VIAD CORP

FORM 10-Q
(Quarterly Report)

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended June 30, 1995
Commission file number 001-11015

THE DIAL CORP
(Exact Name of Registrant as Specified in its Charter)

DELAWARE (State or Other Jurisdiction of Incorporation or Organization)	36-1169950 (I.R.S. Employer Identification No.)
DIAL TOWER, PHOENIX, ARIZONA (Address of Principal Executive Offices)	85077 (Zip Code)

Registrant's Telephone Number, Including Area Code (602)207-4000

Indicate by check mark whether the registrant (1) has filed all Exchange Act reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

Yes x No

As of July 31, 1995, 93,209,996 shares of Common Stock ($1.50 par value) were outstanding.

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements

THE DIAL CORP
CONSOLIDATED BALANCE SHEET

(000 omitted)	June 30, 1995	December 31, 1994
ASSETS		
Current assets:		
Cash and cash equivalents	$ 22,022	$ 33,222
Receivables, less allowance of $19,849 and $20,453	227,917	232,932
Inventories	226,781	229,273
Deferred income taxes	32,823	42,517
Other current assets	63,909	46,565
	573,452	584,509
Funds, agents' receivables and current maturities of investments restricted for payment service obligations, after eliminating $80,000 invested in Dial commercial paper	545,619	659,708
Total current assets	1,119,071	1,244,217
Investments restricted for payment service obligations	798,396	692,818
Property and equipment	854,569	813,384
Other investments and assets	91,503	83,255
Deferred income taxes	107,596	126,787
Intangibles	820,984	820,435
	$ 3,792,119	$ 3,780,896

(000 omitted, except number of shares)	June 30, 1995	December 31, 1994
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term bank loans	$ 231	$ 931
Accounts payable	216,286	243,982
Accrued compensation	65,485	91,992
Other current liabilities	249,281	258,065
Current portion of long-term debt	47,827	22,830
	579,110	617,800
Payment service obligations	1,408,095	1,438,960
Total current liabilities	1,987,205	2,056,760
Long-term debt	752,768	721,718
Pension and other benefits	316,163	319,519
Other deferred items and insurance reserves	69,346	96,525
Minority interests	23,634	24,691
$4.75 Redeemable preferred stock	6,594	6,590
Common stock and other equity:		
Common stock, $1.50 par value, 200,000,000 shares authorized, 97,108,724 shares issued	145,663	145,663
Additional capital	333,150	308,350
Retained income	436,980	393,233
Cumulative translation adjustments	(18,179)	(20,910)
Unearned employee benefits	(184,987)	(176,201)
Unrealized loss on securities available for sale	(7,560)	(21,742)
Common stock in treasury, at cost, 4,049,889 and 4,319,624 shares	(68,658)	(73,300)
Total common stock and other equity	636,409	555,093
	$ 3,792,119	$ 3,780,896

See Notes to Consolidated Financial Statements.

THE DIAL CORP
STATEMENT OF CONSOLIDATED INCOME

Quarter ended June 30, (000 omitted, except per share data)	1995	1994
Revenues	$ 901,884	$ 931,948
Costs and expenses:		
Costs of sales and services	798,385	836,669
Unallocated corporate expense and other items, net	10,939	10,552
Interest expense	18,252	14,784
Minority interests	585	503
	828,161	862,508
Income before income taxes	73,723	69,440
Income taxes	26,257	26,047
Net Income	$ 47,466	$ 43,393
Net Income Per Common Share	$ 0.54	$ 0.50
Dividends declared per common share	$ 0.15	$ 0.15
Average outstanding common and equivalent shares	88,348	86,540

See Notes to Consolidated Financial Statements.

THE DIAL CORP
STATEMENT OF CONSOLIDATED INCOME

Six months ended June 30, (000 omitted, except per share data)	1995	1994
Revenues	$ 1,760,081	$ 1,716,850
Costs and expenses:		
Costs of sales and services	1,592,722	1,568,632
Unallocated corporate expense and other items, net	22,088	21,300
Interest expense	36,679	28,991
Minority interests	648	403
	1,652,137	1,619,326
Income before income taxes	107,944	97,524
Income taxes	38,971	36,921
Net Income	$ 68,973	$ 60,603
Net Income Per Common Share	$ 0.78	$ 0.70
Dividends declared per common share	$ 0.30	$ 0.29
Average outstanding common and equivalent shares	88,211	86,288

See Notes to Consolidated Financial Statements.

THE DIAL CORP
STATEMENT OF RETAINED INCOME

Six months ended June 30, (000 omitted)	1995	1994
Balance, beginning of year	$ 393,233	$ 304,481
Net income	68,973	60,603
Dividends on common and preferred shares	(26,445)	(25,131)
Other	1,219	318
Balance, end of period	$ 436,980	$ 340,271

See Notes to Consolidated Financial Statements.

THE DIAL CORP
STATEMENT OF CONSOLIDATED CASH FLOWS

Six months ended June 30, (000 omitted)	1995	1994
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES:		
Net income	$ 68,973	$ 60,603
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	56,186	55,941
Deferred income taxes	19,936	1,269
Other noncash items, net	2,926	(109)
Change in operating assets and liabilities:		
Receivables and inventories	(15,976)	(70,658)
Payment service assets and obligations, net	90,490	148,198
Accounts payable and accrued compensation	(56,179)	(29,887)
Other assets and liabilities, net	(51,195)	16,202
Net cash provided by operating activities	115,161	181,559
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES:		
Capital expenditures	(45,332)	(43,777)
Purchase of cruise ship previously leased	(39,447)	
Acquisitions of businesses and other assets, net of cash acquired	(13,136)	(141,533)
Proceeds from sale of businesses and property	4,857	3,397
Proceeds from sales of securities classified as available for sale	270,259	128,184
Proceeds from maturities of securities classified as available for sale	6,557	6,762
Purchases of securities classified as available for sale	(309,537)	(161,900)
Purchases of securities classified as held to maturity	(62,210)	(107,898)
Other, net	(17)	(10)
Net cash used by investing activities	(188,006)	(316,775)
CASH FLOWS PROVIDED (USED) BY FINANCING ACTIVITIES:		
Proceeds from long-term borrowings	40,000	70,000
Payments on long-term borrowings	(2,163)	(2,130)
Net change in short-term borrowings	18,007	84,928
Dividends on common and preferred stock	(26,445)	(25,131)
Minority portion of subsidiary's special dividend		(9,761)
Proceeds from sales of treasury stock	17,504	13,422
Net change in receivables sold	22,552	
Cash payments on interest rate swaps	(7,810)	(6,398)
Net cash provided by financing activities	61,645	124,930
Net decrease in cash and cash equivalents	(11,200)	(10,286)
Cash and cash equivalents, beginning of year	33,222	10,659
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 22,022	$ 373

See Notes to Consolidated Financial Statements.

