

*The Estate of
Alfred J. du Pont
and
The Nemours Foundation*

“My philosophy of life is exceedingly simple: be fair to everyone, do as much good as you can; be honest with yourself, which means, honest with everybody; . . . if one would keep one’s head above water, one must struggle, and use such weapons as our Creator has provided.”

—A. I. duPont

“As for my philosophy for the future, it is equally simple. One’s proper discharge of one’s duties and obligations in this world will insure proper recognition in the next—about which, of course, I know nothing . . . That there must be a Divine Providence, as Creator of the Universe, one can hardly deny.”

—A. I. duPont

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WHAT ALFRED duPONT PLANNED FOR FLORIDA

We are now in Florida to live and work. We expect to spend the balance of our days here. We have all the money necessary for any reasonable effort to help Florida grow and prosper.

Our business undertakings should be sound, but our primary object should not be the making of money. Through helpful works, let us build up good in this state and make it a better place in which to live. In my last years I would much rather have the people of Florida say that I helped them and their state than to double the money I now have.

Alfred I. duPont

(As stated by Mr. duPont when he moved to Florida early in 1927.)



The Florida National Bank of Jacksonville was first of the Florida National Group of Banks

THE TWO CAREERS OF ALFRED I. duPONT

Early in 1925, Alfred I. duPont, his wife, Jessie Ball duPont, and his brother-in-law, Edward Ball, were in Miami. The frenzy of the great Florida land boom was mounting by the hour and he was observing the wild gyrations of real estate values with intense interest.

"Ed, it is the craziest thing I have ever seen," he said to Edward Ball as he watched the dealings in land 'binders' that small and large operators alike used to deal on credit margins in short-time options. As little as \$1,000 would control a \$50,000 transaction. Property prices were rising with each 'sale.'

"These people are on the brink right now," Mr. duPont continued, "and they talk about the good times only getting started."

His prediction came true. The traffic in binders suddenly ended in the summer of 1925. Soon many in Florida were searching for cash. Banks were drawing on their surpluses in Jacksonville and in northern financial institutions. The glorious bubble had burst!

While he was watching the final stages of the land boom and surmising its effect on the banks, he asked Edward Ball to start buying stock in Jacksonville's three banks, The Barnett National, The Atlantic National and The Florida National, and then to determine on which to concentrate his investments. This marked his first step into Florida banking, a step that would later make him a major factor in Florida's economic reconstruction.

A year earlier, in 1924, he had turned his attention to Northwestern Florida. He had asked Edward Ball to make an exploratory trip through the Northwestern Florida panhandle from Tallahassee to the Alabama line. It was to be the first of many such trips, in which Mr. Ball wore out automobiles at the rate of one a year.

Here was an area that had barely been touched by the boom. It was a wilderness, though Mr. duPont remembered it as having at one time been one of the more populous and prosperous sections in Florida. Lumber and cotton had been the major products, but inefficient methods had put an end to lumbering, except for a few antiquated sawmills. The boll weevil had infested the cotton fields, bringing ruin to many great plantations. Fine old towns had declined and a culture representing the traditions of the oldtime South had all but vanished.

Mr. Ball traveled unpaved roads along the Old Spanish Trail. Not only did he follow the trail through several counties but he ventured into backwoods on both sides. He reported that much timber still stood that would be valuable under modern lumbering methods and that much of the land was fertile. Mr. duPont pored over the reports, read technical volumes on lumbering and woodpulp industries. He was impressed with the potential and had Edward Ball start by buying some 66,000 acres. This program was eventually to result in the organization of St. Joe Paper Company.

Back in Wilmington, Delaware, during the summer of 1926, Alfred duPont made up his mind to do what he could to rehabilitate Florida and to spend the rest of his life at it. He was 62 years old. The more he thought about it, the more the prospect appealed to his imagination, to his humanitarian impulses and to his creative instincts. This would be his second career.

In March 1927, he and Mrs. duPont moved into a new, Florida home, just outside Jacksonville. Meanwhile, Alfred duPont continued acquiring stock in The Florida National Bank of Jacksonville. He also continued adding to his land holdings in Florida's Northwestern panhandle. He took a deep interest in the area and soon was embarked on a program to meet its needs and to benefit the entire state.

What Florida needed more than anything else to open it up to agriculture and to industrial development, he declared, was a vigorous road-building program. "Good roads and more good roads," he said, "will do more than anything else to promote the development and upbuilding of Florida. The state has everything needed to make it the most prosperous in the country, except good roads."

Main arteries in Northwest Florida were non-existent, Mr. duPont told the press, as he plunged into the road program. What was needed was a great Florida loop of highways circling the State. There was already a paved road from Lake City to Jacksonville. The Dixie Highway from Jacksonville to Miami and the Tamiami Trail from Miami to Tampa were under construction. But the loop was conspicuously open from Tampa to Pensacola, to the north and west, and from Pensacola east to Lake City.

To remedy this situation, the Gulf Coast Highway Association was formed with Mr. duPont as president. He was working in a poverty ridden region in the period encompassing the Florida deflation, the stock market collapse and the early days of the nationwide depression of the 1930's.

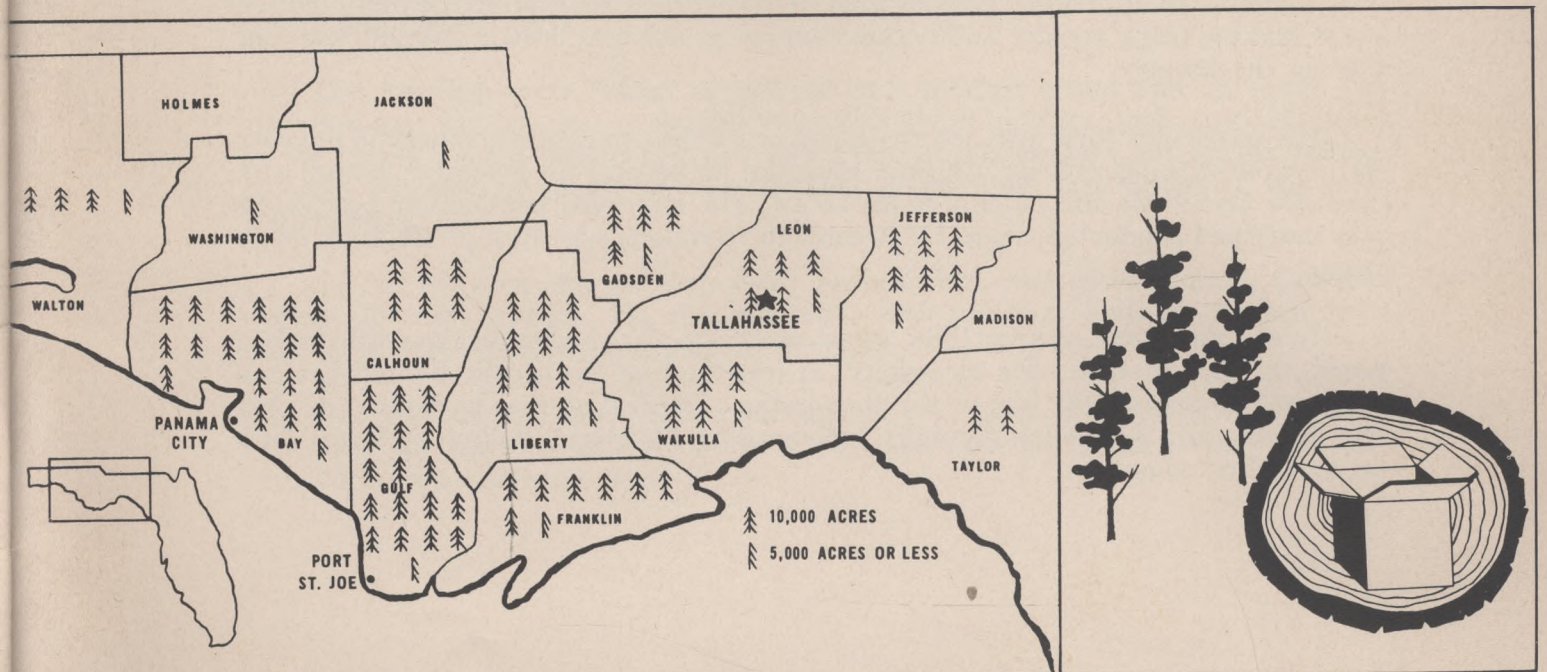
Paying his share of the expense himself, he made the association the most energetic road-building organization in the South. Working side-by-side with him on this, as in the other duPont programs, was Edward Ball.

Ultimately, three trunk highways were built: U.S. 90, from Pensacola to Lake City by the inland route; U.S. 98, connecting the same points via the coast line; and U.S. 19, connecting Tallahassee with Tampa and the south. Alfred duPont's name is perpetuated on the Alfred I. duPont Bridge spanning St. Andrews Bay at Panama City on U.S. 98.

Thus, Alfred duPont's second career was paralleling his first, with the DuPont Company in Wilmington, Delaware. He had made history for the company to the extent that Marquis James, in his biography, "Alfred I. duPont, The Family Rebel," labeled him "a duPont of duPonts."



St. Joe Paper Company today owns over 1,000,000 acres of timberland in Northwest Florida and Georgia



Alfred was the eldest son of the second Eleuthere Irenee and a direct descendant of the first Eleuthere Irenee, founder of the DuPont Company, a partnership in the early days. Alfred's father, a partner, considered himself first a powder maker and made many contributions to the process. Why not, he asked one day, ship powder in metallic instead of wooden kegs? Metal, he said, would withstand more abuse, would be weather-tight, safer and cheaper. Later, Alfred was to follow in his father's footsteps.

The year before his death, Eleuthere Irenee, II had taken Alfred to the Centennial Exhibition in Philadelphia to see the mechanical marvels on display. Returning home, he had bought the boy a stationary steam engine which was not a toy, but a serviceable slidevalve horizontal engine with a twenty horsepower boiler. Alfred set up the engine in a shed and, with the most mechanical minded of his cronies, began to explore its mysteries. The youthful group got so they could take down the engine and reassemble it almost in the dark.

At a bench in the workshed, the boys also made miniature waterwheels, modeled after the big one in the mills. They also contrived muskrat traps, and fireworks, pinwheels, flower pots, Roman candles and bombs.

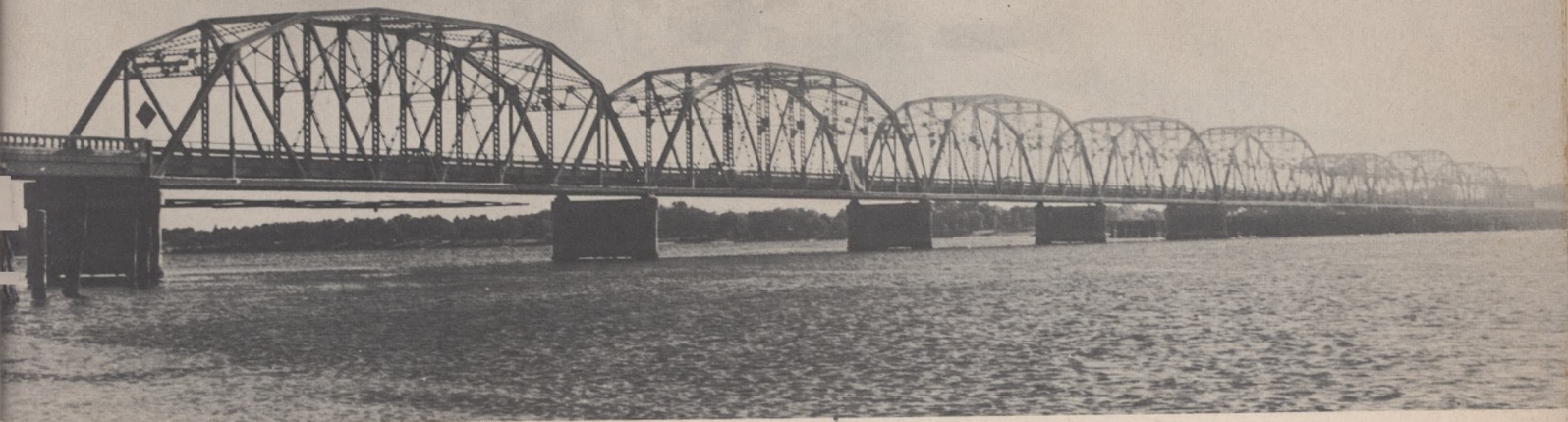
Both of Alfred's parents died suddenly, within a month of each other, in mid-1877, leaving a family of five orphans. The oldest was a girl of seventeen, the youngest a boy of nine. Alfred was thirteen.

