

Cow Sheds

Milker's Dormitory

Emergency Hospital (?)

Calving Barn (bldg 6)

Hammer Mill

Milking Barn (bldg 5)

Creamery (bldg 4)

Cow Barn (bldg 3)

Cow Barn (bldg 2)

Cow Barn (bldg 1)

Hay Barn

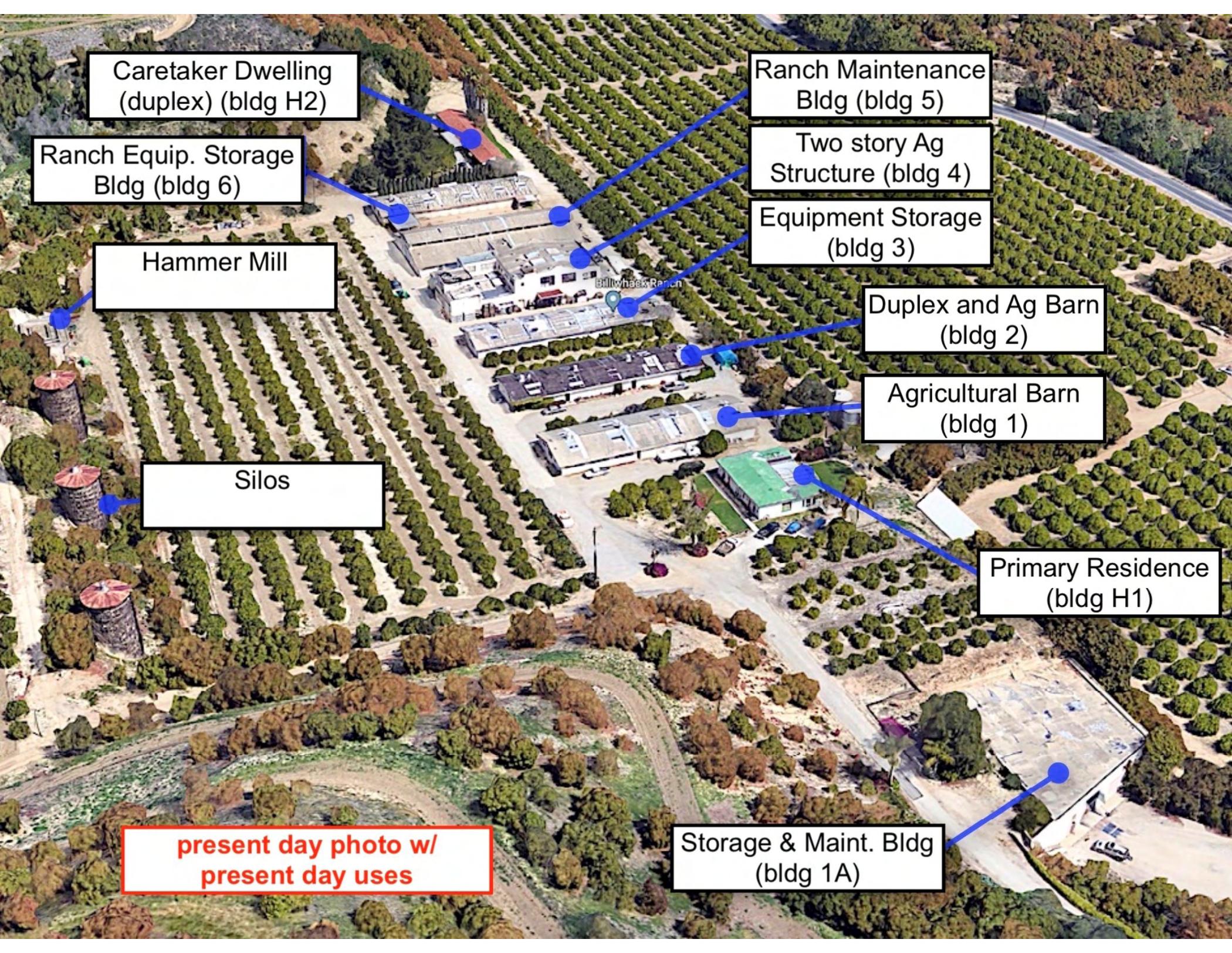
Office

Silos

2-Story Dormitory
Commercial Kitchen

Garage

1920's Dairy Photo w/
historic bldg labels



Caretaker Dwelling
(duplex) (bldg H2)

Ranch Equip. Storage
Bldg (bldg 6)

Hammer Mill

Silos

Ranch Maintenance
Bldg (bldg 5)

Two story Ag
Structure (bldg 4)

Equipment Storage
(bldg 3)

Duplex and Ag Barn
(bldg 2)

Agricultural Barn
(bldg 1)

Primary Residence
(bldg H1)

Storage & Maint. Bldg
(bldg 1A)

present day photo w/
present day uses

STARGAZER SAW:
BILLIWHACK officials pre-
paring for the opening of their
nursery in Aliso canyon Sunday.
* * *

Billiwhack Dairy Property Now Seen As Private Boys' School, Sale Reported

The Aliso canyon property that once housed the Billiwhack dairy has been sold again and is to be turned into a private boys school.

That was the information revealed at the county supervisors meeting today when talk turned to a discussion of a special land use ordinance permit and to the establishment of a small animal shelter.

Howard Ferguson, present owner of the Billiwhack dairy property, had asked for a special use permit to establish a recreation center in Aliso canyon. The county planning commission today submitted to the supervisors a recommendation that the permit be approved.

But, along with the recommendation, Louis J. Borstelmann, county planning engineer, revealed to supervisors that since the time that the commission acted,

Ferguson had sold the property to Harry Royce of Los Angeles, one-time affiliate with Westmont college, and that sale papers now are in escrow. Supervisors, therefore, tabled Ferguson's request for a special use permit.

It also developed that the Southern California Humane society, with which the county and cities have been working to establish a countywide small animal shelter, had worked out an agreement with Ferguson to use a building on the Aliso canyon property for the shelter, instead of using the Saticoy dump, as originally planned.

Supervisors, however, decided to wait a week before taking any action on the contract. The delay was asked because supervisors want more time to ascertain how much it will cost to operate the shelter in an already erected building.

In other action today, supervisors approved a contract with the Southern California Humane society for the cooperative establishment of a small animal shelter on the old Billiwhack property in Aliso canyon. The contract calls for the society to operate the center, to pick up and impound animals, take care of dog bites and the like. The contract runs for a year and as its share in the project the county will pay \$368 a month.



Photo by John Richards

HE'D MAKE A FINE PET—The speaker (Hugh Laughlin, county representative of the southern California Humane Society) is talking about the dog (Rex). Rex is one of the 63 boarders at the Billiwhack farm home of the society, for whom Laughlin is seeking homes. If you need a pet, the society can supply one, Laughlin says. Oh, yes, this is "Be Kind to Animals" week.

PLENTY POOCHES FOR DOG-LOVING FAMILIES

By JOHN B. RICHARDS

About 63 canine orphans, who are currently bivouaced at the Billiwack dairy ranch near Saticoy, are barking this plea to dog-lovers—"Please give us a home."

They point out that this is "Be Kind To Animals" week and say that one of the sweetest gifts you can give a dog is a chance to become part of your family life.

At present, the pooches are house guests of the Southern California Humane society. While they appreciate the kindness of their host, Hugh Laughlin, they say they prefer more intimate surroundings. Laughlin is all for the idea.

And it isn't because he doesn't love dogs, or animals for that matter. He does. But he would like to see some of his wards begin to enjoy home life, something that is an unknown factor in some of their lives.

ALL SIZES

You don't have to have a castle on the hill to own one of the society's dogs, Laughlin states. There are some small enough to fit into your coat pocket. And the sizes vary. There is a dog at Billiwack to suit your tastes, he asserts.

If you happen to have some unguarded acres that need patrolling, Laughlin would suggest Rex. He is an almost full-grown police dog of somewhat mixed ancestry.

He came from a home in Simi and he knows how to conduct himself indoors. He is friendly and intelligent, and Laughlin says he would make a welcome addition to anyone's home.

The society, which has been operating in the county since April 1, has taken over all phases of animal care. After May 1 the staff of two will be increased to three, and the extra man will handle licensing, Laughlin says.

At present, Laughlin is making the around-the-county calls—about 15 or 20 a day—and keeping the books. His helper takes care of the inside work. There is one truck which covers about 200 miles a day.

The society picks up strays, handles cruelty charges in court, takes care of injured animals, and conducts a variety of investigations. Many of the veterinarians around the county who handled this work before April 1, do not have authority over animal care any longer.

Laughlin says that he has two canine mothers with puppies, who look soulfully at visitors in hopes of getting a home for themselves and their broods.

