Western Kentucky University TopSCHOLAR®

Boyd County

Industrial Reports for Kentucky Counties

9-1954

Industrial Resources: Boyd County - Ashland

Kentucky Library Research Collections Western Kentucky University, spcol@wku.edu

Follow this and additional works at: https://digitalcommons.wku.edu/boyd_cty Part of the <u>Business Administration, Management, and Operations Commons, Economics</u> <u>Commons</u>, and the <u>Infrastructure Commons</u>

Recommended Citation

Kentucky Library Research Collections, "Industrial Resources: Boyd County - Ashland" (1954). *Boyd County*. Paper 10. https://digitalcommons.wku.edu/boyd_cty/10

This Report is brought to you for free and open access by TopSCHOLAR[®]. It has been accepted for inclusion in Boyd County by an authorized administrator of TopSCHOLAR[®]. For more information, please contact topscholar@wku.edu.



INDUSTRIAL RESOURCES

ASHLAND, KENTUCKY

Prepared by

The Ashland Board of Trade and The Kentucky Agricultural and Industrial Development Board

> Frankfort, Kentucky September, 1954

INDUSTRIAL RESOURCES - ASHLAND, KENTUCKY

CONTENTS

	Page
Foreword	1
Summary Data	2
Population and Labor	5
Materials	8
Fuel and Power	11
Water	12
Sites	13
Transportation and Transfer Facilities	13
Markets	18
Local Government	19
Living Conditions	21
Climate	24

Appendices:

- A. Employment by Industry Division
- B. Economic Characteristics of the Population
- C. Climatic Data
- D. Kentucky Corporation Taxes
- E. City Bond Issue for Industrial Building
- F. Instructions for Filing Articles of Incorporation
- G. Existing Firms, Products and Employment, Ashland, Kentucky
- H. Products Manufactured Within a Radius of 25 Miles of Ashland
- I. Kanawha Valley Industry and Employment, September, 1953
- J. Resolution to Encourage Industrial Location in Ashland, Kentucky
- K. Water Analysis of Ohio River at Ashland, Kentucky

L. Cooperating State Agencies

INDUSTRIAL RESOURCES - ASHLAND, KENTUCKY

FOREWORD

This report sets forth industrial location data which manufacturers will find useful in considering expansion possibilities at Ashland, Kentucky.

Ashland is Kentucky's sixth largest city. It is located on the Ohio River in the northeastern part of the state, 135 to 450 miles from such leading industrial and distribution centers as Chicago, Cincinnati, Cleveland, Detroit, Indianapolis, Louisville, Nashville, and Pittsburgh.

The statistical and factual data, summarized on the following two pages and set forth in the body of this report, cover basic industrial location factors -- Ashland's population and labor supply, transportation, fuel and power, production materials, water, markets, existing industry, industrial sites, community facilities and services.

The report shows that an estimated 4, 500 persons are available for industrial jobs in the Ashland labor supply area. The availability of power from the Kentucky Power Company and water from the Ohio River means that Ashland can support industrial expansion requiring large amounts of water and power, as well as expansion of the light industry type.

The area's steel, metal-working and chemical industries provide a wide range of production materials. Coal, oil, natural gas and wood are available in quantity. Trunk line rail service and Ohio River navigation provide efficient and economical transportation to principal national market points.

The Ashland Board of Trade and the Agricultural and Industrial Development Board of Kentucky, working closely with utility and railroad industrial departments, are in a position to supplement the information carried in this report and otherwise to assist manufacturers interested in Ashland. The latter Board maintains a staff of engineers and other specialists in a position to supply: Topographic maps and aerial photographs of sites; quantitative and qualitative analyses of water supplies; minerals surveys and analyses; fuel and freight rates; industrial and consumer market data; tax and other governmental information. SUMMARY DATA FOR ASHLAND, KENTUCKY

POPULATION 1950: Ashland - 31, 131; Boyd County - 50, 237.

ASHLAND LABOR SUPPLY AREA: Boyd, Greenup, Carter and Lawrence Counties. Estimated total area labor supply - 7,700. Available in Ashland - 2,000-2,500 men and 2,000-2,500 women.

AVERAGE WEEKLY WAGES IN COVERED EMPLOYMENT, SECOND QUARTER 1954: Boyd County - \$75.97 all industries; \$ 90.16 manufacturing. Kentucky -\$65.59 all industries; \$70.60 manufacturing.

EXISTING INDUSTRY, FIVE LARGEST EMPLOYERS:

		Emplo	Employment (Jan., 1954)		
Firm	Product	Male	Female	Total	
Armco Steel Corp.	Steel sheets	3,285	85	3,370	
Ashland Oil & Refining Co.	Petroleum products	966	209	1,175	
Semet-Solvay Co.	Coal by-products	350	0	350	
North American					
Refractories Co.	Brick	155	2	157	
A. C. Lawrence Leather	Sole leather	122	2	124	

SITES: Within Ashland, several 1-2 acre sites are available; several 25 to 210 acre sites within 8-15 miles of the city.

RAILWAY SERVICE - FREIGHT: C. & O. Railway. Transit time from Ashland:

То	Miles	Days	То	Miles	Days
Atlanta, Ga.	510	3	Detroit, Mich.	332	2
Cincinnati, O.	146	1	New York, N.Y.	665	4
Chicago, Ill.	446	2	Pittsburgh, Pa.	281	2
Toledo, O.	268	1	St. Louis, Mo.	519	3

TRUCK LINES: C & D Motor Delivery, O.K. Trucking Co., Motor Freight Lines, Rhinehart Transfer, Pinson Transfer, and Suburban Lines.

HIGHWAY DISTANCES: From Ashland

То	Miles	То	Miles
Atlanta, Ga.	500	Nashville, Tenn.	310
Cincinnati, O.	135	Pittsburgh, Pa.	265
Louisville, Ky.	205	St. Louis, Mo.	469

BUS LINES: Southeastern Greyhound, Ohio Valley Bus Co., Blue Ribbon Bus Lines, and Atlantic Greyhound.

AIRPORT: Tri-State Airport, 10 miles from town, served by Eastern, Piedmont and Allegheny Airlines. Ashland Airport, 8 miles west of Ashland, paved, lighted runway of 5,000 feet, being used by private and company planes. POSTAL FACILITIES: Class Post Office - 1st; mail dispatched - 16 times daily; mail received - 16 times daily; 1953 postal receipts \$342, 321.

TELEPHONE SERVICE: General Telephone Company of Kentucky. Number of employees - 235.

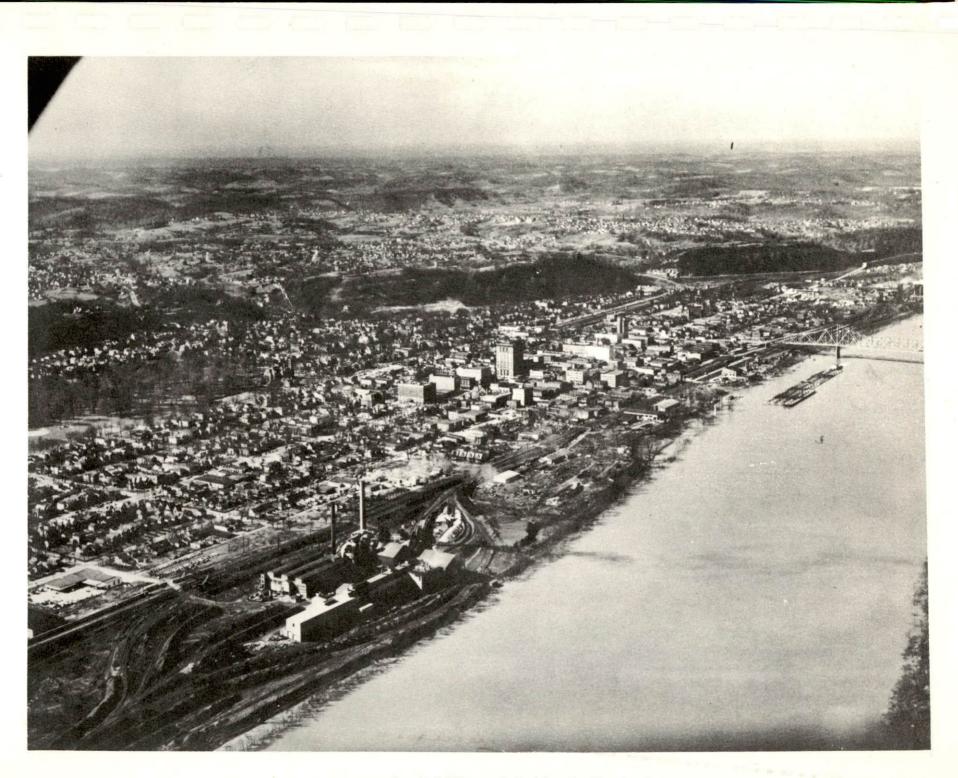
TELEGRAPH SERVICE: Western Union.

- ELECTRICITY: Kentucky Power Co. Transmission lines: Seven 33,000 volt and two 132,000 volt. Ohio Valley Electric Corp. is building a 1,200,000 KW generating plant at Cheshire, Ohio, 35 miles distant from Ashland.
- WATER: Ashland Municipal Water Works. Source of water Ohio River.
 Storage 6.5 million gallons per day finished and 25 million gallons raw water. Filtration capacity 4,666,000 gallons. Average daily use 3,850,000 gallons. Cost of water: 700,000 gallons per month \$161.00; over 700,000 gallons \$.15 per M gallons. Minimum flow of the Ohio River at Ashland is 3,760 second feet.
- GAS: United Fuel Gas Co. Source of supply transmission lines. Rates first 2 MCF \$1.20; next 28 MCF \$.52 per MCF; next 570 MCF \$.40 per MCF; all over 600 MCF \$.38 per MCF.
- COAL: Source Boyd County. Price: nut and slack \$6.00 per ton at mine; yard screenings - \$3.00 per ton; and lump coal - \$7.00 per ton.
- FUEL OIL: The price of No. 6 Industrial and Bunker C fuel oil: \$.09 per gallon.
- SEWAGE: 130 miles of sewer mains in the city limits. 55% separate storm and sanitary and 45% are combined. Disposal - Ohio River.
- PROPERTY TAX RATES: Per \$100, 1953: Ashland \$3.68; Boyd County -\$2.25. Ratio of assessment to market value - in city, 50% of 1943 replacement costs; in county, 35% of market value.