He went on to complete his schooling, as did the others. Finishing his studies at Phillips Academy in Andover, Massachusetts, he enrolled at the Massachusetts Institute of Technology. There, he took such subjects as mathematics, chemistry, shopwork and pattern making.

Back home, Alfred began his career in the mills as a common laborer, but soon was promoted to apprentice powder man. As he worked his way up, he mastered the art of making black powder and became known as the best brown prismatic powder man in the country.

His particular forte was the designing and redesigning of machinery to improve the powder-making process. As time went on, he became an inventive genius with over 200 inventions and patents to his credit. He improved production procedures and shortened production lines. He became the company's greatest producer on many fronts.

In the meantime, during 1886, some two years after he had begun work, he had wired the family home for electricity. It was the first electrically lighted home in Delaware, and probably one of the first in the country. Later, as he considered electric lighting and power for the mills, he consulted Thomas A. Edison at Menlo Park on several occasions.



Alfred I. duPont Bridge, near Panama City, commemorated
Mr. duPont's leadership in a vast
roads program

In January 1902, a crisis overtook the DuPont Company, which had by then become a corporation. President Eugene duPont had suddenly become ill and died. What was worse, it fast became apparent that none of the older DuPont stockholders, mostly for reasons of health, were able to take his place. Their plan was to offer the company for sale to the firm's largest competitor.

Alfred was informed of the situation unofficially by one of his cousins. He realized instantly that he was against the plan, but held his tongue. He replied briefly that in the circumstances "a disposal of the assets of the company seemed advisable" and slipped quietly away to New York to talk to bankers about a loan for refinancing in case cash was needed to back the sale.

A week later Alfred attended the stockholders' meeting called to take formal action. When the motion was made to sell the firm to Laflin and Rand, Alfred offered what sounded like a simple amendment, to sell to the highest responsible bidder, which was agreed upon.

The meeting over, Alfred announced to a shocked group that he would buy the company. He felt that it should be his by right of heritage; that it should remain in the family for the benefit of the younger men of the company and for the duPonts to come. For this, he gained the support first of one and then others of the older stockholders.

He did not seek the presidency for himself, but selected his cousin, Coleman duPont, for that position. He also selected a new treasurer and, for himself, took the post of vice president and general manager.

The old-company stockholders had agreed to a price of \$15,360,000. Payment was made to them by \$12,000,000 in 4 per cent purchase money notes and \$3,360,000 in new-company stock.



1936



1962

This is the city of Port St. Joe looking north from the corner of 5th Street and Reid Avenue as it appeared in 1936 before the St. Joe Paper Company started operation, and as it appears today

Under the rejuvenated management, the company entered a period of vast expansion. The company already had substantial investments in other powder mills. Soon it purchased Laflin and Rand, which also had widespread holdings. This gave DuPont control over an additional twenty per cent of the powder sold in the United States.

In January 1921, Miss Jessie Dew Ball and Alfred I. duPont were married in Los Angeles. Mr. duPont, a widower, had known the Balls since 1900 when he hunted on their plantation at Balls Neck, Virginia. The family was a distinguished one, tracing back to early times and to Mary Ball, mother of George Washington. Miss Ball's father, Captain Thomas Ball, had practiced law in Texas, been a State Senator there and gone on to become Assistant Attorney General of the United States.

The marriage rapidly developed into a working partnership, with Mrs. duPont taking a keen interest in her husband's numerous business activities. In Wilmington, she soon occupied an office next to his, in the Delaware Trust Building, and in Jacksonville the same arrangement was planned when the duPonts and Edward Ball acquired space in the Barnett National Bank Building. They worked together for many years.

By the time Alfred I. duPont died in April 1935, at his home, "Epping Forest," on the banks of the St. Johns River south of Jacksonville, he had made a substantial contribution to the life of Florida. He had been a public-spirited citizen, he had established seven banks in the Florida National Group at a time when sound banking was needed desperately and he had decided to establish a kraft container-board mill at Port St. Joe, to utilize the timber of the vast timberland in Northwest Florida. He had followed the precept he set for himself when he entered the state: "Through helpful works, let us build up good in this state and make it a better place in which to live."

TRUSTEES, ESTATE OF ALFRED I. duPONT

Mr. duPont's will named three individual trustees and one corporate trustee to serve as executors and administrators of his estate. The personal trustees were given broad powers to elect succeeding trustees and to engage in such additional enterprises as they elected.

Significantly, Mr. duPont envisioned the management of the Estate as a going concern. This meant the operation of the expanding Florida National Group of Banks. It meant pushing forward with the St. Joe Paper Company and subsidiary box plants. It turned out to mean adding other companies such as the Florida East Coast Railway. It also meant the handling of Mr. duPont's substantial personal investments, as well as the operation of smaller companies and properties that the Estate either owned outright or in which it held a controlling interest.

The present, personal trustees of the Estate are: Mrs. Jessie Ball duPont, Edward Ball and Elbert Dent. Mr. Dent succeeded Colonel Reginald S. Huidekoper, an original trustee, who died in 1943. Colonel Huidekoper was the husband of Mr. duPont's daughter, the former Miss Bessie duPont. The corporate trustee is The Florida National Bank of Jacksonville.

Mr. duPont's will provided a long list of legacies, bequests and lifetime annuities to members of the family, close associates and friends. Many of the legacies and bequests were direct grants from the Estate, while the lifetime annuities were to be paid by the Estate from its earnings. Mr. duPont also provided bequests of \$1,000 each to all workers who had been in his employ for one year or more.

Next, Mr. duPont provided for what he considered his humanitarian obligations. It was his view that the possessors of great wealth should pass on the bulk of it for such purposes. "It has been my firm conviction throughout life that it is the duty of everyone in the world to do what is within his power to alleviate human suffering," he wrote. "It is therefore natural that I should desire, after having made provision for the immediate members of my family and others whom I have seen fit to remember, that the remaining portion of my estate should be utilized for charitable needs."

He then went on to provide that the earnings of this "remaining portion" of his estate be set up as a perpetual trust to be known as The Nemours Foundation. The name "Nemours" was part of the family name and the name of the 300-acre estate and "mansion house" where Mr. and Mrs. duPont lived when in Wilmington, Delaware. As the annuities established in the will were satisfied, Mr. duPont foresaw that The Nemours Foundation fund would grow and perpetuate itself.



Jessie Ball duPont

The Nemours Foundation was organized in September 1936, seventeen months after Mr. duPont's death. It was incorporated by the trustees of his Estate, with Mrs. duPont serving as president of the board of directors. Colonel Huidekoper was named vice president, and was succeeded by Elbert Dent. Edward Ball became secretary and treasurer, and a representative of The Florida National Bank of Jacksonville was also named to the board.

The first step taken by The Nemours Foundation was the organization within a year of the now widely known and highly respected Alfred I. duPont Institute for aid to crippled children, not incurable. The second step, which will be undertaken as more of the annuities are completed, will be a special program for old people. And the grounds and the mansion house itself will become a part of The Nemours Foundation.

In this manner, the good works intended by Alfred I. duPont are being carried out by his trustees. As time passes and as the demands of the annuities established by Mr. duPont are fulfilled, Mr. Ball states the fact that 100 per cent of the earnings of the Estate will go to The Nemours Foundation.



Edward Ball

As the first of three Trustees, Alfred duPont named Mrs. duPont. From the time of their marriage, she had proved an able associate in handling business affairs and occupied an office next to his in both Delaware and Florida. In the latter state, she was soon participating in meetings on the organization of the banking group, on real estate transactions and on plans for the paper company.

Today, Mrs. duPont is one of the country's leading financial women, serving not only on the boards and committees of the Estate units but on those of many civic and charitable organizations. She is deeply interested in higher education, works with many universities and has her own foundation.

Next, Mr. duPont named his close friend and right hand man, Edward Ball, as Trustee. Mr. Ball, who has achieved no small business success in his own right, holds many titles in the Estate's individual banks and is chief coordinator of the Group; he is president of St. Joe Paper Company and is secretary-treasurer of The Nemours Foundation. He has brought the Florida East Coast Railway and its land holdings into the Estate and is the railway's chairman. He is likewise chairman of



Elbert Dent

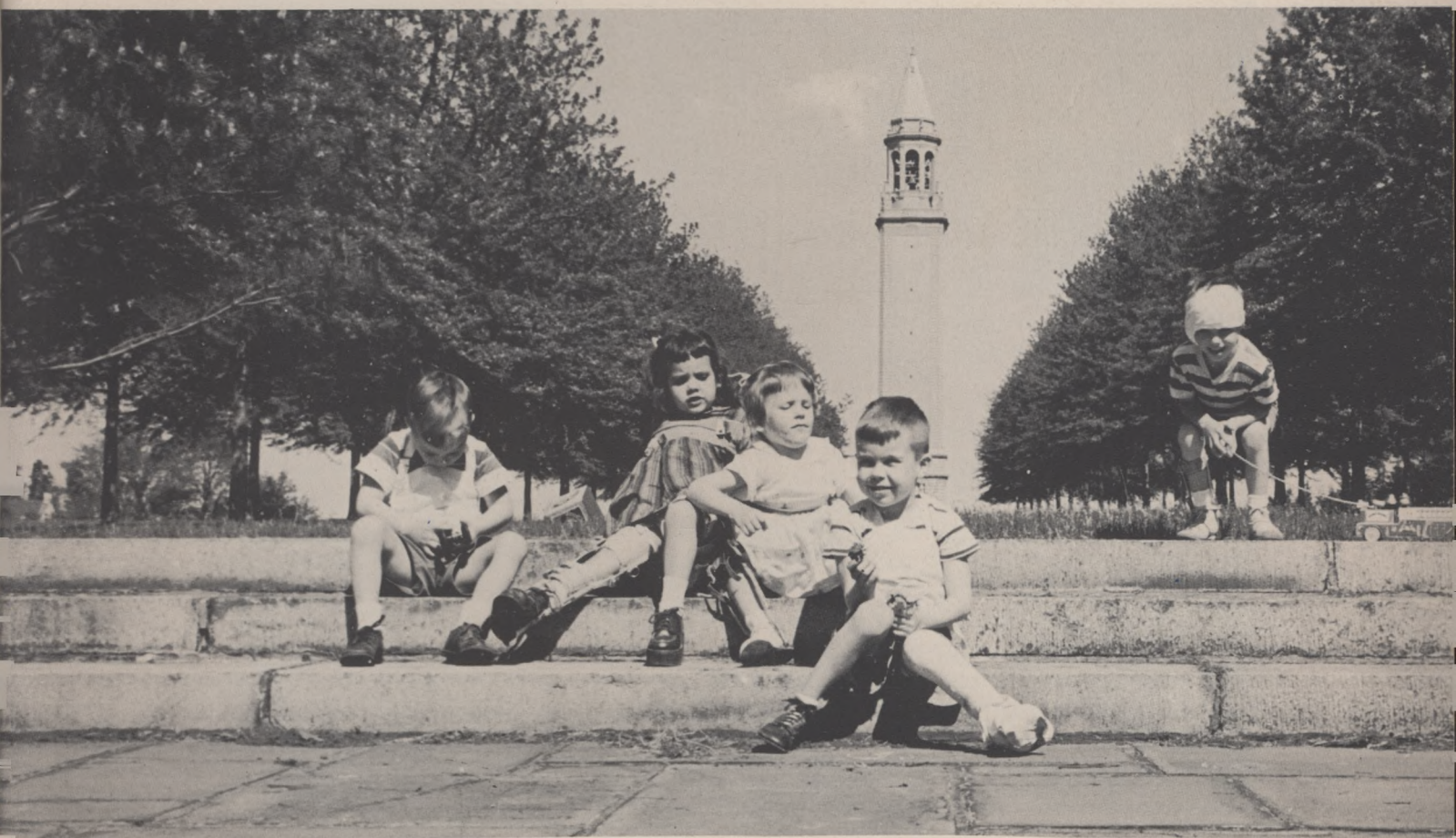
the National Board and Paper Mills of Waterford, Ireland, with which the Estate holds a working arrangement. Mr. Ball has been called "one of the more determined capitalists in the present day United States," a title he does not disdain.

