

Year-end message

This year-end message from Lyle Yost to the employees of the Hesston Corporation for 1966 includes a table, graph and text. This publication funded by the National Historical Publications and Records Commission through the Kansas State Historical Records Advisory Board.

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our
year
in
review

PUBLISHED JANUARY, 1967 BY
HESSTON CORPORATION
HESSTON KANSAS

TO **HESSTON** EMPLOYEES

This booklet is the story behind our 1966 annual report. You want to know more about the "business end" of our company and your interest in this is appreciated. Knowing the progress and future plans of the company helps all of us work toward the same goals.

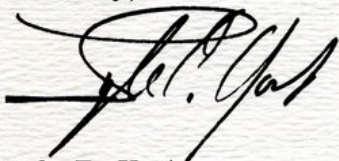
The year just passed was Hesston's 19th. It was gratifying in more ways than the statistics tell. We surpassed our sales goal... we topped \$20 million in sales for the first time... our payroll exceeded \$5 million for the first time... and so on. Our earnings, as a percent of sales, held steady. But the real significance to you is what we have done to build for the future.

Our product line was diversified even further when we acquired the Lundahl hay-handling equipment line. Our position in the beet and cotton fields is more solidly established with products of excellent design and construction. Our sales and marketing organization was greatly expanded and staffed with fine men. Our record investment in plant and office facilities brought not only more elbowroom, but facilities and tools of highest quality that will serve us for many years.

We are confident that our future is promising for many reasons. Studies indicate that the markets for the products we make are growing both in American and in foreign countries. Our engineering and research are rolling in high gear to keep Hesston out in front. We have ample room to expand operations in our present facilities, and a fine long-range plan for added construction when needed.

Best of all, we have intelligent, skilled, dedicated people in every department. This has been the real measure of our success and is our strongest assurance of future success. We are going into 1967 with strong momentum - it looks like another real good year. Your questions and critical evaluation of our company are always welcome. If you like this booklet may we hear from you?

Sincerely,



Lyle E. Yost,
President

Year-end message

HERE'S THE MONEY WE GOT FROM THE PRODUCTS WE SOLD...

AND HERE'S WHAT WE DID WITH IT

	\$21,863,000	16,517,000	12,557,000	10,671,000	9,663,000
	1966	1965	1964	1963	1962
1 WE PAID OTHER COMPANIES FOR RAW MATERIALS, SUPPLIES AND SERVICES	\$12,314,000	9,598,000	6,994,000	6,213,000	6,001,000
2 WE PAID HESSTON PEOPLE SALARIES AND WAGES	\$5,137,000	3,856,000	3,022,000	2,630,000	2,265,000
3 WE PAID EMPLOYEE BENEFITS (SOCIAL SECURITY, UNEMPLOYMENT TAXES, VACATION AND HOLIDAY PAY, WORKMEN'S COMPENSATION, AND THE COMPANY SHARE OF INSURANCE PROGRAMS)	\$631,000	477,000	362,000	309,000	279,000
4 WE PAID TAXES TO THE CITY OF HESSTON AND HARVEY COUNTY	\$137,000	97,000	67,000	66,000	52,000
5 WE PAID TAXES TO THE FEDERAL GOVERNMENT	\$1,073,000	717,000	618,000	442,000	334,000
6 WE PAID INTEREST TO BANKS, INSURANCE COMPANIES, AND OTHERS WHO HAVE LOANED US MONEY	\$341,000	170,000	102,000	73,000	79,000
7 WE DEPRECIATED OUR COMPANY PROPERTY TO ALLOW FOR AGING, WEAR AND TEAR BY THE AMOUNT OF	\$396,000	289,000	221,000	168,000	135,000
8 WE PAID INTO PROFIT-SHARING AND RETIREMENT PLANS	\$688,000	468,000	475,000	310,000	176,000
9 WE HELPED OTHERS WITH CHARITABLE CONTRIBUTIONS	\$113,000	76,000	64,000	40,000	35,000
10 WE PAID TO STOCKHOLDERS WHO HAVE INVESTED THEIR MONEY IN OUR COMPANY DIVIDENDS OF	\$137,000	—	—	—	—
11 WE KEPT SOME OF THE MONEY WE EARNED AND PUT IT BACK TO WORK IN OUR OWN BUSINESS	\$896,000	769,000	632,000	420,000	307,000
THIS ACCOUNTS FOR EVERY DOLLAR WE RECEIVED	\$21,863,000	16,517,900	12,557,000	10,671,000	9,663,000

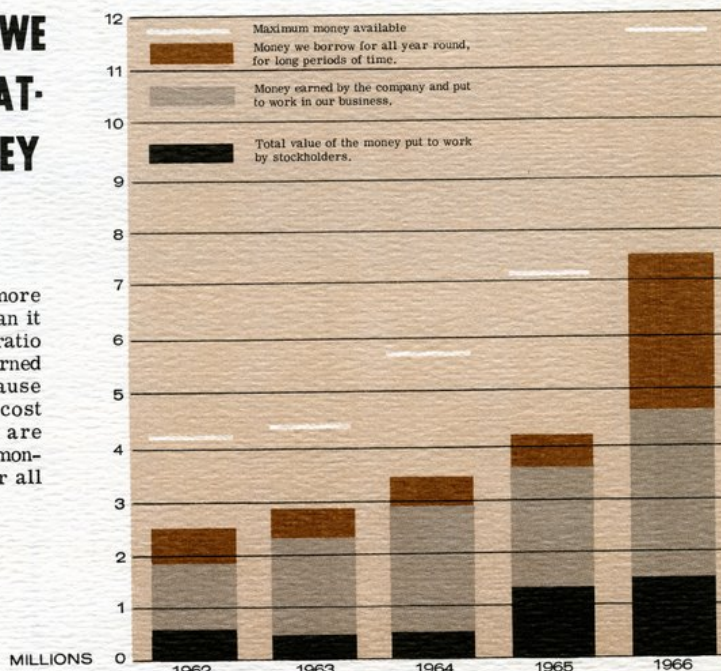
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Year-end message

