


CENTENNIAL
1872 U.S. BORAX 1972


ANNUAL REPORT 1971

BORAX IS KING

BORAX BILL JR.



SOFTENS
WATER
SAVES
CLEANS
AND
WHITENS
CLOTHES

ASK DEALER
FOR BOOKLET



20 MULE TEAM PACKAGE BORAX

REVIEW OF OPERATIONS

GENERAL

In 1971, for the first time in the Company's history, total sales passed the \$100,000,000 mark. Sales revenue for the year showed a gain of nearly 6% over 1970 in spite of sluggish economic conditions in the U.S.A. and most overseas market areas.

Consolidated net income, after Federal and state income taxes, also rose for the second consecutive year, from \$1.58 per common share to \$1.66, an increase of 5%.

INDUSTRIAL CHEMICALS

In the U.S.A., sales of borate products responded to the gradual upturn in economic activity during the year. The housing boom led to strong demand from manufacturers of insulation fiber glass, but for the year as a whole sales to most of the other important borate-consuming industries showed only modest growth over the previous year.

In export markets, too, slow economic activity limited the growth of borate demand, but the dominating factor in the second half of the year was the West Coast Longshoremen's strike, which closed all ports in the western United States from July 1, 1971 until suspended by a Taft-Hartley injunction on October 7, 1971. During the strike it proved possible to supply European markets in bulk through Gulf Coast ports, although this resulted in very substantial extra costs not all of which could be recovered from customers. For markets outside Europe, notably Japan, sales came to a virtual standstill, and even after the end of the strike a shortage of vessels hampered efforts to rebuild customer inventories. In spite of these problems, however, total export sales for the year were 8% over 1970.

CONSUMER PRODUCTS

In a generally successful year, sales registered a 9% growth over 1970, and 1971 was the third consecutive year in which both sales and profit contribution increased.

In retail products, BORATEEM® sales increased after a 2-year decline, and 20 MULE TEAM® Borax achieved record volume.

20 MULE TEAM® Laundry Detergent, introduced mid-year, failed to meet sales expectations as a result of criticism by the Surgeon General of non-phosphate detergents as a whole. However, the product is improving its position in those markets where consumer demand for a non-phosphate detergent continues.

Industrial maintenance products, in spite of a decline in the total market, showed a gratifying increase over the previous year.

CONTINUED ON NEXT PAGE



AGRICULTURAL CHEMICALS

Sales of potash were slightly higher than in 1970, due entirely to higher selling prices. These in turn resulted from the restrictions on production and price imposed on Canadian potash producers by the provincial government of Saskatchewan in 1970. These restrictions held production at the Allan mine to about 50% of capacity, a level which even at present prices does not yield a satisfactory return on investment. However, there is no doubt that the intervention of the Saskatchewan government has had a beneficial effect on an industry plagued by massive excess capacity.

Development and test marketing continued on COBEX, a new selective herbicide developed and patented by the Company primarily for use on cotton and soybeans. While COBEX is still in the early stages of development, its effectiveness at low application rates and also its high degree of safety in use indicate considerable promise for the future.

RESEARCH & EXPLORATION

A continuing supply of new products is vital for U.S. Borax's future prosperity. The U.S. Borax Research Corporation, in addition to its activity on selective herbicides, continued its investigation of new product opportunities for both the industrial and consumer markets. Meanwhile, in an intensified exploration effort, USB geologists carried out a wide-ranging program aimed at a variety of metallic and non-metallic minerals.

THE ENVIRONMENT

During 1971 the Company continued to devote a great deal of time and substantial expenditures to ensure that its plants comply with the increasingly strict requirements of state and local pollution control authorities.

MANAGEMENT

Mr. Ray J. Coleman retired from his position as Vice President and General Counsel after 41 years' association with the Company's legal affairs. Mr. Robert L. Starkey was elected to replace him.

