

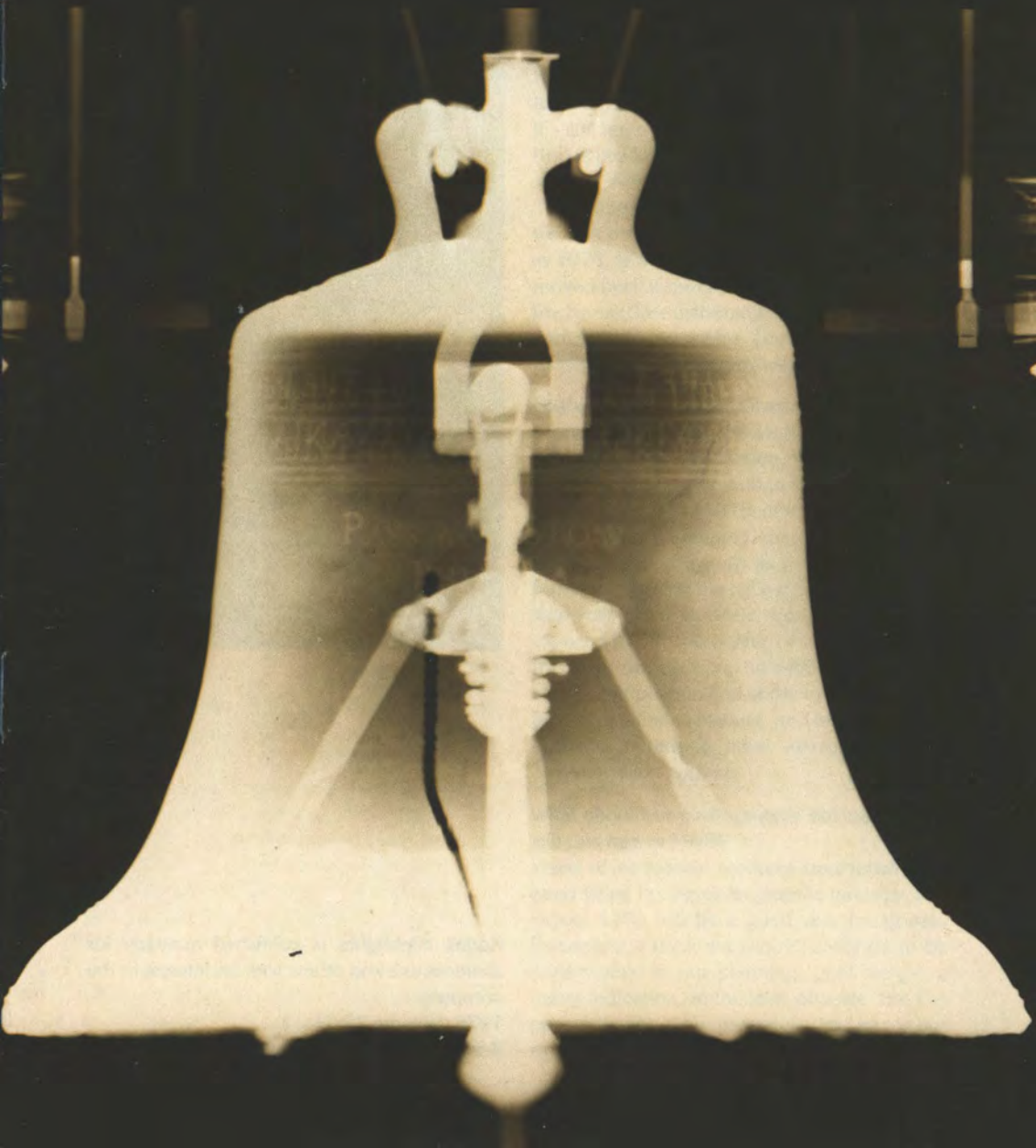


Kodak Highlights

February 1976

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On the Cover

Countless pictures have been snapped of the Liberty Bell in Philadelphia, Pa., but our cover "picture" has to be one of the most unique. It is a radiograph of the bell recorded on a single sheet of Kodak Industrex AA film measuring seven feet wide and more than four feet high. Details are on page 14.

Kodak Highlights is published quarterly for shareowners and others with an interest in the company.

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The Year Ahead

A review of 1975 and a look into 1976 are provided by Walter Fallon, Kodak president and chief executive officer.



