

437377

ANNUAL REPORT 1977 CLASS 1 1 of 1

DRAYO CORPORATION

437377

annual report

W-1

FMC-63

CLASS A & B

INTERSTATE CARRIERS BY WATER

COMMERCE COMMISSION

APPROVED BY 840

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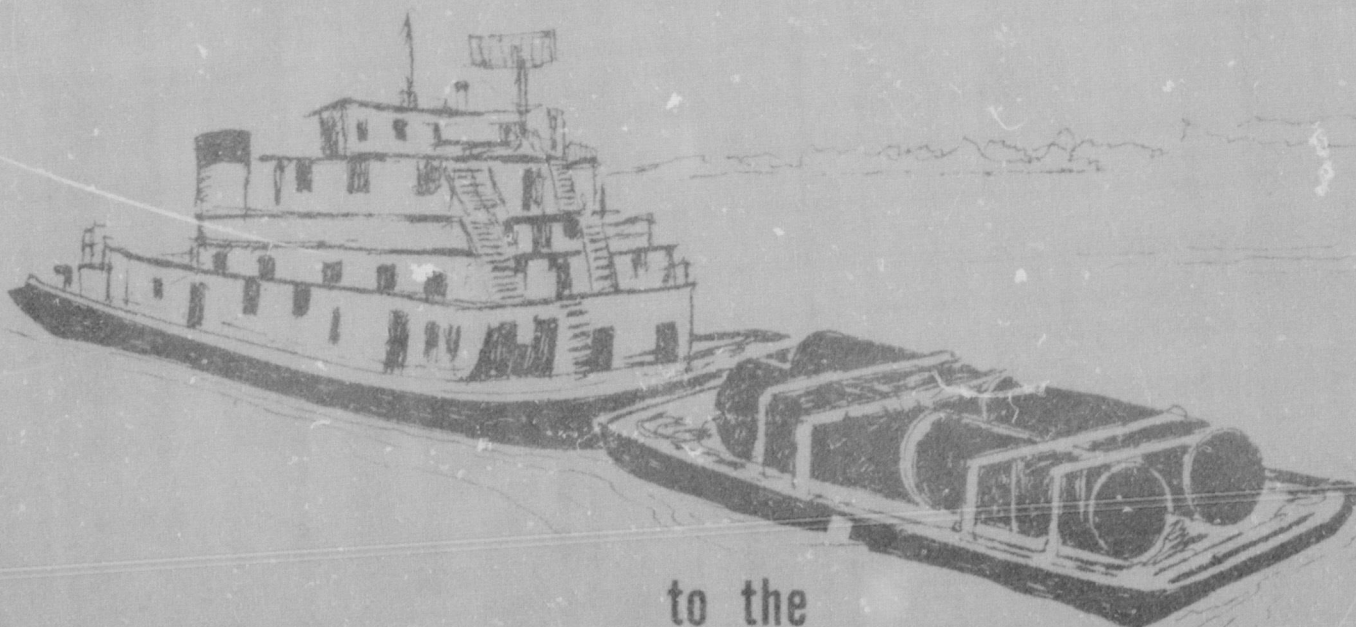
APR 3 1978

EXPIRES 12-31-78

ADMINISTRATIVE SERVICES
MAIL UNIT

Holding Co.

	<p>150 555555 Dravo Corp. H 437377</p> <p>Dravo Corporation One Oliver Plaza Pittsburgh, PA 15222</p>
<p>Correct name and address if different than shown.</p>	<p>Full name and address of reporting carrier. (Use mailing label on original, copy in full on duplicate.)</p>



to the

INTERSTATE COMMERCE COMMISSION

FOR THE YEAR ENDED DECEMBER 31, 1977

to the

FEDERAL MARITIME COMMISSION

FOR THE PERIOD _____

ANNUAL REPORT

OF

DRAVO CORPORATION
(NAME OF RESPONDENT)

ONE OLIVER PLAZA, PITTSBURGH, PA 15222
(ADDRESS)

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE YEAR ENDED DECEMBER 31, 1977

TO THE

FEDERAL MARITIME COMMISSION

FOR THE PERIOD

Name, official title, telephone number, and office address of officer in charge of correspondence with the Commission regarding this report:

(Name) J. V. Newman (Title) Vice President - Controller

(Telephone number) 412 566-3134
(Area code) (Telephone number)

(Office address) One Oliver Plaza, Pittsburgh, PA 15222
(Street and number, City, State, and ZIP code)

101. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 5 or 6 on this page have taken place during the year covered by this report, they should be explained in detail on page 61.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification" (p. 62). If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

3. If incorporated under a special charter, give date of passage of the act; if under a general law give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or other

possession began. If a partnership, give date of formation and also names in full of present partners.

4. Give specific reference to laws of each State or Territory under which organized, citing chapter and section. Include all grants of corporate powers by the United States, or by Canada or other foreign country; also, all amendments to charter.

5. Give specific reference to special or general laws under which each consolidation or merger or combination of other form was effected, citing chapter and section. Specify Government, State, or Territory under the laws of which each company consolidated or merged or otherwise combined into the present company was organized; give reference to the charters of each, and to all amendments of them.

6. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of respondent making this report Dravo Corporation

2. State whether respondent is a common or contract carrier and give ICC Docket Number No

3. Date of incorporation December 31, 1936

4. Under laws of what Government, State, or Territory organized? If more than one, name all. Give specific reference to each charter or statute and all amendments thereof, effected during the year. If previously effected show the year(s) of the report(s) setting forth the details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees Pennsylvania

5. If the respondent was formed as the result of a consolidation or merger during the year, name all constituent and all merged companies

6. If respondent was reorganized during the year, give name of original corporation, and state the occasion for the reorganization

7. State whether or not the respondent during the year conducted any part of its business under a name or names other than that shown in response to inquiry No. 1, above; if so, give full particulars No

8. Give name of operating company, if any, having control of the respondent's property at the close of the year

9. Is an annual report made to stock holders (answer yes or no) Yes. If reply is yes, check appropriate statement: ☒ two copies are attached to this report. ☐ Two copies will be submitted _____ (date).

1. Give particulars of the various directors and officers of the respondent at the close of the year.
2. State in column (e) of Schedule No. 102 and column (d) of Schedule No. 103, the number of voting shares of the respondent, other than directors' qualifying shares, that were beneficially owned, directly or indirectly, by each director or principal general officer at the close of the year. This includes shares owned of record, shares owned through holding companies, trusts or other mediums, and shares owned but held in the names of brokers or other nominees. Insert the word "None" where applicable.
3. In schedule No. 103 give the title, name, and address of the principal general officers having

system jurisdiction by departments, as follows: Executive, Legal, Fiscal and Accounting, Purchasing, Operating (including heads of Construction, Maintenance, Mechanical, and Transportation departments), and Traffic. If there are receivers, trustees, or committees, who are recognized as in the controlling management of the carrier or of some department of it, give also their names and titles, and the location of their offices.

4. If the duties of an officer extend to more than one department, or if his duties are not in accordance with the customary acceptance of his given title, state the facts briefly in a note attached to this page.

102. DIRECTORS

Line No.	Name of director (a)	Office address (b)	Date of beginning of term (c)	Date of expiration of term (d)	Number of voting shares actually or beneficially owned (e)	Remarks (f)
1	Robert Dickey III	One Oliver Plaza				
2		Pgh., PA 15222	4-28-77	4-24-80	31,714	
3	Philip J. Berg	" "	4-28-77	4-27-78	13,818	
4	Thomas F. Faught, Jr.	" "	4-28-77	4-27-78	7,000	
5	H. Edgar Lore	" "	4-28-77	4-24-80	3,268	
6	Ralph B.					
7	Gilpatrick, Jr.	Mellon Bank, N.A.	4-24-75	4-27-78	400	
8		Pgh., PA				
9	Richard R. Hough	AT&T Long Lines	4-22-76	4-26-79	200	
10		New York, NY				
11	Allison R.					
12	Maxwell, Jr.	Wheeling-Pgh.	4-22-76	4-26-79	400	
13		Steel, Pgh., PA				
14	Joseph A. Neubauer	PPG Ind., Pgh. PA	4-22-76	4-26-79	400	
15	L. Stanton Williams	"	4-28-77	4-24-80	200	

16. Give the names and titles of all officers of the Board of Directors in control of the respondent at the close of the year:

Chairman of board Robert Dickey III Secretary (or clerk) of board Robert E. Mertz

17. Name the members of the executive committee of the Board of Directors of the respondent at the close of the year (naming first the chairman), and state briefly the powers and duties of that committee: Robert Dickey III, H. Edgar Lore, Philip J. Berg, Thomas F. Faught, Jr., Rodney S. Gould. This committee functions in the interim between meetings and has all powers conferred by the by-laws.

103. PRINCIPAL GENERAL OFFICERS OF CORPORATION, RECEIVER, OR TRUSTEE

Line No.	Title of general officer (a)	Department or departments over which jurisdiction is exercised (b)	Name of person holding office at close of year (c)	Number of voting shares actually or beneficially owned (d)	Office address (e)
18	Chairman and President	Executive	Robert Dickey III	31,714	One Oliver Plaza
19					Pgh., PA 15222
20	Vice Chairman	Executive	H. Edgar Lore	3,268	"
21	Sr. Vice President	Operations	Philip J. Berg	13,818	"
22	"	Finance	Thomas F. Faught	7,000	"
23					
24					
25					
26					
27					
28					
29					
30					
31	Officers as a group of 25 persons			99,356	
32	GENERAL OFFICERS OF RECEIVER OR TRUSTEE				
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					

1. In schedule No. 104A should be entered the names of all corporations which are controlled either solely or jointly by the respondent carrier, except corporations controlled through title to securities. The names of all corporations indirectly controlled by respondent through an intermediary not filing an annual report with the Commission under the provisions of Part I or Part III of the Interstate Commerce Act should be entered in schedule No. 104B whether controlled through title to securities or otherwise. Schedule 217, on pages 16 and 17, provides for corporations controlled by respondent through title to securities.