CARL L. RANDOLPH
President

NORMAN J. TRAVIS
Chairman

UNITED STATES BORAX & CHEMICAL CORPORATION *and subsidiaries*

SUMMARY OF OPERATING RESULTS*

For the years ended December 31, 1971 and 1970

	<u>1971</u>	<u>1970</u>
NET SALES	<u>\$102,634,963</u>	<u>\$ 96,916,661</u>
COSTS AND EXPENSES:		
Cost of goods sold	69,186,671	64,414,498
Selling, advertising, general and administrative expenses	19,111,834	18,477,538
Research and development expenses	3,495,676	3,153,013
Other expenses, net (including interest expense of \$2,351,012 in 1971 and \$2,418,327 in 1970)	<u>1,518,541</u>	<u>1,539,659</u>
	<u>93,312,722</u>	<u>87,584,708</u>
INCOME BEFORE INCOME TAXES	<u>9,322,241</u>	<u>9,331,953</u>
PROVISION FOR INCOME TAXES		
Current	1,327,000	379,000
Deferred	<u>959,000</u>	<u>2,255,000</u>
	<u>2,286,000</u>	<u>2,634,000</u>
NET INCOME	<u>\$ 7,036,241</u>	<u>\$ 6,697,953</u>
NET INCOME PER SHARE	\$1.66	\$1.58

*Including results of *The Pyrites Company Inc.*, a wholly owned subsidiary.

THE FIRST 100 YEARS

T

HE YEAR 1972 marks the 100th anniversary of U.S. Borax, and the first century of continuous borax production in the U.S.A.

The earliest predecessor company of U.S. BORAX was launched in 1872 by Francis Marion ("Borax") Smith. The scene was Teel's Marsh, Nevada, where Smith and his brother Julius employed Chinese laborers to shovel borate from the ground for refining into marketable borax. A man of genius and inexhaustible energy, Mr. Smith acquired other borate properties besides Teel's Marsh, and at the same time promoted borax from a rare product known only to pharmacists and metalworkers into a household staple. In 1890 he acquired Harmony Borax Works in Death Valley from William T. Coleman, pioneer California merchant. The Harmony Works employed 40 men, and maximum production was three tons a day.

Transporting borax from Harmony to the railroad at Mojave, Calif., was accomplished by the famous Twenty-Mule Teams, which hauled the material over a desert route of 165 miles, a 20-day round trip. The romantic and dramatic appeal of men and animals pitted against the harsh and inhospitable desert soon made the Twenty-Mule Team a popular and picturesque trademark. It remains one of the oldest trademarks still in use in the U.S.

The Smith Brothers poster was used sometime between 1875 and 1884. The original of this poster is in the Prints and Poster collection of the Library of Congress in Washington, D.C.



In 1896 a merger between Smith and two young English manufacturing chemists, Richard C. Baker and James Gerstley, resulted in a firm called The Pacific Borax and Redwood's Chemical Works Ltd. of London. Another merger in 1898, absorbing that company, created Borax Consolidated Limited. Pacific Coast Borax Company operated as a division of BCL until 1956 when it was merged with United States Potash Company to form the present UNITED STATES BORAX & CHEMICAL CORPORATION.

Presidents, managers, men, mines, plants and methods have come and gone, and even the name of the company has changed, but the Company as an entity traces its heritage directly back 100 years. U.S. BORAX sees its first Centennial not as the end of a century of history but as the beginning of a second century of growth and success.



This hand-out card (shown in actual size reproduction) is probably the oldest surviving promotional piece issued by any borax company. The date: 1875 or 1876.

DOUGLASS BROTHERS, FINE PRINTS, N.Y.

OVER.

Messrs. **SMITH BROS.**, owners of the Borax Mines, guarantee the packages put up under their trade Mark, as being **PURE and HARMLESS.**

DIRECTIONS.

WASHING.—Dissolve one heaping tablespoonful of Borax in hot water for every tubful of clothes; soap all of the most soiled places, and rub on the board through one water; after rubbing throw the pieces into a tub containing boiling water and Borax; let them remain there while the second tub of clothes is being washed; rinse in one plain water; do not boil the clothes.

