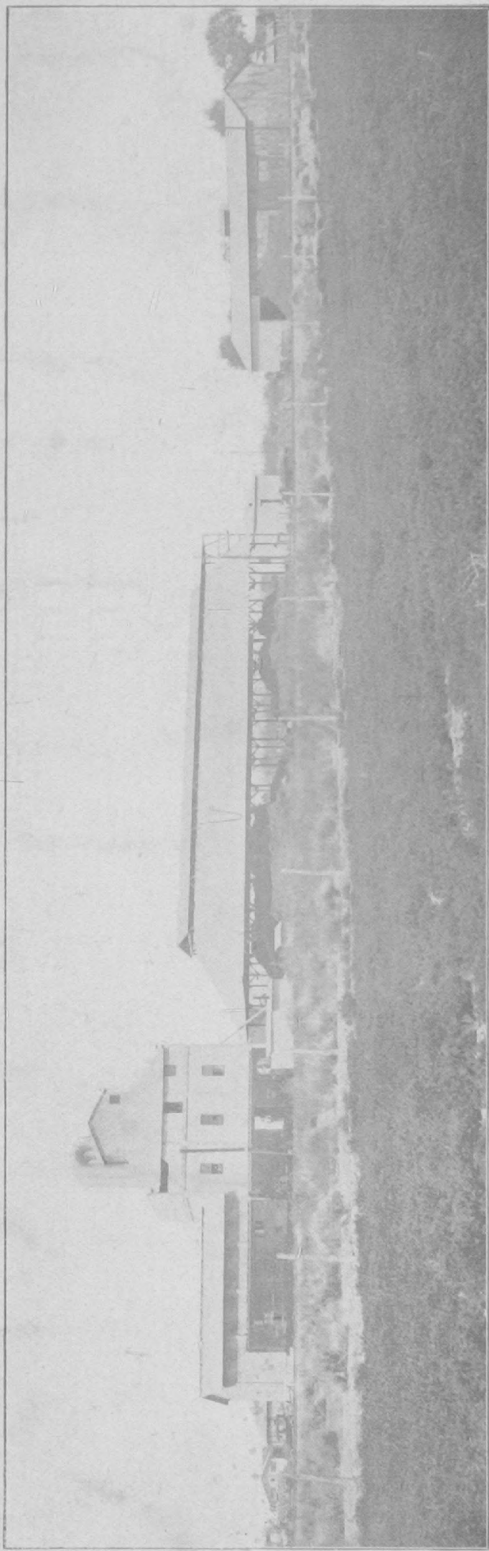


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PHOENIX ALFALFA MILLS

Manufacturers and Wholesalers of Stock Feeds, Hay and Grains

PHOENIX, ARIZONA

Phoenix Alfalfa Mills

PHOENIX, ARIZONA



DAILY CAPACITY

50 Tons Alfalfa Meal

50 Tons Mixed Feeds

—Grain, Meal and Molasses

25 Tons Rolled Grains



MILLS

15th to 16th Avenues

Santa Fe and Southern Pacific Tracks



OFFICERS and DIRECTORS

J. R. Bradshaw, President

M. D. Novinger, Vice-President

Leo Goldman, Vice-President

I. J. Lipsohn Treasurer

C. L. Nabers, Secretary

Levi Young

STATEMENT

Phoenix Alfalfa Mills

Phoenix, Arizona

MARCH 31, 1916

ASSETS

1. Real Estate.....	\$ 3,500.00
2. Machinery	20,252.57
3. Buildings	17,227.22
4. Fences, Sidings and Waterworks....	1,615.00
5. Tools and Supplies.....	282.00
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Total	\$ 42,876.79

LIABILITIES

1. Capital Stock (Issued).....	\$ 36,950.00
2. Notes Payable.....	3,585.00
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Total	\$ 40,535.00
Surplus Account.....	2,431.79
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	\$ 42,876.79

Assets:

1. **REAL ESTATE.** Consists of one block of land, running from Fifteenth to Sixteenth avenues, and bounded on the north by the Santa Fe tracks and on the south by the Southern Pacific tracks, containing about two and one-half acres.

2. **MACHINERY.**

Mill Equipment.