Elbert Dent has served since 1943 as the third Trustee, having succeeded Colonel Reginald S. Huidekoper, who died at that time. Mr. Dent is the husband of Mr. duPont's daughter, the former Miss Victorine duPont. Mr. Dent was already a practicing attorney and a manufacturer when he was selected for this position.

Besides serving as Trustee, Mr. Dent is a director of St. Joe Paper Company, a member of that company's executive and pension committees, a director of National Board and Paper Mills, The Florida National Bank & Trust Company at Miami, and The Florida National Bank of Jacksonville, and vice president of The Nemours Foundation. He is also president of the Woodward Foundation of Washington, D.C., a charitable organization which gives financial help to boys and girls in order that they may finish their high school education. He is serving with distinction.

Operating as a group, Alfred duPont's Trustees have carried out the provisions of his will with fidelity over a period of years that now exceeds a quarter of a century. They began by bringing his unfinished plans to completion, both in the banking group and at the paper mill. They have added new properties to the Estate and throughout have managed it as a going concern. In the process, the Estate has grown substantially.

Since 1935, the number of banks in the Florida National Group has expanded from eight to 30. The paper mill has been put into operation and its initial capacity of 300 tons a day has increased to 1200 tons. Port St. Joe has thrived and today it has its tree-lined streets and modern homes. The Alfred I. duPont Institute was opened long ago and thousands of curable crippled children in many states have benefitted. Now, the Estate is turning it's attention to a new program, to provide care for the old people as Alfred duPont wished.



Children undergoing treatment at the Alfred I. duPont hospital, playing on the Institute grounds



The new, 10-story building of The Florida National Bank of Jacksonville occupies a full city block

FLORIDA NATIONAL GROUP OF BANKS

By the fall of 1927, Alfred duPont had acquired an interest in The Florida National Bank of Jacksonville. He made no announcement at the time, feeling that deflation had not yet run its course to the point where sound reconstruction was possible. He took only one action, to place Edward Ball on the bank's board of directors. Mr. Ball had served on the board of Delaware Trust Company and with this experience, Mr. duPont felt, would be in position to keep abreast of the Florida banking situation.

As Mr. duPont expected, banks continued to close throughout the state. By April 1929, eighty-odd, or more than one in four, had failed.

An incident involving The Florida National Bank of Jacksonville during these hectic times is worthy of mention here.

The incident, in July 1929, had its beginning with the failure of a Tampa bank that took down fifteen other banks in the area. Within a few days slow window runs began in the three Jacksonville banks. Mr. Ball cabled Mr. duPont, then in Europe, for approval to place \$15,000,000 of his funds, to be obtained as a loan from New York banks, with DuPont common stock as collateral, in his account in The Florida National of Jacksonville. Mr. duPont replied, "Use your own judgment, but pull our bank through."

Mr. Ball called the bank's staff together and read a statement of what had been done. The news spread, but many depositors wanted to be on the safe side. Next morning, cheerful tellers greeted the lines at the windows: "Yes, Mr. Jones, here is your money. You know, I suppose, that Mr. duPont has placed \$15,000,000 at our disposal." By noon the run was over.

The second bank of what was to become the Florida National Group was opened at Lakeland, center of the citrus industry, in September 1929. Lakeland had had four banks, three of which had closed. Mr. Ball bought the building of the defunct First National for \$64,000 and obtained the national charter. The new Florida National Bank at Lakeland was capitalized for \$150,000.

Mr. Ball went down from Jacksonville for the opening and watched the long lines in front of the tellers' windows. At one point he talked to a grove owner who had lost money in five banks and had no intention of starting another account. Before the day was over he changed his mind, deposited \$2500, and rented a safe deposit box. The first day's deposits were \$436,000 and the first month's \$1,500,000.

Other banks opened or taken over were equally successful as they joined the group: the third, in 1929, at Bartow, where both banks had closed; the fourth in Orlando, in 1930, which represented the purchase of one of two banks still operating out of six; and the fifth, in 1930, at Daytona Beach, where four of the six banks

had closed. The owner of one of the two remaining not only sold his controlling interest to the duPont organization, but joined it.

Somewhat earlier, in 1930, the president of the duPont Jacksonville Bank had resigned to join one of the city's other banking firms. Fearing this might result in a loss of business, Mr. duPont was prevailed upon to take over the post. He also made one of his infrequent statements to the press. He stressed conservative banking, declaring that banks are public trusteeships. "Their primary object," he said, "should be the safe custodianship of money entrusted to them."

St. Petersburg was the sixth city in which a duPont bank was established. By late 1930, four of the five St. Petersburg banks had closed. Mr. duPont purchased the eight-story premises of one of the closed banks for \$425,000. The price was high, but since the money went for the relief of former depositors, Mr. duPont paid. Subsequently, when the only other bank succumbed, a run developed on the new Florida National Bank at St. Petersburg. It gained local acclaim when it served coffee and sandwiches to withdrawal lines while money was rushed in from other banks. As the money arrived, it was piled high in the cages where everybody could see it. By the end of the first hour the next morning the run was over.

In mid-1931, Mr. duPont entered Miami. Only two banks remained open, First National and the failing Third National in such shape that the Comptroller of the Currency was looking for a way to liquidate it. He offered Mr. duPont a national charter if he would supply the cash to pay off the depositors. The loan was \$652,000, which the Comptroller warned was \$250,000 more than the bank was worth.

Mr. duPont accepted, organized The Florida National Bank and Trust Company of Miami, and took the chairmanship of the board of directors. The president of First National, the most influential banker in Southern Florida, placed advertisements in the newspapers welcoming the newcomer.

It is noteworthy that Mr. duPont did not lose the \$250,000. As he surveyed the Third's assets, he found many questionable loans and a large block of municipal bonds selling at fifty cents on the dollar, as a result of the deflation and the stock market crash. By cooperating with the management of the closed Third National in working out the loans, and holding the bonds for a more realistic price, instead of liquidating them, the management was able not only to pay off the depositors, but to make a reasonable payment to the Third's stockholders.

This was to be the last bank opened by Mr. duPont before his death. At the time there were seven banks in the Florida National Group. Since then, new banks have been added at the rate of one a year, and the pace has been increasing. As this booklet is published, in the spring of 1963, there are 30 banks in the Group. It is the biggest group-banking operation in Florida.



The Alfred I. duPont Building, home of The Florida National Bank and Trust Company at Miami, Florida

While the Group banks are closely affiliated with the Jacksonville Bank, through Co-ordinator Edward Ball and his co-ordinating staff, each is a separate institution with its own officers. A substantial part of the stock of each bank is owned by the people of the community in which it operates and forward looking local leaders are members of the board of directors. Each community has a voice in the operation of its own bank.

All of the banks are strongly capitalized. Capital funds of the group are currently \$68,741,000. This provides more than \$1 of capital to each \$10 of deposits, a ratio substantially higher than the national banking average.

The banks in the Group are veritable department stores of bank services. They offer commercial and special checking accounts, cashier's checks, bank drafts and money orders, savings accounts and time certificates, Christmas club accounts, safe deposit and safe keeping facilities, and most of them provide drive-in and walk-up services and parking space for customers.

Loan services cover a wide range, from small consumer and personal loans to seven-figure credits extended to major corporations through participations by all or most of the banks in the Group. These credits of various sizes and kinds finance every conceivable activity in the solid business life of the state, from household appliances to commercial transport airplanes and electronic devices for space exploration. Lending facilities reach out to stimulate agriculture all the way from cattle loans in northern and other counties to citrus in the central region, to truck farming in the mucklands of South Florida.

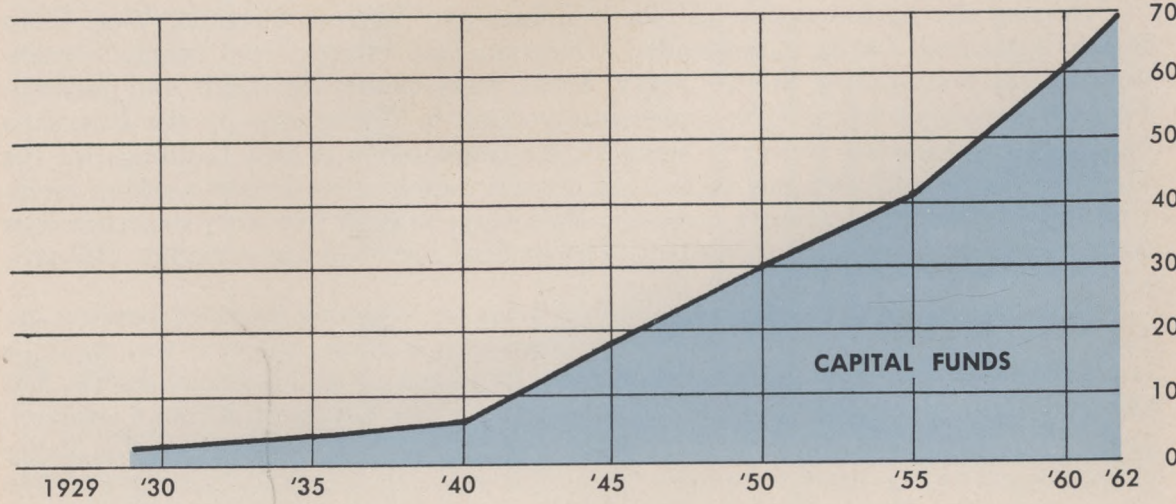
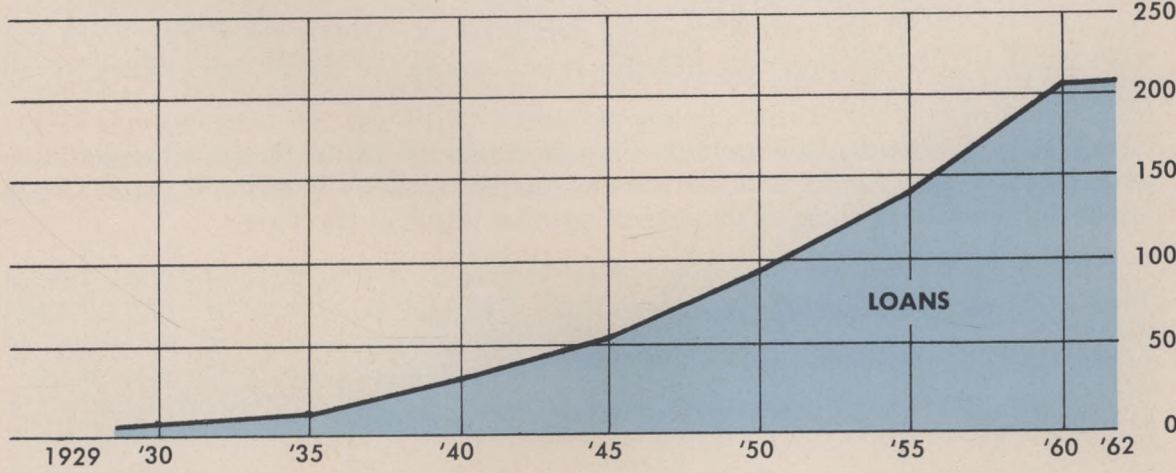
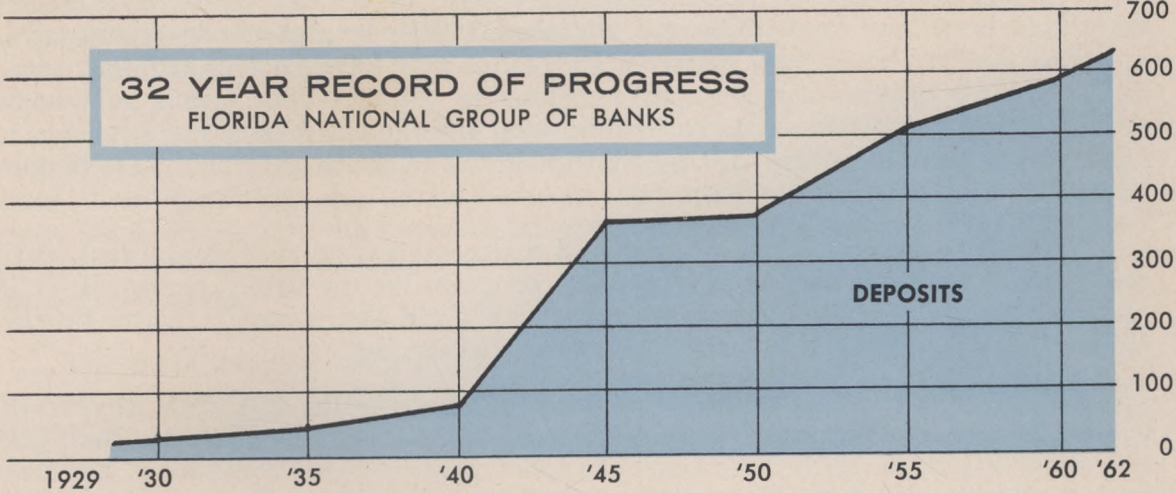
Sometimes, Mr. Ball says, the banks finance everything from the purchase of Government bonds to vacuum cleaners. The banks have extended millions of dollars in credit for home construction loans, farm financing, farm mortgage loans, live-stock and crop loans, and citrus fruit loans against warehouse receipts. The banks have their own home improvement plan and have helped many churches finance building projects through a "church bond" program, which leans rather heavily on character, with good results.