STARCHING.—One teaspoonful Borax to one pint boiling starch, adds greatly to the gloss, a fact not generally known.

TO PREVENT MOTHS.—Sprinkle floor with the powder before laying down the carpets, and put it with the clothes when packed away.

REMOVING COCKROACHES.—Sprinkle floor, leaving places open for escape, or to kill them, add one part Borax to two parts powdered sugar.

ROUGH FACE OR CHAPPED HANDS.—One table-spoonful Pulverized Borax to one quart hot water, apply night and morning with a soft sponge or cloth.

DRESSING Ulcers, Wounds, Bruises, Sprains, Chilblains, and Removing Inflammation.—One table-spoonful Pulverized Borax to one pint hot water, saturate a piece of lint with same, hanging it up to dry, use for a dressing.

FOR BATHING.—Always add Pulverized Borax to the water, it softens the water. Especially use it for infants and children.

RESTING FERMENTATION.—One-half thimble Pulverized Borax to one quart cream or milk, will preserve perfectly sweet.

BLEACHING CLOTHES.—One tablespoonful to one pint water, when cold, use instead of Ammonia or Benzine.

M. T. COLEMAN & CO.
SOLE AGENTS,
California & Front Sts. San Francisco,
AND
80 Pearl St., New York.
the Principal Grocers and Druggists.

These Beautiful Pastel Heads Free.



ONE OF A SERIES OF FOUR SIZE 14-17 1/2
To Be Given Away With Each 25¢ Tin

BORAXO

BATH POWDER

Go to your
Grocer
or
Drug Store
and
buy
a
25¢
Tin
of
BORAXO
Bath
Powder
Remove
the
Label
from
the
Top
of
the
Tin
and
mail
it
with
5
Stamps
to
BORAXO
NEW YORK
and
a
Pastel
Head
will
be
sent
to
you
PRICE 25¢



These "Gibson girl" heads were BORAXO® box-top premiums offered in 1907. For the box top and five cents (in coin or stamps) a multi-color stone lithograph was sent to the customer.

This point-of-purchase piece was printed on cardboard, both sides, and designed to hang from above. This was displayed by leading druggists, 1904-1906.



A hand-tinted lantern slide used in Pacific Coast Borax Company's Stereopticon exhibits throughout the United States in 1908. "The pleasant smile of a woman who is a happy possessor of all of the 20 MULE TEAM products."



This 1906 Laundress told that "all your house cleaning done quickly, easily, economically with 20 MULE TEAM Borax... lace curtains, table linen, marble mantels, mirrors, shelves, statuary, lamps and chimneys, oil-cloth floors - in fact everything in the household can be made thoroughly and hygienically clean and with little labor."

Don't Rot Your Clothes—Save Them

Pure, Powdered Borax
 makes washing easy—sterilizes the clothes and softens the hardest water better than any other known substance.

20 MULE TEAM

Absolutely 99 1/2% to 100% Pure Borax
 Nature's Cleanser
 Whitener
 Disinfectant
 Deodorizer

BORAX

Every housekeeper should form the "Borax Habit" and save the clothes by using "20 Mule-Team Powdered Borax" on wash day. "20 Mule-Team Borax" in the original packages is guaranteed on the package by the manufacturer to be absolutely pure powdered borax and will not burn, rot, or turn clothes yellow, or injure the most delicate fabrics.

By the use of "20 Mule-Team Powdered Package Borax" in the Laundry, the life of the garments will be greatly lengthened and no matter how many times goods are washed with "20 Mule-Team Borax" the dirt will be thoroughly removed without injuring the fabric in the slightest. White goods will be whiter—colors will be brightened in colored goods and woollens will not be shrunken.

Borax Softens The Very Hardest Water

Remember that any other known substance or any cheap washing powder, however the price and the package be better. Borax and Whiter the garments will do all the good things that a cheap Washing Powder can do and more of the best thing.