Some of the others, who have more positive ideas on advertising

for permanent residences, howl at visitors and stick their heads out to be patted, Laughlin says.

He will also point to one dog, who was strung up to a fence post by someone who enjoys seeing animals suffer. He still wears some scars, but he has a roughish twinkle in his eye, and he doesn't seem to have lost his faith in mankind.

Just in case you're interested in getting a dog, the Billiwack ranch is located in Aliso canyon. Just drive down Foothill road until you pass the Teague ranch, turn left (if you are coming from Ventura) and follow Aliso road until you come to the ranch.

Laughlin says that there is a small fee for licensing and impounding, but it can't cost much. And a dog is yours.

Scouts Practice For Big Camporee

Scout troops throughout the county are holding practice camps in preparation for the council-wide camporee to be held at Steckel park May 15 and 16.

Among them are Troops 103, 104, 105 and 114 of Ventura; troops 202, 203 and 204 of Oxnard; troops 306 and 315 of Santa Paula; troop 604 of Thousand Oaks; troops 402 and 404 of Fillmore and troop 601 of Moorpark.

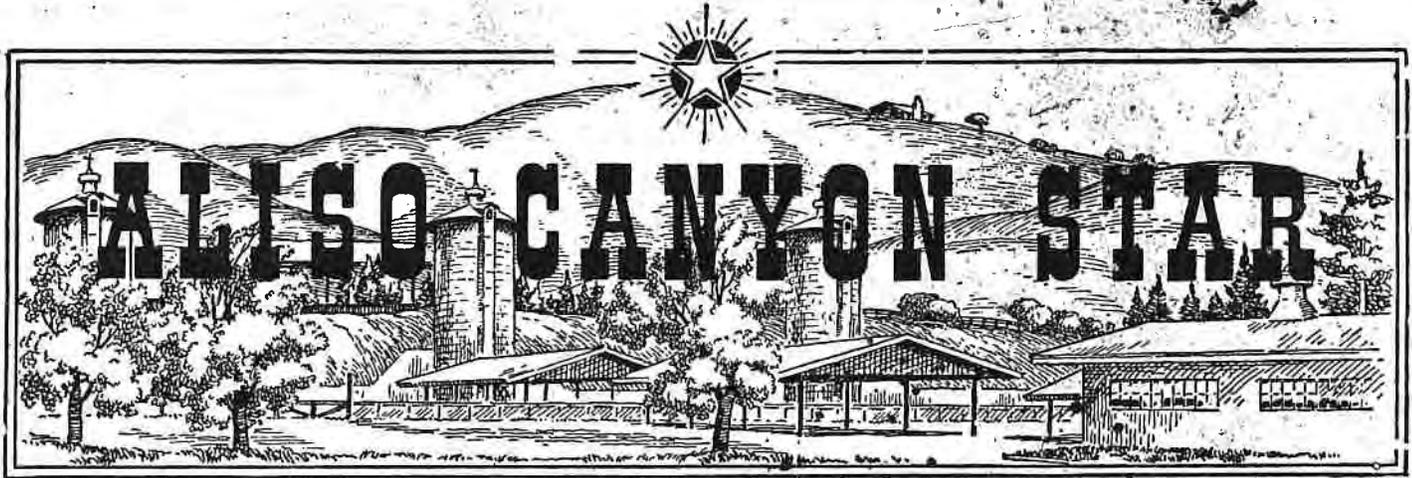
The skill of building fire without matches is being practiced by many scouts in preparation for the competition, according to Lynn VanDelinder, district commissioner in charge of the event.

Guy Harts, council commissioner in charge of the camporee program, has pointed out that during the two-day event the patrols will be judged for their ability to camp comfortably and their proficiency in the many skills of scouting.

Awards for the camporee will be made Sunday afternoon, May 16, at a special program open to the public.

Expectant Mother Classes Postponed

In announcing that there will be no class tomorrow for expectant mothers, Dr. Frank E. Gallison, county health officer, disclosed today that a new series of prenatal classes will begin next week with a different meeting day and time.



EDITORIALETTE

MAY 1948

Have you ever been spiritually hungry? I have, and I venture to say that many who read these words can say, so have I. When the physical body gets hungry you sit down at a table and eat—provided, of course, that the food is available. Then, too, you have a special place to eat and the more quiet and restful the surroundings the better the food is digested and the more good for the body.

Retreats are made for spiritually hungry men and women. Christians everywhere are starving for spiritual food because they are too busy to 'sit down and eat.' A half hour capsule once or twice a week is not enough for Christians who want to be gloriously alive to the things of God.

Starlight Retreat in Aliso Canyon, Ventura Co, stands ready to serve businessmen, housewives, and young people everywhere. Quiet times for the soul, recreation for tired bodies and Christian fellowship make a retreat experience one that you will never forget.

Give God your best not what is left after the world gets through.

STARLIGHT RETREATERS

All those who have 'retreated' or plan to 'retreat' or who are interested in developing the retreat program are invited to join the 'Retreaters.' Memberships in this group are based upon the same divisions as the Leaguers. Many of our friends have already applied for memberships in both groups.

Special plans are under way for the retreat members that will make anyone glad that they belong.

CHRISTIAN INSTITUTE LEAGUE GETS UNDERWAY

Folks in Ventura County and elsewhere upon learning of the plans for a Christian trade school on the west coast, have been inquiring as to how they might be helped in getting the work started. Because of this most welcome interest a 'league' of friends of the Institute has been formed and many applications for membership have already come into headquarters. Regular memberships will have dues of \$1.00 per year—and then there are contributing, sustaining and life memberships, making room for large, sustaining and small gifts. 7000 memberships in the league is our goal.

Memberships include a full day picnic with eats free—regular subscription to the 'Star'—priorities on conference and retreat arrangements and full fellowship in all the activities and program of the Institute.

All gifts and dues paid to the corp. will be used in the establishment and operation of the Institute or for the development and maintenance of the retreat and conference program. The books of accounts and records are open for inspection at any time to anyone interested. A full report will be made at least once a year to the membership.

THIS IS IMPORTANT

The International Christian Institute of California is a non-profit corporation—under the provisions of Title XII, Part IV, Division First of the Civil Code of the State of California.

ARTICLE III

"This corporation is one that does not contemplate pecuniary profits or gain to the members thereof. No distributions shall be made to members whether by dividends or otherwise."

BENEFICIARY

Under Article XI this corp. has been required by law to name a beneficiary in event of its dissolution. No assets or properties of any kind may accrue to its members.

International Christian Institute of California has charter accepted by state February 24, 1948

Objectives & purposes of new corporation.

To organize, establish, conduct and maintain an interdenominational, non-sectarian and coeducational school or institution for the instruction of students and the promotion of Christianity; to prepare students for higher education and to meet the normal experiences of life; to teach the principles of manual arts, home economics and other courses for the intellectual, moral, spiritual and physical development and improvement of mankind; to train and educate students for missionary work: in establishment and maintenance of missions, hospitals, orphanages, homes for the aged, and churches both domestic and foreign.

To furnish food and other aids and necessities recommended by this corporation; to provide bible conference and retreat facilities. To provide instruction and aid to persons who personally attend the courses of study and instruction, as well as to those who are at a distance.

To issue certificates or diplomas, evidencing completion of courses of instruction, to its students who are deemed proficient and fitted to receive them.

To establish and grant scholarships and otherwise reward deserving and worthy students.

To endeavor to develop well adjusted, purposeful and Christian character in men and women.

Fundamentally, the Institute has for its basic purpose the winning of men and women for Christ. Once that life has been won it must be challenged to its very depths. Young people, men and women everywhere, are ready for such a challenge. Bible teaching, trades and domestic sciences provide tools for service. The Institute proposes to provide the tools and the challenge. The students, with God helping them, will do the rest.

Published every once in a while by The International Christian Institute P.O. Box 151, Santa Paula, Cal.

8 Santa Maria Times

Wednesday, June 27, 1951

New Plant Opens . . .

Santa Paula, June 27 (U.P.) — Pacific Electronics will soon open a new research and manufacturing plant in Aliso canyon near here, company officials announced today.

Applications for employment at the plant, which will be one of the largest in Ventura county, are now being taken. Officials predict work will be provided for more than 300 families.