THE DIAL CORP

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A--Basis of Preparation

This information should be read in conjunction with the financial statements set forth in The Dial Corp Annual Report to Stockholders for the year ended December 31, 1994.

Accounting policies utilized in the preparation of the financial information herein presented are the same as set forth in The Dial Corp's annual financial statements except as modified for interim accounting policies which are within the guidelines set forth in Accounting Principles Board Opinion No. 28. The interim consolidated financial information is unaudited. In the opinion of management, all adjustments, consisting only of normal recurring accruals, necessary to present fairly Dial's financial position as of June 30, 1995, and the results of operations for the quarters and six months ended June 30, 1995 and 1994, and the cash flows for the six months ended June 30, 1995 and 1994 have been included. Interim results of operations are not necessarily indicative of the results of operations for the full year.

Certain reclassifications have been made to the prior year's financial statements to conform to 1995 classifications.

NOTE B--Investments Restricted for Payment Service Obligations

Investments restricted for payment service obligations include the following debt and equity securities:

(000 omitted)	June 30, 1995	December 31, 1994
Securities available for sale, at fair value (amortized cost of $499,593 and $468,307)	$ 487,302	$ 433,150
Securities held to maturity, at amortized cost (fair value of $320,509 and $243,156)	326,439	264,861
	813,741	698,011
Less current maturities	(15,345)	(5,193)
	$ 798,396	$ 692,818

NOTE C--Debt

At June 30, 1995 and December 31, 1994, Dial classified as long- term debt $294 million and $275 million, respectively, of short- term borrowings supported by unused commitments under long-term revolving credit agreements.

NOTE D--Income Taxes

A reconciliation of the provision for income taxes and the amount that would be computed using statutory federal income tax rates on income before income taxes for the six months ended June 30, is as follows:

(000 omitted)	1995	1994
Computed income taxes at statutory federal income tax rate of 35%	$ 37,780	$ 34,133
Nondeductible goodwill amortization	2,250	2,125
Minority interests	227	141
State income taxes	3,335	4,108
Tax-exempt income	(4,792)	(1,909)
Adjustment to estimated annual effective rate		(2,000)
Other, net	171	323
Provision for income taxes	$ 38,971	$ 36,921

NOTE E--Supplementary Information--Revenues and Operating Income

Quarter ended June 30,	Six months ended June 30,

(000 omitted)	1995	1994	1995	1994
Revenues:				
Consumer Products	$ 363,893	$ 408,115	$ 701,755	$ 738,455
Services:				
Airline Catering and Services	206,509	202,225	390,965	353,688
Convention Services	131,588	135,736	285,985	263,407
Travel and Leisure and Payment Services (1)	199,894	185,872	381,376	361,300
Total Services (1)	537,991	523,833	1,058,326	978,395
	$ 901,884	$ 931,948	$ 1,760,081	$ 1,716,850
Operating Income:				
Consumer Products	$ 51,134	$ 49,978	$ 84,936	$ 80,130
Services:				
Airline Catering and Services	17,932	16,540	28,958	24,961
Convention Services (2)	16,629	14,957	31,630	27,349
Travel and Leisure and Payment Services (1)	17,804	13,804	21,835	15,778
Total Services (1)(2)	52,365	45,301	82,423	68,088
Total principal business segments	103,499	95,279	167,359	148,218
Unallocated corporate expense and other items, net	(10,939)	(10,552)	(22,088)	(21,300)
	$ 92,560	$ 84,727	$ 145,271	$ 126,918

(1) Dial's payment services subsidiary is investing increasing amounts in tax-exempt securities. On a fully taxable equivalent basis, revenues and operating income would be higher by $3,929,000 for the 1995 quarter and $1,422,000 for the 1994 quarter, and by $7,372,000 and $2,936,000, respectively, for the 1995 and 1994 six month periods.

(2) Operating income for the quarter and six months ended June 30, 1995 includes a one-time gain of $3,477,000 (pre-tax) due to the curtailment of certain postretirement medical benefits in a convention services subsidiary.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results:

There were no material changes in the nature of Dial's business, nor were there any other changes in the general characteristics of its operations as described and discussed in the first paragraph of the results section of Management's Discussion and Analysis of Results of Operations and Financial Condition presented in The Dial Corp Annual Report to Stockholders for the year ended December 31, 1994.

Comparison of Second Quarter of 1995 with Second Quarter of 1994:

In the second quarter of 1995, revenues decreased 3 percent to $901.9 million, down from $931.9 million in the 1994 quarter.

Second quarter net income was $47.5 million or $0.54 per share, up 8 percent on a per share basis from 1994's net income of $43.4 million or $0.50 per share.

Consumer Products
The Consumer Products Group's revenues were down $44.2 million or 11 percent from those of the 1994 second quarter. The revenue decrease was due to the acceleration of the previously reported program to effect reductions of trade customers' inventories. This initiative, coupled with more rapid replenishment as consumers purchase the products off the shelf, addresses the retailers' increased emphasis on efficient consumer response. Operating income increased $1.2 million or 2 percent from that of the 1994 second quarter. Operating margins improved to 14.1 percent from 12.3 percent in the 1994 second quarter due primarily to lower trade promotion costs and other savings resulting principally from the inventory reduction program.

Skin Care division's revenues declined $33.4 million while operating income increased $5.3 million from those of 1994's second quarter. Sales volumes were down as a result of the planned inventory reduction program. Strong operating income growth in the face of declining revenues was the result of reductions in trade spending, marketing expenditures and other cost reduction programs.

The Food division's revenues declined $9.5 million from the 1994 quarter, due to a planned reduction of microwaveable meals and lower sales of chili and stew. Operating income increased slightly from that of last year's quarter, as lower manufacturing and administrative costs more than offset the effects of lower sales.