LOCAL CONSIDERATIONS:

Housing:Supply fair.Estimated 150 vacant houses as of January 1954.Rental of two-bedroom house - \$50.00; three bedroom house - \$65.00.Construction cost for two and three-bedroom frame dwelling - \$10.50per sq. ft. and \$12.00 per sq. ft. for brick construction.Schools:SystemEnrollmentStudents per Teacher

System	Enrollment	Students per Teacher
City	5,687	30
County	2,435	35
Parochial	312	24



Aerial View of Ashland, Kentucky

POPULATION AND LABOR

Population

The 1950 population of Ashland was 31,131. Table 1 shows population and recent rates of growth in Ashland, Boyd County, and Kentucky.

Table 1.	Population Growt	h in Ashland,	Boyd Count	y and Kentucky,	1900-1950
Year		Ashland		Boyd County	
	Population	% Increase	Population	% Increase	% Increase
1900	6,800		18,834		
1910	8,688	27.8	23,444	24.5	6.6
1920	14,729	69.5	29,281	24.9	5.5
1930	29,074	97.4	43,849	49.8	8.2
1940	29,537	1.6	45,938	4.8	8.8
1950	31, 131	5.4	49,949	8.7	3.5
1953(est.)			50,927	2.0	- 1. 1
. ,	-				

Labor Force

Manufacturing, Trade and Construction. Of the 49,949 inhabitants of Boyd County, 16,705 were in the civilian labor force in 1950. Agriculture employed 655 or 3.9% of the labor force, manufacturing employed 4,659 or 27.9%, retail trade employed 2,570 or 15.4%, and construction employed 1,021 or 6.1%.

Between 1940 and 1950 agricultural employment remained the same while employment in manufacturing increased by 842 persons, or 22.1%. Retail trade employment increased by 635 persons (32.8%) and construction employment increased by 383 persons (60.0%). Between September, 1950 and September, 1953, the number of manufacturing jobs covered by unemployment insurance rose from 4, 754 to 5, 157, or 8.5%.

^{1/} Kentucky Agricultural Experiment Station, Population Estimates for Kentucky Counties, April 1, 1953 (Lexington, October, 1953). Available Labor Supply. $\frac{1}{}$ The Ashland labor supply area is defined to include Boyd, Greenup, Carter and Lawrence Counties. Commuting would also take place from parts of Ohio and West Virginia.

It is estimated that a labor supply of 4,000 to 5,000 persons can be recruited for work in Ashland if attractive jobs are made available. About one-half of this supply would be female, some with experience in plants during World War II. A large percentage of the labor supply, however, would be inexperienced.

In the entire labor supply area an estimated 7,800 men and women could be attracted to industrial jobs. Of these 1,500 are active claimants for unemployment insurance and 6,300 are in low-paying jobs or not in the labor force. In addition about 12,000 boys and 12,000 girls will become 18 during the next ten years. It is conservative to assume that at least 80% or 9,600 of the boys and 40% or 4,800 of the girls will want jobs. It is likely that a minimum of 7,000 of the boys and 3,000 of the girls could be drawn to Ashland employment for a continued replenishment of the labor supply.

Migration. In assessing the potential labor supply for coming years the trend in migration is significant. Net out-migration from the Ashland labor supply area, between 1940 and 1950, was 3,245 persons. This indicates that a sizeable number of workers were unable to find employment in the area.

Kentucky net out-migration was 303,000 in the ten years up to 1950, and the recent increases in manufacturing in the state have not begun to reduce the outflow since that date. A very substantial part of Kentucky's 1940-1950 out-migration took place in the Eastern Kentucky area of which Ashland is a part.

Wages. Some examples of wages in the area are: clerical and secretarial \$.75 and \$1.10 per hour; laborer \$.75 and \$1.50 per hour; semiskilled \$1.50 and \$2.75 per hour; skilled machine and tool operators \$1.70 and \$2.75 per hour.

Average weekly wages in covered employment for all industries during the second quarter of 1954 were \$75.95 for Boyd County and \$65.59 for Kentucky.

^{1/} Source: Kentucky Department of Economic Security, Damon W. Harrison, Labor Supply Statement for Ashland, Kentucky Area (Frankfort). Estimates of available labor supply are based on the following factors: 1) population, 2) number of persons of labor force age, 3) labor force participation rates, 4) economic structure of area, 5) per capita income, 6) current manufacturing employment and past trends, 7) observations of availability of labor supply in areas where new facilities have been located, and 8) estimates of current unemployment.



Aerial View of Armco Steel Corporation, Ashland, Kentucky

Average weekly wages for Carter, Greenup, and Lawrence Counties ranged from \$40 to \$57 during this period.

In 1952 per capita income payments to individuals were \$1,366 for Boyd County, \$1,130 for Kentucky, and \$1,639 for the United States. Per capita income for adjoining counties was: Carter \$669, Greenup \$815, and Lawrence \$568.1/

Labor-Management Relations. Labor-management relations in Ashland are described locally as excellent. The following Unions are represented in the area: United Brotherhood of Carpenters and Joiners of America (A.F. of L.); United Steelworkers of America, C.I.O.; Oil Workers International Union, C.I.O.; United Coke and Chemical Workers, C.I.O.; International Fur and Leather Workers Union of the United States and Canada, C.I.O.; United Brick and Clay Workers of America, A.F. of L.; Teamsters and Chauffeurs Union, A.F. of L.; and International Ladies Garment Workers Union, A.F. of L.

Existing Firms, Products and Employment. The following list of manufacturing firms indicates something of the demand for labor and products available in the immediate area of Ashland.

		Employment, 19		
Firm	Products	Male	Female	Tota
Armco Drainage & Metal Prod.	Corrugated metal pipes	60	1	61
Armco Steel Corp.	Sheet steel, other steel prod	.3285	85	3370
Ashland Crafts, Inc.	Children's dresses	5	170	175
Ashland Foundry & Mach. Wks.	Foundry & machine shop	24	1	25
Ashland Oil & Refining Co.	Petroleum products	1048	213	1261
Ashland Publishing Co.	Newspaper publisher	52	9	61
Ashland Sanitary Milk Co.	Dairy products	21	2	23
Ashland Scrap Material Co.	Scrap iron & metals	21	0	21
Big Run Coal & Clay Co.	Face brick, bldg. tile	78	1	79
Castle Showcase Co.	Store fixtures, displays	32	3	35
John P. Colliver	Whiskey barrel staves	40	0	40
Feuchtenberger Baking Corp.	Bread & rolls	60	2	62
Emory Gillum Whse. Meats	Beef, pork, sausage	24	3	27
Johnson's Dairy, Inc.	Milk & dairy products	37	6	43
A. C. Lawrence Leather Co.	Sole leather	122	2	124
Mansbach Metal Co.	Scrap iron & metals	66	1	67
Middle States Bituminous Corp.	Bituminous concrete	24	1	25
National Mines Service Co.	Rebuilders of mining eqpt.	57	3	60
North American Refractories	Brick	155	2	157
Joseph Oker Sons Co.	Cooperage	25	0	25
Semet-Solvay(Div. Allied Chem.)	Coal by-products	350	0	350
The Standard Slag & Stone Co,	Construction work	50	0	50
The Barney Williams Co., Inc. Total	Engine & clutch assemblies	20	1	21
Iotal		-/-/	506	6162

5656 506 6162

1/ Source: John L. Johnson Per Capita Income of Kentucky Counties in 1952 (University of Kentucky, March, 1954).

MATERIALS

Agricultural Products

Boyd County produces practically no surplus in agricultural commodities, due to its large city and urban population. The demand for these products is good and many opportunities exist for much increased production to supply local markets. Table 3 gives some indication of the production for Boyd County.

Crops	Acres	Production	Farm Value (dollars)
Corn	2,900	117,000	\$211,000
Tobacco	40	42,200	19,000
Wheat	70	1, 160	2,500
Alfalfa Hay	1,140	2,390	79,800
Clo-Tim Hay	1,170	1,520	43,800
Lespedeza Hay	1,710	1,800	50,000
Livestock		Number on Farms	Farm Value (dollars)
all cattle and ca	lves	6,750	\$844,000
Milk cows		2,500	400,000
logs and pigs		2,100	46,200
Chickens		47,600	61,900

Forests

Kentucky's forests are one of its largest resources, and the Ashland area is contiguous to the most heavily forested section of the state. Both the amount of timber cut and the proportion used in manufacture in the state could well be increased. The total annual net growth of Kentucky forests is substantially greater than the amount of drain, and less than one-quarter of the lumber, veneer and bolts produced (611 million board feet in 1948) is used in manufacture in the state.

The forested area of Boyd County covers 58,000 acres or 57% of the county's total land area. During 1947, Boyd County's 11 sawmills produced 1,740,000 board feet of lumber. Types of trees include oaks, pine, hickory and light stands of yellow poplar.

- Source: Kentucky Agricultural Statistics, 1950 (Kentucky Crop and Livestock Reporting Service).

Minerals

The mineral resources of Boyd County are: coal, oil and gas, sands, clays and shales, and iron ore.

Coal. Several commercial seams are present and they include the Lower Freeport, Middle and Lower Kitanning and Upper and Lower Mercer coals. During 1950, Boyd County produced 514, 116 tons.

Oil and Gas. The Ashland Gas Field has produced large quantities of natural gas from the black shale and corniferous limestone. The "Salt" sand, "Big Injun" sand, and "Berea" sand have also been producers. Several wells in Boyd County have produced petroleum.

Sands. Sands which occur as terrace deposits along the Ohio River are available for general construction purposes and other uses.

Clays and Shales. Refractory clays are widely distributed in Boyd County. During 1950, four fire clay mines in Boyd produced 176, 166 tons. Other clays and shales are available for brick and tile manufacture.

Iron Ores. At one time Boyd County iron ores were used extensively, but the large-scale development of the Lake Superior ores has made Kentucky ores too expensive to extract. The County forms part of an extension to the well-known Hanging Rock district of Southeastern Ohio. 1/

In 1950 Kentucky ranked 8th in the nation in the production of minerals. Total production was valued at \$460 million and the principal minerals were coal, petroleum, gas, and stone. Production in that year for the three states of the Ashland area is shown in the following table:

1/ Source: Kentucky Resources and Industries, 1929 (Bureau of Agriculture, Labor and Statistics).

