

GPM LUNCHEON

Officers' Dining Room
Federal Reserve Bank of Philadelphia

Wednesday, November 27, 1968

HEADQUARTERS STUDY OUTLINE

- I. G.P.M.'s initiative of the headquarters study and our Bank's commitment to it
- II. Researching the problem takes a two-pronged approach
- III. Understanding the dynamics of the total economy
 - A. Our lagging growth relates adversely to our headquarters position
 - B. Underlying lagging growth is the region's competitive failure
 - C. Comprehending the competitive failure requires in-depth industry studies
 - D. Only then, do action implications emerge
- IV. Understanding the "headquarters industry"
 - A. The nature of the headquarters problem is clarified
 - B. The seriousness of the problem justifies our concern
 - C. Causes of the problem are complex
 1. The role of acquisitions is frequently misunderstood
 2. Strong headquarters centers have many common community assets
 3. Philadelphia has community liabilities in headquarters competition
- V. Unanswered questions demand the corporate survey
 - A. The survey approach best reveals needed civic action
 - B. G.P.M. can make the survey a success

Headquarters Study Sample

Philadelphia - Area Companies of 10,000 Employees or More

<u>SIC</u>	<u>Name of Company</u>	<u>Location</u>	<u>Employees</u>
40	Penn Central Railroad	Philadelphia	61943
54	Food Fair Stores, Inc.	Philadelphia	33000
20	Campbell Soup Company	Camden	27600
54	Acme Markets, Inc.	Philadelphia	26600
53	Automatic Retailers of Amer	Philadelphia	22000
13	Sun Oil Company	Philadelphia	21154
13	Atlantic Richfield Co.	Philadelphia	17197
37	Budd Company	Philadelphia	16000
26	Scott Paper Co.	Philadelphia	13600
28	Rohm & Haas Co.	Philadelphia	12213
34	Crown Cork Seal Co.	Philadelphia	10459
36	ESB, Inc.	Philadelphia	10000
36	Philco Corp.	Philadelphia	26000

Other Major Firms in Principal Industry Groups

<u>SIC</u>	<u>Name of Company</u>	<u>Location</u>	<u>Employees</u>
22	James Lees Sons Company	Bridgeport, Pa.	4000
23	H. Daroff Sons, Inc.	Philadelphia	4000
27	Triangle Publications, Inc.	Philadelphia	7500
28	Smith, Kline & French Labs.	Philadelphia	7000
32	General Refractories Co.	Philadelphia	8700
33	Lukens Steel Company	Coatesville	5680
35	Baldwin Lima Hamilton	Philadelphia	7000
49	Philadelphia Electric Co.	Philadelphia	9165
60	Ist Penna. Bank & Trust	Philadelphia	3125
63	INA	Philadelphia	9350

Smaller Headquarters Companies, Principal Industry Groups

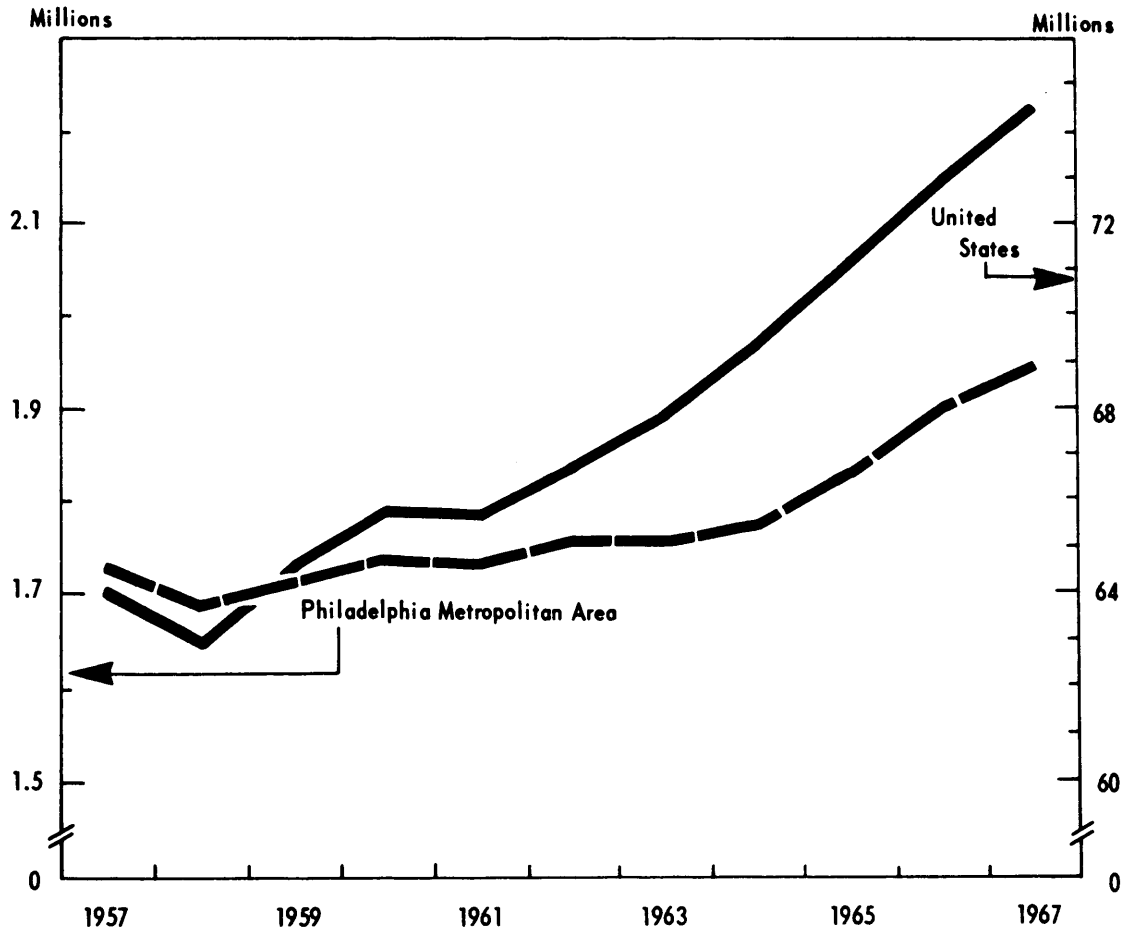
<u>SIC</u>	<u>Name of Company</u>	<u>Location</u>	<u>Employees</u>
20	Publicker Industries, Inc.	Philadelphia	2300
23	Philtex Manufacturing Co.	Philadelphia	360
27	Board of Pub. Lutheran Church	Philadelphia	500
32	Keystone Portland Cement	Philadelphia	360
34	Acorn Iron Supply Co.	Philadelphia	100
35	Ultronic Systems Corp.	Pennsauken	650
36	Progress Manufacturing Co.	Philadelphia	1700
60	Beneficial Mutual Savings	Philadelphia	150