As you look back on it, how would you characterize 1975 in terms of the company's business performance?

I think we did reasonably well when you consider what kind of year it was for business generally. The recession which apparently ended in 1975 was the longest, the deepest and the most severe of the postwar period. Despite this, our sales continued to grow. Dividends to shareholders increased, and so did wages and salaries. We've come through a difficult period without experiencing the kind of trauma—in human and financial terms—that many companies lived with during the last year or so.

Holiday business has always been very important to us. How did we do during the season?

It's still too early to tell for sure, but apparently Kodak products moved well during the holiday selling season. Shipments against our "Christmas Plan" ran ahead of forecast, and we took orders right up to Dec. 25. As was true in 1974, it was lower-priced equipment which moved best at retail. The star of the show was the Kodak Tele-Instamatic 608 camera, which continues to outsell the Trimlite Instamatic 18 camera—the least expensive model in the line.

Eastman Chemicals Division was affected more severely than some other parts of the company by the recession. How did ECD do last year and how do things look now?

At the beginning of 1975, demand for Eastman products was trending generally lower. By midyear, the downturn in business had bottomed out, and in the fall a recovery was under way—especially in fibers. Looking ahead, we expect 1976 to be a year of further improvement for the division, notwithstanding some strong competition and some rather persistent problems—the availability and cost of energy and the increasing price we must pay for environmental controls.

What about our photographic business? How will this fare in 1976?

Years of economic recovery traditionally are good years for the photographic industry, so I expect 1976 will be a good year for Kodak. Personally, I think we should continue to be conservative in our planning, until we get a better indication on the level of sales. But I'm optimistic about our prospects, and so are our marketing people. We're looking for good sales

The Year Ahead

gains, the kind that will help the look of our bottom line.

What about the special events of 1976—the Bicentennial, the Olympic Games and the political campaigns? Will they have a positive effect on our business?

The Bicentennial may well be the biggest picture-taking attraction of all time, with more than a thousand local celebrations planned throughout the United States. That's a big plus to what is always a bonus for the industry—the Olympics. As to the political campaigns, they should have a beneficial effect on demand for news films, both still and motion picture. However, these special events are not likely to overshadow babies and family activities as the continuing biggest incentives for picture-taking.

How did we do overseas last year?

Sales overseas were quite good in 1975. The strength, in fact, was across all product lines and in all of the regions of the International Photographic Division. The growth in our business in Latin America was particularly good.

Do you expect our strong growth in sales overseas to continue into 1976?

We have entered 1976 with moderate optimism on our prospects in overseas markets. We expect, in other words, a good year even though the growth rate may not come up to the gains we experienced in 1975.

What's the status of the Kodak Ektaprint copier-duplicator?

The machine is doing everything we asked our designers to make it do: producing very high quality copies at high speed with reliable performance. We've recently moved marketing and service centers into four new cities—Boston, Detroit, Philadelphia and Newark. That makes 12 cities altogether, and we'll be adding more as the year goes on. As I've said before, we want to move into this market in an orderly way. We're not going to let sheer physical



demand overextend our ability to manufacture and service Kodak copiers efficiently and effectively.

Can we expect to see other copier-duplicator products this year, to complement and expand the present line?

Yes, but this isn't the time to talk about our plans. We have a long-range commitment to the copier-duplicator business . . . with the Ektaprint 100 models, with follow-on versions, and with a line of accessories that will increase the customer appeal of what we have on the market already.

Can you give us an update on the status of our program to develop Kodak products for instant photography?

I can tell you that we're on schedule and on target. I know that must sound very general, but "on schedule" in this case means a great deal. This program involves literally thousands of men and women from every area of Kodak technology and business discipline. It's a real tribute to them to note that our target date for the introduction of instant products has not slipped, and this has been a tremendous achievement, particularly on the part of our technical people.



How do you see the future for conventional photography, in view of our commitment to make and sell instant products?

We believe the market served by "conventional" and "instant" products will continue to grow. Market research suggests that the household using more than one kind of camera—a pocket model and an instant camera, say—will take more pictures in the aggregate than a household using only one of these cameras. As to the number of instant pictures produced by consumers, it may be that our entry into instant photography will have some degree of influence. But, honestly, I believe the entire market will grow, generating more pictures and more business for everyone. And I'm convinced that the great majority of the pictures made in this country will be made by conventional means for many years to come.

