VULCAN INTERNATIONAL CORP
Form 10-K
March 29, 2002

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]
For the fiscal year ended December 31, 2001

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]
For the transition period from to

Commission file number 1-10219

VULCAN INTERNATIONAL CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	31-0810265
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

300 Delaware Avenue, Suite 1704, Wilmington, Delaware	19801
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (302) 427-5804

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common stock-no par value	American Stock Exchange

Securities registered pursuant to 12(g) of the Act:

NONE
(Title of class)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

As of January 31, 2002, 1,101,605 common shares were outstanding, and the aggregate market value of the common shares (based upon the closing price of these shares on the American Stock Exchange) of Vulcan International Corporation held by nonaffiliates was approximately $43,788,799.

DOCUMENTS INCORPORATED BY REFERENCE

Documents Incorporated by Reference	Applicable Part of Form 10-K
Annual Report to Shareholders for the Year Ended December 31, 2001	Part I and II
Proxy Statement Dated April 9, 2002 Furnished to Shareholders in Connection with Registrant's Annual Meeting of Shareholders	Part I and III
Articles of Incorporation and By-laws filed on Form 8, file number 1-10219, filed during 1992	Part IV

PART I

Item 1. Business.

(a) General Development of Business-

Vulcan International Corporation ("Vulcan", the "Company" or the "Registant") is a Delaware holding company which is the owner of 100% of the common stock of Vulcan Corporation, a manufacturer of the products described below.

(b) Financial Information About Industry Segments-

The sales, operating profit and identifiable assets attributable to each of the Registrant's industry segments for the three years ended December 31, 2001, are set forth in Note 12 of the Notes to Consolidated Financial Statements included under Part IV, Item 14(a)1 of this Form 10-K.

(c) Narrative Description of Business-

RUBBER AND PLASTICS:

RUBBER AND FOAM PRODUCTS-

Vulcan manufactures rubber and foam products in a 272,000 sq. ft. building located in Clarksville, Tennessee. Approximately 50% of sales of those products in 2001 were for use by shoe manufacturers in the United States. The Company is concentrating on the manufacture of rubber sheet stock and custom-mix materials for those manufacturers. The majority of the non-footwear sales of products manufactured in Clarksville were for use as sports flooring and automobile mats. The Rubber Division also manufactures high-density foam products for sale to manufacturers for diverse uses.

PLASTICS-

Vulcan sold its plastics manufacturing assets in August 1999. Vulcan had produced plastic products and shoe lasts in Walnut Ridge, Arkansas. A shoe last is the form over which non-rubber shoes are manufactured and which determines the shoe style, fit and shape.

BOWLING PINS-

In 1990, the Company entered into an agreement with Brunswick Bowling and Billiards Corporation by the terms of which Vulcan and Brunswick formed a joint venture for the manufacture of bowling pins using Vulcan's Surlyn coating process. The Joint Venture, which is equally owned by Brunswick and Vulcan Bowling Pin Company, a wholly owned subsidiary of Vulcan, is located at the site of the Company's former Antigo, Wisconsin, bowling pin manufacturing facility. This manufacturing Joint Venture is named the Vulcan-Brunswick Bowling Pin Company. The Company accounts for its investment in the Joint Venture under the equity method of accounting.

PART I
(Continued)

Item 1. Business. (Continued)

Vulcan Bowling Pin Company sells and services its bowling pins through its own sales force as well as manufacturers' representatives in the United States and through distributors in foreign countries under the name of Vultex II and Vultuf, as well as various private label names. In 1999, Vulcan Brunswick Bowling Pin Co. entered into an agreement with Winsome Industrial Company, Ltd. located in Taiwan, pursuant to which it purchases bowling pins manufactured by Winsome in Taiwan bearing the name Vultuf.

Raw materials used in shoe products and bowling products consist of the following: hard maple, which is commercially available from countless sawmills; Surlyn is available from Dupont; high density polyethylene plastic resin is available from Phillips, Quantum, Gulf, A. Schulman, Inc. and numerous other producers; nylon is available from Allied; synthetic rubbers are available from Ameripol Synpol, Goodyear, Polysar, Goldsmith & Eggleston, Inc. and a number of other concerns; fillers for rubber products such as clay are available from W.R. Grace & Co., J.M. Huber and others; and pigments are available from Uniroyal Chemical, Akrochem Corp., Monsanto and others.

Vulcan's products are sold through its own sales force, manufacturers' agents and distributors.

REAL ESTATE-
Vulcan has a majority interest in the upper seven floors of the ten-story Cincinnati Club Building in downtown Cincinnati, Ohio. These floors contain approximately 56,000 square feet of finished office space and approximately 32,000 square feet of unfinished and common area space. Vulcan occupies a substantial portion of the tenth floor of the building and manages the seven floors of office space. The first three floors consist of public rooms owned by a company which uses the space for public functions and a catering service. There is direct access into the building from an eight-story parking garage immediately adjacent to the Cincinnati Club Building owned and operated by the City of Cincinnati. Vulcan Corporation also owns

undeveloped lands in Michigan from which it sells timber.

Patents, trademarks, licenses, franchises and concessions are not material factors in the business. Vulcan Bowling Pin Company owns an American Bowling Congress permit to label its Surlyn plastic-coated bowling pins as "ABC approved".

No major expenditures for pollution controls are anticipated in 2002. Expenditures thereafter should not be in excess of 5% of normal capital expenditures in any one year. This rate of expenditure should not have a significant effect on either the earnings or the competitive position of the Registrant or any of its subsidiaries. See Item 3 - Legal Proceedings.

PART I
(Continued)

Item 1. Business. (Continued)

The Company has commitments for capital expenditures of approximately $142,820 at December 31, 2001.

The Company had 73 employees at December 31, 2001.

(d) Financial Information About Foreign and Domestic Operations and Export Sales

The Registrant's entire operations are within the United States. Export sales of all products are handled by ACI International, Inc., a domestic international sales corporation (DISC) which during 2001, had sales of $376,000; net income of $48,000; and assets of $1,091,000.

Item 2. Properties.

The following schedule summarizes certain information regarding buildings owned or leased by the Registrant:

Location	Type of Ownership	Square Footage	
Clarksville, Tennessee	Owned	272,000	Administrative offices and manufacturing of rubber soling and other rubber products.
Cincinnati, Ohio	Owned	88,000	Corporate offices and leasing of office space.

The age of the buildings ranges from approximately 37 to 76 years. The structures are of steel, brick and concrete construction and are generally in good condition. The plant is sprinklered. Excellent transportation facilities are available for the factory and it is located on a rail siding.

Item 3. Legal Proceedings.

The Company was advised by the U.S. Environmental Protection Agency ("EPA") several years ago that it was one of at least 122 large generator potentially responsible parties ("PRPs") with regard to remediation of the Union Chemical Company, Inc. Site, South Hope, Maine, where the potential joint and several liability was in the range of $15 million. The Company, along with many other PRPs, entered into a consent agreement with U.S. EPA to remediate the Site, and the Company is now a party to a Remedial Design/Remedial Action Trust Agreement for the purpose of undertaking clean-up responsibilities

at the Site. Most of the remedial work has now been completed. In 2000, PRPs estimated that additional funds in the range of $1 million would be required to complete remediation of the Site. The Company's estimated share of that amount was approximately $5,000. The Company made payment of that amount in late 2000. If the projected cost of the remaining remediation tasks remains at approximately $1 million, this will be the Company's final payment.

On March 1, 1990 the United States of America filed a Complaint against the Company and others in the United States District Court for the District of Massachusetts claiming that the Company was a potentially responsible party with respect to the Re-Solve Superfund Site in North Dartmouth, Massachusetts seeking to recover response costs incurred and to be incurred in the future in connection with this Site.

Although the Company had engaged counsel to represent it in that action, the Company was first informed on March 28, 2001 that the Court had entered, pursuant to prior rulings, an unopposed "Final Judgment" against the Company on September 22, 1999. The "Final Judgment" awarded damages against the Company in favor of the United States in the amount of $3,465,438, plus interest, for unreimbursed response costs, plus any additional past unreimbursed response costs, interest and certain future costs the United States incurs at the Site. The United States filed a notice of lien in certain jurisdictions on real property of the Company and its subsidiary Vulcan Corporation in the dollar amount of the judgment, plus interest.

The Company had restated its 1999 financial statements to record an estimated liability and decrease 1999 net income by $2,981,000, net of $1,734,000 tax, for the judgment, accrued interest for past costs and a discounted present value for estimated future costs in connection with the site. This estimated liability was calculated based on the "Final Judgment" and using other information provided by the U.S. EPA. The Company expensed $151,000 and $140,000 after tax, for the years ended December 31, 2001 and 2000, respectively for accrued interest and amortization of estimated future costs related to this matter.

The Company is presently continuing an investigation into this matter and intends to vigorously pursue all available legal remedies to set aside all orders and liens relating to the asserted liability and to defend itself against the underlying allegations. Counsel for the Company is also vigorously pursuing settlement negotiations with Counsel for the United States.

There may be other potential clean-up liability at other sites of which the Company has no specific knowledge.

PART I
(Continued)

The Company has an interest in a partnership which owns certain real estate. On August 13, 1999 a Complaint for money damages, in excess of $25,000, based upon breach of fiduciary duty was filed by the other partner in the Court of Common Pleas in Hamilton County, Ohio. Essentially, the plaintiff is seeking an adjustment of the capital account balances which would result in a higher distribution of cash flow. On March 27, 2001, the plaintiff threatened to file an Amended Complaint that alleges damages of $1,062,000 and costs, plus punitive damages of $2,000,000 on various grounds. The Company believes that the suit is without merit and has been defending itself vigorously against the issues raised.

The Company appealed a real estate tax assessment from 1999 that had increased the annual real estate tax by approximately $96,000. The local school board has appealed the revision and reduced its initial appraised value of the property. During 2001, the Company received a $96,000 refund of the additional tax paid in 1999. The Company has recorded a liability of approximately $119,000 related to this issue based on the revised value asserted by the local school board. If the Company is successful, this liability will be recognized as income.

The Company and its subsidiaries are involved in other litigation matters and claims which are normal in the course of operations. Management believes that the resolution of these matters will not have a material impact on the Company's business or financial condition.

Item 4. Submission of Matters to a Vote of Security Holders.

There were no matters submitted to a vote of security holders through the solicitation of proxies or otherwise during the fourth quarter of the year ended December 31, 2001, that require disclosure under this item.

Part II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters.

The common stock of Vulcan International Corporation is listed and traded on the American Stock Exchange. There were approximately 433 shareholders of record excluding individual participants in securities positions as of December 31, 2001. The high and low sales price and the dividends paid for each quarterly period within the two most recent years were as follows:

QUARTER	2001 HIGH	2001 LOW	2001 DIVIDEND	2000 HIGH	2000 LOW	2000 DIVIDEND
First	42.7500	34.2500	$.20	33.1250	30.8750	$.20
Second	40.5000	38.0000	$.20	33.8750	32.8125	$.20
Third	40.0000	38.7500	$.20	34.2500	32.8750	$.20
Fourth	40.2500	37.2400	$.20	34.5000	33.3750	$.20

Item 6. Selected Financial Data.

The information required by this item is set forth below:

	2001	2000	1999(1)	1998	1997
Net revenues - continuing operations	$10,660,422	11,246,242	10,919,627	10,582,060	11,373,204
Income (loss)from continuing operations before taxes	3,615,612	1,874,729	(2,718,674)	1,664,416	1,971,419
Income tax (benefit)	719,414	113,165	(1,317,658)	279,537	352,970
Net income (loss) from continuing operations	2,896,198	1,761,564	(1,401,016)	1,384,879	1,618,449
Income (loss) from disposed operations, net of tax	-	-	(63,056)	69,637	167,356
Gain on sale of disposed operations, net of tax	-	-	988,845	-	-
Net income (loss)	2,896,198	1,761,564	(475,227)	1,454,516	1,785,805

PART I
(Continued)

	2001	2000	1999(1)	1998	1997
Income (loss) per common share:					
Continuing operations	2.59	1.59	(1.25)	1.17	1.30
Discontinued operations	-	-	(0.06)	0.06	0.14
Gain on disposal					

of discontinued operations	-	-	0.88	-	-
Net income (loss)	2.59	1.59	(0.43)	1.23	1.44
Property, plant and equipment (net)	2,117,476	2,369,216	2,618,649	2,798,825	2,498,771
Depreciation	381,079	447,401	488,591	513,045	594,138
Current assets	44,333,695	55,493,494	53,278,872	53,506,019	38,900,356
Ratio current assets to current liabilities	2.60 to 1	2.54 to 1	2.48 to 1	2.99 to 1	3.38 to 1
Total assets	89,097,487	111,143,958	89,536,796	95,011,738	82,415,593
Long-term debt	-	-	-	-	-
Accumulated other comprehensive income	46,599,325	60,846,586	47,852,421	52,506,224	43,211,515
Total share-holders' equity	59,220,189	72,959,140	58,137,015	65,295,924	58,494,990
Dividends per common share	.80	.80	.80	.80	.80
Book value per common share	53.75	64.03	52.54	57.46	48.05

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The information required by this item is incorporated by reference to the 2001 Annual Report to Shareholders.

