

Pensions
(1951?)



PLANNING A SUCCESSFUL

Retirement Program

FOR YOUR COMPANY

INSTITUTE OF
INDUSTRIAL RELATIONS

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MARSH & MCLENNAN, INCORPORATED

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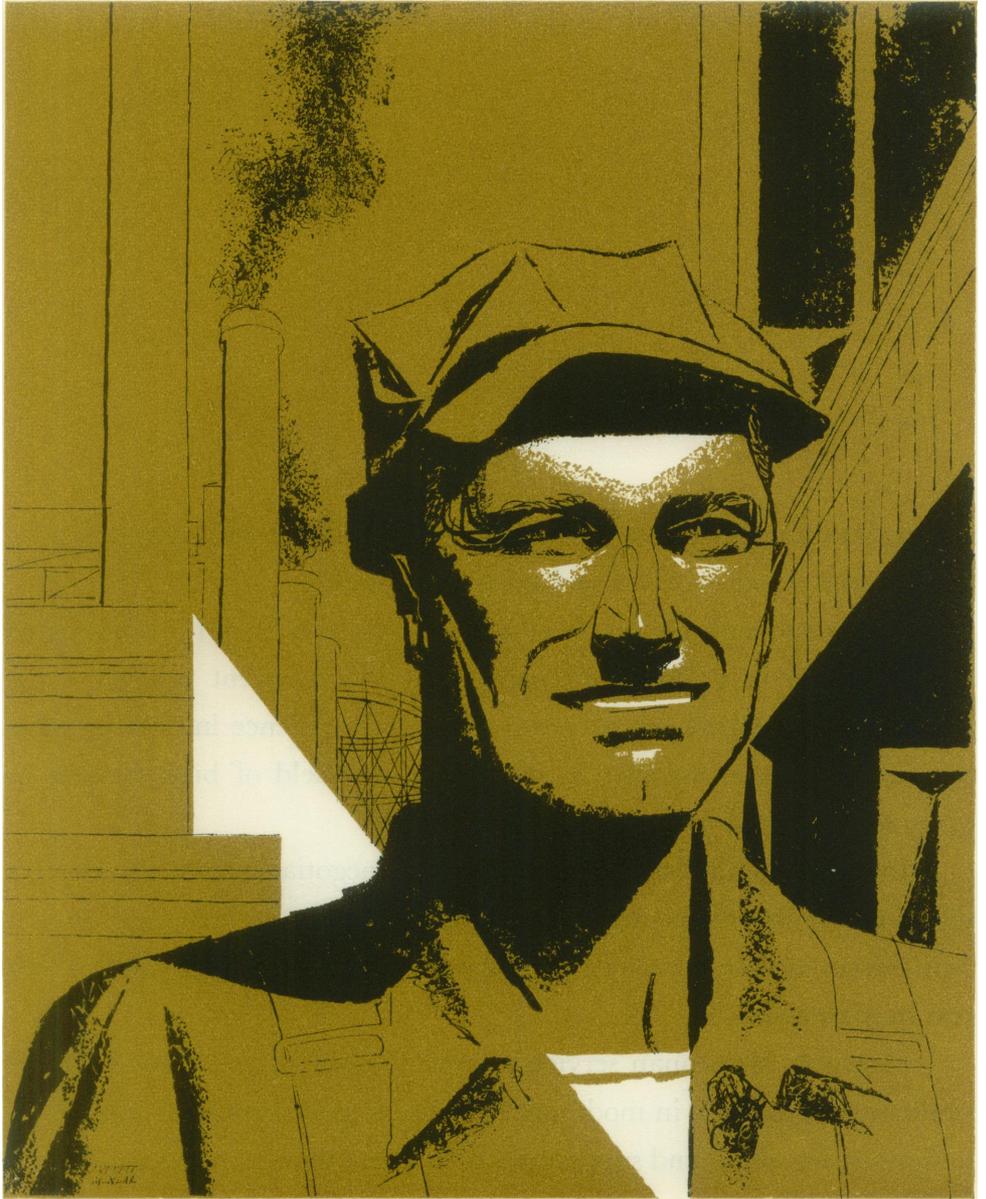
Foreword

BUSINESS LEADERS TODAY recognize that a plan for the retirement of older employees is sound business and good management.

