



"On Tour"

On Tour



DECEMBER 1949
VOL. 11, NO. 12

In This Issue

REFUELING

The "City of Yuma" fills up with Union Aviation Gasoline at 75 MPH Front Cover

CITY OF YUMA

Some pertinent facts regarding the longest flight in history 3

LONG BEACH EXPANDS SEAWARD

Oil is financing and lubricating this harbor development project 8

INDUSTRIAL SUMMARY

Digest of Company operations 11

ORGANIZATION CHANGES

In Marketing, Land and Automotive Departments 14

CONSTANT CHALLENGE

Our documentary film in the making 15

HONEST ANSWERS

From Basil Hopper, vice president 16

59th BIRTHDAY OBSERVANCE

Sixteen veteran employees enjoy anniversary as guests of management 18

EXTENDING A FRIENDLY GRIP

"76" goes to rescue of San Francisco cable car 21

UNION OILERS

Excell in the laboratory and on the parade ground 22

SERVICE BIRTHDAY AWARDS

..... 23

T. D. Collett Editor
R. C. Hagen Asst. Editor

ON TOUR is published monthly by Union Oil Company of California for the purpose of keeping Union Oil people informed regarding their company's plans and operations. Reader participation is invited. Address communications to ON TOUR, 617 West 7th Street, Los Angeles 14, California.

THE CHRISTMAS SEASON

is a time set apart.
And to each of us,
it has a different meaning.

It is the time
to look back
over the past years
and give thanks
for our many blessings.

It is a time
of anticipating the future,
planning for tomorrow.

To us all,
it should mean
a quiet prayer of thanks
for the privilege
of living in this
country of ours.

And once more,
it gives me the opportunity
to wish you all

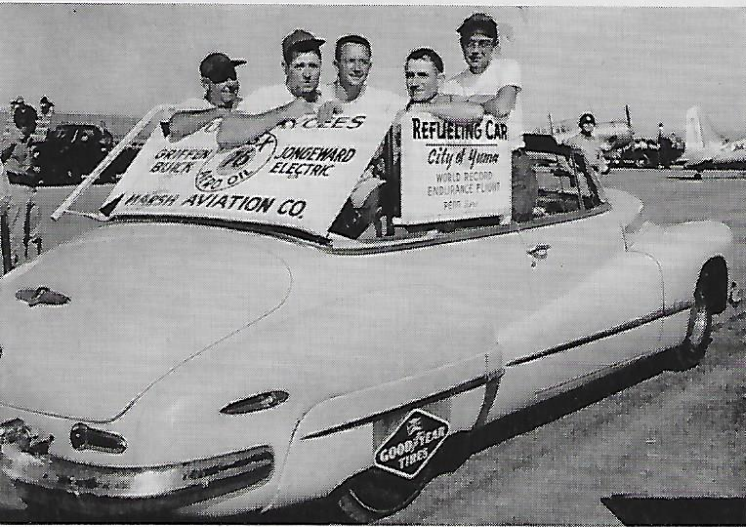
A VERY MERRY CHRISTMAS
AND A
HAPPY AND SUCCESSFUL
NEW YEAR

Reese H. Taylor

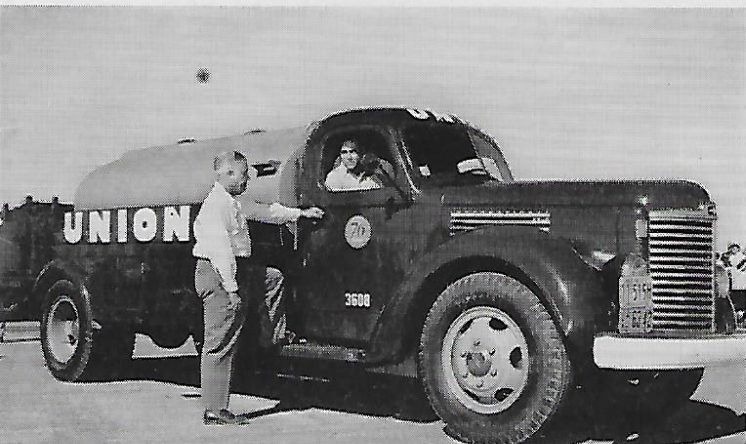


City of YUMA

An astounding new world's endurance record of nearly 47 days is now the joint possession of Woody Jongeward, Bob Woodhouse and the "City of Yuma," photographed above during their history-making flight.



But both fliers were quick to share their honors with many townspeople of Yuma who worked night and day to keep the craft flying—particularly Jaycee leaders, above, who did the refueling, and Norman Bann, standing below, whose company supplied petroleum products.

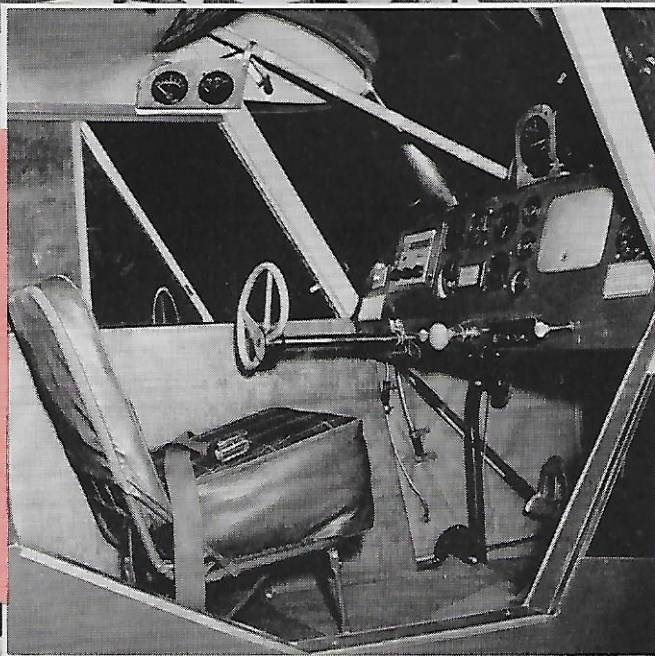
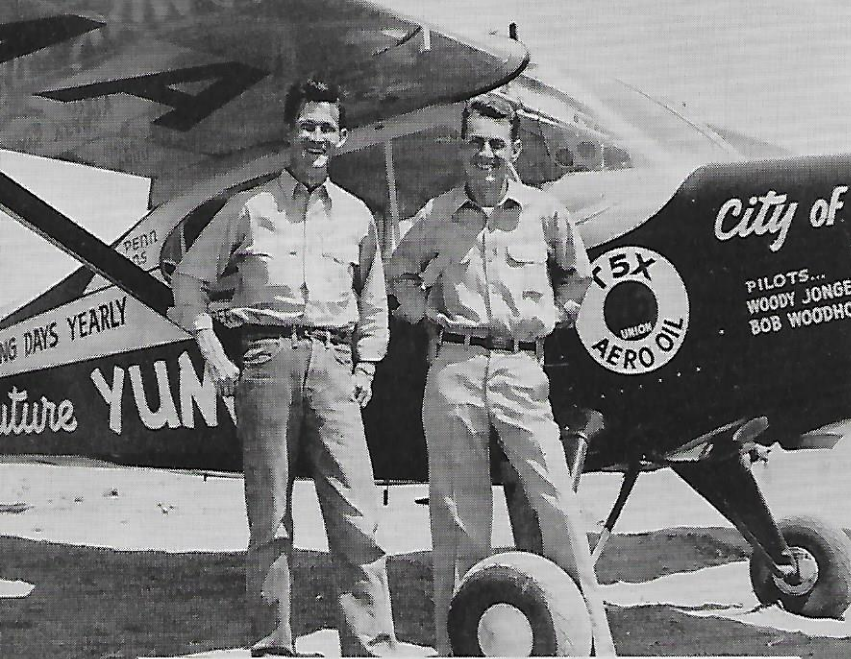


MOST of the world has already become acquainted with Woody Jongeward, Bob Woodhouse and their now-famous Aeronca airplane, the CITY OF YUMA. Newspapers, newsreels, the radio and most other publicity media have given them wide acclaim.

On October 10th at 3:25:05 p.m. this durable trio touched wheels to the Yuma County Airport in Arizona after having been airborne continuously since the preceding August 24th. They had stayed aloft 1,124 hours and 17 minutes, nearly 47 days, which stands now and may continue to stand for several years as the longest flight in the history of aviation. In so doing they had flown non-stop a total distance of 89,920 miles, equivalent to circumnavigating the earth's equator more than three-and-one-half times.

Learning that the CITY OF YUMA was winging to its new record on Union Aviation Gasoline and T5X Aero Oil (Royal Triton), ON TOUR was quick to accept the invitation of Paul Goodwin, Company aviation representative, to witness the record-breaking performance. Enroute to Yuma in the Company's Army T-6, with Paul at the controls, we asked what Union Oil expected to receive from our heavy investment of gasoline and lubricating oil.

"Principally public understanding and acceptance of some established technical facts," Paul answered. "We know what our gasoline and T5X will do. We've put them to the severest kinds of laboratory and field tests. They have come through several years of military and



Above, Bob Woodhouse had little family "selling" to do prior to the flight. His sister, mother and father are all pilots and regard their family airplane as a ranch necessity. Mrs. Woodhouse even pilots her invalid mother to Fresno every month or so for medical treatments.

Upper left, Woodhouse and Jongeward are both ex-Navy fliers. Moments before the flight began, they gave their personal impressions of Arizona sunshine, then stepped into the cabin, left, which was to be their cockpit and living quarters for the 1,124 continuous hours.

Below, thirty or more times each day fliers and ground crew made hand-to-hand transfers of gasoline, oil, food and other supplies at speeds of between 65 and 85 miles per hour. Some 1,500 such breath-taking and hazardous contacts without accident is a fine record.