★ New defense contracts

The Los Angeles Chamber of Commerce today made public the following list of government defense contracts (\$25,000 or more) just awarded to Southland companies, which offer sub-contracts or materials sales opportunities. In some instances they also mean job opportunities:

Bendix Aviation Corp., North Hollywood, Solenoid valves for submarines, \$31,914.
Haddock Engineers, Montebello: Hot spray machines, \$30,676.
Armco Drainage & Metal Products, L. A. and Middletown, Ohio: Prefab buildings, \$152,000.
Schrillo Aero Tools, L. A.: Thread gauges, \$29,000.
Phelps Dodge Copper Co., L. A., New York and Elizabeth, N. J.: Condenser tubes, \$131,000.
Holly Mfg. Co., Pasadena: Starters, exceeds \$250,000.
McColpin Christie, L. A.: Rectifiers, \$50,000.
Hoffman Radio Corp., L. A.: Radar equipment, exceeds \$250,000.
Radioplane Co., Van Nuys: Radio receivers, \$37,000.
Pacific Electronic and Mon TV & Electronic, Saticoy: Crystal units, exceeds \$250,000.
AIResearch Mfg. Co., L. A.: Actuators, \$110,000.
Douglas Aircraft, Santa Monica: Baffle assemblies, \$39,000.
South Coast Co., Newport Beach: Minesweepers, exceeds \$250,000.
Skarda, Inc., El Monte: Pistons, \$33,000.
L. N. Schwien Engineering, L. A.: Synchro devices, \$55,000.
Hallett Mfg. Co., Inglewood: Generators, \$166,000.
Aerolab Development, Pasadena: Pilotless aero., \$31,000.
Garrett Corp., L. A. and Phoenix, Ariz.: Actuators, \$130,000; starter valves, exceeds \$250,000; valve bearings, \$10,000; power units, \$54,000; control valves, \$92,000.
Pacific Electronics, Saticoy: Electron tubes, \$52,000.
Royal Heaters, Inc., Alhambra: Fuel tanks, exceeds \$250,000.
Imaging Associates, Pasadena: Demonstrators, \$25,000.
Keene S. Jackson, Glendale: Fire control equipment, \$75,000.
General Water Heater Co., Burbank and S. F.: Water heaters (no amount given).
Waterproof Electric, Burbank: Radio cases, \$98,000.
Mission Appliance, Hawthorne: Collective protectors, exceeds \$250,000.
Price Pfister Brass, L. A.: Hand grenades, exceeds \$250,000.

Electronics Firm To Open New Plant

SANTA PAULA, June 28 (U.P.)— Pacific electronics will soon open a new research and manufacturing plant in Aliso canyon near here, company officials announced today.

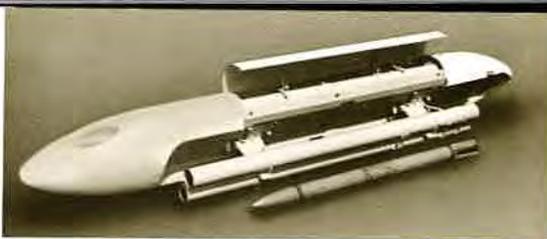
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HOUSTON
FEARLESS
CORPORATION

ANNUAL
REPORT

1959



HORKEY-MOORE DIVISION
Torrance, Calif.



WESTERN SURGICAL DIVISION
10 Western locations



FEDERAL DIVISION
Boston, Mass.
Dorchester, Mass.
Newport, N. H.



HOUSTON FEARLESS DIVISION
Los Angeles, Calif. - Saticoy, Calif.



HOUSTON FEARLESS CORPORATION

Board of Directors

Noah Dietrich, Chairman	Dean Schneider*
Walter Girdler*	Emmett T. Steele
Edward J. Horkey*	Barry J. Shillito*
H. W. Houston	Robert Slater*
Lt. Gen. C. S. Irvine, USAF (Ret.)*	R. C. Wilcox
George E. Johnson	Richard Woike
Frank Nichol	*Subject to charter amendment.

Officers

George E. Johnson—President
 Barry J. Shillito—Executive Vice President and General Manager
 Richard Woike—Vice President, Finance
 Edward J. Horkey—Vice President, Engineering
 H. W. Houston—Vice President, Research and Development
 Emmett T. Steele—Vice President, Sales
 Thomas C. Clark—Assistant Vice President; General Manager, Houston Fearless Division
 Harvey L. Karp—Secretary and Treasurer

Corporate Offices

Houston Fearless Corporation · 11801 West Olympic Boulevard, Los Angeles 64, California

Transfer Agents

Security First National Bank, Los Angeles, Calif.	Chemical Corn Exchange Bank, New York, N.Y.
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Registrars

Union Bank & Trust Co., Los Angeles, California	Empire Trust Co., New York, N.Y.
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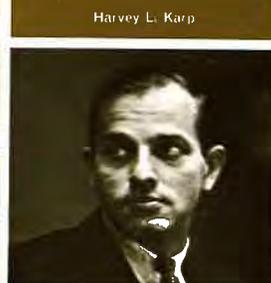
Barry J. Shillito



Richard Woike



Emmett T. Steele



Harvey L. Karp



Noah Dietrich
Chairman of the Board



George E. Johnson
President

TO OUR SHAREHOLDERS:

During the final quarter of the year 1959 Houston Fearless Corporation underwent a fundamental change in policy, program, character, and management. It has been recapitalized, revitalized, and has embarked on a long-range space age program. Basic to the continuing success of these long-range plans is our immediate move to broaden and strengthen the new management base of Houston Fearless, assembling a proper balance of capable business executives, scientists, and engineers.

To clear the way for expansion and new objectives management has concentrated on (a) the elimination of unprofitable operations, (b) the disposal of obsolete inventory, and (c) the realistic write-down of unnecessary assets. This was done deliberately and with full realization of its approximately \$1,400,000 adverse effect on the 1959 figures. These are non-recurring items and must be borne in mind in reading the Combined Profit and Loss Statement, which as a consequence is not indicative of our 1960 profitable operations. Further, this action increased the company's Loss Carry Forward to \$1,500,000 which will exempt an equivalent amount of future earnings from federal income taxes. An added favorable factor is the conversion of the company's notes and debentures in an amount of \$1,700,000, which together with the effect of the write-offs will reduce yearly expenses by \$200,000. We look forward to a prosperous 1960.

In early September, upon approval of our plan of recapitalization, we began bringing into the company management personnel with the proven experience and imagination necessary to the achievement of our long-term objectives. One of the first to join us was Barry J. Shillito. With 18 years' experience in the electronics and aeronautical industries, he was most recently sales and administrative head of a major electronics-aircraft company. Mr. Shillito is now executive vice president and general manager of Houston Fearless Corporation. As previously announced, he becomes president of the company in May of this year.

Of particular interest to our shareholders at this time is the acceptance by Lt. Gen. C. S. Irvine, USAF (Ret.) of our invitation to join the Houston Fearless board of directors. General Irvine before his retirement last year was Deputy Chief of Staff for Materiel for the United States Air Force.

Under the direction of an enterprising and forceful management, Houston Fearless has already demonstrated measurable progress in penetrating the vigorous growth fields of advanced military and industrial electronics. Through acquisitions, and through rapid internal development of our own technological capabilities, the several divisions of Houston Fearless are now involved in the design, development, and manufacture of precision equipment used in many of our country's most advanced weapons systems. With a major part of the defense dollar now going into communication and support equipment for these weapons, we have begun a strong program of research and development to assure Houston Fearless of a broad position in these fields during the ensuing years. Outstanding scientists have joined us in the past six months, and the results of their efforts have already been demonstrated in substantial contractual coverage for projects of an advanced military nature, particularly in the fields of new and unusual communications techniques.

While maintaining our position as the world's largest manufacturer of precision film processing systems for both military and industrial use, we have also strengthened our national marketing offices with outstanding and aggressive sales personnel. In addition, overseas sales outlets are being activated, with the immediate prospects of added volume from this important source. Recent changes

in the distribution structure of the company will lead to a more efficient and profitable flow of Houston Fearless products to our customers throughout the world.

Early in our program of reorganization we adopted a major policy of acquisition of sound companies with demonstrated growth potentials, progressive managements, and vital products capable of being manufactured and marketed at a profit. In November we acquired just such a company in Federal Machine of Boston and Newport, N.H. With sales approximating \$2,000,000 annually, Federal has a strong potential position in the fields of automated chemical process control systems, microwave equipment, and precision components for inertial guidance systems. Our new Federal Division has demonstrated over a period of many years its ability to operate at a profit. There is every indication that Federal will become even more profitable as it expands as part of the Houston Fearless complex.

Another company fitting into the growth pattern charted for Houston Fearless is Horkey-Moore Associates of Torrance, Calif. This outstanding research-engineering-manufacturing company was acquired shortly before the end of our fiscal year and it has already made valuable contributions to overall Houston Fearless capabilities in the missile and aerospace fields. Sales of the Horkey-Moore Division are in the order of \$3 million annually and its acquisition has brought to Houston Fearless one of the most highly respected engineering teams in the United States today.