The purpose of this brochure is to explain how Marsh & McLennan can assist you in building the right kind of retirement plan for your company. It is based on our many years of experience in helping solve this problem for companies in virtually every field of business and in every section of the country.

In the event you are contemplating any negotiations with employees which might involve pensions or employee benefits we can provide you with information in advance showing you the extent of the liability which you may be assuming.

Marsh & McLennan service as explained in this brochure includes professional guidance in modernizing existing retirement plans as well as designing, installing and supervising plans from their inception.



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NO TWO RETIREMENT PROGRAMS should be identical, for every company has problems peculiar to itself. Employee eligibility, treatment of past service, administration, benefits, employee contributions . . . even these primary questions require different answers for different companies.

Your retirement plan should be “made to measure” to fit your particular type of business, the needs and nature of your employee group, the amount and stability of your annual profits, your tax situation, etc. Your retirement problem is distinctly your own, and complete satisfaction can be expected only from a plan that is built from the ground up for you.

Your plan should not only fit the needs of your business today, but it should be sufficiently flexible so that it can be adapted to changing circumstances in the future. Many plans installed in previous years are in need of reappraisal in the light of today’s changed conditions.

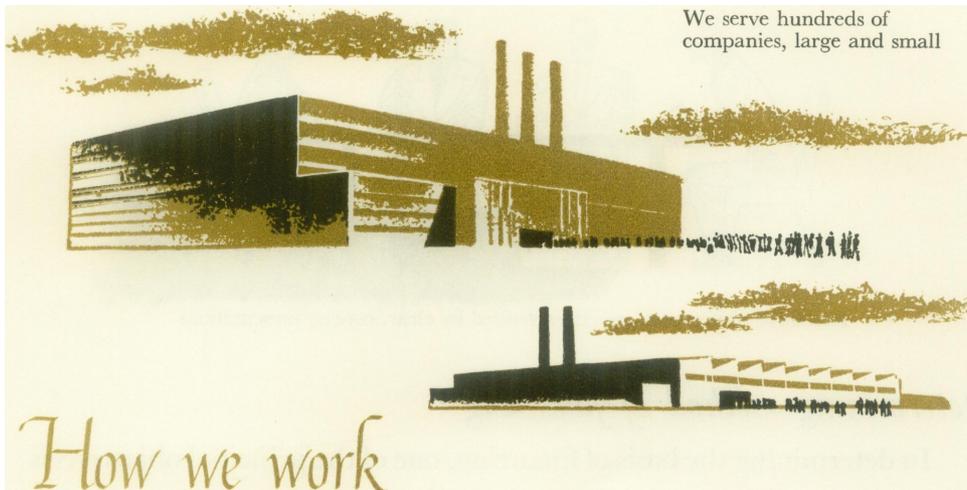
Competent guidance invaluable

Because there are so many items that must be handled with care in the planning of a successful retirement program, business management has turned to experienced and unprejudiced counsel. Competent guidance is invaluable in the revision of an existing retirement plan just as it is in the establishment of a new plan.

There are many able and reliable individuals and firms specializing in particular aspects of retirement planning. Your problem is best solved, however, by approaching it from a broader standpoint than is normally provided by one who is concerned primarily with his own specialty. For that reason we recommend the employment of a thoroughly competent consulting firm which is not committed to any one solution but is free to advise whatever exhaustive study and good judgment would determine.

