

“On Tour”

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THANKS TO WHOM?

A lot of economic bearings have been lubricated since that crisp New England day in 1621 when a small band of colonists, counting the fruits of their first American harvest, paused to feast and give thanks.

The wilderness has been transformed into a land of milk and honey—choice above all other lands in the freedom it nourishes, the abundance it provides, the opportunity it offers, the love of peace it enjoys. Our land has yielded produce and treasures in such quantity that nearly every nation has dined on its fruits and surpluses. Our standard of living, our productive capacity, our engineering and scientific attainments, our great strides in throwing aside class barriers and melting all peoples into a democratic society—these envied accomplishments all had their beginning at Plymouth Colony.

Most of us are, and all of us should be, deeply thankful—thankful to those who dreamed the New World dream; who conceived the plan; who toiled to raise the economic and social structure; who fought to preserve our way of life from forces of greed, covetousness and destruction.

But, in paying our thanks, let us not forget the Benefactor toward whom the Pilgrims turned their hearts and destiny. For, if we should stop to examine the facts carefully, it is plain that much of America's greatness is based on the Master Plan drawn in Judea nearly two thousand years ago. And it hardly seems possible that we could have come so far, so quickly and so unscathed without the blessings of a Higher Authority.

Ahead of us there is still a formidable wilderness, as old as civilization but now too close to avoid—the wilderness of human relations. It may be that the God of America in 1621 will consent—if asked—to direct a grateful people through this fearful wilderness also.

THE COVER

Presenting Roddie Daley, Julia Springmann, and their prayer for your pleasant holiday.

CREDIT

For the background pictures used on pages 10 and 11 we are grateful to the Redwood Empire Association.



Sixteen employees with thirty-five or forty years of Company service each were honored guests at this birthday dinner.

HAPPY BIRTHDAY

IN OBSERVANCE of its founding on October 17, 1890, the Company has again played host to all employees who during 1947 will have attained either thirty-five or forty years of continuous service. In Los Angeles during the day and evening of October 16, sixteen Union Oilers were honored guests at this celebration, of whom fourteen came to work in 1912, and two have records of continuous service dating back to 1907.

Festivities began shortly before 10 a.m. as the guests arrived in twos, threes and fours at a Head Office

conference room. Despite their long periods of service, several were meeting for the first time, and a half-hour was spent in making or renewing acquaintances. Then the group entered a waiting sight-seeing coach and, with such capable barkers as "John D." Rockfellow and "Swede" Larson, embarked on a tour that fascinated even the professional-guide driver.

Proceeding through the Company's Rosecrans and Dominguez oil fields and on past the chemical plants, refineries and oil fields of the Long Beach area, the



At Twentieth Century-Fox Studios the boys discovered this ancient tank wagon among the props. Jake Ransom (at left in driver's seat), had delivered stove oil with the same horse-drawn vehicle more than thirty years ago.

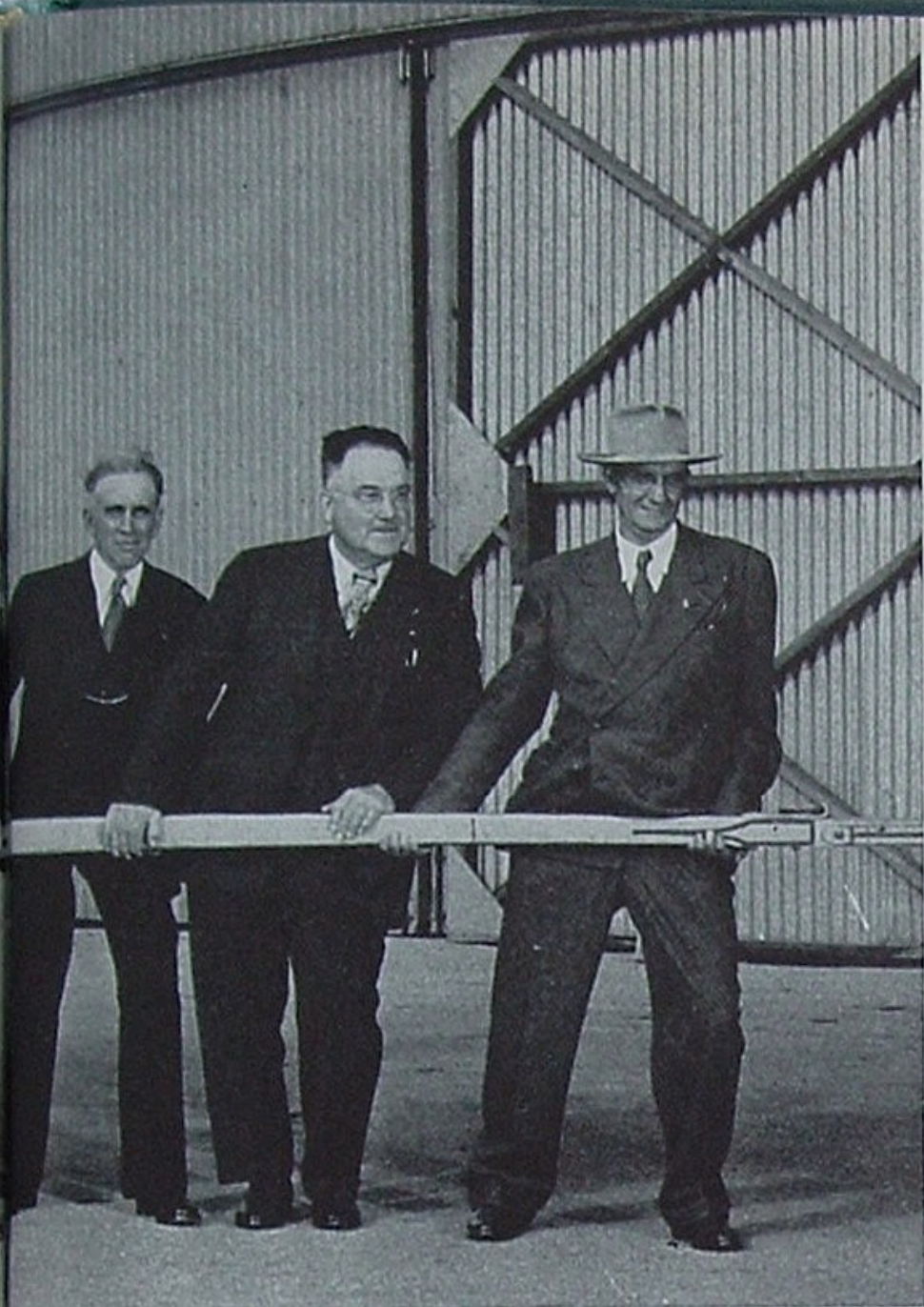
party arrived at Los Angeles Refinery just in time to accept midday hospitality. Ken Kingman and his refinery staff welcomed the men to lunch in the cafeteria and escorted them on a tour of the refinery units and buildings.