A field destined to benefit by the full impact of electronic techniques in the immediate future is that of medicine. Population expansion and a shift in the economics of medical care will result in a far greater market potential for electronic equipment in our nation's hospitals, doctors' offices, and medical centers. To profitably contribute to this advancement Houston Fearless, in 1959, purchased Western Surgical Company, Ltd., of Los Angeles. Western Surgical, with sales of \$7 million yearly, will constitute our medical-electronic equipment marketing division.

Houston Motion Picture Service of San Diego will be an acquisition of particular significance, bringing H. W. Houston, one of the founders of our company, back into our organization as vice president and board member. Products of its San Diego plant include a recently perfected Kodachrome film processing machine—now in production—of substantial sales potential. It is one of the first machines of this type offered to the thousands of film finishing houses throughout the country on a competitive price basis.

During the past six months Houston Fearless Corporation has experienced an unprecedented expansion. The number of our employees has increased 300%, facilities have increased 500%, and our stockholders have almost doubled to the present 7,128 registered names. It was a period of marked accomplishment.

Leading economists predict that the next decade will be a period of population growth and technological change unprecedented in history. Products and processes unknown today will receive widespread acceptance within a few short years. This will affect our lives, our work, and our leisure immeasurably. Electronics and nucleonics will play an even greater role. Our country's space projects will be costly in time, effort, and money, with consequent growth in budgets. It will therefore be an age of limitless opportunity for those companies capable of reacting promptly to our country's needs with sound products for military and industrial use.

With a pattern of expansion already established and a vigorous management group to assure its continuance, Houston Fearless Corporation enters the year 1960 a strong and growing company, ready to assume an increasingly prominent place beside our nation's other industrial leaders in the promising decade ahead.

Respectfully,



Chairman of the Board

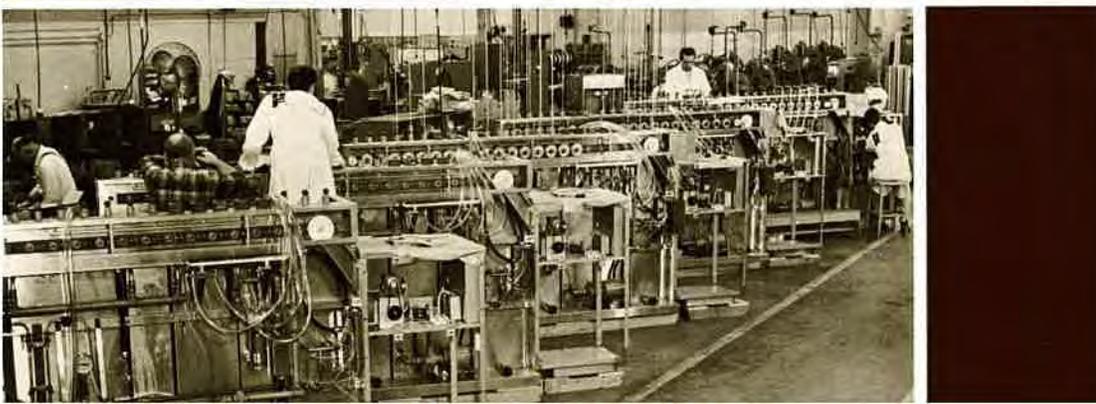
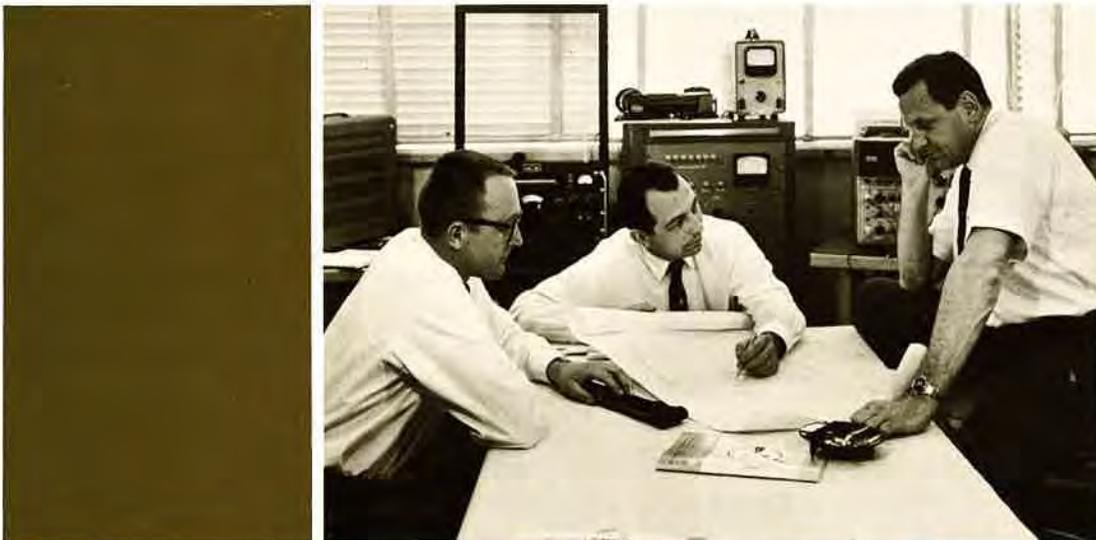


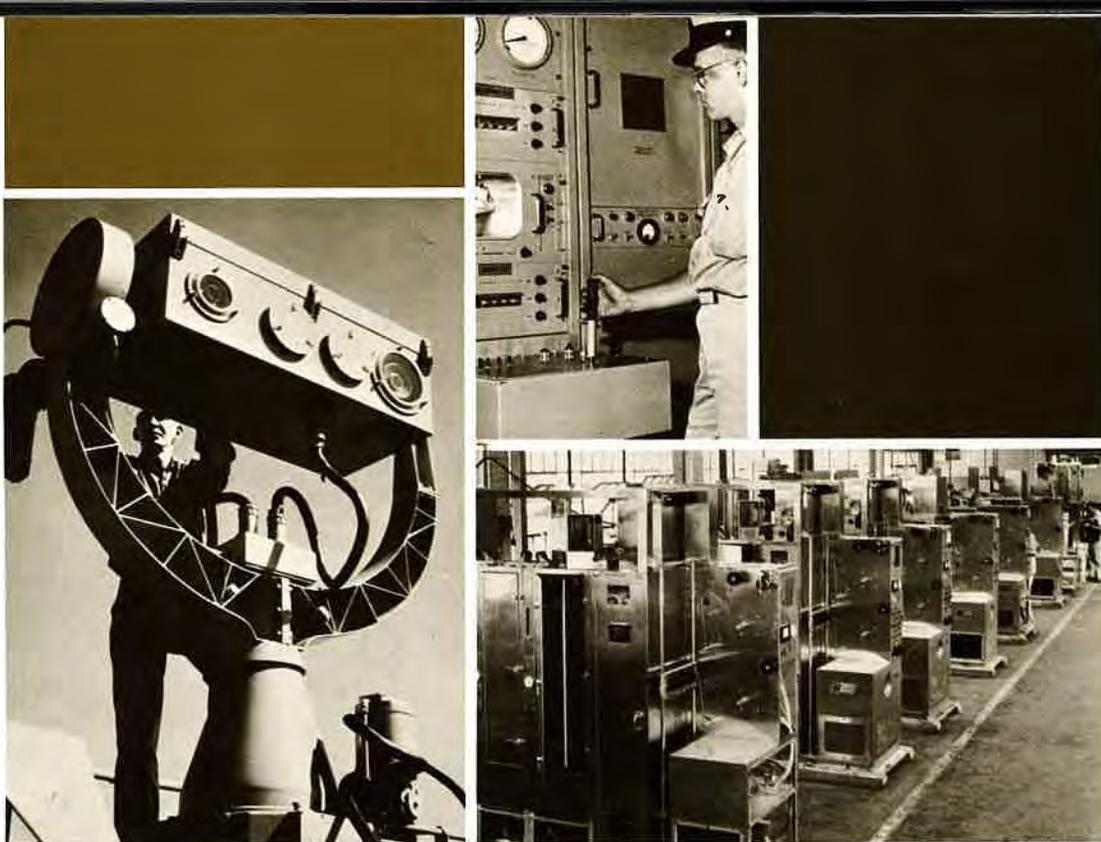
President



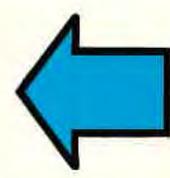
The recently designated **HOUSTON FEARLESS DIVISION** in Los Angeles, an important part of the company's expansion program, during the past six months has centered its activities mainly on increasing product diversification into the fields of advanced military and industrial electronic and photographic processing equipment. Shortly after year-end the division expanded its facilities by taking possession of a modern manufacturing plant adjacent to its present 80,000-square-foot plant. Primarily this facility will be used in the development and manufacture of communications systems now in final research stages.