At the present time, there are over 70,000 loans on the Group's books, totaling over \$225,000,000, and the size of the average loan is under \$3,000. One policy the banks do follow strictly, not to make loans where they may be called upon to make foreclosures.

Seven of the banks in the Group have trust departments, and one of them, the trust department at Jacksonville, with assets of well over a billion dollars, is possibly the largest in the state. This department works closely with and gives the benefit of its counsel, both investment and otherwise, to the other trust departments, which are located in Miami, St. Petersburg, Orlando, West Palm Beach, Lakeland, and Daytona Beach. Regular trust department services of estate planning, trust administration, custody accounts, agents for bond and stock issues and the like are performed by these departments for the specific banks with which they are identified; but they also make available like services to the smaller banks in the Group. Pension programs and funds for business firms all over the state have been building up in volume in these departments.

32 YEAR RECORD OF PROGRESS
FLORIDA NATIONAL GROUP OF BANKS

MILLIONS OF DOLLARS



For practically as long as the banks have been in business, they have undertaken to train officers and employees to extend friendly helpful service to customers, an effort that has never been relaxed. The banks also have encouraged their personnel to study banking and to improve themselves through such means as weekly seminar meetings and bank study courses, with the thought that there is always a need for new people coming up and that in the organization there is always opportunity for those who are qualified.

Some 20 years ago, Edward Ball and his co-ordinating staff established what they believe to be an outstanding pension program for the banks' personnel. It is known as a non-contributory plan, under which the entire cost is borne by the banks. Benefits are based on salary and length of service.

Under the program, members of the staff at retirement age, after 10 years of service, become entitled to a pension of 25 per cent of average salary for their last five years of service. With more years of service pension rights continue to increase, but at a slower rate. After 35 years, the maximum, retirees receive a pension at retirement age of 50 per cent of average salary for the last five years. The banks also have an annual bonus program, dependent on earnings, of one month's salary for all members of the staff.

A result of the banks' experience in pensions is the planning and administration of plans for other banks and commercial customers. The Florida National Group is now administering some of the largest pension trusts in the state.

Modernization of banking quarters dates back to 1938 when the Alfred I. duPont Building was erected in Miami. It was then, and still is, among the city's largest commercial buildings. It is one of Miami's showplaces, constructed to withstand hurricane winds of 250 miles an hour. It was among pioneers of the idea of placing banking quarters on the second floor, reached by escalator. Shops occupy the building's ground floor with entrances both from the street and inside arcades.

Among the banks occupying new buildings are those at Orlando, West Palm Beach, Lakeland, Ocala, Gainesville, Arlington, Fort Pierce, Vero Beach, Fernandina Beach, Belle Glade, Starke, Perry, Brent, Lake Shore, Northside and Jacksonville. A new bank building is under construction for occupancy by the Pensacola bank and contracts are presently being let for construction of new buildings for the Daytona Beach and DeLand banks. All feature ample drive-in and parking facilities. The Orlando bank, fourth largest in the group, boasts a five-story structure, four floors of which are devoted to banking. The parking area will accommodate 300 cars.

The new 10-story Jacksonville building, with its adjoining six-story parking garage, occupies a full city block in a choice downtown location, where it will make its contribution to the city's growing importance as a banking and financial center. For the first time, it provides a single headquarters for the Estate of Alfred I. duPont, the bank Group co-ordinating staff and the Jacksonville offices of the St. Joe Paper Company. The building's first floor exterior is of black, polished granite, with the remaining nine floors of white Alabama limestone.

Fast service for banking customers was given primary consideration in the new building. There are 15 drive-in teller stations on the ground floor of the garage, four walk-up windows that are readily accessible, two on Adams and two on Hogan Streets, and three curbside tellers on Hogan Street.

Service at these various stations is available throughout the day from 9:00 A.M. to 4:30 P.M., Mondays through Thursdays, though the main bank closes at 2:00 P.M. It has been found that this period between 2:00 and 4:30 is generally the busiest time. On Fridays, with this same object of meeting the needs of customers, the bank provides continuous service, both in the bank and at the outside teller stations, to a six o'clock closing.

The main banking room on the second floor is quickly reached by two sets of escalators, stairways, and the five elevators that serve the building. These are located in a 24-foot wide ground floor lobby that extends the entire length of the building.

Retail stores and shops line the street floor. Banking and trust department offices and the Group co-ordinating staff are located on the second floor, mezzanine, third floor, and in the basement. Safe deposit and various other departments are also in the basement. St. Joe Paper Company utilizes part of the eighth floor, as do the trustees and staff of the Estate of Alfred I. duPont. The fifth, sixth, seventh and ninth floors are rented to a number of important nationally known Florida companies.



New Florida National Bank Building at Orlando, Florida

Thus has grown the Florida National Group of Banks. From the single bank at Jacksonville, with deposits of \$20,404,930 at the close of 1929, it has become a group of 30 banks, with closing deposit figures for 1962 of \$610,141,607. In 1929, the single bank at Jacksonville had total loans of \$5,750,000. The Group's 1962 closing loan figures total \$207,916,009. Here, in cold figures, is the vital story of how the Estate of Alfred I. duPont has joined with the local stockholders in all of the banks to serve the people of Florida.

Florida National Group of Banks

Florida National Bank of Jacksonville	Florida Bank at Fort Pierce
Florida National Bank and Trust Company at Miami	Florida National Bank at Fernandina Beach
Florida National Bank at St. Petersburg	Florida National Bank at Arlington
Florida National Bank at Orlando	Florida National Bank at Vero Beach
Florida National Bank at Pensacola	Florida National Bank at Perry
Florida National Bank and Trust Co. at West Palm Beach	Florida Bank at Starke
Florida National Bank at Coral Gables	Florida National Bank at Belle Glade
Florida National Bank and Trust Co. at Daytona Beach	Florida National Bank at Port St. Joe
Florida National Bank at Lakeland	Florida Bank at Madison
Florida National Bank at Bartow	Florida Northside Bank of Jacksonville
Florida National Bank at Key West	Florida National Bank at Brent
Florida National Bank at Gainesville	Florida Bank at Chipley
Florida National Bank at Ocala	Florida Bank at Bushnell
Florida Bank at DeLand	Florida National Bank at Opa-Locka
Florida Dealers and Growers Bank at Jacksonville	Florida National Bank at Lake Shore

ST. JOE PAPER COMPANY

When Edward Ball first went into Port St. Joe in the twenties, he found between four and five hundred people, mostly living as fishermen and oystermen, spending half their time on land and half on hard-worked boats. He found the old Apalachicola Northern Railroad there in run-down condition. It possessed five locomotives, the latest built in 1906, running one mixed freight and passenger train a day in each direction. All of this Mr. Ball discussed with Mr. duPont, as they recalled the area's earlier history.

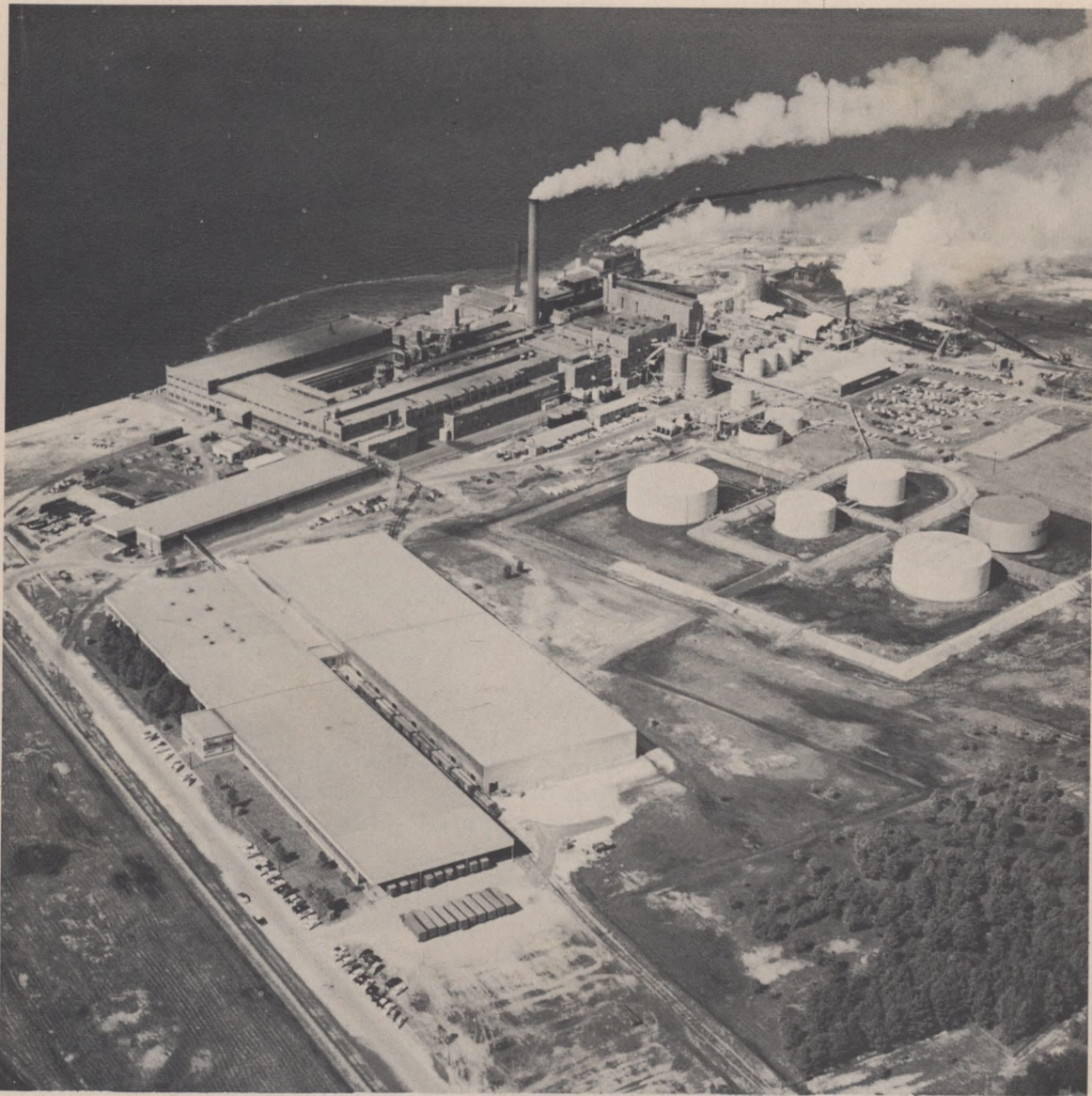
There had been a time, a century earlier, when Port St. Joe was a thriving town known as St. Joseph. Founded after the United States took possession of Florida in 1821, the town had been the scene of one of the earliest land booms. At one time, 100,000 bales of cotton were shipped annually from its wharves, as were great quantities of lumber and turpentine. Historically, St. Joseph was the site, before Florida became a state, of its first constitutional convention.