On the move again, with Territory Manager "Win" Miller preparing the way, they found the studio gates of Twentieth-Century-Fox Film Corporation opened exclusively for their entertainment. An hour or more among the sets and props of the movie world was cli-

The day began with introductions at Head Office.

Los Angeles Refinery responded with a lunch . . .





maxed when a Union Oil Company tank wagon of ancient vintage was wheeled from a studio property warehouse. One of the guests, "Jake" Ransom, had driven this same wagon way back in the age of horses.

... and a half-hour of incredible oil stories ...



LATER...

Later there was a coffee stop at Hollywood's Brown Derby; a sundown view of Los Angeles County from famed Griffith Observatory; and a dusk ride through historically interesting parts of the great city.

As darkness drew down its curtain on the day, the honored guests were ushered to the California Club. Here not even cariar hors d' oeuvres interferred with the carefree informality of the occasion. Guests, managers and executives joined congenially in mankind's oldest gesture of friendship and good will—the feast. Then, as a fitting conclusion, each thirty-five year man was presented with a gold watch in token of the high value Union Oil places upon employee loyalty and steadfastness.

Thus, another birthday was concluded—memorable for its sights, pleasures, gifts and feasting; and lastingly impressive because of its warmth and sincerity. In the congratulatory remarks of Reese H. Taylor, W. L. Stewart, Jr., A. C. Stewart, Sam Grinsfelder, H. W. Sanders, W. A. Newhoff and others, there was evidence that the Company's success has been due largely to qualities of skill, perseverance and accomplishment found in abundance among veteran employees. And from every guest came the whole-hearted response, "It has been a great day, and I'm proud of my company."

... and a few serious pointers on refining techniques.



CLASS

OF



ALBERT F. GOVER

"Bert," at present field mechanic No. 1 at Brea-Richfield, grew up in the Pennsylvania oil fields before joining Union Oil on a temporary job in 1911 and permanently in 1912. He developed from roustabout to driller, and was a driller on one of the crews that brought in our Richfield discovery well, Chapman number 1.



EARL H. CANET

Earl, first hired at Avila Refinery in 1912, found the Company and the location exactly to his liking. Transferring from the Manufacturing Department in 1940 in order to remain close to his "Brushy Acres" farm near Avila, he is today senior and tour engineer special in Northern Division Pipe Lines Dept.



CAPT. ANDREAS MORLAND

Captain "Andy" is one of several hardy sons of Norway who graduated from sailing vessels to Union Oil tankships. Starting with the Company as an able seaman aboard the LANSING in April, 1912, he forged ahead to become master of our S.S. SANTA MARIA in 1928. Recently he was appointed captain of the LOMPOC.



LAWRENCE WOLFF

"Larry" came to work at the age of 16 as an office boy in San Francisco. His 35 years of service is still far short of the 49 years he can achieve. Following outstanding service to his country as a captain in the United States Navy during World War II, he returned to Union Oil as manager of refinery sales.



WILLIAM J. O'CONNELL

"Bill" joined the Company in July, 1912; served as roustabout, then moved into the Manufacturing Department, where he is today as No. 1 still famous as a long-discoverer, he can now be proud of his exceptional attendance record at work with Union Oil.



HENRY C. McMASTER

"Mac" is practically a born oil man. Reared in Titusville, Pennsylvania, the son of a cable-tools blacksmith, he understood the language of the industry long before joining Union Oil as a roustabout on the Stearns Lease in September, 1912. He rates today as a most canny superintendent of salvage sales.



JAMES C. RECTOR

"Chris" holds the enviable record of having served during 29 of his 35 service years as a superintendent in the Field Department. He worked as an electrician for Union Oil as early as 1907, but his continuous service dates from September, 1912, when he joined the Pinal Dome Oil Company, which Union later purchased.



EUGENE A. WHITTEN

"Gene" retires December 1st from his oil duties as senior mechanic at Santa Fe Springs. This is but one of many productive assignments he has held since joining the Company as a tool dresser, Maricopa, in 1912. As a driller, tool-pusher, foreman and superintendent he has built a mountain of accomplishment in thirty-five years.