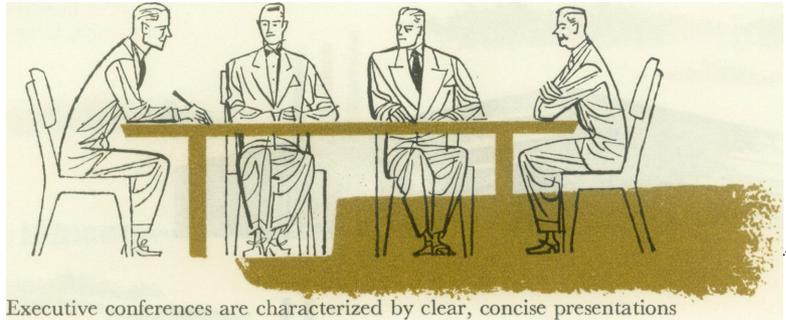
Our approach is impartial

Our organization is free to advise impartially, for we sponsor no stereotyped plan, whether trustee or insured. Our experience in the field of retirement planning has involved all methods of funding such as trustee funded programs, insured programs, profit sharing plans, and combinations of these. The actuaries and other specialists of Marsh & McLennan work with your management, your attorneys, accountants and tax consultants, and your bank or trust company to the end that the best possible plan for your organization is formulated.



In order to assist you as your consultant we will need to know the thinking of your company, your financial history and outlook, details about your employees, their ages, earnings and length of service, as well as other information which investigation will disclose as having an important bearing. Much of the data involved will be confidential and of such nature that naturally you would hesitate to divulge it except to an organization in which you had implicit trust. Our work, therefore, is done on a strictly confidential basis.

Recommendations are made on the basis of your own personnel requirements and financial position. When conclusions are reached as to the maximum level of financial commitment which should be undertaken and the type of benefits which will produce the most constructive employee relations, tentative provisions of the plan will be worked out, with each weighed in relation to all others until the right balance is achieved.



Determining method of financing

In determining the basis of financing, one of the principal objectives is a reasonable and practicable method of distributing the company's costs over the years. There are a number of methods which may be used to give you latitude in gearing your cost to company earnings. Your own circumstances will provide the basis for our staff's recommendations.

Another question will be whether the funds for the plan should be handled by a trustee or invested in insurance contracts. Our service presents an objective comparison of the various methods of funding and helps you to distinguish between fact and opinion. Our staff is trained to appraise conditions peculiar to your problem and the breadth of our experience lends assurance of a sound solution.

We are equipped to do all the actuarial work in connection with a trust fund, and with equal proficiency can install and service an insured plan. Our position is unique in that we have no greater interest in one funding medium than another, and our facilities are so balanced that we can serve you equally well regardless of the funding method used.

Clear and concise presentations

The process of analysis and development of plan provisions involves a great deal of supplemental data with corresponding actuarial calculations. All this is condensed into simple charts and brief, understandable reports. Executive conferences are characterized by clear, concise presentations of the problems involved and their solution.

When a decision has been reached on all points, the plan is ready for adoption and installation. One of the many functions in installation is to assist your attorney in various ways, including preparation of data in support of your application for the necessary ruling on the plan from the Bureau of Internal Revenue.

Effective presentation, enrollment and the preparation of an attractive, lucidly written booklet are all vitally important to the success of the plan. Again, our experienced personnel will guide this important function to assure enthusiastic employee acceptance.

Continuing service

Work on a retirement plan does not end with its initial design or even with its installation. Continued administrative assistance by a competent consulting staff is virtually as important to your plan's success as the original planning. There is a continual servicing job to be performed in seeing that the administration is efficient and that changing conditions are reflected in the plan itself.

Under our supervision your plan's operation will be reviewed at periodic intervals. Such reviews will provide your employees with information relative to retirement benefits accruing, contributions, and other matters of interest. This procedure is important in maintaining interest and securing the maximum benefit in employee relations.



Keeping up with changing conditions

Economic, labor, and tax conditions change as years go by, and to maintain maximum effectiveness your plan should reflect those changes. Periodically our consultants will reappraise your plan and submit for your consideration any recommended changes. We will collaborate with your attorney in any approved revisions of the plan to meet the new conditions. In this manner your plan will be kept up-to-date.