The Household division's second quarter revenues were up $6.0 million, driven mainly by Dial's new dishwashing detergent and Renuzit product introductions, offset partially by a decline in Renuzit Electric and cleaning products. Renuzit Electric benefited from strong promotions in 1994 which were not repeated in 1995. Operating income remained even compared to the second quarter of 1994, as raw material cost increases and promotion expenses for new products offset the effects of increased sales.

Laundry division revenues for the second quarter decreased $7.5 million due partially to volume softness in dry detergents. The discontinuance of low margin business for fabric softeners also contributed to the decline in revenues while liquid detergent volumes declined due to promotional shifts to the second half of 1995. Operating income declined $4.7 million due to the reduced volume, higher raw material costs, and increased marketing and distribution expenditures in areas other than liquid detergents.

International division's revenues and operating income improved $100,000 and $300,000, respectively, over those of the 1994 second quarter.

Services
Combined Services revenues were $538 million, $14.2 million (3 percent) greater than the 1994 second quarter's amounts. Excluding a one-time gain of $3.5 million (pre-tax) on curtailment of certain postretirement medical benefits in the Convention Services Segment, combined services posted an 8 percent increase in second quarter operating income.

Airline Catering and Services. The second quarter revenues of the Airline Catering and Services Group were $206.5 million, a 2 percent increase from the 1994 quarter, with operating income increasing $1.4 million, or 8 percent, as new contracts awarded in the first half of 1995 only began to come on stream late in the second quarter, while the effects of further airline meal service cutbacks on certain domestic flights of short duration unfavorably affected the comparisons of revenues and operating income. Operating margins improved to 8.7 percent from 1994's 8.2 percent, as the United flight kitchens became fully operational during 1995 versus the start-up and training period in 1994.

Convention Services. Convention Services revenues decreased $4.1 million (3 percent). Excluding a one-time gain on curtailment of certain postretirement medical benefits of $3.5 million (pre-tax), operating income declined 12 percent. On this same basis, operating margins declined from 11 percent in the second quarter of 1994 to 10 percent in the 1995 quarter. Revenues, operating income and margins were impacted by shows not repeated each year and by changes in the location of certain shows.

Travel and Leisure and Payment Services. Revenues of these companies were up $14 million (8 percent) to $199.9 million, while operating income increased 29 percent to $17.8 million. Dial's payment services subsidiary continues to invest increasing amounts in tax-exempt securities. On a fully taxable equivalent basis, 1995 second quarter revenues and operating income would have been higher by $3.9 million, while 1994's second quarter revenues and operating income would have been $1.4 million higher. Operating margins, on the fully taxable equivalent basis, increased to 10.7 percent from 8.1 percent.

Canadian transportation services companies' revenues and operating income increased $12.6 million and $1.4 million, respectively, during the second quarter. Revenue increases from a newly acquired tour operator, strong growth in existing package tour operations, improved hotel occupancy rates, and higher Courier Express, sightseeing and snowfield revenues were partially offset by a decrease in charter revenues as a result of redeployment of the bus fleet to passenger route acquisitions in mid-1994. Operating income increases are attributed to the revenue increases as well as cost reduction programs, which more than offset the expense of terminating a small joint venture.

Duty Free and shipboard concession revenues declined $3 million from the second quarter of 1994, due primarily to the loss of a major shipboard concession, fewer passenger days for continuing business, and lower airport traffic where duty-free shops are operated. Operating income improved $100,000 as a result of lower operating expenses and concentration on higher gross margin products.

Cruise revenues declined $300,000 from 1994's second quarter. Loss of revenues from the Star/Ship Majestic, which was taken out of service as Dial commenced a four-year charter arrangement in February 1995, were largely offset by revenue increases on the Star/Ship Atlantic and the Star/Ship Oceanic. Operating income improved $800,000 due to cost reduction efforts and operating one less vessel.

Travel tour service revenues and operating income improved $1.4 million and $400,000, respectively, over those of the 1994 second quarter, driven by an increase in passenger volumes as well as favorable foreign exchange rates.

Revenues and operating income of the food service companies declined $600,000 and $700,000, respectively, from those of the 1994 second quarter. The decrease in revenues and operating income is principally due to the sale of a non-core operation, including certain one-time costs, as well as inclement weather at Glacier National Park.

On a fully taxable equivalent basis, revenues of payment services increased $9.5 million over the 1994 second quarter. The revenue increase is attributed principally to new product lines and increased investment income due to higher rates, greater funds invested and increased realized securities gains. Operating income, on the fully taxable equivalent basis, increased $4.8 million, including the increased realized investment gains and moderated by higher commission expense for official checks and other volume related costs.

Interest Expense
Interest expense increased $3.5 million from 1994's second quarter, primarily because both debt levels and interest rates on floating-rate debt were higher in 1995 than in 1994. Increased debt levels were principally due to the purchase of the Star/Ship Majestic, which had previously been leased, in February 1995.

Income Taxes
The effective tax rate in the 1995 second quarter was 35.6 percent, down from 37.5 percent in 1994. The reduction in the effective tax rate results primarily from the increased use of tax-exempt investments by Dial's payment services subsidiary.

Comparison of First Six Months of 1995 to the First Six Months of 1994:

Revenues for the first six months of 1995 increased nearly 3 percent to $1.8 billion from $1.7 billion in the same period of 1994.

For the first six months of 1995, net income was $69 million, up from 1994's net income of $60.6 million. On a per share basis, the 1995 period's net income of $0.78 per share was 11 percent higher than 1994's $0.70.

Consumer Products
For the first six months of 1995, the Consumer Products Group's revenues of $701.8 million were down $36.7 million or 5 percent from those of the 1994 period. The revenue decrease was primarily due to the acceleration of the previously reported program to effect reductions of trade customers' inventories. Operating income of $84.9 million was $4.8 million or 6 percent higher than that of the 1994 period. Operating margins improved to 12.1 percent from 10.9 percent in the 1994 period due primarily to lower trade promotion costs and other savings resulting principally from the inventory reduction initiative.

Skin Care division's revenues declined $17.5 million while operating income increased $11.5 million compared to the first six months of 1994. Sales volumes were down as a result of the inventory reduction program. Operating income increased as a result of reductions in trade spending, marketing expenditures and other cost reduction programs.

The Food division's revenues declined $15 million from the first six months in 1994 due to a planned reduction of microwaveable meals and lower sales of chili and stew. Operating income increased $900,000, as lower manufacturing and administrative costs more than offset the effects of lower sales.