CLARENCE E. RANSOM

"Jake" brought some Hoosier teamster talents to the Company as early as 1910, but looks upon a 1912 tank-wagon job as the genesis of his Sales career. As No. 1 grease warehouseman at Los Angeles Plant today, he remembers not too fondly the days of axle grease and horse-powered deliveries of Union Stove Oil.



FRANK E. LESTER

Frank, a lead pipe fitter at Oleum, is a credit to the Company as well as his Company. Five years of work in the field and refinery have given him excellent skill and knowledge. He professes such a love for his trade that he blows a cornet in the Pinal Dome.

SS

OF 1912



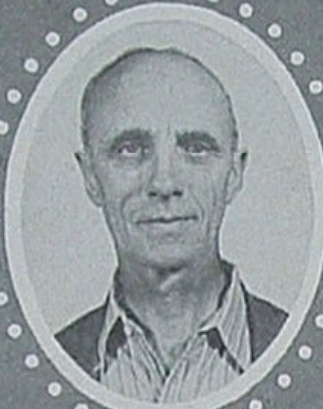
E. WOLFF

work at the age of 15 as a delivery boy in San Francisco. After 35 years of service, he is now short of the 49 years mark. Following his return to his country in the United States during World War I, he worked for Union Oil as a district sales manager.



WILLIAM J. O'NEILL

"Bill" joined the Company in July, 1912; served briefly in a labor gang at Oleum Refinery; then moved into the Distillation Department, where he serves today as No. 1 stillman. Once famous as a long-distance swimmer, he can now be equally proud of his capabilities and exceptional attendance record at work with Union Oil.



ROBERT ANNAND

"Bob," a native of Scotland, migrated to America where, in 1912 at Vancouver, he obtained a job loading fuel oil boats for Union Oil. After serving with the Canadian Army during World War I, he resumed a Company career at Oleum. This year a vacation from his duties as stillman found him on a home visit to Scotland.



JESSE G. MARSHALL

"Jess" saw the Maltha boarding house burn down during the morning he came to work in July, 1912. His present assignment, that of fire and safety supervisor at Los Angeles Refinery, may have developed from that first impression. After "top kick" duty during World War I, he worked as a helper, stillman and foreman.



CLARENCE W. PECK

Already enjoying an unlimited vacation trip in New York, "C. W." is being prompt to realize some of those retirement dreams of his past 35 accounting years. In August, 1912, he joined the Company's Brea office as production clerk. Later appointments took him to Maricopa, Orcutt and Santa Fe Springs as district accountant.



E. RANSOM

at some Hoosier plants to the Company in 1910, but looks back on his tank-wagon job as the high point of his Sales career. He is now a warehouseman at the Los Angeles Plant today, he has not too fondly the grease and horse-droppings of Union Oil.



FRANK E. LEWIS

Frank, a lead pipefitter at Oleum, is a credit to his trade as well as his Company. Thirty-five years of work on lines, manifolds and connections at that refinery have given him unexcelled skill and knowledge. He professes such a liking for his trade that he blows a pipe (a cornet) in the Pinole Band.



GUY E. PYLE

When Guy retired this year he was a construction foreman in the Field Department. Monuments to his skill and tirelessness are seen in hundreds of gas traps and manifold installations on Company properties. He is resting from his oil field labors today on a small ranch at Witter Springs in the Clear Lake area.



MICHAEL DEL MONTE

In 1898 "Mike," a boy of 13, drove the superintendent of Oleum Refinery to and from work via horse and buggy. This apprenticeship led to a permanent Oleum job in 1907. Since that time Mike has become a foreman "A" pipefitter and a stimulating human tradition throughout Oleum and the Union Oil Company.



FRED M. WOODARD

"Woody," one of our four retired forty-year employees, always carried his full share of the production load. Starting as a tool-dresser in 1907, he gradually mastered the jobs of the driller, the drilling foreman, and the head well puller. His name is associated intimately with a famous well, Hobbs No. 10 at Orcutt.

TAXIDERMIST

One of the most extraordinary avocations to be found in our midst is that of taxidermist Douglas L. Davis, better known to Production Department employees as a mechanic at Brea. Davis became interested in taxidermy as a hobby several years ago and soon began studying the art through the medium of a correspondence course. He rapidly developed his skill and reputation to the point where sportsmen from distant sections of the West were shipping their prized hunting trophies to his backyard shop.

Doug states that most people entertain misconceptions about the mounting of game heads. Actually, all that are genuine about that realistic buck head peering over the mantle are the skin and horns. These are expertly removed from the original owner and the skin undergoes an elaborate cleaning and tanning process. Both are then attached to a hollow form made of compressed paper; glass eyes are added; and the artistic process begins of sewing, tacking, painting, brushing and polishing the head back to challenging life-likeness. Most mounted trophies look better over the mantle than they did in real life, thanks to the taxidermist's skill at face-lifting.

Taxidermy has whetted rather than relieved the Davis family's appetite for hunting. Here with their imposing arsenal are Doug, Mrs. Davis and Junior.



Davis has discovered the secret of making the deer and the lion dwell together in peace. "Shoot 'em and stuff 'em," he advises.

Mrs. Davis overcame a woman's natural prejudice toward the art and is now a capable assistant in their Fullerton shop. Doug is also expert in the tying of trout flies and has found a waiting market for all he can manufacture. However, it is not a money-making avocation, he claims. His profits, and then some, have been turned into a fine collection of guns and a shiny new house trailer.