From the first purchase of 66,000 acres in 1925, Edward Ball's acquisition of timberland in Northwest Florida developed into a substantial and continuing program. For a number of years, he went from county to county handling the transactions himself. At one time, when holdings were around 466,747 acres, he sold 192,747 to the Federal Government for inclusion in the Apalachicola National Forest. Buying continues today, with St. Joe Paper Company's total now over 1,000,000 acres.

In 1933, Mr. Ball concluded a transaction with a bondholders' group in St. Louis, Missouri, that gave Mr. duPont control of five St. Joe companies and an additional 240,000 acres of timber. The companies acquired by Mr. Ball were: Apalachicola Northern Railroad Company, St. Joseph Telephone & Telegraph Company, St. Joseph Land and Development Company, St. Joe Dock and Terminal Company, and Port St. Joe Company.

With these properties acquired, Mr. duPont was soon engaged in a large-scale rehabilitation program for Port St. Joe. It was characteristic of him that he wanted to transform the run-down fishing village into a model community of tree-lined streets and modern homes. To support such a community, the projected paper mill would have to be a profitable enterprise. So far, he had not decided on the nature of the mill; would it produce Southern newsprint or kraft paper? He had given the question long, earnest consideration, and finally decided upon the latter.

St. Joe Paper Company was founded in 1936, the year after Mr. duPont's death, and the mill went into operation in 1938. It was located on St. Josephs Bay on the Gulf of Mexico where ocean-going ships could tie up at the docks.



"St. Joe" paper mill at Port St. Joe, Florida, on
the Gulf of Mexico

One-half interest was owned by the Estate of Alfred I. duPont, which would handle financial matters, and one-half interest by Mead Corporation, well-known paper maker, which would operate the mill. This joint operation continued to 1940, when the Mead interest was purchased by the Estate.

Designed to produce tough kraft paperboard from southern pine, the mill had an initial capacity of 300 tons a day. The paper product came from the mill in large rolls of varying weights, which were shipped to the manufacturers of corrugated shipping containers and other paperboard product converters.

As supervisory and technical personnel were brought into Port St. Joe and as employees were hired from the surrounding area, there developed a substantial need for housing. To meet this need and at the same time to encourage home ownership, St. Joe Paper Company organized The Florida Housing Company. Its purpose was to build and sell homes for the plant's people on a low down payment and low interest rate, 15-year basis. It was purely a service company and was operated for a period of 17 years.

Meanwhile, St. Joe's products were meeting substantial success in the marketplace. The quality of its paperboard was high and uniform. As it worked with customers it was only natural that it should come in close contact with the end use of its paper, the actual making of the corrugated boxes, fast coming into use for packaging and shipping an increasing array of manufactured products.

Since 1943, St. Joe had been doing research on corrugated containerboard in the paper mill. In that year a corrugator and other equipment were set up at the mill to produce corrugated sheets. In 1945, the second corrugator was installed in new and larger quarters. The research operation continued to expand and in 1950, a modern 160,000 square foot building was constructed to house a fully established box plant.

Meanwhile, in 1946, the company had acquired a half interest in New England Container Company at Chicopee, Massachusetts, giving that operation the distinction of being the first among the box plants. The Chicopee plant was equipped with a corrugating machine that would meet varying specifications, and with printer slotters and assembling machines. It was also equipped to supply inner packaging forms to hold packaged products in place. In short, it provided a complete packaging materials service, as did the other plants that followed.

The second box plant was located in South Hackensack, New Jersey. The company acquired a half interest in the Hackensack plant in early 1947 and acquired the other half in 1950. The third box plant was opened in Houston, Texas in late 1947. The Houston plant was designed and constructed by the company itself and was the forerunner of many such modern operations. The fourth was the one at Port St. Joe, Florida in 1950. In 1959, the company purchased already operating box plants in Rochester, New York; Pittsburgh, Pennsylvania; and Hartford City, Indiana. Other new ones followed at Birmingham, Alabama; Cincinnati, Ohio;

Baltimore, Maryland; Memphis, Tennessee; Portsmouth, Virginia; and Dallas, Texas. The Dallas plant is a joint venture with the Hunt Oil Company. Also in 1959, a National Accounts Division office opened in New York City.

Demand for St. Joe corrugated containers and other packaging products has continued to grow steadily and substantially. A new box plant is currently opening in Chicago, Illinois and sites have been purchased for construction of new plants at New Orleans, Louisiana and Atlanta, Georgia in the near future. Today, the combined St. Joe container plants are producing several hundred million square feet of corrugated board in the form of boxes and packaging components annually.

The widespread use of corrugated packaging material is well described by one of the company's advertising folders. It can be provided, says the folder, for "anything in ounces or tons, short of a locomotive." The service is available for any part of the United States, east of the Rocky Mountains.

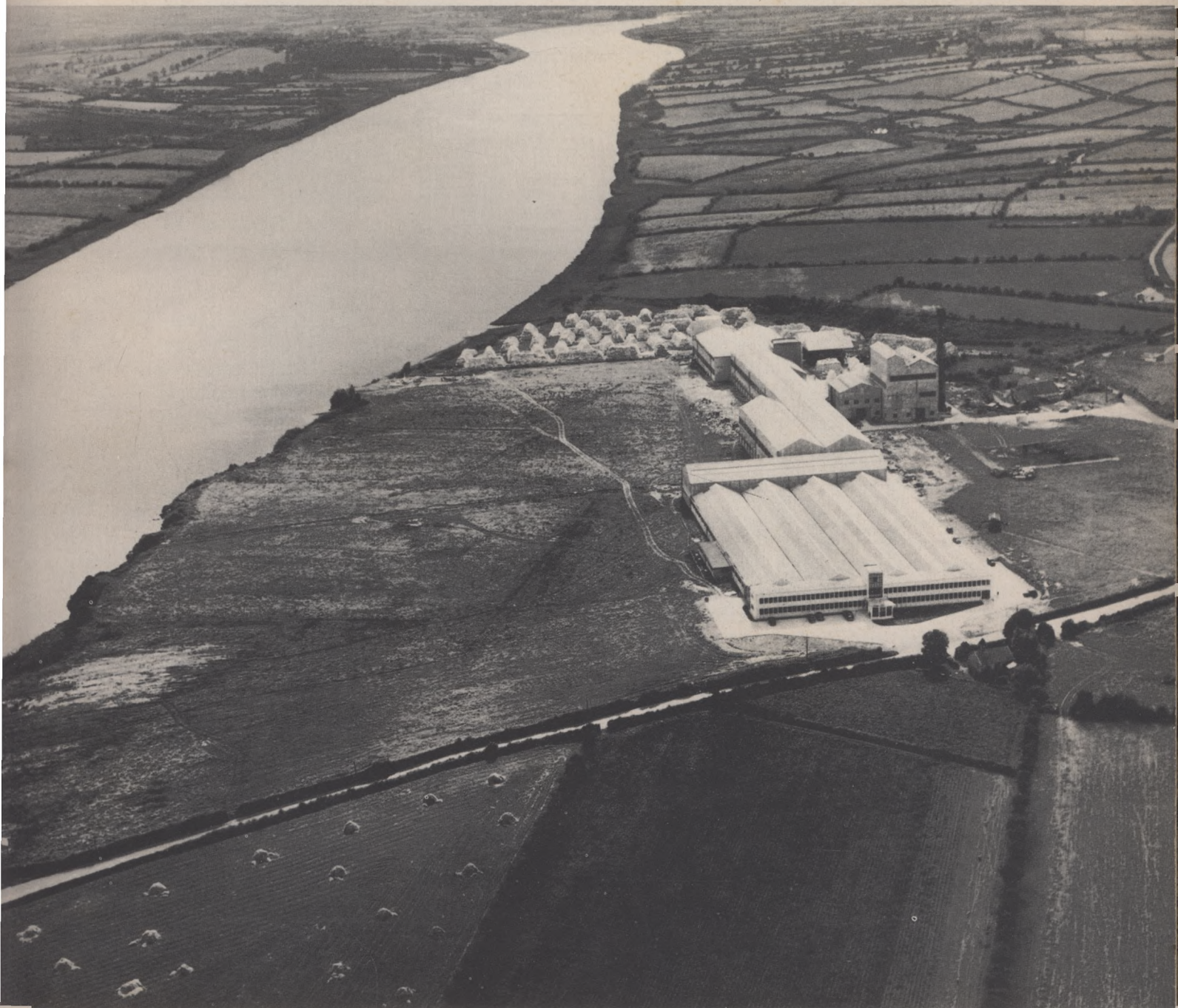
Even before the box plant program was well under way, its demand on the paper mill was putting a strain on productive capacity. Since the mill was started, this had already been worked up from 300 to 430 tons a day. Some careful figuring, based on the then current rate of increase, showed that what would soon be needed was an output capacity of 1200 tons a day.

This meant tripling the entire operation. It meant bringing three times as much pulpwood into the mill, enlarging the mill itself and installing the necessary new equipment and paper making machinery. Most of the huge expansion program was completed by the end of 1954.

One important problem remained to be solved: the mill's water supply. Paper mills demand great quantities of fresh water. St. Joe's new requirement would be 35,000,000 gallons a day. Up to that time the mill had pumped its water from sixteen wells, eight of which were 150 feet deep and eight 600 feet deep. Even under the old load the water level had been dropping and it was evident that a new source would have to be found.

The nearest point at which a large volume of clear water could be obtained was the Chipola River, eighteen and one-half miles to the north and east. It was decided that a canal to the river would be the best answer to the water problem, since it would meet not only present requirements but could even supply twice that amount.

Built by the company's Woodlands Division, the canal uses siphons to convey the water under creeks and the Intracoastal Waterway on the way to the mill. One set of pumps raises the water from the river to the supply canal, where it flows by gravity, and another at the mill end sends the water to the paper machines through a huge pipeline. Besides the mill, the canal supplies the town of Port St. Joe and the other companies operating there.



National Board and Paper Mills, Ltd., Waterford, Ireland
operated by St. Joe Paper Company

Meanwhile, the Apalachicola Northern Railroad has been undergoing a complete transformation. Operating some 99.4 miles of track between Port St. Joe and Chattahoochee, the road's incoming freight consists largely of pulpwood, but includes supplies and shipments of all kinds for other plants in the area and for local business, stores and individuals. Its outgoing shipments include mostly paper products and chemicals.

In place of the five steam engines operating over the line in 1936, it now boasts 11 modern diesels. Old rolling stock has been replaced, its newest pulpwood cars consisting of all steel cars with solid cast frames and ball bearing trucks. New 500-car storage yards have been built at Chattahoochee and the mill. The railroad company's officers point proudly to the fact that its consistently low ratio of expense to income gives the road the distinction of being one of the most successful of any size in the United States.

Thoroughly modern today also is the St. Joseph Telephone and Telegraph Company. It operates as an independent company, as part of the St. Joe Paper Company complex, serving the Apalachicola River Valley. From a couple dozen telephones in 1933, it now has some 7,000 customers on its lines. There are 10 modern exchanges, equipped with microwave transmission and other modern electronic equipment, to furnish its customers the best services available.

In 1957, St. Joe Paper Company ventured into the foreign field. On a trip to Ireland, Edward Ball was attracted to the National Board and Paper Mills, Ltd., located at Waterford. The Mill was organized by the Industrial Development Authority in association with the Industrial Credit Company. The company was operating both a paper mill and a box plant. What it needed, it was agreed both by its officers and Mr. Ball, was a more stable source of raw material, managerial and technical assistance. In February of 1958, the chairman of Industrial Credit visited the St. Joe mill and in May of that year, an agreement was signed turning the management and operation of the mill over to St. Joe Paper Company.

Both parties were quick to benefit from the agreement. For St. Joe, it meant a new market for kraft woodpulp for the Irish mill and linerboard for the box plant. For National Board and Paper, it meant steady increases for its output. Most of this went into Ireland itself, but a growing proportion has been going to England, France and West Germany. Its products, advancing in quality and quantity, bid fair to assure the company a greater position in the continental economy.

One important, even vital, activity of St. Joe Paper Company remains to be discussed. It is the management and operation of its timberlands. Its holdings, some in large tracts and some in small, are contained in 14 counties in Northwest Florida, 10 counties in Southwest Georgia, and there is one small, five-acre woodyard in Southern Alabama. In distance, the Florida lands run 170 miles from east to west and 40 miles from north to south.