The Household division's first six months' revenues and operating income were up $10.3 million and $1 million, respectively, over the same period in 1994, due primarily to strong sales of Dial's new dishwashing detergent and Renuzit product introductions, offset partially by a decline in Renuzit Electric and cleaning products. Renuzit Electric benefited from strong promotions in 1994 which were not repeated in 1995. Operating income increased over the 1994 six month period as raw material cost increases and promotional expenses for new product introductions partially offset the effects of increased sales.

Laundry division revenues for the first six months of 1995 decreased $12.9 million due to high sales to trade customers in the fourth quarter of 1994 and volume softness in dry detergents. Operating income declined $9.4 million as a result of the reduced volume, higher raw material costs, and increased marketing and distribution expenditures.

International division's revenues decreased $1.7 million compared to the first six months of 1994, due principally to the devaluation of the Mexican peso in the first quarter of 1995. Despite the revenue declines, operating income increased $800,000 due to a more profitable sales mix.

Services

Combined Services revenues for the first six months of 1995 were $1.1 billion, $79.9 million (8 percent) greater than that of the 1994 period. Excluding the one-time gain of $3.5 million (pre- tax) on curtailment of certain postretirement medical benefits in the Convention Services Segment, combined services posted a 16 percent increase in six month operating income.

Airline Catering and Services. These companies' revenues and operating income of $391 million and $29 million, respectively, were up $37.3 million (11 percent) and $4 million (16 percent), respectively, from those of 1994's first six months. The increase was due to having all United flight kitchens acquired during 1994 fully operational this year as the start-up of newly acquired flight kitchens continued during the 1994 first half. Seven new aircraft service locations and other new business from continuing locations also contributed to the increase, partially offset by the effect of further airline meal service cutbacks on certain domestic flights of short duration. Operating margins improved to 7.4 percent from 1994's 7.1 percent, as the United flight kitchens became fully operational during 1995 versus the start-up and training period in 1994.

Convention Services. Convention Services' first half revenues of $286 million were 9 percent greater than the 1994 period. Excluding the one-time curtailment gain described above, operating income increased 3 percent to $28.2 million. Operating margins decreased to 9.8 percent from 10.4 percent, due largely to the effects of shows not repeated each year and by changes in the location of certain shows.

Travel and Leisure and Payment Services. For the first six months of 1995, revenues of these companies were $381.4 million, up $20.1 million (nearly 6 percent), while operating income increased 38 percent to $21.8 million. Dial's payment services subsidiary continues to invest increasing amounts in tax-exempt securities. On a fully taxable equivalent basis, revenues and operating income would have been higher by $7.4 million and $2.9 million, respectively, for the 1995 and 1994 six month periods. Operating margins, on the fully taxable equivalent basis, increased to 7.5 percent from 5.1 percent in the 1994 six month period.

Canadian transportation services companies' revenues increased $13.6 million over the 1994 six month period while operating income increased $1.7 million in U. S. dollars. Revenue increases from a newly acquired tour operator, strong growth in existing package tour operations, improved hotel occupancy rates, and higher Courier Express, sightseeing and snowfield revenues were partially offset by a decrease in charter revenues as a result of redeployment of the bus fleet to passenger route acquisitions in mid-1994. Operating income increases are attributed to the revenue increases as well as cost reduction programs, which more than offset the expense of terminating a small joint venture.

Duty Free airport and shipboard concession revenues declined $6.9 million from the first half of 1994, due primarily to the loss of a major shipboard concession and fewer passenger days for continuing business. Operating income improved $200,000, due mostly to lower operating expenses.

Cruise revenues were down $2.5 million from 1994's first six months due to having two ships in drydock for repairs for a total of 44 ship days during the first quarter of 1995. In addition, the Star/Ship Majestic was taken out of service in February as Dial commenced a four-year charter arrangement to lease the ship to a European operator. Operating results improved $2.8 million due to favorable occupancy rates, lower expenses resulting from cost reduction efforts and operating one less vessel.

Travel tour service revenues and operating income improved $2.3 million and $800,000, respectively, over the first six months of 1994, due primarily to favorable foreign exchange rates this year, which also has had a favorable impact on passenger volumes.

Revenues and operating income of the food service companies were both down $600,000 from the same period in 1994 due to the sale of a non-core operation, including certain one-time costs, as well as inclement weather at Glacier National Park.

On a fully taxable equivalent basis, revenues of payment services increased $18 million over those of 1994's first six months, due principally to increased investment income, revenues from new product lines and increased realized investment gains. Investment income increased due to higher rates and greater funds invested than in 1994. On a fully taxable equivalent basis, operating income increased $6.9 million, including the increased realized investment gains and moderated principally by higher commission expense for official checks and other volume related costs.

Interest Expense

Interest expense for the first six months of 1995 increased $7.7 million over the first six months of 1994, as both debt levels and interest rates on floating-rate debt were higher than in 1994. Debt level increases are primarily due to the purchase of the Star/Ship Majestic in February 1995.

Income Taxes
The effective tax rate for the first six months of 1995 was 36.1 percent, down from 37.9 percent in the comparable period of 1994. The reduction in the effective tax rate results primarily from the increased use of tax-exempt investments by Dial's payment services subsidiary.

Liquidity and Capital Resources:

The Dial Corp's total debt at June 30, 1995 was $800.8 million compared with $745.5 million at December 31, 1994. The debt-to- capital ratios at June 30, 1995 and December 31, 1994 were 0.55 to 1 and 0.56 to 1, respectively. The increase in debt was attributable primarily to the purchase of the Star/Ship Majestic, which was previously leased, in early 1995.

There were no other material changes in The Dial Corp's financial condition nor were there any substantive changes relative to matters discussed in the Liquidity and Capital Resources section of Management's Discussion and Analysis of Results of Operations and Financial Condition as presented in The Dial Corp Annual Report to Stockholders for the year ended December 31, 1994.

Recent Developments:

Dial's Consumer Products Group plans to continue programs with many of its trade customers designed to effect reductions of the trade customers' inventories over the balance of 1995. These programs are coupled with more rapid replenishment as consumers purchase the products off the shelf, to address the retailers' increased emphasis on efficient consumer response. This will continue to depress revenues for the Consumer Products Group for the rest of 1995 while the trade customers' inventories are reduced, even though consumer purchases are expected to continue at normal rates. The Consumer Products Group anticipates that lower trade promotion costs and other savings resulting from the programs will more than offset the effect of the reduced revenues in 1995, so that operating income and margins should continue to increase over 1994 levels.