HERE'S WHERE WE GET OUR OPERAT- ING MONEY

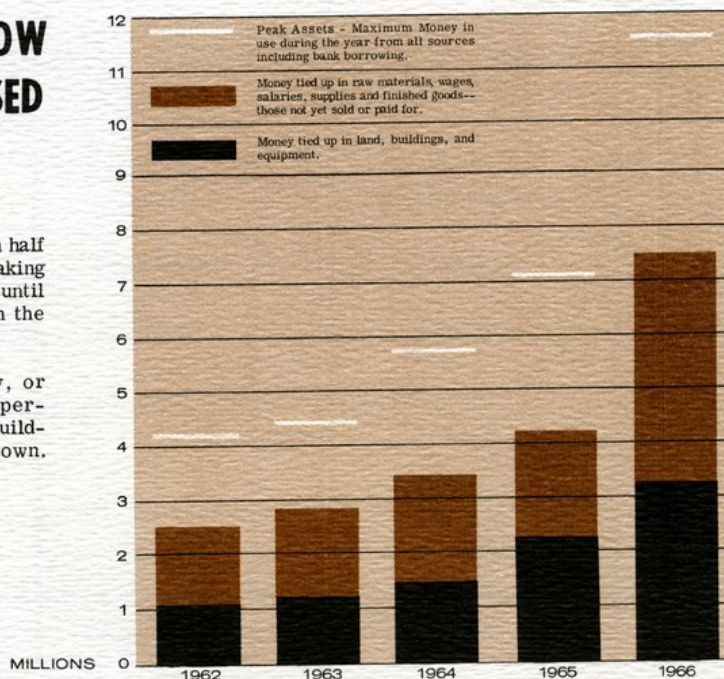
You can see it takes a lot more money to operate today than it did a few years ago. The ratio of "borrowed money" to "earned money" is going up, because buildings and equipment cost more and our standards are higher. The bar shows the money we are responsible for all year round.



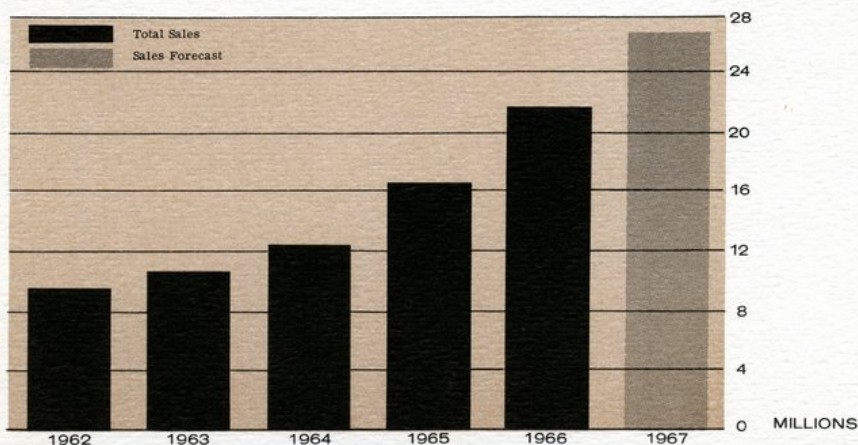
AND HERE'S HOW IT'S USED

You will see that more than half of our money is used for making the product, and is tied up until we receive payment from the customer.

Almost half of our money, or "capital," is invested in permanent things--the land, buildings, and equipment we own.



HERE'S A LOOK AT OUR FUTURE...



SALES

INVESTMENTS IN NEW BUILDINGS AND EQUIPMENT

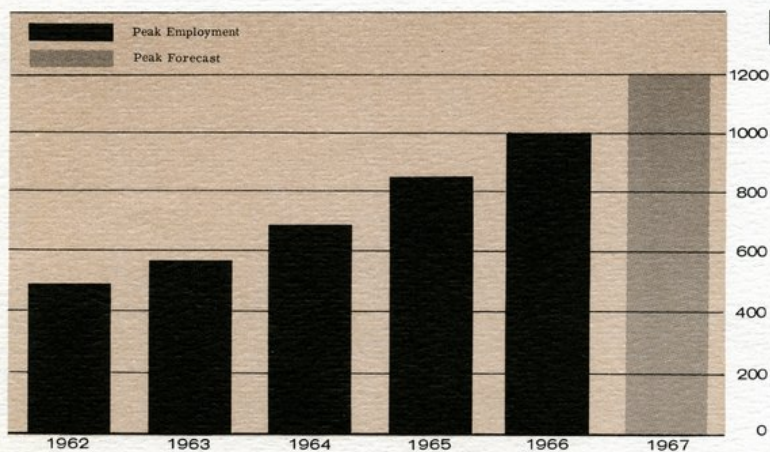
COMPLETED

1966 EXPANSION OF OFFICE FACILITIES	\$ 330,000
MACHINERY AND OTHER EQUIPMENT	450,000
PLANT EXPANSION	620,000
TOTAL	\$1,400,000

1967 PLANT AT LOGAN (JUST COMPLETED)

PLANNED

SHIPPING AND PARTS BUILDING	400,000
MACHINERY AND OTHER EQUIPMENT	680,000
TOTAL	\$1,355,000



EMPLOYMENT