Keeping plans in conformity with changing conditions is a service Marsh & McLennan renders not only in connection with plans which we have installed but with plans installed by others. Our consultants are

available to assist in the modernization of existing plans and are being constantly called upon for such assistance.

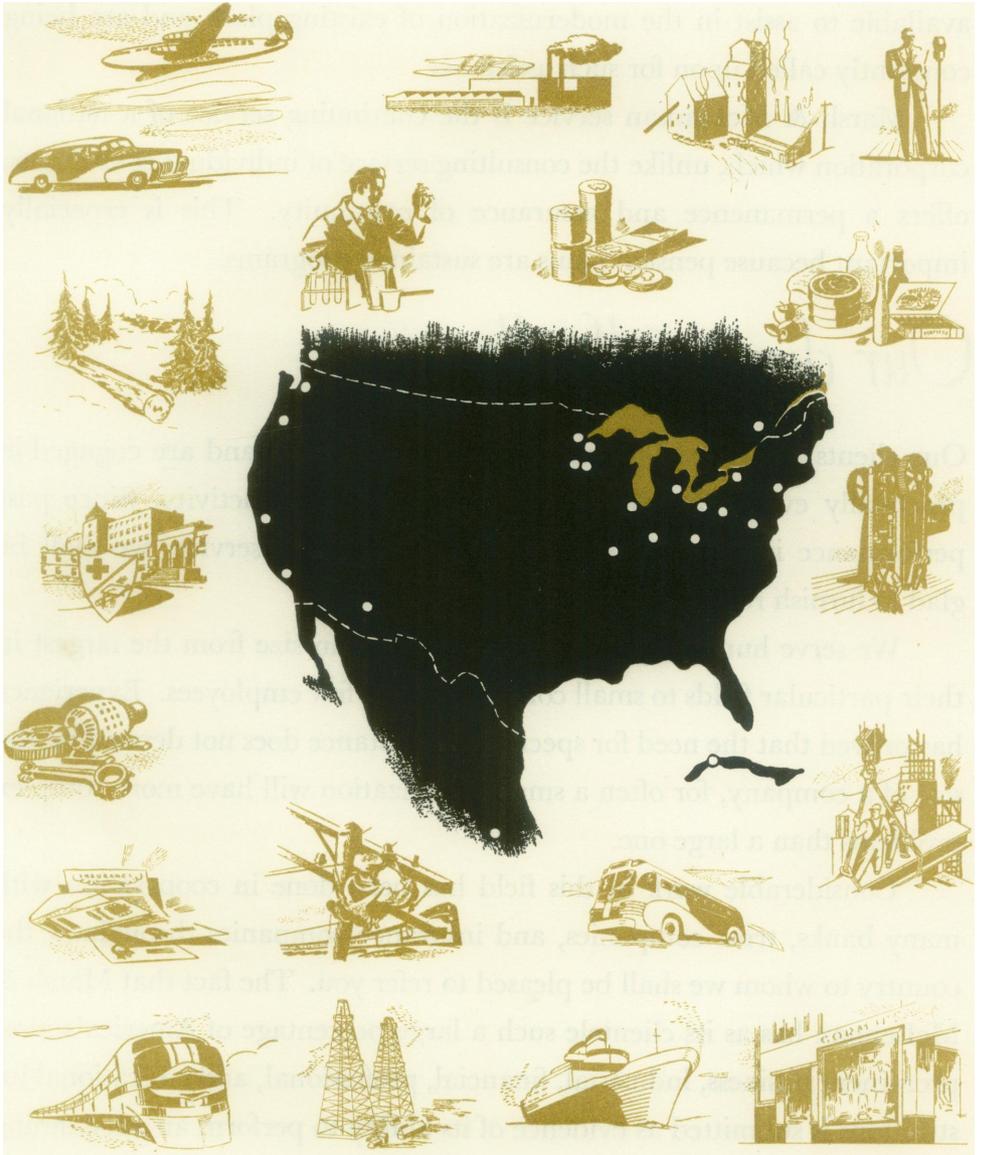
Marsh & McLennan service is the continuing service of a national corporation which, unlike the consulting service of individual consultants, offers a permanence and assurance of continuity. This is especially important because pension plans are sustained programs.