In July 1995, Dial exercised its option to purchase the Star/Ship Atlantic cruise ship, previously under a lease agreement, for $71.7 million.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Dial has been named defendant in three lawsuits (U.S. District Court, Eastern Division, Virginia (Norfolk Division) Spring 1993; Circuit Court of Kanawha County West Virginia, July 1995; and Superior Court of California for the City of Los Angeles, July 1995) filed by several hundred former railroad workers claiming asbestos-related health conditions. Dial has tolling agreements in place with some plaintiffs in these lawsuits as well as other claimants. The claims relate to former subsidiaries and their production of railroad locomotives. Due to their preliminary nature, the extent of the claims as they relate to Dial are not ascertainable at this time, however, Dial does not believe that any resulting liability should materially affect its financial position.

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

The annual meeting of stockholders of The Dial Corp was held May 9, 1995, and matters voted on were reported in the quarterly report of The Dial Corp on Form 10-Q for the quarterly period ended March 31, 1995.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibit No. 10.A - Copy of Employment Agreement between The Dial Corp and John W. Teets dated June 20, 1995.

Exhibit No. 10.B - Copy of The Dial Corp Director's Charitable Award Program.

Exhibit No. 10.C - Copy of amendment dated August 18, 1993, to The Dial Corp Supplemental Pension Plan.

Exhibit No. 11 - Statement Re Computation of Per Share Earnings.

Exhibit No. 27 - Financial Data Schedule

(b) No Reports on Form 8-K have been filed by the registrant during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE DIAL CORP
(Registrant)

August 14, 1995

By /s/Richard C. Stephan

Richard C. Stephan
Vice President-Controller
(Chief Accounting Officer
and Authorized Officer)

THE DIAL CORP
STATEMENT RE COMPUTATION OF PER SHARE EARNINGS
(000 omitted)

	Quarter ended June 30,	
Primary:	1995	1994
Net income	$ 47,466	$ 43,393
Less: Preferred stock dividends	(281)	(281)
	$ 47,185	$ 43,112
Weighted average common shares outstanding before common equivalents	86,562	84,788
Common equivalent stock options	1,904	1,752
	88,466	86,540
Net income per share (dollars)	$ 0.54	$ 0.50

	Quarter ended June 30,			
	1995		1994	
Fully Diluted:	Common Shares	Net Income	Common Shares	Net Income
Weighted average common and equivalent shares and net income per above	88,466	$ 47,185	86,540	$ 43,112
	88,466	$ 47,185	86,540	$ 43,112
Net income per share (dollars)		$ 0.54		$ 0.50

THE DIAL CORP
STATEMENT RE COMPUTATION OF PER SHARE EARNINGS
(000 omitted)

Primary:	Six months ended June 30, 1995	Six months ended June 30, 1994
Net income	$ 68,973	$ 60,603
Less: Preferred stock dividends	(562)	(561)
	$ 68,411	$ 60,042
Weighted average common shares outstanding before common equivalents	86,355	84,612
Common equivalent stock options	1,876	1,676
	88,211	86,288
Net income per share (dollars)	$ 0.78	$ 0.70

Fully Diluted:	1995 Common Shares	1995 Net Income	1994 Common Shares	1994 Net Income
Weighted average common and equivalent shares and net income per above	88,211	$ 68,411	86,288	$ 60,042
Common equivalent stock options	84			
	88,295	$ 68,411	86,288	$ 60,042
Net income per share (dollars)		$ 0.77		$ 0.70

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE DIAL CORP'S FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

MULTIPLIER: 1,000 Exhibit 27 Page 1 of 2 THE DIAL CORP FINANCIAL DATA SCHEDULE

FISCAL YEAR END	DEC 31 1995
PERIOD END	JUN 30 1995
PERIOD TYPE	6 MOS
CASH	22,022
SECURITIES	0
RECEIVABLES	247,766
ALLOWANCES	19,849
INVENTORY	226,781
CURRENT ASSETS	1,119,071
PP&E	1,502,108
DEPRECIATION	647,539
TOTAL ASSETS	3,792,119

Exhibit 27 Page 2 of 2

CURRENT LIABILITIES	1,987,205
BONDS	752,768
COMMON	145,663
PREFERRED MANDATORY	6,594
PREFERRED	0
OTHER SE	490,746
TOTAL LIABILITY AND EQUITY	3,792,119
SALES	701,755
TOTAL REVENUES	1,760,081
CGS	616,819
TOTAL COSTS	1,592,722
OTHER EXPENSES	22,088
LOSS PROVISION	0
INTEREST EXPENSE	36,679
INCOME PRETAX	107,944
INCOME TAX	38,971
INCOME CONTINUING	68,973
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	68,973
EPS PRIMARY	0.78
EPS DILUTED	0.77

EXHIBIT 10.A

EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT (the "Agreement"), dated June 20, 1995, between The Dial Corp, a Delaware corporation (the "Company"), and John W. Teets (the "Executive").

WHEREAS, the Executive has made extraordinary contributions to the Company in his capacity as Chairman and Chief Executive Officer, especially in connection with the Company's restructuring and repositioning, to the great benefit of its shareholders;

WHEREAS, the Company, as successor to The Greyhound Corporation, and the Executive are currently parties to an agreement dated April 14, 1987 (the "Prior Agreement") relating to the Executive's employment with the Company; and

WHEREAS, the Company desires the Executive to continue serving as its Chairman and Chief Executive Officer, and the Company and the Executive desire to enter into this Agreement, which shall restate and supersede the Prior Agreement in all respects.

NOW, THEREFORE, in consideration of the premises and the respective covenants and agreements of the parties herein contained, and intending to be legally bound hereby, the parties agree as follows:

1. Employment. The Company hereby agrees to continue to employ the Executive, and the Executive hereby agrees to continue to serve the Company, on the terms and conditions set forth herein.

2. Term. The term of employment of the Executive by the Company hereunder shall commence on June 20, 1995, and such term shall end on September 30, 1998 (the "Expiration Date"), unless sooner terminated as hereinafter provided.