2. By "control" is meant *ability to determine the action of a corporation*. Attention is specifically directed to Section 1 (3) (b) of Part I of the Interstate Commerce Act which provides that, "For the purposes of sections 5, 12 (1), 20, 204 (a) (7), 210, 220, 304 (b), 310, and 313 of this Act, where reference is made to control (in referring to a relationship between any person or persons and another person or persons), such reference shall be construed to include actual as well as legal control, whether maintained or exercised through or by reason of the method of or circumstances surrounding organization or operation, through or by common directors, officers, or stockholders, a voting trust or trusts, a holding or investment company or companies, or

through or by any other direct or indirect means; and to include the power to exercise control.

3. In column (c) should be entered the names of the corporations or others, if any, that with the respondent corporation jointly control the corporation listed.

4. In column (d) should be shown the form of control exercised. For the purposes of this report, the following are to be considered forms of control:

(a) Right through agreement of some character or through some source other than title to securities, to name the majority of the board of directors, managers, or trustees of the controlled corporation;

(b) Right to foreclose a first lien upon all or a major part in value of the tangible property of the controlled corporation;

(c) Right to secure control in consequence of advances made for construction of the operating property of the controlled corporation;

(d) Right to control only in a specific respect the action of the controlled corporation.

5. A *leasehold interest in the property of a corporation is not to be classed as a form of control over the lessor corporation*.

6. In column (e) should be shown the extent of the interest of

respondent corporation in the controlled corporation.

7. Indirect control is that exercised through an intermediary. When an intermediary is a holding company or any other corporation (or an individual) not making an annual report to the Commission, the names of all its controlled corporations should be entered with the name of such intermediary. For corporations indirectly controlled, the entries in schedule 104B, columns (b), (c), (d), and (e) should show the relationship between the corporation named in column (a) and that named in column (f). If an intermediary files an annual report with the Commission, its controlled corporations need not be listed on this page.

8. Corporations should be grouped in the following order:

1. Transportation companies—active.
2. Transportation companies—inactive.
3. Nontransportation companies—active.
4. Nontransportation companies—inactive.

9. An *inactive corporation* is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs; if it maintains an organization, it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises. All other corporations are to be regarded as active.

104A. CORPORATIONS CONTROLLED BY RESPONDENT OTHER THAN THROUGH TITLE TO SECURITIES

Line No.	Name of corporation controlled (a)	CHARACTER OF CONTROL				Remarks (f)
		Sole or joint (b)	Other parties, if any, to joint agreement for control (c)	How established (d)	Extent (e)	
1	None					
2						
3						
4						
5						

104B. CORPORATIONS INDIRECTLY CONTROLLED BY RESPONDENT

Line No.	Name of corporation controlled (a)	CHARACTER OF CONTROL				Name of intermediary through which indirect control exists (f)
		Sole or joint (b)	Other parties, if any, to joint agreement for control (c)	How established (d)	Extent (e)	
1	None					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						

108. CORPORATE CONTROL OVER RESPONDENT

See Page 4 for instructions regarding forms of control

1. Did any corporation or corporations, transportation or other, hold control over the respondent at the close of the year? NO

If control was so held, state: (a) The form of control, whether sole or joint _____

(b) The name of the controlling corporation or corporations _____

(c) The manner in which control was established _____

(d) The extent of control _____

(e) Whether control was direct or indirect _____

(f) The name of the intermediary through which control, if indirect, was established _____

2. Did any individual, association, or corporation hold control, as trustee, over the respondent at the close of the year? NO

If control was so held, state: (a) The name of the trustee _____

(b) The name of the beneficiary or beneficiaries for whom the trust was maintained _____

(c) The purpose of the trust _____

109. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$1.00 per share; Series A \$1.00 per share; Series B \$1.00 per share; debenture stock, \$_____ per share. Preference Preference

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes.

3. Are voting rights proportional to holdings? Yes. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No. If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent, showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? Yes. If so, describe fully (in a footnote) each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date and state the purpose of the latest closing of the stock book or compilation of list of stockholders prior to the actual filing of this report (even though such date be after the close of the year). to determine shareholders entitled to vote at 1978 Annual Mtg.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within 1 year of the date of such filing; if not, state as of the close of the year. 5,181,411 votes as of 3/9/78 (date given in answer to inquiry No. 6)

8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. 6,544 stockholders.

9. Give the names of the 27 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such 27 security holders as of the close of the year.