Can you relate that to the photofinisher? Will there be a role for finishers in public acceptance of Kodak instant products?

As I understand it, there is a good business in reprints from instant pictures right now. You can be sure we'll do our best to enable finishers to participate in whatever reprint business our instant products may generate. And, as you know, many photofinishers also sell cameras and films at wholesale and retail.

The number of Americans who feel they've been treated unfairly by business is reported at one in five. What are we doing to combat this attitude?

Our first-line effort is to manufacture products that serve customers' needs and meet their expectations. To that end, we place great emphasis on quality workmanship, and we carry out extensive quality control checks in all phases of our manufacturing. Kodak Consumer Centers are another evidence of our concern that purchasers of Kodak products be given fair treatment and proper service if product problems develop. Advertising and informational programs carry the message to the U.S. public that customer concern is vital to Kodak. All this effort is useless, however, unless we all work together toward giving every consumer the best possible product, one that each employee can point to with pride and say, "Do you like that? I made it."

Here's a success story coming out of quality control. The Trimlite Instamatic and Tele-Instamatic 608 cameras designed and made by KAD carry a full three-year warranty. And our experience with them in the field supports confidence in the manufacturing organization. With these products, the rate of complaints and returns is the lowest we've seen in a long, long time. That doesn't mean that our problems were severe in the past but, rather, that we've been improving from standards that were already very high.

Does our traditional reputation for quality—in products and services—stand Kodak in better stead than business in general?

Yes, I think so, to some degree. However, we have to work constantly to improve our quality, whether through our extensive quality control programs or just by making every Kodak man and woman aware of the importance to our company of his or her hour-by-hour contribu-

The Year Ahead

tions. An interesting program being carried out by the Advertising Council and the National Commission on Productivity relates to what I said earlier about pride in everyone's work. The campaign is built around the question, "How would you like to sign the work you do?" Kodak's high regard in the eyes of the consumer can only be continued if we team up against sloppy work, and also provide prompt and courteous service to our customers.

The clamor for closer control of business by government seems to be increasing. Is such a clamor justified, and if it isn't, what can we do about it?

I believe strongly in free enterprise economics . . . in allowing supply and demand to interact freely in the marketplace. We don't need to look back very far to find negative examples of the effect of close government controls. They are never without bias. As to what we can do, I think all of us in business and industry have a responsibility to help Americans understand economic realities. There are a number of ways to do this—through educational avenues, advertising messages, organizations such as Junior Achievement, and plain talk with friends and associates. But it will take more than "corporate" effort. Individuals have to get involved.

What is the current status of the antitrust litigation filed by Berkey Photo, GAF and Pavelle?

We are in the pretrial discovery stage in preparation for trial of the Berkey Photo and GAF lawsuits. Pavelle Corporation, which was in bankruptcy at the time it filed its antitrust suit against Kodak, has asked the federal judge in New York City to delay the trial of its suit until completion of trials in the Berkey Photo and GAF cases, because of financial considerations and the costs to Pavelle of preparing for trial. We agreed, subject to certain conditions to protect Kodak, and the Pavelle case has been delayed.



What happens during a pretrial discovery stage?

This period of time gives both the defendants (Kodak) and plaintiffs (GAF and Berkey) an opportunity to request information and documents from each other in order to determine facts pertinent to the charges made or to the defenses to the charges. Right now, we're just about finished analyzing the responses of the plaintiffs to our pretrial discovery requests, and we are taking depositions from certain employees of the plaintiffs. Kodak people are also being asked to give depositions to the plaintiffs. Depositions are pretrial examinations under oath, for determining facts relevant to trial.

Has the analysis of the plaintiffs' responses provided any clue as to our ability to defend ourselves against the charges brought by the plaintiffs?

We are still confident, as we have been right from the start, that we are in a very good position to defend the company against the charges brought.

Will any of these suits come to trial in 1976?

While no final date for trial has been scheduled by the court, a tentative schedule calls for either the GAF or Berkey cases, or both cases

together (it hasn't been decided, yet), to go to trial next fall. Our estimates are that that is the earliest time for any trial. The taking of depositions will continue well into this year.

We've had a number of questions about the Corporate Technical Affairs Committee. What's the function of the committee?