Table 4. Mineral Production for K	Centucky, Ohio and West Virgini	a (1950) 1/
Mineral	Unit	Amount
Cement	Thousands of 376 lb. bbls.	10, 512
Clays (except for cement)	Thousand short tons	5,729
Coal	Thousand short tons	260, 373
Lime	Short tons	2, 142, 344
Fluorspar	Short tons	80,137
Lead	Short tons	66
Natural gas	Million cubic feet	306, 459
Natural gas liquids:		
Natural gasoline	Thousands of 42 gal. bbls.	1,395
L-P gases	Thousands of 42 gal. bbls.	5,110
Peat	Short tons	245
Petroleum (crude)	Thousands of 42 gal. bbls.	13,058
Salt (common)	Thousand short tons	2,883
Sand and gravel	Thousand short tons	21,660
Stone (ex. limestone for cement)	Thousand short tons	33, 251
Zinc	Short tons	731
Clays sold or used for cement	Thousand short tons	643
Coke	Thousand short tons	14,005
Ferro-alloys	Short tons	284, 229
Iron, pig	Short tons	13,275
10		

Semi-Processed Materials

Ashland, located in the central Ohio Valley, is in a favorable position to obtain the products of the various industries of this sector because of the short distance and transportation facilities involved. Over six hundred different products are manufactured in the central Ohio Valley area. Some of the raw materials and semi-processed materials manufactured within the area are: chemicals, clay, coal by-products, drilling equipment, metal rods and tubes, mining equipment, nickel alloy products, oil, optical equipment, paints, petroleum products, pig iron and scrap, plastics, plating, precision tools, salt brine, steel, stone and gravel, textiles, timber and wire.

Metal-working industries have available many types of steel manufactured within the area. At Ashland and Portsmouth, Ohio are located two of the nation's largest steel rolling mills. At Huntington, West Virginia is located the only American source of rolled nickel alloy metals.

l/Source: Minerals Year-book, 1950 (Bureau of Mines, 1953).

In six counties of the Kanawha Valley, West Virginia there is a particularly heavy concentration of important types of manufacturing. In this area there are twenty-six chemical firms employing over twenty thousand workers. Most of this employment is in the "industrial organic chemical" class. In addition, nine primary metal industries are employing over six thousand workers. Materials produced in this area can readily be shipped to Ashland by barge as well as by rail and truck. The quantity of semi-processed materials consumed by these West Virginia firms adds much to the local market of Ashland industry. Appendix J gives a more detailed breakdown of Kanawha Valley manufacturing firms.

FUEL AND POWER

Coal and Coke Prices

Ashland is located approximately 100 miles from the large East Kentucky coal field. The price of east Kentucky nut and slack at the mine is \$6.00 per ton, yard screenings \$3.00 per ton and lump coal \$7.00 per ton. High grade coke can be obtained in Ashland for \$17 to \$24 per ton. 1/

Gas Prices

Industrial natural gas, with a BTU content of 1050 and specific gravity of .6, is supplied by the United Fuel Gas Company. The source of supply is from the Southwest, and the gas is produced in Knott, Floyd and Johnson Counties, and the West Virginia area. Two transmission lines are utilized, one of 14" and one of 12".

Table 5. Rates for United Fuel Gas Co.						
First	2 MCF	\$1.20 (Minimum monthly bill)				
Next	28 MCF	.52 per MCF				
Next	570 MCF	.40 per MCF				
All over	600 MCF	. 38 per MCF				

The price of No. 6 (Industrial) fuel oil is \$.09 per gallon and Bunker C fuel oil is \$.09 per gallon. 1/

1/ Price as of January, 1954.

Power

Electric power is furnished by the Kentucky Power Company. Power is delivered into the area by seven 33,000-volt and two 132,000-volt transmission lines. These sources are connected with the large 132,000-volt line network of the American Gas and Electric Company, traversing Ohio, West Virginia, and Kentucky. The distribution voltages are 4,000 in the city of Ashland, and 12,000 outside of Ashland. Ample capacity is available for large industrial expansions. Rates and service are regulated by the Kentucky Public Service Commission.

Private electric power generating capacity is being enormously expanded to serve the Atomic Energy Commission at nearby Portsmouth, Ohio and new industrial growth in this part of the Ohio River Valley.

WATER SUPPLY

Water is distributed by the municipally-owned water works which uses as its source the Ohio River. The filtration plant has a capacity of 4,666,000 gallons per day. Average daily consumption is approximately 3,850,000 gallons. Average pressure is maintained at 90 p.s.i. Storage capacity totals 6 1/2 million gallons for finished water and 25 million gallons for raw water.

Water rates are: first 10,000 gallons \$.40 per M gallons; next 90,000 gallons \$.30 per M gallons; next 200,000 gallons \$.25 per M gallons; next 400,000 gallons \$.20 per M gallons; next 300,000 gallons \$.15 per M gallons. A discount of \$.05 per 1,000 gallons is allowed if paid on or before the 10th of the month.

The State of Kentucky covers an area of 40, 395 square miles, all of which is in the Ohio River Basin, except a small section in the Jackson Purchase area that drains directly into the Mississippi River.

The chemical character of surface waters will vary throughout the year from natural variation in climatic conditions, impounding, inflow from other sources, pollution mine drainage, and with the geology of the region.

A chemical analysis of Ohio River water, made September 21-29, 1950 at dam 36, near Fort Thomas, 151 miles below Ashland, showed the following in parts per million: total hardness 94; nitrate 3. 2; bicarbonate 48; iron . 20; silica 7.0; ph 7.8; and color 8.

Minimum flow of the Ohio River at Ashland is 3, 760 second feet and thus adequate for major chemical and other heavy water-consuming industries. 1/

^{1/} More detailed data available in Stream Flow Data in Kentucky (USGS, 1950); and Chemical Character of Surface Water of Kentucky, 1949-51, A&ID Board of Kentucky, 1953.

There are a number of small sites available in Ashland and several larger sites in the county, 5 - 12 miles from the city.

Site No. 1. This site, located about 5 miles from the business section of Ashland, has fifty acres of level land. Access is provided by a hard surfaced road and by the Chesapeake & Ohio Railway Company, Ashland-Louisville division. Industrial gas is available. Water would be extended from the corporate limits (about 1 1/2 miles).

Site No. 2. This site, located about 7 miles west of Ashland, has seventy acres of level land. Access is provided by U. S. Highway 23 and the Chesapeake & Ohio Railway. Utilities include gas, electricity and water.

Other available and suitable sites include not only some of 1 to 2 acres within the Ashland city limits, but also some of 25 to 200 acres 8 to 15 miles from Ashland on the Ohio and Big Sandy Rivers and on the C & O Railway.

Industrial Floor Space. There is no vacant industrial floor space. Some temporary floor space could probably be obtained during construction.

TRANSPORTATION AND TRANSFER FACILITIES

Railroads

Ashland is well situated from a rail transportation standpoint. The main line of the C & O Railway running between Cincinnati and Washington, Richmond, Newport News, and Norfolk, provides frequent and well-scheduled freight and passenger service.

Ashland is the junction point of the C & O divisions extending to Louisville via Lexington, and central Kentucky, and to Detroit via Toledo and Columbus. Through these points, freight destined to South and Southeast terminals, as well as the industrial areas of the North and Northeast, may be reached directly or by connecting carriers.

Direct C & O car-ferry service across Lake Michigan from Ludington to Milwaukee, Manitowac, and Kewaunee affords access to the northwest without costly terminal delays in and around the congested Chicago area.

^{1/} More information may be obtained from the Kentucky A. & I.D. Board, the Ashland Board of Trade or the Kentucky Power Company.

Five miles from Ashland at Russell, Kentucky, are located the world's largest freight yards owned by a single railroad. Here, cars are daily prepared for shipment to all parts of the United States. The Russell yards can accommodate 11,600 freight cars and have 176 miles of track.

		ilroad Mile	0		
	Rail	No. days f	rom	Rail	No. days from
	Miles	Ashland a	rea	Miles	Ashland area
Atlanta, Ga.	510	3	Newport News, V	a.494	2
Baltimore, Md.	480	4	New York, N.Y.	665	4
Buffalo, N.Y.	506	3	Pittsburgh, Pa.	281	2
Chicago, Ill.	446	2	Richmond, Va.	419	2
Cincinnati, Ohio	146	1	Savannah, Ga.	920	4
Detroit, Mich.	332	2	St. Louis, Mo.	519	3
Indianapolis, Ind.	271	2	Toledo, Ohio	268	1
Louisville, Ky.	208	1			

The C & O's modern harbor terminal facilities at Newport News make it possible for the exporter to reach world markets conveniently and economically.

