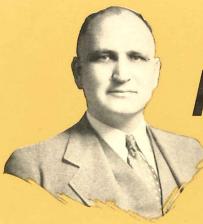


AERIAL VIEW OF PARCHMENT, MICHIGAN



FOR A MORE ABUNDANT LIFE



President

KALAMAZOO VEGETABLE PARCHMENT CO.

Millions of people today are making supreme sacrifices not only to win the war but to establish the kind of conditions under which they want to live and a satisfactory heritage for their children.

The people of our country want peace, prosperity, and security. They want an opportunity to work, play, learn, and worship with the greatest degree of freedom.

Winning the war will not create these conditions. It will only provide the environment in which they can grow. It is only through planning and work that these goals can be achieved.

To reap a harvest, plans must be made, ground prepared, seeds purchased and sown then, after considerable care, the harvest comes.

Planning is a continuous process with every individual and with every company. We are where we are because of the unlimited number of plans that have been made in the past.

There is a continual parade of progress. Either you lead the procession, follow it, or the parade passes you by.

There is much talk about postwar plans. They are really an accumulation of plans which have not been made effective because of the dislocations of the war. These plans will be altered and adjusted to take into account new products, new processes, and new methods developed through our war experiences.

In making plans for the future, it is necessary to take into consideration conditions as they may exist several years ahead. Most of the plans will be successful, some will fail. This is the path of progress. There can be no progress without risk. The successful performance of plans cannot be insured or guaranteed.

THESE CONDITIONS
ARE KNOWN • • •

Conditions after the war will be materially different. Some of them are known.

We will have a national debt of \$300,000,000,000 which is beyond the comprehension of any individual. The magnitude of this debt is bound to have some influence on the economic conditions of the future.

We will have the greatest accumulated demand for all types of things that has ever existed at any one time, and the people of the country will have considerable money for the purchase of the things they want.

There will be a strong demand for high wages and greater social security.

FOR A MORE ABUNDANT LIFE

We will maintain an Army and Navy substantially larger than we have in the past.

There will be an effort to increase the volume of our foreign trade.

There will be a greater intermingling of the peoples of the world.

Many other conditions will develop which cannot be fully anticipated.

Knowing these things, one can assume that we will continue to have high taxes on individuals and corporations for years to come.

It likewise seems safe to assume that the volume of business will be greater than existed before the war.

It is probable that prices will tend to rise and that we will experience some inflation. No one can know for sure the extent and timing of this inflationary trend. It is probable that it will develop more slowly than most people anticipate and possible that it may extend beyond their expectation.

There will probably be considerable regulation by government of the economic conditions affecting both individuals and corporations.

It is within this pattern that we have developed the plans for our Company for the years ahead.

We should have the opportunity of enlarging the volume of business that we do.

We will have the problem of improving the quality of our products and the creation of new products to meet changing conditions.

We will need to further diversify our products so that we may serve more people and develop greater security.

We will have the problem of preventing, as far as possible, our costs from increasing. At the same time, we must provide for some increase in wages, and for heavy taxes.

There will be strong public resistance against increasing selling prices and we will want to limit these increases as much as possible.

We will have plenty of competition all along the way. If we can render a little better service than our competitors we can expect a little greater reward.

On the following pages we are outlining the general program of the Company. It is a large and comprehensive plan.

We can look forward with pride, enthusiasm, and confidence as we work together to make it a reality.

THESE ARE PROBABLE

THE PROBLEMS WE





RESEARCH LABORATORY

Research is the cornerstone of progress. Without it, no industry like ours can hope to survive. Although each KVP employee is encouraged to think of his own job as that of a research engineer, most of the scientific phase of research must necessarily center in a laboratory.

This one, built in anticipation of the war and completed just as it began, is probably the most up-to-date in all the paper industry. An endless number of war uses for paper have been studied and developed here and its contribution to the war effort has been considerable. Many of these studies and experiences will be useful in peace.

As long as "The Hatchery," as this vital nerve center of our industry is sometimes called, continues to incubate new ideas and new methods, we need have no fear but that KVP will continue a world leader in our field.

ART DEPARTMENT

Although not a "war baby," the modernization of the KVP Art Department came at the outbreak of the war. The envy of all commercial artists who have seen it, it is part of the plan for centralizing the graphic arts control in the Glendale Division.