What we try to do is to assess technical opportunities as they come out of the research environment. The intent is to make sure that our resources—financial and technical—are allocated properly. We set goals for the commitment of Kodak resources, on both the near and the longer terms. Short-term goals might involve the improvement of an existing product or process, while a longer-range objective might lead us toward a new area of business. So the committee operates as a technical planning and review board. We review various aspects of research and development programs—the schedule, the specifications and features and functions of the product or the process, the degree of financial commitment, the return on

investment and the degree of risk. Then, we monitor progress. You can't really program inventions, but you can set clear-cut goals and cost-efficient plans. That's what we're doing.

Is the process working?

We think so, and there is some good evidence in my comments about Kodak products for instant photography. In that development program, our approach has been "corporate" from the beginning. The complexity of it all—for research, for manufacturing, for marketing—made coordination of the planning process a matter of absolute importance.

We hear a great deal these days about the "impersonality" of the corporation, in the sense that the bigger a company gets the more it tends to lose sight of people and their needs. How do you react to that statement, and what can we do to combat "impersonality" at Kodak?

I've never thought of Kodak as an impersonal place. Oh sure, it's not possible for me—or, for that matter, for any of our vice-presidents—to know everyone in the company and its divisions on a personal basis. That doesn't mean we're not aware of the views of Kodak men and women. We actively support the free flow of two-way communications, whether it's through the first-line supervisors or through the Suggestion System. We work hard to protect and preserve our concern for the needs of our people. All of our policies and procedures—for employment, for pay, for advancements, for benefits—are designed to make sure that the individual is treated fairly. There is no decision—absolutely no one decision—made by management without prior consideration of the men and women of the Kodak organization. That is as it should be. We are what the men and women of the company are. No better or no worse. Laboratories and plants don't design and develop new products. People do. Success in business is made of human creativity and human effort. I hope we never lose sight of that fact . . . that our philosophy never changes. No, we may be growing, but we're not impersonal.



Kodak Budgets \$613 Million For '76 Capital Improvements

Eastman Kodak Company has budgeted 1976 capital expenditures totaling \$613 million worldwide, up from approximately \$570.5 million for 1975.

The 1976 capital budget includes planned expenditures of \$301 million for the U.S. and Canadian Photographic Division, \$201 million for the Eastman Chemicals Division, and \$111 million for the International Photographic Division.

In a joint statement, Gerald B. Zornow, board chairman, and Walter A. Fallon, president and chief executive officer, said that while much of the spending will be directed toward the expansion of manufacturing operations, funds also are being allocated for the enlargement and improvement of the company's research, development, marketing and distribution operations.

"The program," the statement reads, "reflects our commitment to business growth through improvements in existing products and in our ability to make them, as well as our commitment to bring Kodak to the point of entry in new and different markets. It will help us achieve further productivity gains while continuing to upgrade our environmental control facilities and improve service to our customers worldwide."

About \$216 million will be spent for expansion and improvement projects in Rochester, N.Y., the company's headquarters and principal manufacturing location.

Major projects for the U.S. and Canadian Division in Rochester include:

Continuation of projects to provide additional manufacturing capacity for film, paper, equipment, and related products; expansion of distilling capacity for the recovery of solvents; continuation of construction of a plant for recycling materials important in film manufacture; construction of a refrigeration plant; the start of design work for expanded heat and power facilities; completion of a chemical waste incinerator; further expansion of the water purification plant on the Genesee River; and completion of construction of a wing on the largest facility in the research complex.

Budgeted expenditures for the U.S. and Canadian Photographic Division outside of



Capital expansion at Carolina Eastman Company includes two new boilers which will supply additional steam to support increased polyester fiber production capacity.

Rochester include these major projects:

- Kodak Colorado—Completion of a film and paper sensitizing and base-making complex at Windsor, and start of construction of additional facilities for film and paper finishing operations.
- Kodak Canada—Continuation of construction of a new paper finishing building at Brampton, Ontario.
- New York City Region—Start of construction of a new regional distribution center in Dayton, N.J., to serve metropolitan New York City.

Major projects for the Eastman Chemicals Division include:

- Texas Eastman Company, Longview,



Texas—Expansion of production capabilities for polyethylene and oxo aldehydes; improvements in cracking plant operations, and expansion of supporting facilities.

- Tennessee Eastman Company, Kingsport, Tenn.—Expansion of filter tow production capacity; completion of additional waste water treatment facilities and other environmental improvements.

- Carolina Eastman Company, Columbia, S.C.—Completion of terephthalic acid and dimethyl terephthalate plants; polyester staple fiber and partially oriented polyester yarn facilities; construction to increase capacity for the production of polymers and expansion of steam generating capacities.