False Economy

The false economy of using cheap inferior Washing Powders and soaps which are not so well known as Borax, is greatly demonstrated by the fact that the clothes which are washed with inferior washing powders are soiled and stained and are sure to turn yellow while clothes washed with Borax are white and soft and retain their color and shape. The fact that the clothes which are washed with Borax are whiter and softer than those which are washed with inferior washing powders is a fact which is well known to all who have used both. The clothes which are washed with Borax are whiter and softer than those which are washed with inferior washing powders. The fact that the clothes which are washed with Borax are whiter and softer than those which are washed with inferior washing powders is a fact which is well known to all who have used both.

Comparative Value of Borax and Soda

On the basis of comparative value of each product in relation to its weight and volume, Borax is a much more economical product than soda. For example, one pound of Borax is equal to two pounds of soda. This means that for the same amount of money, you can buy twice as much Borax as you can buy soda. This is a fact which is well known to all who have used both.

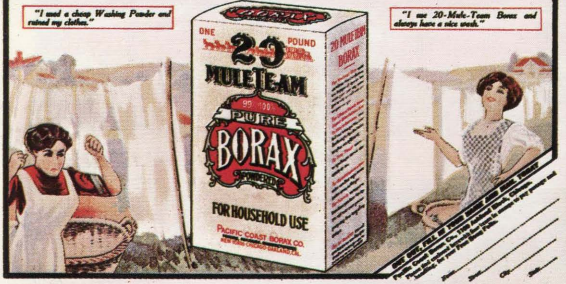
FREE Library Slips

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Pacific Coast Borax Co., 1100 Ashland Block, Chicago, Ill.

"I used a cheap Washing Powder and ruined my clothes."

"I use 20-Mule-Team Borax and always have a nice wash."

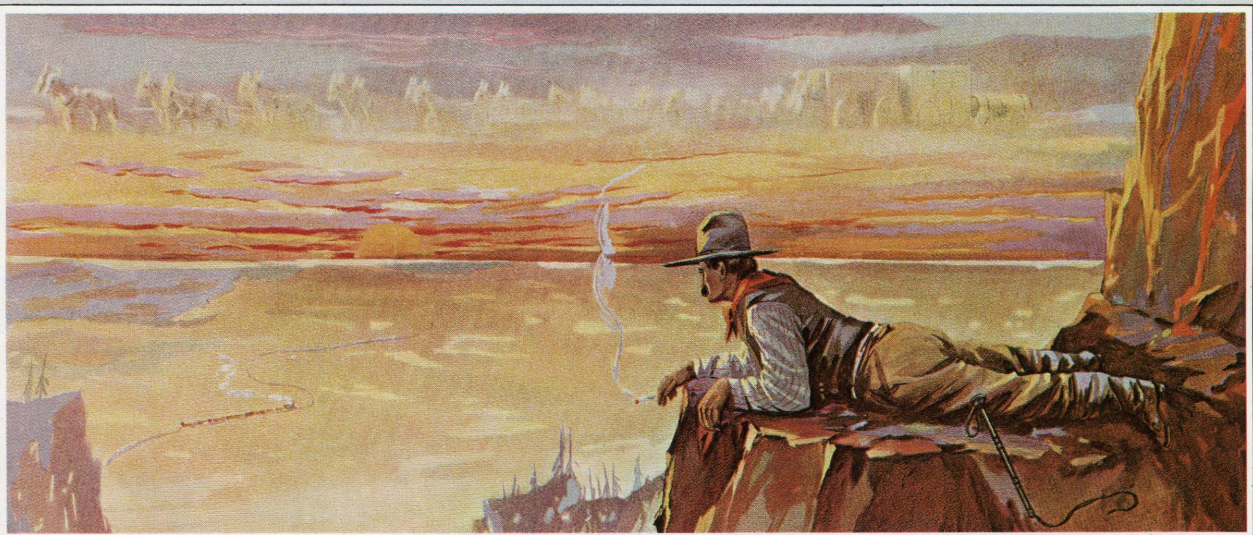


F. M. Smith, president of Pacific Coast Borax Company, in a 1906 pamphlet declared that a mock milk bath was especially important to delicate women. His recipe: "Make up a dozen or more bags of cheese cloth about a foot square. Fill them with oatmeal and pure white castile soap shaved fine, 2/3 oatmeal, 1/3 soap. Add a half a can 20 MULE TEAM BORAXO and some powdered orris root, and tie up bag securely. One bag in twelve gallons of water makes a refreshing bath and leaves the skin like velvet."