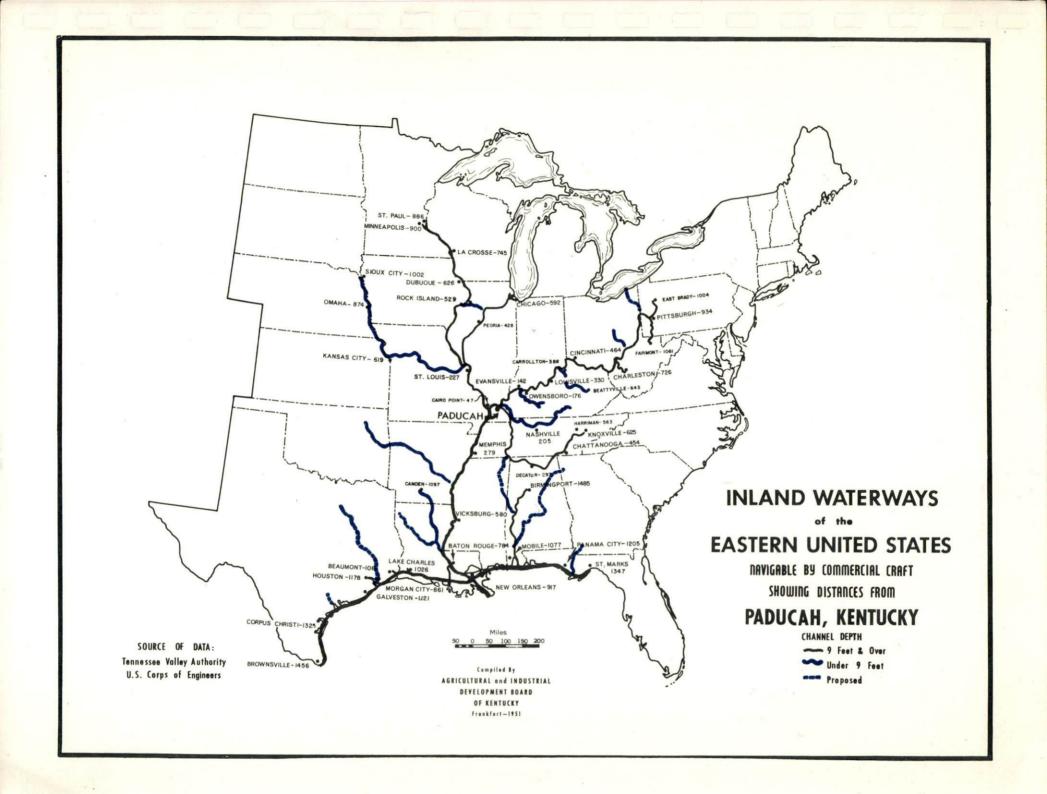
Water Transportation

Ashland is ideally located to take full advantage of the low transportation rates afforded by river carriers. A nine-foot channel stage is maintained throughout the length of the Ohio River, thus affording barge transportation service for commodities to and from Ashland. The Ohio-Mississippi River System, along with its many tributaries, serves to connect the Ashland area directly with Pittsburgh, Wheeling, Cincinnati, Louisville, St. Louis, Memphis, New Orleans, St. Paul, Kansas City, Chicago, Nashville and points on the Intercoastal Canal extending from St. Marks, Florida to Corpus Christi, Texas.

The map on the following page shows the navigable waterways of eastern United States and their relation to Ashland.

A few of the many commodities shipped in and out of the area by water carrier include coal, sand and gravel, petroleum products, billets, pig iron, lumber, steel, coke, sulphur and salt.

Some of the barge lines serving Ashland include: the American Barge Line Co., Mississippi Valley Barge Line Co., Central Barge Co., and the Ohio Barge Line, Inc. These four companies alone, have a combined total of 679 vessels in service.



There are seven terminal facilities at Ashland. These are privately owned and operated by the Ashland Refining Company (2 terminals); Standard Oil Company; Semet-Solvay Company (2 terminals); Middle States Asphalt Corp.; and Armco Steel Corp.

Motor Carriers

The Ashland area is served by several major highways including U.S. #23, #60, and #52; and state routes #5, #168, and #180. The Transportation Map on Page 17 shows the railroads, major highways, recreation areas, and navigable waterways in the vicinity of Ashland.

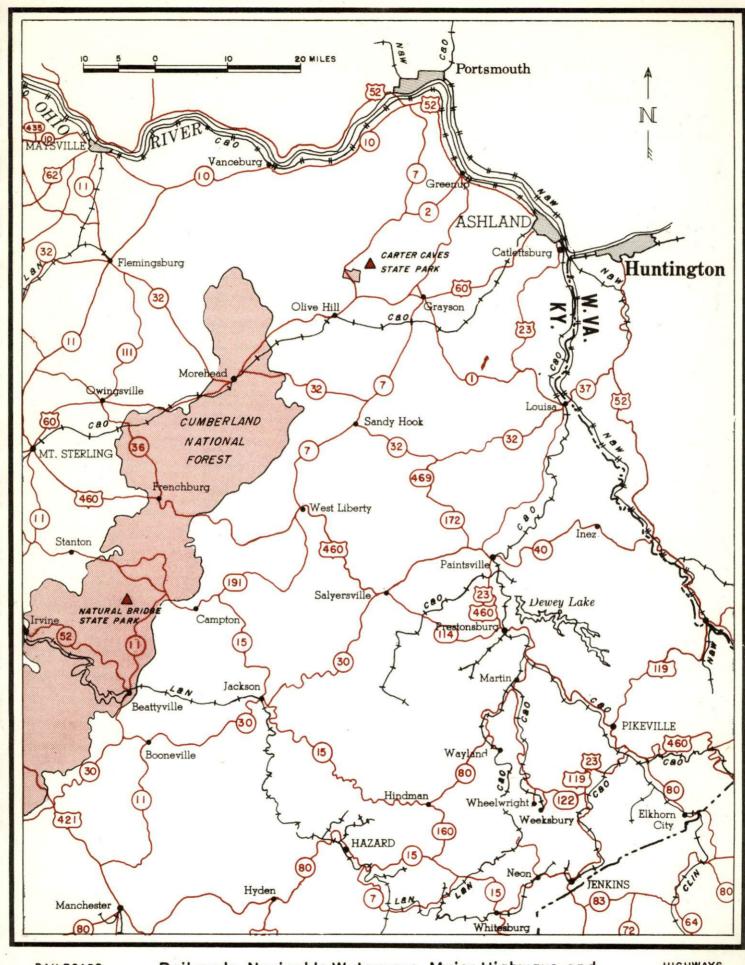
Table 7. Highway Distances from Ashland					
То	<i></i>	Miles	То	Miles	
Atlanta, Ga.		500	Lexington, Ky.	131	
Birmingham, Ala.		530	Louisville, Ky.	205	
Chicago, Ill.		429	Nashville, Tenn.	310	
Cincinnati, Ohio		135	Pittsburgh, Pa.	265	
Knoxville, Tenn.		336	St. Louis, Mo.	469	

Bus Lines. Ashland is adequately served by the Greyhound Bus Lines, the Ohio Valley Bus Lines and the Blue Ribbon Lines. Daily trips include service to Richmond, Charleston, Asheville, Louisville, Detroit, Cincinnati, Columbus and Portsmouth.

Truck Lines. Common carrier truck service is provided by the C & D Motor Delivery, The OK Trucking Co. and Farson Motor Lines, Inc., all with terminals in Ashland. In the area there are 34 truck lines which cover U. S. Routes #23, #33, #35, #52 and #60. Sample rates for common commodities to nearby centers are: electric appliances (1st class), \$1.87/100 lbs. to Louisville, \$1.52 to Cincinnati, and \$1.85 to Indianapolis; sheet iron and bolts (4th class), \$1.05/100 lbs. to Louisville, \$1.92 to Cincinnati, and \$1.01 to Indianapolis. These rates are discounted \$.20 per 100 lbs. for loads over 5000 lbs.

Airports

The Tri-State Airport, 8 miles east of town, is served by Eastern, Piedmont and Allegheny Airlines. There are approximately 24 flights per day. The Ashland Airport, located 8 miles west of Ashland, is being used by private planes, but is available for commercial service.



RAILROADS

Railroads, Navigable Waterways, Major Highways and Recreation Areas of Eastern Kentucky



Mail Service

Ashland has a first-class Post Office with 75 employees and 1953 postal receipts of \$342, 321. Mail is dispatched and received 16 times daily by train and truck and 6 times daily by air.

Transfer Facilities

Marketing and transfer facilities in Ashland include: cold storage, weighing, packing and crating, carloading and forwarding, warehousing, and pickup and delivery. There are also 31 wholesale and distributor outlets for candy, cigars and tobacco; electric equipment and supplies; fruits, glass, oil products, groceries, hardware, meat, optical goods, paint and TV parts and supplies.

MARKETS

The extensive network of major highways, railroads, waterways and airlines makes a large industrial market readily available. As noted, Pittsburgh, Pa.; Cincinnati, Ohio; Louisville, Ky.; Cleveland, Ohio; Evansville, Ind.; and Chattanooga, Tenn. are within a 300 miles radius of Ashland. In Kentucky and the seven states adjacent to it there are over 36 million people.

Ashland is situated along the Ohio River, in what is referred to as the Tri-State area. This is the trading area which consists of portions of West Virginia, Ohio and Kentucky. This area is the fourth heaviest populated in the Ohio Valley and is the most heavily populated section between Pittsburgh and Cincinnati.

Although composed of parts of three states, the Tri-State area is an economic unit recognized as a center of distribution for products destined for local and national markets. The six cities of Ashland, Huntington, Ironton, Ceredo, Catlettsburg and Kenova serve a trading area which is composed of 18 counties, housing a total population of 807, 503 inhabitants.

Boyd County has 42 manufacturers which produce 58 products and have a total employment of 7,000 persons. Over 550 retail and service establishments serve Ashland and vicinity. Total employment for the county, 16,660 persons.

Some indication of the local market for industrial products is given by the employment data in Table 11, of the Appendix. Measured by employment, the largest industry division is "manufacturing" and within manufacturing the largest industry group is "metals." The following table shows some of the firms in the Ashland area in the primary metals industry with their chief products.

Firms	Products		
Armco Drainage & Metal Products	Corrugated metal pipes		
Armco Steel Corporation	Sheet steel and other steel products		
Dayton Malleable Iron Co.	Steel and iron products		
Detroit Steel Corp.	Pig iron, sheets, ingots, blooms, slabs		
General Metals Corp.	Precision aircraft and industrial hydraulics		
International Nickel Co. of Canada, Ltd	l. Nickel in form of refinery and smelter prod		

LOCAL GOVERNMENT

Boyd County is situated in the northeastern part of the state. The Ohio River separates it from the state of Ohio along part of its eastern boundary, while the Big Sandy bounds the remainder of the eastern side with West Virginia on the opposite shore. The county was established in 1860 out of parts of Greenup, Carter and Lawrence Counties, and was named after Linn Boyd, who served in Congress from Kentucky for 18 years.

Ashland, the largest city in Kentucky that is not a county seat, was first known as Poage's Settlement until 1854 when it was named Ashland after the Kentucky estate of Henry Clay.

Ashland is now a second class city, governed by a mayor, four commissioners and a city manager. The commissioners are elected for 2 year terms, the mayor for a 4 year term.

Services

Fire Department. Fire protection is provided by a chief, 2 assistant chiefs, 6 captains, 8 drivers and 17 full-time firemen. Equipment includes three 750 g. p. m. Seagraves pumpers and two 500 g. p. m. Seagraves pumpers. These are equipped with 7, 200 feet of 2 1/2" hose and 300 feet of 1 1/2" hose.

The department also owns an aerial truck equipped with a 65' ladder and 800 feet of 2 1/2" hose. All trucks are equipped with two-way radios.

