

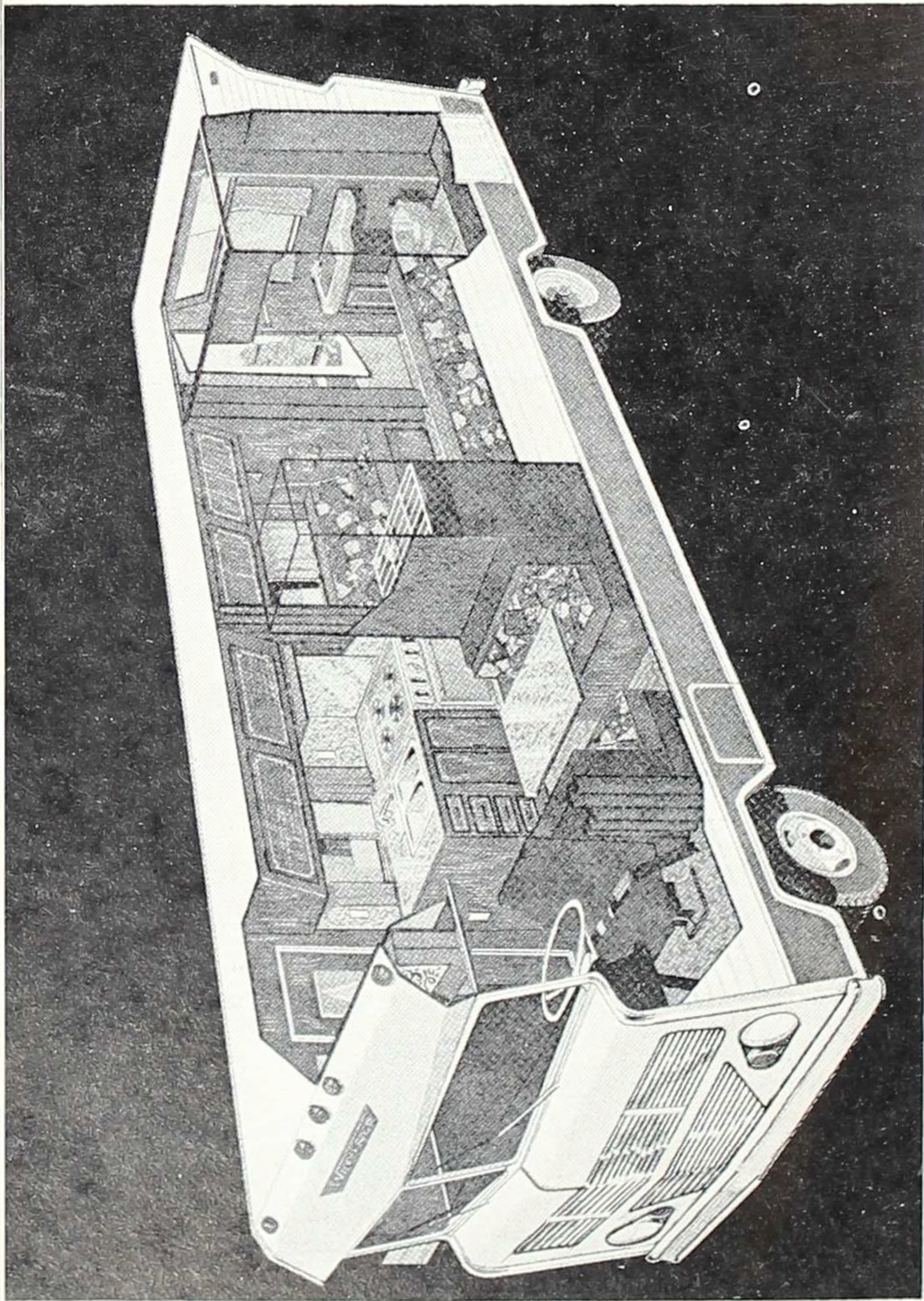
Winnebago Industries, Inc.

Winnebago Industries is the largest of some 800 manufacturers of recreational vehicles. The company, with headquarters and manufacturing facilities in Forest City, Iowa, makes motor homes, travel trailers, camper coaches, and pickup truck covers, or kaps.

About 90 per cent of Winnebago's output is in motor homes, the fastest growing segment of the industry. Its sales of motor homes are more than three times that of its largest competitor.