Remote control tracking equipment, designed and manufactured in this division, is now installed for monitoring Polaris missile firings from the U. S. Navy nuclear submarine *George Washington*.





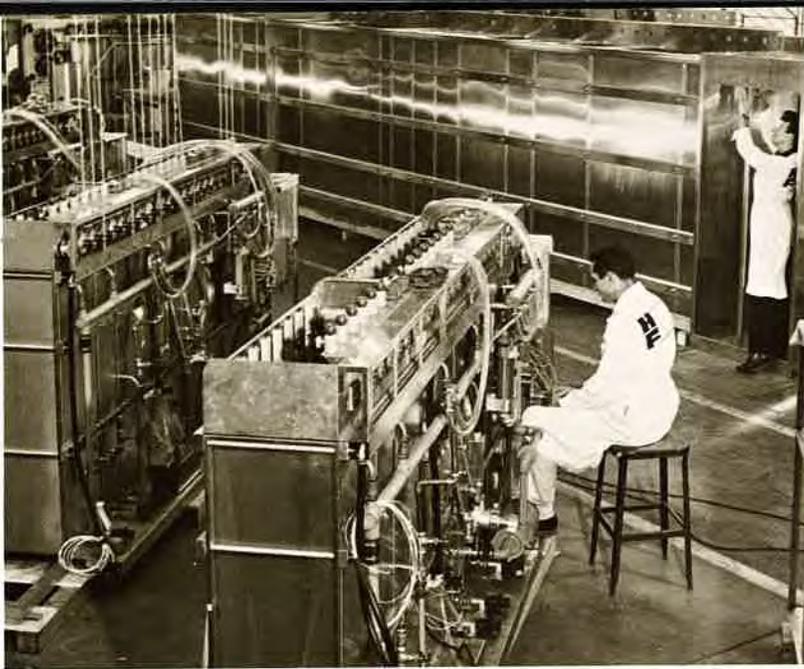
Follow-on supply of these systems is expected as the nation's nuclear submarine fleet grows. A major contract was received late in the year to supply Houston Fearless astrodomes for instrumentation of the Army's drone tracking station near Ft. Huachuca in Arizona. Sale of these units, manufactured at the division's Saticoy, California plant, holds much promise in the space age ahead. Currently being manufactured in increasing numbers for the country's missile arsenal are liquid oxygen diffusers, impellers, exotic fuel pumps, extreme pressure storage tanks, and a series of ultra precision rotors for the Titan, with much of this work now being performed on fully automated machines.



Typical of the more advanced activities within the division this year is a series of information processing systems, for aerospace reconnaissance work, designed and manufactured for the U. S. government. First installations indicate that system performance, in both speed and precision, is superior to expectations.

The Houston Fearless reputation for manufacturing film processing machines of the highest quality obtainable was further enhanced during the year by even wider acceptance within the armed services. At the Army's White Sands Proving Grounds laboratories company field technicians installed





H. W. Houston



both color and black and white motion picture film processing machines to permit rapid evaluation of test results. A major installation of Houston Fearless processing systems was also made at the Navy's Pt. Arguello Pacific Missile Range site, with complete instrumentation of this huge facility not yet finished. Design has been completed and installation begun of a mobile processing system for the U.S. Defense Atomic Support Agency's use at its Sandia base near Albuquerque.

With military, industrial, and municipal use of microfilm growing daily, sales potential for the division's microfilm processing machines is very encouraging. A large Houston Fearless installation was made during the year at the Los Angeles County Recorder's office, which processes more microfilm every day than any other municipal office in the country, and response to the company's microfilm marketing program, recently begun, has been excellent.



Labmaster—the registered name of Houston Fearless film processing machines for industrial and commercial laboratory use—earned respect throughout the industry for reliability and long service at a competitive price. Funds expended during the year to introduce new models and modify existing machines will place the company in an even stronger position in this profitable field.

Proposed inclusion of the Houston Motion Picture Service within this division is of unusual importance, since the company will for the first time move into the growing film finishing field. Kodachrome, Kodacolor and Kodacolor print machines will soon be offered to film finishing laboratories at a price that should induce many into the color film finishing operation. Preliminary production schedules for these machines have already been revised and existing orders assure an encouraging sales volume for the entire year.

The company's product group of motion picture and television studio accessories continues in demand at stations throughout the country and in the motion picture industry. A large Mid-West television station recently received national publicity with its fully automated studio using Houston Fearless remote control equipment. With the possibility of reduced studio staffs, more efficient programming, and drastically reduced operating costs, other television stations have begun to install this equipment. Modifications of these remote control units are used to position Houston Fearless microwave parabolas and antenna rotators, manufactured at the Saticoy facility, in microwave transmission and relay systems throughout the country.

While production activity increased in the division during the final quarter of the year, main emphasis was placed on building for the future. Engineering staffs were strengthened, numerous projects were started in the military and industrial communications fields, and the contracts department was more than tripled by the addition of experienced personnel from the electronics and related industries. Rewarding progress was made in all phases of divisional operations and prospects for the coming year indicate an increased rate of growth, sales, and profits.





Edward J. Horkey



The recent acquisition of **HORKEY-MOORE ASSOCIATES** is a move of utmost importance in the realization of Houston Fearless growth objectives for the immediate future. This division's comprehensive aerospace capabilities span the areas of electro-mechanical devices, ballistics, pneumatics, plastic materials, hydraulics, aerospace vehicle sub-system design, and nuclear handling equipment. The creative versatility of its engineering and development staff— assembled carefully through the years by Edward Horkey, former chief technical engineer of a major aircraft manufacturer—is exemplified by an industry-wide reputation for success in solving difficult design and manufacturing problems. Its own growth during recent years in sales, personnel, and physical plant, further attests to an outstanding competence in meeting the technological challenge of the space age.

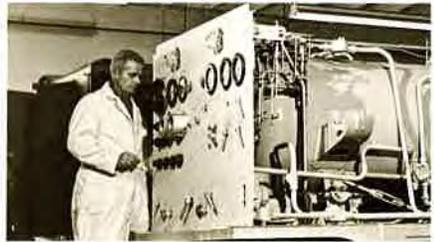
During the year the Horkey-Moore Division expanded its facilities by moving into a new 14,000 square-foot engineering and manufacturing building, bringing to four the total number of units at its Torrance, California headquarters. Construction neared completion—with occupancy scheduled for Spring of this year—on the division's new plastics manufacturing facility in Torrance. Contracts covering production of plastic and allied-material end products have already been received, with a growing volume of work anticipated in both development and manufacturing of molded structures and high-temperature-resistant components.

Typical of the advanced projects successfully undertaken by Horkey-Moore this year was a production-run quantity of force ejection missile launchers for the Convair F-106 Delta Dart interceptor. These titanium units, designed to launch the atomic-tipped Genie missile at supersonic speeds, are now being delivered to Convair in quantity. Also in production and being delivered at this time are a series of ground support units for flight-line loading of ammonia in North American Aviation's GAM-77 Hound Dog missile. The Hound Dog is an air-to-surface atomic missile for use on Boeing Aircraft's B-52G.

Work has recently been completed on a series of bomb and rocket containers for the Norair Division of Northrop Corporation. These pods will be used on U.S. Navy aircraft. Further contracts were received last Spring covering the design and manufacture of engine pods for the General Electric CJ805-23 aft-fan jet engine. These engines will be used to give increased range and speed on the advanced models of Convair's 880 jetliner. A similar pod was designed for B-58 test flights on GE's J-93 turbo-jet engine.

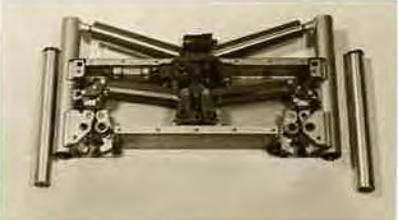
Advanced manufacturing techniques within the division were responsible for a substantial contract to provide the Autonetics Division of North American Aviation with heat exchangers for use in their inertial guidance systems. While these systems will guide aircraft, space vehicles, and naval vessels, the future industrial potential for Horkey-Moore heat exchangers is considered most promising.

In the past year Horkey-Moore has made significant advances in various other technological and production areas of propellant-actuated devices, ground support equipment, missile sub-systems, sonde device ejectors, and nuclear engine remote handling equipment. Progress in these activities



was furthered by the division's extensive environmental testing equipment, with facilities available for the evaluation of mechanical, electronic, hydraulic, and pneumatic components. Additional funds were spent during the year to improve these facilities, which now include the most advanced vibration, explosive, humidity, salt spray, extreme altitude, rain, and sand spraying equipment. Revenues continue to climb as a result of outside contracting for environmental test work.