Probably by far the largest art department of any concern in our industry, it can readily accommodate many more artists. This will be a busy place in the immediate post-war years as there will be a great demand for new designs in package wrappers. It will be of ever increasing service to our customers.



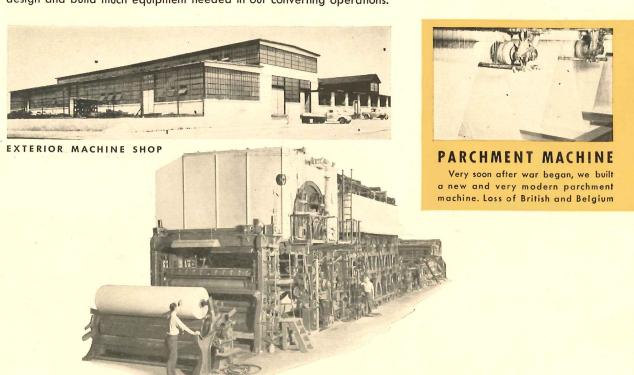




MACHINE SHOP

To see gun mounts and other direct war material being turned out in a paper mill machine shop is something even the old timers could scarcely believe. But that is one of the first jobs KVP machinists had to do in the big new addition at the war's beginning.

With KVP quickly designated as an "essential industry," and with new or replacement equipment impossible to get, the need for the best possible maintenance facilities has been extremely vital during the war. To keep the great paper machines running full time has been the job of this department, and the greatly improved physical layout of the shop has been of much help. Following the war, we will be able to do even more of our own maintenance and construction, and design and build much equipment needed in our converting operations.



NO. 2 YANKEE MACHINE

Dry End

Never used at all for peace time paper, we were allowed to build this second new "Yankee" paper machine to help increase the essential papers needed for the war. These have been chiefly food protection papers for both military and civilian needs.



NO. 2 SHIPPING

The word "logistics" has come into frequent use during the war. Broadly speaking, it means the supply of necessities to the armed forces. This involves transportation, for an army is no stronger than its supply lines.

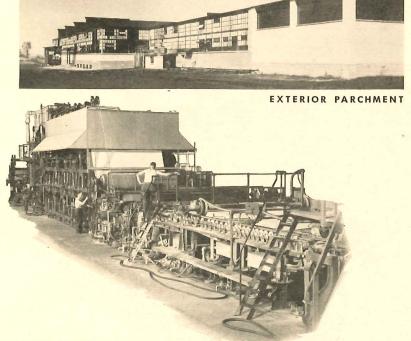
No single war development at KVP has done more to help in the war effort than the construction of the big No. 2 Shipping Warehouse. It provided needed space to accumulate shipments in order to be able to fill freight cars and trucks to their limits. Paper from other local mills is likewise accumulated here and these new warehouses and dock facilities have been of inestimable help in breaking what would otherwise have been a serious bottleneck.

Peace time use will be equally valuable as two new paper machines have doubled the original production of No. 2 Mill, and the old shipping space would be unable to handle the increased tonnage.

production made the world parchment situation very critical. This new machine, plus improved performances of the older machines, has therefore been an important contribution to the war effort.

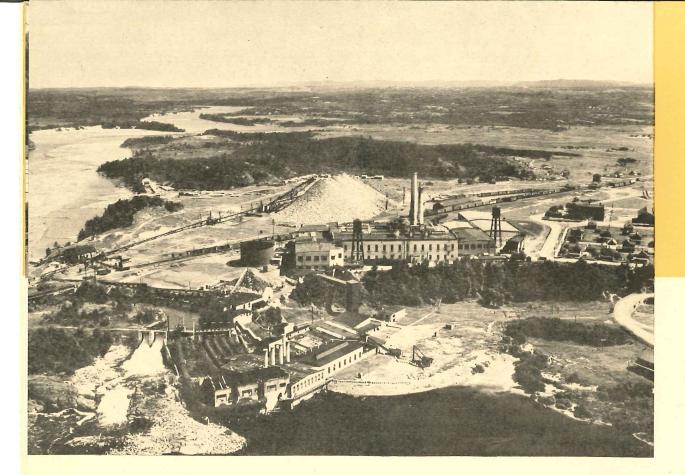
Millions of extra pounds of genuine vegetable parchment have been available for lend lease, and for the greatly increased demands for this vital paper due to the war.

