2 Schedule 3 to Exhibit A.	Distribution Expenses.	{ The expense of selling the product in Canada and collecting the proceeds, does not include commissions to agents or discounts on parts sales, but includes all branch expense and such proportion of all head office salaries and expenses as is logically chargeable to Distribution, also includes Bad Debt and Collection Expenses. An all-inclusive cost of distribution.
Exhibit A. Schedule 4 to Exhibit A.	Administrative Expense	{ Includes three elements (a) General administrative expense—salaries, travelling, office expenses, etc. not charged to Factory or Distribution. (b) Year-end bonus payments to Canadian employees in certain years. (c) Pension provisions.

NOTE.—Practically all expenses are charged in one of two ways, i.e., either to Factory (factory overhead or burden) or to Distribution. Only a small percentage, comparatively speaking, is charged to administration. The distribution and factory expense figures are both all-inclusive and include a proportion of all expenses from the President down.