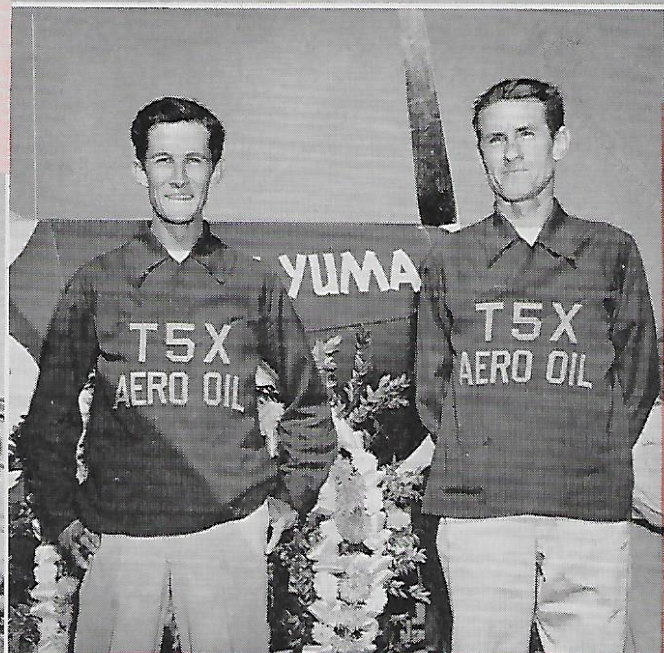


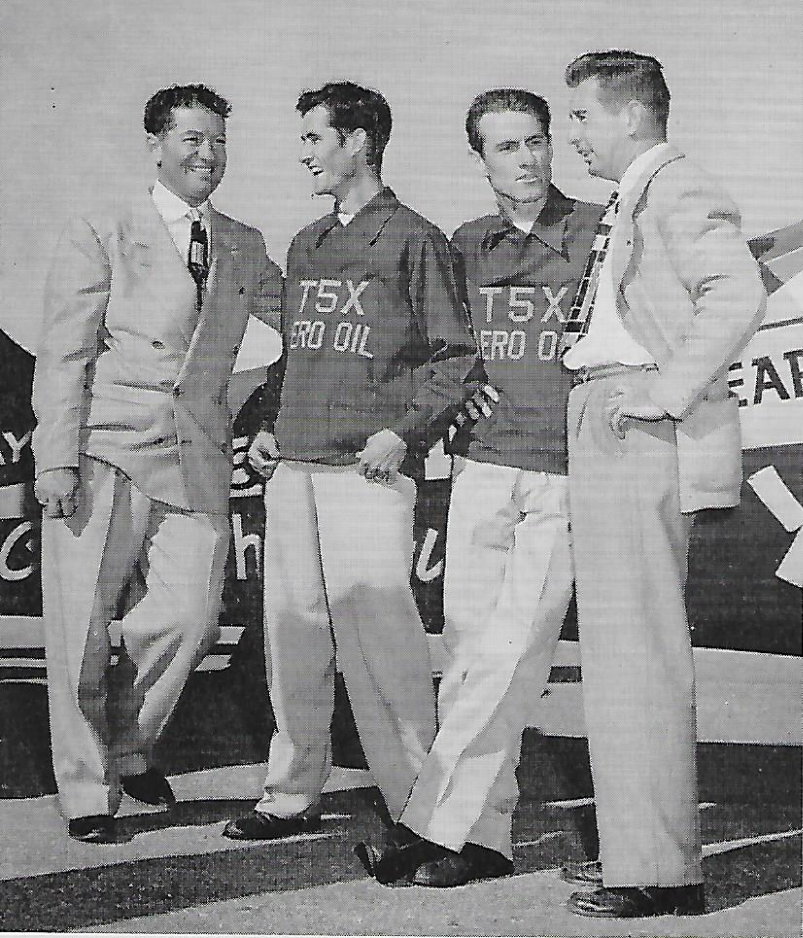


Above, delivering a package to Sky Harbor Airport in Phoenix was one of many errands the boys performed to keep the clock moving. They flew unrecognized several times over Los Angeles, San Diego and other cities.



Right and below, as the "City of Yuma" ended its record flight on October 10th, a crowd of 12,000 came to witness the landing. Wives of the two fliers shared in the ovation that followed. A diet of lean meat, cooked vegetables, milk and fruit juices—but devoid entirely of water, fats, sugars, fresh fruits and fresh vegetables—helped the boys to avoid any physical ill effects. Each gained a pound or two during the 47 days and returned to terra firma feeling "very good indeed!"





Former endurance record holders Bill Barris and Dick Riedel of Fullerton, California, were among the first to congratulate Woody and Bob. None of the four seemed very enthusiastic about further competition with time.

commercial proving with thousands of enthusiastic endorsements. However, there are millions of potential buyers who are naturally skeptical about advertising claims and have not been sold. To many of them this endurance flight should be a convincing demonstration of quality performance."

"But keep in mind," Paul continued, "we're not by any means shooting at a sitting duck. This little endurance plane is presenting some unusual fuel and lubricating problems. From the beginning it has been overloaded, due to auxiliary fuel tanks and several other items of extra equipment that had to be loaded aboard. Overheating has been a constant threat because the boys have been flying much of their time at minimum speeds, low altitudes and under the most extreme mid-summer heat conditions. Thirty or more times each day the airplane engine is subjected to maximum strains as it lifts from the refueling runs. There is more than the normal danger of fuel contamination because all gasoline must be handled and put aboard in small unsealed containers. Obviously the crankcase plug cannot be removed in flight, so not once in more than a thousand hours has the oil been completely changed. Despite the manufacturer's recommendation that the engine should

be overhauled every few hundred hours, this one has passed its second major overhaul period without even the addition of a new spark plug."

Within an hour we crossed over the Colorado River near Yuma, located Jongeward and Woodhouse cruising at about 7,000 feet and, after a close-up exchange of greetings, landed near Marsh Aviation Company's hangar. On hand to welcome us were Bill Wilcox and Paul Burch two of the Marsh Company's ablest engine experts, who, with Goodwin, were serving as technical advisers to the endurance fliers. Goodwin immediately inquired about the CITY OF YUMA'S oil consumption, and smiled when Burch answered, "It's using 7/16 of a pint an hour—about the consumption rate of a new engine."

Yuma, we quickly discovered, is one of the most colorful and friendly towns of the West. Plump Indian women meet all incoming passenger trains, using the station platform as a sales counter to display their beaded handiwork. Along the main street of town are found the American wares and institutions of main street anywhere, but in quite a different setting of comfortably sheltered sidewalks and unhurried shopping.

Sunshine is synonymous with this part of Arizona. Local restaurants gave away nothing while advertising "Free meals any day the sun doesn't shine." In fact, it was the invariably clement weather that first inspired the Yuma Chamber of Commerce to suggest and sponsor the endurance flight. They were fearless about guaranteeing "ceiling unlimited" for the duration.

We were in town less than an hour before we knew everybody—Charley Gilpin, president of the Jaycees; Paul Dawson, radio announcer and publicity chairman; Horace Griffen, Buick agency manager and donator of the refueling car; Norman Bann, our resident manager who promoted the Company's contributions of oil and gasoline; and hundreds of others, not excluding Bob Hodge of General Petroleum, whom the Jaycees gleefully assigned to the "76" refueling job. Everybody we met smiled and said, "Howdy!" That's the way of life in Arizona.

And it soon became apparent why the endurance plane was called CITY OF YUMA. Ray Smucker had conceived the flight one Sunday while driving homeward from a neighboring town with Jongeward and Griffen. The local A-A Amusement Company offered to purchase a new Aeronca and lend it to the fliers. Ex-Navy Pilots Jongeward and Woodhouse didn't exactly volunteer to fly the plane; they were drafted. Businessmen agreed to serve as the refueling crew. Marsh Aviation equipped the plane for its long flight. The Valley Cafe offered to provide free meals for the fliers, and Union Oil made the plan complete by providing gasoline and oil. Everybody else in southern Arizona either helped in some

great or small way or spent most of the 47 tense days hopefully keeping their fingers crossed.

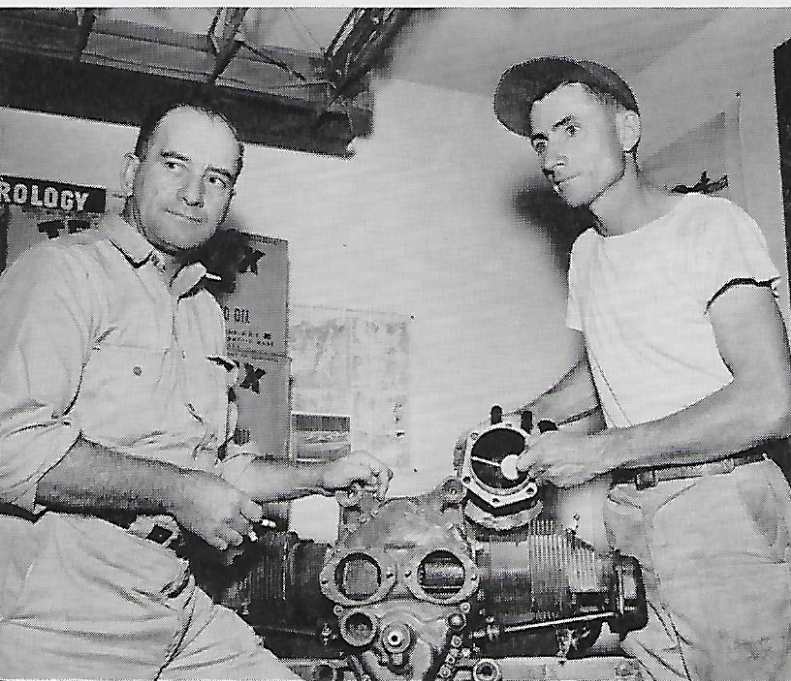
Everyone's deep anxiety was demonstrated the evening of October 5th, just a few minutes before Jongeward and Woodhouse broke the Barris-Riedel record of 1,008 hours. In the gathering dusk a visiting airplane, exactly duplicating the CITY OF YUMA as to make, model and color, glided down toward a landing near the crowd of some ten thousand people. As its wheels were about to touch the landing strip there arose cries of "What's gone wrong?" The uproar of keen disappointment turned into laughter only when people were able to observe a lack of painted signs on the visiting plane's fuselage. That was a hectic experience. Ten minutes later the old record was broken.

Along with a large and enthused delegation of Union Oilers, led by J. W. Miller, territory manager, we were present also on October 10th when the CITY OF YUMA decided to land because of magneto failure. Again a great crowd gathered to welcome the new endurance champions and to carry reports of their exploits to the press-informed world. On every mind was the question: "Is 47 days of steady flying about the limit of human and mechanical endurance?"

As to human endurance, Jongeward and Woodhouse answered by jumping briskly from plane to solid ground and showing no signs of weariness. The diet prescribed for them throughout the flight excluded water, fats, sugar, fresh fruits and fresh vegetables. They subsisted largely on milk, fruit juices, lean meats and cooked vegetables. Alternating every few hours at the plane's controls, they found piloting to be their most monotonous occupation. Drowsiness plagued them at times and once, while both boys were asleep, the CITY OF YUMA took an unscheduled tour deep into Mexico.

The technical experts who flew the CITY OF YUMA

Marsh Aviation's Bill Wilcox and Paul Burch, who made a post-flight calibration of the "City of Yuma's" engine, found it in nearly perfect condition, thanks to T5X.