3. Nature of Duties. The Executive shall serve as Chairman and Chief Executive Officer of the Company and, subject to the direction of the Board of Directors of the Company (the "Board"), shall have full authority for management of the Company and all its operations, financial affairs, facilities and investments. The Executive shall serve as a member of the Board, shall act as the duly authorized representative of the Board and shall be an ex officio member of all committees of the Board. However, the Executive agrees to relinquish the position of Chief Executive Officer prior to the Expiration Date if requested to do so by the Board to facilitate an orderly senior management succession plan, it being understood that such request and relinquishment shall not constitute a breach by the Company or a termination of this Agreement; thereafter, the Executive shall remain Chairman and shall continue to receive the compensation and benefits provided for in this Agreement. The Executive shall devote substantially all of his working time and efforts to the business and affairs of the Company; provided, that the Executive shall be free to serve as a director or officer or both of such not-for-profit corporations as he may desire, to join and participate in such committees for community or national affairs as he may select and to join and serve on business corporation boards of directors, so long as such activities do not significantly interfere with the performance of the Executive's duties hereunder and, in the case of public business corporation boards of which the Executive was not a member when he executed this Agreement, only with the prior approval of the Executive Compensation Committee of the Board.

4. Place of Performance. The Executive shall be based at the principal executive offices of the Company in the city of Phoenix, Arizona, or at such other principal executive office as is agreeable to the Executive, except for required travel on the Company's business.

5. Compensation and Related Matters.
(a) Base Salary. During the Executive's employment hereunder, the Company shall pay to the Executive an annual base salary of $1,000,000, effective July 1, 1995, such salary to be paid in conformity with the Company's policies relating to salaried employees. The Board will periodically review the Executive's base salary and, effective September 1, 1996, and September 1, 1997, may increase his base salary by the amount, if any, the Board determines to be appropriate.

(b) Annual Bonus. The Executive shall be eligible to participate in the annual bonus program available to senior executives of the Company for its 1996 and later fiscal years, but his entitlement to any bonus shall be determined on the basis of criteria approved by the Executive Compensation Committee of the Board and ratified by the Board.

(c) Stock Options. Restricted Stock and Incentive Plans. The Executive shall be eligible to participate in all stock option, restricted stock and incentive plans available to senior executives of the Company, but his entitlement to any grant or award shall be determined on the basis of criteria approved by the Executive Compensation Committee of the Board and ratified by the Board.

(d) Other Benefits. During the Executive's employment hereunder, the Executive (1) shall be entitled to participate in all employee benefit plans, which are generally available to the Company's senior executive employees (subject to, and on a basis consistent with, the terms, conditions and overall administration of such plans, programs and arrangements); and (2) shall receive pension benefits, supplemental executive retirement benefits, health insurance plans, executive medical benefits, fitness programs, life insurance, accidental death and dismemberment benefits, vacation time, reimbursement of club membership expenses, perquisites and other fringe benefits no less favorable in the aggregate to the Executive than those provided to him by the Company immediately before this Agreement.

(e) Insurance; Indemnification. During the Executive's employment hereunder, the Company shall maintain appropriate liability insurance under which the Executive shall be an insured party. In addition, the Company shall indemnify the Executive in the manner set forth in its Charter and By-laws, and the existing Indemnification Agreement between the Company and the Executive (the "Indemnification Agreement") shall remain in full force. The Company shall also indemnify the Executive, to the extent permitted by law, with respect to public service activities and not-for-profit board membership he undertakes in accordance with Section 3.

(f) Expenses. The Executive shall be entitled to receive prompt reimbursement for all reasonable and customary travel and business expenses he incurs (including, when the Executive deems necessary, expenses incurred with respect to his spouse) in connection with the Executive's employment hereunder; provided, that such expenses are accounted for in accordance with the policies and procedures established by the Company.

6. Compensation Upon Termination.

(a) Termination for Just Cause.
(1) Compensation Upon Termination for Just Cause:
The Company may terminate the Executive's employment for just cause at any time without advance notice, in which case it shall pay to the Executive, as soon as practicable thereafter, any accrued but unpaid base salary under Section 5(a) hereof and shall pay to the Executive, in accordance with the terms of the applicable plan or program, all other unpaid amounts to which the Executive is then entitled under any compensation or benefit plan or program of the Company. The Company shall have no further obligations to the Executive under this Agreement, except any ongoing indemnification obligation under Section 5(e).

(2) Just Cause. For purposes of this Agreement, "just cause" shall include, but not be limited to: (i) the Executive's conviction of a felony; (ii) the Executive's refusal to abide by or follow written directions that have been given by the Board or that may be given by the Board hereafter; and (iii) the Executive's failure adequately to cooperate with the Board in planning and implementing a senior management succession plan.

(3) Resignation Alternative. If the Company decides to terminate the Executive for just cause, it shall notify the Executive of its intention to do so and give the Executive 48 hours within which to resign voluntarily in lieu of being terminated. If the Executive resigns during this period, the Executive shall receive the payments and benefits described in Section (6)(b) in lieu of those provided in this Section (6)(a). The Executive acknowledges and agrees that he shall not be entitled to any other amounts from the Company or any affiliate on account of his termination of employment pursuant to this Section 6(a)(3).

(b) Voluntary Termination. The Executive may terminate employment voluntarily at any time after giving the Company at least 180 days, advance written notice. (This advance written notice requirement shall not apply, however, if the Executive, on account of his termination of employment, would receive benefits under his Executive Severance Agreement dated March 18, 1992 (the "Severance Agreement"). If the Executive voluntarily terminates employment, the Company shall pay to the Executive, as soon as practicable thereafter, any accrued but unpaid base salary under Section 5(a) hereof as of the date of such termination and shall pay to the Executive, in accordance with the terms of the applicable plan or program, all other unpaid amounts to which the Executive is then entitled under any compensation or benefit plan or program of the Company. The Executive shall also be entitled to use of an office, as provided in Section 6(f). In addition, if the Executive voluntarily terminates employment more than 6 months before his 65th birthday, the Executive shall be entitled to receive the separation benefits provided in Schedule A attached to this Agreement. The Company shall have no further obligations to the Executive under this Agreement, except any ongoing indemnification obligation under Section 5(e).