PART II
(Continued)

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

The Company's market risk primarily is represented by the risk of changes in the value of marketable equity securities caused by fluctuations in equity prices. Marketable securities, at December 31, 2001, are recorded at a fair value of approximately $77,022,000, including net unrealized gains of $70,605,000. Marketable securities have exposure to price risk. The Company's available for sale marketable securities, at fair value, are invested as follows; 66% in two financial institutions, 33% in ten communications companies and 1% in other industries. The estimated potential loss in fair value resulting from a hypothetical 10% decrease in prices quoted by the stock exchange is approximately $7,702,200.

Item 8. Financial Statements and Supplementary Data.

The consolidated financial statements required by this item are included under Part IV, Item 14(a)1 of this Form 10-K.

Other information required by this item is set forth below:

	2001				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Total revenues	$2,726,171	2,740,765	2,411,550	2,781,936	10,660,422
Gross profit (loss)	(62,787)	237,548	44,538	9,740	229,039
Net income	699,137	1,021,566	274,589	900,906	2,896,198
Net income per share	0.62	0.90	0.25	0.82	2.59

	2000				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Total revenues	$3,035,723	2,832,089	2,955,112	2,423,318	11,246,242
Gross profit (loss)	(7,295)	(29,818)	27,299	(214,857)	(224,671)
Net income	169,266	163,495	862,774	566,029	1,761,564
Net income per share	0.15	0.15	0.78	0.51	1.59

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PART II
(Continued)

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

PART III

Item 10. Directors and Executive Officers of the Registrant.

(a) Identification of Directors-

The information required by this item is incorporated herein by reference to the Registrant's Proxy Statement dated April 9, 2002, in connection with its Annual Meeting to be held May 9, 2002.

(b) Identification of Executive Officers-

NAME	AGE	POSITION AND TIME IN OFFICE
Benjamin Gettler	76	President since November 1988; Chairman of The Board since

		June 1990; Director since 1960.
Vernon E. Bachman	64	Vice President and Treasurer since November 1991; Secretary since 1973.

There are no family relationships among the officers listed and there are no arrangements or understandings pursuant to which any of them were elected as officers.

The officers are elected annually and serve at the pleasure of the Board of Directors. There have been no events under any bankruptcy act, no criminal proceedings and no judgments or injunctions material to the evaluation of the ability and integrity of any director or executive officer during the past five years.

Item 11. Executive Compensation.

The information required by this Item is incorporated herein by reference to the Registrant's proxy statement dated April 9, 2002, in connection with its annual meeting to be held May 9, 2002.

PART III
(Continued)

Item 12. Security Ownership of Certain Beneficial Owners and Management.

Any person after acquiring directly or indirectly the beneficial ownership of more than 5 percent of the Registrant's common stock is required to send to the Registrant at its principal executive office, by registered or certified mail, and to each exchange where the stock is traded and filed with the SEC, a statement containing information required by Schedule 13D or 13G, as appropriate. If any material change occurs in the facts set forth in the statement filed, the shareholder is required to file an appropriate amendment with each party with whom the original schedules were filed.

Other information required by this item is incorporated herein by reference to the Registrant's proxy statement dated April 9, 2002, in connection with its annual meeting to be held May 9, 2002.

Item 13. Certain Relationships and Related Transactions.

There were no significant items to report under this caption other than those reported in the Registrant's Proxy Statement dated April 9, 2002, in connection with its Annual Meeting to be held May 9, 2002, which is incorporated herein by reference.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.

(a) 1. Financial Statements.

The following Consolidated Financial Statements of Vulcan International Corporation and subsidiaries are included under this item (see attached shareholders report and proxy statement):

2. Financial Statement Schedule.

All other schedules are omitted because they are not applicable, not required, or because the required information is included in the Consolidated Financial Statements or notes thereto.

Separate financial statements of the Registrant or summarized financial information concerning subsidiaries are not required.

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PART IV
(Continued)

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.
(Continued)

3. Financial Statements.

The following financial statements of Vulcan International

Corporation's 50% owned Joint Venture, Vulcan-Brunswick Bowling Pin Company, are included under this item:

4. Exhibits.

(b) Reports on Form 8-K.

There were no reports on Form 8-K for the three months ended December 31, 2001.

VULCAN INTERNATIONAL CORPORATION

EXECUTIVE OFFICERS

BENJAMIN GETTLER
Chairman of the Board
and President

VERNON E. BACHMAN
Vice President and
Secretary-Treasurer

SUBSIDIARY COMPANIES

VULCAN CORPORATION

Benjamin Gettler
President

Edward Ritter
Vice President/Operating Manager

Vernon E. Bachman
Vice President/Controller

Connie F. Armstrong
Secretary

VULCAN BOWLING PIN COMPANY

Ricardo DeFelice
Executive Vice President

John F. Gabriel
Vice President

VULCAN BLANCHESTER REALTY CO.

Benjamin Gettler
President

John F. Gabriel
Vice President

Vernon E. Bachman
Secretary/Treasurer

TO OUR SHAREHOLDERS:

During the Year 2001, the Company's net income after taxes increased to $2,896,198 from $1,761,564 in the Year 2000. Of those amounts, $1,940,664 resulted from a net gain after tax on sale of property, equipment, and investments in 2001 compared to a net gain after tax of $884,013 in the Year 2000. A substantial part of the gains was due to the Company's decision in the Year 2000, to reduce gradually its holdings of non-dividend-paying securities. Income before gain on sale of assets and before income tax was $1,192,889 in the Year 2001 compared to $933,926 the previous year.

The Company's plans to expand its real estate operations by the acquisition of one or more additional office buildings in the Cincinnati area has been delayed due to circumstances which arose during the year 2001 both locally and nationally. The local uncertainty, has been caused by the racial unrest in Cincinnati following the April, 2001 riots, while the national uncertainty has, obviously, been caused by the tragic events of September 11, 2001. It is our view that it will take a period of time for those uncertainties to be sufficiently dissipated in order to present a clearer view of values in the Cincinnati real estate market.

In its Clarksville rubber operation, the Company continued its emphasis on the development and sale of foam products. As a result, foam sales increased 49% in 2001. That increase was not sufficient, however, to overcome the decline in the sale of other rubber products with the result that total Clarksville sales fell by 10.5%. The change in product mix did, however, cause a 31% reduction in the operating loss at Clarksville. This reduction encourages us to believe that we are heading in the right direction. We are grateful for the understanding of our Clarksville employees who agreed through their union, United Steel Workers of America, District 9, to extend the current collective bargaining agreement to October 28, 2005.

BENJAMIN GETTLER
Chairman of the Board
and President

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DESCRIPTION OF BUSINESS

Vulcan International Corporation is a Delaware holding company which is the owner of 100% of the common stock of Vulcan Corporation and 100% of the common stock of Vulcan Bowling Pin Company as well as Vulcan Blanchester Realty Co. Descriptions of each company's operations are set forth below.

RUBBER AND FOAM PRODUCTS

Vulcan manufactures rubber and foam products in a 272,000 sq. ft. building located in Clarksville, Tennessee. Approximately 50% of sales of products manufactured in Clarksville in 2001 were for use by shoe manufacturers in the United States. The majority of such sales were non-cured custom-mixed materials for use in military footwear. Non-footwear products manufactured in Clarksville were primarily for use by various prime manufacturers, including sports flooring, automobile mats, novelty items, recreational land and water vehicles and foam and custom-mix rubber for various non-footwear manufacturers.

BOWLING PINS

Vulcan Bowing Pin Company is a 50% owner of a Joint Venture with Brunswick Bowling and Billiards Corporation which manufactures bowling pins in Antigo, Wisconsin. The pins are manufactured from hard maple and coated with Surlyn. Vulcan sells pins in the United States and worldwide under the name of Vultex II and Vultuf, as well as various private label names.

REAL ESTATE OPERATIONS

The Company's wholly owned subsidiary, Vulcan Blanchester Realty Company owns a majority interest in the upper seven floors of the ten-story Cincinnati Club Building in downtown Cincinnati, Ohio, and manages that space. These floors contain approximately 56,000 square feet of finished office space and approximately 32,000 square feet of unfinished and common area space. Vulcan occupies a substantial portion of the tenth floor of the building. The first three floors consist of public rooms owned by a company which uses the space for public functions and a catering service. There is direct access into the building from an eight-story parking garage immediately adjacent to the Cincinnati Club Building owned and operated by the City of Cincinnati. A picture of the building appears below. In addition, the Company owns approximately 14,000 acres of undeveloped land in the Upper Peninsula of Michigan. Timber is harvested from that land and sold both in domestic and foreign markets.

MANAGEMENT ANALYSIS OF RECENT YEARS

2001 COMPARED TO 2000

Sales of the Rubber Division decreased from $6,844,877 in 2000 to $6,129,434 in 2001. The decreased sales in low margin custom mix and flooring was offset by the increase in foam product sales. As a result the operating loss (before taxes) decreased from $1,292,120 in 2000 to $892,131 in 2001.

Sales of the Bowling Pin Division increased from $1,716,428 in 2000 to $1,783,318 in 2001. The operating profit of the division decreased from $286,521 in 2000 to $140,009 in 2001. The decreased production of the Joint Venture, which manufactures bowling pins, resulted in lower profit for the year and was largely responsible for the decreased operating profit.

Operating profit (before taxes) in the real estate operations increased from $287,927 in 2000 to $516,824 in 2001. The increase in profit reflects an adjustment of the real estate appraisal which is being appealed through the legal processes.

Net gains on the disposal of assets were $2,011,978 in 2001 compared to $607,284 in 2000. In both years the gains were mainly from the sale of marketable securities and net gains from call option contracts. Dividends and interest (before tax) were $2,287,609 in 2001 compared to $2,180,836 in 2000.

2000 COMPARED TO 1999

Sales in the Rubber Division decreased from $6,880,103 in 1999 to $6,844,877 in 2000. The increased sales in custom mix which is a low margin item and foam products was offset by the decrease in flooring sales. As a result, the operating loss (before taxes) increased from $1,179,291 in 1999 to $1,292,120 in 2000.

Sales of the Bowling Pin Division increased from $1,686,027 in 1999 to $1,716,428 in 2000. The operating profit of the division decreased from $733,963 in 1999 to $286,521 in 2000 due to an increase in the production cost of bowling pins. In 1999 cash distributions in excess of basis was included in the division operating profit in the amount of $410,123.

Operating profit (before taxes) in the real estate operations decreased from $321,011 in 1999 to $287,927 in 2000 due to the write-off of the unamortized portion of tenant improvements of a tenant whose lease expired on December 31, 2000.

Net gains on the disposal of equipment and investments were $607,284 in 2000 compared to $89,429 in 1999. In both years, the gains were mainly from the sale of marketable securities as the result of a decision to reduce gradually the Company's holdings of non-dividend paying securities. Dividends and interest (before tax) were $2,180,839 compared to $1,907,509 in 1999.

MANAGEMENT ANALYSIS OF RECENT YEARS
(Continued)

1999 COMPARED TO 1998

In the Rubber Division, the Company increased its sales of low margin custom mix rubber and continued its research and development efforts to develop and market additional higher margin foam products. As a result, sales of rubber and foam products increased from $6,113,730 in 1998 to $6,880,103 in 1999 while operating loss (before taxes) increased from $960,571 in 1998 to $1,179,291 in 1999.

Changes in bowling pin manufacturing resulted in substantially reduced costs which were largely responsible for operating profit (before taxes) from the bowling pin segment increasing from $215,079 in 1998 to $733,963 in 1999. In 1999 past distributions in excess of basis was included in the division operating profit in the amount of $410,123.

Operating profit (before taxes) in the real estate operations segment fell from $403,522 to $321,011, primarily as the result of a huge increase in real estate taxes. The increase is being appealed through appropriate legal processes.

Net gains on the disposal of equipment and investments were $89,429 in 1999 compared to $408,866 in 1998. In 1999, the gains were mainly from the sale of marketable securities. In 1998, the gains were mainly from the sale of excess equipment from the Clarksville, Tennessee plant. Dividends and interest (before tax) were $1,907,509 compared to $1,828,520 in 1998.

In August of 1999, Vulcan International Corporation sold all of the assets of its Last manufacturing plant in Walnut Ridge, Arkansas. Sales from the Last Division were $1,621,268 in 1998 and $758,712 in the approximately 7 1/2 months it was owned by Vulcan in 1999. The sale of the Last Division resulted in 1999 net earnings, including capital gains on the sale, of $925,789 compared to net earnings of $69,637 on operations in 1998.

The Company restated the 1999 financial statements to recognize a liability and expense, net of tax, of $2,980,947 for environmental costs resulting from a Federal Court judgment which the Company is contesting.

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FINANCIAL POSITION, LIQUIDITY AND CAPITAL COMMITMENTS

The Company's cash requirements in 2001 were funded by its cash flow and short term borrowing. The working capital decreased $6,361,129 during the current year. The decreased working capital was mainly a result of the decreased value of marketable securities and a decrease in short term borrowing. Capital expenditures were $139,259 compared to total depreciation and amortization of $383,260.

COMMON STOCK PRICES

QUARTER	2001 HIGH	2001 LOW	2001 DIVIDEND	2000 HIGH	2000 LOW	2000 DIVIDEND
First	42.7500	34.2500	.20	33.1250	30.8750	.20
Second	40.5000	38.0000	.20	33.8750	32.8125	.20
Third	40.0000	38.7500	.20	34.2500	32.8750	.20
Fourth	40.2500	37.2400	.20	34.5000	33.3750	.20

The common stock of Vulcan International Corporation is listed on the American Stock Exchange. The high and low sale prices and the dividends paid for each quarterly period within the two most recent years were as shown.