Tree nursery supplies 10,000,000 seedlings a year

From a central location just outside Tallahassee, the Woodlands Division operates under three subdivisions: wood procurement, land acquisition, and tax payment and land management. Working under the headquarter's office on these activities are seven strategically located forestry units. Each unit has its own establishment under a head forester, who lives on the property, a staff assistant and workers, and its own reforestation and fire fighting equipment. Each unit thus handles its own land management program, participates in land acquisition and tax matters, and plays a specific role in wood procurement.

Wood procurement is a specialized operation that is better understood when it is known that the Woodlands Division supplies only 40 per cent from its own lands and purchases 60 per cent from individuals. The division handles both sides of the operation, planning its own schedules and its purchases to meet the requirements of the paper mill. It should be mentioned that this is customary procedure and that the company is above average in meeting its own requirements.

This procedure is as follows: The division determines the areas from which it wants to obtain wood and has the appropriate unit or units designate the trees to be cut. The division then sells the trees to a local broker or dealer, whose business is cutting and shipping, and at the same time gives him an order for the outside purchases he is to supply. The broker then fills the order, forwarding the logs by train or truck, and is paid for the entire shipment. Some 75 per cent comes in by train and arrives at the mill on the Apalachicola Northern Railroad.

The Woodlands Division is currently planting 10,000,000 trees a year to keep its timberland in full production. One year it planted 15,000,000. Where the stand of trees is good, the area will re-seed itself. In other cases, where the stand can be improved, individual trees are planted. But the biggest part of the reforestation program consists in clearing entire areas and planting new trees. A nursery is maintained at Tallahassee for this purpose. In recent years, the division has found that it can broadcast by airplane if the land is prepared and the seeds are treated to prevent their being eaten by birds and rodents.

Among its many activities, the Woodlands Division maintains 1,000 miles of graded and 3,000 miles of plowed firebreaks. To carry out all of its operations, it employs a full-time, adequate staff.

These, added to the number employed at the paper mill and at the 14 box plants and offices now in operation, give St. Joe Paper Company a total personnel of several thousand and a total annual payroll of many million dollars.

In January 1951, the company established two pension plans, one for salaried and one for hourly-rated employees. Both are non-contributory, the entire cost being borne by the company. A group health, life, accident and major medical plan, on which the company assumes a part of the total premium, is also provided. Weekly disability benefits run from \$30 to \$50 and life insurance from \$2,500 to \$20,000, depending upon earnings and length of service.

Surely, Alfred duPont and Edward Ball have made their mark on Northwest Florida. From a dying village they built a thriving town with its own industries, its schools and churches, its playgrounds and parks; and, to a wilderness, they brought roads.



An 18½-mile company-built canal solved the problem of fresh water for the mill

EXECUTIVE OFFICE

St. Joe Paper Company
P. O. Box 1380
Jacksonville 1, Florida
(803 Florida National Bank Building)

PAPER MILL DIVISION

St. Joe Paper Company
P. O. Box 190
Port St. Joe, Florida

WOODLANDS DIVISION

St. Joe Paper Company
P. O. Box 191
Tallahassee, Florida

CONTAINER DIVISIONS AND OFFICES

National Accounts Division

St. Joe Paper Company
122 East 42nd Street
New York 17, New York

Cincinnati

St. Joe Paper Company
P. O. Box 41026
Cincinnati 41, Ohio

Pittsburgh

St. Joe Paper Company
P. O. Box 113
McKees Rocks, Pennsylvania

Baltimore

St. Joe Paper Company
2200 Annapolis Avenue
Baltimore 30, Maryland

Hackensack

St. Joe Paper Company
P. O. Box 88
South Hackensack, New Jersey

Portsmouth

St. Joe Paper Company
P. O. Box 2145, Cradock Station
Portsmouth, Virginia

Birmingham

St. Joe Paper Company
P. O. Box 389
Birmingham, Alabama

Hartford City

St. Joe Paper Company
P. O. Box 270
Hartford City, Indiana

Port St. Joe

St. Joe Paper Company
P. O. Box 190
Port St. Joe, Florida

Chicago

St. Joe Paper Company
401 Northwest Avenue
Northlake, Illinois

Houston

St. Joe Paper Company
P. O. Box 19006
Houston 24, Texas

Rochester

St. Joe Paper Company
1240 Mount Read Boulevard
Rochester 6, New York

Memphis

St. Joe Paper Company
P. O. Box 10467, McKellar Station
Memphis 6, Tennessee

AFFILIATES

Mesquite

St. Joe Container Company
P. O. Box 17009
Dallas 17, Texas

Chicopee

New England Container Company
Chicopee, Massachusetts

FOREIGN AFFILIATE

National Board & Paper Mills, Ltd.
Granagh, Waterford, Ireland
(Operated by St. Joe Paper Company, under
a management agreement.)

SUBSIDIARIES

Apalachicola Northern Railroad Company
Port St. Joe, Florida
St. Joseph Telephone & Telegraph Company
Port St. Joe, Florida



One of fourteen modern plants producing St. Joe corrugated shipping containers east of the Rockies



FLORIDA EAST COAST RAILWAY COMPANY

Just as Alfred duPont had watched the final days of the land boom and recognized that the coming break would be followed by a vast need for reconstruction, so Edward Ball watched the Florida East Coast Railway in the 1930's. The road had been in receivership since 1931. To make it a going concern, Mr. Ball felt, would benefit the east coast of Florida and even the entire state.

He was thoroughly familiar with the road's history. Nearly a half century earlier it had pioneered in opening the east coast from Jacksonville to Miami, and then moved on to Key West. Its first links to the south were acquired from other owners.

The purchase of the Jacksonville, St. Augustine and Halifax River Railway brought railroad transportation to St. Augustine in 1885. The city, with its historic background and its fine hotels, soon became the mecca of winter visitors to Florida. The railroad line to Palatka came a year later and by 1889 the railroad operation had been stretched as far south as Daytona Beach.

All of these first lines had narrow gauge tracks with light rails that had to be changed to standard gauge and heavier rails. There was also the matter of passengers having to ferry across the St. Johns River at Jacksonville. To remedy this, a bridge was completed in 1890, the first large steel railroad span in the South. The new bridge, together with the standard gauge heavier rails, made it possible for trains from the North to travel through Jacksonville and on south.

From Daytona Beach, through virgin unoccupied country, the railway builders struck out on their own to New Smyrna Beach, Titusville, to Lake Worth and Palm Beach. Soon the new city of West Palm Beach was being built, at first a village of tents and shacks. By the end of 1894 it became a village of 1,000 inhabitants with a post office, newspaper, ice factory and many stores.

A year later the railway moved on, this time headed for Fort Lauderdale and Miami. It is noteworthy that up until 1893 the mail between Palm Beach and Miami was carried by a man on foot, walking the beaches since there were no inland trails. Actual track laying began in September 1895. On one stretch of fifty miles there was but a single habitation. The same month, the name of the road was changed to Florida East Coast Railway.

Meanwhile, news had gone out that the road was on the way to Miami. Settlers began arriving and work on clearing the land and laying out a townsite was soon begun. Most of the newcomers lived in hastily constructed shelters until more substantial buildings could be erected.



In 1939, the Florida East Coast Railway introduced its famous streamlined passenger trains

On April 15, 1896, the Miami section was completed, and the first little wood-burning locomotive chugged in with building material. A week later, it was followed by a trainload of tradesmen, carpenters, masons and artisans of all kinds. Buildings soon were going up on all sides and Miami became known as the "magic city." Within a few months the "city" was incorporated with 502 registered voters.

Next, in 1903, the road was extended south to Homestead, tapping the rich Redland agricultural district. This was followed by road construction over the Florida keys to Key West. This was an expensive and daring undertaking. It involved filling in wide expanses of shallow water between some of the keys and the building of bridges across deep water channels between others, some several miles apart. The Key West route operated for 23 years, but on Labor Day 1935 a severe storm left much of the track a mass of torn and twisted wreckage. The Key West section was later sold to the State for the Miami-Key West highway.

In the period between 1911 and 1915, the Florida East Coast again pioneered in opening Florida's rich Everglades to cultivation. The line, as it exists today, runs from Fort Pierce to Belle Glade and other points on Lake Okeechobee. It picks up from 12,000 to 15,000 carloads of winter vegetables a year for northern markets. Also, the surrounding mucklands produce great quantities of sugar cane, raw sugar is produced in the area, and luxuriant pasture land provides for the raising and fattening of beef cattle. The livestock market at Belle Glade is one of the largest in the state.

The railway converted from wood to coal-burning locomotives in 1900, to oil in 1915, and to diesel-electric in 1939. In that year also, it introduced its first stainless steel, streamlined trains, which gained widespread acclaim. Among the road's famous trains were the Miamian, East Coast Champion and Florida Special which offered service from New York City to Miami. Others included the South Wind which offered service from Chicago and St. Louis.

Meanwhile, back in 1924 and 1925, another far-reaching development was taking place. The big land boom literally swamped the Florida East Coast Railway with traffic. "Freight cars were backed up on sidings clear to Jacksonville" and "railroad crews worked around the clock unloading accumulated shipments (in Miami) and every available man, including police and firemen, was drafted to help them," is how Reader's Digest recently described the situation in an article on "When Florida Went Wild."

To meet this overwhelming demand for service, the Florida East Coast embarked on an extensive program of expansion. This included double-tracking the main line between Jacksonville and Miami, the installation of automatic block signals, the rebuilding of many bridges, the erection of new repair shops and general office buildings in St. Augustine, and the improvement of freight and terminal facilities at many points.

With its own improvement program already underway, Florida East Coast officials soon received the disturbing report that another Florida railroad was planning to invade its territory. This road, which had been serving the central and western sections of the state, announced it would extend its lines south and east from Coleman, in west-central Florida, down through Sebring and West Palm Beach to Miami and Homestead. The conclusion that the move was uneconomic may be drawn from the fact that the road went into receivership in 1930, ahead of the Florida East Coast.

It was this situation, plus the sudden ending of the Florida boom and the coming of the national deflationary era, starting in 1929, that forced the road into receivership in 1931. Earnings dropped substantially, as might be expected, but were soon showing a fair recovery. Under receivership the road's debt piled up. At one point, it was figured that \$100,000,000 would be required to pay off the debtors, adding up principal, interest and interest on interest.

As Edward Ball studied the condition in which the road found itself in the latter part of the 1930's, he came to several conclusions: that the road had been in receivership long enough; that it needed to be reorganized and refinanced; that the duPont Estate was well qualified to undertake that operation; and that the road could be made a good property for the Estate to own.

The best way to acquire the railway, he decided, would be through the purchase of its defaulted 5 per cent First and Refunding Mortgage Bonds. These were selling for as little as six cents on the dollar. Mr. Ball started buying the bonds in 1941 for the Estate through St. Joe Paper Company. Finally, St. Joe held \$23,250,000 face value of the \$45,000,000 issue, sufficient to exercise control.

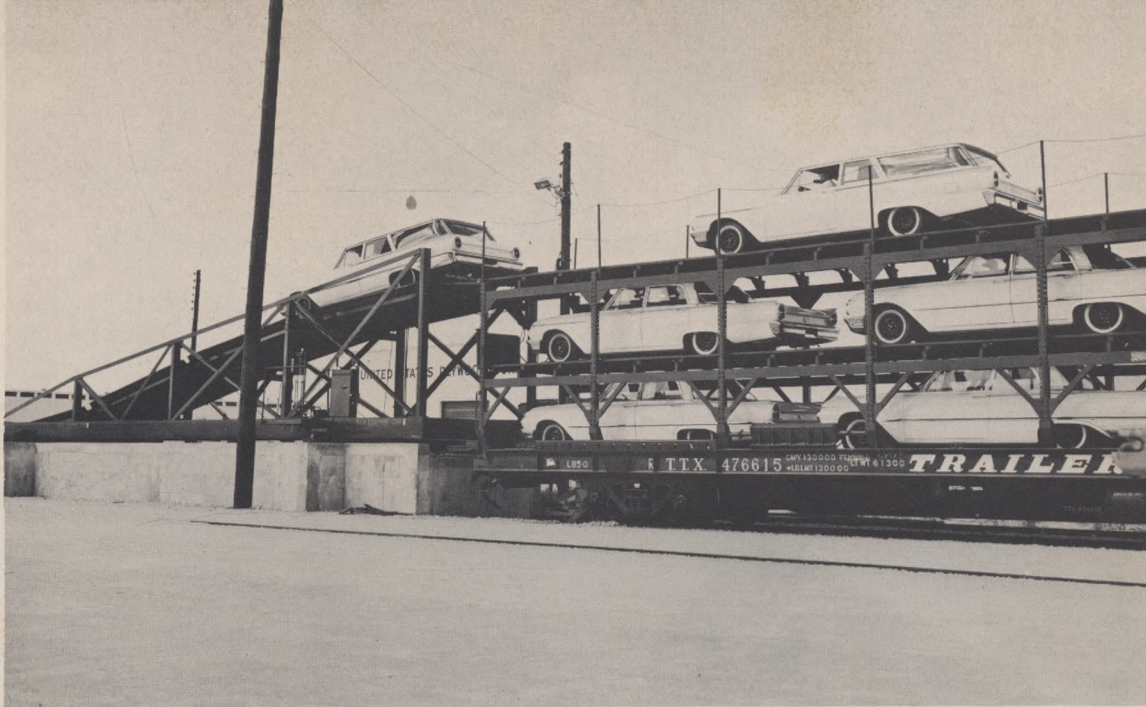
In spite of St. Joe's majority position, the strange question of whether the owners would be allowed to run the property became the subject of nearly 20 years controversy. The road went into reorganization proceedings under Section 77 of the Bankruptcy Act in 1941. A total of four reorganization proposals were presented in succession, each being the subject of extended hearings.