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			
				Common (d)	STOCKS		Other securities with voting power (g)
					Series A (e)	Series B (f)	
1	Cede & Co.	New York, NY	404,666	404,666			
2	Cudd & Co.	New York, NY	187,400	187,400			
3	Elm & Co.	Pittsburgh, PA	152,162	152,162			
4	Swan & Co.	Boston, MA	152,000	152,000			
5	UACO	Pittsburgh, PA	97,792	97,792			
6	Mac & Co.	Pittsburgh, PA	91,860	91,860			
7	C. B. Jansen	Pittsburgh, PA	72,132	72,132			
8	F. A. Mechling	Pittsburgh, PA	57,815			57,815	
9	H. G. Mechling	Chicago, IL	57,815			57,815	
10	Bruch & Co.	Minneapolis, MN	53,075	53,075			
11	A. L. Mechling	Pittsburgh, PA	49,866			49,866	
12	Lerche & Co.	New York, NY	49,100	49,100			
13	Fram & Co.	New York, NY	48,000	48,000			
14	Occi & Co.	Los Angeles, CA	45,600	45,600			
15	Olas & Co.	Fort Lauderdale, FL	43,000	43,000			
16	Marjorie D. Crain	St. Clair Shore, MI	41,400	41,400			
17	C. A. England & Co.	New York, NY	40,100	40,100			
18	Orth & Co.	Detroit, MI	40,000	40,000			
19	C. E. Walker	Pittsburgh, PA	36,485	36,485			
20	J. K. Beidler	Pittsburgh, PA	36,126	36,126			
21	Firnbank Co.	Omaha, NE	33,230	33,230			
22	Holly & Co.	Pittsburgh, PA	32,132	32,132			
23	L. P. Struble, Jr.	Pittsburgh, PA	31,862	31,862			
24	Atwell & Co.	New York, NY	30,400	30,400			
25	Robert Dickey III	Pittsburgh, PA	27,926	27,926			
26	Merrill Lynch Pierce	New York, NY	27,326	27,326			
27	Zeph & Co.	Minneapolis, MN	25,000	25,000			

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 4,522,238 votes cast.

11. Give the date of such meeting April 28, 1977

12. Give the place of such meeting Dravo Corporation, Neville Island, Pittsburgh, PA 15225

Note: Whenever dividends on the preference stock of any series shall be unpaid or in arrears to an amount equal to or exceeding the dividends to which such shares are entitled for six quarterly dividend periods, and until all such

dividends are paid, the holders of the preference stock of Water Carrier Annual Report W-1 all series voting as a class shall have the right to elect two additional directors.

110. GUARANTIES AND SURETYSHIPS

1. If the respondent was under obligation as guarantor or surety for the performance by any other corporation or other association of any agreement or obligation, show for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during

the year, the particulars called for hereunder.

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after date of issue.

Line No.	Names of all parties principally and primarily liable (a)	Description and maturity date of agreement or obligation (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Dravo Leasing Co.	Note payable in 28 equal	Dravo Corp.	Sole
2		quarterly installments	is obligated	
3		beginning Dec. 31, 1979	to maintain	
4		and ending Sept. 30, 1986	certain ratios	
5			of income to	
6			fixed charges	
7			and equity to	
8			debt of Dravo	
9			Leasing Co.	
10				
11			\$23,100,000	
12			Principal Amount	
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
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32				
33				
34				
35				
36				

2. If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year, the particulars called for hereunder.

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Description and maturity date of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
37	None			
38				
39				
40				
41				
42				
43				
44				
45				
46				

200. COMPARATIVE GENERAL BALANCE SHEET—ASSET SIDE

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be

restated to conform with the accounting requirements followed in column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Item (a)	Balance at close of year (b)	Balance at beginning of year (c)
I. CURRENT ASSETS		\$ 5,221,000	\$ 2,701,000
1	(100) Cash		
2	(101) Imprest funds		
3	(102) Special cash deposits (p. 12B)		
4	(103) Marketable securities		
5	(104) Traffic and car-service balances—Dr		
6	(105) Notes receivable (p. 13)	\$	x x x x x x x x
7	(106) Affiliated companies—Notes and accounts receivable (p. 13)	71,503,000	x x x x x x x x
8	(107) Accounts receivable	59,739,000	x x x x x x x x
9	(108) Claims receivable		x x x x x x x x
10	Total of accounts Nos. 105 to 108, inclusive	131,242,000	x x x x x x x x
	Less—		x x x x x x x x
11	(109) Reserve for doubtful accounts	381,000	x x x x x x x x
12	Total of accounts Nos. 105 to 108, less account No. 109	x x x x 130,861,000	x x x x x x x x 118,466,000
13	(110) Subscribers to capital stock	1,375,000	1,652,000
14	(112) Accrued accounts receivable		
15	(113) Working advances		
16	(114) Prepayments	1,721,000	1,947,000
17	(115) Material and supplies	13,612,000	13,396,000
18	(116) Other current assets Excess of billings over costs on uncompleted contracts	(12,748,000)	(9,285,000)
19	(117) Deferred income tax charges (p. 17B)		
20	Total current assets	140,042,000	128,877,000
II. SPECIAL FUNDS			
		Total book assets at close of year	Respondent's own issues included
21	(122) Insurance funds (p. 14)	\$	\$
22	(123) Sinking funds (p. 14)		
23	(124) Other special funds (p. 14)		
24	(125) Special deposits (p. 13)		
25	Total special funds		
III. INVESTMENTS			
26	(130) Investments in affiliated companies (pp. 16 and 17)	\$ 40,118,000	x x x x x x x x
27	Undistributed earnings from certain investments in affiliated companies (p. 17A)	43,355,000	x x x x x x x x
28	(131) Other investments (pp. 18 and 19)	83,473,000	77,255,000
29	(132) Reserve for revaluation of investments		x x x x x x x x
30	(132.5) Allowance for net unrealized loss on noncurrent marketable equity securities		
31	(133) Cash value of life insurance		
32	Total investments	83,473,000	77,255,000
IV. PROPERTY AND EQUIPMENT			
33	(140) Transportation property (pp. 22 and 24)	\$	x x x x x x x x
34	(150) Depreciation reserve—Transportation property (pp. 23 and 25)		
35	(151) Acquisition adjustment (p. 26)		
36	(158) Improvements on leased property (p. 24)	\$	x x x x x x x x
37	(159) Amortization reserve—Leased property		
38	(160) Noncarrier physical property (p. 27)	118,999,000	x x x x x x x x
39	(161) Depreciation reserve—Noncarrier physical property (p. 27)	63,577,000	55,422,000
40	Total property and equipment	55,422,000	59,653,000
V. DEFERRED ASSETS			
41	(166) Claims pending		
42	(170) Other deferred assets	7,636,000	9,610,000
43	Total deferred assets	7,636,000	9,610,000