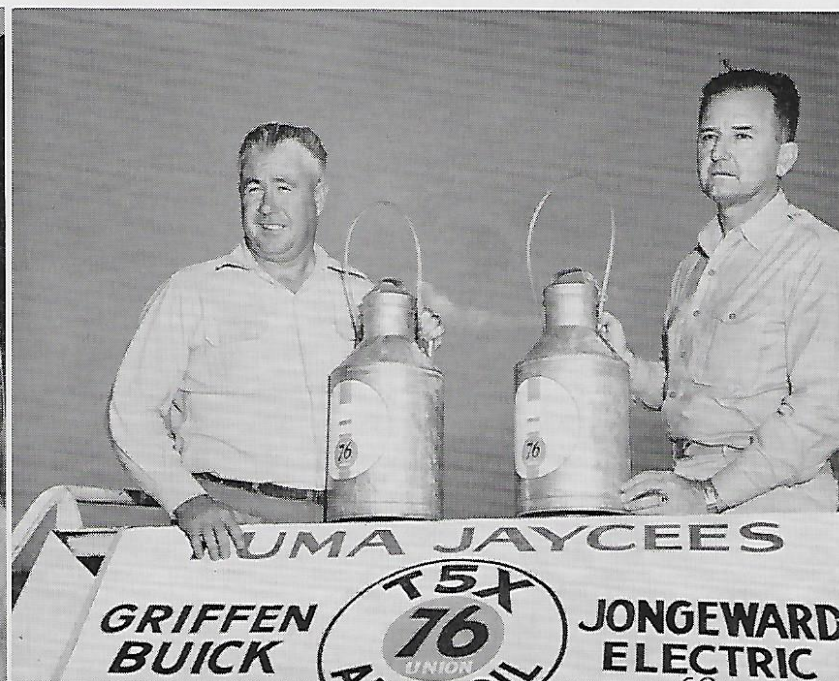


Emcee Paul Dawson, center, used a public-address system to good advantage in preventing accidents at the crowded airport and congratulating the plane's pilots.

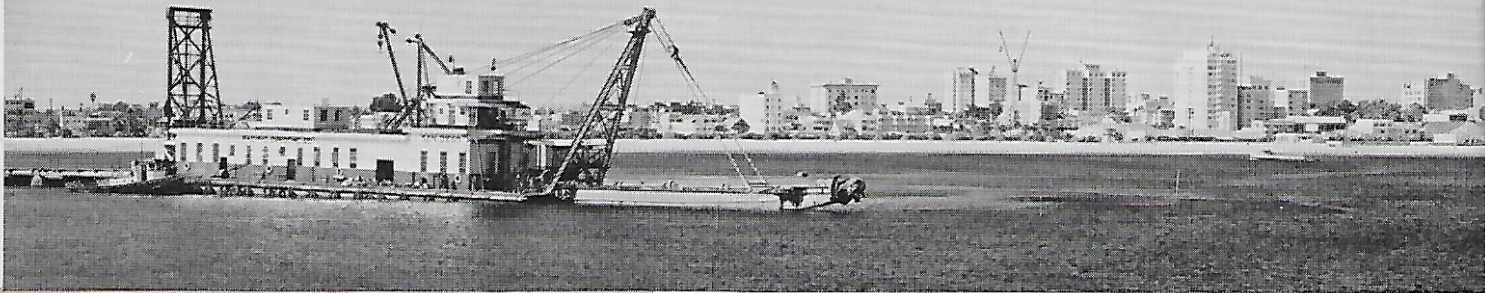
and inspected its torn-down engine soon after the flight ended paid the highest tribute to the gasoline and motor oil. The engine, after 145 million revolutions, was as clean as if just washed. There was no sludge to be found. Only a thin layer of carbon covered the piston tops. There was no appreciable amount of carbon on the valve stems. Compression tests showed the cylinders to be as good as those of a new engine. Micrometer measurements, showing less than one-thousandth of an inch of wear, had to be read in ten-thousandths of an inch. The special B-G platinum tip plugs were in excellent condition. Throughout the flight oil consumption varied slightly with outside air and resultant head temperatures but remained consistently between 3/8 and 7/16 of a pint per hour.

Said Bill Wilcox, who flew and inspected the plane, "with a new set of magneto points, nothing more, it will easily fly for another one thousand hours."

Proudest of the championship manner in which Company products had performed throughout the flight, were Norman Bann and Paul Goodwin, Union Oil representatives.

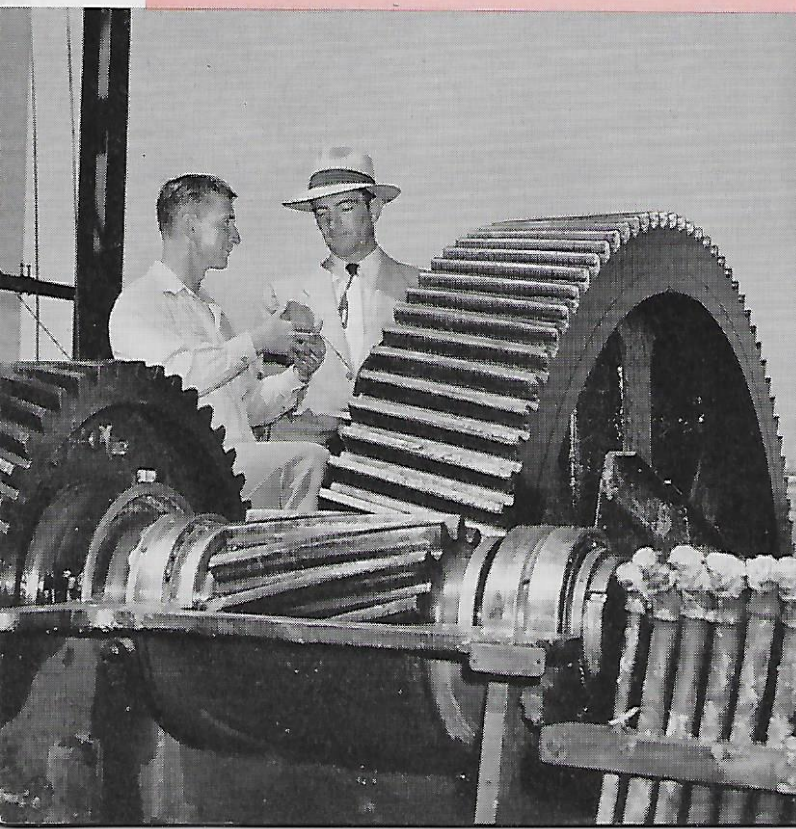


Long Beach Expands Seaward



Within sight of metropolitan Long Beach, Pacific Dredging Company's SAN DIEGO faces the huge task of building a hundred-million-dollar harbor.

C. R. McCoy, left, superintendent of the dredging operation, discusses a lubrication problem with Union Oiler Herb Inman, who recommended our Motoreze Gear Lubricant 250 for these gears.



FOLLOW a Unoba-laden truck out to the Pacific Dredging Company job at Long Beach sometime and witness one of the world's most remarkable harbor development projects. Here, where only a worthless swampland existed at the time of author Richard Henry Dana's visit in 1835, men have already built one of America's most attractive cities and convenient deep-water ports. Within the next 25 years an additional 100 million dollars will be spent to make the Port of Long Beach a modern waterway second to none.

The project now in course of construction involves adding 512 acres of artificially filled land to existing land areas. This addition will provide for a minimum of 44 large ship berths, 16 additional transit sheds, 12 warehouses, and large areas of shipside open storage space.

Pacific Dredging's method of pushing an ocean back to make room for more dry land is simple yet nonetheless interesting. First, an outer shoulder is constructed by piling a line of huge rocks on the ocean floor. This rock barrier, projecting a few feet above the surface, serves as a retaining wall for the land area and as a buttress against waves and tides. Then finer material, preferably clay, is scooped up from the ocean bottom outside the rock wall to provide a fill for the inside.

It was this type of filling operation that first taxed the imagination of engineers and resulted in today's hydraulic dredging units such as Pacific's SAN DIEGO. The floating plant employs a large cutting head and suction pipe, both mounted parallel on a 120-foot digging ladder. The cutting head, turning at about 17 rpm's, is capable of making an ocean-bottom excavation

some 75 feet in depth by 300 feet wide. It has moved up to 50,000 cubic yards of earth in 24 hours. The cuttings are immediately picked up with large quantities of water by powerful suction pumps and discharged into a line of 30-inch, pontoon-supported pipe for transportation to the fill. Oftentimes the mud is pumped in excess of 10,000 feet to the pipe's outlet, where the clay settles into a hard-packed layer of earth while the accompanying water drains back into the sea.

The immense shaft that turns the cutting head aboard this dredge operates both in and above water; thus the bearings that support the shaft must be lubricated with a highly versatile grease—one that will lubricate efficiently while remaining resistant to water, heat, low temperatures and corrosion. Our Unoba Grease is ideal for the job and is playing a stellar role in this harbor development.

A most interesting feature of the Long Beach project is that it does not call for taxes, bonds or other forms

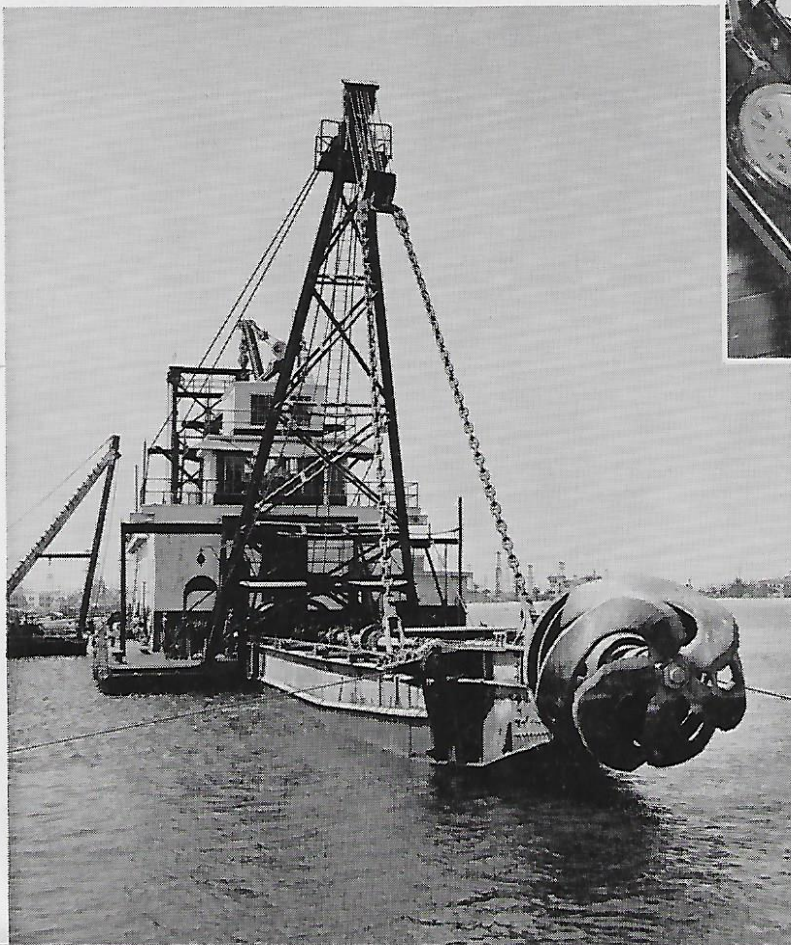


Above, right, is an artist-photographer's view of the Long Beach Harbor when completed some 25 years hence. It is designed to be America's most modern.