Demands for high-engineering-content products of absolute reliability are increasing daily as the armed services strive to advance and perfect our country's weapons systems. Establishment of the Horkey-Moore Division brings to Houston Fearless a far broader capability within the missile and spacecraft components field. With a proven record of outstanding growth, a vigorous sales staff, research and development programs of the highest order, ample manufacturing space, and a highly creative approach to engineering problems, the division's progress during the coming years is assured.





Frank Nichol

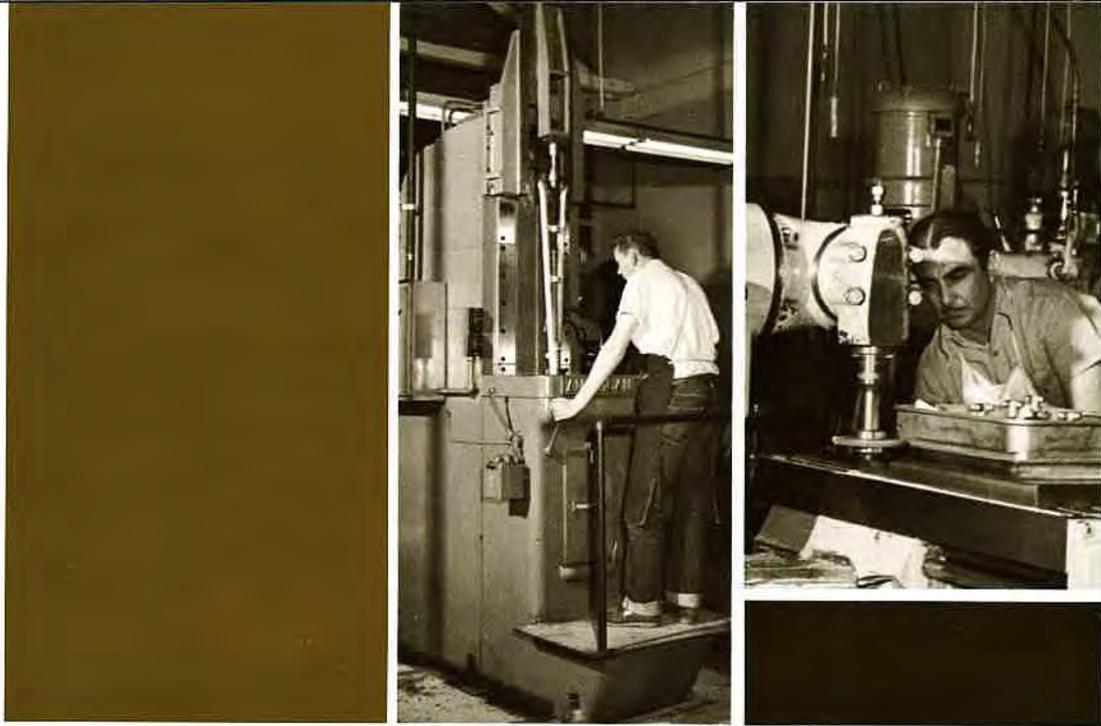


Deep within a missile lie the precision components that control its performance. These components, with routine tolerances measured in tenths of thousandths of an inch, must function with absolute reliability to insure overall system effectiveness. **FEDERAL MACHINE TOOL**, over a period of years, has earned an industry-wide reputation for manufacturing components of the very highest order of precision. These components, requiring constant control and rigid inspection procedures through each step in their manufacture at Federal's three plants, are today found in many of the country's advanced missile systems.

At present Federal is manufacturing four assemblies for Raytheon's Sparrow III missile, along with two important hydraulic components for the same system. Prototypes of assemblies for the Navy's Airborne Radar Target Simulators have just been completed for Westinghouse Air Arm Division, with future production awaiting Navy design approval. Federal is also producing at this time equipment for Raytheon's very successful Hawk ground-to-air missile for the U.S. Army.

Over a period of many years Federal has manufactured literally hundreds of intricate components and assemblies for magnetron power tubes made at Raytheon's Waltham Power Tube Division. In a highly competitive field Federal is presently maintaining the highest quality rating given by Raytheon's Quality Control Standards. The division also manufactures a series of similar components for Sylvania Electric.





Microwave cavities of extremely close tolerances and highly polished silver plated surfaces are manufactured for Boston's Laboratory for Electronics, and Federal has long been one of American Machine and Foundry's major suppliers of components and sub-assemblies for medical equipment.

The division is also engaged on a continuing basis in the production of four of the most important components for U. S. Time's rate gyros. These gyro assemblies, including motor and gimbal housings, have gained for Federal an outstanding reputation in one of the most difficult manufacturing fields.

Expansion of the Federal Division's product group during the year has seen the addition of two new types of equipment with outstanding sales potential. A microwave food processing unit has been successfully developed that will allow food and meat packing companies to process in a matter of seconds large quantities of food that previously required hours or days. One of the most recent successful installations of this unit was at a large Mid-West plant of the Hormel Company.

Further developments have been made on Federal's series of automated chemical processing machines. These machines have been integrated into fast moving assembly line operations at such companies as Electric Auto-Lite and the American Can Company, with a growing potential for this equipment indicated in the years ahead.

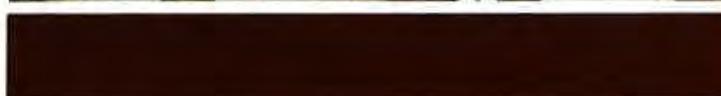
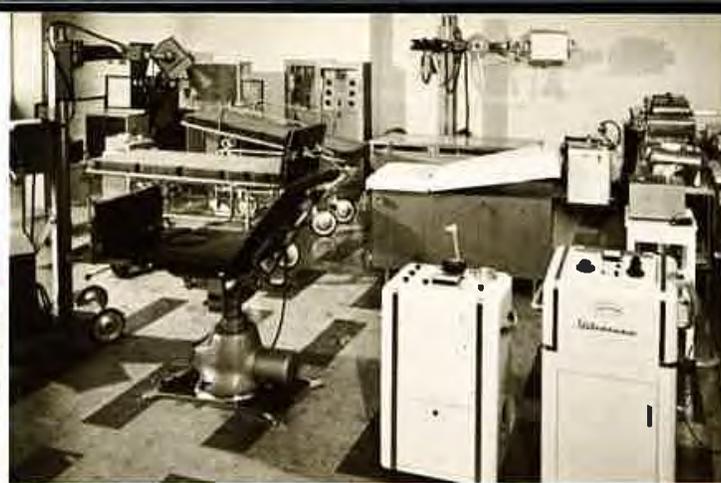
Characteristic of the progress made in the Federal Division this year is a greater emphasis on research and development activities, wherein major effort has been made in the development of electronic and electro-mechanical devices, of a proprietary nature, for both industrial and military use. The division's research and development program has been scheduled to keep Federal in the forefront of its industry, and to assure a steady flow of new products for the years ahead.

With Federal an operating division of Houston Fearless Corporation, one of the most significant results will be an extension throughout the country of its reputation for precision workmanship. Its marketing force will be augmented by that of Houston Fearless, and 1960 sales are expected to exceed all previous records.





Dean Schneider



Purchase of all the outstanding stock of **WESTERN SURGICAL** during the year 1960 by Houston Fearless, a closely held company with a forty-year reputation for excellence. In recent years Western has continued to expand in sales and facilities and production. Dean Schneider, son of Western's founder.

Last year the company's sales grew appreciably, due in part to expansion in the industrial and educational medical fields. Western's sales engineers have been signing and installing complete laboratories in secondary schools, universities and hospitals.

New products were added to its distribution line, particularly in the field of X-ray equipment developed in recent years. The continuing trend toward the use of individual doctors in their own offices has contributed to Western's sales. The units are still being reduced in size and cost, bringing their sales potential to a new level.

In January of 1960 Western was marketing 35,000 different items of X-ray and surgical products at ten locations.

As Houston Fearless reaches the manufacturing stage with more X-ray and surgical equipment, the result should be substantial new business for its Western Surgical Division. At present time, working with a prominent medical electronics research and development engineers have made encouraging progress toward perfection of such products.

The hospital construction field is one in which Western Surgical is very active. A recent trend has been set toward bidding completely engineered hospitals and the division's overall medical experience, coupled with its diverse product line, has placed it in an advanced position. With the new hospital construction rate at its present level, the rate of divisional activity should grow correspondingly.