- 1—30x40-inch Wolf alfalfa grinder; capacity 12,000 per hour.
- 1—12x30-inch Jumbo flaking roll; corr geared and ball bearing.
- 2—Giant friction alfalfa meal packers.
- 1—No. 42 Mammoth bone crusher and grinder.
- 1—No. 4 Wolf improved receiving separator with three extra screens. Capacity 8,000 pounds per hour.
- 1—No. 574 Duplex molasses feed mixer; Capacity 16,000 pounds per hour.
- 1—No. 479 Wolf regulating feeder; capacity 8,000 per hour.
- 3—No. 3 Drarer proportional feeder ground grain; capacity 24,000 pounds per hour.
- 5—No. 1 Wolf round bottom feeders.
- 2—10-inch cast iron turn heads.
- 2—Indicator stands, six figures and lever each.

Together with conveyers, elevators, shafting and belting. All installed ready for operation. All practically new.

Power Equipment.

- 1—Lincoln motor 50 h. p.
- 1—Lincoln motor 20 h. p.
- 1—Fairbanks Morse motor 150 h. p.

Together with transformers, compensators, starters, meters, etc. All in good repair and ready for immediate operation.

Steam Generator.

- 1—Upright boiler, 20 h. p., oil burner.
- 1—Oil storage tank.
- 1—Molasses pump.

All in good repair.

3. **BUILDINGS.**

- 1—Mill building 32x42 feet, three stories and basement. Basement equipped for molasses storage; constructed of re-enforced concrete and steel. Galvanized roof.
- 1—Warehouse 32x50 feet; brick construction; concrete floor. Galvanized iron roof.

- 1—Office building 13x23 feet; brick, with corrugated roofing.
- 1—Warehouse 48x108 feet; galvanized iron building, with galvanized iron roof and concrete floor.

Also galvanized iron sheds, engine house and other buildings.

4. FENCES, RAILROAD SIDING AND WATERWORKS.

- 1—Railroad siding 350 feet long; constructed on south side of mill and warehouse.
- 12—Water taps; together with pipes and hose installed in different parts of property and buildings.

Entire property surrounded by woven wire fence.

5. TOOLS AND SUPPLIES.

- 1—Complete blacksmith outfit.
- 1—Wagon scale.
- 2—Platform scales.

Also complete outfit of forks, shovels, wheelbarrows and other tools necessary for operation of plant.



Liabilities:

1. **CAPITAL STOCK.** The Phoenix Alfalfa Mills, incorporated under the laws of the State of Arizona, with an authorized capital of \$100,000, divided into four thousand shares of \$25 each. Of the above stock \$36,950 was issued to creditors of the Arizona Alfalfa Mill Company, in exchange for their claims at par, there having been no stock issued for services or to cover expenses of organization.

2. **NOTES PAYABLE.** One note of \$2,750 due on or before three years after date, bearing 8 per cent interest. Notes for \$835 due four months after date, without interest. Notes held by officers of the company for money advanced.

Organization

The Phoenix Alfalfa Mills, a corporation, is composed entirely of the creditors of the Arizona Alfalfa Mill Company, which was forced into bankruptcy during the spring of 1914. At a creditors' meeting of the above named company, a committee of creditors was appointed to investigate the cause of failure and the possibilities of a mill such as the one owned by the Phoenix Alfalfa Mills. The further the committee went with its investigation, the more thoroughly they became convinced that no investment would offer greater returns than the operation of an alfalfa and feed mill situated in the territory in which our mill is located. They also ascertained that the cause of the failure of the Arizona Alfalfa Mill Company was owing to the lack of capital and general mismanagement. As shown by the statement on the foregoing page, the Phoenix Alfalfa Mills begins operation with assets of \$42,876.79. The assets were carefully appraised by competent appraisers, who, in making the appraisal, used the original cost of real estate, machinery, buildings, etc., and charged off percentages for loss of the shed by fire and other deteriorations. In their report they made a special comment on the high class of machinery which had been installed; also on the arrangement and good condition of same.

In the selecting of the Board of Directors, the stockholders were very careful to elect men who were familiar with the milling and feed business, and whose reputation in the business world, on account of past achievements, speaks for itself. The following compose the Board of Directors:

(1) J. R. Bradshaw, Phoenix, Ariz., President. (President Farmers' Co-Operative Creamery, rancher and stockraiser.)

(2) M. D. Novinger, Phoenix, Ariz., Vice President. (Rancher.)

(3) Leo Goldman, Phoenix, Ariz., Vice President. (President Goldman Grocery Company.)