Typical 1910 Pacific Coast Borax Company Sunday magazine advertisement. Most consumer advertising in the 1910-1924 era was by house-to-house canvassing.

Cover of a 1906, thirty-two page advertising booklet. Henry Dumont, Chicago manager, was one of the strong exponents of newspaper and painted sign advertising. His advertising expenditures in 1914 reportedly ran \$20,000!



THE OLD DRIVER'S REVERIE.

Aloft his vision o'er the desert runs,
 With love for it, and hate for what it holds:
 Across those sands burnt with remorseless suns
 Another caravan than his unfolds.

But yesterday his voice was on the plain;
 A king of wide dominion was he then.
 Today he is usurped of his domain,
 And stronger teams respond to lesser men.

A vision of the past burns on the sky,
 As day declines and night comes on apace—
 His own beloved team tear-fills his eye,
 And all the weight of loss bears on his face.

—H. Dumont.

A 1926 SPANGLES advertisement as it appeared in the WESTERN DRUG REVIEW.

Something New!
—Adding to the Pleasure of the Holiday Season



20 MULE TEAM BORIC SPANGLES

<p>For the Christmas Dance</p> <p>Spangles will make your floors as smooth as polished glass. It doesn't make any difference whether your floors are wood or not, Spangles will make them smoother.</p> <p>Just open the carton and sift contents around. As soon as dancing starts Spangles will do the rest. They are non-odorous, non-inflammable, easily swept up and won't gum the floor.</p> <p>Buy a package from your druggist and enjoy a new pleasure in dancing.</p>	<p>For Christmas Tree and Decorations</p> <p>These beautiful crystalline Spangles are ideal for imitation snow on Christmas decorations and window displays. They are thin, white sparkling flakes of 20 Mule Team Boric, non-poisonous, non-inflammable and easy to apply.</p> <p>Just buy a package from your druggist and scatter the contents over tree or decorations.</p> <p>They make beautiful imitation snow, and in addition are an excellent anti-static.</p>
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ASK YOUR DRUGGIST
Or Write To
Pacific Coast Borax Company
Wilmington, Cal.




During the period 1924-1929, advertising was by and large through women's magazines. This ad appeared in the 1924 MC CALL's magazine.

MC CALL'S Magazine for FEBRUARY, 1924



"Soap and Water"

and

"It's the 20 Mule Team Borax, my dear, with the soap and water that makes the clothes really white and actually hygienically clean. I would never think of using soap and water without 20 Mule Team Borax to wash or cleanse anything."

20 Mule Team Borax prevents woolsens from shrinking and colors from fading. It is a solvent and an antiseptic and it has proven itself through the years to be Nature's Greatest Cleanser.

20 Mule Team Borax is as valuable an addition to soap as soap is to water, and any grocer you buy soap from has 20 Mule Team Borax—Ask him.

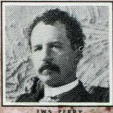
Sold at Grocers, Department Stores and Druggists. Send for the Magic Crystal booklet, giving a hundred important household uses for 20 Mule Team Borax.

PACIFIC COAST BORAX COMPANY 100 WILLIAM ST., NEW YORK

20 MULE TEAM BORAX



Back in 1872, our corporate ancestors first began scraping borates from the ground around Teel's Marsh, Nevada. When operations were moved to richer deposits in Death Valley, we had our first transportation crisis. Conventional teams and wagons couldn't haul borates from the dig-



J.W.S. PERRY

fast enough. Then a muleskinner named Ed Stiles figured out a way to handle twenty mules on a single lead. Next, J.W.S. Perry designed mighty wagons that could carry ten tons of ore each. The twenty mule team was born. Ever since, we've been devising ways to get more borates to more customers in less time.

