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Harold C. Pinder
Ronald W. Bates
Athol P. McDiarmid
Honorable
Jean Lesage
P.C., C.D., Q.C., LL.D.

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Ronald W. Bates,
EXECUTIVE VICE-PRESIDENT
AND GROUP EXECUTIVE
Harold C. Pinder,
GROUP EXECUTIVE
Athol P. McDiarmid,
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J. Carman Dunlop,
SECRETARY
William Tyler,
TREASURER

Presidents of Subsidiary Companies

A. J. Rae,
LEVER DETERGENTS
LIMITED
George G. Crosbie,
NEWFOUNDLAND
MARGARINE COMPANY
LIMITED
Robert L. Allen,
HART CHEMICAL LIMITED
Thomas E. LePoidevin,
MYRIAD DETERGENTS INC.
Joseph Rapoport,
HYGRADE FOODS INC.
Thomas P. Snowden,
MONARCH FINE FOODS
CO. LIMITED
Walter G. Hubbard,
WOODBIDGE MOULDED
PRODUCTS LIMITED

Results for 1969 for the Lever group of companies, while showing a marked increase in sales from \$88,613,978 in 1968 to \$104,814,217 in 1969 or 18%, were disappointing in respect to profits.

Net profits at \$2,856,074 were down 6% against the 1968 figure of \$3,056,681. Included in the 1969 results is a gain on the disposal of shares in Argus Chemical Canada Limited of \$173,749. These results, particularly sales, were affected by a full year's operations of Monarch Fine Foods Co. Limited which was acquired in mid 1968.

Three factors played an important role in the profit decline in 1969. Lever Detergents made a major investment in the introduction of Drive detergent on a national basis. The margarine industry went through a fierce price war during most of the year with consequent major effects on Monarch Fine Foods and the Newfoundland Margarine Company. High raw material costs seriously affected the margins of Hygrade Foods Inc.

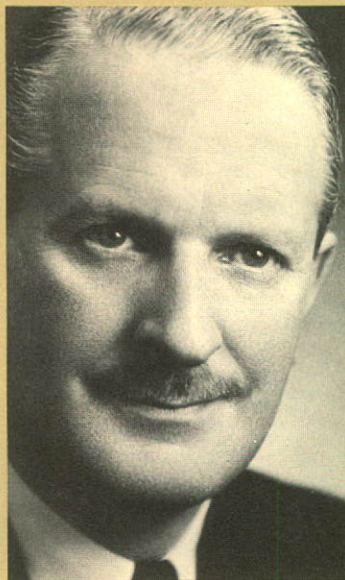
Of our other companies, both Hart Chemical and Woodbridge showed satisfactory results, but Myriad incurred considerable costs in an unsuccessful product test.

During the year a major reorganization was successfully completed with the establishment of Lever Detergents Limited to handle our detergents, toilet preparations and wax products, and Monarch Fine Foods to handle all our margarine and shortening products.

Lever Brothers Limited is now the headquarters company with a small group of executives to direct the activities of our seven companies in Canada.

We look for considerably improved profits in 1970, particularly from the food companies. Lever Detergents should also show better results now that Drive is successfully established in the market.

I want to take this opportunity of thanking all our employees across Canada for their efforts and their loyalty in what proved to be a difficult year for the company. I am confident that these efforts will be rewarded in 1970.

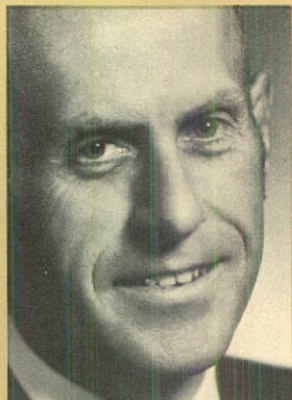


President's Message

A handwritten signature in dark ink, which appears to read "J. C. Lockwood". The signature is fluid and cursive, with a large initial "J" and "L".

J. C. Lockwood
President

15 April 1970



Lever Detergents Limited

Alan J. Rae

Sales of detergent powders were well ahead of the previous year, due to the successful launch of Drive, a new product containing stain-removing enzymes. However, heavy introductory costs reduced profits in this category. Liquid detergents continued to grow and showed a very satisfactory increase in profit.