- Arkansas Eastman Company, Batesville, Ark.—Continuing construction of plants for the production of organic chemicals intermediates.

The International Photographic Division program includes:

Expanded sensitizing capacities in England; improvement of processing facilities in West Germany and France; completion of a camera manufacturing facility in West Germany and a synthetic chemical plant in France; construction of a camera assembly facility in Brazil; completion of new administrative buildings in France and Brazil; and the relocation of the Kodak Far East operations into a building purchased in Hong Kong.

Sales and Earnings Fourth Quarter, 1975

ROCHESTER, N.Y., February 12—Record sales and slightly lower earnings for 1975 were reported today by Eastman Kodak Company.

Consolidated worldwide sales for the year were \$4,958,536,000 or an increase of 8 percent above the \$4,583,629,000 recorded in 1974.

Earnings from operations were \$1,087,330,000, down 2 percent from the 1974 total of \$1,106,237,000. Earnings before taxes were \$1,106,694,000 (\$1,154,519,000 in 1974) while the provision for income taxes was \$493,000,000 (\$525,000,000 in 1974).

Net earnings worldwide were \$613,694,000 or 3 percent less than the \$629,519,000 earned in 1974. Earnings were equal to \$3.80 per share (\$3.90 per share in 1974).

For the fourth quarter of 1975 (16 weeks ended December 28), sales were \$1,559,940,000 or 8 percent higher than the \$1,440,510,000 reported for fourth quarter 1974 (16 weeks). Earnings from operations were \$362,787,000, lower by 9 percent than the \$398,343,000 reported for the fourth quarter of 1974. Net earnings of \$204,145,000 or \$1.26 a share declined 7 percent from the \$219,891,000 or \$1.36 a share recorded a year ago. Fourth quarter comparisons were adversely affected by several factors mentioned earlier in the year. As expected, the strengthening of the dollar in foreign exchange markets resulted in an unfavorable effect on fourth quarter earnings of \$15.0 million, in contrast to a favorable \$9.7 million in the comparable quarter last year. Fourth quarter 1974 earnings also benefited by \$16.9 million from the capitalization of certain costs previously charged to expense.

Sales for 1975 by the U.S. and Canadian Photographic Division increased 4 percent to \$2,790,942,000 with good demand for color films and new Trimlite Instamatic and Tele-Instamatic cameras leading the way. Overall unit volume was somewhat below the 1974 level.

Increased unit volume and selling price adjustments contributed to International Photographic Division revenues of \$1,723,266,000, up 19 percent over 1974, with all Kodak regions participating in the gain.

Eastman Chemicals Division posted sales of \$1,059,135,000, an increase of 7 percent over 1974. While steady improvement in demand for fibers, chemicals and plastics produced a sales recovery in the closing months, total unit volume was moderately lower for the year.

Gerald B. Zornow, chairman, and Walter A. Fallon, president and chief executive officer, issued the following statement:

“The year 1975 was not an easy one for Kodak although the company passed through it without the trauma experienced in human and financial terms by so many others. Worldwide sales increased in dollars but continuing inflation and unsettled economic conditions throughout the world were reflected in slightly lower unit volume and in generally higher business costs. These conditions and the impact of high levels of spending on major new product programs retarded earnings, which were marginally lower than those of 1974.

“The potential impact of higher costs and uncertain volume had not been ignored in the company’s planning for 1975. As an example, a policy of meeting new personnel requirements through internal transfers and training helped Kodak through the year without recourse to substantial layoffs. Employment held relatively steady during a year in which several thousand men and women were committed to final stages of important development programs for office copy and instant photo products. Measures to improve productivity were implemented company-wide and less critical capital projects were deferred. In addition, inventory levels were maintained in proper relationship to sales by a program of continuous review and close control.

“In summary then, we believe that anticipation of the challenges of 1975—and positive reaction to those challenges by Kodak people—resulted in a performance which can be assessed with satisfaction.

“Our view of Kodak’s business prospects for 1976 is based in part on the current economic consensus. Gradual improvement is forecast to continue, and Kodak will participate. Real disposable personal income should grow, producing a better climate for the company’s business.

“Physical shipments by the U.S. and Canadian Photographic Division were strong in the closing months of 1975 and in early 1976. Demand for products supplied by the Eastman Chemicals Division has continued at high levels. Internationally, we look for good sales gains although the rate of increase may not match 1975.