There is an immediate demand, both here and abroad, for equipment for the latest and most efficient medical techniques. The need for engineered, complete hospitals and research centers will continue to grow.

Houston Fearless, through its Western Surgical Division, will help



HOUSTON FEARLESS CORPORATION

CONSOLIDATED STATEMENT OF INCOME Year ended December 31, 1959

	Companies acquired (through pooling or purchase) by Houston Fearless during 1959 (Note 1)	Houston Fearless Corporation and Houston Color Film Laboratories, Inc., of California	Consolidated
Sales, less discounts and allowances	\$10,202,340	\$ 5,109,870	\$15,312,210
Operating costs and expenses:			
Cost of sales	7,893,927	5,180,137	13,074,064
Selling, general and administrative expenses	1,650,428	573,621	2,224,049
	<u>9,544,355</u>	<u>5,753,758</u>	<u>15,298,113</u>
Operating profit (loss)	657,985	(643,888)	14,097
Interest expense	14,300	134,068	148,368
Amortization of cost of purchase of subsidiaries (Note 1)	<u>—</u>	<u>13,447</u>	<u>13,447</u>
Income (loss) before federal income taxes	643,685	(791,403)	(147,718)
Provision for federal income taxes	<u>337,718</u>	<u>—</u>	<u>337,718</u>
Income (loss) including pre-acquisition earnings of purchased subsidiaries	305,967	(791,403)	(485,436)
Preacquisition earnings of purchased subsidiaries	<u>40,879</u>	<u>—</u>	<u>40,879</u>
Net income (loss)	<u>265,088</u>	<u>(791,403)</u>	<u>(526,315)</u>
Special items:			
Write-down of intangible assets related to discontinued or unprofitable products:			
Engineering and drawings	—	335,143	335,143
Franchises	—	60,170	60,170
Write-off of notes receivable	—	82,359	82,359
Write-off of goodwill and organization expense	—	172,503	172,503
Federal income tax settlement for 1947, including interest and legal fees	<u>—</u>	<u>224,849</u>	<u>224,849</u>
	<u>—</u>	<u>875,024</u>	<u>875,024</u>
Net income (loss) and special items (Note 1)	<u>\$ 265,088</u>	<u>\$(1,666,427)</u>	<u>\$(1,401,339)</u>

Depreciation deducted in above statement \$435,250.

See accompanying notes.

ASSETS

Current assets:

Cash.....		\$ 284,187
Accounts receivable, less allowance for doubtful accounts—\$96,467 (\$848,973 pledged).....		2,662,578
Inventories, at lower of cost or market (\$1,176,556 pledged):		
Finished products and merchandise purchased for resale.....	\$1,139,089	
Work in process.....	890,780	
Raw materials and parts.....	<u>228,695</u>	2,258,564
Prepaid expenses.....		<u>152,244</u>
 Total current assets.....		 5,357,573

Property, plant and equipment (Note 5):

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Net</u>	
Land.....	\$ 132,378	\$ —	132,378	
Buildings.....	702,981	153,005	549,976	
Leasehold improvements.....	88,239	19,704	68,535	
Machinery and equipment.....	1,995,153	1,076,878	918,275	
Furniture and fixtures.....	224,121	86,604	<u>137,517</u>	
	<u>\$3,142,872</u>	<u>\$1,336,191</u>		1,806,681

Cost of investment in subsidiaries in excess of net assets at date of acquisition
(less amortization \$13,447) (Note 1)..... 524,445

Deferred charges and other assets..... 120,868
\$7,809,567

See accompanying notes.

Balances at December 31, 1958 (Note 1):

Houston Fearless Corporation.....	
Excess of investment over equity in net assets of Houston Color Film Laboratories, Inc. of California.....	
Houston Fearless Corporation—adjusted.....	
Western Surgical Supply Company, Ltd.....	
Horkey-Moore Associates.....	
Consolidated.....	
Issue of 196,600 shares for the acquisition of all capital stock of Federal Machine Tool Co. of Boston, Inc. and its affiliates (Note 1).....	
Excess of par value of 502,014 shares of capital stock of Houston Fearless Corporation over the stated value of capital stock of Western Surgical Supply Company, Ltd. and Horkey-Moore Associates (Note 1).....	
Issue of 109,999 shares and obligation to issue 1,274,288 shares of capital stock of Houston Fearless Corporation for cancellation of indebtedness (Note 2).....	
Other issues of capital stock (68,840 shares of Houston Fearless Corporation; 4,610 shares of Horkey-Moore Associates including 1,262 issued as stock dividend prior to date of merger).....	
Cost of treasury shares acquired (72 shares of Western Surgical Supply Company, Ltd.).....	
Net loss and special items (Note 1).....	
Balances at December 31, 1959.....	

See accompanying notes.

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Notes payable to bank, secured by receivables and inventories	\$ 935,085
Notes payable to bank, unsecured	194,012
Notes payable to stockholders	131,692
Accounts payable	1,243,324
Federal income taxes	325,525
Accrued liabilities	390,519
Current portion of long-term debt	<u>207,470</u>
Total current liabilities	3,427,627

Long-term debt due after one year (Note 5)	565,856
6% subordinated convertible debentures (Note 4)	359,000

Contingent liability (Note 6)

Stockholders' equity (Notes 1, 2, 3 and 4):

Capital stock, \$1 par value, 5,000,000 shares authorized—2,382,782 shares issued and outstanding and 1,776,302 shares obligated for issue— at stated value	\$4,179,384	
Paid-in surplus	1,385,315	
Earned surplus (deficit)	<u>(2,107,615)</u>	<u>3,457,084</u>
		<u>\$7,809,567</u>

See accompanying notes.

STOCKHOLDERS' EQUITY Year ended December 31, 1959

Capital stock	Paid-in surplus	Earned surplus (deficit)	Total
\$2,027,643	\$ 841,695	\$(1,151,786)	\$1,717,552
—	—	(494,418)	(494,418)
2,027,643	841,695	(1,646,204)	1,223,134
50,000	43,526	1,074,484	1,168,010
144,505	25,238	41,632	211,375
2,222,148	910,459	(530,088)	2,602,519
196,600	615,358	—	811,958
180,369	(180,369)	—	—
1,384,287	—	—	1,384,287
195,980	39,867	(16,188)	219,659
—	—	(160,000)	(160,000)
—	—	(1,401,339)	(1,401,339)
<u>\$4,179,384</u>	<u>\$1,385,315</u>	<u>\$(2,107,615)</u>	<u>\$3,457,084</u>

NOTES TO FINANCIAL STATEMENTS

Note 1

The consolidated financial statements include the accounts of Houston Color Film Laboratories, Inc. of California after elimination of intercompany accounts. The accounts of this 99.46% owned subsidiary had not been consolidated previously in the Company's financial statements. The \$494,418 excess of the Company's investment at December 31, 1958 over its equity in the net assets of Houston Color Film Laboratories, Inc. of California, as shown by the books of the latter at that date, has been charged against consolidated earned surplus.

During the year the Company entered into agreements to acquire all of the outstanding capital stock of Western Surgical Supply Company, Ltd. and the net assets of Horkey-Moore Associates, in exchange for 502,014 shares of its own capital stock. These shares were issued subsequent to December 31, 1959 upon receipt of permits from the California Commissioner of Corporations. These transactions have been accounted for as "poolings of interests," and the accompanying financial statements show the consolidated financial position of all the constituent corporations at December 31, 1959, and the consolidated results of their operations for the year then ended.

On October 1, 1959 the Company purchased all of the outstanding capital stock of Federal Machine Tool Co. of Boston, Inc. and its affiliates, Federal Machine Tool Co., Inc., Meter-Mix, Inc., and Electronic Processing Equipment Corporation in exchange for 196,600 shares of its own capital stock. The fair value of these shares exceeded the book amount of the net assets of the companies acquired by \$537,892, which amount is being amortized by annual charges against consolidated income over a ten year period.

Federal Machine Tool Company of Boston, Inc. was incorporated October 1, 1959, prior to which time it was a partnership. The accompanying consolidated statement of income includes operations of this company for the three months ended December 31, 1959 (subsequent to its incorporation). If the predecessor partnership had been incorporated for the entire year, consolidated sales would have increased \$1,086,000 and consolidated loss before deducting preacquisition earnings of purchased subsidiaries

would have decreased \$55,000 (after giving effect to pro forma allowances for officers' salaries and federal income taxes).

Note 2

During the year the Company entered into an agreement which provided for the liquidation of indebtedness in the amount of \$1,384,287 due an officer and stockholder by the issuance of capital stock at the ratio of one share of stock for each dollar of principal and accrued interest. All of this indebtedness had been so liquidated at March 25, 1960. In the accompanying balance sheet, \$1,274,288 of debt liquidated subsequent to December 31, 1959 has been classified as capital stock and the obligation to issue shares therefor has been recorded.