The Ashland Fire Department is a member of the Kentucky, Ohio and West Virginia Firemen's Association, through which it gives and receives help when needed. The alarm system consists of siren, radio and telephone. The entire city is provided with fire hydrants having 16" mains and a water pressure of 90 lbs. For fire insurance purposes, Ashland has a 4th class NBFU rating.

Police Department. The Ashland Police Department is comprised of a chief, 2 assistant chiefs, 2 captains, 3 lieutenants, 1 sergeant, 2 detectives, 20 patrolmen and 1 civilian traffic clerk. Equipment includes 4 patrol cars and 2 motorcycles, all with 2-way radios.

Garbage. Garbage is collected daily in the business section and weekly in the residential section. A foreman and 20 men comprise the garbage crew, Equipment includes 4 garbage trucks and 1 compressor truck. Disposal is by incineration, and a sanitary fill.

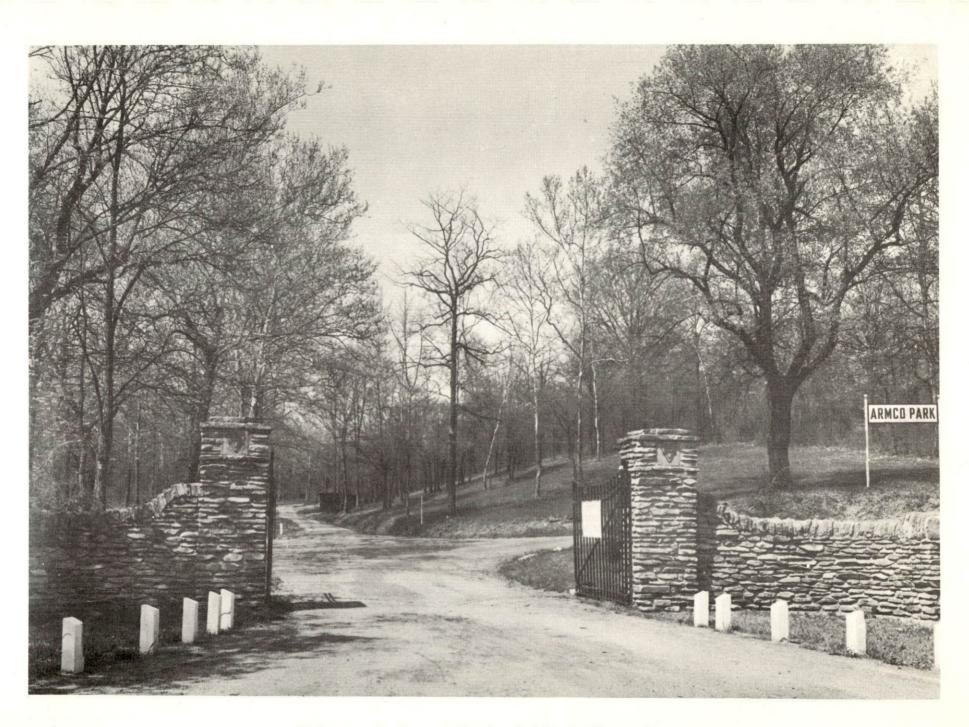
Streets. A foreman and 8 men are responsible for maintaining the 66 miles of paved streets. Equipment includes: a gravity flow oiler, roller, 4 GMC dump trucks, grader and a Huber tractor. The streets in the business district are cleaned twice weekly and all others are swept once a month.

Sewage. There are 130 miles of sewer mains in the city limits. 55% are separate storm and sanitary sewers and 45% are combined. Feeder mains are 6", 12" and 8'. At present the sewers flow into the Ohio River; however, plans are being made for a complete treatment system.

Taxes. Table 9 shows property tax rates applying in Ashland and Boyd County:

	Ashland	Boyd County
County	\$.70	\$.70
State	. 05	. 05
City	1.135	
School	1.795	1.50
TOTAL	\$ 3.68	\$ 2.25

The ratio of assessment to market value is about 50% of 1943 replacement costs in the city and 35% of market value in the county. Total assessment for the city, \$39,296,825 and for the county \$94,593,677. City income and expenditures for 1953 were approximately \$1, 178, 244.



Entrance to Armco Park, Ashland, Kentucky

City bonded indebtedness is \$1,728,000; this includes:

To be retired by:

Water Bonds	\$390,000	1964
Sewer Bonds	276,000	1969
City Building Bonds	200,000	1965
Flood Wall Bonds	122,000	1969
School Bonds	740,000	1992
	\$1,728,000	

Less various sinking funds 648,859 \$1,079,141

Total county income was \$521,428 for the year ending June 30, 1953, while expenditures were \$443,471.

As permitted by state law the city does allow a five-year property tax exemption for new industry. Manufacturing machinery and raw materials are exempt from city and county taxes.

Planning. The city of Ashland, in cooperation with Boyd County, has established a city-county planning and zoning commission. This group has undertaken a detailed study of existing land uses in the community in preparation for a comprehensive zoning ordinance. Upon completion of the zoning plan, the commission expects to make further studies and recommendations on land subdivision standards, recreation needs, traffic needs, and other elements of a comprehensive master plan.

LIVING CONDITIONS

Housing

The Ashland Board of Realtors estimates that there are 150 vacant houses in the Ashland area and most of these are for sale. The average construction cost for a two or three bedroom frame dwelling in the Ashland area is \$10.50 per square foot and \$12.00 per square foot for brick construction. The average rental for a two-bedroom house is approximately \$50; while the average rental for a three-bedroom house is \$65.

Recreation

Ashland has a large city park covering an area of 54 acres located in the central part of town. It contains a large playground and a baseball park. An out-door, city-owned swimming pool provides excellent facilities.

There is a fine private country club outside of the city, which has an eighteen hole golf course, an attractive clubhouse and swimming pool.

The public school system owns a lighted football stadium capable of seating 5,000 people. The city has an active Boy Scout organization. They own an excellent camp located in the hills a short distance from the city. The Girl Scouts are also very active in Ashland.

The city has a YMCA that is equipped with gymnasium facilities and an indoor swimming pool. It also has a YWCA, occupying its own two-story building.

The Ashland Civic Music and the Ashland Ambassadors Club bring to the city excellent musical talent and speakers of national reputation.

Area facilities include: Carter Caves State Park, one of Kentucky's newest parks, noted for its scenic beauty, offering fishing, swimming, boating, horseback riding, first class cottages and lodge; and Greenbo Recreation area having a 300 acre lake providing swimming, boating, and fishing facilities now under development.

Education

Ashland and Boyd County both have modern school systems. The Department of Education gives the Boyd County and Ashland high schools a rating of A. Table 10 shows the enrollment and student-teacher ratios of the Ashland area school systems.

School System	Enrollment	Students per Teacher
City	5,687	30
County	2,435	35
Parochial	312	24

Table 10. Ashland Area School Enrollment and Student-Teacher Ratio;

Vocational Schools, Kentucky's vocational education program utilizes thirteen highly specialized regional schools, partly integrated with regular secondary education work and partly outside it. These special area trade schools prepare Kentuckians for work in a variety of trade and industrial occupations.

Ashland is served by the Ashland Vocational School with an enrollment of 163 as of January, 1954. Courses offered include: sheet metal, welding, machine shop, auto mechanics and electricity. It should be noted that the courses offered are subject to change as business and industrial needs require. Colleges and Universities. Institutions of higher learning in the area include: Ashland Junior College, Ashland, Ky.; Morehead State College, Morehead, Ky., 62 miles; University of Kentucky and Transylvania College, Lexington, Ky., 150 miles; Marshall College, Huntington, W. Va., 17 miles; and Eastern State College, Richmond, Ky., 134 miles.

Health

There are 38 MD's, of which 10 are surgeons; 21 dentists; 61 RN's; 15 chiropractors; 18 practical nurses; 1 osteopath; and 6 laboratory technicians, in Ashland.

Hospital service is provided by King's Daughters Hospital, with 220 beds and Our Lady of Bellefonte Hospital, with 96 beds. Also located in Ashland is the state's District Four Sanitorium and Hospital for TB patients, with 100 beds.

The Public Health Program is carried out in a new city-county health center. Services provided include: immunization, venereal disease and tuberculosis control programs; maternity and child health services; infant and pre-school services; general sanitation; X-ray and laboratory service.

Churches

There are 42 churches in Ashland, representing 16 denominations: Christian, Baptist, Methodist, Catholic, Lutheran, Episcopal, United Baptist, Freewill Baptist, Presbyterian, Holiness, Church of God, Latter Day Saints, Nazarene, Gospel Tabernacle, Seventh Day Adventist, Christian Scientist, and Hebrew.

Newspapers, Radio, Television

Ashland's newspaper is the Ashland Daily Independent with a circulation of 16,000 weekly and 17,000 on Sundays.

Radio Station WCMI-AM and FM, a member of CBS, serves Ashland and vicinity.

Huntington has a television station, WSAZ-TV which provides Ashland with very good reception.

Telephone and Telegraph

Ashland is served by the General Telephone Company of Kentucky with 235 employees. Rates are: for business - \$8.75, individual line; for residential - \$4.90, individual line; \$4.20 for two-party; and \$3.60 for five-party.

Telegraph service is provided by a local Western Union Office.

Hotels and Motels

Hotels. Henry Clay, 150 rooms; Milner, 101 rooms; and Ventura, 195 rooms.

Motels. Ashland, Garden Motor Court, Higgins, Imes, Log Cabin Motor Court, and McKnight Motel.

CLIMATE

The average annual precipitation in Kentucky ranges from 38-40 inches in the northern part of the state to 50 inches or more in the south-central part. Most falls as rain with the greatest amounts during the spring months. Late summer is normally the driest part of the year.

Winter is usually relatively open with midwinter days averaging $32^{\circ}F$. in the northern parts, to $40^{\circ}F$. in the southern parts for about six weeks duration. Midsummer days average $74^{\circ}F$. in the cooler uplands, to $79^{\circ}F$. in the lowland and southern areas. Sunshine prevails for an average of at least 50 percent of the year, and increases to 60 percent or more to the southwest.

Kentucky's climate is temperate. The climatic elements of sunlight, heat, moisture, and winds are all in moderation without prolonged extremes. Rainfall is fairly regular throughout the year. The seasons differ markedly. Warm to cool weather prevails with only short spells of extreme heat and cold.