“Barring unforeseen events which could cause a significant shift in general business conditions, we expect 1976 to be a good year for Kodak.”

Consolidated Statement of Earnings

Eastman Kodak Company and Subsidiary Companies

	Fourth Quarter (16 Weeks) Ended		For the Year (52 Weeks) Ended	
	Dec. 28, 1975	Dec. 29, 1974	Dec. 28, 1975	Dec. 29, 1974
(amounts in thousands, except per share figures)				
Sales				
Sales to: Customers in the United States	\$ 982,515	\$ 926,924	\$2,835,040	\$2,760,770
Customers outside the United States	577,425	513,586	2,123,496	1,822,859
TOTAL SALES	<u>1,559,940</u>	<u>1,440,510</u>	<u>4,958,536</u>	<u>4,583,629</u>
Costs				
Cost of goods sold	903,426	773,692	2,926,734	2,625,408
Sales, advertising, distribution, and administrative expenses	293,727	268,475	944,472	851,984
Total costs and expenses	<u>1,197,153</u>	<u>1,042,167</u>	<u>3,871,206</u>	<u>3,477,392</u>
Earnings				
EARNINGS FROM OPERATIONS	362,787	398,343	1,087,330	1,106,237
Interest income	13,683	17,388	40,404	57,797
Interest expense	3,361	3,717	14,951	12,886
Other income and (charges)	(7,464)	(5,123)	(6,089)	3,371
EARNINGS BEFORE INCOME TAXES	<u>365,645</u>	<u>406,891</u>	<u>1,106,694</u>	<u>1,154,519</u>
Provision for United States, foreign, and other income taxes	161,500	187,000	493,000	525,000
NET EARNINGS	<u>\$ 204,145</u>	<u>\$ 219,891</u>	<u>\$ 613,694</u>	<u>\$ 629,519</u>
Average number of common shares outstanding			161,345	161,331
Net earnings per share	\$ 1.26	\$ 1.36	\$ 3.80	\$ 3.90
Other Data				
Cash dividends declared	\$ 143,598	\$ 143,584	\$ 332,372	\$ 321,048
Per common share	\$.89	\$.89	\$ 2.06	\$ 1.99
Number of shareowners at close of year			237,527	238,546
Cash and marketable securities			\$ 747,109	\$ 813,812
Net current assets			\$1,542,955	\$1,551,814
Capital expenditures	\$ 172,646	\$ 212,905	\$ 570,493	\$ 553,377
Provision for depreciation	\$ 76,975	\$ 67,615	\$ 232,611	\$ 209,482
Research and development expenses included in cost of goods sold	\$ 94,389	\$ 81,654	\$ 312,938	\$ 273,697
Companies operating outside the U.S.:				
Sales	\$ 533,994	\$ 478,114	\$1,984,487	\$1,686,749
Earnings from operations	56,090	74,521	271,620	266,789
Net earnings	23,664	44,679	143,103	139,928



Kodeword darkroom audio cassettes instruct photo enthusiasts on how to process color and black-and-white films.

News Snaps

A series of six audio cassette darkroom aids have been introduced by Kodak.

The tapes, packaged much like a data book, offer step-by-step, timed instructions for processing color and black-and-white films and papers. Included in the package are simplified written instructions and graphics.

The Kodeword darkroom audio cassettes are intended to give beginners, long-time hobbyists, and experienced photographers the benefit of a darkroom "coach" who tells what to do and when to do it. The neophyte learns from simplified instructions; the professional can benefit from a more disciplined darkroom routine, obtaining more consistent results and better pictures.

Kodeword darkroom audio cassettes are available from professional stockhouse dealers and darkroom supplies dealers. Kodak offers a \$1.00 refund (until June 30, 1976) on return of

owner registration card packed with each tape, and coupon or facsimile of the coupon from a Kodeword cassette advertisement.

New facilities for Kodak's Whittier, Calif., marketing and distribution center, headquarters for the company's Pacific Southern Region, were opened in late January. The region serves southern California, Arizona, southern Nevada and Hawaii. The first floor of the 42,000-square-foot building contains training/demonstration/display areas. Regional and district marketing offices occupy the second level. The center employs more than 400 persons.