Our clients will tell you

Our clients are located in every part of the country and are engaged in practically every kind of business and professional activity. Since past performance is perhaps the best way to gauge any service, we shall be glad to furnish references.

We serve hundreds of companies ranging in size from the largest in their particular fields to small companies with few employees. Experience has proved that the need for specialized assistance does not depend on the size of a company, for often a small organization will have more complex problems than a large one.

Considerable work in this field has been done in cooperation with many banks, trust companies, and insurance companies throughout the country to whom we shall be pleased to refer you. The fact that Marsh & McLennan has as its clientele such a large percentage of America's most prominent business, industrial, financial, professional, and educational institutions is submitted as evidence of its ability to perform an outstanding service in this field.



Our coast-to-coast organization serves every field of business

An exploratory conference may be arranged

There are necessarily many questions that can not be dealt with in this brochure, specific questions pertaining to your own company's problems which you may wish to discuss with our staff. Preliminary interviews may be arranged without cost or obligation.

If your company has a program in effect, we shall be pleased to discuss with you whether it should be reviewed in the light of changed economic, tax, and labor conditions. We can reach you with very little delay since our staff is at work in all parts of the country and we can easily arrange for a representative to visit you.

When there is need for thorough study

When, as a result of these preliminary or exploratory conferences, the need is evident that a thorough study of your retirement problem should be made, this can be arranged on a fee basis, the fee varying with the scope of the study. This arrangement enables us to approach your problem from a purely objective standpoint and to do a thorough job regardless of the type of plan involved.

The staff and knowledge of our entire organization is available through any one of Marsh & McLennan's offices. Whether you are contemplating a pension plan, or have one in operation which may need review, we shall be pleased to hear from you.

Encompassing the whole field of employee benefits

While emphasis has been placed in this brochure upon the subject of retirement plans, our firm performs other functions of equal importance in the broad field of employee benefit programs. We have had extensive experience with life, disability, medical payments, and hospitalization plans, fitting these group coverages to many different types of businesses.

It is logical to consider the various projects coming under the broad heading of employee benefit plans as elements comprising a complete picture rather than entities in themselves. Companies in increasing numbers are turning over to Marsh & McLennan the responsibility of co-ordinating their entire programs, undoubtedly feeling that putting the parts together and making the whole program operate smoothly is a job for a single, qualified consultant.

Let us arrange for further discussion

You are invited to bring to us any of your problems in the field of employee benefits. Our office most convenient to you will be glad to arrange for a member of our organization to call on you. A list of our offices is shown on the opposite page.

Directory

OF MARSH & McLENNAN'S OFFICES

BOSTON, MASSACHUSETTS—60 Congress Street
BUFFALO, NEW YORK—Marine Trust Company Building
CHICAGO, ILLINOIS—231 South LaSalle Street
CLEVELAND, OHIO—444 Terminal Tower
COLUMBUS, OHIO—50 West Broad Street
DETROIT, MICHIGAN—1300 National Bank Building
DULUTH, MINNESOTA—509 Sellwood Building
HAVANA, CUBA—Obispo 306
INDIANAPOLIS, INDIANA—Merchants Bank Building
LOS ANGELES, CALIFORNIA—453 South Spring Street
MINNEAPOLIS, MINNESOTA—1515 Northwestern Bank Building
MONTREAL, QUEBEC—231 St. James Street, West
NEW YORK, NEW YORK—70 Pine Street
PHOENIX, ARIZONA—410 Luhrs Towers
PITTSBURGH, PENNSYLVANIA—First National Bank Building
PORTLAND, OREGON—Equitable Building
SAINT LOUIS, MISSOURI—100 North Fourth Street
SAINT PAUL, MINNESOTA—First National Bank Building
SAN FRANCISCO, CALIFORNIA—500 Russ Building
SEATTLE, WASHINGTON—1020 White Building
SUPERIOR, WISCONSIN—1222 Tower Avenue
VANCOUVER, B. C.—Standard Building
WASHINGTON, D. C.—1508 H Street, N. W.