Below, this mighty dredge is capable of digging an ocean-bottom trench 75 feet deep by 300 feet wide. It has moved up to 50,000 cubic yards in 24 hours.



Above, one man controls the entire digging and pumping operation from the forward bridge. The electricity-powered dredge weighs 720 short tons, draws only 6 feet of water, and is run by 10 men.

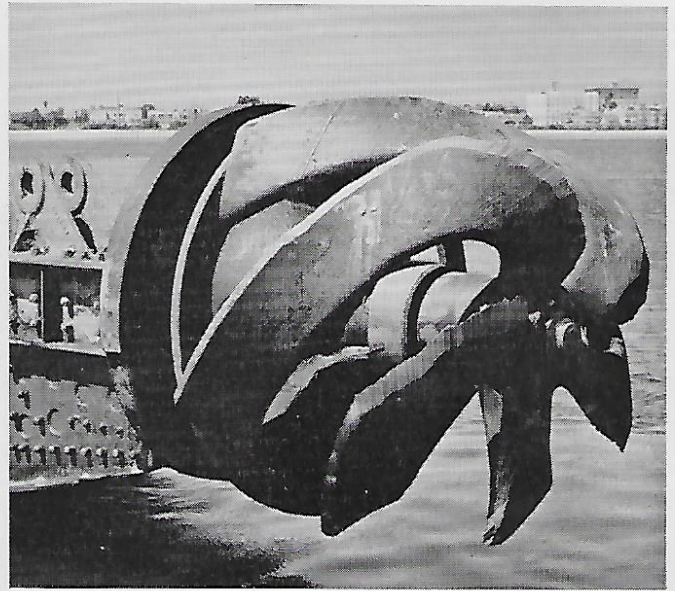


of public indebtedness. Actually, the Port of Long Beach is free from debt and has enough income in sight to complete the entire job.

How come? The Port, together with other large areas of Long Beach, is located above one of California's richest oil reservoirs. The area already contains over 500 productive oil wells and is yielding in excess of 57,000 barrels a day. Independent oil companies handle most of the drilling and production on a contract basis; but the revenues are used largely for city and port improvements.

Therefore, no sooner is an acre or so of new harbor land scooped out of the sea than portable drilling equipment is brought in to tap the underlying wealth. This is one of the rare public projects that are capable of paying their own way.

Our valued customer, the Pacific Dredging Company, is a California corporation operated jointly by Pudget Sound Bridge and Dredging Company of Seattle and Macco Corporation of Paramount, California. For many years both companies have been important operators in dredging, construction and shipbuilding throughout the western hemisphere.



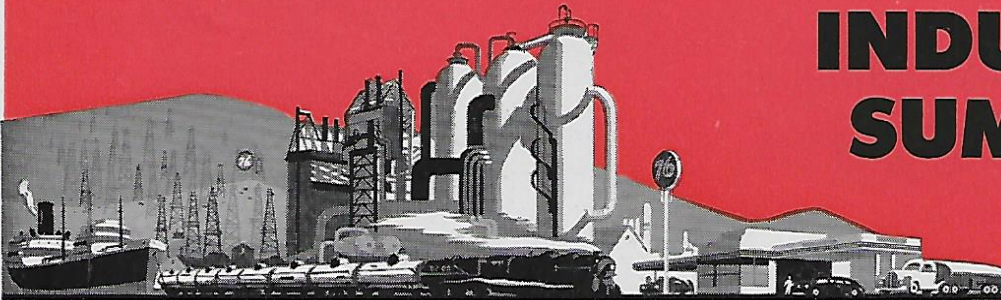
Above, the cutting head merely loosens earth, which, along with ocean water, is sucked into a pipe line mounted parallel on the digging ladder.



Left, floating on pontoons behind the dredge are ball-jointed lengths of 30-inch pipe which carry the mud ashore. Shore pipe then takes over the transportation job, oftentimes carrying mud a mile or two to the fill, above. Here the earth settles in layers behind marginal rock barriers while the water drains back into the Pacific.



INDUSTRIAL SUMMARY



UNION ACQUIRES NEW CRUDE OIL PRODUCTION

● UNION has contracted for the purchase from the five grandchildren of the late Edward L. Doheny of all the capital stock of Los Nietos Company, which holds extensive oil and gas leases in California and in other states and currently produces more than 7,000 barrels of crude oil daily. It also owns an eleven-story office building at 714 West Olympic Boulevard, Los Angeles, numerous other properties and substantial working capital.

The principal producing properties of Los Nietos Company are located in the Coalinga Nose, Pleasant Valley and Gujarral Hills fields in Fresno County and in the Kettleman Hills field in Fresno and King Counties, California. Los Nietos Company also has producing properties in West Texas and Canada, and holds substantial undeveloped acreage.

Los Nietos' net interest in production, after deducting all interests of others, amounted to 2,300,000 barrels of crude in 1947, 2,536,000 barrels in 1948 and 1,427,000 barrels in the first seven months of 1949. The average value of this production, including revenue from natural gas and natural gasoline, is \$2.80 per barrel at present posted prices. Net recoverable reserves of crude oil and other hydrocarbons are estimated to be in excess of 48,000,000 barrels, most of which is high gravity crude oil.

The price to be paid for the stock of Los Nietos is \$22,400,000 in cash, plus 600,000 common shares of Union. The Los Nietos stockholders have advised Union that they are acquiring this Union Oil stock for investment. The issuance of this additional stock will increase the total outstanding common shares of your Company to 5,266,270.

In order to finance this transaction Union is arranging for a 25-year $2\frac{3}{4}$ per cent institutional loan in the amount of \$40,000,000. A portion of the proceeds of this loan will enable the Company to retire, at 101 $\frac{1}{2}$ per cent and interest, its 3 per cent debentures due

January 1, 1967, which are outstanding in the principal amount of \$14,600,000.

In addition to Los Nietos' production, Union recently has added to its supply of high gravity oil by entering into a long term contract with Nassau Associates, Inc., for the purchase of the production from certain producing leases in the Coalinga Nose, Pleasant Valley and Gujarral Hills fields, which were recently acquired by Nassau from Mrs. Carrie Estelle Doheny. Present production from these properties amounts to approximately 6,000 barrels per day. In connection with this purchase contract, Union agreed to make advance payments for oil to be delivered in the future in case current payments

This eleven-story building at 714 West Olympic Boulevard, Los Angeles, is one of the properties purchased from Los Nietos Company for cash and shares of stock.

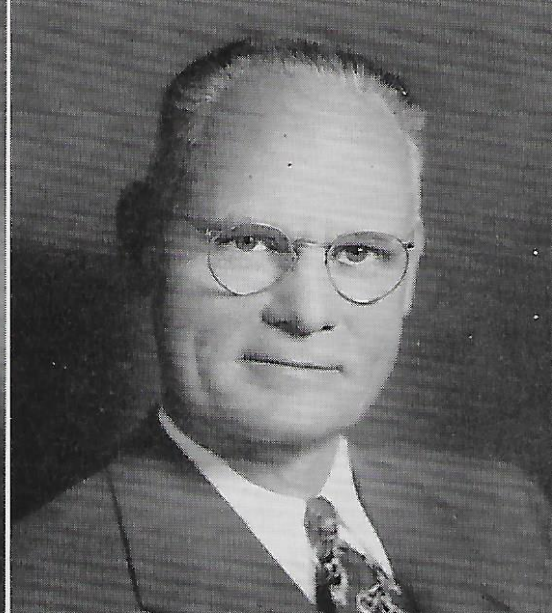




LEIGH M. BATTSON



L. A. GIBBONS



ROY LINDEN

should be insufficient to meet certain specified minimum amounts, but it does not appear that the Company will be called upon to make advance payments.

The acquisition of Los Nietos Company stock and of the crude oil production contracted for with Nassau substantially improves the quality of raw material available to our refineries. Since the completion of these contracts will have an important effect on the Company's future operations, I felt you would be interested in knowing that we had reached the agreements mentioned above.

New Board Member

Mr. Leigh M. Battson, formerly president of Los Nietos Company, has been elected to fill the vacancy on the Board of Directors caused by the resignation of Leland K. Whittier. Mr. Battson will represent the Union Oil shares acquired by the five Doheny grandchildren as a part of Union Oil Company's purchase of Los Nietos Company.

Elected Vice Presidents

At a special meeting of the Board of Directors on October 13, 1949, Roy Linden was elected a vice president of Union Oil Company. Mr. Linden will continue as manager of sales.

Mr. L. A. Gibbons, who has been general counsel of Union Oil Company for nine years, was elected a vice president and will continue his services as general counsel.

Highlights From Quarterly Report

Earnings for the nine months ended September 30, 1949, amounted to \$15,885,573 or \$3.25 per common share, based on the number of shares outstanding at the end of the quarter. Earnings for the corresponding period of 1948 amounted to \$23,493,986 or \$4.88 per share.

The current year has seen a considerable change in the overall petroleum supply and demand situation on the Pacific Coast. During 1948 the supply and demand of petroleum were relatively in balance. But from an overall standpoint the year was fundamentally one of transition from a condition of short supply to a condition of surplus supply. Crude oil production increased as a result of continued high activity in exploration and development, while, concurrently, there was the beginning of a decline in the demand for some petroleum products.

During the first part of 1949 the Pacific Coast industry's refinery runs of crude oil were maintained at a high level in order to meet the gasoline and distillate fuel demands and, at the same time, replace the inventories of these stocks depleted during the industry-wide refinery strike. As a result, fuel oil continued to be produced at high rates despite a decline in demand brought on by the increased importation of natural gas from West Texas, the dieselization of railroads, the reduced requirements of the military, and some decline in general industrial activity.

Through various changes in refinery operations, the industry has been able to shift refinery yields to some extent from fuel oil to gasoline and distillate fuel products. However, despite this action and some curtailment of crude oil production, including 19,500 barrels per day of heavy crude shut in by Union Oil Company, fuel oil surpluses have continued. Total industry fuel oil stocks have risen by more than 15 million barrels, an increase of approximately 60 per cent, in the first nine months of the year. As a result, the price of fuel oil has dropped 95 cents per barrel since the first of the year.

The effect of this condition upon Union Oil is two-fold. First, the lower prices and declining sales of fuel oils, plus the accumulation of inventories, resulted

in the decreased earnings reported for the nine months. Second, it eventually might become necessary for the Company to make substantial capital expenditures in order to reduce the output of fuel oil in favor of those products for which there is currently a greater demand and a correspondingly higher realization.

