## PUBLICATION OF THE GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

GEORGE F. BAKER FOUNDATION—HARVARD UNIVERSITY

VOLUME XXII

MARCH, 1935

NUMBER 1

## CORPORATE EARNING POWER IN THE CURRENT DEPRESSION

BY
WILLIAM LEONARD CRUM





DIVISION OF RESEARCH
BUSINESS RESEARCH STUDIES — NO. 10
PRICE 50 CENTS

X:878-742.73 G5 046210

HARVARD UNIVERSITY
GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

BUREAU OF BUSINESS RESEARCH SOLDIERS FIELD, BOSTON, MASSACHUSETTS

#### DIVISION OF RESEARCH: BUSINESS RESEARCH STUDIES

No. 1. Merchandising of Cotton Textiles—Methods and Organization, by Melvin T. Copeland and Edmund P. Learned. \$1.50  No. 2. Raw Material Prices and Business Conditions, by Melvin T. Copeland \$1.00  No. 3. The Behavior of Consumption in Business Depression, by Arthur R. Tebbutt \$1.00  No. 4. Department Leasing in Department Stores, by Stanley F. Teele. \$1.00  No. 5. International Raw Commodity Prices and the Devaluation of the Dollar, by Melvin T. Copeland \$2.00  No. 6. Managing Cloth Inventories in the Cotton Textile Industry, by John J. Madigan \$1.00  No. 7. Truck Selling: Simultaneous Selling and Delivery in Wholesale Food Distribution, by Lars J. Sandberg \$1.00  No. 8. The Effect of Size on Corporate Earnings and Condition, by William Leonard Crum \$1.00  No. 9. Management and the Worker: Technical vs. Social Organization in an Industrial Plant, by  F. J. Roethlisberger and W. J. Dickson 50 cents  No. 10. Corporate Earning Power in the Current Depression, by William Leonard Crum 50 cents
BUREAU OF BUSINESS RESEARCH: BULLETINS IN PRINT
AUTOMOBILE TIRE AND ACCESSORY—RETAIL  No. 48. Operating Expenses in the Retail Automobile Tire and Accessory Business in 1923
AUTOMOTIVE EQUIPMENT—WHOLESALE
No. 51. Operating Expenses in the Wholesale Automotive Equipment Business in 1924. 50 cents No. 42. Operating Expenses in the Wholesale Automotive Equipment Business in 1923. 50 cents
BUILDING MATERIALS
No. 81. Operating Results and Policies of Building Material Dealers in 1928. \$2.50  No. 75. Operating Expenses of Building Material Dealers in 1927. \$1.50  No. 64. Operating Expenses of Building Material Dealers in 1926. \$1.50
CHAIN STORES  No. 95. Expenses and Profits of Variety Chains in 1933
Variety Chains in 1931 Compared with 1929 \$1.00  In the Chain Grocery Business in 1929 \$1.00  Corporate Saury recordage (1927). \$2.00
re Cordage (1927)
ey Goods Mill, 1921–23
ORES)
1 Specialty Stores in 1933 \$2.50* 1 Specialty Stores in 1932 \$3.50* 1 Specialty Stores in 1931 \$3.00* 1 Specialty Stores in 1930 \$5.00* 1 Specialty Stores in 1929 \$5.00* 1 Specialty Stores in 1928 \$2.50 1 tores and Departmentized Specialty Stores in 1927 \$1.50 1 tores and Departmentized Specialty Stores in 1926 \$1.50 1 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 1 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 1 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 1 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 1 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 1 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 1 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 1 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1923, 1924, 1925 \$1.50 2 ses for 1926, and Financial Ratios for 1928, and Financial
Drug Business in 1924
nued on inside back cover)
udies, to members of the National Retail Dry Goods Association, which financed the alletins Nos. 83 and 85 is \$2.00 and of Bulletins Nos.88, 91, and 92 is \$1.00 and the
ages should be addressed to the Bureau of Business Research, Harvard Lers Field, Boston, Massachusetts. Whenever possible the remittance
snound accompany the order. Checks should be made payable to the Bureau of Business Research.  Discounts: 50% to educational institutions, to professors, and to libraries operated by universities, municipalities,

Discounts: 50% to educational institutions, to professors, and to libraries operated by universities, municipalities, governments, or public institutions. Trade and quantity discounts on application.

# CORPORATE EARNING POWER IN THE CURRENT DEPRESSION

### BY WILLIAM LEONARD CRUM



DIVISION OF RESEARCH
BUSINESS RESEARCH STUDIES — NO. 10

### HARVARD UNIVERSITY GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

BUREAU OF BUSINESS RESEARCH SOLDIERS FIELD, BOSTON, MASSACHUSETTS

### HARVARD UNIVERSITY

#### GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

GEORGE F. BAKER FOUNDATION

WALLACE B. DONHAM, Dean

MALCOLM P. McNAIR, Director of Research

Copyright, 1935
By the President and Fellows of
Harvard College

Publication of the Graduate School of Business Administration, Harvard University. Issued at Soldiers Field Station, Boston, Mass., eight times a year, during the months of March, April, May, June, July, August, October, and December. Entered as second class matter, May 17, 1913, at the postoffice at Boston, Mass., under the Act of August 24, 1912.