Note 3

At December 31, 1959, 140,000 shares of capital stock were reserved for options to employees and options were outstanding on all of these shares. During the year, options on 100 shares were exercised for a total price of \$712.

Note 4

The 6% subordinated, convertible debentures have been called for redemption on or before May 1, 1960, but may be converted to capital stock prior to that date at the rate of one share of stock for each \$1.25 of indebtedness. During the first quarter of 1960, \$18,775 of the debentures were converted to 15,020 shares of capital stock. This resulted in an increase in capital stock of \$15,020 and in paid-in surplus of \$3,755.

Note 5

The long-term debt consists of various notes and contracts bearing interest at rates of from four to six and one-half percent per annum. The debt matures approximately as follows: 1961—\$178,000; 1962—\$142,000; 1963—\$88,000; 1964—\$69,000; 1965—\$51,000 and \$6,500 annually thereafter through 1971. Substantially all of the property, plant and equipment has been pledged to secure these liabilities.

Note 6

The Company was contingently liable at December 31, 1959 as guarantor of \$2,254,000 of customers' notes receivable sold with recourse.

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

ARTHUR YOUNG & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

612 SOUTH FLOWER STREET
LOS ANGELES 17

March 31, 1960

The Board of Directors and Stockholders
Houston Fearless Corporation

We have examined the accompanying consolidated balance sheet of Houston Fearless Corporation at December 31, 1959 and the related consolidated statements of income and stockholders' equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except as described in the following paragraph.

During the year the Company acquired Horkey-Moore Associates, Western Surgical Supply Company, Ltd. and Federal Machine Tool Company of Boston, Inc. and its affiliates, Federal Machine Tool Co., Inc., Meter-Mix, Inc. and Electronic Processing Equipment Corporation (see Note 1 to financial statements). Inasmuch as we were not the auditors for any of these companies at

December 31, 1958, we were not in a position to observe the physical taking of inventories at the beginning of the year and we were unable to satisfy ourselves as to the substantial accuracy thereof by other auditing procedures.

In our opinion, the consolidated balance sheet presents fairly the consolidated financial position of Houston Fearless Corporation at December 31, 1959 in conformity with generally accepted accounting principles. As described in the preceding paragraph, we did not examine the acquired companies' financial statements at December 31, 1958 and were unable to satisfy ourselves as to the correctness of a material portion of the consolidated inventories at the beginning of the year; accordingly, we do not express an opinion on the consolidated results of the operations for the year ended December 31, 1959.

Arthur Young & Company



Near Santa Paula

Ex-astronaut Scott Carpenter now raising

By Wally Smith

Former astronaut Scott Carpenter seems to have succeeded where August Rubel failed. He has turned Rubel's almost legendary Billiwhack Stock Farm into a successful venture — 50 years later — raising wasps.

Eight concrete structures in Aliso Canyon, four miles west of Santa Paula, are being fumigated with disinfectants after shipment of a "first generation" of tiny 'Billiwhack wasps. Equipment now is being dismantled by Mel Canaan, manager of an Integrated Biological Control Corp. program launched a few weeks ago by Carpenter and co-owner C. U. "Bud" Allen.

"Our first season has ended," Allen says. He won't reveal the number of wasps he and Carpenter have hatched so far, but the venture obviously has been a success.

After a short "dormant" period to avoid moth scale,

Billiwhack Stock Farm will be buzzin' again.

Canaan hires help as needed ("brawn, not brains") but right now he's a one-man crew. The second generation of Billiwhack wasps will be hatched in a few weeks.

The wasps will be used for biological control of crop pests which up to now have been repelled with DDT and other "hard" pesticides, now outlawed in a drive to preserve a clean environment.

Integrated — the word used in the firm's name — has been bandied about in agricultural circles ever since DDT came under attack by the late Rachel Carson and other dedicated ecologists. It has nothing to do with race but refers to a combination assault on crop pests: bugs and chemicals.

Beneficial insects have been used in pest control in Ventura County for decades, but their use is being spurred as "hard" pesticides are banned.



Scott Carpenter

Carpenter disclosed recently he planned to breed and sell two million tiny wasps at Billiwhack Stock Farm by the end of this year. Just how many of these insects (known to entomologists as trichogramma) hatched out during the past few weeks is, according to Allen, a trade secret.

The wasps lay their eggs in the eggs of harmful insects. Their larvae then eat the nutrients in the crop pests' eggs, and they don't hatch.

Canaan, at 49 a veteran bug breeder, also has raised a generation of sitotroga grain moths to provide eggs in which the wasp larvae could grow. When the moth eggs hatch, Canaan harvests them and shakes them onto a 3-by-10-inch card covered with glue. The card is then inserted into a wasp "nursery," where between 125,000 and 200,000 wasp eggs are laid in a 48-hour period.

The cards of eggs sell at \$12.50 each. Within 10 days the wasp eggs (inside the moth eggs) hatch. Farmers cut them into one-inch squares and place them in their fields. About an hour after the wasps hatch, the females are laying eggs again — as many as 50 in the egg of one harmful insect.

Carpenter says most insectaries are "mom 'n' pop" operations, quite localized, and this has been true of those in Ventura County. Carpenter and Allen have plans for a large bug-breeding company.

One problem has been the accumulation of dead moths (25 to 30 pounds a day) but Allen says they're almost solid protein, so the firm plans a fish food sideline.

The boll worm and codling moth, serious pests to walnut and cotton growers of the San Joaquin Valley, are the prime targets of IBC's wasps so far.

Billiwhack premises have given rise to some "outlandish" stories since August Rubel moved to Ventura County 50 years ago. And many of them are true.

Milking stalls in the eight huge concrete structures have expensive tile floors — an indication of the money lavished by Rubel, a Swiss ibino, on

his dairy enterprise from 1923 to 1929, when the stock market crash brought the venture to an abrupt end.

Cows never had it so good.

The young Harvard graduate came west on the spur of the moment with his bride, Mary Colgate, and stepped from the steamer Ecuador onto California soil in San Francisco. A brand new Wills St. Claire, bought at a Madison Square Garden auto show, was damaged in transit, so he picked up another at a Van Ness Street showroom and headed for Ventura County.

An old Army buddy, John Fitzpatrick, lived in Saticoy. Rubel learned that the Billiwhack Ranch in Aliso Canyon was for sale, so he bought 464 acres for \$97,000 from Harvey Marriot, Abe Hobson and Ike Browne.

Most of this prime farmland is now in citrus, but Rubel had visions of a prizewinning dairy farm. He bought 100 head of pure-

A-10 Sun., Sept. 10, 1972

The Ventura County (Calif.) Star-Free Press

bred Holsteins — including two bulls, Sir Adna Perfection and Judge Segis Seventh — and Berylwood Stock Farm equipment, including 17 delivery trucks, from J. W. Snodgrass.

Just how much this cost Rubel is obscure, but one thing is certain: he later paid \$110,000 for an undefeated show bull, Prince Aggie of Berylwood, whose dam held the world's record for two-time milking. This bit of extravagance came to light when the animal died in an air crash.

Rubel had hardly finalized his Billiwhack Stock Farm plans when he learned from a Santa Paula realtor, Robert Bates, that the 1,500-acre Rancho Camulos was for sale.

Short of cash, he asked his sister, Helen, to help out. She agreed, but Rubel's parents distrusted his business judgment and talked her out of it. To finance the \$500,000 Camulos purchase, Rubel sold Baldwin Hills oil interests.

Billiwhack's finest hour came in 1925, when Snodgrass, Rubel's manager, spent two months on the road with his show animals. He returned with nearly all of the trophies and blue ribbons offered at the Venturas, Stockton and Salt Lake City fairs.

Following the demise of his Billiwhack venture, Rubel spent his days at Camulos. He volunteered as an Army Ambulance Corps driver in the first and second World Wars, and died at the wheel of his ambulance during the North African campaign when it struck a land mine.

Rubel's dreams for Billiwhack never materialized. The huge buildings have stood silent and empty almost 40 years — save for two brief episodes. The day before a refrigeration company was to open for business in 1950, a fire destroyed its equipment. A few years later Pacific Electronics, armed with a substantial Navy order for radar parts, flourished there briefly with several hundred employees.

Since the Korean War, silence has reigned supreme at Billiwhack. It was first broken a few weeks ago by the buzzing of millions of tiny wasps. Carpenter and Allen have big plans for the scene of Rubel's fiasco, and wasps are just one of their ideas. At last things are looking up at Billiwhack.