In view of the decreased earnings and possible increasing capital requirements, the directors feel that a more conservative dividend policy is essential at this time if Union Oil is to maintain its position and meet the changing requirements of the market. The directors, therefore, at the board meeting, September 26, 1949, declared a quarterly dividend of 50 cents per share on the common stock instead of the 62½ cents dividend declared the previous quarter.

Discovery Well in South Tigre Lagoon

On September 24, 1949, the Company brought in its discovery well, State 1700, No. 1, in the South Tigre Lagoon Field, Louisiana, at a total depth of 11,822 feet. The well was perforated between 11,400 and 11,415 feet. State 1700, a gas condensate well, is located five miles from the nearest producing well in the Company's main Tigre Lagoon Field. Since a market exists for the potential gas reserves of this new field, a drilling program is underway to determine fully the extent of the reserves.

The Company's gross acreage in Tigre Lagoon amounts to 9,958 acres and there are three wells producing a 57 gravity crude and eight gas condensate wells. The Company's holdings in South Tigre Lagoon amount to 8,428 acres.

Upon completion of the Tran-Continental Pipe Line next year, the Company will commence delivery of 65 million cubic feet of natural gas per day from the Tigre Lagoon Field and other nearby fields in south central Louisiana.

from Reese H. Taylor

● **FIELD** The Field Department has been consolidating properties recently acquired from Los Nietos Company in the various districts in which they occur. By coincidence these properties fall into districts where our operating organizations were already established. Outside of California, the only drilling activities under way on Los Nietos properties are three drilling wells in the West Texas Division, one of which is a semi-wildcat well.

Jointly with Hudson's Bay Company (Continental) in the Normanville area of Alberta our Company has 1,900,000 acres of Crown Reservations. This area lies approximately 400 miles north of the Redwater-Leduc Field. Recently the Imperial Oil Company completed a discovery well capable of 1,800 B/D on their Norman-

ville prospect. This well is situated approximately eight miles east of our properties. It is believed that our holdings are good prospects for production on trend with this discovery.

In the West Fiddler Creek area of the Powder River Basin in Wyoming two recently completed wells on our State Lease are producing about 1,000 B/D.

A collection of original water colors by E. M. Schiwetz is now being displayed in the lobby of Head Office Building. The subjects of these paintings are scenes of our field operations in the Gulf Coast of Louisiana.

from Sam Grinsfelder

● **MANUFACTURING** The new Triton plants at Oleum Refinery are completed and producing increased quantities of finished oils. The Duo-Sol plant passed its final acceptance test with flying colors. The Filtrol fractionation plant was put on stream and is operating satisfactorily. It is of interest to note that the cresylic acid, one of the solvents used in the Duo-Sol plant, was produced as a by-product from the treatment of gasolines made at Wilmington's Thermoform cat cracker.

Coke deliveries from Oleum Refinery to the adjoining Pacific Gas & Electric Plant were resumed during October at a rate of approximately 200 tons per day.

Most of the Aristowax 143/150 produced at Oleum's wax deoiling unit is being shipped to Mare Island, where it is used to keep Navy vessels in seaworthy condition.

The mechanization of container-handling equipment at Oleum's Compound plants is progressing on schedule. Conveyors are used to move barrels and other containers through cleaning, stenciling and filling operations and on to the final shipping platforms. This modernized handling applies to lubricating oil, gasoline, Diesel and greases.

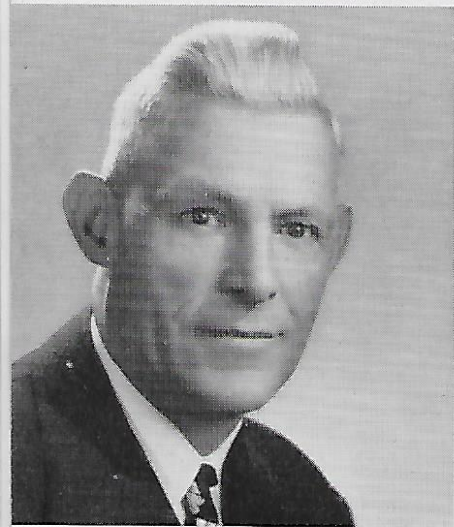
The Los Angeles Refinery had a routine maintenance turn-around of one side of the Thermoform catalytic cracker. By careful planning and scheduling of this maintenance work, the number of manhours required for the job was reduced by about one-third from that previously required, with a corresponding reduction in cost.

Maltha Refinery is justly proud of its new all-steel loading rack for asphalt and road oils, which was completed and placed in operation during October.

from K. E. Kingman

● **MARKETING** Some time ago commitments were made to sell 2,800,000 barrels of heavy fuel oil on the East Coast and deliveries are now being made. Movement of this stock will assist in relieving surplus inventories on the Pacific Coast and

(Continued on Page 23)



W. E. DAVENPORT



A. D. GASS



P. E. ETHRIDGE



F. W. BUSH



W. E. MORGAN

ORGANIZATION CHANGES

Marketing During October the following three management changes were announced, affecting the Northwest and Southwest Territories:

W. E. Davenport was appointed distribution manager, Northwest Territory, effective October 24. His Company career began in 1919, when he was employed at Seattle as a clerk. Steady promotions raised him to district sales manager, Spokane, in 1929 and division manager, Seattle, in 1934. He has been very active in service club and civic affairs in the latter city.

A. D. Gass, former district manager at Los Angeles, was appointed district sales manager, Seattle, effective November 1. He came to work in 1924 as a service station salesman, Santa Monica; and later received promotions to tank truck salesman, salesman, agent and area manager in the Los Angeles district.

Paul E. Ethridge was appointed district manager, Los Angeles, effective November 1, as successor to A. D. Gass. Ethridge likewise started with the Company as a service station salesman, joining in 1927 and working his way up to resident manager, Mojave, in 1929. He was resident manager, Los Angeles, just prior to his most recent promotion.

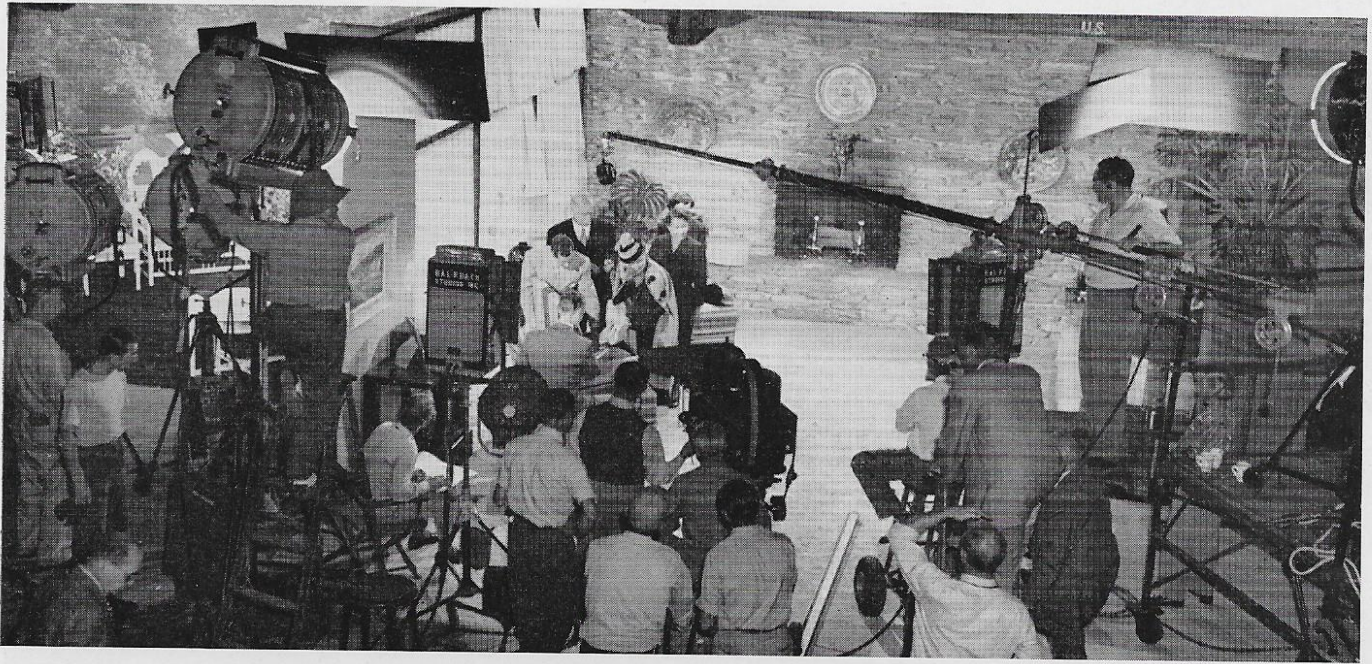
Lands Two new appointments were announced by R. G. Greene, manager of Exploration, both effective October 15, 1949.

Fred W. Bush is now manager of Lands for the Pacific Coast area, and will also have supervision of land acquisitions in North Dakota. William E. Morgan was appointed assistant manager of Lands for the Pacific Coast area.

Bush joined the Company's Marketing Department as a warehouseman in 1935. During the next 10 years he moved ahead to the assignment of division contractor representative before being appointed lease man at Seattle in 1946.

Morgan was employed by Union Oil in 1946 after five years of outside experience as a scout and landman and four years of service in the

(Continued on page 23)



At Hal Roach Studios, above, color-sound cameras are recording some highlights in our sixty-year history.

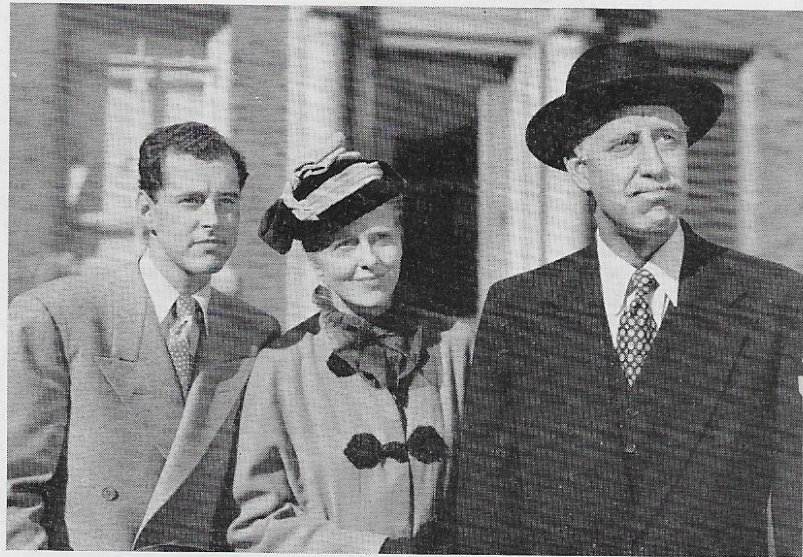
"Constant Challenge"

AT the Hal Roach Studios there's something new under the man-made sun. Technicolor cameras and sound equipment are recording not only a very thrilling drama but one that is authentic—one that has affected and is affecting the course of civilization—one in which every Union Oiler since 1890 has played an important role.