Winnebago employs assembly line techniques to mass produce motor homes. Plant mechanization far exceeds that practiced by the industry. The company manufactures the major components which go into its recreational vehicles, with the exception of appliances, auxiliary power units, and motor home chassis. Winnebago-produced components include upholstered products, aluminum extrusions, molded plastic parts, cabinetry, and materials that form floors, roofs, and sidewalls. This vertical integration concept has enabled the company to reduce selling prices and improve profit margins.

Sold exclusively by more than 340 dealers in the United States, Canada, England, and South Afri-



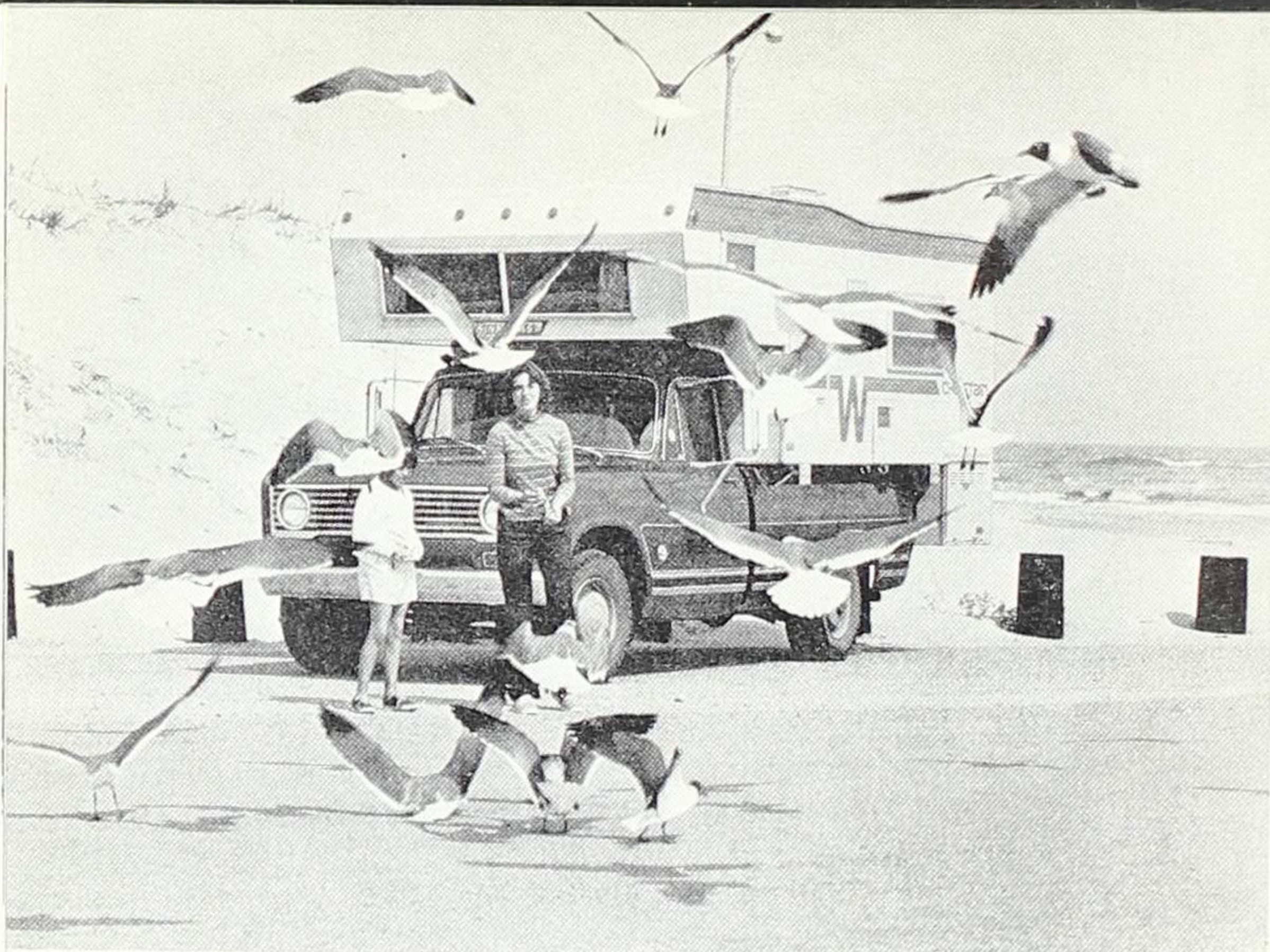
A cut away model of Winnebago's *D-24 Indian* motor home shows a roomy floor plan and a world of comfortable living accommodations for any season. This picture is indicative of the quality and convenience built into all Winnebago products.

ca, nearly all recreational vehicles are sold under the Winnebago name and display the well-known "Flying W" trademark. The name Winnebago was adopted in 1961 from the county where the company is located, once the home of the Winnebago Indians.