Equally adept at making trout flies, Doug devotes an occasional evening to converting feathers and hooks into what a hungry Rainbow might take for the equivalent of bacon and eggs.



"DEADEYE" DICK

By Gale Peterson

Dick O'Connell, a research technician at Wilmington, grew up with a gun in his hand. At the early age of eight he had his own .22 caliber rifle and a respected reputation in neighborhood squirrel circles. His father was a trapshooting enthusiast and frequently bribed Dick away from the Saturday matinee with an offering of target ammunition.

Competitive shooting first interested Dick in 1935 when he joined the Harbor Rifle and Pistol Club. He stuck to rifle shooting until 1942, when a friend challenged him to try the very difficult pistol competition. Dick soon rose above the average with a new .38 Special and won the attention in 1943 of Coy L. Van Doren, the world's civilian .45 caliber pistol champion. Van Doren's pointers, plus some valuable experience as an instructor during the war, brought Dick several steps higher in the competitive pistol shooting field. Joining a Glendale team in 1945, he has progressed steadily to the point where he seldom places lower than fourth in competition with the the country's leading experts. Most of the champions require from 10 to 17 years to attain such marksmanship.

O'Connell relates several interesting facts about the sport. To develop a good pistol grip, he has spent many hours exercising his hand and finger muscles by intermittently squeezing a pint milk bottle. To obtain smoothness and steadiness, he practices pulling the trigger while a 5-cent piece is balanced on the gun barrel. His only accident occurred at home one evening when he pulled the trigger of an "unloaded" gun while taking practice aim at the family cat. His wife made him clean



Dick's array of medals would put a general to shame.

up the mess, get a new cat, and promise never again to aim at an animate object.

Nearly all pistol marksmen load their own ammunition because the amount and kind of powder used in factory loads may vary. One grain of powder can effect the result.

The experts clean their guns only twice a year and never clean the barrels. Dick greases his bullets with a lubricant of his own manufacture and depends on the bullet to keep the bore protected.

If the pistol marksman's toes are even $\frac{1}{2}$ inch off alignment in a firing stance, he may shoot as much as 5 inches astray in 25 yards.

The experts are a little superstitious. They object to loud shirts because a "Pendleton Cowboy" shirt has never finished in the money. Nearly every competitor carries a good luck talisman. Dick's is an ancient jockey-style cap with a broad visor.

SPEAKING OF GUNS . . .

Largely because of public negligence, the criminal world is arming itself with the deadliest weapons of World War II. Veterans returning to civilian life with gun trophies of the battlefields have in many cases lost or sold these guns without the formality of advising the United States Treasury Department. Some of these weapons have gotten into the wrong hands and are being turned against peace officers, innocent civilians, and even the veterans themselves.

The Treasury Department urges every veteran to help save a life—possibly the veteran's own—by registering every fully automatic firearm, and rifle or shotgun with barrel length of less than 18 inches, and 22 caliber rifle with barrel length of less than 16 inches. The National Firearms Act imposes a \$200 tax on each transfer of



such a gun; however, a veteran may transfer the firearm free, providing it has been registered and rendered inoperative.

To register a gun, contact the Alcohol Tax Unit, Treasury Department, Room 111, Customs House, 555 Battery Street, San Francisco, California. An investigator will call on you and register the gun without charge.

Then, keep the firearm in a safe place.

If it is lost or stolen, promptly advise the Alcohol Tax Unit.

...Meet the Management

This fifth in our series of picture charts and biographical sketches presents the men who supervise Union Oil's Marketing Department in the Central Territory.

W. A. NEWHOFF

Vice-President and Manager Central Territory

Born January 17, 1894, in San Francisco . . . educated at Lincoln High School, Portland; Lowell High School, San Francisco; University of California Extension Division. . . . Joined Union Oil Company in 1920 as a bookkeeper in San Francisco; moved to Sacramento as assistant cashier in 1922, and Seattle in 1923; to Portland as cashier in 1927; served as assistant district sales manager, Portland, in 1928 and Los Angeles in 1929. Succeeding assignments made him district sales manager, San Francisco, in 1929; district manager, Oakland, 1930; manager of refined oil sales, Head Office, in 1937; manager of domestic sales, Head Office, in 1929. Returning to his present San Francisco headquarters, he was appointed assistant to the president in 1944; vice president and manager of Central Territory in 1945.

L. E. REARK

Manager Sales Services

Born May 28, 1904, in East Liverpool, Ohio. . . . Educated at East Liverpool High School, and Oberlin College, Oberlin, Ohio. . . . Worked for Los Angeles Gas and Electric Company. . . . Joined Union Oil Company in February, 1928, as a clerk in the Los Angeles Sales Accounting Department. Was appointed assistant district accountant, Los Angeles, in 1930; district accountant, Oakland, in 1932; assistant division accountant, San Francisco, in 1933; a division accountant, San Francisco, in 1939. . . . Beginning in December, 1943, served for one year with the Petroleum Administration for War, Refinery Division, Washington, D. C., supervising activities of Cost-Plus 100 Octane Aviation Gasoline Plants. . . . Returned to the Company's Economics and Planning Department, Head Office, in 1944. Was appointed administrative assistant, Central Territory, in 1945; manager sales services, Central Territory, in 1946.