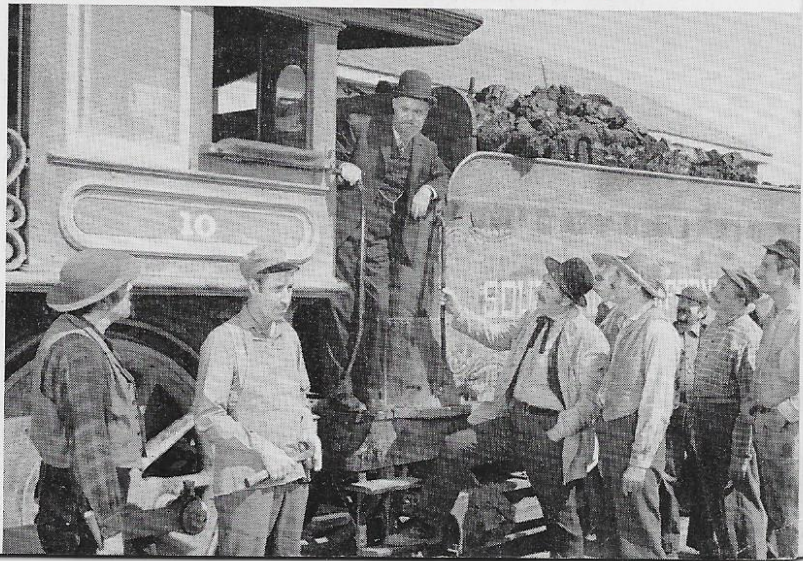
The story is built around Andy, Emma, Doc, Lem and a lot of other down-to-earth people. But it's far bigger than the characters, or the actors who play the parts, or the technicians who created it, or even the Union Oil Company around which it evolves. It is symbolic, in fact, of America, without whose freedoms, opportunities and resources there probably would be little or no petroleum, few or no movies, and no free nations of people to enjoy them.

A preview of the script promises that "Constant Challenge" may qualify as one of the best documentary films of its kind ever produced. Unlike our motion picture report of 1949—which incidentally was judged the best in the nation—this picture portrays historical incidents in the Company's development as a means of helping us appreciate our American heritage. It has warmth, action and humor. It unfolds naturally without making compromises to the demands of advertising.

The picture, with a professional stage show, will be shown first to Union Oilers, their families, friends and townspeople, during a tour beginning in February. Watch for the time and place and an evening to be remembered.



During next February "Constant Challenge" will be re-released to Union Oil audiences throughout the West. You will be delighted with Andy and Emma, who finally see Washington, and with our railroading test, below.



Honest Answers

From Basil Hopper

A COMPANY announcement of October 4th revealed that Basil Hopper, our manager of Manufacturing since 1941 and a vice president since 1944, had been granted a leave of absence. The notice was surprising and unexpected, particularly since it involved a comparatively young man—one who has been eminently successful—who has risen by merit from the bottom of the ladder to an executive position near the top—who is credited by management and his associates as being a foremost human asset to Union Oil progress. Inquiries revealed only that he was leaving for reasons of health.

To obtain answers to a number of questions left unanswered by the announcement, ON TOUR elected to interview the best informed authority, Basil Hopper himself. We found him on a small but perfectly maintained avocado ranch north of San Diego. For a supposedly broken-down executive of 50 years he was doing all right—keeping the orchard irrigated and productive while building a new hill-top home in his spare time. He cheerfully conducted us on a “Jeep” tour of the orchard while we conducted the following interview:

QUESTION: Basil, how do you account for the fact that so many business executives and industrial leaders—yourself as an example—are being obliged for reasons of health to step out of big business competition?

MR. HOPPER: I'm not certain that I can answer that question generally, but it is obvious why *some* executives are failing in health or retiring before they do fail.

Management responsibilities in most industries have always been heavy, nerve-racking, inescapable during off-duty hours, and productive of few rewards except in terms of higher earnings. Normal production problems alone keep the executive tied to his job, and this is especially true in the complex and swiftly changing petroleum industry. Decisions must be prompt and accurate to keep the machine in motion. Also it is a big and complicated industry requiring constant vigilance and steering. New developments and techniques arise almost daily, which are very uncharitable toward the men and companies who do not keep abreast.

Government agencies also, particularly since their world war invasion of industry, are contributing many



BASIL HOPPER

additional worries and uncertainties. Hardly a decision can be made in industry without considering a bureau, a legislative enactment, a legal restriction, or the attitude that will be taken by some public official. It is not hard to gain the impression these days that government distrusts or openly hates free business institutions. And when the law makers add injury to insult by appropriating most of a company's earnings and most of an individual's merit increase, there is little incentive left for carrying extra burdens.

A third major worry to industrial leaders today stems from the labor chaos that is everywhere causing halts, bitterness and unrest. It is the necessary aim of every manager to promote cooperation and mutual confidence within his organization—to encourage and reward good workmanship—to discourage inefficiency in every form. However, in some parts of America we find that a few labor leaders, either deliberately or unconsciously, have repeatedly nullified all such aims.

These pressures and several more keep the average executive in a state of constant tenseness. Every minute of the day must be planned and rationed. He is up with the earliest risers. His working day is a tight series of meetings, conferences, appointments and communications. The lunch hour becomes a business discussion. The evening is spent in studies and deliberations that could not be accommodated during the day. Nights are often sleepless. It is this constant tension, I believe, that is causing so many physical and mental casualties.

Remember, however, that there are some men who seem to thrive on such a routine. Most of them are extroverts who have the happy faculty of keeping relaxed or of somehow finding daily release from tension. The introverts—and I am an extreme one—take their jobs too seriously and are under constant nervous strain. My advice to the introverts is to either find a way of relaxing each day or plan on doing a little farming at earliest retirement age.

QUESTION: What is the best advice you can offer to a young man—an extrovert or a relaxed introvert, that is—who might be pointing toward a top job in petroleum refining?

MR. HOPPER: First, he should seek out the best schools he can find and obtain as much classroom training as possible in chemical engineering, with the emphasis on processing. He should take a studious and active interest in industrial relations, for, unless we put our human relationships in order, there will be little demand for engineers. He should gain practical experience by accepting the widest possible variety of assignments in the industry's refineries, laboratories and offices, meanwhile enlarging upon his technical knowledge. Above all, he must cultivate the ability to analyze, define, adapt, devise, invent—in order to handle the many future problems outside the realm of experience and handbooks. Then, with a tempering of patience and tolerance and the knack of working harmoniously with others, success is almost certain to be thrust upon him.

QUESTION: You have represented the Company in several of its important negotiations with labor unions. What do you think is needed to lessen industrial friction and prevent so many long and costly strikes?

MR. HOPPER: The age-old virtues of humility, knowledge, intelligence, frankness and honesty should characterize every representative who sits at a bargaining table. I am certain that if wise and reasonable men sit down together, intent upon understanding rather than brow-beating each other, there would rarely be need for a strike, with its bitter consequences to men and industries alike.

The present trend among leading corporations to make every employee familiar with economics and the facts of corporation life is a commendable one. Well informed people are far less liable to be misled. Here

too honesty must rigidly be adhered to or the effort will be wasted.

Organized labor will do well to select top-notch leadership—capable men of outstanding character who can attract the confidence of all concerned. Possibly there are a few such able leaders. However, too often we deal with labor representatives who have sold their membership a larger bill of goods than can possibly be delivered. The resulting struggles to save face often greatly prolong a controversy and the leader certainly sacrifices some of the confidence of his followers.

Everyone, including the consuming public, should redouble efforts to negotiate improvements rather than settle so many issues through strikes. If honesty, patience and fair dealing preside at the table, there is hardly an issue that cannot be settled amicably. If the ancient rules of horse-trading continue to dominate collective bargaining, our animosities will deepen and trouble will multiply.

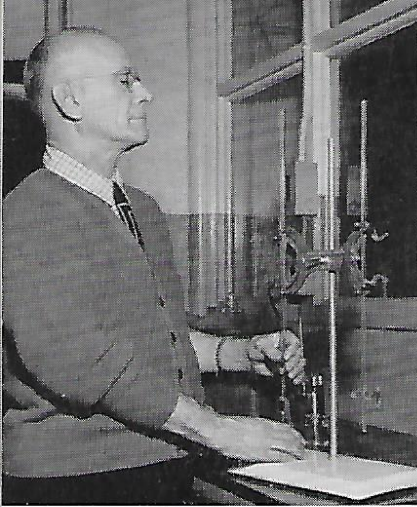
QUESTION: A great many major improvements have been made in our refineries during your 26 years with the Company. We have in mind the reformer facilities, the large combination cracking plant, the coker operations, the new Triton manufacturing facilities at Oleum, and many other refinery improvements. Would you say that we now occupy a favorable position compared with other refiners or not?

MR. HOPPER: I am confident that the Company is today profitably producing the highest quality products in the business. Nothing more could be said for our present ability to compete.

The future looks even brighter. You will recall that a few years ago Union Oil was working under the handicap of having more than our share of heavy crude—crude that yielded a very low percentage of such profitable products as gasoline. We had to do something about the problem and necessity again proved to be the mother of invention. Our people found and perfected ways of reforming and cracking the heavy oils until our average yield of gasoline from a barrel of crude rose from about 20 to 45 per cent.

These processes and facilities are today more valuable than ever, even though we are now obtaining a larger proportion of lighter crude. They enable us to get an exceptionally high yield of the most profitable products from practically all types of crude. The future will call for an increase in coking and hydrogenation, processes in which we have a good head-start. I would say the Company is in a most favorable refining position.

59th Birthday



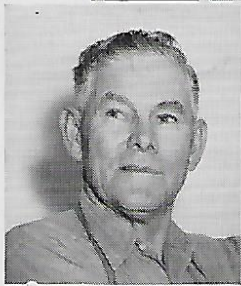
JIM HEYWARD



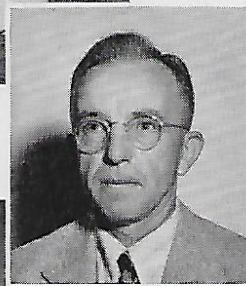
PETE KILLIP

OCTOBER 17TH WAS OUR BIRTHDAY. On that day in 1890 a group of pioneer oil men, representing several companies, met in Santa Paula and founded Union Oil Company of California. We have reason to be proud of that early beginning and of the long and impressive industrial record that followed. But we have greater reason to be proud of the many people who have contributed years of skill, energy and loyalty to this petroleum enterprise.