Price increases on a variety of amateur, professional, commercial, audiovisual, and graphics markets products went into effect in late January. The increases ranged from 5 to 12 percent. Two products unaffected by the increase were Kodacolor II film and the Kodak Trimlite Instamatic 48 camera.

Kodak Tele-Instamatic 608 cameras are being supplied to the 1976 U.S. Olympic team. The pocket-size camera, contained in a specially designed carrying case emblazoned with the Olympic seal, will be worn as part of the U.S. team uniform both at the winter games in Innsbruck, Austria, and the summer games in Montreal, Canada. Kodak also will be one of the sponsors of the ABC-TV coverage of the games.

Visitors to historic sites in Washington, D.C. this year will be able to visit the Washington Monument Orientation Center, constructed by Kodak with the cooperation of the National Park Service. Opening April 1, near the Washington Monument, the center will contain a

300-seat movie theater where continuous daily showings of a 12-minute film about George Washington will be presented at no charge. Open through October, the center also will contain a photo information center where tourists can obtain picture-taking tips from Kodak photography experts.

Kodak's commitment to corporate responsibility is the subject of a new booklet recently published by the company. "Community Commitment at Kodak . . . People Make it Happen" is a series of profiles on Kodak people and others whose lives have been touched by company-supported programs such as career development, education, housing, and small-business enterprise. Copies of the publication can be obtained by writing Department 412-L, Eastman Kodak Company, 343 State Street, Rochester, N.Y. 14650.

Kodak Radiographic Film Aids Crack Investigators

Scientists and historians got their first inside look at the 222-year-old Liberty Bell recently on what is believed to be the largest single sheet of x-ray film ever successfully exposed.

While objects larger than the Liberty Bell (3 feet high, 12 feet in circumference at the lip) have been subjects of radiographs, these have been done on separate sheets of film pieced together to re-create the whole object.

To record the bell's image for scientific investigation, 14 sheets of Kodak Industrex AA film measuring 52 by 84 inches (4'4" x 7') were stacked and attached to a special frame. A single exposure lasting 7½ hours was required to produce an image of the bell and its yoke on each film. Detailed examination of the bell required the exposure of 40 individual sectional radiographs on commercial-size, 14 x 17-inch film.

The large radiographs showed more detail than expected, according to Ralph E. Turner, project supervisor and director of industrial trade relations for Radiography Markets Division. The first layers of the film stack functioned as intensifying screens to absorb scattered radiation. The best and sharpest radiographs resulted on film in the middle of the stack.

The purpose of the project was to determine the bell's condition before attempting to move it from its place in Philadelphia's Independence Hall for the first time in 60 years. Analysis showed small cracks previously undetected, but they were not serious enough to prohibit transporting the bell to a location one block from Independence Hall on Dec. 31, 1975.

The project involved a joint effort by Kodak, the National Park Service, The Franklin Institute in Philadelphia, and two radiographic laboratory companies.

The extra large film sheets used to investigate the Liberty Bell required special processing. This was done at Kodak facilities in Rochester on an automatic processor specifically designed for performing quality control checks during the production of radiographic film.

Over the years, Kodak has been involved in a number of unusual radiography projects. A notable example: The company's engineers and technicians radiographed Michaelangelo's "Pieta" before it was moved from the Vatican for exhibition at the 1964-65 New York World's Fair. At that time, previously undetected repairs were discovered to have been made to the statue.

Important Notice. If you receive multiple copies of Kodak shareowner publications, including the annual report and HIGHLIGHTS, in your household and wish to avoid this duplication, you can do so by completing the form below and returning it to our transfer agent, Lincoln First Bank of Rochester, P.O. Box 1250, Rochester, New York 14603. A separate form should be completed and returned for each account for which you do not wish to receive Kodak shareowners publications.

Name of Shareowner

Shareowner Account Number

Street

City

State

Zip

Management Changes

Two directors and two assistant vice presidents were named during 1975.

The new directors are **Kendall M. Cole**, vice president and general counsel, and **Juanita M. Kreps**, Ph.D., a Duke University vice president and professor of economics. Dr. Kreps is the first woman to serve on the Kodak Board.

Named to assistant vice-presidential posts were **Herbert L. Rees**, who was appointed director of corporate technical affairs, and **Kay R. Whitmore**, general manager, Latin American Region, International Photographic Division.

Cole, who joined Kodak in 1973 as an assistant general counsel, succeeded Harmar Brereton, who retired June 1. Prior to joining Kodak, he was general counsel and vice president of General Foods Corporation.