For compensating balances not legally restricted, see Schedule 102.

Continued on page 8A

200. COMPARATIVE GENERAL BALANCE SHEET—ASSET SIDE—Continued

Line No.	Item (a)	Balance at close of year (b)	Balance at beginning of year (c)
	VI. DEFERRED DEBITS	\$	\$
44	(171) Incompleted voyage expenses		
45	(175) Other deferred debits		
46	(176) Accumulated deferred income tax charges (p. 17B)		
47	Total deferred debits		
	VII. ORGANIZATION		
48	(180) Organization expenses		
	VII. COMPANY SECURITIES	\$	
49	(190) Reacquired and nominally issued long-term debt	XXXXXX	XXXXXX
50	(191) Reacquired and nominally issued capital stock	XXXXXX	XXXXXX
51	TOTAL ASSETS	286,573,000	275,395,000

NOTES AND REMARKS

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITY SIDE

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages

indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Item (a)	Balance at close of year (b)	Balance at beginning of year (c)
IX CURRENT LIABILITIES		\$	\$
52	(200) Notes payable (p. 27)	533,000	964,000
53	(201) Affiliated companies—Notes and accounts payable (p. 27)	16,009,000	38,197,000
54	(202) Accounts payable	61,396,000	53,481,000
55	(203) Traffic and car-service balances—Cr		
56	(204) Accrued interest		
57	(205) Dividends payable		
58	(206) Accrued taxes	14,303,000	8,811,000
59	(207) Deferred income tax credits (P. 17B)		
60	(208) Accrued accounts payable	6,236,000	5,904,000
61	(209) Other current liabilities	17,215,000	15,100,000
62	Total current liabilities	115,692,000	122,457,000
X. LONG-TERM DEBT DUE WITHIN ONE YEAR			
63	(210) Equipment obligations and other long-term debt due within one year		
XI. LONG-TERM DEBT DUE AFTER ONE YEAR			
		Total issued	Held by or for respondent
64	(211) Funded debt unmatured (pp. 28 and 29)	\$	\$
65	(212) Receivers' and trustees' securities (pp. 28 and 29)		
66	(212.5) Capitalized lease obligations		
67	(213) Affiliated companies—Advances payable		
68	(218) Discount on long-term debt		
69	(219) Premium on long-term debt		
70	Total long-term debt due after one year	13,571,000	8,761,000
XII. RESERVES			
71	(220) Maintenance reserves		14,000
72	(221) Insurance reserves		
73	(222) Pension and welfare reserves		
74	(223) Amortization reserves—Intangible assets		
75	(229) Other reserves	3,294,000	3,031,000
76	Total reserves	3,294,000	3,045,000
XIII. DEFERRED CREDITS			
77	(230) Incomplete voyage revenues		
78	(232) Other deferred credits		
79	(233) Accumulated deferred income tax credits (P. 17B)	11,792,000	10,368,000
80	Totals deferred credits	11,792,000	10,368,000
XIV. SHAREHOLDERS' EQUITY			
Capital stock			
		Total issued	Nominally issued securities
81	(240) Capital stock (p. 32)	\$	\$
82	(241) Capital stock subscribed		
83	(243) Discount and expense on capital stock		
84	Total capital stock	5,300,000	5,300,000
85	(245) Proprietorial capital (p. 34)		
Capital surplus			
	(250) Capital surplus (p. 35)		
86	1. Premiums and assessments on capital stock		
87	2. Paid-in surplus		
88	3. Other capital surplus	17,892,000	17,944,000
89	Total capital surplus	17,892,000	17,944,000

NOTE.—Comparative General Balance Sheet—liability side is continued on page 10.