APPENDIX

Employment by Industry Division	Appendix A
Economic Characteristics of the Population	Appendix B
Climatic Data	Appendix C
Kentucky Corporation Taxes	Appendix D
City Bond Issue for Industrial Building	Appendix E
Instructions for Filing Articles of Incorporation	Appendix F
Existing Firms, Products and Employment, Ashland	Appendix G
Products Manufactured within a Radius of 25 Miles of Ashland	Appendix H
Kanawha Valley Industries and Employment, Sept., 1953	Appendix I
Resolution to Encourage Industrial Location in Ashland	Appendix J
Water Analysis of Ohio River at Ashland, Kentucky	Appendix K
Cooperating State Agencies	Appendix L

Counties, June 195					Total	Kentucky	
Industry	Boyd	Greenup	Carter	Lawrence	Area	Number	%
All Industries	11,614	869	1,831	609	14, 923	441,060	100
Mining and quarrying	379	25	94	76	574	47, 152	10.7
Contract construction	1,475	312	21	20	1,828	49,040	11.1
Manufacturing	4,594	294	1,389	247	6,524	159,216	36.1
Food products	164	9	6	10	189	25,405	5.8
Tobacco	1	0	0	0	1	8,887	2.0
Clothing and textiles	138	0	220	165	523	24,659	5.6
Lumber and furniture	79	15	29	68	191	17,080	3. 9
Printing and paper	72	4	112	4	192	8,014	1.8
Chemicals, petroleum, etc.	907	121	0	0	1,028	12,942	2.9
Stone, clay and glass	243	145	1,022	0	1,410	5,013	1.2
Primary metals	2,910	0	0	0	2,910	8,030	1.8
Machinery & metal prod.	80	0	0	0	80	45,580	10.3
Other	0	0	0	0	0	3, 526	0.8
Transportation and utilities	1,091	64	72	72	1,299	29,670	6.7
Wholesale and retail trade	3,017	157	190	190	3,554	107, 531	24.4
Finance and real estate	306	17	20	20	363	15,021	3.4
Services	751	0	45	45	841	32, 493	7.4
Other	0	0	0	0	0	937	0.2

Table 11. Covered Employment by Major Industry Division - Boyd and Adjoining Kentucky Counties, June 1953 1/

1/ Source: Kentucky Department of Economic Security.

Subject	Boyd	County	Kentucky		
	Male	Female	Male	Female	
Total population	24, 812	25,137	1,474,987	1,469,819	
EMPLOYMENT STATUS					
Persons 14 years old & over	17,642	18,181	1,039,654	1,048,459	
Labor force	13,004	3,720	799,094	214, 162	
Civilian labor force	12, 986	3,719	777,155	213, 91	
Employed	12,063	3,550	748,658	206, 328	
Private wage & salary	9,697	2,739	437,752	156, 37	
Government workers	719	450	45,354	28, 78	
Self-employed	1,565	312	235, 407	15,104	
Unpaid family workers	82	49	30,145	6,060	
Unemployed	923	169	28,497	7, 58	
Experienced workers	900	158	28,082	7,28	
New workers	23	11	415	30	
Not in labor force	4,638	14,461	240,560	834, 29	
Keeping house	92	11, 518	5,495	665, 56	
Unable to work	1,212	619	70, 583	38, 56	
Inmates of institutions	648	11	14,764	7,22	
Other and not reported	2,686	2,313	149,718	122,94	
14 to 19 years old	1,624	1,598	84,410	85,89	
20 to 64 years old	715	582	47, 447	28,95	
65 and over	347	133	17,861	8,10	
MAJOR OCCUPATION GROUP					
OF EMPLOYED PERSONS					
All employed	12,063	3,550	748,658	206, 32	
Professional & technical	785	501	34,405	25, 41	
Farmers and farm mgrs.	328	8	169, 728	2,26	
Mgrs., officials & props.	1,309	182	57,432	9,70	
Clerical & kindred wkrs.	824	1,031	33, 228	47,52	
Sales workers	718	513	35,141	20, 53	
Craftsmen and foremen	2,869	30	107,292	3,09	
Operatives & kindred wkrs.	2,629	271	152,280	37,60	
Private household workers	12	342	1,584	21,40	
Service workers	643	574	30, 522	28,00	
Farm laborers, unpaid fam.	65	10	29, 165	3,26	
Farm laborers, other	205	2	38,358	78	
Laborers, ex. farm & mine	1,518	20	49,848	1,84	
Occupation not reported	158	66	9,675	4,89	

Source: Bureau of the Census, 1950 Census of Population (Washington, 1952), Vol. II, Part 17, Tables 25, 28 and 43.

Table 12.	Climatic Data for Ashland (Dam #29 Ohio River), Boyd C	ounty, Kentucl	ky
Month	Temperature Norm	Total Precipitation Norm	Average Rela	
	Degrees Fahrenheit	Inches	7:30 A.M.	7:30 P.M. (EST)
January	35.8	3.99	82	64
February	37.0	3.30	81	71
March	46.9	4.32	79	64
April	55.4	3. 59	74	58
May	65.0	4.00	74	60
June	73.3	4.21	78	66
July	76.7	4.18	80	67
August	75.6	3.67	83	70
September	70.3	2.56	84	71
October	58.1	2.48	84	70
November	46.8	2.99	81	71
December	37.8	3.17	81	76
Annual Norm:	56.6	42.46		

*Length of Record: 7:30 A.M. Readings - 60 years; 7:30 P.M. Readings - 60 years; Station Location: Parkersburg, West Virginia.

DAYS CLOUDY OR CLEAR: (63 yr. rec.) - 110 days clear; 104 days partly cloudy; 151 days cloudy. PERCENT OF POSSIBLE SUNSHINE: (54 yr. rec.) - Annual - 48 percent. DAYS WITH PRECIPITATION OVER 0.01 INCH: (63 yr. rec.) - 144 days. DAYS WITH 1.0 OR MORE SNOW, SLEET, HAIL: (63 yr. rec.) - 6 days. DAYS WITH THUNDERSTORMS: (63 yr. rec.) - 43 days. DAYS WITH HEAVY FOG: (60 yr. rec.) - 11 days. PREVAILING WIND: (63 yr. rec.) - West. SEASONAL HEATING DEGREE DAYS: (51 yr. rec.) - Approximate long-term means - 4,906 degree days.

KENTUCKY CORPORATION TAXES

Corporation Organization Tax

Domestic corporations having capital stock divided into shares are required to pay an organization tax to the Secretary of State at the time of corporation. The tax is based upon the number of shares authorized:

	Rate Per Share (Par Value)	Rate Per Share (No Par Value)
First 20,000 shares	1¢	1/2¢
20,001 through 200,000 shares	1/2¢	1/4¢
Over 200,000 shares	1/5¢	1/5¢

The minimum tax is \$10. If additional shares are authorized the tax is computed on the basis of the total number of shares, as amended, and the tax due in excess of that already paid must be paid at the time the amendment to the articles of incorporation is filed.

The tax applies to the capital of foreign corporations in case of merger or consolidation with a Kentucky corporation.

Corporation License Tax

All corporations except foreign insurance companies, domestic life insurance companies, building and loan associations, banks and trust companies, race track corporations, and franchise paying corporations are liable for the state corporation license tax of 70¢ on each \$1,000 value of capital stock represented by property owned or business transacted in Kentucky. The minimum license tax is \$10. An annual report of facts concerning the corporation and its business is required to be filed with the Department of Revenue not later than the 15th day of the 4th month following the close of the corporation's taxable year. The amount of the tax is computed from this return. The corporation income and license tax returns have been consolidated. Tax payment is due within 30 days after certification of the assessment of its capital stock.

Corporation Income Tax

The corporation income tax of $4 \ 1/2\%$ applies to the entire net income allocable to this state. Federal income taxes are allowed as a deduction. State and national banks, trust companies, domestic building and loan associations, insurance companies, and non-profit corporations are exempt from the tax. Payment is due on the 15th day of the fourth month after the close of the tax year. Payment of one-third of the tax may be deferred until the 15th day of the seventh month and an additional one-third until the 15th day of the 11th month following the close of the tax year without interest.

Interest, dividends, rents and royalties, and capital gains not received in connection with the regular business of a corporation are subject to taxation by this state only when such income is received from sources within this state.

Kentucky's portion of taxable corporate income derived from public utilities and the manufacture and sale of tangible property is determined by applying to net income an average of the ratios of the value of tangible property, payroll, and amount of sales in this state to the total value of tangible property, payroll, and amount of sales of the corporation.

In general, this same method is used for allocating taxable income of corporations engaged in other types of business.

Franchise Company Taxes

Property of franchise companies (public service companies, railroad companies, common carrier trucking companies, etc.) is subject to taxation at the following rates per \$100 value: real, 5¢; tangible personal, 50¢; nonoperating intangible property, 25¢; manufacturing machinery, 50¢; franchise and rolling stock of car line companies, \$1.50; and franchise (value over and above the actual value of tangible property), 50¢. With the exception of manufacturing machinery, franchise and rolling stock of car line companies, and non-operating intangibles, such property is also subject to local taxation.

Franchise companies must, between January 1 and March 31, file an annual report of their operations during the past calendar year. Assessment of franchise property is made by the Department of Revenue as of December 31 of each year. The total over-all value of the company is fixed by various means, among which are (1) capitalizing net utility operating income and (2) determining the market value of the company's stocks and bonds.

Tax payment is due within 30 days after the department's assessment becomes final.

General Property Taxes

Kentucky's constitution provides that all property, unless specifically exempt, shall be subject to property taxation. Classification is provided and assessments are required to be at fair cash value. However, Kentucky courts have consistently held that uniformity takes precedence over full value. As of 1955, the statewide assessment level on real estate and tangible personalty is about 35 per cent, and on intangible personalty is approximately full value. State ad valorem tax rates, applicable to the various classes of property, are shown on the table below. Property which may be taxed locally, subject to constitutional or statutory limits, is indicated by the designation "full" or by the maximum rate which may be levied on a particular class of property.