(4) I. J. Lipsohn, Phoenix, Ariz., Treasurer. (Attorney at law, stockraiser.)

(5) C. L. Nabers, Phoenix, Ariz., Secretary. (Certified public accountant and lumber manufacturer.)

(6) Levi Young, Phoenix, Ariz., Director. (Merchant, cattle and sheep raiser.)

Location

The mill of the new company is situated adjoining the city limits of Phoenix on both the Southern Pacific and Santa Fe tracks, having the advantage

of water protection and other city conveniences, and at the same time free from city taxes. It is the only mill in the State of Arizona manufacturing alfalfa stock feeds.

Raw Products

As to the future possibilities of the company, the mill is near the center of the Salt River Valley, which is under the project watered by the Roosevelt dam. According to statistics, there is under this project, 183,155 acres of irrigable land, which according to the statistics of 1915, the following crops were raised:

1. **Alfalfa.** Seventy-eight thousand three hundred and thirty-seven acres, with an average production of six tons per acre. Analysis shows that the alfalfa produced in the Salt River Valley is of the very highest class from a standpoint of feed values. A recent analysis shown from an average sample of alfalfa meal shows protein 14.85 per cent.

2. **Barley.** Sixteen thousand four hundred and fifty-nine acres, with an average production of about one ton per acre.

3. **Corn.** One thousand one hundred and ninety-three acres, with an average production of about one and one-half tons per acre.

4. **Oats.** Two thousand three hundred acres, with an average production of about one ton per acre.

5. **Sorghum or Sugar Cane.** Twenty-six thousand two hundred and sixty acres.

As will be shown from the above figures there is practically an unlimited supply of raw products produced in the territory tributary to our mill.

Another great advantage is the fact that our mill is situated only nine miles from the plant of the Southwestern Sugar Company. We are, therefore, able to obtain at the minimum price, molasses and by-products from this plant for our entire requirements (there being only a minimum freight rate).

Demand

The demand for the output of the mill is practically unlimited. In fact, every pound of feed manufactured can be sold in the State of Arizona. However, should we decide to go into foreign markets, through the co-operation of the transportation companies we have been able to secure rates that will enable us to compete with any part of

the world. As an illustration: We have at the present time a rate to New York and Philadelphia of \$10 per ton on alfalfa meal and products; to Los Angeles and San Diego, California, \$5 per ton, and to Texas common points, \$9.60 per ton.

As an illustration of the possibilities from a local or Arizona standpoint, according to 1915 statistics, there was fattened in the State:

Cattle for shipment.....	264,981
Cattle for slaughter.....	58,491
Hogs for shipment.....	5,629
Hogs for slaughter.....	9,429
Sheep for shipment and slaughter	
(Est.)	200,000

In Salt River Valley alone there is being milked (estimated) 17,000 cows.

There is also to be taken into consideration the large number of work horses and mules.

At the present time the demand for horse feed for the horses used by the United States army along the Mexican border would almost consume our capacity.

Summary

As a summary of the financial returns to be made from the mill, we beg to call your attention to the following page. The figures as compiled on the estimated profits are based on the average prices of raw products for the past year, together with the average sales prices.

In compiling these figures the profits are apparently so enormous that we rather hesitate in submitting them. However, we are open at all times for comparisons, and can verify the figures submitted.

As further proof of our claims, statistics show that in 1905 five mills were established, at the close of 1915 more than 250 were in operation during which period there was only one bankruptcy case filed. **Can you beat it?**



Estimated Profit and Expenses

RUN 200 DAYS PER YEAR



INCOME—SALE OF PRODUCTS

Meal	40 tons @ \$16.00	- -	\$640.00
Rolled Grain	20 tons @ 33.00	- -	660.00
			<hr/>
			\$1,300.00

COST OF MATERIAL AND LABOR

Hay	40 tons @ \$ 9.00	- -	\$360.00
Grain	20 tons @ 28.00	- -	560.00
Sacks	1,200 @ .15	- -	180.00
Power	Per K. Hr. .02½	- -	15.00
Labor	12 Men @ 2.00	- -	24.00
*Fixed Expenses (Statement)		- -	50.04
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			\$1,189.04