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**REPRESENTATIVE CLIENTS HAVING RETAINED MARSH & McLENNAN for
ACTUARIAL STUDIES or DESIGN and SERVICE of PENSION or GROUP PLANS**

Abercrombie & Fitch Company
American Automobile Insurance Company
American Can Company
American Crystal Sugar Company
American Potash & Chemical Corporation
American Radiator & Standard Sanitary Corp.
Anderson, Arthur & Company
Anheuser Busch Corporation
Bank of California
Bauer & Black
Boston Mutual Life Insurance Company
Brown Brothers Harriman & Company
California Pacific Utilities Company
California Street Cable Company
Carnation Company
Chemical Bank & Trust Company
Chicago Rapid Transit Company
Chicago Sun-Times
Cities Service Company
Clayton Manufacturing Company
Clyde Iron Works, Inc.
Columbia River Paper Co.
Commonwealth & Southern Corporation, The
Commonwealth Steel & Supply Co.
Consolidated Vultee Aircraft Corp.
Continental Casualty Company
Continental Illinois National Bank &
Trust Company of Chicago
Cudahy Packing Company
Del Monte Properties Co.
Diamond T. Truck Co.
Eastern Airlines, Inc.
Elgin National Watch Company
First National Bank of Boston, The
First National Stores, Inc.
Flintkote Company
Fruehauf Trailer Company
Gerber Products Company
Graybar Electric Company, Inc.
Harris Trust & Savings Bank
Heinz, H. J. Company
ILA Welfare Fund
Ingersoll-Rand Company
Institute of Aeronautical Sciences, Inc.
Investors Diversified Services, Inc.
Johns-Manville Company
Kellogg Company
Kennecott Copper Corporation
Lavoris, Inc.
Lever Brothers Company
Life Savers Corporation
Manufacturers Trust Company
Mathieson Chemical Corporation
Mellon National Bank (Multiple Pension Plan)
Montgomery Ward & Company
Moore-McCormack Lines, Inc.
Morgan, J. P. & Co., Inc.
Motorola, Inc.
Mutual Broadcasting Systems, Inc.
National Association of Manufacturers
National Dairy Products Corporation
National Department Stores Corp.
National Gypsum Company
Norge Corporation
North American Aviation, Inc.
Oregon Bankers' Association
Otis Elevator Company
Pacific American Fisheries, Inc.
Pacific Chain & Manufacturing Co.
Pacific Coast Borax Co.
Pacific Maritime Association
Pacific Press
Pacific Western Oil Corporation
Pepsi-Cola Company & Subsidiaries
Phelps Dodge Corporation
Pope & Talbot, Inc.
Pullman Company, The
Radio Corporation of America
Radio-Keith-Orpheum Corporation
Rand McNally Company
Raytheon Manufacturing Company
Safeway Stores, Inc.
San Francisco Chronicle
Schilling, A. & Co.
Second National Bank of Boston, The
Sharon Steel Corporation
Simmons Company
Simplex Wire & Cable
Simpson Logging Company
Sperry Corporation, The
Sound Construction & Engineering Company
Stanford University
State Street Trust Company, Boston
St. Louis Lithographers
Sun-Maid Raisin Growers of California
Superior Oil Company
U. S. Radiator (Detroit)
U. S. Rubber Co.
U. S. Steel Corporation
Universal Pictures Co., Inc.
University of Chicago
Upjohn Company
Viking Automatic Sprinkler Co.
Walker, Hiram, Inc.
Washington Bankers Association
Wells Fargo Bank & Union Trust Co.
Western Gulf Oil Co.
West Virginia Pulp and Paper Company
Weyerhaeuser Timber Company
Yellow Cab Company