Today, delivering borates is an exact science. Even in emergencies, we maintain fleets of bulk hopper cars on leased track in strategic loca-

tions in the South and Midwest. These cars are available to customers with an emergency at no extra cost. We can get them rolling in a matter of hours, cutting four to five days or more from normal transit time.

As a further backup, we have Illinois and New Jersey warehouses for our complete product line. Stored in a variety of containers, these supplies can be drawn on for emergency shipments of carload or less-than-carload lots.

Fortunately, the spirit of Stiles and Perry and men like them is still with us. Even though we can boast the largest borate production capacity in the world, we haven't let size slow us down at all.

We'll go on inventing better ways to take care of borate customers. Especially now, that we have a 100-year-old reputation to protect.



After 100 years, we're still scratching the surface.

A preview of U.S. Borax Marketing department's advertisements which will appear in 1972.



When we got our start back in 1872, mining borates was literally a matter of scratching the surface. An early photographer snapped these laborers gathering borate crust on the desert floor in 1885. In those days, refining processes were complicated

and very expensive considering the small amount of product that could be extracted from the low-grade surface ores.

Our customers were the same then as now. They insisted on a high quality, uniform product delivered where and when it was needed at a realistic price. So we began the search for more productive borate deposits and better mining methods.

Over the decades, that search brought us to

where we are today. From our open pit mine at Boron we take the high-grade ore to feed the largest borate production facilities in the world. When we scratch the earth now, we do it in 16-cubic-yard bites. That's what's going on in the small picture up there on the left. Then we start the ore on its way to our refinery in special 100-ton electric trucks.

From this single source we refine more forms of borates than any other company. Fortunate-

ly, there's a lot more where your last load came from. Enough to keep us digging for a long, long time.

Just because we've been around for 100 years doesn't mean we're getting old and set in our ways.

The way we look at it, this is just the first century we'll celebrate. The best is yet to come.



After 100 years, we're still inventing faster ways to deliver.

This 1933 advertisement in the PROGRESSIVE GROCER announced the first major change in the 20 MULE TEAM Borax package since 1900.

STEPPING OUT

20 MULE TEAM BORAX GETS A DASHING NEW PACKAGE!



NOTHING has ever been found or compounded that can compare with Borax as a wash-day and house cleaning helper. But ideas in package design have changed. So we decided to give 20 Mule Team Borax a smart, modern package! During the next few months the new package will start to appear. But whether your next consignment contains new or old packages, the famous 20 Mule Team trademark will guarantee the same purity and excellence of the product to you and your customers!



BORATEEM, a relatively new 20 MULE TEAM household product, was introduced in 1962 and is now one of the most popular items. It under went several package redesigns, promotions and formulations during the past decade.

Ammonia is a major cause of diaper rash. So fight it with all you've got. Borateem. It sanitizes and deodorizes.

And it keeps on clobbering ammonia-causing bacteria, even while your baby is wearing and wetting his diapers.

You can't love ammonia away.



NO PHOSPHATES

NO ENZYMES

DIRECTORS

RICHARD J. L. ALTHAM

*Director of The Rio Tinto-Zinc Corporation Limited
Joint Managing Director of Borax Consolidated Limited
Director of Borax (Holdings) Limited*

THE HON. RALPH J. ASSHETON

*Director of The Rio Tinto-Zinc Corporation Limited
Joint Managing Director of Borax Consolidated Limited
Director of Borax (Holdings) Limited*

JAMES M. GERSTLEY

*Vice Chairman of the Board of Directors
of the Corporation and Consultant to the Corporation*

SAM HARRIS

*Senior Partner of Fried, Frank, Harris, Shriver & Jacobson
Director of The Rio Tinto-Zinc Corporation Limited*

ROBERT E. KENDALL

Vice President of the Corporation

FRANK L. KING

*Chairman of the Board of Directors
of United California Bank and of Western Bancorporation*

FREDERICK A. LESSER

*Director of Borax (Holdings) Limited
Vice Chairman of the Board of Directors of the Corporation*

CARL L. RANDOLPH

President of the Corporation

FREDERICK H. SCHROEDER

Executive Vice President and Director of Walston & Co., Inc.