E. L. HIATT

Distribution Manager

Born October 22, 1908, in Baker, Oregon. . . . Educated at La Grande High School and Eastern Oregon College of Education, La Grande; and Golden Gate College, San Francisco. . . . Joined Union Oil Company as a tank truck salesman at La Grande in 1933. Moved to Walla Walla as assistant resident manager and district clerk in 1935, where he became resident manager in 1938; to Kendall, Oregon, as marketing station superintendent

in 1940; to Seattle as assistant plant superintendent in 1941; to Seattle as distribution supervisor in 1943 and traffic manager in 1944; and to San Francisco as distribution manager in July, 1944.

PAUL H. BAXTER

Territory Accountant

Born June 3, 1903, in Hutchinson, Kansas. . . . Educated at Hutchinson High School. . . . Joined Union Oil Company in 1922 as an office boy in San Diego. Following a number of clerical assignments in the San Diego District, he was appointed district auditor, Phoenix, in 1928; district auditor, Sacramento, in 1929; assistant district accountant, San Francisco, in 1931; assistant division accountant in 1939; and territory accountant in 1943.

R. C. NICHOLS

Construction Supervisor

Born April 24, 1900, in Florence, Colorado. . . . Educated at Gunnison High School and University of Colorado. . . . Served with U.S. Marines in France during World War I. . . . Worked as field engineer with Utah Copper Company, Anaconda Copper Company, Riverside Cement Company, Western Precipitation Company, Consolidated Rock Products, and General Petroleum Corporation. . . . Joined Union Oil Company at Los Angeles in 1933 as a draftsman. He was transferred to Honolulu as superintendent of construction in 1935; and to San Francisco where he was appointed assistant division engineer in 1936, and construction supervisor, Central Territory, in 1940. . . . He is a registered civil engineer, State of California.

W. W. WORKMAN

Credit Manager—Sacramento

Born June 11, 1903, in Denver, Colorado. . . . Educated at high schools in Ashland, Kansas and Denver, Colorado, and through Alexander Hamilton Institute. . . . Did sales promotion work for Continental Oil Company and Standard Oil Company. . . . Joined Union Oil Company in 1925 as a cash clerk at Stockton. Transferred to the Credit Department in 1925 and was appointed credit manager, Sacramento, in 1928; credit manager, San Diego, in 1930; credit manager, Oakland, in 1933; and credit manager, Sacramento, in 1934. . . . He is a director of Retailers Credit Association of Sacramento.

CLYDE H. MANN

Credit Manager—San Francisco

Born November 11, 1886, in Kansas. . . . Educated at high schools in Holdrege and Oxford, Nebraska, and at Nebraska Wesleyan University. . . . Worked as a credit man in the retail clothing field. . . . Joined Union Oil Company at Sacramento in 1917 as an adjustor and collector. After an assignment in Sales, he was appointed district credit manager, Los Angeles, in 1931; later, credit manager of the Southern Division. He has been credit manager with headquarters at San Francisco since 1940. . . . Is a past-president of credit associations in Los Angeles, Sacramento and Central California.

FRED C. BARR

Personnel Representative

Born October 27, 1903, in Colorado Springs, Colorado. . . . Educated at Fremont High School, Oakland, and University of California, Berkeley. . . . Joined Union Oil Company in 1920 as a night service operator while attending the university. Was appointed a salesman, Oakland, in 1921; a sales supervisor, Oakland, in 1928; sales analyst, Head Office, in 1929; assistant district manager of operations, San Diego, in 1931; district sales manager, San Jose, in 1933; division operating manager, Central Territory, in 1936; assistant division manager, San Francisco, in 1942; and personnel representative, Central Territory, in 1945.

E. A. COX

Credit Manager—Fresno

Born October 2, 1898, at Muskoka Lakes, Ontario, Canada. . . . Educated in and near Toronto, Canada. . . . Served overseas in an artillery division during World War I. . . . Worked for the Peach and Fig Growers, Fresno. . . . Joined Union Oil Company in 1928 as a credit clerk in the Fresno Office. Was appointed assistant credit manager, Fresno, in 1930; assistant credit manager, Fresno District, in 1933; and credit manager, San Joaquin Valley, in 1937. . . . Is a past-chairman of the Credit Managers' Association, Fresno Chapter.

E. G. FLANNIGAN

District Sales Manager—Bakersfield

Born December 27, 1905, at Hot Springs, South Dakota. . . . Educated at Hollywood High School and University of California, Los Angeles. . . . While attending the university, joined Union Oil Company as a part-time service station operator; and in 1927 accepted full-time employment as a service station operator, advancing to assistant manager and manager in the Los Angeles area. He was appointed salesman, Woodland, in 1928 for one month, and during following eight years, served as agent at Redding, Marysville, Manteca and Chico. In 1936 he became division contractor representative, Oakland-San Francisco; in 1945, resident manager at San Jose;

in 1946, resident manager at Bakersfield; and also in 1946, district sales manager at Bakersfield.

GEORGE S. SMITH

District Sales Manager—Chico

Born August 27, 1909, in St. Louis, Missouri. . . . Educated at Western Military Academy, Alton, Illinois, and Stanford University. . . . Worked as a real estate and insurance salesman. . . . Joined Union Oil Company in 1933 as a tank truck salesman, San Rafael. After going to Santa Rosa as a tank truck salesman in 1934, he was appointed resident manager at Calistoga in 1935, at Paso Robles in 1936, at Salinas in 1940, at Stockton in 1943, at Sacramento in 1944; area manager at Stockton in 1945; and district sales manager, Chico, in 1946.