Accordingly, it has become our tradition to observe each anniversary by specially honoring all employees who have attained their 35th or 40th year of unbroken service. Gathering in Los Angeles from all points of the compass, these guests of management enjoy a full day of planned recreation, climaxed at night by the annual birthday dinner. As an appropriate conclusion, all honored 35-year men are presented with inscribed gold watches by the Company's president.



CHARLIE CORRELL

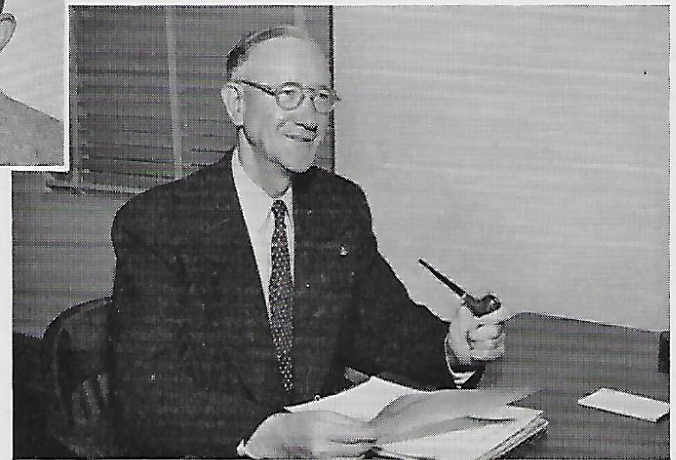


JOE SCHMITZ



CHARLIE HERBERT

GEORGE ANDERSON



In a livery stable setting at the movie studios, the boys gave vent to an old buggy ballad with gestures.



Observance

The recent 59th birthday observance brought together 13 men who in 1949 marked their 35th year of continuous service and three who have entered the 40-year circle. Their total accomplishment of unbroken service amounts to 575 years.

Some interesting facts were brought to light as these men lunched together at Knott's Berry Farm, visited the movie sets and property warehouses of 20th Century-Fox studios, and banqueted at the California Club as guests of President Taylor.

Representing the old guard at Oleum were Art Smith, Pete Killip and Jim Heyward. They came to work two years prior to the inauguration of an eight-hour day in 1916 and recalled the time when a normal working shift meant 10 hours each day or 14 hours each night.

Charlie Herbert of Central Division Garage examined a well preserved Union Oil tank wagon among 20th Century-Fox relics and smilingly admitted he had painted hundreds of 'em.

It was revealed that Tony Rogers of Centerville and Woody Lazear of San Francisco had driven tank wagons or tank trucks almost daily for 35 years without encountering a lost-time accident. Lazear, driving in the

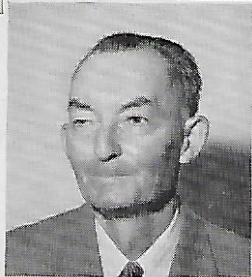
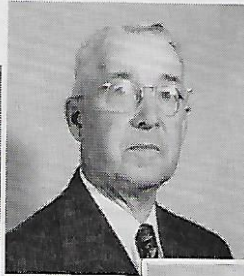


At Knott's Berry Farm, Austin, Anderson and Cameron, each a 40-year man, insisted on "playing train" a while.

ART SMITH



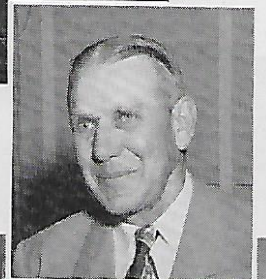
RALPH MARTIN



GEORGE FAUSTINO



WOODY LAZEAR



WILEY COLE



TONY ROGERS

BOB WORSLEY





This 20th Century-Fox "prop" attracted the interest of Rogers, Schmitz, Worsley and Anderson; but when the luncheon gong sounded everybody, including Martin, Austin, Cameron and George Anderson, reverted to an older custom.

heavy traffic of San Francisco, has not been charged with a vehicle accident of any kind during that time.

Joe Schmitz, senior mechanic at the Dominguez absorption plant, Charlie Correll, head gauger at Orcutt, and George Faustino, senior engineer at San Luis Obispo tank farm, spent much of the day re-walking the old pipe line.

Head Office presented an exceptionally large delegation this year in the persons of Ralph Martin, former secretary to the president, and George Anderson, Sam Austin and Andy Anderson, all of the Comptroller's Department. The latter two are 40-year men, Andy being the youngest employee now wearing a 40-year pin. On being presented with his gold watch by Mr. Taylor, George made a typical Gaelic confession. The watch, he said with a Robert Burns accent, was the fulfillment of a long ambition, he having broken his grandfather's timepiece while migrating from Scotland in 1913.

Bob Worsley from Panama pleased everyone present by relating the story of Union Oil's pipe line across the Isthmus prior to the building of Panama Canal. His complete account will be told in a future issue of ON TOUR.

Wiley Cole, now district manager at Santa Barbara, told of "skinning" a four-horse team across the old Ridge Route with the first tank wagon load of petroleum products.

Sandy Cameron, a 40-year man and the lone delegate from Los Angeles Refinery, echoed the sentiments of every honored guest when he said, "It's been a wonderful holiday today and a genuine pleasure throughout the years to meet and work with so many fine Union Oil people."

An unexpected and significant announcement was made by President Taylor just before the guests returned to their homes and hotels. As a preface to his announcement, Mr. Taylor indicated that what he had to say could hardly be expressed at a more appropriate time or to a more deserving group. Then, preceding the published account by several hours, he related the pertinent facts regarding our recent purchase of Los Nietos Company properties at a cost of \$22,400,000 in cash plus 600,000 common shares of Union Oil stock.

We were 59 years old on October 17th but, thanks in great part to the high character of those who built this house, we were still strong, youthful and ambitious.

Try if you can in this picture to distinguish members of management from their honored guests. It was a tribute to our American way of life that 50 men, representing as many different jobs, found mutual pleasure in being together.



Extending a Friendly Grip

CHARMING SAN FRANCISCO has sacrificed many cherished adornments and conveniences of the 1800's in the interest of modernization. But to remove those fabulous old cable cars from Powell and California Streets is unthinkable, and Union Oilers have decided to make the proposal just "7600" times harder than pulling teeth.

Nobody except a San Franciscan can explain the sentimental attachment. The cars are old, too small, slow, noisy, uncomfortable by modern standards, and not at all courteous about sharing the right of way. However, everybody knows that things wouldn't be quite the same minus the melodic clang-clang-clang of the gripman's bell and the drumming of wheels at every rail intersection. San Francisco might just pine away into mediocrity if this rhythmic beat were gone.

Strangely, among the first to toss out a financial tow line when the California Street Cable Railway Company announced operating losses of \$5,000 a month, was a transportation rival of sorts, our own Company. Vice President W. A. Newhoff said, "It's our civic duty" to keep the cars running. So, on October 3rd old Car No. 8 was rechristened the "Spirit of 76" by Emma Svirebely, the vice president's secretary and, with a full load of civic minded Union Oilers aboard, took a new grip on life.

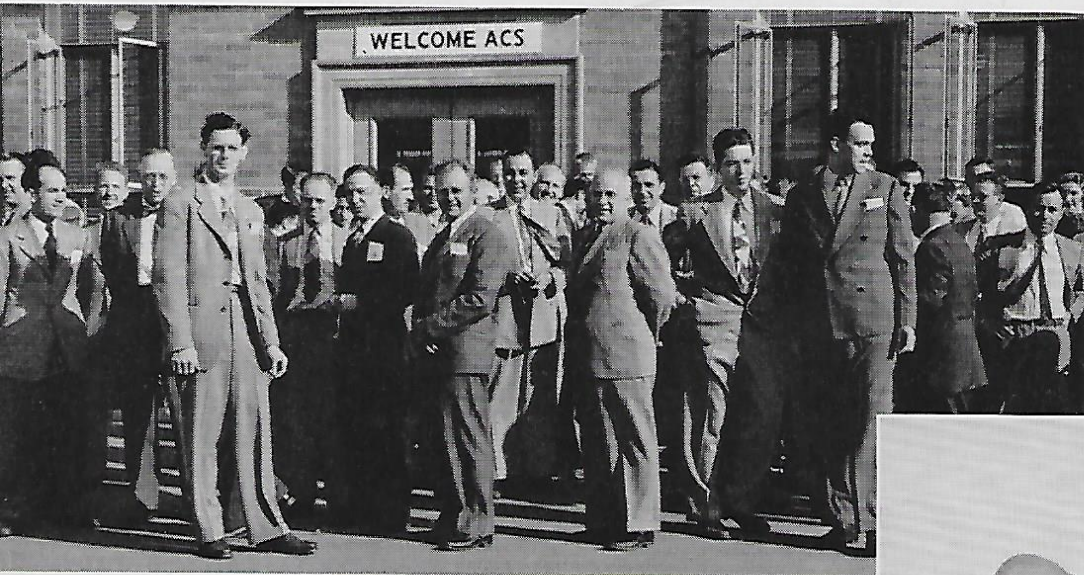
The Company will pay \$100 a month for sponsorship and advertising privileges. If other business firms follow this lead and sponsor all of the 47 cars, the colorful old hill climbers will survive indefinitely.



The rechristening of Cable Car No. 8 took place on October 3rd with Emma Svirebely, secretary to the vice president, swinging the champagne bottle at something "low and outside." Sam Waters, Union's fastest talking district sales manager, umpired the strike while Wes Jenkins, Anna Keane and a carload of other Company rooters kept safely back in the mobile bleachers. Following this traditional spilling of "juice from the vine," everyone accompanied the "Spirit of 76" on her maiden voyage over San Francisco's Nob Hill.



Union Oilers



POPULAR HOSTS Due largely to the modesty of our Research and Process men, ON TOUR is at best the second publication to announce the success of an American Chemical Society meeting (above) held during July at our Los Angeles Refinery. According to SCALACS, official publication of the Southern California chapter:

"Our Union Oil meeting was very much of a success. One hundred were expected for dinner in the refinery's cafeteria, but over 300 came and were wonderfully well served. For the hard work, planning and guidance we should like to pay our respects.

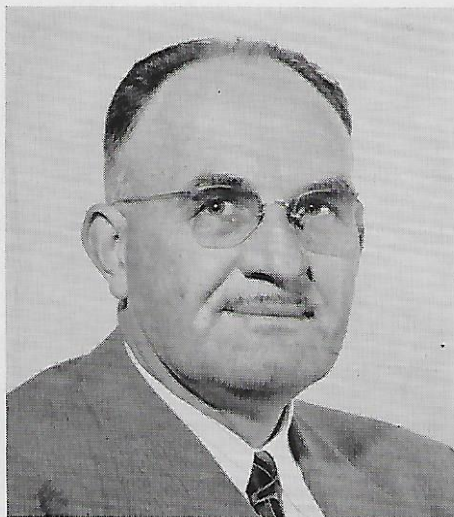
"The meeting emphasized that we must have nearly pure compounds, at a relatively low expenditure in labor and equipment, as base or intermediate compounds for a real chemistry industry. Dr. Clyde Berg (right, above) of Union Oil pointed to a solution by showing how his company's Hypersorption Process offered great possibilities in the separation of closely boiling compounds while preventing loss or waste.