FORM 10-K

A copy of the 2001 Vulcan International Corporation 10-K report filed with the Securities and Exchange Commission will be furnished without charge upon request by a shareholder or beneficial owner as of the record date, March 29, 2002, of securities entitled to vote at the annual meeting of shareholders. Requests should be addressed to:

Vernon E. Bachman
Vice President
Secretary/Treasurer
Vulcan International Corporation
30 Garfield Place
Cincinnati, OH 45202

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EXHIBIT 13

VULCAN INTERNATIONAL CORPORATION
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2001

J.D. CLOUD & CO. L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

CINCINNATI, OHIO

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Vulcan International Corporation
Wilmington, Delaware

We have audited the accompanying consolidated balance sheets of Vulcan International Corporation (a Delaware Corporation) and subsidiaries as of December 31, 2001 and 2000, and the related consolidated statements of income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Vulcan International Corporation and subsidiaries at December 31, 2001 and 2000, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001, in conformity with U.S. generally accepted accounting principles.

/s/ J.D. CLOUD & CO. L.L.P.

Certified Public Accountants

Cincinnati, Ohio
February 14, 2002

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
At December 31, 2001 and 2000

-ASSETS-	2001	2000

CURRENT ASSETS:		
Cash	$ 2,493,733	1,008,649
Marketable securities	39,981,369	50,383,925
Accounts receivable (less-allowance for doubtful accounts-$91,367 in 2001; $152,974 in 2000)	1,428,693	3,072,529
Inventories	356,290	941,090
Prepaid expense	14,384	16,221
Refundable federal income tax	59,226	71,080
TOTAL CURRENT ASSETS	44,333,695	55,493,494
PROPERTY, PLANT AND EQUIPMENT:		
Land	88,581	88,581
Timberlands and timber cutting rights	700,393	700,393
Buildings and improvements	4,225,627	4,205,851
Machinery and equipment	6,674,350	6,720,810
Total	11,688,951	11,715,635
Less-Accumulated depreciation and depletion	9,571,475	9,346,419
PROPERTY, PLANT AND EQUIPMENT-NET	2,117,476	2,369,216
MODELS AND PATTERNS-at nominal value	1	1
INVESTMENT IN JOINT VENTURE	69,010	70,528
DEFERRED CHARGES AND OTHER ASSETS:		
Marketable securities	37,040,858	48,153,115
Note receivable	220,248	342,185
Other	5,316,199	4,715,419
TOTAL DEFERRED CHARGES AND OTHER ASSETS	42,577,305	53,210,719
TOTAL ASSETS	$89,097,487	111,143,958

-LIABILITIES AND SHAREHOLDERS' EQUITY-	2001	2000
CURRENT LIABILITIES:		
Notes payable - bank	$ -	1,700,000
Accounts payable-		
Trade	872,717	604,552
Other	4,696	26,616
Accrued salaries, wages and commissions	120,261	124,086
Accrued other expenses	5,554,500	5,282,172
Deferred income tax	10,480,454	14,093,872
TOTAL CURRENT LIABILITIES	17,032,628	21,831,298
OTHER LIABILITIES:		
Deferred income tax	12,791,949	16,309,169
Other	37,470	33,285

TOTAL OTHER LIABILITIES	12,829,419	16,342,454
COMMITMENTS AND CONTINGENCIES (Notes 9)	-	-
MINORITY INTEREST IN PARTNERSHIP	15,251	11,066
SHAREHOLDERS' EQUITY:		
Common stock-no par value;		
Authorized 2,000,000 shares; issued		
1,999,512 shares	249,939	249,939
Additional paid-in capital	8,191,065	7,745,102
Retained earnings	26,562,597	24,565,375
Accumulated other comprehensive income	46,599,325	60,846,586
	81,602,926	93,407,002
Less-Common stock in treasury-at cost,		
897,793 shares in 2001;		
859,988 shares in 2000	22,382,737	20,447,862
TOTAL SHAREHOLDERS' EQUITY	59,220,189	72,959,140
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$89,097,487	111,143,958

The accompanying notes to consolidated financial statements are an integral part of these statements.

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
Three years ended December 31, 2001

	2001	2000	1999
REVENUES:			
Net sales	$ 8,372,813	9,065,403	9,012,118
Dividends and interest	2,287,609	2,180,839	1,907,509
TOTAL REVENUES	10,660,422	11,246,242	10,919,627
COST AND EXPENSES:			
Cost of sales	7,956,079	9,290,074	9,251,832
General and administrative	1,053,077	1,127,114	801,897
Environmental remediation costs	297,374	21,196	4,579,483
Interest expense	255,298	362,323	289,318
TOTAL COST AND EXPENSES	9,561,828	10,800,707	14,922,530
EQUITY IN JOINT VENTURE INCOME AND MINORITY INTEREST, NET	94,295	488,391	836,756
INCOME (LOSS) BEFORE GAIN ON DISPOSAL OF ASSETS	1,192,889	933,926	(3,166,147)
NET GAIN ON SALE OF PROPERTY, EQUIPMENT AND INVESTMENTS	2,422,723	940,803	447,473

INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	3,615,612	1,874,729	(2,718,674)
INCOME TAX PROVISION (BENEFIT)	719,414	113 165	(1,317,658)
INCOME (LOSS) FROM CONTINUING OPERATIONS	2,896,198	1,761,564	(1,401,016)
DISCONTINUED OPERATIONS:			
Gain on sale of division assets, net of income tax	-	-	988,845
Income (loss) from operations, net of income tax	-	-	(63,056)
NET INCOME (LOSS)	$ 2,896,198	1,791,564	(475,227)
Income (Loss) Per Common Share:			
Continuing operations	$ 2.59	1.59	(1.25)
Discontinued operations	-	-	(0.06)
Gain on disposal of discontinued operations	-	-	0.88
Net Income (Loss)per Common Share Outstanding	$ 2.59	1.59	(0.43)

The accompanying notes to consolidated financial statements are an integral part of these statements.

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
Three years ended December 31, 2001

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income
Balance at January 1, 1999	$249,939	5,626,843	25,054,570	52,506,224
Add-Sale of treasury shares		519,855		
Deduct-Net loss for the year			475,227	
Dividends declared- $.80 per share			884,955	
Net unrealized loss on available-for-sale securities (net of tax benefit of $2,367,157)				4,595,070
Reclassification adjustment for gains included in net income (net of tax of $30,257)				58,733
Purchase of treasury shares				

Balance at December 31, 1999	249,939	6,146,698	23,694,388	47,852,421
Add-Net income for the year			1,761,564	
Net unrealized gain on available-for-sale securities (net of taxes of $6,864,059)				13,324,327
Sale of treasury shares		1,598,404		
Deduct-Dividends declared- $.80 per share			890,577	
Reclassification adjustment for gains included in net income (net of tax of $170,084)				330,162
Purchase of treasury shares				
Balance at December 31, 2000	249,939	7,745,102	24,565,375	60,846,586
Add-Net income for the year			2,896,198	
Net unrealized loss on available-for-sale securities (net of tax benefit of $6,832,881)				(13,261,183)
Sale of treasury shares		445,963		
Deduct-Dividends declared- $.80 per share			898,976	
Reclassification adjustment for gains included in net income (net of tax of $507,980)				986,078
Purchase of treasury shares				
Balance at December 31, 2001	$249,939	8,191,065	26,562,597	46,599,325

	Comprehensive Income (Loss)	Common Treasury Shares: Shares	Amount	Total Shareholders' Equity
Balance at January 1, 1999		863,177	18,141,652	65,295,924
Add- Sale of treasury shares		(22,799)	(111,393)	631,248
Deduct-Net loss for the year	475,227			475,227
Dividends declared- $.80 per share				884,955
Net unrealized loss on available-for-sale securities (net of tax benefit of $2,367,157)	4,595,070			4,595,070
Reclassification				

adjustment for gains included in net income (net of tax of $30,257)	58,733			58,733
Purchase of treasury shares		52,529	1,776,172	1,776,172
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Balance at December 31, 1999	(5,129,030)	892,907	19,806,431	58,137,015
	==========			
Add-Net income for the year	1,761,564			1,761,564
Net unrealized gain on available-for-sale securities (net of taxes of $6,864,059)	13,324,327			13,324,327
Sale of treasury shares		(65,000)	(418,471)	2,016,875
Deduct-Dividends declared- $.80 per share				890,577
Reclassification adjustment for gains included in net income (net of tax of $170,084)	330,162			330,162
Purchase of treasury shares		32,081	1,059,902	1,059,902
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Balance at December 31, 2000	14,755,729	859,988	20,447,862	72,959,140
	==========			
Add-Net income for the year	2,896,198			2,896,198
Net unrealized loss on available-for-sale securities (net of tax benefit of $6,832,881)	(13,261,183)			(13,261,183)
Sale of treasury shares		(16,500)	(169,006)	614,969
Deduct-Dividends declared- $.80 per share				898,976
Reclassification adjustment for gains included in net income (net of tax of $507,980)	986,078			986,078
Purchase of treasury shares		54,305	2,103,881	2,103,881
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Balance at December 31, 2001	(11,351,063)	897,793	22,382,737	59,220,189
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The accompanying notes to consolidated financial statements are an integral part of these statements.

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Three years ended December 31, 2001

	2001	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	$ 8,450,305	8,774,935	9,697,767
Cash paid to suppliers and employees	(8,621,019)	(10,545,516)	(11,713,251)
Dividends and interest received	2,287,609	2,180,839	1,909,882
Interest paid	(55,184)	(169,144)	(154,515)
Income taxes paid	(486,083)	(104,775)	(257,867)
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,575,628	136,339	(517,984)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property and equipment	513,245	335,173	1,080,719
Proceeds from sale of marketable securities	1,896,981	811,106	92,716
Purchase of marketable securities	(152)	(69,838)	-
Purchase of property, plant and equipment	(139,259)	(224,878)	(378,530)
Cash distribution from joint venture	100,000	418,000	900,000
Collection on notes receivable	114,279	107,725	25,928
NET CASH FLOWS FROM INVESTING ACTIVITIES	2,485,094	1,377,288	1,720,833
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowings under credit agreements	565,000	1,085,000	5,486,319
Principal payments under credit agreements	(2,265,000)	(1,195,000)	(4,846,319)
Proceeds from sale of treasury shares	2,127,220	466,875	631,248
Purchase of common shares	(2,103,882)	(1,059,902)	(1,776,172)
Cash dividends paid	(898,976)	(890,577)	(884,955)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(2,575,638)	(1,593,604)	(1,389,879)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,485,084	(79,977)	(187,030)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,008,649	1,088,626	1,275,656
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 2,493,733	1,008,649	1,088,626

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	2001	2000	1999
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ 2,896,198	1,761,564	(475,227)
Adjustments:			
Depreciation and amortization	383,260	452,550	493,666
Deferred income tax	208,860	(11,435)	(1,357,431)
Equity in joint venture income and minority interest	(94,296)	(488,391)	(836,756)

Gain on sale of property, equipment and investments	(2,422,723)	(940,803)	(1,683,529)
Stock compensation programs	37,750	-	-
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	101,494	(105,543)	(58,689)
(Increase) decrease in inventories	584,800	182,313	(627,248)
Increase in prepaid pension asset	(602,961)	(863,595)	(804,774)
Increase (decrease) in accounts payable, accrued expenses and other assets, net	483,246	149,679	4,832,004
NET CASH FLOWS FROM OPERATING ACTIVITIES	$ 1,575,628	136,339	(517,984)

The accompanying notes to consolidated financial statements are an integral part of these statements.

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

It is the policy of the Company to employ U.S. generally accepted accounting principles in the preparation of its financial statements. A summary of the Company's significant accounting policies follows:

ACCOUNTING ESTIMATES-
The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

BASIS OF CONSOLIDATION-
The consolidated financial statements include the accounts of Vulcan International Corporation, its wholly-owned subsidiary companies and its majority-owned partnership. Intercompany accounts and transactions have been eliminated in consolidation.

MINORITY INTEREST-
Cincinnati Club Building Associates (CCBA) was formed in 1993 for the purchase of certain commercial property in Cincinnati, Ohio. The Company's offices are located in a portion of the property with the remainder available for leasing. The Company's consolidated financial statements include 100% of the assets, liabilities and income, or loss, of CCBA. The minority owner's 2.5% interest in CCBA is reflected as a minority interest in partnership and a minority interest in (income) of partnership in the respective consolidated balance sheets and consolidated statements of income.

INVESTMENT IN JOINT VENTURE-
In June 1990, the Company formed a Joint Venture (the Vulcan Brunswick

Bowling Pin Company) with Brunswick Bowling and Billiards Corporation to manufacture bowling pins. The Company, through a wholly-owned subsidiary, has an undivided 50% interest in the Joint Venture which is accounted for under the equity method of accounting. Under this method, the Company records the investment at its original cost adjusted for 50% of the Joint Venture's income or loss since formation less any distributions received from the Joint Venture.

MARKETABLE SECURITIES-
Marketable securities are classified as securities available-for-sale and, accordingly, are recorded at fair market value. Marketable securities available for current operations are classified as current assets while securities held for non-current uses are classified as long-term assets. Dividends and interest are recorded in income when earned. Unrealized holding gains and losses, net of deferred tax, are included as a component of shareholders' equity until realized. In computing realized gain or loss on the sale of marketable securities, the cost of securities sold is determined by the specific identification method.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVENTORIES-
Substantially all inventories are stated at cost under the last-in, first-out (LIFO) method, which is not in excess of market.