Our bar soaps business was adversely affected by higher raw material costs which eroded profit margins.

The successful introduction of a new flavour version of Pepsodent Dental Cream helped sustain our toiletries business in the face of very stiff competition.

Excellent consumer acceptance of our new clear floor polish, Mirage, contributed to a substantial improvement in sales and profits of waxes.



Monarch Fine Foods Co. Limited

Thomas P. Snowden

Monarch is a major producer of margarines, shortenings and other edible oil products. In September 1969 the company was expanded and took over responsibility for the former Lever edible oil business. A major expansion of refinery capacity at the company's main plant in Rexdale was also completed during the year.

Margarine sales volume increased in 1969, under very difficult competitive conditions. Profit margins were depressed by very low selling prices, and this situation was aggravated by rising raw material costs toward the end of the year.

Sales of bulk oils and shortenings to industrial and institutional users were well ahead of the previous year, and showed a satisfactory increase in profit.





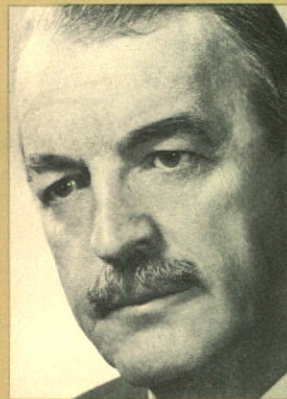
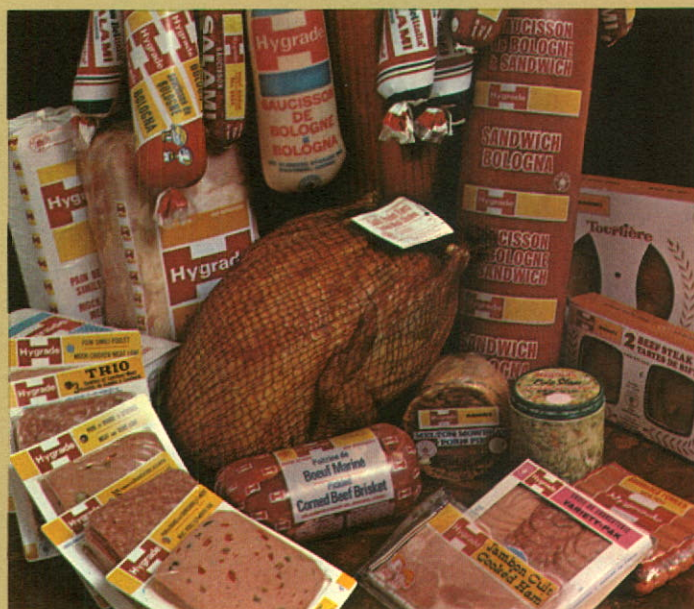
Hygrade Foods Inc.

Joseph Rapoport

From its modern plant in Montreal, Hygrade sells a wide variety of processed meats, such as frankfurters, sliced luncheon meats and meat pies, throughout the Province of Quebec, in Southern Ontario and the Maritimes.

Sales volume increased in 1969 but abnormally high raw meat prices severely reduced profit margins in the first half of the year. Fortunately, prices eased in the latter half, and a strong recovery was made in the final quarter.

Retailers have responded favourably to the introduction of new packaging and space-saving display racks for Hygrade sliced meats. This innovation is expected to have a beneficial effect on sales in future.



Newfoundland Margarine Co. Limited

George G. Crosbie

Sales volume remained at a satisfactory level in 1969, despite difficult competitive conditions. Selling prices were lower for most of the year and this, together with rising raw material costs, reduced our profit margins.

Our margarine products, made locally in our St. John's plant, offer advantages in quality and freshness which are appreciated by the Newfoundland consumer, and they continue to be the favourite brands in the Province.