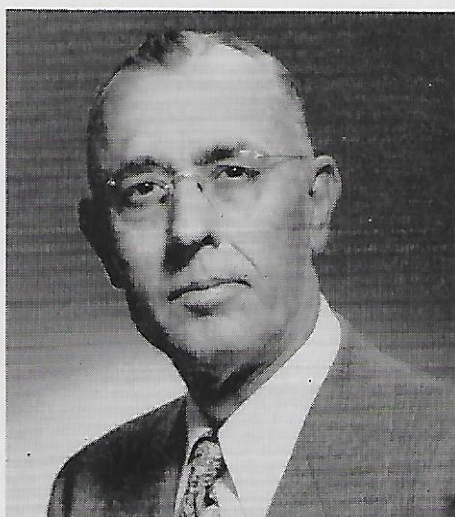
"Dr. H. C. Huffman (shown at right above with Chairman Harry Welch) also of Union Oil told how the removal of highly objectionable sulfur, nitrogen and oxygen compounds from petroleum products is accomplished to provide desired forms of high grade raw chemicals. This Union Oil achievement is truly welcome and auspicious."



FUTURE CHAMPS At left are Union Oilers Charles Henderson, Don VanLiew, Jack Osborne, Jack Jasper and Bill Ruth, all members of Wilmington's American Legion Post No. 287 Drum and Bugle Corps. This year they became Class A champions of California in both the American Legion and B.P.O.E. competitions. Entering national contests at Philadelphia for the first time, they emerged as eleventh best in the nation. Ruth, who has directed the organization from its Boy Scout beginning in 1938, believes his group is headed for the national championship in 1950.



G. A. TRIMBLE



R. W. THOMPSON



A. C. DOCKRELL

ORGANIZATION CHANGES—cont. from page 14

U. S. Naval Reserve. He has worked for the Company as a landman both in Seattle and at Head Office.

Automotive

Transfers involving the three Automotive Department division superintendents were announced by J. W. Sinclair as effective December 1.

George Trimble, the new superintendent of the Northern Division, has previously headed both the Central and Southern Divisions at Emeryville and Santa Fe Springs. He started as a mechanic's helper in 1920.

A. C. Dockrell, who joined the Company in 1924 as a traveling mechanic, is superintendent of the Central Division, with headquarters at Emeryville.

R. W. Thompson leaves the Central Division top assignment to become superintendent of the Southern Division. He started work for us as a mechanic at Phoenix in 1920, where he remained until being made foreman of the Los Angeles Garage in 1937.

No change is being made in the divisional areas. The Northern Division comprises the states of Oregon and Washington; Central, the northern parts of California and Nevada; and Southern, the southern parts of California and Nevada and the state of Arizona.

INDUSTRIAL SUMMARY—cont. from page 13

alleviate shortages on the East Coast. It was economically possible to make the sale due to higher postings in the East and reasonable transportation costs resulting from a surplus of tank ships.

Arrangements are being concluded to market Royal Triton and our other principal branded motor oils in eastern market centers such as Chicago and New York. Sales will be made through distributors. The success of these products in our local Pacific Coast marketing area warrants extending sales efforts to eastern fields.

from Roy Linden



SERVICE BIRTHDAY AWARDS

DECEMBER 1949

Thirty Years

- Davenport, W. E., Northwest Territory
- Grierson, John C., H. O. Treasury
- Hannah, Harrison H., H. O. Legal
- Scott, Mabel E., Southwest Territory
- Trook, Paul W., So. Div. Field

Twenty-five Years

- Bernon, Lucien, Southwest Territory
- Eye, Harvey P., Oleum Refinery Mfg.
- Frisbey, C. G., Jr., Oleum Refinery Mfg.
- Hawthorne, Otha A., L. A. Refinery Mfg.
- Lydick, Wm. S., Southwest Territory.

- Lyons, Earl E., So. Div. Field
- McAllaster, Malcolm M., So. Div. Field
- Theisen, Arthur L., Northwest Territory

Twenty Years

- Bragg, H. W., Northwest Territory
- Goldsmith, O. B., Southwest Territory
- Kingman, Kenneth E., H. O. Mfg.
- Wreath, Wm. G., Oleum Refinery Mfg.

Fifteen Years

- Criddle, Wm. V., Northwest Territory
- Culligan, Frank A., Southwest Territory

- Dunlap, Donald F., Coast Div. Field
- Goranson Adolph O., No. Div. Pipe Line

Ten Years

- Bowden, Charles F., So. Div. Field
- Braaten, C. F., Oleum Refinery Mfg.
- Ball, Marjorie, So. Div. Field
- Brewer, Viola A., Northwest Territory
- Doumani, Thos. F., Research-Wilmington
- Hamilton, John C., Central Territory
- Heinemann, C. F., Northwest Territory
- McCann, Samuel J., Southwest Territory
- Proudfoot, T. W., Northwest Territory
- Van Amburg, Fred W., Research-Oleum



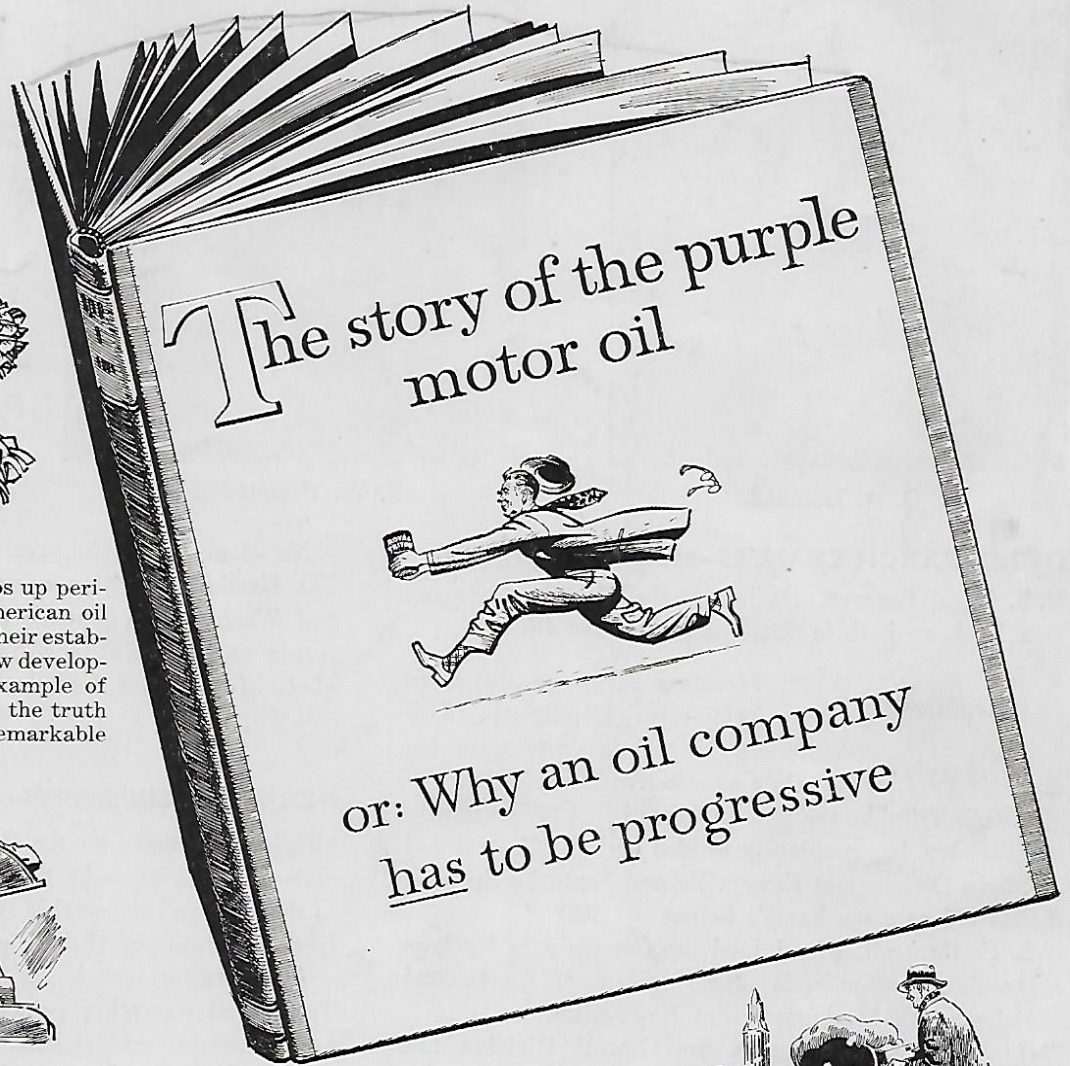
1. One old wives' tale that bobs up periodically is the story that American oil companies protect the sale of their established products by keeping new developments off the market. An example of how far this fairy tale misses the truth is the case of Union Oil's remarkable purple motor oil.



2. Shortly after the war, we introduced our new post-war motor oil, Triton. By all standards, Triton was unexcelled. In fact, it was so good we told people they could safely drive it 6 months between drains if they chose. Consequently, we thought our oil program was set for several years. But 12 months later our research engineers came up with a purple motor oil for passenger cars which they said was even better.



3. Just to prove their claims, they sealed it in the crankcases of four new automobiles and drove them continuously up and down the Pacific Coast for 30,000 miles! At the end of the test they opened up the motors and showed us the results: The engine parts were as good as new and the oil—by every analysis—showed no more deterioration than ordinary motor oils. It bit after 1,000 miles.



4. That posed a question. Should we hold this new purple oil off the market for a few years and protect Triton, or put it on sale immediately? The answer was that we had no choice. For we were in *competition*. If we didn't put this purple oil on the market as soon as possible, some of our competitors might develop a comparable product and beat us to the punch.



5. As a result we introduced our purple oil to the motorists of the Pacific Coast under the brand name of Royal Triton. Royal Triton was not only an overnight success with our own Western customers; visitors from the East even took it home with them *and continued buying it by mail*. Consequently, we've had to expand our manufacturing facilities and lay plans for marketing it throughout the country.

Moral: Next time anyone tells you oil companies hold improved products off the market, please tell him to see us.

UNION OIL COMPANY OF CALIFORNIA

INCORPORATED IN CALIFORNIA, OCTOBER 17, 1890

This series, sponsored by the people of Union Oil Company, is dedicated to a discussion of how and why American business functions. We hope you'll feel free to send in any suggestions or criticisms you have to offer. Write: The President, Union Oil Company, Union Oil Building, Los Angeles 14, Calif.