Iowa's economy historically has been tied closely to agriculture. After World War II, with farming becoming more mechanized and fewer workers needed to till the soil, young people moved to the cities to find work. Thus fewer paychecks were available and small town economy, along with small towns, began to shrink. In 1958, Forest City moved to do something about the situation. Its Development Commission contacted a California travel trailer manufacturer who agreed to operate a plant in Forest City if the city would provide plant and capital. A few months later the operation was losing money and the California firm withdrew.

Rather than see the community's sizable local investment go down the drain, John K. Hanson, a local furniture dealer, agreed to operate the plant for one year, with the understanding that, if the enterprise had not become profitable in a year it would be allowed to fold.

Modernistic Industries of Iowa, as it was then known, survived the year. In 1959 it had 17 employees. Today, Winnebago has more than 2,800. Eventually, the tiny plant was outgrown and a



Winnebago camper owner feeds gulls on a Pacific coast stop. Count the gulls. Did you come up with a figure of 16?

Watching the sun rise over the Pacific coast rain forests of California is a solitary figure whose family makes use of a pickup and a Kap pickup cover to pull a Winnebago travel trailer on a vacation trip.



move to a larger plant made, which was totally destroyed by fire in 1964. However, within three weeks ground was broken for a new, larger, and more modern plant, that began production five months later. In two years, Winnebago had outgrown that facility as well and built what is by far the largest recreational vehicle plant in the world. As recently as 1966 sales were under \$4,500,000. In the last complete fiscal year, ended February 26, 1972, sales were over \$133,000,000 and *net income*, exceeding \$13,000,000, was more than the total for all preceding years combined.

Motor homes, self-propelled dwellings built on special heavy-duty truck-type chassis, are manufactured and assembled in Forest City. The bodies are made of Thermo-Panel, a lamination of aluminum, styrofoam, and plywood. It is lightweight and provides effective insulation against heat and cold. Fully equipped, prices range from \$5,000 to more than \$20,000—the average about \$10,000.

Travel trailers mounted on their own chassis for towing behind a car or pickup truck, are available in 11 models, priced from \$1,700 to \$5,000. They range in length from 15 to 23 feet.

Camper coaches come without chassis and are designed to fit the bed of any standard pickup truck. Winnebago's five models vary from nine to 11 feet and range in price from \$1,200 to \$3,000.

A pickup kap, or truck cover, is a smaller version of the camper coach. It provides shelter needed on

camping or vacation trips at relatively low price.

Winnebago common stock is owned by some 6,500 shareowners. Nearly all company foremen, supervisors, and management personnel own stock, with directors and officers holding 61.6 per cent of the shares outstanding. Winnebago stock is often the topic of discussion when Iowans get together. The following list of stock splits, dividends, and offerings suggests why:

		<i>New Shares Issued</i>	<i>Shares of Stock Outstanding</i>
Shares outstanding at time of first public offering			36,832
January 24, 1966	Public Offering (\$12.50 per share)	24,000	60,832
June 17, 1966	100% Stock Dividend	60,832	121,664
September 15, 1966	Issued for purchase of Stitchcraft Corporation	12,246	133,910
December 14, 1966	5 for 1 Split	535,640	669,550
June 26, 1967	Public Offering (\$12.50 per share)	24,000	693,550
September 16, 1967	100% Stock Dividend	693,550	1,387,100
May 27, 1968	2 for 1 Split	1,387,100	2,774,200
October 3, 1968	Public Offering (\$42.50 per share)	250,000	3,024,200
May 27, 1969	100% Stock Dividend	3,024,200	6,048,400
September 13, 1971	100% Stock Dividend	6,048,400	12,096,800
December 29, 1971	Public Offering (\$48.38 per share)	500,000	12,596,800
March 1, 1972	Issued in connection with Employee Stock Purchase Plan	259	12,597,059
March 14, 1972	Exercise of Officer Stock Option	3,000	12,600,059

An additional 2-for-1 stock split through a 100 per cent stock dividend has been authorized, contingent upon shareholder approval of an increase in authorized common stock from 20,000,000 to 60,000,000 shares. Shareholders of record June 7, 1972, are eligible for the dividend payable June 28. *With payment of this dividend, each share of the first offering in 1966 will have grown to 320 shares.*



The Berkley plant at Emmetsburg is responsible for the manufacture of the company's fishing rods.



The Den-Tal-Ez plant at Des Moines.



The American Athletic Equipment Division plant at Jefferson.