PROPERTY, PLANT AND EQUIPMENT-
Property, plant and equipment are stated at cost. The Company provides for depreciation over the estimated useful lives of the respective assets using both straight line and accelerated methods. Buildings and improvements are depreciated over 10 to 45 years, machinery and equipment over 3 to 11 years, and leasehold improvements are amortized over the lives of the leases. Timber depletion charges are based on the cost of timber cut.

DERIVIATIVE INSTRUMENTS-
The Company sold short-term option contracts on certain non-dividend paying securities owned by the Company in order to reduce the amount of investment in these securities. Option contracts are reported at their fair value as determined by quoted market prices. Gains and losses on the contracts are recorded in net gain on sale of property, equipment and investments in the statements of income.

INCOME TAXES-
Income tax provision (benefit) includes the tax effects of all revenue and expense transactions included in the determination of pretax accounting income. Deferred income tax results from temporary differences in the financial statement basis and tax basis of assets and liabilities. These temporary differences apply principally to depreciation expense, allowance for doubtful accounts, compensated absences and prepaid pension expense. Tax credits are recognized by a reduction of income tax expense in the periods the credits arise for tax purposes.

COMPREHENSIVE INCOME-
Other comprehensive income is reported in the statement of shareholders' equity. The Company includes unrealized gains, or losses, on its available-

for-sale securities in comprehensive income and accumulated other comprehensive income.

RETIREMENT PLANS-
The Company maintains a noncontributory defined benefit pension plan for certain eligible salaried and hourly employees. Pension benefits are determined annually by consulting actuaries and are based on average compensation and years of service. Past service cost is amortized over periods not exceeding 30 years.

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VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

RETIREMENT PLANS- (Continued)
The Company also maintains a noncontributory defined contribution pension plan for certain eligible union employees. Contributions to the plan are based upon a participant's hours of service.

The qualified plans are funded annually to meet the minimum funding requirements of the Internal Revenue Code and the Employee Retirement Income Security Act of 1974.

ADVERTISING COSTS-
Advertising costs are generally expensed as incurred.

CASH EQUIVALENTS-
For purposes of the statement of cash flows, the Company considers all time deposits, certificates of deposit and other highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

NET INCOME PER SHARE-
Net income per share of common stock outstanding is computed on the basis of the weighted average number of common shares outstanding during each year.

EFFECT OF RECENT ACCOUNTING STANDARDS-
Effective January 1, 2001 the Company adopted Statement of Financial Accounting Standards (SFAS) No. 133, Accounting for Derivative Instruments and Hedging Activities. SFAS No. 133 requires an entity to recognize all derivatives, at their fair market value, as either assets or liabilities in the statement of financial position. The adoption of this standard was not significant.

NEW PROUNOUNCEMENTS-
The Financial Accounting Standards Board has issued Statement No. 141, Business Combinations, effective for combinations after June 30, 2001, Statement No. 142, Goodwill and Other Intangible Assets, effective for goodwill and other intangible assets acquired after June 30, 2001 and for other goodwill and other intangible assets effective January 1, 2002, Statement No. 143, Accounting for Asset Retirement Obligations, effective January 1, 2003, Statement No. 144, Accounting For The Impairment or Disposal of Long-Lived Assets and for Long-Lived Assets To Be Disposed Of, effective January 1, 2002. These standards are not expected to have a significant impact on the Company's results of operations.

NOTE 2 - MARKETABLE SECURITIES

The Company's investments in marketable securities have been classified as available-for-sale securities and reported at their fair value as determined by quoted market prices as follows:

	Cost	Unrealized Gains	Fair Value
2001			
Current	$ 3,793,906	36,187,463	39,981,369
Long-term	2,623,283	34,417,575	37,040,858
	$ 6,417,189	70,605,038	77,022,227
2000			
Current	$ 3,721,960	46,661,965	50,383,925
Long-term	2,623,283	45,529,832	48,153,115
	$ 6,345,243	92,191,797	98,537,040

The unrealized holding gains are included, net of deferred income tax of $24,005,714 and $31,345,211 at December 31, 2001 and 2000, respectively, as a component of shareholders' equity.

Realized gains on available-for-sale securities during 2001 and 2000 were $1,448,941 and $500,246, respectively and gross proceeds on the sale of the securities were $1,566,217 and $535,026, respectively. Net realized and unrealized gains from call option contracts for the years ended December 31, 2001 and 2000, were $326,505 and $127,969, respectively. Gross proceeds were $330,764 and $197,807, respectively, for those same years.

The Company's available-for-sale marketable securities, at fair market value, are invested as follows: 69% in two financial institutions, 30% in eleven communication companies and 1% in other industries. The Company is subject to the risk that the value of these securities may decline from the recorded fair market values.

As of February 14, 2002, the fair value of marketable securities was approximately $74,572,000 and the net unrealized holding gain was approximately $44,985,000 net of deferred taxes of approximately $23,174,000.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 3 - INVENTORIES

Inventories at December 31, 2001 and 2000, were classified as follows:

	2001	2000
Finished goods	$142,846	657,693
Work in process	64,853	72,992
Raw materials	148,591	210,405
Total	$356,290	941,090

As indicated in Note 1, substantially all inventories are stated at cost determined under the last-in, first-out (LIFO) method. If valued at current replacement cost, inventories would have been approximately $917,000 and $1,239,000 greater than reported at December 31, 2001 and 2000, respectively.

In the years ended December 31, 2001 and 2000, inventory quantities were reduced. These reductions resulted in liquidations of LIFO inventory quantities carried at lower costs prevailing in prior years as compared with the cost of current purchases. The inventory reductions increased 2001 and 2000 net income by approximately $212,000 and $49,000, respectively, or $.19 and $.04 per weighted-average common share outstanding, respectively.

NOTE 4 - JOINT VENTURE

The Company, through a wholly-owned subsidiary, owns a 50% interest in a Joint Venture, Vulcan Brunswick Bowling Pin Company (VBBPC) which manufactures bowling pins in Antigo, Wisconsin, for Brunswick and the Company.

Summarized financial information for VBBPC consists of the following:

	2001	2000
Assets:		
Current assets	$1,640,465	1,343,660
Property, plant and equipment	2,753,814	3,036,156
Other	2,832,384	2,944,464
Total	$7,226,663	7,324,280
Liabilities and Partners' Capital:		
Current liabilities	$ 248,750	279,883
Partners' capital	6,977,913	7,044,397
Total	$7,226,663	7,324,280

Vulcan INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 4 - JOINT VENTURE (Continued)

	2001	2000	1999
Statements of Operations:			
Net sales	$4,177,916	9,261,854	9,191,563
Costs and expenses	4,061,802	8,464,507	8,487,964
Other income (net)	17,402	24,025	16,469
Net income	$ 133,516	821,372	720,068
Company's equity in net income of VBBPC	$ 66,758	410,686	360,034
Distribution in excess of basis	-	-	410,123
Adjustments	31,724	77,842	66,754
Company's equity in net income	$ 98,482	488,528	836,911

The Company, under the equity method of accounting, increases its investment in VBBPC for its share of VBBPC's income and decreases its investment for any distributions received. Distributions in excess of the Company's recorded investment are included in current income.

The Company's 50% interest in the net assets of VBBPC amounted to $3,488,957 at December 31, 2001. There were no undistributed earnings from the Joint Venture included in the Company's retained earnings at December 31, 2001. The Company is also jointly and severally liable under VBBPC's revolving loan agreement. There were no borrowings under the loan agreement at December 31, 2001 or 2000. The Company adjusts its investment in VBBPC through its equity in VBBPC's net income which is further adjusted to reflect inventories on the last-in, first-out method of accounting.

Transactions between VBBPC and the Company consist of the following at December 31:

	2001	2000	1999
Sales to VBBPC	$ -	-	140,000
Purchases from VBBPC	905,000	1,743,000	1,751,000
Administrative fees received from VBBPC	110,000	30,000	30,000
Net amount due to VBBPC	517,000	266,000	243,000
Cash distributions from VBBPC	100,000	418,000	900,000

Vulcan INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 5 - NOTES PAYABLE

The Company maintains a revolving credit agreement with its bank that provides for borrowings of up to $6,000,000 through November 1, 2002. Interest is payable monthly at the lesser of the federal funds rate plus 1.75% or a rate based on the Euro-Rate as determined by the bank in accordance with its usual procedures. There were no borrowings at December 31, 2001. Borrowings under the agreement were $1,700,000 at December 31, 2000 and were secured by certain marketable equity securities.

The weighted average interest rate was 6.73% and 7.78% for the respective years ended December 31, 2001 and 2000. Marketable securities pledged as collateral under the agreement had a market value of approximately $22,405,900 at December 31, 2001.

The Company also maintains a revolving credit agreement with its bank that provides for additional short-term borrowings of up to $5,000,000 at the prime rate secured by certain real and personal property of the Company.

NOTE 6 - DISCONTINUED OPERATIONS

In August 1999, the Company completed the sale of its Walnut Ridge, Arkansas plastics operations. In connection with the sale, the Company received a note for $600,000. Total proceeds from the disposal of the plastics operations were $1,322,319.

Net sales and income from discontinued operations are as follows:

	1999
Net sales	$758,712
Income (loss) before income taxes	(78,820)
Income tax expense (benefit)	(15,764)
Net income (loss) from operations	$(63,056)

The gain on the sale of division assets was $988,845, net of income taxes of $247,211.

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 7 - LEASES

The Company leases office space to various tenants under operating leases expiring from 2002 to 2008. The Company's basis in the property held for lease at December 31, 2001 and 2000 is as follows:

	2001	2000
Land	$ 37,803	37,803
Building and improvements	770,249	751,802
	-------	-------
	808,052	789,605
Less accumulated depreciation	344,360	266,199
	-------	-------
	$463,692	523,406
	=======	=======

Minimum future rental income under noncancelable leases as of December 31, 2001, is as follows:

Year ending December 31,	
2002	$ 336,800
2003	383,100
2004	257,400
2005	210,300
2006	190,400
Thereafter	201,300

	$1,579,300
	=========

The Company incurred rental expense under operating leases of approximately $10,000 for the year ended December 31, 1999.

NOTE 8 - EMPLOYEE BENEFIT PLANS

The Company maintains a noncontributory defined benefit pension plan for certain eligible salaried and hourly employees. The funded status and net pension credit recognized in the accompanying consolidated financial statements consisted of:

NOTE 8 - EMPLOYEE BENEFITS PLANS (Continued)

	2001	2000
Change in projected benefit obligations:		
Benefit obligation - January 1,	$ 8,280,133	8,411,541
Service cost	39,933	45,634
Interest cost	531,402	524,598
Actuarial (gain) loss	221,892	(71,233)
Benefits paid	(653,222)	(630,407)

Projected benefit obligation - December 31,	8,420,138	8,280,133
Change in plan assets:		
Fair value of plan assets - January 1,	13,943,244	15,641,737
Actual return on plan assets	(1,021,851)	(1,068,086)
Benefits paid	(653,222)	(630,407)
Fair value of plan assets - December 31,	12,268,171	13,943,244
Funded status	3,848,033	5,663,111
Unrecognized prior service cost	41,193	86,960
Unrecognized net gain from actual experience different from that assumed	1,393,134	(939,673)
Unrecognized net transition asset	-	(130,998)
Prepaid pension expense - December 31,	$ 5,282,360	4,679,400

	2001	2000	1999
Components of net periodic benefit costs:			
Service cost	$ 39,933	48,600	48,196
Interest cost	530,243	520,756	526,014
Return on plan assets:			
Actual	1,021,851	1,068,086	(1,408,834)
Deferred	(2,109,756)	(2,460,752)	70,136
Amortization of prior service cost	45,767	90,716	90,715
Amortization of net transition asset	(130,998)	(131,001)	(131,001)
Periodic pension benefit	$ (602,960)	(863,595)	(804,774)

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VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 8 - EMPLOYEE BENEFIT PLANS (Continued)

Significant actuarial assumptions used in the above computations include the following:

	2001	2000
Assumed discount rate	6.5%	6.5%
Expected long-term rate of return on plan assets	8.0%	8.0%
Rate of increase in future compensation levels	5.0%	5.0%
Average remaining service period	11 years	11 years

Pension plan assets are invested primarily in U.S. Government guaranteed debt securities and publicly-traded stocks and bonds. The vested actuarial present value of benefit obligations is based upon the participant's expected date of separation or retirement.

Company contributions to its defined contribution plan were $16,000 in 2001, $20,000 in 2000 and $20,000 in 1999.

The Company maintains a stock option plan that provides for the granting of options to certain key employees to purchase shares of treasury stock at such price as may be determined by the Board of Directors. If the employee voluntarily leaves the Company within two years of exercising a stock option, for reasons other than death or disability, the Company may, at its option, reacquire the employee's stock at the original exercise price within three months of the employee's termination.

In November 2001, the Company's Board of Directors ratified a December 1999 resolution of its executive committee making treasury shares available for purchase by directors, including directors of wholly-owned subsidiaries, at the lowest price for which a sale is made on the date of exercise up to a maximum of 25,000 shares per year. Shares purchased under this policy may not be transferred for a period of six months to anyone other than the Company, another director, or in the event of the death of the director, to the director's estate. The resolution provided for said policy to continue until rescinded by the Board of Directors. Two directors purchased a total of 16,500 shares during the year under this resolution.