(c) Termination Without Just Cause. The Company, without advance notice, may terminate the Executive's employment other than for just cause under Section 6(a) or for Disability under Section 6(d), in which case the Company shall pay to the Executive, over the remainder of the term of this Agreement, all payments or benefits (or their equivalent) under Section 5 that would have been paid or provided to the Executive over such period had he remained employed by the Company, but only to the extent that the target requirements for bonus or other incentive plans have been satisfied. The Executive shall also be entitled to use of an office, as provided in Section 6(f). For purposes of determining post-termination payments pursuant to this paragraph, a bonus award under Section 5(b) and a stock option grant or other incentive award under Section 5(c) shall not be less than the corresponding award or grant made to the Executive for 1993 or 1994, whichever was the more highly compensated year in terms of aggregate bonuses, option grants and incentive awards. Payments or benefits under this paragraph (c) shall not be due with respect to periods following the Executive's death, as provided more fully in Section 6(e) which shall then be applicable. The Company shall have no further obligations to the Executive under this Agreement, except any ongoing indemnification obligation under Section 5(e), and the Executive agrees that he shall have no rights or remedies in the event of his termination without just cause other than those set forth in this Section 6(c).

(d) Termination for Disability. If the Board determines, in its sole discretion, that the Executive is incapacitated by a physical or mental condition, illness or injury which has prevented him (or inevitably will prevent him) from being able to perform his duties under this Agreement in a satisfactory fashion for substantially all of a 90 consecutive day period, the Executive shall be deemed to have a "Disability." The Board may terminate the Executive's employment on account of a Disability, in which case, the Executive shall receive the payments or benefits that would have been due under Section 6(b) had he terminated employment voluntarily and, in addition, the Executive shall continue to receive base salary payments following his termination (reduced by any other Company-provided disability benefits available to Mr. Teets) until the earliest of
(1) the Expiration Date, (2) the 180th day following the first day of the 90 day period referred to in the preceding sentence, or (3) the Executive's death, as provided more fully in Section 6(e) which shall then become applicable. The Executive shall also be entitled to use of an office, as provided in Section

6(f). The Company shall have no further obligations to the Executive under this Agreement, except any ongoing indemnification obligation under Section 5(e).

(e) Death. If the Executive dies while this Agreement is in effect or while amounts or benefits are being provided under Section 6(c) or 6(d) on account of the Executive's termination without just cause or for Disability, no further amounts or benefits shall be due except for (1) death benefits payable under the express terms of employee benefit plans in which the Executive participated and (2) any accrued but unpaid base salary under Section 5(a) hereof. The Company shall pay any amount due under Section 5(a) to the Executive's estate as soon as practicable after his death, and shall pay his estate or, if applicable, his designated beneficiary, any other amount or benefit due under any compensation or benefit plan or program of the Company in accordance with the terms of the applicable plan or program. The Company shall have no further obligations with respect to the Executive under this Agreement, except any ongoing indemnification obligation under Section 5(e).

(f) Office Facilities Following Termination. After the Executive's termination of employment for any reason other than just cause or death, the Company shall provide the Executive with a suitable, fully equipped office and suitable secretarial and office support services for five years. The office shall be located at an appropriate location acceptable to the Executive, other than the Company's headquarter offices.

7. Notice. For purposes of this Agreement, notices, demands and all other communications provided for in this Agreement shall be given in writing and shall be deemed to have been duly given when delivered or mailed by United States certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

F.G. Emerson
Vice President & Secretary The Dial Corp
1850 N. Central Avenue
Phoenix, Arizona 85077-2400

With a copy to:

The then Chairman of the
Executive Compensation Committee of the Board of Directors of The Dial Corp

If to the Executive:

J. W. Teets
Chief Executive Officer
The Dial Corp
1850 N. Central Avenue
Phoenix, Arizona 85077-2400

With a copy to:

L. G. Lemon
Vice President & General Counsel The Dial Corp
1850 N. Central Avenue
Phoenix, Arizona 85077-2212

or to such other address as any party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

8. Miscellaneous. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Executive and such officer of the Company as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any conditions or provisions of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Delaware without regard to its conflicts of law principles. This Agreement shall be binding upon and shall inure to the benefit of the Executive and his estate and the Company and any successor thereto, but neither this Agreement nor any rights arising hereunder may be assigned or pledged by the Executive, except to the extent permitted under the terms of the benefit plans in which the Executive participates.

9. Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability or any other provision of this Agreement, which shall remain in full force and effect.

10. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

11. Prior Agreement. This Agreement shall supersede the Prior Agreement in all respects; the Prior Agreement is hereby terminated and canceled.

12. Entire Agreement. This Agreement, the Severance Agreement and the Indemnification Agreement constitute the entire agreement and understanding with respect to the employment of the Executive by the Company. To the extent that the Executive receives or becomes entitled to receive any payments or other benefits pursuant to the Severance Agreement, the amounts to which the Executive may become entitled pursuant to Section 6 of this Agreement shall be offset by such payments or benefits.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

The Dial Corp

By: /s/ Dennis S. Stanfill
Chairman, Executive
Compensation Committee

By: /s/ Frederick G. Emerson
Vice President &
Secretary

John W. Teets

/s/ John W. Teets
6/20/95

SCHEDULE A
TO
EMPLOYMENT AGREEMENT
OF
JOHN W. TEETS
DATED
June 20, 1995

In the event Mr. Teets is eligible for special separation benefits in accordance with the provisions of Section 6(b) of his Employment Agreement dated June 20, 1995, the Compensation Committee of the Board of Directors of The Dial Corp shall apply 13 Credits for Mr. Teets, benefit. The Compensation Committee shall do so in the manner permitted under this Schedule which it determines to be most beneficial to Mr. Teets after discussing the matter with Mr. Teets. Mr. Teets, views shall be taken into account by the Compensation Committee, but they shall not be binding. The Compensation Committee may use Mr. Teets, 13 Credits in any of the following ways:

a) ADDITIONAL CREDITED SERVICE for pension benefit accrual purposes, on the basis that 1 Credit equals 1 year of credited service.

b) ADDITIONAL AGE with respect to actuarial adjustments to Mr. Teets' pension benefit for early or late benefit commencement, on the basis that 1 credit equals 1 year of deemed age.

c) CONTINUED PAY AT 2/3RDS OF BASE SALARY for 3 weeks for each full year of Mr. Teets, service with The Dial Corp and its predecessors, with medical, dental, life and AD & D benefits (or their equivalent) being continued during the salary continuation period on substantially the same basis as they are then being provided to similarly situated active employees. This option costs 3 Credits and can only be utilized once.

d) CASH PAYMENT equal to 10% of Mr Teets' last annual base salary for each credit used.