One plan went all the way to the U.S. Supreme Court. It was a plan developed jointly by minority bondholders and another railroad. Under this plan, there would have been an exchange of securities for those of the petitioning railroad. It was rejected by the U.S. District Court on the ground that all bondholders "must surrender the investment they have chosen and lawfully own in the East Coast property and must take in return an investment which most of them do not desire to own, and do not think is an equivalent." The U.S. Supreme Court concurred.

In December 1959, Edward Ball, then one of the reorganization managers, was appointed chief executive officer for the trustees. By this means, the prospective new owners were given an opportunity to present their ideas and policies in advance of actual reorganization.



Diesel-powered freight trains make the run from Jacksonville to Miami in less than eight hours



Adjustable ramp for unloading autos at Miami is one of Florida East Coast's modern services

Mr. Ball then accelerated two developments initially inaugurated by the trustees in the early 1950's. The first of these represented a program of mechanized maintenance of the roadway. This involved the purchase of considerable equipment for providing ballast and laying new ties and rails. Where doing this work by hand would, for example, require 100 gangs of five men each, mechanization could do the work on a cycle basis with two gangs of between 30 and 40 men each.

The second development involved the establishing of daily accounting controls, a step unique in railroading. Under this program, Mr. Ball receives a daily report on profits or losses, major expense items, total employees, payroll, cash in banks, and other items right down to net earnings, including comparisons with the same day last year and the year to date.

The final order and decree, establishing the management of the railway with St. Joe Paper Company, the majority stockholder, became effective at 12:05 A.M., January 1, 1961. When Edward Ball issued the subsequent annual report for 1960, he made this statement: "Operation of your company, under its new management will be conducted, insofar as is possible to do so, with the purpose of furnishing attractive, courteous, fast, safe, and adequate transportation to the territory served by its lines of rail and its connections and other facilities; to provide stable and profitable employment for the men and women in its service and to earn a reasonable return on the capital invested in the plan." He signed the report as chairman of the board of directors.



Florida East Coast general offices at St. Augustine

Few railroads have played so important a part in the development of their territories as did the Florida East Coast Railway. To illustrate this, the railway prepared a statistical chart. This shows that while the United States had a gain of 100 per cent in population between the years of 1910 and 1960, and the State of Florida a gain of 450 per cent for that period, the counties served by the Florida East Coast Railway enjoyed a population gain of 1250 per cent.

The number of manufacturing firms along its lines has shown this same rapid rate of expansion. These firms produce a wide range of products: electrical and electronic equipment, building materials, furniture, boats and boating equipment, aircraft, commercial and sport fishing gear, processed foods of all kinds and many other products. The road makes a special point of working with prospective industrial newcomers on service facilities and plant locations.

Among its customers are those at Cape Canaveral. At the present time, freight cargo for the Cape must be transshipped, by trucks, from near sidings on the mainland because there are no tracks across the waterways to the Cape. Recently, the Government requested Florida East Coast to extend rail services directly to Cape Canaveral and the railroad is planning immediate construction of a causeway and drawbridge across Indian River to Merritt Island and on to the guided missile complex on Cape Canaveral, at a cost of several million dollars.

In the time Mr. Ball has been serving as chairman of the board of directors he has taken definite positions on proposed mergers and has also made his own proposals for bringing greater economic stability to railroad operation in the State of Florida.



Before and after corrective surgery. This case, illustrating many such cases, is the one of a boy with bow legs due to rickets, from the files of the Florida Crippled Children's Commission, Tallahassee, Florida



Impressive hospital of Alfred I. duPont Institute of The Nemours Foundation at Wilmington, Delaware

AID TO CURABLE CRIPPLED CHILDREN

Even as Alfred duPont reviewed his will in early 1935, he drew sketches and made plans for what he and Mrs. duPont had agreed would be the first charitable unit of the foundation. It was to be the Alfred I. duPont Institute of The Nemours Foundation "for the care and treatment of crippled children, but not incurables."

The first step was the organization of a medical advisory board. It consisted of eight doctors from five different states, selected for their special capabilities in helping to form policies. The doctors held their first meeting at "Epping Forest," the duPont home in Jacksonville, in March 1937. It was their decision that a four-point program was essential. The first point covered hospitalization and the application of corrective measures. The second recommended facilities for the continuation of the child's education while hospitalized, the third a research program on both procedures and such causes as might be studied, and the fourth a program for the teaching and training of professional personnel.

A board of managers was established for the Foundation and Institute in 1940. The present members of the board are Mr. W. Hardin Goodman, Chairman; Mrs. duPont, Mrs. Elbert Dent and Dr. Alfred R. Shands, Jr. Dr. Shands is also Chief Executive Officer and Medical Director of the Institute and Foundation.

Many questions arose on the type of building best suited to house the Institute. The very completeness of the service to be offered raised the question. As one doctor on the advisory board stated, "It was obvious from the beginning that this institution was conceived with the idea of not being an ordinary children's hospital." To accumulate material for the architects more than 100 institutions were visited by the Medical Director.

Ground was broken for the Institute in June 1939, on a 22-acre tract of Nemours, facing Rockland Road in Wilmington. The main three-story building and basement, with its two large extensions at the rear and an auditorium wing, were built of smooth stucco on brick, as were a later two-story addition to be known as the schoolroom wing and an outside boiler house, garage and one-story structure for the housing of research animals. Two landscaped parking areas were also provided to accommodate some 100 cars.

The first floor of the Institute provides space for administrative offices, a board room, offices for staff physicians, examining rooms for out-patients, an x-ray department, record room, and visitors' waiting room. The first floor of one wing contains rooms and spacious wards with a sun porch and terrace for boys and the second wing provides the same facilities for girls. The first floor of the auditorium and schoolroom wings contains the patients' dining room, physical therapy department, including a warm water pool, two playrooms, three school classrooms and the auditorium itself.

On the second floor are research and clinical laboratories, a photographic department, living quarters for resident physicians, a lounge, staff dining rooms and a medical library. Also on the second floor are the infants' ward, the operating rooms, dental facility, and a bone museum. On the third floor are the nurses' quarters.

As construction progressed, policies were established. Patients eligible for treatment would include those having disabilities of the musculo-skeletal system treated by orthopaedic and plastic surgeons, such as infantile paralysis, curvature of the spine, congenital malformations, cleft palates, scar tissue contractures, and those having certain uncommon medical diseases that can be cured or helped. Also eligible for treatment, if they could be helped, would be children with deformities and disabilities due to all kinds of accidents. There is no cost to the family of a patient after admission. Clothes, shoes, braces, school books and other necessary items are all supplied without charge.

Children might be referred to the Institute by a physician, clinic or children's agency. Application forms, supplied upon request, would include a report to be filled in by a physician and would be reviewed by the Institute's Medical Director.

On July 1, 1940, the hospital was opened for the admission of patients. The first child, a crippled little girl of two and one-half years, with a congenital dislocation of the hip, was carried by her mother into the clinic. When the little girl went home at the end of her stay in the Institute, she was able to walk with only a slight limp. Now she is a mother with two normal children of her own.

At the Institute dedication ceremony, which was held a year later, June 14, 1941, Dr. Shands reported on the first year's operation. It had been an outstanding one in the new facilities it had made available for the rehabilitation of crippled children, including both surgical operations and physical therapy. In physical therapy alone, more than 8,700 treatments were provided. Altogether there had been over 18,000 patient-day's of care.

Not the least of the busy departments was the out-patient department, where children would be brought from home for examination and treatment. In a further activity, the Institute participated in outside children's clinics held in the two lower counties of Delaware, under the auspices of the Delaware State Department of Health.

It was also revealed at the dedication ceremonies that another program had begun in July 1938, which was the granting of research fellowships. These were awarded by The Nemours Foundation to young physicians for a continuation of particular studies in schools of medicine and hospitals.

"It is the hope of everyone that out of our program of research and investigation will come clearer concepts of the causes and history of crippling diseases in childhood and lead to better methods of prevention and treatment," Dr. Shands told those attending the ceremony. "Thus countless thousands of children may be benefitted."

A postgraduate program of clinics and lectures on the crippled child has been in continuous operation at the Institute for the graduate students of the University of Pennsylvania since 1947. Many young physicians have been residents for periods of from three months to two years. These doctors have been trained and sent out to work with crippled children in other institutions and in their own practices.

Since 1941, a lecture course has been held annually for nurses from local hospitals and many clinics have been held for physical therapy and occupational therapy for medical students from the University of Pennsylvania.

What was to become a vast program of aid for crippled children in the State of Florida had its beginning in the closing months of 1948. At the time, the Florida State Crippled Children's Commission had some 400 children who could not be cared for by the State. There were also a great many voluntary Florida agencies operating in specialized fields, related to the crippled child, in need of funds.

To discuss the needs of both groups, a meeting was held in Jacksonville in February 1949, arranged by the Florida State Crippled Children's Commission. There was a total attendance of 153, including the officials of the Florida Commission, many doctors and representatives of the special agencies. The meeting was sponsored by The Nemours Foundation; present were Mrs. Alfred I. duPont, Edward Ball and Dr. Shands.

Out of the meeting came first a program of continuing direct aid, paid for by The Nemours Foundation, to the Florida State Crippled Children's Commission. Under this, children who could be helped were to be selected for treatment in Florida hospitals by the orthopaedic staff of the Florida State Crippled Children's Commission.

During the first year of the program, The Nemours Foundation paid for 3,872 patient-day's care for children approved by the Florida State Crippled Children's Commission, including the 400 then awaiting treatment. At the end of five years, the figure had grown to 69,922 patient-day's care, and by July 1, 1962, it had become 89,367 patient-day's care. It is also noteworthy that in this period the State of Florida has increased its own budget for the Florida State Crippled Children's Commission to between six and seven times the amount provided in 1948.

Since the Jacksonville meeting, The Nemours Foundation has also awarded special Florida grants for speech training, and physical and occupational therapy to the Florida Center of Clinical Services at the University of Florida; the Children's Speech Correction Clinic, Jacksonville; the Junior Service League Orthopaedic Center at Daytona Beach; the Happiness House at Sarasota; the Rehabilitation Center for Crippled Children of the Dade County Crippled Children's Society in Miami; the Florida Society for Crippled Children and Adults for work in its Mobile and Summer Camp Therapy Units; the Broward County Society for Crippled Children at Fort Lauderdale; the Easter Seal Society of the Capital Area, Inc., at Tallahassee; the Brevard Crippled Children's Center at Melbourne; the Sunshine Center at Vero Beach; the Monroe County Cerebral Palsy and Cripples Association, Inc., at Key West; and the Children's Rehabilitation Ranch at Lakeland. This has brought further aid to several thousand Florida children not needing hospitalization.

The Nemours Foundation established its second direct financial aid program, for the State of Virginia, in 1952. This was in cooperation with the Crippled Children's Division of the Virginia State Department of Health. Since the beginning, it has provided children with treatment for a total of 44,218 days of hospital care.