In 1999, the Company's Stock Option Committee granted options, expiring in 2002, to purchase not more than 50,000 shares of treasury stock at $31 per share to the President of the Company. During 2000, all 50,000 options were exercised. A note receivable of $1,550,000 was included in accounts receivable at December 31, 2000, in connection with the exercised options. Payment was received in 2001.

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VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 8 - EMPLOYEE BENEFIT PLANS (Continued)

In 2001, the Company's Stock Option Committee granted options, expiring in 2004 to purchase not more than 50,000 shares of treasury stock at $37.24 per share to the President of the Company. No options were exercised under this grant during 2001.

In November 2001, the Compensation Committee awarded the President of the Company 1,000 shares of common stock, valued at $37,750, as additional compensation for his services.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

The Company was advised by the U.S. EPA several years ago that it was one of at least 122 large generator potentially responsible parties ("PRPs") with regard to remediation of the Union Chemical Company, Inc. Site, South Hope, Maine, where the potential joint and several liability was in the range of $15 million. The Company, along with many other PRPs, entered into a consent agreement with U.S. EPA to remediate the Site, and the Company is now a party to a Remedial Design/Remedial Action Trust Agreement for the purpose of undertaking clean-up responsibilities at the Site. Most of the remedial work has now been completed. In 2000, PRPs estimated the additional funds in the range of $1 million would be required to complete remediation of the Site. The Company's estimated share of that amount was approximately $5,000. The Company made payment of that amount in late 2000. If the projected cost of the remaining remediation tasks remains at approximately $1 million, this will be the Company's final payment. There may be other potential clean-up liabilities at other sites of which the Company has no specific knowledge.

The Company has an interest in a partnership, CCBA, which owns certain real estate. On August 13, 1999 a complaint for money damages, in excess of $25,000, based upon breach of fiduciary duty was filed by the other partner in the Court of Common Pleas in Hamilton County, Ohio. Essentially, the plaintiff is seeking an adjustment of the capital account balances which would result in a higher distribution of cash flow. On March 27, 2001, the plaintiff threatened to file an amended complaint that alleges damages of $1,062,000 and costs, plus punitive damages of $2,000,000 on various grounds. The Company believes that the suit is without merit and has been defending itself vigorously against the issues raised.

CCBA appealed a real estate tax assessment from 1999 that had increased the annual real estate tax by approximately $96,000. The local school board has appealed the revision and reduced its initial appraised value of the property. During 2001, the partnership received a $96,000 refund of the additional tax paid in 1999. CCBA has recorded a liability of approximately $119,000 related to this issue based on the revised value asserted by the local school board. If CCBA is successful, this liability will be recognized as income.

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VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 9 - COMMITMENTS AND CONTINGENCIES (Continued)

On March 1, 1990 the United States of America filed a complaint against the Company and others in the United States District Court for the District of Massachusetts claiming that the Company was a potentially responsible party with respect to the Re-Solve, Inc. Superfund Site in North Dartmouth, Massachusetts seeking to recover response costs incurred and to be incurred in the future in connection with this site.

Although the Company had engaged counsel to represent it in that action, the Company was first informed on March 28, 2001 that the Court had entered, pursuant to prior rulings, an unopposed "Final Judgment" against the Company on September 22, 1999. The "Final Judgment" awarded damages against the Company in favor of the United States in the amount of $3,465,438, plus interest, for unreimbursed response costs, plus any additional past unreimbursed response costs, interest and certain future costs the United States incurs at the site.

In accordance with Accounting Principles Board Opinion No. 20, Accounting Changes, the Company restated its December 31, 1999 financial statements to record an estimated liability and decrease net income by $2,981,000, net of $1,734,000 tax, for the judgment, accrued interest for past costs and a discounted present value for estimated future costs in connection with the site. This estimated liability was calculated based on the "Final Judgment" and using other information provided by the U.S. EPA. The Company expensed $151,000 and $140,000, after tax, for the years ended December 31, 2001 and 2000, respectively for accrued interest and amortization of estimated future costs related to this matter.

The liability for future costs is a significant estimate of the future costs and it is subject to change as actual costs are incurred and reported by the Environmental Protection Agency.

The Company is presently continuing an investigation into this matter and intends to vigorously pursue all available legal remedies to set aside all orders and liens relating to the asserted liability and to defend itself against the underlying allegations. Counsel for the Company is also vigorously pursuing settlement negotiations with counsel for the United States. To the extent that the Company is able to settle this liability, or to obtain judicial relief, for an amount less than it has accrued, the difference will be recorded as income in the year the obligation is settled.

The Company is involved in other litigation matters and claims which are normal in the course of operations. Management believes that the resolution of these matters will not have a material effect on the Company's business or financial condition.

At December 31, 2001 approximately 73% of the Company's labor force was subject to collective bargaining agreements which expire in October 2005.

NOTE 10 - INCOME TAXES

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Alternative minimum tax credits may be carried forward indefinitely. In accordance with SFAS No. 109, a deferred tax liability of $158,000 is not recognized for undistributed earnings of a subsidiary arising before 1993. These earnings will be subject to tax when distributed. During 2001, the Company used a net operating loss carryforward of approximately $389,000.

Significant components of the Company's deferred tax liabilities and assets as of December 31 are as follows:

	2001	2000
Deferred tax liabilities:		
Excess tax depreciation	$ 57,023	76,289
Prepaid pension expense	1,822,818	1,620,905
Undistributed earnings of domestic subsidiary	195,943	182,789
Unrealized holding gains	24,039,318	31,345,211
	----------	----------

Total deferred tax liabilities	26,115,102	33,225,194
Deferred tax assets:		
Vacation accruals	33,677	41,870
Allowance for doubtful accounts	31,066	52,011
Investment in joint venture	42,563	15,961
Accrued other expenses	38,638	1,711
Net operating loss carryforward	-	135,736
Environmental remediation liability	1,753,507	1,675,604
Alternative minimum tax credit and general business credit carryforward	943,248	899,260
Total deferred tax assets	2,842,699	2,822,153
Net deferred tax liabilities	$23,272,403	30,403,041

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 10 - INCOME TAXES (Continued)

Significant components of the income tax provision are as follows:

	2001	2000	1999
Current	$510,554	124,600	39,773
Deferred	208,860	(11,435)	(1,357,431)
Income tax (benefit) from continuing operations	719,414	113,165	(1,317,658)
Tax on discontinued and disposed operations	-	-	231,447
Total income tax (benefit)	$719,414	113,165	(1,086,211)

A reconciliation of income tax at the federal statutory rate of 34% to the income tax provision follows:

	2001	2000	1999
Income taxes from continuing operations at federal statutory rate	$1,229,308	637,408	(924,349)
Increase (reduction) in taxes resulting from:			
Domestic corporation dividend received deduction	(520,603)	(495,751)	(442,271)

Amortization	-	16,386	16,386
Stock options	-	(42,500)	-
Other-net	10,709	(2,378)	32,576
Income tax provision - current operations	719,414	113,165	(1,317,658)
Income taxes on discontinued and disposed operations	-	-	231,447
Total income tax (benefit)	$ 719,414	113,165	(1,086,211)

NOTE 11 - FINANCIAL INSTRUMENTS

The carrying amounts of cash, accounts receivable, notes receivable and current liabilities approximate fair value. The fair value of marketable securities and unexpired option contracts was determined based on quoted market prices.

Financial instruments which potentially subject the Company to concentrations of credit risk are cash investments which may, at times, exceed federally insured limits, notes receivable and marketable securities. The Company places its cash investments with high-credit-quality financial institutions. The borrower's credit worthiness has been evaluated in connection with the note receivable. The Company does not believe significant concentration of credit risk exists with respect to these financial instruments. Concentrations in marketable securities are as disclosed in Note 2.

NOTE 12 - BUSINESS SEGMENTS

The Company's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. The Company has three reportable segments: rubber and foam, bowling pins, and real estate operations. The rubber and foam segment produces foam products, uncured rubber and other rubber products. Operations in the bowling pin segment involve the sale of bowling pins and production of bowling pins through its 50% owned joint venture. The real estate operations segment consists of rental real estate and undeveloped real estate from which income is currently derived from the sale of timber. Total revenue by segment includes both sales to unaffiliated customers, as reported in the Company's consolidated income statement, and intersegment sales which are accounted for generally at current market prices.

The Company sells its products principally within the United States. Sales in various foreign countries totaled $376,266 in 2001, $544,365 in 2000 and $386,000 in 1999. The Company does not have assets located outside the United States.

Operating profit is total revenue less operating expenses. In computing operating profit, the following items have not been added or deducted:

general corporate expenses, interest expense, federal and state income taxes, dividend and interest income and nonrecurring gains or losses realized on the sale of property, equipment and marketable securities. Revenue from timber sales is reported in the consolidated statement of income under gains on sale of property, equipment and investments.

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 12 - BUSINESS SEGMENTS (Continued)

Identifiable assets are reported for the Company's operations in each segment. Corporate assets consist principally of cash, marketable securities, notes receivable and prepaid pension expense. To reconcile industry information with consolidated amounts, intersegment sales of $354,631 in 2001, $523,734 in 2000 and $403,586 in 1999 have been eliminated.

Information relative to the major segments of the Company's operations follows:

	2001	2000	1999
SALES TO UNAFFILIATED CUSTOMERS:			
Rubber and Foam	$ 6,129,434	6,844,877	6,880,103
Bowling Pins	1,783,318	1,716,428	1,686,027
Real Estate Operations	870,806	837,617	804,032
	$ 8,783,558	9,398,922	9,370,162
INTERSEGMENT SALES:			
Rubber and Foam	$ 144,422	108,826	24,591
Discontinued Operations	-	-	3,931
Bowling Pins	210,208	414,908	375,064
	$ 354,630	523,734	403,586
INTEREST INCOME:			
Bowling Pins	$ 25,641	38,267	28,506
Bowling Pins - Intercompany	4,959	4,959	4,959
Real Estate Operations	18,162	11,096	8,784
Corporate	51,157	42,231	11,938
	$ 99,919	96,553	54,187
OPERATING PROFIT (LOSS):			
Rubber and Foam	$ (892,131)	(1,292,120)	(1,179,291)
Bowling Pins	140,009	286,521	733,963
Real Estate Operations	516,824	287,927	321,011
SUBTOTAL	(235,298)	(717,672)	(124,317)
GENERAL CORPORATE INCOME (LOSS)	4,111,167	2,959,683	(2,300,080)
INTEREST EXPENSE - INTERCOMPANY	(4,959)	(4,959)	(4,959)
INTEREST EXPENSE - OTHER	(255,298)	(362,323)	(289,318)

INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	3,615,612	1,874,729	(2,718,674)

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 12 - BUSINESS SEGMENTS (Continued)

	2001	2000	1999
INCOME TAX PROVISION (BENEFIT)	719,414	113,165	(1,317,658)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	2,896,198	1,761,564	(1,401,016)
DISCONITUED OPERATIONS:			
Gain on disposal of division assets, net of income tax	-	-	988,845
Income (loss) from operations, net of income tax	-	-	(63,056)
NET INCOME (LOSS)	$ 2,896,198	1,761,564	(475,227)
DEPRECIATION AND AMORTIZATION:			
Rubber and Foam	$ 260,164	304,683	346,438
Bowling Pins	424	594	832
Real Estate Operations	80,564	96,804	69,099
Corporate and Other	42,108	50,469	60,696
Discontinued Operations	-	-	16,601
	$ 383,260	452,550	493,666
IDENTIFIABLE ASSETS:			
Rubber and Foam	$ 2,395,488	4,371,872	3,237,810
Bowling Pins	1,441,660	1,929,508	1,762,718
Real Estate Operations	1,197,515	1,015,855	1,002,829
Corporate and Other	84,062,824	103,826,723	83,533,439
	$ 89,097,487	111,143,958	89,536,796
CAPITAL EXPENDITURES:			
Rubber and Foam	$ 112,767	126,936	119,254
Bowling Pins	-	-	-
Real Estate Operations	19,775	92,922	212,147
Discontinued Operations	-	-	10,745
	$ 132,542	219,858	342,146
EQUITY IN JOINT VENTURE INCOME INCLUDED IN BOWLING PIN SEGMENT OPERATING INCOME	$ 98,481	488,528	836,911
INVESTMENT IN JOINT VENTURE INCLUDED IN BOWLING PIN SEGMENT ASSETS	$ 69,010	70,528	-

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three years ended December 31, 2001
(Continued)

NOTE 12 - BUSINESS SEGMENTS (Continued)

	2001	2000	1999
REVENUES:			
Total revenues for reportable segments	$ 8,783,558	9,398,922	9,370,162
Timber sales included in gain on disposal of assets on consolidated income statement	(410,745)	(333,519)	(358,044)
TOTAL CONSOLIDATED REVENUES	$ 8,372,813	9,065,403	9,012,118

NOTE 13 - COMPUTATION OF NET INCOME AND CASH DIVIDENDS PER COMMON SHARE OUTSTANDING:

	2001	2000	1999
a) Income (loss) from operations	$2,896,198	1,761,564	(1,401,016)
b) Income (loss) from discontinued operations, net of tax	-	-	(63,056)
c) Gain on sale of division assets, net of tax	-	-	988,845
d) Net income (loss)	$2,896,198	1,761,564	(475,227)
e) Dividends on common shares	$ 898,976	890,577	884,955
Weighted average shares:			
f) Common shares issued	1,999,512	1,999,512	1,999,512
g) Common treasury shares	879,934	888,213	879,149
h) Common shares outstanding	1,119,578	1,111,299	1,120,363
i) Income (loss) per common share outstanding:			
Continuing operations (a/h)	$ 2.59	1.59	(1.25)
Discontinued operations (b/h)	-	-	(.06)
Gain on sale of division assets (c/h)	-	-	.88
Net income (loss) per common share outstanding	$ 2.59	1.59	(.43)
j) Dividends paid per common share	$ .80	.80	.80