	Rate Per \$100 Assessed Value							
	State	County	City	School				
Annuities	\$.05	\$ No	\$ No	\$ No				
Bank deposits	.10	No	No	No				
Bank shares	. 50	. 20	. 20	. 40				
Brokers accounts receivab	le .10	No	No	No				
Building and loan associa-								
tion capital stock	.10	No	No	No				
Car lines	1.50	No	No	No				
Distilled spirits	50	Full (1)	Full	Full				
Farm products in storage	.25	.05 (tobacco)	.05 (tobacco)	No				
		.15 (other)	.15 (other)					
Farm products in the hand	S							
of producers or agent	.25	No	No	No				
Intangibles, franchise	. 50	Full	Full	Full				
Intangibles, franchise								
nonoperating	.25	No	No	No				
Intangibles, not else-								
where specified	. 25	No	No	No				
Livestock and poultry	.50	No	No	No				
Machinery, agricultural								
and manufacturing	.50	No	No	No				
Raw materials and product	s							
in course of manufacture	. 50	No	No	No				
Real property	.05	Full	Full	Full				
Tangible personalty, not								
elsewhere specified (2)	. 50	Full	Full	Full				

(1) County rates have a maximum of 70¢ but average 62¢; school rates average \$1.45 with a maximum of \$1.50 except for special voted levies not to exceed 50¢. City rates average about 75¢ with a maximum of \$1.50 for cities over 15,000 population.

(2)Includes automobiles and trucks, merchants inventories and manufacturers finished goods, business furniture and fixtures, etc.

The Department of Revenue assesses bank deposits in Kentucky banks as of September 1 and distilled spirits and marginal accounts as of January 1. Tax payment is due on bank deposits on or before November 1 following the assessment date and on marginal accounts within 30 days after the department renders its tax bill to the taxpayer. The tax on distilled spirits may be paid tri-annually on January 1, May 1, and September 1, or annually between September 1 and January 1.

Other property is assessed for state, county, and county school taxes by county tax commissioners, and must be listed as of January 1 between January 1 and March 1. Tax payment is due between the following September 15 and January 1; if rendered before November 1 a discount of 2% applies. Exceptions are money in hand, deposits in out-of-state banks, and tobacco, which are assessed as of September 1; tax payments are due the second succeeding September 15.

City and city school assessment and payment dates vary.

Special Taxes

Banks and trust companies, building and loan associations, and insurance companies, which are exempt from corporation license and income taxes, are subject to special taxes.

Banks - Each bank and trust company is required to pay for its stockholders an annual state tax of 50¢ per \$100 value of its capital stock. An annual report to the Department of Revenue and to the assessing officer of the county, city, and school district in which it is located is required by February 1. Tax payment, subject to a 2% discount if paid by November 1, is due between September 15 and December 31 following the assessment date. The assessed value of tangible property may be deducted from the total value of its shares.

Maximum local rates per \$100 are: counties, 20; cities, 20; and school districts, 40¢.

Building and Loan Associations - A state tax of 10¢ per \$100 is levied on capital stock of domestic building and loan associations in lieu of all other state and local taxes. A report to the Department of Revenue as of January 1 is required by January 31 of each year. Tax payment is due by July 1 of the same year. Shares of borrowing members where the amount borrowed equals or exceeds the amount paid in by those members are exempt from taxation.

Foreign building and loan associations are required to pay an annual tax of \$3 on each \$100 received from shareholders residing in this state, less the amount loaned to shareholders residing in the state. A report must be filed with the Department of Banking on January 1 each year.

Appendix E

KENTUCKY REVISED STATUTES 1948

103.200 - 103.280

INDUSTRIAL BUILDINGS FOR CITIES GENERALLY

103.200 Definitions for KRS 103.200 to 103.280. As used in KRS 103.200 to 103.280, "industrial building" means any building or structure suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, or fabricating plant, to be rented or leased to an industrial concern by the city by which it is acquired.

103.210 Issuance of Bonds. In order to promote the reconversion to peace-time economy, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans and to encourage the increase of industry in this state, any city may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance has been adopted by the legislative body of the city specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280.

103.220 Interest on Bonds; terms. (1) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or semi-annually, and shall be executed in such manner and be payable at such times not exceeding twenty-five years from date thereof and at such place or places as the city legislative body determines.

(2) The bonds may provide that they or any of them may be called for redemption prior to maturity, on interest payment dates not earlier than one year from the date of issuance of the bonds, at a price not exceeding 103 and accrued interest, under conditions fixed by the city legislative body before issuing the bonds.

103.230 Bonds negotiable; disposal; payable only from revenue. Bonds issued pursuant to KRS 103.200 to 103.280 shall be negotiable. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer, before delivery of the bonds, his signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold in such manner and upon such terms as the city legislative body deems best, or any contract for the acquisition of any industrial building may provide that payment shall be made in such bonds. In no event shall any bonds be negotiated on a basis to yield more than 6% except as provided in subsection (2) in KRS 103.220. The bonds shall be payable solely from the revenue derived from the building, and shall not constitute an indebtedness of the city within the meaning of the Constitution. It shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 103.200 to 103.280 and that it does not constitute an indebtedness of the city within the meaning of the constitution.

103.240 Use of proceeds of bonds. All money received from the bonds shall be applied solely for the acquisition of the industrial building, and the necessary expense of preparing, printing and selling said bonds, or to advance the payment of interest on the bonds during the first three years following the date of the bonds.

103.250 Receiver in case of default. If there is any default in the payment of principal or interest of any bond, any court having jurisdiction of the action may appoint a receiver to administer the industrial building on behalf of the city, with power to charge and collect rents sufficient to provide for the payment of any bonds or obligations outstanding against the building, and for the payment of operating expenses, and to apply the income and revenue in conformity with KRS 103.200 to 103.280 and the ordinance referred to in KRS 103.210.

103.260 Application of revenue; charges for use. (1) At or before the issuance of bonds the city legislative body shall, by ordinance, set aside and pledge the income and revenue of the industrial building into a separate and special fund to be used and applied in payment of the cost thereof and in the maintenance, operation and depreciation thereof. The ordinance shall definitely fix and determine the amount of revenue necessary to be set apart and applied to the payment of principal and interest of the bonds, and the proportion of the balance of the income and revenue to be set aside as a proper and adequate depreciation account, and the remaining proportion of such balance shall be set aside for the reasonable and proper operation and maintenance of industrial building.

(2) The rents to be charged for the use of the building shall be fixed and revised from time to time so as to be sufficient to provide for payment of interest upon all bonds and to create a sinking fund to pay the principal thereof when due, and to provide for the operation and maintenance of the building and an adequate depreciation account.

103.270 Depreciation account. (1) If a surplus is accumulated in the operating and maintenance funds equal to the cost of maintaining and operating the industrial building during the remainder of the calendar, operating or fiscal year, and during the succeeding like year, any excess over such amount may be transferred at any time by the city legislative body to the depreciation account, to be used for improvements, extensions or additions to the building. (2) The funds accumulating to the depreciation account shall be expended in balancing depreciation in the industrial building or in making new constructions, extensions or additions thereto. Any such accumulations may be invested as the city legislative body may designate, and if invested the income from such investment shall be carried into the depreciation account.

103.280 Additional Bonds. (1) If the city legislative body finds that the bonds authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued in the same manner.

(2) Any city acquiring any industrial building pursuant to the provisions of KRS 103.200 to 103.280 may, at the time of issuing the bonds for such acquisition, provide for additional bonds for extensions and permanent improvements, to be placed in escrow and to be negotiated from time to time as proceeds for that purpose may be necessary. Bonds placed in escrow shall, when negotiated, have equal standing with the bonds of the same issue.

(3) The city may issue new bonds to provide funds for the payment of any outstanding bonds, in accordance with the procedure prescribed by KRS 103.200 to 103.280. The new bonds shall be secured to the same extent and shall have the same source of payment as the bonds refunded.

The Following Amendment was made to KRS 103.200 to 103.280 by the 1952 Kentucky Legislature.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF KENTUCKY:

Section 103.200 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 103.200 to 103.280, "industrial building" or "buildings" means any building or structure suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, or fabricating plant, and/or the necessary operating machinery and equipment, to be rented or leased to an industrial concern by the city by which it is acquired.

Appendix F

COMMONWEALTH OF KENTUCKY DEPARTMENT OF STATE Secretary of State, Frankfort, Kentucky

INSTRUCTIONS FOR FILING ARTICLES OF INCORPORATION FOR FOREIGN CORPORATIONS IN KENTUCKY

1. Original articles of incorporation and all existing and subsequent amendments to original articles must be filed with the Secretary of State of Kentucky, certified by the Secretary of State of the state of incorporation, as of the present date, in the chronological order. All articles and amendments must be accounted for in the certification of the Secretary of State of the state of incorporation. A \$25.00 filing fee for original articles and amendments is required. A fee of \$10.00 is required for recording articles and amendments.

2. A statement of corporation designating process agent and place of business in Kentucky is required. Filing fee \$5.00.

3. Annual verification report of statement of corporation and annual statement of existence is required to be filed on or before July 1st, of each year. Filing fee for each is \$1.00.

4. Photostatic copies will be accepted for filing and recording, if they are plainly legible and in proper legal form with respect to size, durability, etc., and of such size and quality as to permit them to be rephotostated.