R. M. HARPER

District Sales Manager—Fresno

Born October 6, 1899, in Colorado Springs, Colorado. . . . Educated at Colorado Springs High School. . . . Served overseas with the 23rd Aero Squadron during World War I. . . . Was an automotive equipment salesman in Houston, Texas; sales manager for the Feris Company, Dallas; district manager for the Gray Company of Minneapolis; and western division manager for Graco. . . . Joined Union Oil Company in April, 1933, as supervisor of Stop-Wear lubrication service. Was appointed manager of specialties in 1938; manager of dealer sales development in 1939; district sales manager, San Francisco, in 1940; area manager, San Jose, in 1942; division manager, Fresno, in 1944; and district sales manager, Fresno, in 1946.

ROBERT H. RATH

District Sales Manager—Honolulu

Born July 17, 1915, in Honolulu, T. H. . . . Educated at Punahou High School and the University of Hawaii. . . . Joined Union Oil Company January 8, 1935, as a clerk in the Honolulu Division Office, and became order and stock clerk in 1936. He was appointed assistant office manager, Honolulu, in 1940; plant superintendent, Honolulu, in 1944; resident manager, Alameda, in April, 1947; and district sales manager, Honolulu in October, 1947.

W. E. JENKINS

District Sales Manager—Oakland

Born September 28, 1910, in Kingston, Pennsylvania. . . . Educated at North Des Moines Academy, Iowa. . . . Joined Union Oil Company in 1933 as a service station student salesman, Los Angeles, advancing to service station manager C, B, A, and AA in 1935, 1936, 1937, and 1938 respectively. He was appointed service station superintendent, Santa Barbara in 1939, San Bernardino in 1941, Pasadena in 1942, and Los Angeles in 1943; re-

(Continued on Page 21)

The Central Territory



L. E. REARK
Manager
Sales Service



E. L. HIATT
Distribution
Manager



F. C. BARR
Personnel
Representative



P. H. BAXTER
Territory
Accountant



E. G. FLANNIGAN
District Sales Manager
Bakersfield



G. S. SMITH
District Sales Manager
Chico



R. M. HARPER
District Sales Manager
Fresno



ROBERT H. RATH
District Sales Manager
Honolulu



W. E. JENKINS
District Sales Manager
Oakland

MARKETING DEPARTMENT
Directed by A. C. Stewart



W. A. NEWHOFF
Vice President and
Manager Central Territory



R. C. NICHOLS
Construction
Supervisor



C. H. MANN
Credit Manager
San Francisco



W. W. WORKMAN
Credit Manager
Sacramento



E. A. COX
Credit Manager
Fresno



L. C. LEONARD
District Sales Manager
Reno



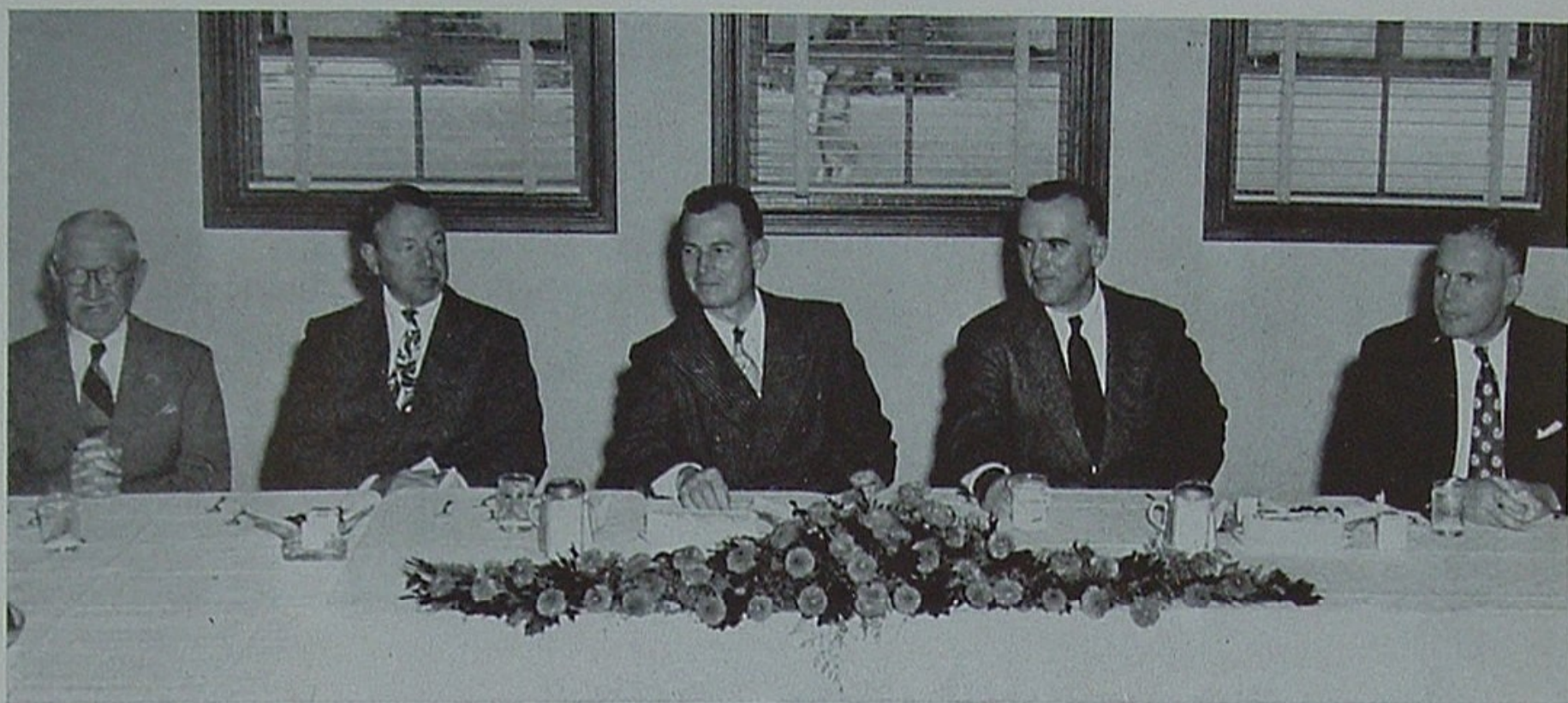
F. T. HOLT
District Sales Manager
Sacramento