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITY SIDE—Concluded

Line No.	Item (a)	Balance at close of year (b)	Balance at beginning of year (c)
	<i>Retained income</i>		
88	(260) Retained income—Appropriated		
89	(280) Retained income—Unappropriated (p. 35)	121,473,000	109,987,000
90	Total retained income	121,473,000	109,987,000
	<i>Treasury Stock</i>		
91	(280-1) Less: Treasury stock	2,441,000	2,467,000
92	Total capital and surplus	142,224,000	130,764,000
93	TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	286,573,000	275,395,000

NOTE.—See page 10 for explanatory notes, which are an integral part of the comparative General Balance Sheet.

COMPARATIVE BALANCE SHEET EXPLANATORY NOTES

Footnotes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier.

Show hereunder the estimated accumulated Federal income tax reductions realized since December 31, 1949, under section 168 (formerly section 124-A) and under section 167 of the Internal Revenue Code because of accelerated amortization of emergency facilities and accelerated depreciation of other facilities in excess of recorded depreciation. The amount to be shown in each case is the net accumulated tax reduction, that is, the reduction in Federal income taxes realized less subsequent increases in taxes due to expired or lower allowances for amortization or depreciation as a consequence of accelerated allowances in earlier years. In the event provision has been made in the accounts through appropriations of income or otherwise for the contingency of increase in future tax payments, the amounts thereof and the accounting performed should be shown. If the carrier has nothing to report insert the word "None."

Estimated accumulated net Federal income tax reduction realized since December 31, 1949, under section 168 (formerly section 124-A) of the Internal Revenue Code because of accelerated amortization of emergency facilities in excess of recorded depreciation: \$ -0-

Estimated accumulated saving in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$ N/A

*Accelerated depreciation since December 31, 1953, under section 167 of the Internal Revenue Code.

*Guideline Lives since December 31, 1961, pursuant to Revenue Procedure 62-21.

*Guideline lives under Class Life System (Asset Depreciation Range) since December 31, 1970, as provided in the Revenue Act of 1971.

Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended \$ 4,328,000

Amount of cumulative dividends in arrears \$ -0-

Amount of principal, interest or sinking fund provisions of long-term debt in default \$ -0-

Investment tax credit carryover at year end \$ 3,701,000

Past service pension costs determined by actuarians at year end \$ 16,974,000

Total pension costs for year:

Normal costs \$ 4,458,000

Amortization of past service costs \$ 1,027,000

Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$ -0-

State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610): YES NO

Dravo Corporation, under Public Law 94283 effective May 11, 1976, established a Political Action Fund as provided for therein.

Explanatory Notes are concluded on page 10A

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 217 AND 218

1. Schedules 217 and 218 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated and nonaffiliated companies held by respondent at close of year specifically as investments including obligations of the United States, of a State or local government, or of an individual, so held; investments made, disposed of, or written down during the year; and dividends and interest credited to income. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing account No. 130, "Investments in affiliated companies," in the Uniform System of Accounts.

2. These investments should be subdivided to show the par value pledged, unpledged, and held in fund accounts. Under "pledged" include the par value of securities recorded in accounts Nos. 130, "Investments in affiliated companies," and 131, "Other investments," which are deposited with some pledgee or other trustee, or held subject to the lien of a chattel mortgage, or subject to any other restriction or condition which makes them unavailable for general corporate purposes. "Unpledged" should include all securities held by or for the respondent free from any lien or restriction, recorded in the accounts mentioned above. Under "In sinking, insurance, and other special funds" include the par value of securities recorded in accounts Nos. 122, "Insurance funds"; 123, "Sinking funds"; and 124, "Other special funds."

3. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:

(A) Stocks:

- (1) Carriers—active
- (2) Carriers—inactive
- (3) Noncarriers—active
- (4) Noncarriers—inactive.

(B) Bonds (including U.S. Government Bonds):

(C) Other secured obligations:

(D) Unsecured notes:

(E) Investment advances:

4. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

5. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

<i>Symbol</i>	<i>Kind of industry</i>
I.	Agriculture, forestry, and fisheries.
II	Mining.
III	Construction.
IV	Manufacturing.
V	Wholesale and retail trade.
VI	Finance, insurance, and real estate.
VII	Transportation, communications, and other public utilities.
VIII	Services.
IX	Government.
X	All other.

6. By carriers, as the term is here used, is meant companies owning or operating steam railways, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

7. Noncarrier companies should, for the purposes of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.

8. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

217. INVESTMENTS IN AFFILIATED COMPANIES

Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 122, "Insurance funds"; 123, "Sinking funds"; 124, "Other special funds"; and 130, "Investments in affiliated companies."

Entries in this schedule should be made in accordance with the definitions and general instructions given on page 15, classifying the investments by means of letters, figures, and symbols in columns (a), (b) and (c).

Indicate by means of an asterisk mark in column (d) the obligation in support of which any

security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

Give totals for each class and for each subclass, and a grand total for each account.

Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of issuing company and description of security held, also lien reference, if any (d)	Extent of control (e)	INVESTMENTS AT CLOSE OF YEAR			
						PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR			
						Pledged (f)	Unpledged (g)	In sinking insurance, and other special facilities (h)	Total par value (i)
1	130	A(1)	VII	Union Mechling Corp.	100 %	\$	\$ 5,000	\$	\$ 5,000
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
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42									
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46									
47									

217. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

For nonpar stock, show the number of shares in lieu of the par value in columns (f), (g), (h), (i), (k), and (m).

In reporting advances, columns (f), (g), (h), (i), (k), and (m) should be left blank. If any advances are pledged, give particulars in a footnote. Particulars of investments made, disposed of, or written down during the year should be given in columns (k) to (o), inclusive. If the cost of any

investment made during the year differs from the book value reported in column (f), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (n), which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

This schedule should not include securities issued or assumed by respondent.

Line No.	INVESTMENTS AT CLOSE OF YEAR	INVESTMENTS MADE DURING YEAR		INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR			DIVIDENDS OR INTEREST DURING YEAR	
	Total book value (j)	Par value (k)	Book value (l)	Par value (m)	Book value (n)	Selling price (o)	Rate (p)	Amount credited to income (q)
1	\$ 29,973,000	\$	\$	\$	\$ 751,000	\$	%	\$
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
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SCHEDULE 219. — UNDISTRIBUTED EARNINGS FROM CERTAIN INVESTMENTS IN AFFILIATED COMPANIES

1. Report below the details of all investments in common stocks included in account 130, Investments in Affiliated Companies, which qualify for the equity method under instruction 23 in the Uniform System of Accounts for Inland and Coastal Waterways Carriers.

2. Enter in column (c) the amount necessary to retroactively

adjust those investments qualifying for the equity method of accounting in accordance with instruction 23 (e) (11) of the Uniform System of Accounts.

3. Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.

4. Enter in column (e) the amortization for the year of the ex-

cess of cost over equity in net assets (equity over cost) at date of acquisition. (See instruction 23 (e) (4).

5. The total of column (g) must agree with column (b), line 27, schedule 200.

6. For definition of "carrier" and "noncarrier", see general instructions 6 and 7 on page 13.

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments qualifying for equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)
	Carriers: (List specifics for each company)	\$	\$	\$	\$	\$	\$
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18	Total _____						
19	Noncarriers: (Show totals only for each column) _____						
20	Total (lines 18 and 19) _____						

Carrier Initials

Year 19

561. EMPLOYEES, SERVICE AND COMPENSATION—Concluded

column (c). If any compensation was paid or is payable under labor awards of the current year, include the amount applicable to the current year in column (d) and show the portion applicable to prior years (back pay) in a footnote, by groups of employees. For purposes of this report, labor awards are intended to cover adjustments resulting from the decisions of Wage Boards and voluntary awards by the respondent incident thereto.

6. If any person is employed by two or more carriers jointly, he should be reported in column (b) by the carrier on whose payroll he is carried; if on the payrolls of more than one of the joint employers he should be reported by each carrier on whose payroll he was, and full particulars should be given in order to permit the elimination of duplications. If an officer serves two or more

corporations and receives no salary from any of them he should be reported in column (b) only by the controlling or highest ranking of such corporations reporting to the Commission.

7. This return need not include any employees engaged solely on the construction of new property; if any such are included, that fact should be stated and particulars should be given in a footnote.

8. This schedule does not include old-age retirement, and unemployment insurance taxes. See schedule 350 for such taxes.

Line No.	Class of employees (a)	Average number of employees (b)	Total number of hours worked by compensated employees during the year (c)	Total amount of compensation during the year (d)	Remarks (e)
	IV. LINE VESSEL EMPLOYEES—Continued			\$	
46	Cooks _____				
47	Scullions _____				
48	Bar employees _____				
49	Other employees, steward's department _____				
50	Pursers _____				
51	Other employees, purser's department _____				
52	All other vessel employees _____				
53	TOTAL _____				
	V. PORT AND OTHER VESSEL EMPLOYEES				
	TUGS				
54	Captains _____				
55	Mates _____				
56	Deck hands _____				
57	Engineers _____				
58	Firemen _____				
59	Cooks _____				
60	Other employees _____				
	FERRY BOATS				
61	Captains _____				
62	Mates _____				
63	Deck hands _____				
64	Engineers _____				
65	Firemen _____				
66	Cooks _____				
67	Other employees _____				
	BARGES, CAR-FERRIES, AND LIGHTERS, WITH POWER				
68	Captains _____				
69	Mates _____				
70	Deck hands _____				
71	Engineers _____				
72	Firemen _____				
73	Cooks _____				
74	Other employees _____				
	BARGES, CAR-FERRIES, AND LIGHTERS, WITHOUT POWER				
75	Captains _____				
76	Mates _____				
77	Deck hands _____				
78	Other employees _____				
79	TOTAL _____				
80	GRAND TOTAL _____				

561A. TOTAL COMPENSATION OF EMPLOYEES BY MONTHS

Line No.	Month of report year	Total compensation	Line No.	Month of report year	Total compensation
		\$			\$
1	January _____		7	July _____	
2	February _____		8	August _____	
3	March _____		9	September _____	
4	April _____		10	October _____	
5	May _____		11	November _____	
6	June _____		12	December _____	
			13	TOTAL	

562. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

1. In columns (a) and (b) enter the name and position of each of the five persons named in Schedules 102 and 103 of this report to whom the respondent paid the largest amount during the year as compensation for current or past service over and above necessary expenses incurred in discharge of duties. In addition, list all other officers, directors, pensioners or employees, if any, to whom the respondent paid \$40,000 or more in total compensation during the year.