The Nemours Foundation also has made grants for speech training and physical and occupational therapy to the Junior League School of Speech Correction in Richmond, the University of Virginia Speech and Hearing Center, and the Hampton Roads Speech School.

Another corollary program that covers 17 states, 15 of which are in the South, has been in the process of expansion by The Nemours Foundation during the past ten years. Its purpose is to share the knowledge of the specialists on the Institute's staff with the authorities in the states concerned with crippled children. The program takes the form of continuing seminars organized by the Institute.

The states participating in the meetings, their first years in the program, and the original state bodies are shown below.

Florida	1949	Florida State Children's Commission
Virginia	1951	Virginia Council on Health and Medical Care
Kentucky	1953	Kentucky Council on the Handicapped Child
North Carolina	1954	North Carolina Health Council Coordinating Committee
Louisiana	1956	Louisiana Council on Handicapped Children
Arkansas	1956	Arkansas Council for the Handicapped
Georgia	1956	Georgia Special Committee
Pennsylvania	1957	Governors Committee for the Handicapped
South Carolina	1957	South Carolina Council on Handicapped Children
Tennessee	1957	Tennessee Council for Handicapped Children
New Jersey	1957	New Jersey Conference on the Handicapped
Texas	1957	Texas Council for Handicapped Children
Missouri	1958	Missouri Health Council
Alabama	1958	Alabama State Advisory Committee on Children and Youth
West Virginia	1958	University of West Virginia School of Medicine, and Special Committee
Mississippi	1959	Mississippi Children's Code Commission
Oklahoma	1959	Oklahoma Council on Handicapped Children

These seminars, sharing the knowledge of the specialists on the Alfred I. duPont Institute staff as they do, have brought a substantial advance to the cause of crippled children. They have been attended by state officials, doctors and all types of professional and lay people, all working with the special groups in the states they represent.

Clinical services at the Institute itself have climbed steadily during the years of its operation. During the 1961-62 year, by way of example, there was an increase over 1960-61 of 23.6 per cent in the number of new patients, of some 18 per cent in the number of clinic visits, and of 17.3 per cent in the number of hospital admissions. The staff and personnel at the Institute have also grown until they now number well over 100, including the necessary doctors and specialists.

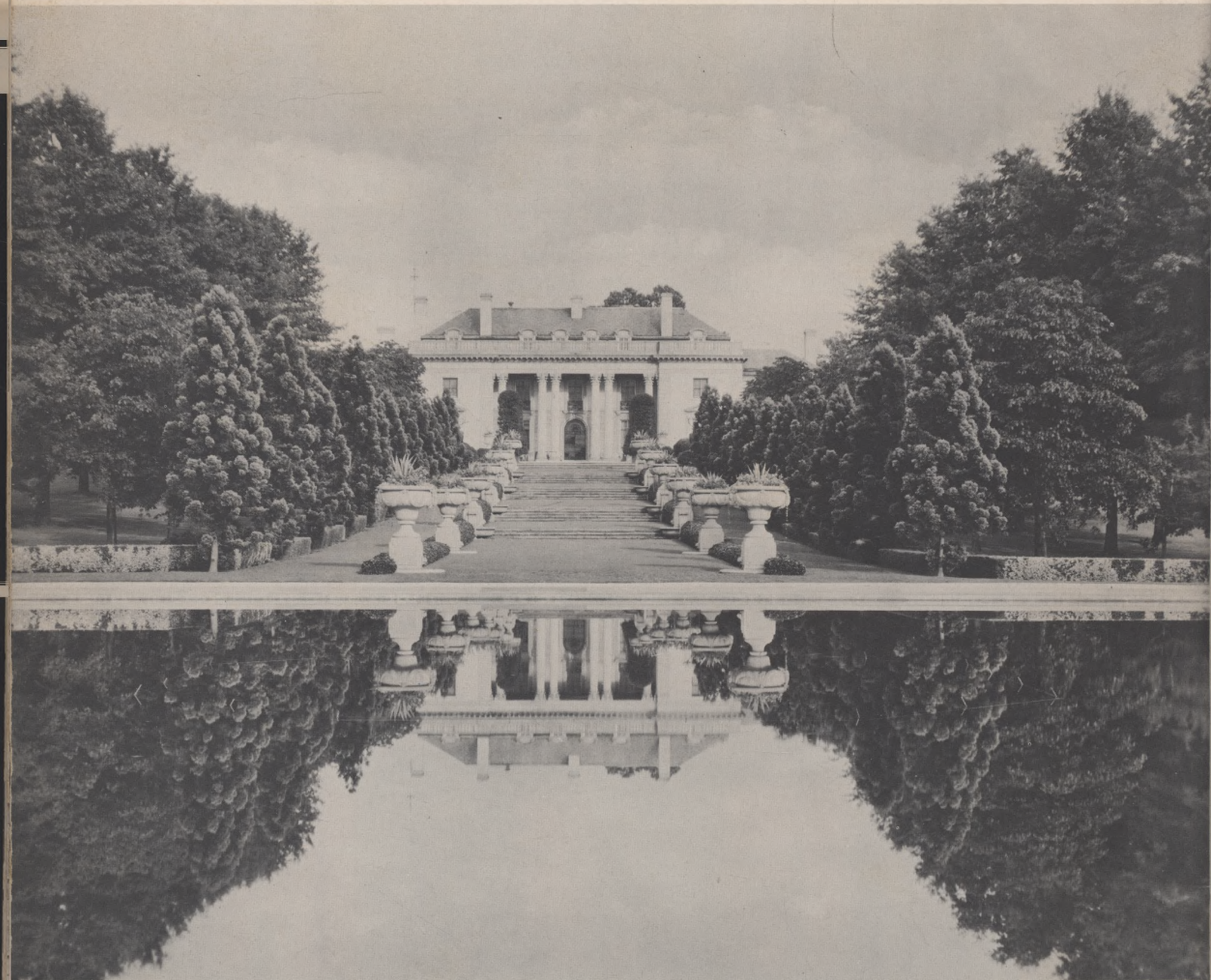
In the years in which the hospital has been in operation, from July 1, 1940 to July 1962, it has had 54,313 visits to its out-patient clinic by a total of 8,638 children. In the same period, it has provided 395,382 'hospital-days' care. It has performed several thousands of corrective operations and it has brought new hope to many more thousands of other children through advanced methods of medical treatment.

Thus are the earnings of the Estate of Alfred I. duPont being devoted to what Alfred duPont considered his humanitarian obligations. After making provision for members of his family and others, largely in the form of annuities from Estate earnings, he had directed that the remaining portion of the earnings be set up as The Nemours Foundation to support the Alfred I. duPont Institute and a future program for old people.

As the annuities are fulfilled, Mr. Ball explains, 100 per cent of the earnings of the Estate will go to The Nemours Foundation. This means, he adds, 100 per cent of the Estate's earnings of such substantial enterprises as the Florida National Group of Banks, the St. Joe Paper Company and the Florida East Coast Railway, will eventually go to The Nemours Foundation for the care and treatment of crippled children, not incurables, and for the care of old people.



Corner of Agnes Hunt Girls' Ward at the Alfred I. duPont Institute. Murals tell story of "The Little Lame Prince." 45



Nemours mansion house, Wilmington, Delaware, home of Mr. and Mrs. Alfred I. duPont

A FUTURE PROGRAM FOR OLD PEOPLE

There remains one further objective listed by Alfred duPont in his will for his trustees to consider, as the annuities established by him are fulfilled. It is a program for old people.

Mr. duPont's will linked this program with the one for crippled children. What he suggested was an "institution for the care and treatment of crippled children, but not incurable, or the care of old men or old women, and particularly old couples." Both programs were, in turn, linked to the utilization of the 300-acre estate of Nemours at Wilmington, Delaware. "The mansion house on the estate shall not be used for housing or hospital purposes," he wrote, "but buildings may be erected at any point."

There is ample evidence that Mr. duPont felt keenly the need to assist old people. On one occasion he told an associate in Florida that simple, human justice decreed that society preserve the independence and respect of old people. "Most of them have done their work in the world just as faithfully and just as well as you and I have done ours," he said. "That they have not saved enough money to see them through their declining years is nothing against them. We all owe these old people a debt, and we should meet it."

Earlier, when he transferred his legal residence to Florida, Mr. duPont had agreed not to forget the aged of Delaware. Keeping this promise, he sponsored an old-age pension bill in Delaware which was introduced in the state legislature there early in 1929. He was moving in the forefront of public opinion, but with the feeling that the United States lagged far behind Europe in the field of social legislation.

Mr. duPont hoped that Delaware would have the distinction of adopting the first statewide law. The measure passed the Delaware House but a surprise move in the Senate, made when several supporters were absent, defeated the bill.

Alfred duPont decided that the old people of Delaware should have their pensions regardless of the Senate action and announced that he would pay them himself until the legislature acted. He opened an office, established a staff and canvassed the state to prepare a list of those who would have been eligible. Under the terms of the bill needy persons sixty-five or older could receive pensions in the maximum amount of \$25 a month, according to the degree of dependency.

By October of that year some 800 cases had been approved, with fully as many waiting investigation. The first 800 checks were mailed November 1, 1929, in amounts varying from \$5 to \$25, with an average of \$16. Monthly disbursements increased as the investigation progressed.

Early in 1930, the Governor of Delaware took public recognition of the program. He gave it a quasi-official status by appointing an Old Age Welfare Commission with Alfred duPont as chairman. In effect, this put him behind the adoption of a pension bill.

By the time the 1931 legislature met and passed the program, the number of pensioners on Mr. duPont's list had grown to 1400, with checks being mailed the first of every month.

It is in parallel with this interest in old people by Mr. duPont that his Trustees will consider the program he suggested, as funds become available through The Nemours Foundation.

THE NEMOURS MANSION HOUSE

In his plans, Alfred duPont saw both the buildings for crippled children and old people located on the grounds of his estate at Nemours. He also had plans for the eventual use of the mansion house itself.

His will provided that, at some future date, the mansion house is to be used for the reception of visitors and their entertainment, for executive and administrative purposes, but mainly for the purpose of providing a library and exhibiting to the public interesting and valuable literature, works of art and articles of historic and artistic interest. The rooms, he stated, are to be maintained, as far as possible, in their present condition.

He also directed that the grounds and gardens at Nemours be retained or improved for the pleasure and benefit of the public.

IN CONCLUSION

The history of the Alfred I. duPont Estate has been one of constant advancement in full spirit and accord with the objectives set forth in Mr. duPont's will. The value of the Estate has increased in large measure, thereby making additional funds available for the humanitarian and charitable purposes that form the basic purpose of its operation.

This is a continuing record. Milestones there are, but each objective reached is only a signal to prepare additional plans for the future.

The Trustees have demonstrated their sincere belief in Mr. duPont's principles and have implemented his wishes with actions that more than justify his selection of them to carry on his interrupted work.

In this manner, the good works intended by Alfred I. duPont are being carried out by his trustees. As time passes and as the demands of the annuities established by Mr. duPont are fulfilled, 100 per cent of the earnings of the Estate will go to The Nemours Foundation for the care and treatment of crippled children, not incurables, and for the care of old people.

When Alfred I. duPont died in April 1935, he left a will which created a charitable, valuable, and lasting aid to crippled children in America.

His will read:

"It has been my firm conviction throughout life that it is the duty of every one in this world to do what is within his power to alleviate human suffering and I have sedulously striven to that end. It is, therefore, natural that I should desire, after having made proper provision for the immediate members of my family and the others whom I have seen fit to remember, that the remaining portion of my estate should be utilized for charitable needs."

"My Trustees shall cause to be incorporated a corporation for charitable purposes, to be designated and known as 'The Nemours Foundation' . . . and my said Trustees are hereby directed to pay over, at convenient intervals, to the said corporation, the net income of my said estate . . . for the purpose of maintaining the said Estate of 'Nemours' as a charitable institution for the care and treatment of crippled children, but not incurables, or the care of old men and women, and particularly old couples."

The Nemours Foundation has provided for the care of crippled children more than half a million patient-days since it opened in 1940. The Nemours Foundation crippled children's hospital, which is known as the Alfred I. duPont Institute in Wilmington, Delaware, has extensive facilities for the care and curing of crippled children whose parents may be poor or wealthy, but cannot obtain the medical skill that is available at the Alfred I. duPont Institute.