S. A. WATERS
District Sales Manager
San Francisco



D. P. HUNTER
District Sales Manager
San Jose



Typical of the hospitality shown the Board of Directors by Los Angeles Refinery personnel was this luncheon in the Cafeteria. Left to right are Directors John E. Jardine and Herman Phleger, Refinery Manager K. E. Kingman, Director Leland K. Whittier and Vice President A. C. Stewart.

BOARD OF DIRECTORS AT L. A. REFINERY

Appearing well satisfied at the conclusion of the tour, are (L-R) Superintendent of Personnel Les Smith, Superintendent of Maintenance John Towler, President Reese H. Taylor, Treasurer H. W. Sanders, Secretary R. F. Niven, Superintendent of Operations Elmer Palmer and Executive Vice President W. L. Stewart, Jr.

Henry C. Meiners (R), Superintendent of Cracking Operations, finds himself with a well-informed audience in the persons of (L-R) Director Leland K. Whittier, Executive Vice President W. L. Stewart, Jr. and Director S. W. Morsehead. The refinery table model was designed for explaining operations to trainees and visitors.





NOVEMBER, 1947

VOL. 9, NO. 11

TANKER UNOBA RESCUES COLOMBIAN TOWN FROM FIRE

October 18, 1947

To: Captain L. L. Lishman

From: Captain K. O. Meyer of M. V. UNOBA

"October 10, 1947, at 21:10, shortly after we had returned from Barbacoas, a fire broke out in Tumaco which spread rapidly through the town and destroyed the entire business section.

"Immediately we took all precautions, led out fire hoses, and put the engines on standby for immediate departure. While thus engaged, refugees arrived and in no time the decks were littered with the belongings of Tumaco citizens. The flames were shooting high above the town, and gasoline and oil drums in the warehouses exploded adding confusion among the population. The decks of the UNOBA were showered with sparks and much burning debris was floating on the water.

"At 22:30 I believed it unsafe to remain longer at the moorings. We cast off, steamed towards El Morro Island, a mile distant, and anchored in the narrow channel.

"Part of the crew, Mr. Ellis and I returned in a launch to the oil barge to tow her to safety. Unable to move the barge with the small launch, we chased the only large tug in the vicinity, the DAGUA and, after many arguments, persuaded her skipper to move the oil barge away from the fire. By the time we cast the oil barge off its moorings, it was covered with live sparks. We towed the barge alongside the UNOBA.

"The UNOBA's radio provided the only means of communication during the Tumaco fire. The Colombian government radio station on El Morro Island did not operate until the following morning. The radio operator was in Tumaco salvaging his furniture and belongings.

"During the afternoon of October 11th we decided that there was no further need of our presence. The fire had burned itself out and was under control. Rescue planes and navy vessels were on their way to render assistance. We transferred the surplus stores, medicines, etc., to the agent's launch. Two Socony Vacuum of Colombia geologists requested passage to

(Continued on Page 18)

FAR EASTERN VISITOR AT HEAD OFFICE

OUR SINGAPORE REPRESENTATIVES Although the firm of Sime, Darby & Company, Ltd. have been distributing Union Oil Company products throughout Malaya, British North Borneo and Sarawak for nearly 20 years, it was not until recently that executives of the two companies had the opportunity of meeting in Los Angeles. Mr. C. F. Smith, Managing Director of the distributing firm, is shown in the accompanying picture discussing one of our newest products, Royal Triton, with J. W. Graham (L), Manager of Foreign Sales, and Ole Berg (R), Vice President. Sime, Darby & Company, Ltd. have their headquarters in Singapore; conduct a large importing and exporting business; are Managers and Secretaries for the largest indi-

vidual group of tin mines and rubber estates in Malaya; are Operating Managers of several utility companies that provide electricity for towns in Malaya; besides being distributors of our lubricating oils and greases, paving and roofing asphalts, solvents and technical products.