VULCAN INTERNATIONAL CORPORATION
Five-Year Record
Selected Financial Data

	2001	2000	1999(1)	1998	1997
Net revenues - continuing operations	$10,660,422	11,246,242	10,919,627	10,582,060	11,373,204
Income (loss)from continuing operations before taxes	3,615,612	1,874,729	(2,718,674)	1,664,416	1,971,419
Income taxes (benefit)	719,414	113,165	(1,317,658)	279,537	352,970
Net income (loss) from continuing operations	2,896,198	1,761,564	(1,401,016)	1,384,879	1,618,449
Income (loss) from disposed operations, net of tax	-	-	(63,056)	69,637	167,356
Gain on sale of disposed operations, net of tax	-	-	988,845	-	-
Net income (loss)	2,896,198	1,761,564	(475,227)	1,454,516	1,785,805
Income (loss) per common share:					
Continuing operations	2.59	1.59	(1.25)	1.17	1.30
Discontinued operations	-	-	(0.06)	0.06	0.14
Gain on disposal of discontinued operations	-	-	0.88	-	-
Net income (loss)	2.59	1.59	(0.43)	1.23	1.44
Dividends per common share	.80	.80	.80	.80	.80
Property, plant and equipment (net)	2,117,476	2,369,216	2,618,649	2,798,825	2,498,771
Depreciation	381,079	447,401	488,591	513,045	594,138
Current assets	44,333,695	55,493,494	53,278,872	53,506,019	38,900,356
Ratio current assets to current liabilities	2.60 to 1	2.54 to 1	2.48 to 1	2.99 to 1	3.38 to 1

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VULCAN INTERNATIONAL CORPORATION
Five-Year Record
Selected Financial Data

(Continued)

	2001	2000	1999	1998	1997
Total assets	89,097,487	111,143,958	89,536,796	95,011,738	82,415,593
Long-term debt	-	-	-	-	-
Accumulated other comprehensive income	46,599,325	60,846,586	47,852,421	52,506,224	43,211,515
Total share-holders' equity	59,220,189	72,959,140	58,137,015	65,295,924	58,494,990
Book value per common share	53.75	64.03	52.54	57.46	48.05

Selected Quarterly Financial Data

2001	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Total revenues	$2,726,171	2,740,765	2,411,550	2,781,936	10,660,422
Gross profit (loss)	(62,787)	237,548	44,538	9,740	229,039
Net income	699,137	1,021,566	274,589	900,906	2,896,198
Net income per share	0.62	0.90	0.25	0.82	2.59

2000	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Total revenues	$3,035,723	2,832,089	2,955,112	2,423,318	11,246,242
Gross profit (loss)	(7,295)	(29,818)	27,299	(214,857)	(224,671)
Net income	169,266	163,495	892,774	566,029	1,761,564
Net income per share	0.15	0.15	0.78	0.51	1.59

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Cincinnati, Ohio

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EXHIBIT 20

VULCAN INTERNATIONAL CORPORATION
300 Delaware Avenue
Wilmington, Delaware 19801

Notice of Annual Meeting of Shareholders
To Be Held May 9, 2002

The Annual Meeting of Shareholders of Vulcan International Corporation will be held at 1151 E. College St., Clarksville, Tennessee, on May 9, 2002 at 9:00 A.M. for the following purposes:

1. To elect Directors.

2. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors has established the close of business on March 29, 2002 as the record date for determining those shareholders who will be entitled to vote at the meeting.

Wilmington, Delaware BY ORDER OF THE BOARD OF DIRECTORS

April 9, 2002 VERNON E. BACHMAN, SECRETARY

PLEASE READ THE PROXY STATEMENT AND THEN PROMPTLY COMPLETE, EXECUTE AND RETURN THE ENCLOSED PROXY CARD IN THE ACCOMPANYING POSTAGE-PAID ENVELOPE. YOU CAN SPARE YOUR COMPANY THE EXPENSE OF FURTHER PROXY SOLICITATION BY RETURNING YOUR PROXY CARD PROMPTLY.

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PROXY STATEMENT

The enclosed proxy is solicited by the Board of Directors of and at the cost of Vulcan International Corporation (the "Company"). Under the Delaware statutes, any shareholder may revoke a proxy by voting in person at the meeting or by delivering a later dated proxy or other writing revoking the proxy before it is voted at the meeting.

The Board of Directors has established as the record date for determining shareholders entitled to notice and to vote at the meeting, the close of business March 29, 2002.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company, as of March 29, 2002 had outstanding 1,102,105 shares of common capital stock, each of which is entitled to one vote. There are no other voting or equity securities outstanding. There is set forth below information with respect to the stock ownership of any person who is known to be the beneficial owner of more than 5% of the Company's common stock and the stock ownership of management as of February 1, 2002.

HOLDERS OF 5% OR MORE

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class

(1)Barrington Companies Equities Partners, L.P., Ramius Securities, LLC and Musicmkaer.com, Inc.	Directly Owned	60,600	5.5%
(2)Dimensional Fund Advisors, Inc. 1299 Ocean Avenue Santa Monica, CA 90401	Directly Owned:	59,499	5.4%
(3)Fifth Third Bancorp 38 Fountain Sq Plaza Fifth Third Center Cincinnati, OH 45263	Directly Owned	58,600	5.3%
(4)Deliaan A. Gettler	Directly Owned:	3,100	
1 Filson Place	Indirectly Owned:	275,729	
Cincinnati, OH 45202	Total Owned:	278,829	25.3%
(5)Benjamin Gettler	Directly Owned:	161,915	
1 Filson Place	Indirectly Owned:	281,514	
Cincinnati, OH 45202	Total Owned:	443,429	40.2%
(6)The PNC Finacial Services Group, Inc. One PNC Plaza 249 Fifth Avenue Pittsburgh, PA 15222	Directly Owned:	77,934	7.1%

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SECTION 16(a) BENEFICIAL OWNERSHIP REPORTED COMPLIANCE

The rules of the Security and Exchange Commission require that Vulcan International Corporation disclose late filings of reports of stock ownership, or changes in ownership, by its directors, officers, and 10% stockholders. Based on its review of the copies of forms it received, or written representation from reporting persons that they were not required to file a Form 5, Vulcan International Corporation believes that, during 2001, all reports required under section 16(a) of the Securities and Exchange Act for its directors, officers and 10% stockholders were filed on a timely basis.

SECURITY OWNERSHIP OF MANAGEMENT

The total number of equity securities of the Company owned by all directors and officers of the Company as a group (6) as of February 1, 2002 is set forth below:

Amount and Nature of Beneficial Ownership	Percent of Class

Directly Owned:	199,321	18.1%
Indirectly Owned:	290,557	26.4%
Total Owned:	489,878	44.5%

The share ownership of each of the directors and nominees is set forth below under the heading Election of Directors.

ELECTION OF DIRECTORS

The shares represented by the proxies will be voted for the election of the five (5) nominees listed below, each of whom is presently a Director. If any such nominee shall be unable to serve (which is not now contemplated) discretionary authority may be exercised to vote for a substitute. The terms of all of the present Directors expire upon the election of their successors in 2002. The following information is given with respect to the five (5) nominees based upon the records of the Company and information furnished by each nominee as of February 1, 2002.

NOMINEES

Name and Principal Occupation	Age	First Became Director In	Number of Shares Owned Directly or Indirectly (1)	Percent Owned
Leonard Aconsky Consultant to and director of Acotech Services, a consulting firm on building life safety systems; retired in 1993 as Vice-President and World-Wide Technical Coordinator WITCO, a manufacturer of specialty chemical products; Director, Vulcan Corporation, operating subsidiary of Company	71	1993	6,300	(2)
Edward B. Kerin 1998-2001 - Director of Chemprene Inc., a manufacturer of chemical rubber products, Consultant 1994-98 Chief Executive Officer, President and Chairman of the Board of Chemprene, Inc., a manufacturer of chemical rubber products (sold to Ammeraal, Inc. 1998); 1981-1994 corporate Vice President, Witco Chemical Corporation	63	2001	-	(2)
Benjamin Gettler (3)(4) Chairman of the Board and President Vulcan International	76	1960	443,429	40.2%

Corporation and its operating subsidiary company, Vulcan Corporation				
Thomas D. Gettler, Esq. Attorney	43	1992	12,106	1.1%
Stanley I. Rafalo, O.D. (4) Doctor of Optometry	77	1975	28,043	2.5%

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EXECUTIVE COMPENSATION

The following table shows the compensation and stock option awards for the last three fiscal years, and other annual compensation and all other compensation for 2001, to the Chief Executive Officer who was the only executive officer whose compensation exceeded $100,000.

SUMMARY COMPENSATION TABLE

	Annual Compensation				Long Term Compensation	
Name and Principal Position	Year	Salary	Bonus	Other Annual Compen-sation ($)	Options/ SARs (#)	All other Compensation (1)
Benjamin Gettler	2001	$275,000	(2)	0	50,000	$13,000
Chairman of the	2000	$275,000	$25,000	0	0	$13,000
Board and President	1999	$275,000	$25,000	0	50,000 (3)	$13,000

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STOCK OPTION PLAN

The Vulcan International Corporation Stock Option Plan (the "Plan") was adopted by the Board of Directors of the Company in 1991. The purpose of the Plan is to provide additional incentives in order that the Company may retain key personnel. The Plan provides for the granting of options to purchase totaling not more than 300,000 shares of common stock from the Company's treasury shares of which 77,000 have not previously been granted. The Plan is administered by a Stock Option Committee consisting of not less than three (3) Directors of the Corporation who are not eligible to receive options under the Plan. During the year 2001, the Committee consisted of Directors Leonard Aconsky, Stanley I. Rafalo, and Thomas D. Gettler. The Committee determines the key employees to whom the options are granted, the term of the option and the number of shares of each grant subject to the option. The option price is such price as may be determined by the Option Committee.

Each option continues for the period determined by the Committee, which shall be not less than one (1) year or more than three (3) years from the date of its grant. The Plan provides that each key employee to whom an option is granted shall as a condition of his right to exercise such option, agree to remain in the continuous employment of the Company for a period of at least two years from the date of exercise of the option, unless he is prevented from doing so by death or disability. Under the Plan, the Company has the option to repurchase shares from an optionee who terminates employment prior to the expiration of the two-year period. During 2001, Mr. Benjamin Gettler was granted an option for 50,000 shares at an exercise price of $37.24.

OPTION GRANTS IN LAST FISCAL YEAR

Benjamin Gettler - Chairman of the Board and President

Number of Options Granted (#/Sh)	50,000
%of Total Options Granted to Employee in Fiscal Year	100%
Exercise Price ($/Sh)	$37.24
Expiration Date	November 6, 2004
Potential Realized Value at Assumed Annual Rates of Stock Prices Appreciation for Option:	
5%	$293,500
10%	$616,500

AGGREGATED OPTION EXERCISES IN LAST FISCAL YEAR

None

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PENSIONS

Under the terms of the Company's retirement Plan for salaried employees, salaried personnel are entitled to retire at age 65 with benefits computed on the basis of salary and length of service. The maximum length of service which can be taken into account is 30 years. The method of computing benefits under the retirement plan is: the number of years of employment multiplied by the sum of 1.0% of average monthly salary and .65% of such salary in excess of Social Security covered compensation (all based on the highest 60 consecutive monthly salaries). The aggregate contribution made for the 2000-2001 Plan year was $-0-. For purposes of the Plan, annual compensation means a participant's W-2 earnings for federal income tax purposes, excluding commissions and taxable fringe benefits. Mr. Gettler has reached normal retirement age and has more than 30 years of service. Mr. Gettler currently receives $148,586 per year from the Plan based upon his selection of a joint and 100% survivor benefit.

PERFORMANCE GRAPH

The following graph compares the cumulative total return (change in stock price plus reinvested dividends) assuming $100 invested in the Common Stock of the Company, in the American Stock Exchange ("AMEX") Market Value Index, and in the Peer Group Index during the period from December 31, 1996 through December 31, 2001.

(Graph submitted to SEC on Form SE on paper)

	Value of Investment at December 31,					
	1996	1997	1998	1999	2000	2001
Vulcan International Corporation	100.00	130.48	117.22	109.56	123.91	146.30
Selected Stock List	100.00	125.25	100.41	59.11	55.84	57.73
AMEX Market Index	100.00	120.33	118.69	147.88	146.16	139.43

ASSUMES $100 INVESTED ON JANUARY 1, 1996
ASSUMES DIVIDEND REINVESTED

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COMPANIES COMPRISING THE PEER GROUP

The peer group used in constructing the graph in the Proxy Statement showing the yearly percentage change in cumulative total return has always included the complete list of suppliers to the shoe industry provided by the Footwear Industries of America, the industry association. Since the Company has reduced its reliance on the shoe industry and is now manufacturing foam products, the Company has since 1998 included in its peer group the Rogers Corp., which is a corporation listed on the American Stock Exchange and which is in the business of processing and selling foam products. Accordingly, the peer group for 2001 is:

Bontex (formerly Georgia Bonded Fibres)
Goodyear Tire & Rubber Co.
Jaclyn Inc.
Katy Ind.
Lydall Inc.
Rogers Corp.
Vista Resources Inc.