The machine's capacity will be available for peace time needs and should ultimately bring about better quality and lower cost.



In peace, this machine will contribute to a further diversification of our products. Close to "the last word" in paper machine design, it should make an enviable record in the economical production of quality papers.

NO. 2 YANKEE MACHINE
Wet End



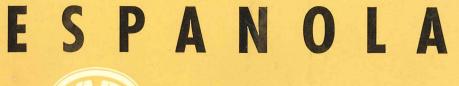
ESPANOLA

The most important step taken by KVP in our plans to be ready for peace has been the purchase, in 1943, of a pulp and paper mill at Espanola, Ontario, Canada. Espanola is on the Spanish River 150 miles east of Sault Ste. Marie and 30 miles north of Lake Huron.

Improved quality, always a KVP goal, will be one of the major results of this development. We will now be able to make pulps to our exact specifications and thus have a better control of our raw stock. Expected economics of an integrated mill (one which is both pulp mill and paper mill combined, under the same ownership) will enable us to market a superior line of papers without having to charge a premium price. Less than 500 miles from Kalamazoo, Espanola assures us the closest possible source of available pulp timber on this continent. In normal times, about half our pulp comes from the west coast, and the remaining half from Norway, Sweden and Finland.

These factors will improve our position in a highly competitive field and act as "job insurance" not only here, but for another live and flourishing "model village" in Canada. The town of Espanola, with its three churches, its schools, and its good hotel, is experiencing a most welcome rebirth and will once again be a thriving community.

Because the original mill at Espanola made groundwood only, a complete new chemical pulp mill is being built as fast as war-restricted materials are available. When complete, it will have a daily capacity of 200 tons of bleached sulphate (kraft). This is sufficient to provide a substantial part of our total pulp requirements.





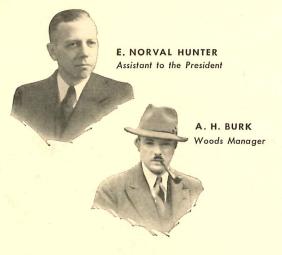
This expansion has been undertaken to assure greater security for the Company, and hence for all its employees, in the highly competitive era that will follow the war. It is being paid for with borrowed money. The directors of the Company have felt justified in using the Company's credit to secure this loan. They have every confidence that the new plant will not only pay its own way, but will retire the debt in a reasonable length of time.

Some 6,500 square miles of timberland are in the tracts now made available by the Canadian Government. This would make a strip two miles wide from San Francisco to New York, and back to Kalamazoo. Poplar, jack pine, spruce and balsam will be used. With proper care, this land can be expected to produce indefinitely an annual timber crop to keep the mill running at capacity. A great part of the logs will be floated down the same stream that makes available 10 to 20 thousand horsepower for running the mill.

A great many of the Parchment plant's employees are looking forward to the time when gas and tires will again be unlimited and they can visit the Espanola mill. It is located in the midst of some of the best hunting and fishing territory in North America and will be a great vacation center for Kalamazoo folks in years to come.

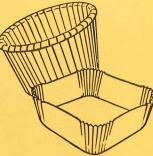
Construction is progressing nicely, and woods operations are under way. Some pulp wood has already been delivered. It is expected that sometime in 1946 will see the first laps come off the wet machines. Equipment will be so new and so modern that we can well call the new member of the KVP family "The World's Model Pulp Mill."











BAKING CUPS







Howey PAPER PRODUCTS CO.

In 1943, the Company bought The Harvey Paper Products Co. at Sturgis, Michigan. This concern had long been a KVP customer, buying many types of paper for conversion into paper specialties for the hotel, baking, and restaurant business. Nested containers (soufflé cups, pan liners, etc.) and place mats take the major production. Harvey deservedly enjoyed a very high reputation in its field, and KVP's acquisition has strengthened this position.

As the result, we have a permanent outlet for an increased volume of converter papers. We are also able to round out our own line of household specialty papers.