Credits may be used in any combination, except as noted with respect to option c). Once used, credits expire. Credits may not be used to increase benefits under a qualified pension plan if that would jeopardize the plan's tax status, but they may be used to increase benefits under the Greyhound Supplemental Pension Plan.

EXHIBIT 10.B

THE DIAL CORP

DIRECTOR'S CHARITABLE AWARD PROGRAM

1. PURPOSE OF THE PROGRAM.

The Dial Corp Director's Charitable Award Program (the "Program") allows each eligible Director of The Dial Corp (the "Corporation") to recommend that the Corporation make a donation of $1,000,000 to the eligible tax-exempt organization(s) (the "Donee(s)") selected by the Director, with the donation to be made, in the Director's name, in ten equal annual installments, with the first installment to be made as soon as is practicable after the Director's death. The purpose of the Program is to recognize the interest of the Corporation and its Directors in supporting worthy educational institutions and other charitable organizations.

2. ELIGIBILITY.

All persons serving as Directors of the Corporation as of February 15, 1995, shall be eligible to participate in the Program. All Directors who join the Corporation's Board of Directors after that date shall be immediately eligible to participate in the Program upon election to the Board.

3. RECOMMENDATION OF DONATION.

When a Director becomes eligible to participate in the Program, he or she shall make a written recommendation to the Corporation, on a form approved by the Corporation for this purpose, designating the Donee(s) which he or she intends to be the recipient(s) of the Corporation donation to be made on his or her behalf. A Director may revise or revoke any such recommendation prior to his or her death by signing a new recommendation form and submitting it to the Corporation.

4. AMOUNT AND TIMING OF DONATION.

Each eligible Director may choose one organization to receive a corporate donation of $1,000,000, or two or more organizations to receive donations aggregating $1,000,000. Each recommended organization must be recommended to receive a donation of at least $100,000. The donation will be made by the Corporation in ten equal annual installments, with the first installment to be made as soon as is practicable after the Director's death. If a Director recommends more than one organization to receive a donation, each will receive a prorated portion of each annual installment. Each annual installment payment will be divided among the recommended organizations in the same proportions as the total donation amount has been allocated among the organizations by the Director.

5. DONEES.

In order to be eligible to receive a donation, a recommended organization must initially, and at the time a donation is to be made, qualify to receive tax-deductible donations under the Internal Revenue Code, and be reviewed and approved by the Corporate Contributions Committee. A recommendation will be approved unless it is determined, in the exercise of good faith judgment, that a donation to the organization would be detrimental to the best interests of the Corporation. A Director's private foundation is eligible to receive donations under the Program. If an organization recommended by a Director ceases to qualify as a Donee, and if the Director does not submit a form to change the recommendation before his or her death, the amount recommended to be donated to the organization will instead be donated to the Director's remaining recommended qualified Donee(s) on a prorated basis. If none of the recommended organizations qualify, the donation will be made to the organization(s) selected by the Corporation.

6. VESTING.

A Director will be vested in the Program when he or she completes five years of Board service, or in the event (a) he or she dies or becomes disabled while serving as a Director, (b) if not an employee of the Corporation, he or she retires at the mandatory retirement age for non-employee directors, (c) if an employee of the Corporation, he or she retires on or after his or her normal retirement date, or (d) there is a Change of Control of the Corporation. For persons serving as Directors on February 15, 1995, Board service prior to that date will count as vesting service. If a Director terminates Board service (other than due to death, disability or mandatory retirement) before becoming vested, no donation will be made on his or her behalf.

7. FUNDING AND PROGRAM ASSETS.

The Corporation may fund the Program or it may choose not to fund the Program. If the Corporation elects to fund the Program in any manner, neither the Directors nor their recommended Donee(s) shall have any rights or interests in any assets of the Corporation identified for such purpose. Nothing contained in the Program shall create, or be deemed to create, a trust, actual or constructive, for the benefit of a Director or any Donee recommended by a Director to receive a donation, or shall give, or be deemed to give, any Director or recommended Donee any interest in any assets of the Program or the Corporation. If the Corporation elects to fund the Program through life insurance policies, a participating Director agrees to cooperate and fulfill the enrollment requirements necessary to obtain insurance on his or her life.

8. AMENDMENT OR TERMINATION.

The Board of Directors of the Corporation may, at any time, without the consent of the Directors participating in the Program, amend, suspend, or terminate the Program. However, once a Director becomes vested in the Program, the Program may not be amended, suspended or terminated with respect to such Director without his or her consent; provided, the Board can elect, unless a change of control of the Corporation has occurred, to terminate the Program with respect to any Director whose Board service is terminated as a result of a felony conviction, or a conviction of a crime involving moral turpitude, fraud or dishonesty, whether or not he or she is vested.

9. ADMINISTRATION.

The Program shall be administered by the Executive Compensation Committee of the Board of Directors of the Corporation. The Committee shall have plenary authority in its discretion, but subject to the provisions of the Program, to prescribe, amend, and rescind rules, regulations and procedures relating to the Program. The determinations of the Committee on the foregoing matters shall be conclusive and binding on all interested parties.

10. CHANGE OF CONTROL.

If there is a Change of Control of the Corporation, all participants serving as Directors at the time of the Change of Control shall become immediately vested in the Program, and, notwithstanding the provisions of Section 8, the Program shall not thereafter be amended or terminated with respect to any person participating in the Program at the time of the Change of Control. For the purpose of the Program, the term "Change of Control" shall have the same meaning as is defined for that term in The Dial Corp 1992 Stock Incentive Plan.

11. GOVERNING LAW.

The Program shall be construed and enforced according to the laws of State of Arizona, and all provisions thereof shall be administered according to the laws of said state.

12. EFFECTIVE DATE.

The Program effective date is February 15, 1995. The recommendation of a Director will not be effective until he or she completes the Program enrollment requirements.

EXHIBIT 10.C

RESOLUTION ADOPTED BY THE
BOARD OF DIRECTORS OF
THE DIAL CORP
AUGUST 18, 1993

RESOLVED, that the Dial Companies Supplemental Retirement Plan, which covers employees of this Corporation and various of its subsidiaries, be amended as follows:

The second sentence of Schedule B of the Plan shall be as follows:

The Benefit shall be subject to no reduction if the Eligible Employee retires on or following his or her 60th birthday; and a reduction of .25% for each month his or her retirement precedes his or her 60th birthday.