DIRECTORS' MEETINGS, COMMITTEE INFORMATION, FEES AND

OTHER DIRECTOR TRANSACTIONS

There were six (6) meetings of the Board of Directors in 2001. All Directors attended at least 75% of the total number of Directors' meetings held during their tenure and all Directors attended at least 75% of Committee meetings held by committees on which they served during their tenure.

The Board of Directors has currently one standing committee, namely, an Audit and Compensation Committee comprised of independent, non-employee directors. The Audit and Compensation Committee currently consists of Messrs. Leonard Aconsky, Edward B. Kerin, and Dr. Stanley I. Rafalo. The Audit and Compensation Committee is responsible for overseeing the Company's accounting functions and controls. The Committee has adopted a Charter to set forth all of its specific responsibilities. As required by the Charter:

The Committee has reviewed and discussed the audited financial statements with management;

The Committee has discussed with the independent auditors the matters required to be discussed by Statement of Auditing Standards No. 61 relating to conduct of the audit;

The Committee has received the written disclosures and the letter from the independent accountants required by Independence Standards Board Standard No. 1 and has discussed with the independent accountant the independent accountant's independence; and

Based on the review and discussions with management and the representative of its independent auditors, the committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the last fiscal year for filing with the Commission.

The Committee has reviewed and assessed the adequacy of the Charter.

A copy of the Charter is included as an appendix to this proxy statement.

The Committee also reviews and recommends the salary and bonus of the Company's chief executive officer. The Audit and Compensation Committee had two meetings in 2001.

The Company pays each of its Directors $8,000 per year as a director fee. The members of the Audit and Compensation Committee are paid $300 per meeting attended.

There is in effect a Resolution of the Board of Directors pursuant to which any Director of the Company or any of the subsidiary companies may purchase up to 25,000 treasury shares of company stock at the closing bid on the American Stock Exchange on the date of the exercise of such election to purchase. In the calendar year 2001, there was a total of 15,500 shares purchased from the Company pursuant to this Resolution.

PRINCIPAL ACCOUNTING FIRM FEES

The following table sets forth the aggregate fees billed to the Company for the fiscal year ended December 31, 2001 by the Company's principal accounting firm, J.D. Cloud & Co. L.L.P.

Audit Fees		$119,480
All Other Fees(a)		$ 25,867(a)(b)
	Total	$145,347

AUDIT AND COMPENSATION COMMITTEE REPORT ON
EXECUTIVE COMPENSATION

Committee's Compensation Policy

It is the policy of the Audit and Compensation Committee that the Company's Executive Officers should be compensated in accordance with the responsibilities of their position, and their performance in office. Included among the factors considered by the Compensation Committee in carrying out such compensation policies are the historical compensation paid officers of this Company and the compensation paid to executives in similar positions in other companies as well as performance in the fiscal year in question compared to prior fiscal years. The Committee reviews all relevant factors relating to such performance, including the general economic climate and the climate of the particular industries in which this Company is involved.

In carrying out the foregoing policies, the Committee also used the factors and criteria set forth hereinafter in determining the annual compensation of the Chief Executive Officer and President of the Company for 2001 and his salary for 2002. The position of Chief Executive Officer and President is held by a single individual, Mr. Benjamin Gettler.

The Company currently has only one officer who is paid over $100,000 per year compared to three such officers prior to Mr. Gettler assuming the position of Chief Executive Officer and President following the death of then C.E.O. Lloyd Miller in April, 1990. Those offices were combined and Mr. Gettler has carried out the duties of all three offices.

The year 2001 has been a very stressful year for the Company and its Chief Executive Officer despite which the earnings of the Company have continued to be more than sufficient to continue the regular dividend payments and to lay the basis for future changes which we anticipate will be beneficial to the Company and its shareholders.

During the past three years, Mr. Gettler's annual compensation has been as follows:

Year	Salary	Bonus	Total
2001	$275,000	$ -	$ -
2000	275,000	25,000	300,000
1999	275,000	25,500	300,000

Mr. Gettler has requested that there be no increase in his salary. Further, he has pointed out that it is necessary for the Company to conserve its cash. Accordingly, the Committee has determined that a bonus for the Year 2001 should be provided to Mr. Gettler in the form of Company common stock, namely 1,000 shares of such stock. The Committee also has determined to keep Mr. Gettler's base salary at the same live in 2002 as in 2001, namely $275,000.

Audit and Compensation Committee, November 26, 2001

Leonard Aconsky Edward B. Kerin Stanley I. Rafalo, Committee Members

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The principal accountant of the Company is J. D. Cloud & Co. L.L.P., certified public accountants. That firm has acted as the principal accountant of the Company since 1956. At the meeting of the Board of Directors following the May, 2001 meeting, the Board again selected that firm to continue to serve as the Company's principal independent public accountants. The practice of the Board of Directors in making a selection at such meeting has been followed by the Company since 1956. The same practice will be followed after the May, 2002 Annual Meeting of Shareholders. Management is not aware of any intended change of principal independent public accountants. Representatives of J.D. Cloud & Co. L.L.P. are not expected to attend the Annual Meeting.

PROPOSALS OF SECURITY HOLDERS

No shareholder proposals will be considered at this year's annual meeting.

In the event that any security holder intends to present a proposal at the 2003 annual meeting of the Company and such security holder desires that the proposal be included in the Company's proxy statement and form of proxy relating to that meeting, such proposal must be received by the Company by no later than 4:30 P.M. December 1, 2002.

GENERAL

The Company, as of March 29, 2002 had outstanding 1,102,105 shares of capital stock, each of which is entitled to one vote. The record date for determining shareholders entitled to notice and to vote at the meeting is close of business March 29, 2002.

The management knows of no other business to be brought before the meeting for action by the shareholders. If any other matters properly come before the meeting, the proxies in the enclosed form, unless otherwise specified, will be voted on such matters in accordance with the judgment of the Proxy Committee.

/s/BENJAMIN GETTLER

Chairman of the Board
and President

APPENDIX

AUDIT COMMITTEE CHARTER

The Audit Committee ("the Committee"), of the Board of Directors ("the Board") of Vulcan International Corporation ("the Company"), will have the oversight responsibility, authority and specific duties as described below:

COMPOSITION

The Committee will be comprised of three or more directors as determined by the Board. The members of the Committee will meet the independence and experience requirements of the American Stock Exchange (AMEX). The members of the Committee will be elected annually at the organizational meeting of the full Board held in May and will be listed in the annual report to shareholders.

RESPONSIBILITY

The Committee is part of the Board. Its primary function is to assist the Board in fulfilling its oversight responsibilities with respect to (i) the annual financial information to be provided to shareholders and Securities and Exchange Commission (SEC); (ii) the system of internal controls that management has established; and (iii) the internal and external audit process. The Committee should have a clear understanding with the independent accountants that they must maintain an open and transparent relationship with the Committee, and that the ultimate accountability of the independent accountants is to the Board and the Committee. The Committee will make regular reports to the Board concerning its activities.

AUTHORITY

Subject to the prior approval of the Board, the Committee is granted the authority to investigate any matter or activity involving financial accounting and financial reporting, as well as the internal controls of the Company. All employees will be directed to cooperate with respect thereto as requested by members of the Committee.

MEETINGS

The Committee is to meet as many times as the Committee deems necessary to carry out its duties as set forth herein. The Committee is to meet in separate executive sessions with the chief financial officer, independent accountants and internal audit as it deems appropriate.

ATTENDANCE

Committee members will strive to be present at all meetings. As necessary or desirable, the Committee Chair may request that members of management and representatives of the independent accountants and internal audit be present at Committee meetings.

SPECIFIC DUTIES

In carrying out its oversight responsibilities, the Committee will:

1. Review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval. This should be done in compliance with applicable AMEX Audit Committee Requirements.

2. Review with the Company's management, internal audit and independent accountants the Company's accounting and financial reporting controls.

3. Review with the Company's management, internal audit and independent accountants significant accounting and reporting principles, practices and procedures applied by the Company in preparing its financial statements.

4. Review the scope and general extent of the independent accountant's annual audit. The Committee's review should include an explanation from the independent accountants of the factors considered by the accountants in determining the audit scope, including the major risk factors. The independent accountants should confirm to the Committee that no limitations have been placed on the scope or nature of their audit procedures.

5. Inquire as to the independence of the independent accountants and obtain from the independent accountants, at least annually, a formal written statement delineating all relationships between the independent accountants and the Company as contemplated by Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees.

6. Have a predetermined arrangement with the independent accountants that they will advise the Committee of any matters identified through procedures followed for interim quarterly financial statements, and that such notification as required under standards for communication with Audit Committees is to be made prior to the related press release or, if not practicable, prior to filing Forms 10-Q.

7. At the completion of the annual audit, review with management, internal audit and the independent accountants the following:

- The annual financial statements and related footnotes and financial information to be included in the Company's annual report to the shareholders and on Form 10-K.

- Results of the audit of the financial statements and the related report thereon and, if applicable, a report on changes during the year in accounting principles and their application.

- Significant changes to the audit plan, if any, and any serious disputes or difficulties with management encountered during the audit.

- Other communications as required to be communicated by the independent accountants by Statement of Auditing Standards (SAS) No. 61 as amended by SAS No. 90 relating to the conduct of the audit.

If deemed appropriate after such review and discussion, recommend to the Board that the financial statements be included in the Company's annual report on Form 10-K.

8. After preparation by management and review by internal audit and independent accountants, approve the report required under SEC rules to be included in the Company's annual proxy statement.

9. Discuss with the independent accountants the quality of the Company's financial and accounting personnel. Also, elicit the comments of management regarding the responsiveness of the independent accountants to the Company's needs.

10. Meet with management, internal audit and the independent accountants to discuss any relevant significant recommendations that the independent accountants may have, if any, particularly those characterized as 'material' or 'serious'.

11. Recommend to the Board the selection, retention or termination of the Company's independent accountants.

VULCAN INTERNATIONAL CORPORATION

PROXY

The undersigned hereby appoints Leonard Aconsky, Thomas D. Gettler, and Dr. Stanley I. Rafalo, or any of them with full power of substitution, as the proxies of the undersigned to vote at the Annual Meeting of Shareholders of Vulcan International Corporation to be held at 1151 E. College St., Clarksville, Tennessee, on Thursday, May 9, 2002 at 9:00 a.m. and at any adjournment thereof, all the shares of stock of the Company the undersigned would be entitled to vote if personally present, hereby granting to each of them full power and authority to act for and in the name of the undersigned at said meeting and adjournments upon the following:

(1) The election of Directors and all nominees listed in the Proxy Statement except as marked to the contrary below.

	GRANTS	WITHHOLDS
Leonard Aconsky, Benjamin Gettler, Thomas D. Gettler, Edward B. Kerin, Stanley I. Rafalo, O.D.	-----	-----

(INSTRUCTION: To withhold authority to vote for any individual nominee or nominees, draw a line through that nominee's name.)

Please mark your votes as indicated in this example X

(2) In their discretion, the proxies are authorized to vote upon such other business as may properly come before the meeting.

THIS PROXY, SOLICITED BY THE BOARD OF DIRECTORS WILL BE VOTED AS INSTRUCTED, UNLESS OTHERWISE INDICATED. THIS PROXY WILL BE PRESUMED TO BE GRANTS ON ITEM (1), AND FOR ON ITEM (2).

Dated ___________________________ ,2002

____
Signature

____
Signature

(When signing in any other capacity than as an individual, please so indicate.)

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Exhibit 21

VULCAN INTERNATIONAL CORPORATION

SUBSIDIARIES OF THE REGISTRANT

At December 31, 2001

NAME OF CORPORATION	STATE OF INCORPORATION	PERCENTAGE OF OWNERSHIP
Vulcan International Corporation	Delaware	Parent
Vulcan Corporation	Tennessee	100%
Vulcan Blanchester Realty Co.	Ohio	100%
Southern Heel Company	Tennessee	100%
ACI International, Inc.	Delaware	100%
Vulcan Bowling Pin Company	Tennessee	100%
Cincinnati Club Building Associates (Partnership)	Ohio	97.51%

EXHIBIT 99.1

INDEPENDENT AUDITORS' REPORT ON SCHEDULE

To the Board of Directors
Vulcan International Corporation
Wilmington, Delaware

We have audited the consolidated financial statements of Vulcan International Corporation and subsidiaries as of December 31, 2001 and 2000, and for each of the three years in the period ended December 31, 2001, and have issued our report thereon dated February 14, 2002, such consolidated financial statements and report are included in Part IV, Item 14(a)1 of this Form 10-K and the 2001 Annual Report to Shareholders and are incorporated herein by reference. Our audit also included the financial statement schedule of Vulcan International Corporation and subsidiaries listed in Part IV, Item 14(a)2. The financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information therein set forth.

/s/ J.D. CLOUD & CO. L.L.P.