Lever Brothers

and its Subsidiaries

Consolidated Statement of Earnings for the five years ended 31st December 1969 in thousands of dollars

	1969	1968	1967	1966	1965
Net sales	<u>\$104,814</u>	<u>88,614</u>	<u>77,744</u>	<u>67,813</u>	<u>59,526</u>
Profit before depreciation and income taxes	\$ 7,948	8,358	7,509	4,917	5,279
Provision for depreciation	<u>1,950</u>	<u>1,741</u>	<u>1,656</u>	<u>1,495</u>	<u>1,375</u>
Profit before provision for income taxes	\$ 5,998	6,617	5,853	3,422	3,904
Provision for income taxes	<u>3,142</u>	<u>3,560</u>	<u>3,111</u>	<u>1,687</u>	<u>1,968</u>
Net profit	<u>\$ 2,856</u>	<u>3,057</u>	<u>2,742</u>	<u>1,735</u>	<u>1,936</u>

Note — The 1969 profit before depreciation and income taxes in the amount of \$7,948,000 includes an extraordinary item of \$173,749 being the gain on the disposal of an investment in shares of another company.

ers Limited

ary Companies

Financial condition in thousands of dollars

We had these assets:

At the end of

1969

1968

Working funds (net)

\$11,881

10,711

Plant and equipment

19,131

19,528

Patents, trademarks, goodwill, other assets

14,981

14,719

Total assets

\$45,993

44,958

We had borrowed this capital

\$ 9,550

10,000

Reserve for future taxes

1,574

1,655

Minority interest in subsidiaries

644

644

Our owners' capital was

34,225

32,659

Our total capital equals the book value of our assets as shown above

\$45,993

44,958



Myriad Detergents Inc.

Thomas E. LePoidevin

Myriad's principal product, Mir liquid detergent, leads all other dishwashing detergents in sales in Canada, and achieved satisfactory growth in 1969. Steps were taken during the year to further improve the distribution and sales of Mir in Western Canada.

In its Quebec City plant, the company also packs private label detergents for retail customers, and sales of these products also showed a good increase in 1969.

Total company profits were adversely affected by the cost of an unsuccessful test market of a new powdered floor and wall cleaner.





Hart Chemical Limited

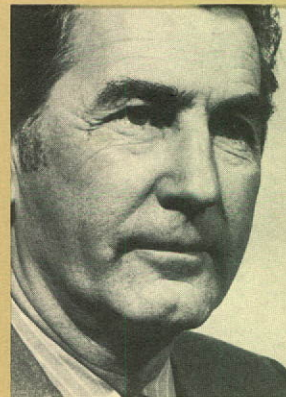
Robert L. Allen

With headquarters and factory in Guelph, Ontario, Hart manufacture a wide range of specialty chemicals used by the pulp and paper, textile, detergent and metal working industries.

1969 saw a new sales record for Hart with sales increasing by 6% over 1968 in spite of losses due to a prolonged strike in the steel industry and some reduction in inter-company sales.

Gross margins were maintained but overhead expenses increased with increasing salary rates.

Net profits showed a marginal increase over 1968.



Woodbridge Moulded Products Limited

Walter G. Hubbard

Located in North Toronto, Woodbridge produces a broad assortment of injection moulded plastic articles, some of which they sell as proprietary products under their own name and some they manufacture as a custom moulder for industry in general.

Sales in 1969 increased by 8% over 1968 in spite of declines in proprietary articles, which were more than compensated for by increases in its custom business.

While prices remained stable, improved manufacturing efficiency resulted in slightly increased margins; overhead expenses were contained and, as a consequence, profits showed an increase over 1968.



Lever Brothers Limited Corporate Headquarters

Lever House, 1 Sunlight Park Road,
Toronto 8, Canada

Subsidiary Companies

Lever Detergents Limited
Lever House
1 Sunlight Park Road
Toronto 8, Canada

Newfoundland Margarine Company Limited
Le Marchant Road
St. John's, Newfoundland

Hart Chemical Limited
256 Victoria Road South
Guelph, Ontario

Myriad Detergents Inc.
44 Dorchester Street
Quebec 2, P.Q.

Hygrade Foods Inc.
330 Guizot Street West
Montreal 351, P.Q.

Monarch Fine Foods Co. Limited
195 Belfield Road
Rexdale, Ontario

Woodbridge Moulded Products Limited
20 Toro Road
Downsview, Ontario