2. The salary per annum to be entered in column (c) is the annual rate at which an employee is paid rather than the amount actually paid for a part of a year. If the salary of an individual was increased or decreased during the year, show salary before each change as well as at close of year.

3. If an officer, director, etc., receives compensation from one or more of the affiliated companies listed in Schedule 104, reference to this fact should be made if the aggregate compensation from all companies amounts to \$40,000 or more.

4. Other compensation to be entered in column (d) includes, but is not

limited to, commissions; bonuses; shares in profits; contingent compensation; moneys paid, set aside or accrued pursuant to any pension, retirement, savings, deferred compensation, or similar plan including premiums paid for retirement annuities, or life insurance where the respondent is not the beneficiary (Premiums on group life insurance for benefits less than \$50,000 need not be reported), or any other arrangement which constitutes a form of compensation. Give the details of any plan not previously reported, the basis of determining the ultimate benefits payable, and the payments or provisions made during the year.

5. Also include in column (d) all remuneration paid, directly or indirectly, in the form of securities, options, warrants, rights or other property. Furnish particulars concerning any options, warrants, or rights issued or granted during the year including prices, expiration dates and other information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by each officer, director, etc.

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	Philip J. Berg	Sr. Vice President-	\$ 92,200	\$ 46,000
2		Operations		
3	Robert Dickey III	Chairman & President	173,458	80,000
4	Thomas F. Faught, Jr.	Sr. Vice President-	92,200	42,000
5		Finance		
6	H. Edgar Lore	Vice Chairman	103,950	33,000
7				
8				
9	Officers and Directors as a group of 32 persons		1,994,325	589,850
10				

563. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

In the form below give information concerning fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions allowance for expenses, or other amounts payable aggregating \$10,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person (other than one of respondent's employees covered in Schedule 562 in this annual report) for services or as a donation. In the case of contributions of under \$10,000 which are made in common with other carriers under a joint arrangement in payment for the performance of services or as a donation, each such contribution shall be reported, irrespectively of the amount thereof, if the total amount paid by all contributors for the performance of the particular service is equal to the sum of \$10,000 or more.

To be included are, among others, payments, directly or indirectly, for legal, medical, engineering, advertising, valuation, accounting, statistical, financial, educational, entertainment, charitable, advisory, defensive, detective, developmental, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling wage disputes; and payments for services of banks, bankers, trust companies, insurance companies, brokers, trus-

tees, promoters, solicitors, consultants, actuaries, investigators, inspectors, and efficiency engineers. The enumeration of these kinds of payments should not be understood as excluding other payments for services not excluded below.

To be excluded are: Rent of buildings or other property, taxes payable to the Federal, State, or local governments, payments for heat, light, power, telegraph, and telephone services, and payments to other carriers on the basis of lawful tariff charges, as well as other payments for services which both as to their nature and amount may reasonably be regarded as ordinarily connected with the routine operation, maintenance, or construction of a waterline, but any special and unusual payments for services should be reported.

If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies.

If any doubt exists in the mind of the reporting officer as to the reportability of any type of payment, request should be made for a ruling before filing this report.

Line No.	Name of recipient (a)	Nature of service (b)	Amount of payment (c)
1			\$
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
		TOTAL	

Carrier Initials

Year 19

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondent. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.
(For reports filed with the Interstate Commerce Commission)

OATH

State of Pennsylvania SS:
County of Allegheny makes oath and says that he is Vice President - Controller
(Insert here the name of the affiant) (Insert here the official title of the affiant)
of Dravo Corporation (Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Interstate Commerce Commission, effective during the said period; that he has carefully examined the said report, and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including January 1, 1977, to and including December 31, 1977

Subscribed and sworn to before me, a Notary Public, in and for the State and
county above named, this 31st day of March, 1978

Use an
L. S.
impression seal

My commission expires May 19, 1980
Mary Ann Lammert
(Signature of officer authorized to administer oaths)
(For reports filed with the Federal Maritime Commission)

OATH

State of _____ SS:
County of _____ makes oath and says that he is

(Name) (Exact name of respondent)

(Official title)

that he has carefully examined the foregoing report, and that to the best of his knowledge and belief the said report has been prepared in accordance with the instructions embodied in this form and is a true and correct statement of the financial affairs of the respondent for the period covered by this report.

(Signature of affiant)

Subscribed and sworn to before me, a _____, in and for the State and
county above named, this _____ day of _____, 19____
My commission expires _____

Use an
L. S.
impression seal

(Signature of officer authorized to administer oaths)