Certified Public Accountants

Cincinnati, Ohio
February 14, 2002

EXHIBIT 99.2

Schedule II

VULCAN INTERNATIONAL CORPORATION AND SUBSIDIARIES

VALUATION AND QUALIFYING ACCOUNTS

	2001	2000	1999

The following reserve is deducted in the balance sheet from the asset to which it applies

Reserve for Doubtful Accounts Receivable:			
Balance at Beginning of Period	$152,974	158,844	256,211
Additions:			
(1) Charged to costs and expenses	24,000	188,829	12,000
(2) Charged to Other Accounts	-	-	-
Deductions:			
Write off of bad debts	85,607	194,699	109,367
Balance at End of Period	$ 91,367	152,974	158,844

EXHIBIT 99.3

VULCAN-BRUNSWICK BOWLING PIN COMPANY

FINANCIAL STATEMENTS

For the year ended December 31, 2001

J.D. CLOUD & CO. L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
CINCINNATI, OHIO

INDEPENDENT AUDITORS' REPORT

To the Partners
Vulcan-Brunswick Bowling Pin Company
Antigo, Wisconsin

We have audited the accompanying balance sheets of Vulcan-Brunswick Bowling Pin Company as of December 31, 2001 and 2000, and the related statements of income for the four months ended April 27, 2001, and the eight months ended December 31, 2001 and the related statements of income, partners' capital, and cash flows for the years ended December 31, 2001 and 2000. These financial statements are the responsibility of the Joint Venture's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Vulcan-Brunswick Bowling Pin Company at December 31, 2001 and 2000, and the results of its operations and its cash flows for the periods and years then ended, in conformity with U.S. generally accepted accounting principles.

/s/ J.D. CLOUD & CO. L.L.P.

Certified Public Accountants

Cincinnati, Ohio
February 4, 2002

VULCAN-BRUNSWICK BOWLING PIN COMPANY
BALANCE SHEETS
At December 31, 2001 and 2000

- ASSETS -	2001	2000

CURRENT ASSETS:		
Cash	$ 174,004	116,119
Accounts receivable	870,982	535,571
Inventories	595,479	685,669
Prepaid expense	-	6,301
TOTAL CURRENT ASSETS	1,640,465	1,343,660
PROPERTY, PLANT AND EQUIPMENT:		
Land	72,251	72,251
Buildings and improvements	4,041,403	4,026,487
Machinery and equipment	4,985,292	4,975,927
Total	9,098,946	9,074,665
Less - Accumulated depreciation	6,345,132	6,038,509
NET PROPERTY, PLANT AND EQUIPMENT	2,753,814	3,036,156
OTHER ASSETS:		
Product development costs and other intangibles - at cost (less accumulated amortization; 2001 - $1,075,732; 2000 - $981,844)	2,674,640	2,768,528
Other	157,744	175,936
TOTAL OTHER ASSETS	2,832,384	2,944,464
TOTAL ASSETS	$7,226,663	7,324,280
- LIABILITIES AND PARTNERS' CAPITAL -		
CURRENT LIABILITIES:		
Accounts payable	$ 86,012	94,060
Accrued expenses -		
Salaries and wages	72,374	89,907
Taxes and other	90,364	95,916
TOTAL CURRENT LIABILITIES	248,750	279,883
PARTNERS' CAPITAL	6,977,913	7,044,397
TOTAL LIABILITIES AND PARTNERS' CAPITAL	$7,226,663	7,324,280

The accompanying notes to financial statements are an integral part of this statement.

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VULCAN-BRUNSWICK BOWLING PIN COMPANY
STATEMENTS OF INCOME
For the years ended December 31, 2001 and 2000

	Four months Ended April 27, 2001	Eight Months Ended December 31, 2001	Total 2001	2000

NET SALES	$1,704,530	2,473,386	4,177,916	9,261,854
COST AND EXPENSES:				
Cost of sales	1,566,553	2,385,249	3,951,802	8,434,507
Administrative	10,000	100,000	110,000	30,000
TOTAL COST AND EXPENSES	1,576,553	2,485,249	4,061,802	8,464,507
INCOME FROM OPERATIONS	127,977	(11,863)	116,114	797,347
OTHER INCOME - NET	5,539	11,863	17,402	24,025
NET INCOME	$ 133,516	-	133,516	821,372

The accompanying notes to financial statements are an integral part of this statement.

VULCAN-BRUNSWICK BOWLING PIN COMPANY
STATEMENTS OF PARTNERS' CAPITAL
For the years ended December 31, 2001 and 2000

	VULCAN BOWLING PIN COMPANY	BRUNSWICK BOWLING PIN CORPORATION	TOTAL PARTNERS' CAPITAL
BALANCE - JANUARY 1, 2000	$3,529,512	3,529,513	7,059,025
Add - Net income	410,686	410,686	821,372
Less - Distributions	(418,000)	(418,000)	(836,000)
BALANCE - DECEMBER 31, 2000	3,522,198	3,522,199	7,044,397
Add - Net income	66,758	66,758	133,516
Less - Distributions	(100,000)	(100,000)	(200,000)
BALANCE - DECEMBER 31, 2001	$3,488,956	3,488,957	6,977,913

The accompanying notes to financial statements are an integral part of this statement.

VULCAN-BRUNSWICK BOWLING PIN COMPANY
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2001 and 2000

	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	$ 3,842,505	9,191,250
Cash paid to suppliers and employees	(3,577,741)	(8,277,981)
Interest received	17,402	23,900
NET CASH FLOWS FROM OPERATING ACTIVITIES	282,166	937,169
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(24,281)	(98,241)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash distributions to partners	(200,000)	(836,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	57,885	2,928
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	116,119	113,191
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 174,004	116,119
RECONCILIATION OF NET INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 133,516	821,372
Depreciation	306,623	338,525
Amortization	93,888	93,888
(Increase) in accounts receivable	(335,411)	(70,729)
(Increase) decrease in inventories	90,190	(201,306)
(Increase) decrease in prepaid expenses and other	24,493	(1,948)
Decrease) in accounts payable and accrued expenses	(31,133)	(42,633)
NET CASH FLOWS FROM OPERATING ACTIVITIES	$ 282,166	937,169

The accompanying notes to financial statements are an integral part of this statement.

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VULCAN-BRUNSWICK BOWLING PIN COMPANY
NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Joint Venture is a Delaware general partnership formed for the purpose of manufacturing bowling pins for its partners.

It is the policy of the Joint Venture to employ U.S. generally accepted accounting principles in the preparation of its financial statements. A summary of the Joint Venture's significant accounting policies follows:

ACCOUNTING ESTIMATES-
The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

JOINT VENTURE-
Vulcan Bowling Pin Company (Vulcan) and Brunswick Bowling and Billiards Corporation (Brunswick) have an agreement to manufacture all the bowling pins sold by each of the partners. Under the agreement, Vulcan contributed bowling pin manufacturing assets and Brunswick contributed cash and certain of its bowling pin manufacturing assets to the Joint Venture. Each partner received an undivided 50% interest in the Joint Venture's assets, liabilities, revenues and expenses in exchange for their capital contribution.

INVENTORIES-
Inventories are stated at the lower of cost (first-in, first-out) or market.

PROPERTY, PLANT AND EQUIPMENT-
Property, plant and equipment are stated at cost. Depreciation is provided in amounts to relate the cost of depreciable assets to operations over their estimated useful lives using straight-line and accelerated methods over 15 to 39 years for buildings and improvements and 3 to 7 years for machinery and equipment.

INTANGIBLES-
Product development costs and other intangible assets consist principally of manufacturing technology and represent the fair market value assigned to such assets on the date the Joint Venture was formed. Intangible assets are amortized over 40 years on a straight-line basis.

Effective January 1, 2002, the Joint Venture will be required to adopt Statement of Financial Accounting Standards (SFAS) No. 142, Goodwill and Other Intangible Assets. SFAS 142 will require that goodwill and certain other intangible assets no longer be amortized but be tested for impairment as defined in SFAS 142.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INCOME TAXES-
No provision for federal or state income tax is provided in the accompanying financial statements since the partners are required to report their proportionate share of the Joint Venture's income or loss on their respective tax returns in accordance with the Internal Revenue Code and applicable state law.

RETIREMENT PLAN-

The Joint Venture maintains a defined benefit pension plan covering substantially all union employees. Pension benefits are determined annually by consulting actuaries and are generally based on a fixed amount for each year of service. The qualified plan is funded in accordance with the collective bargaining agreement and to meet the funding requirements of the Internal Revenue Code and the Employee Retirement Income Security Act of 1974.

CASH EQUIVALENTS-
For purposes of the statement of cash flows, the Joint Venture considers all time deposits, certificates of deposit and other highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

NOTE 2 - INVENTORIES

Inventories at December 31, 2001 and 2000 consisted of:

	2001	2000
Finished goods	$ 138,209	150,000
Raw materials	206,032	196,185
Work in process	237,014	314,873
Supplies	14,224	24,611
Total	$ 595,479	685,669

NOTE 3 - NOTE PAYABLE

The Joint Venture maintains a revolving credit agreement with its bank that provides for borrowings of up to $500,000 at the prime rate. Borrowings under the credit agreement are guaranteed by the Joint Venture's partners and are secured by a pledge of the general assets of the Joint Venture. There were no borrowings at December 31, 2001 and 2000.

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VULCAN-BRUNSWICK BOWLING PIN COMPANY
NOTES TO FINANCIAL STATEMENTS
December 31, 2001
(Continued)

NOTE 4 - RETIREMENT PLAN

The Joint Venture maintains a defined benefit pension plan covering substantially all union employees. The funded status and net periodic benefit cost recognized in the accompanying financial statements consisted of:

	2001	2000
Change in benefit obligations:		
Benefit obligation - January 1,	$ 380,438	362,559
Service cost	12,822	18,509
Interest cost	29,261	26,453
Actuarial (gain) loss	34,836	(21,131)
Settlements paid	(168,589)	-

Benefits paid	-	(5,952)
Benefit obligation December 31,	288,768	380,438
Change in plan assets:		
Fair value of plan assets - January 1,	458,384	419,294
Actual return on plan assets	20,343	22,949
Employer contributions	10,583	22,093
Settlements paid	(168,589)	-
Benefits paid	-	(5,952)
Fair value of plan assets - December 31,	320,721	458,384
Funded status	31,953	77,946
Unrecognized net loss	97,524	66,791
Unrecognized prior service cost	24,860	27,325
Unrecognized net transition obligation	3,407	3,874
Prepaid pension expense - December 31,	157,744	175,936
Components of net periodic benefit costs:		
Service cost	12,822	18,509
Interest cost	29,261	26,453
Return on plan assets:		
Actual	(20,343)	(22,949)
Deferred	(15,599)	(10,090)
Recognition of previously unrecognized gain	17,146	-
Amortization of unrecognized net transition obligation	468	468
Amortization of prior service cost	2,465	2,465
Amortization of unrecognized net loss	2,556	5,247
Periodic benefit cost	$ 28,776	20,103

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VULCAN-BRUNSWICK BOWLING PIN COMPANY
NOTES TO FINANCIAL STATEMENTS
December 31, 2001
(Continued)

NOTE 4 - RETIREMENT PLAN (Continued)

Pension plan assets are invested primarily in group annuity contracts valued at contract value. Significant actuarial assumptions used in the above computations include the following:

	2001	2000
Assumed discount rate	7.50%	7.50%
Expected long-term rate of return on plan assets	7.75%	7.75%
Average remaining service period	18 years	18 years

NOTE 5 - RELATED PARTY TRANSACTIONS

The Joint Venture had 2001 and 2000 sales to Vulcan of approximately $905,000 and $1,743,000, respectively, and 2001 and 2000 sales to Brunswick of approximately $3,016,000 and $7,519,000, respectively. For the period from April 30, 2001 through December 31, 2001, Vulcan was solely responsible for the operations of the Joint Venture.

By agreement, the Joint Venture produced pins for Brunswick at an agreed-upon selling price. In addition, Brunswick contributed $256,900, included in sales in the statement of income, for its agreed portion of the operating expenses. The price paid for pins by Vulcan was based on the remaining operating costs and expenses, resulting in no income or loss for the period April 30 through December 31, 2001.

As indicated by the statement of income, the Joint Venture had net income of $133,516 for the period January 1 through April 30, 2001. As a result of the agreement, there was no income for the period April 30 through December 31, 2001.

The Joint Venture paid accounting and administrative fees of $110,000 and $30,000 to Vulcan in 2001 and 2000, respectively.

Accounts receivable from Brunswick amounted to $324,000 and $266,000 at December 31, 2001 and 2000, respectively. Accounts receivable from Vulcan amounted to $517,000 and $266,000 at December 31, 2001 and 2000, respectively.

NOTE 6 - RISKS AND UNCERTAINTIES

The Joint Venture is involved in various claims and legal proceedings involving matters incidental to its business. Management believes that the resolution of these matters will not have a material effect on the Joint Venture's business or financial condition.

The Joint Venture currently purchases all its bowling pin bases from one manufacturer. Any disruption in the supply of the bowling pin bases could cause a delay in manufacturing which could negatively affect operating results.

At December 31, 2001 approximately 90% of the Joint Venture's workforce was subject to a collective bargaining agreement that expires October 18, 2002.

Financial instruments which potentially subject the Joint Venture to concentrations of credit risk are cash investments which may, at times, exceed federally-insured limits. Management places the Joint Venture's cash investments with high-quality financial institutions. Management believes no significant concentration of credit risk exists with respect to these cash investments.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Vulcan International Corporation has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VULCAN INTERNATIONAL CORPORATION

/s/ Benjamin Gettler

By: Benjamin Gettler
Chairman of the Board,
President and Chief Executive Officer

/s/ Vernon E. Bachman

By: Vernon E. Bachman
Vice President, Secretary-Treasurer
Principal Accounting Officer

Date: March 29, 2002

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

/s/ Benjamin Gettler

By: Benjamin Gettler
(Director)

/s/ Leonard Aconsky

By: Leonard Aconsky
(Director)

/s/ Stanley I. Rafalo

By: Stanley I. Rafalo
(Director)