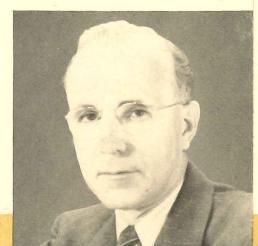
The war has greatly increased the need for many of the Harvey products. Their new usefulness will carry over into peace times, and many new products are on the plan board. Next to Espanola, this has been the most important KVP development in recent years. It should do much to add not only to job security for all of us, but also to add greatly to KVP's usefulness in the years to come.













KVP COMPANY OF TEXAS

The Southwest has long been an important market for KVP. To strengthen our position there by giving better service to the area, we located a converting plant at Houston in 1938. It is known as The KVP Company of Texas and serves not only the Lone Star State but others of the South and Southwest.

The equipment includes printing presses, waxing machines, rewinders, a cutter and a trimmer.

Houston is ideally located to serve this market. Growth of the company's business there has been steady from its very beginning and we are in an excellent position to expand our markets and our operations as we make ourselves increasingly useful in the days to come.

DEVON, PENNSYLVANIA

In 1939, to give better service to our growing eastern business, we set up a converting plant in Philadelphia. Its growth was steady and with the need of more space, we found it desirable to secure property of our own where greater expansion can be carried out as the need arises.

An excellent location was found in Devon, a small community just outside of Philadelphia. Present facilities include equipment for printing, waxing, and rewinding.

This is a form of "decentralization" which is of growing importance in our economic system, and is already doing much to secure our position in the large but highly competitive eastern market.





THE ORGANIZATION

OFFICERS



Sales Manager



Secretary Assistant Treasurer

J. KINDLEBERGER "Uncle Jake" Founder - Chairman of the Board

R. A. HAYWARD President General Manager



H. H. JONES 2nd Vice President Sales



J. B. KINDLEBERGER 3rd Vice President Sales



C. S. CAMPBELL Treasurer (From founding of the Company, Oct. 27, 1909)



W. R. HESS Assistant Secretary

MANUFACTURING



ROBERT STEWART Paper Mill Superintendent



FRANK LIBBY Manager of Manufacturing

CONVERTING



Paper Mill Superintendent



JOHN WOOD Production Manager



DELLMORE MOFFETT Superintendent



Superintendent Wax Division



Superintendent Parchment Division

ENGINEERING



HARLEY McDANIEL Electrical Superintendent

RESEARCH



S. L. FOSTER Chief Engineer

MAINTENANCE

FRED TER BURGH Master Mechanic

PURCHASING



A. BROWN Cost and Purchasing



C. KINDLEBERGER, JR. Purchasing Agent

DR. G. F. DES AUTELS



R. GERMANSON



ROBERT HUSTON

Manager Industrial Relations



JACK SINCLAIR
Employment Manager



A. J. DUNNING
Traffic Manager

SALES and ADVERTISING



C. F. CHRISTY
Sales Manager
Parchment Division



W. H. FLETCHER

Sales Manager

Bread Wrappers



Sales Manager Fine Papers



C. C. SHERMAN
Sales Manager
Wrapping Papers



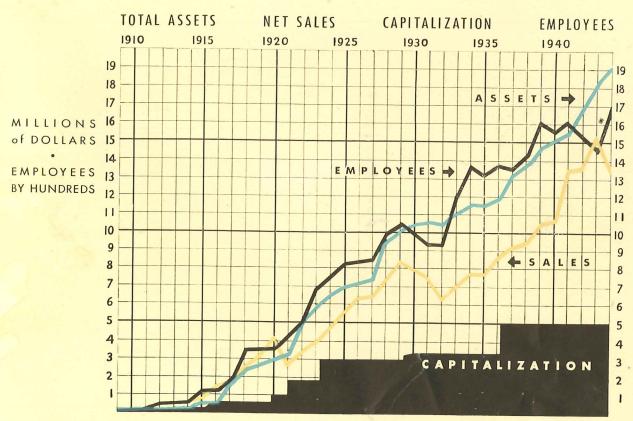
W. DONALD BROWNELL
Sales Manager
Household Specialties



FRANKLYN SHIRE
Art Director



GLENN STEWART Advertising Manager Editor KVP Philosopher



* Includes Harvey and Espanola Employees

35 YEARS OF GROWTH

"This mill has grown in answer to my prayer that we may serve humanity."

-J. Kindleberger

KALAMAZOO VEGETABLE PARCHMENT COMPANY PARCHMENT . KALAMAZOO . MICHIGAN