Smaller Subsidiary Companies, Major Industry Groups

<u>SIC</u>	<u>Name of Company</u>	<u>Location</u>	<u>Employees</u>
22	Nelson Frank S. Co.	Philadelphia	220
27	Farm Journal Inc.	Philadelphia	350
28	Mc Neil Laboratories	Ft. Washington	600
32	American Olean Tile Co.	Lansdale	2100
33	Metchem Research Inc.	Bristol	100
34	Delta File Works Inc.	Philadelphia	50
35	Proctor Schwartz	Philadelphia	575
36	Bentley Harris Mfg. Co.	Conshohocken	150
53	Berlo Vending Co.	Philadelphia	2500

CHART I

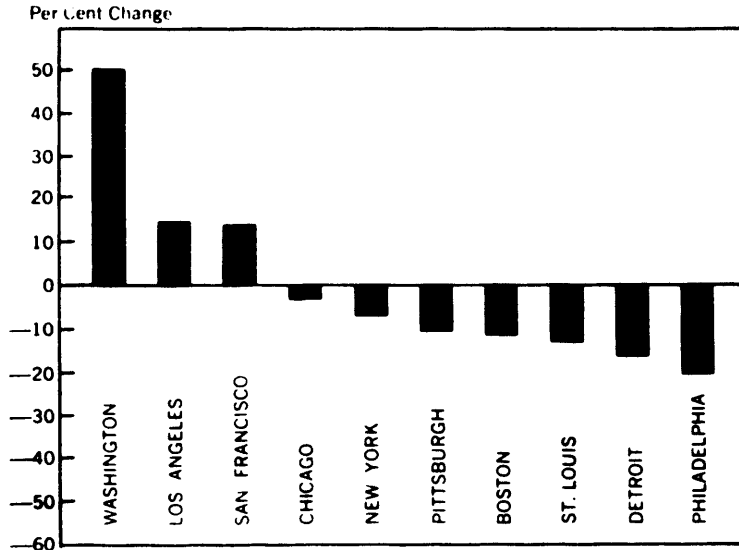
TOTAL EMPLOYMENT



CORPORATE HEADQUARTERS

CHART 2 MOST OF THE TOP TEN ARE LOSING HEADQUARTERS

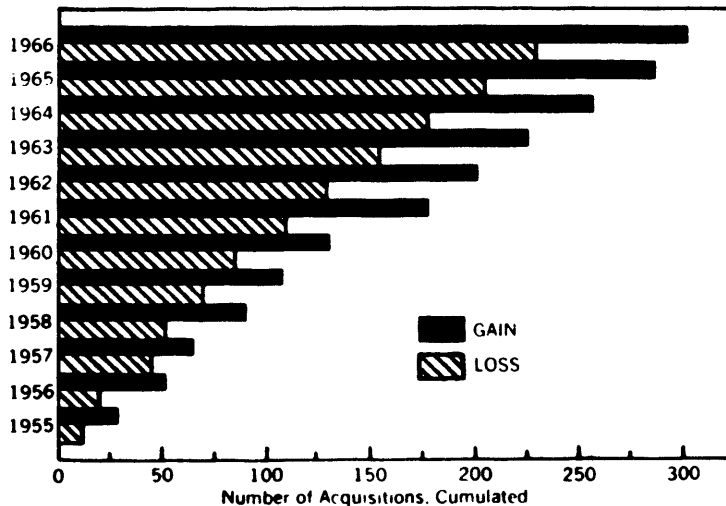
The chart shows the rate of increase or decrease in the number of headquarters in each area, 1956-1965.*



* Data refer to the 750 largest manufacturing and nonmanufacturing corporations in the nation.

Source: Fortune Magazine

CHART 3 PHILADELPHIA'S ACQUISITIONS EXCEED ITS LOSSES, 1955-1966



Sources: Federal Trade Commission, Federal Reserve Bank of Philadelphia

GREATER PHILADELPHIA MOVEMENT

BOARD OF DIRECTORS MEETING

Wednesday, November 27, 1968

12 Noon - Federal Reserve Bank

Brown, R.

✓Coleman

✓Cupp

✓Day

✓Duane

✓Dunning

✓Harshaw

✓Higginbotham

✓Lee

✓Petersen

✓Potts

Price

✓Rauch

✓Rincliffe

✓Smith

✓Still

✓Supplee

✓Van Dusen

Schauffler

Wilcox