

"The Westminster Metal and Foundry Company"

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by Jay A. Graybeal

During the spring of 1914, the Westminster Metal and Foundry Company faced a challenge to raise more capital to expand their rapidly growing business. The Board of Directors decided to sell the company's preferred stock to raise \$50,000. A prospectus in the Society's manuscript collection provides a history of the company, the growth of the business and benefits the company planned from having greater capital:

"The Westminster Metal and Foundry Company was incorporated under the laws of Maryland in 1910. The Company began business in a small two-story building rented of the Merchants and Manufacturers Association of Westminster. It had a capital of \$3,750.00, a Manager and three workmen. The original purpose of the Company was to refine the waste materials of foundries, factories and car shops, producing therefrom good quantity [sic] brass, bronze and white metal. All waste materials and all refined metals are bought and sold by exact chemical tests.

The business has increased until at the present time between seventy-five and one hundred men are employed with a weekly pay-roll amounting to nearly \$1,000.00.

New buildings have been erected including an Office Building, a Chemical Laboratory, a Brass Foundry, an Iron Foundry, a Drafting Department, a Pattern Shop and a Mechanical Department.

New machinery and improvements amounting to over \$40,000.00 have been added. 360 feet of land adjoining the Western Maryland Railroad have been purchased and a side-track built to the Factory.

For nearly three years the company was connected with the Waynesboro Metal & Foundry Company through Common Stockholders and Directors, but on the First of April, 1914, the two Companies separated so far as ownership is concerned, though they still cooperate with one another to mutual advantage.

GROWTH OF BUSINESS

From the beginning there has been a rapid increase in the amount of business done by the Company as shown by the enlarged sales of Refined Metals and Castings.

1910 -- \$ 17,686.36

1911 -- 35,551.09

1912 -- 92,216.40

1913 -- 170,723.79

*1914 -- 299,367.60

*Estimated on the basis of the sales for the First Quarter 1914.

Thus far, most of the earnings have been used in the replacement of small and cheap machinery with large and efficient equipment and in a general betterment of the Plant.

Though the Company is able, at the present time, to pay dividends on both the Preferred and the Common Stock it is unable, with its present capital, to take care of the large orders for its product that are now coming from big companies.

Orders to the amount of one million pounds have been refused the past three months because of lack of sufficient capital to handle the business.

BENEFITS TO BE OBTAINED BY MORE CAPITAL

1. To secure from the Merchants and Manufacturers Association full title to all the buildings and lands now occupied by the Company;
2. To install additional machinery that will materially increase the productivity of the plant, enabling it to take care of the new business offered;
3. To purchase for cash larger supplies of raw materials, gaining thereby important discounts;
4. To save assignment of accounts receivable to Banks, thus securing enlarged credit and a better mercantile rating;
5. To obtain important savings in freight rates by larger shipments;
6. To reduce expenses in every department of the business; and by all these means to greatly increase the profits."

The company's 1914 expansion occurred at a fortuitous, yet tragic, time. In August of that year the European nations embarked on a war the likes of which the world had never witnessed. The metal products of the Westminster Metal and Foundry Company became in far greater demand throughout the periods of American neutrality and participation in the war.



This panoramic view of the Westminster Metal and Foundry Company, located along Railroad Avenue, appeared in a 1914 prospectus issued by the company. Historical Society of Carroll County collection.