Dr. Kreps has been the James B. Duke Professor of Economics at the university since 1972 and a vice president since 1973. She also is a director of several well-known companies, including J.C. Penney Company, R. J. Reynolds Industries, Inc., and Western Electric Company.

Rees joined the company in 1947 as a chemist in the color control division at Kodak Park. He has also been assistant manager of the film manufacturing organization and director of photographic program development.

Whitmore has served at several posts since joining the film services division of Kodak Park in 1957. These include superintendent of film emulsion and plate manufacturing division, assistant manager of the film manufacturing organization, and associate manager of sensi-



Cole



Kreps



Rees



Whitmore

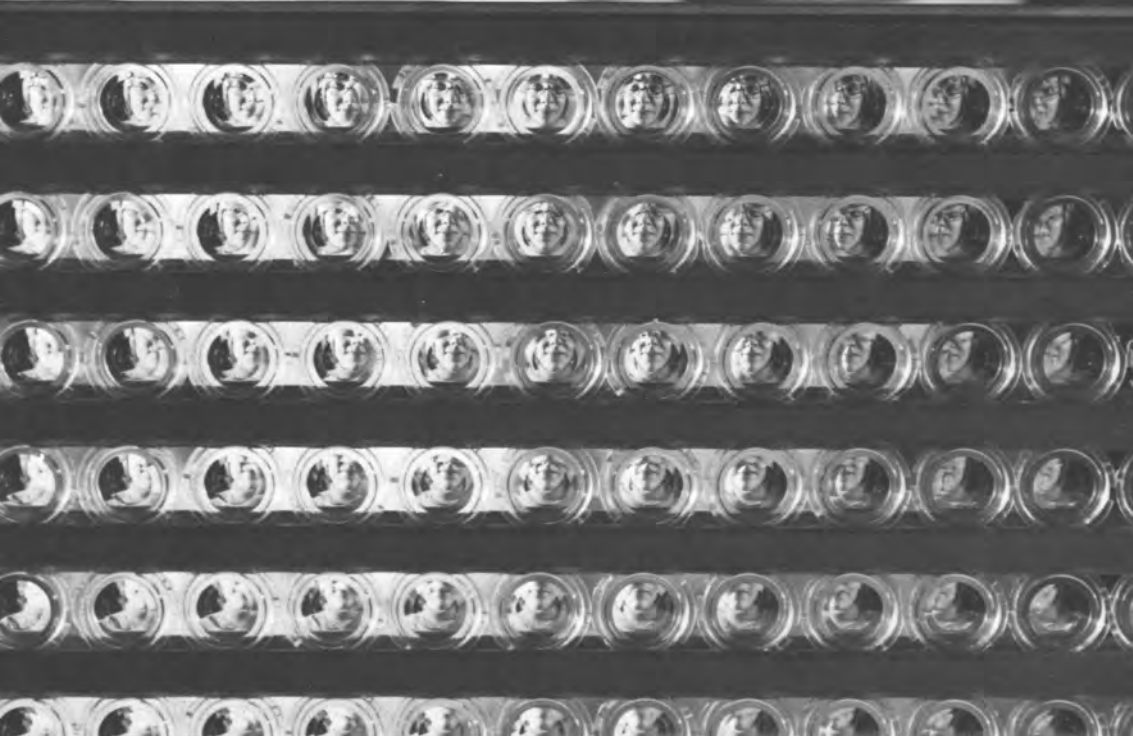
tizing operations at the Kodak facility in Guadalajara, Mexico.

In management changes at Eastman Chemicals Division, **John H. Sanders** became president of Eastman Chemical Products, Inc., a Kodak marketing subsidiary. He succeeds **Dr. James E. Magoffin**, who retired Jan. 1, 1976.

Sanders joined the company in 1946 as a chemical engineer. He has held a number of marketing positions and was named senior vice president of Eastman Chemical Products, Inc., in 1973.

KODAK HIGHLIGHTS
EASTMAN KODAK COMPANY
343 STATE STREET
ROCHESTER, N.Y. 14650

Bulk Rate
U.S. Postage Paid
Eastman Kodak Company



Visual inspection of pocket Instamatic camera lenses is made immediately after they are molded at Kodak Apparatus Division, Rochester, N.Y. This is the first in a series of quality control checks made before the lenses are installed in the camera body.