Net Daily Profit - - - - \$110.96

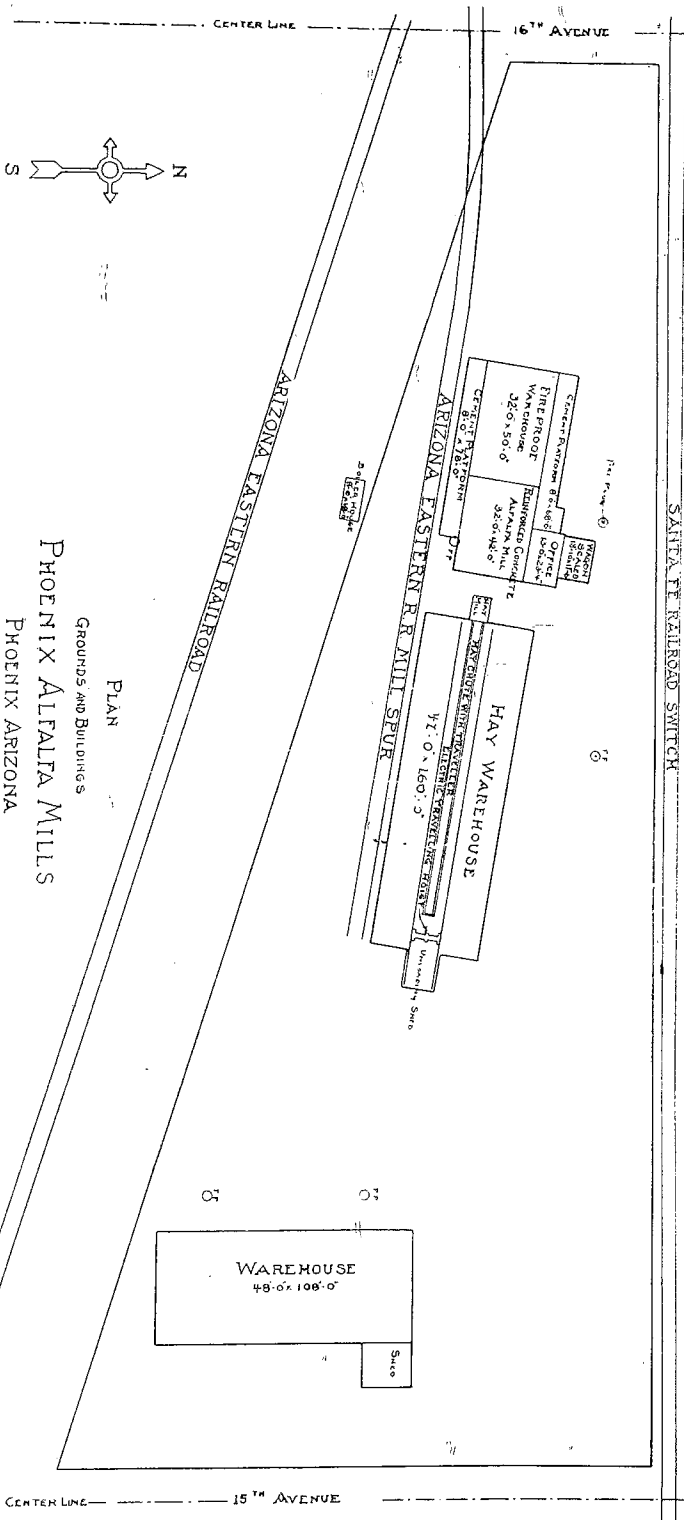


Annual Profit for Stockholders	- -	\$22,192.00
Annual Dividend on Common Stock (\$50,000)	- - - - -	44%

*FIXED EXPENSES

Preferred Stock (\$25,000 @ 7%)	-	\$1,750.00
Taxes - - - - -	-	244.92
Revenue Tax - - - - -	-	300.00
Insurance (\$20,000) - - - - -	-	348.90
Depreciation, Buildings - - - - -	-	500.00
Depreciation, Machinery - - - - -	-	1,000.00
Salary, Office and Sales Exp. - - - - -	-	3,000.00
Salary, Mill Manager - - - - -	-	1,800.00
Salary, Watchman - - - - -	-	750.00
Stationery, Stamps, etc. - - - - -	-	300.00
Phone and Water - - - - -	-	100.00
		<hr/>
		\$10,093.82

Daily (200 Days) \$50.04.



PLAN
 GROUNDS AND BUILDINGS
 PHOENIX ALFALFA MILLS
 PHOENIX ARIZONA