For further information write to:

Charles K. O'Connell Secretary of State Commonwealth of Kentucky Frankfort, Kentucky

Appendix G

Existing Firms, Products and Employment. The following is a list of the manufacturing firms of Ashland and indicates something of the demand for labor and products available in the area:

Table 13. Firms, Products and E	mployment, Ashland, Kentu	-		
	Dealacte		Imployme	
Firm	Products	Male	Female	
Acme Awning Co.	Awnings	1	0	1
Armco Drainage & Metal Prod. Co.	0	60	1	61
Armco Steel Corp.	Steel sheets	3285	85	3370
Ashland Coca-Cola Bottling Co.	Bottled Coca-Cola	17	0	17
Ashland Crafts, Inc.	Garments	5	170	175
Ashland Foundry & Mach. Works	Foundry & mach. shop eq		1	25
Ashland Meat Co.	Meat packers	5	1	6
Ashland Oil & Refining Co.	Petroleum products	1048	213	1261
Ashland Publishing Co.	Newspaper publisher	52	9	61
Ashland Sanitary Milk Co.	Dairy products	21	2	23
Ashland Scrap Material Co.	Scrap iron and metals	21	0	21
Big Run Coal & Clay Co.	Face brick; bldg. tile	78	1	79
Carolina Lumber Co.	Lumber, building supplie	s 13	1	14
Castle Showcase Co.	Store fixtures, display eq		3	35
John P. Colliver	Whiskey barrel staves	40	0	40
Dickenson Printing Co.	Printing	1	1	2
Dr. Pepper Bottling Co.	Bottled Dr. Pepper	8	0	8
Economy Printers	Commercial printing	6	1	7
Federal Ice Co.	ïce	7	2	9
Feuchtenberger Baking Corp.	Bread and rolls	60	2	62
General Concrete Co.	Slag	11	0	11
	Beef, pork, sausage	24	3	27
Emory Gillum Wholesale Meats	Coffee & peanuts process		2	5
Golden Dream Food Corp.	Commercial printing	11	0	11
Graber Printing Co.	Concrete blocks	18	1	19
Hearne Concrete Block Co.	Milk & dairy products	37	6	43
Johnson's Dairy, Inc.		5	0	5
Kilbourne Machine Shop	Machine work & welding Sole leather	122	2	124
A. C. Lawrence Leather Co.		66	1	67
Mansbach Metal Co.	Scrap iron & metals	24		25
Middle States Bituminous Corp.	Bituminous concrete		1	
Myers & Clark Co., Inc.	Feeds	16	1	17 60
National Mines Service Co.	Rebuilders of mining eqp		3	
Nehi Bottling Co.	Soft drinks	12	0	12
North American Refractories Co.	Brick	155	2	157
Joseph Oker Sons Co.	Cooperage	25	0	25
Patton Lumber Co.	Building materials	19	0	19
Pure Milk Co., Inc.	Dairy products	15	3	18
Quality Bakery, Inc.	Bakery products	3	5	8
Semet-Solvay Co.	Coal by-products	350	0	350
The Standard Slag & Stone Co,	Construction work	50	0	50
Stevens Lumber Co.	Lumber	11	1	12
Stowe Machine & Welding Works	Welding, machine work	3	0	3
Tipton Pastry Shop	Bakery products	0	3	3
Virginia Joe's Candies	Candies	1	1	2
The Barney Williams Co., Inc.	Engine & clutch assembl	ies 20	1	21

Table 14. Products Manufactured within a Radius of 25 Miles of Ashland

Enameling Iron Galvanized Iron Steel Sheets Cold Rolled Sheets Bars Rods Billets Slabs Low and Medium Carbon Wire Tire Bead Merchants Wire Welded Wire Fabrics Upholstering Wire Gasoline Motor Oil Propane Gas Industrial and Domestic Fuel Oils Kerosene Lubricants Greases Industrial Naphthas Coal Spray Oil Industrial and Road Building Asphalts Coke Coal Tar Light Oil from Coal Tar Ammonia - Liquor - 30% Pyrdine Tar Acid Corrugated Metal Pipe Black Blasting Powder Pellet Powder Permissible Powder Detonite Powder Gas Well Explosives Sulphuric Acid Shoe Sole Leather

Building Brick and Tile Concrete Blocks Fire Brick Store Fixtures Cement Phthalic Anhydride Used in Paints & Plastics Pitch for Electrodes in Aluminum Industry Maleic Anhydride Used in Plastics Quarry Tile Malleable Iron Castings Custom Castings Ammonia Nitrogen Compounds Automobile & Industrial Hoists Carbon Brushes Structural Steel Gray Iron Castings Hard Rubber Auto & Industrial Batt. Heaters, Sprinklers Iron, Brass Glassware, Lamps Plate Glass Supplies, Boxes Aniline Dyes Auto Bumpers Steel, Tanks Nickel, Monel, Alloys Glass Containers Alum., Brass & Bronze Castings Glass Bottles Precision Optics Fabricated Steel Ultramarine Blue, Dye Radio Tubes Tools Dies, Jigs Structural Steel Veneer, Lumber

Industry	y N	umber of Plants	Employment
No.	Title		
	All Industries	237	48,686
20	Food & kindred products	42	2,290
23	Apparel	7	1,470
24	Lumber & wood products, ex. furn.	37	1,110
.5	Furniture & fixtures	12	671
.7	Printing, publishing & allied industrie	s 23	1,262
.8	Chemicals & allied products	26	20,301
281	Industrial inorganic chemicals	3	1,793
282	Industrial organic chemicals	9	18,179
285	Paints, varnishes, lacquers, enamels	2	
	color pigments, japans, whiting	4	116
.9	Products of petroleum and coal	5	584
2	Stone, clay and glass products	29	6,722
322	Glass and glassware, pressed or blow	n 10	3,505
323	Glass products made of purchased gla		121
325	Structural clay products	4	202
327	Concrete, gypsum, and plastic prod.	10	370
3	Primary metals industries	9	6,305
331	Blast furnaces, steel works, rolling		
	mills	3	3,674
332	Iron and steel foundries	5	211
4	Fabricated metal products	16	1,654
344	Fabricated structural metal products	7	278
5	Machinery (except electrical)	11	777
353	Construction and mining machy. & Eq	pt. 4	313
6	Electrical machy., eqpt. & supplies	6	2,084
7	Transportation equipment	5	2,566
371	Motor vehicles & motor vehicle eqpt.	3	938
8	Professional, scientific and controllin	g	
The second se	instruments	4	193

1 / Source of data: Kentucky Department of Economic Security. Counties included in table include Cabell, Fayette, Kanawha, Mason, Putnam and Wayne, West Virginia.

Appendix J

A RESOLUTION TO ENCOURAGE THE LOCATION OF INDUSTRIAL ENTERPRISES WITHIN THE CITY OF ASHLAND, KENTUCKY

WHEREAS it is desirable that new industries and business enterprises locate in the City of Ashland, Kentucky, and

WHEREAS it is desirable to achieve a better balanced economy for our community and its environs, and

WHEREAS our City is well situated with regard to labor, coal, natural gas, churches, schools and other facilities,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF ASHLAND, KENTUCKY:

SECTION 1. That an invitation is extended to acceptable industrial enterprises and businesses to locate in Ashland, and the good faith of the City is pledged to them that they shall receive assistance on the part of the City Government and the citizens of the City in locating and establishing their plants, enterprises, and businesses in said City. It is believed that Ashland has a bright industrial future, and the experience of existing local industry has been satisfactory to both industry and the City.

SECTION 2. This resolution shall be in full force and effect from and after its passage and approval, as required by law.

/s/ David Aronberg	
MAYOR	
/s/ Wilburn Caskey	
/s/ Tom Fearing	
/s/S. D. Foster	
/s/ Steven J. Tremel	
COMMISSIONERS	

ATTEST:

/s/ Clem S. Howard CITY CLERK

ADOPTED AND READOPTED BY THE BOARD OF COMMISSIONERS Feb. 16, 1954 PUBLISHED Feb. 18, 1954

KENTUCKY

ASHLAND

(Population 31, 131)

Ownership: Municipal; supplies also Russell (which supplies Worthington, Flatwoods, Bellefonte, Westwood, and Raceland) and about 600 people outside

the city limits. Total population supplied, about 39,800.

Source: Ohio River.

Treatment: Aeration, prechlorination, coagulation with alum and lime, ammoniation, activated carbon, sedimentation, rapid sand filtration, and postchlorination.

Rated capacity of treatment plant: 4, 700, 000 gpd.

Raw-water storage: 25,000,000 gal.

Finished-water storage: 6, 500, 000 gal.

ANALYSIS

(Analysis, in parts per million, by U. S. Geological Survey)

	Finished		Finished
	water	,	water
Silica (SiO ₂)	5.4	Hardness as CaCO3:	
Iron (Fe)	. 21	Total	93
Manganese (Mn)	00	Noncarbonate	56
Calcium (Ca)	26		
Magnesium (Mg)	6.6	Color	0
Sodium (Na)	10	pH	7.2
Potassium (K)	1.5	Specific conductance	
Carbonate (CO3)	0	(micromhos at	
Bicarbonate (HCO ₃)	44	25 C.)	245
Sulfate (SO ₄)	60	Turbidity	
Chloride (Cl)	11	Temperature (F.)	
Fluoride (F)	. 1	Date of collection	5/8/51
Nitrate (NO ₃)	1.5		
Dissolved solids	145		
Regular d	etermination	s at treatment plant, 1950	
Alkalin	ity	Hardness	

	alinit	ty Hardness										
	as CaCO3			pH		as CaCO 3		Turbidity				
	(ppm)					(ppm)						
	Av	Max	Min	Av	Max	Min	Av Max	Min	Av	Max	Min	
Raw water	32	52	17	7.0	7.7	6.2	90 156	43	176	2000	25	
Finished water	41	59	24	8.3	8.7	7.2	107 170	72	4771 ABM	ca 🕳		

Appendix L

COOPERATING STATE AGENCIES

As a state, Kentucky realizes the importance of industry in developing her many resources. In addition to the Agricultural and Industrial Development Board, which was created for the express purpose of promoting the economic development of the Commonwealth, there are many state agencies actively engaged in programs, which, directly or indirectly, contribute materially to the solution of problems which affect our industrial growth. Since it is a statutory function of the A&ID Board "to coordinate development plans," contact with the following state agencies and others concerned may be established through the Board.

The Kentucky Highway Department, in planning its program of development and expansion, gives every consideration to the needs of existing and proposed industries. During the year 1954, 2,222 miles of highway and bridges were placed under contract at a total cost of \$41,347,000. This figure does not include \$30,000,000 which will be spent on a new turnpike between Louisville and Elizabethtown, Kentucky. Kentucky has ranked in the upper fourth of all states in recent years in both the number of miles of highway construction and in the amount of money spent.

The Department of Economic Security will furnish data regarding potential labor supply, prevailing wage rates, characteristics of labor supply and employment and economic characteristics for any area in the State. The Department's Division of Employment Service with offices in 24 cities in the State is available at all times to assist in recruitment of workers for industry both old and new. All local offices in the State are equipped to administer specific aptitude tests for 270 different occupations as a part of the recruitment process. These tests facilitate getting the "round peg" into the "round hole" thereby helping to reduce worker turnover and training time.

The Kentucky Department of Industrial Relations has been highly successful in its relations with both management and labor. Representatives of this department are available at all times to consult with industries on any matter in which they can be of service.

The Kentucky Department of Revenue offers the services of its tax consultants to industries seeking locations within the state, as well as to resident industries.

The Kentucky Agricultural and Industrial Development Board takes pride, not only in the services it has to offer to industries seeking locations in Kentucky, but in the service it attempts to render on a continuing basis to existing industry. Established industries have found the state to be considerate of their welfare and we welcome the opportunity to introduce representatives of prospective new industries to our present family of industries.