DONALD S. TAYLOR

Vice President of the Corporation

JAMES D. TENNANT

Director of Borax (Holdings) Limited and Borax Consolidated Limited

NORMAN J. TRAVIS

*Chairman of the Board of Directors of the Corporation
Director of The Rio Tinto-Zinc Corporation Limited
Chairman and Managing Director of Borax (Holdings) Limited
Chairman of Borax Consolidated Limited*

OFFICERS

NORMAN J. TRAVIS, *Chairman of the Board of Directors*

JAMES M. GERSTLEY, *Vice Chairman of the Board of Directors*

FREDERICK A. LESSER, *Vice Chairman of the Board of Directors*

CARL L. RANDOLPH, *President*

JAMES C. CAMPBELL, *Vice President*

ROBERT E. KENDALL, *Vice President*

ROBERT L. STARKEY, *Vice President, and General Counsel*

HOWARD STEINBERG, *Vice President*

DONALD S. TAYLOR, *Vice President*

IAN L. WHITE-THOMSON, *Vice President*

RAYMOND C. DOSTA, *Treasurer*

LEWIS J. HASTINGS, *Controller*

WESLEY A. ACKERMAN, *Secretary*

C. Bennett

1883

Oct. 4	To Sundries		1400	
"	"		620	
Nov. 5	50# Beans	column an	500	
"	14# Beans		420	
Jan 12	By 500 lbs Borley Returned			
	5 Meals		400 ✓	
	1 Blacksmithing		50 ✓	
	1 Castor Oil		50 ✓	
21	By Bill of J. H. Earl 400 Nov 5/83			{ 3640
"	" " " " " " " Dec 28/83			{ 2575
27	To 6 Meals		300 ✓	
"	Repairing Wagon (Blacksmithing)		150 ✓	
"	23# Barley			
"	2 Borax Barrels			
34	By Feed left at Amargosa			3184
Febr. 13	1481 lbs. Barley del. at Columbus			
"	To 200 lbs. Hay to be returned			
"	Merchandise as per D. B. 120		2640 ✓	
"	23 " shoeing 100 meals 100		250 ✓	
March 3	9 Meals 450 1/2 gal Castor Oil 125 ✓		575 ✓	
"	2 New Shoes 25 1 Bolt 25		225 ✓	
"	Mind Break Bar		50 ✓	
"	9/4 L Bacon		230 ✓	
"	8 " 4 Meals 200 3 New Shoes 250 Rep. on wagon 100		500 ✓	
"	By 403 \$ Barley Returned			
"	402 " " " " " " " Void			
"	29 To 3 meals		150 ✓	
Apr of	3 "		150 ✓	
"	1 oil can (to Pitts)		50 ✓	
"	1 New Shoe 100 Sundry 1 old shoe 50		150 ✓	
"	Mending Brake bar			
"	" " " Hanger			
"	4 meals Ranch			
"	6 " "			
"	11 " 6 " "			
"	1 New Clevis pin, Splicing rod 50			
"	By 185 \$ Hay			
"	2110 Barley 1274 (part 11)			

Reportedly Charles Bennett of Pahrump, Nevada was the first contractor to haul borax from the Harmony Borax Works. This page was photographed from W. T. Coleman's 1883 DEATH VALLEY JOURNAL.



UNITED STATES BORAX & CHEMICAL CORPORATION
EXECUTIVE OFFICES: 3075 Wilshire Boulevard • Los Angeles, California 90010