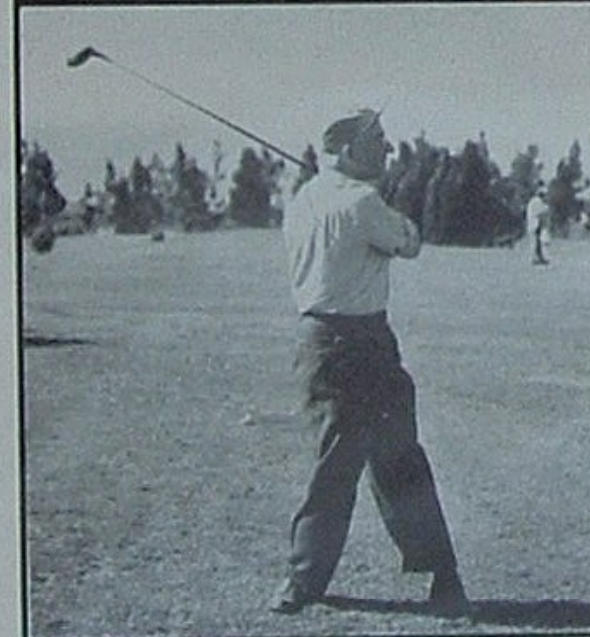
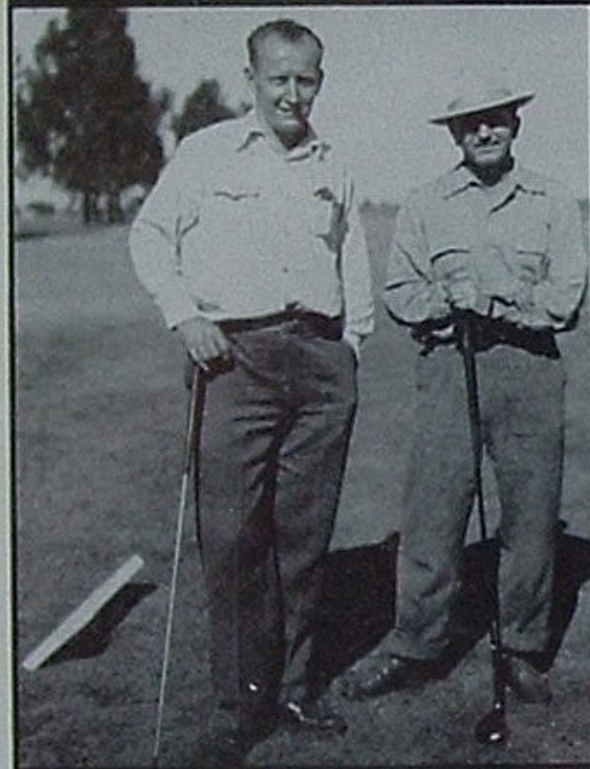
Mr. Smith states that during the recent war 37 employees of his company were placed in internment camps by the Japanese. He himself was interned at Singapore for over three years, during which time his weight decreased from 297 to 147 pounds.

After a visit in Southern California and a tour of Union Oil properties, Mr. Smith returned to Malaya by way of Honolulu and Manila.



MANUFACTURING

Oleum Refinery



HARRY DOWNEY BEST GOLFER

The Oleum Refinery Divot Diggers, after watching the rain pour down all week, were rewarded with a beautiful sunny day on Saturday, October 11. Richmond Golf Course was the scene of this tournament, in which Harry Downey of the Treating Department carded a 77 to win low gross honors. Winner of the low net prize was Bud Fitzgerald, whose 81 gross and 16 handicap produced a sizzling 65. Low net winners in the individual fore-somes were Henry Dubetz, Chuck Carlile, Art Mattos and Robert Herwat.

In the three pictures at the left are shown the cream of the Oleum golfing crop for 1947. Top: Art Mattos and Champion of the day Harry Downey. Center: Henry Dubetz and his inspiring partner Angelo Banducci. Bottom: Chuck Carlile, whose secret of golfing success is to "wind up and let fly."

REFINERY ROMANCES

That Cupid is not allergic to refinery mercenaries was proven on September 27th when Kathleen Arata of the Clerical Department and Henry W. Daneri of the Inspection Laboratory were married. They plan to make their home in Concord.

Other Oleumites who have recently given single blessedness the Bronx cheer are Marty Turcanik of the Clerical Department, Orlando Catrino of the Machine Shop, and Johnnie M. Speer and Joseph O. North of Distillation.

OLEHUM

Construction work is really booming at Oleum. New jobs are commencing every day and the refinery is a beehive of activity. . . . Robert J. Felsenthal, who retired August 1, paid us a surprise visit in October after a leisurely tour through his favorite stamping grounds of the Northwest. Bob states that it sort of sharpens his appreciation of retirement to stand around and watch other people "carry the hod."

. . . E. C. Cleveland is being assigned to Oleum by the Distribution Department to correlate shipping activities with Marketing Department stock requirements. . . . Frank Heckel has been appointed Engineer in Charge of Drafting, Design and Specifications, effective at once. . . . Influenza futures have suffered a sharp decline since more than 100 Oleumites have completed the vaccination program. . . . Vern Taylor returned from his Los Angeles Refinery visit with great praise for the pride shown there by all employees in the matter of good on-the-job housekeeping. . . . When a truck and trailer left the highway one recent night, it knocked seven supports from a wood-stave line, but fortunately failed to sever the line. No one here is anxious to see if our luck will hold a second time. . . . A recent dinner meeting in honor of C. E. Van Marter, retired, was made all the more pleasant by the presence of Bill Stevenson, Spence Briggs, Homer Ambrosier, Bill Miller, Doc Neukom, Fritz Karge and several delegates from Central Territory Sales.



During the lunch period of his last day at work before retiring, Louis Frembling was surrounded by a group of more than 100 Shipping and Compound employees. Lou got out of the predicament by accepting a beautiful gold pocket watch and posing for a picture. (L-R): John Rose, Louis Frembling, John Wierzbecky, Daniel Ratkovich.

MANUFACTURING

L. A. Refinery



Speaking for twenty and more carpenter shop employees, John Bergstrom (L) gave Bert Woods parting counsel and a hand-clasp as the latter concluded his last day of work before retirement.

FLORAL EXPERT Refinery visitors and employees, who marveled at the beauty of our floral pieces during "Open House," were surprised to learn that these decorations were not purchased from professional outsiders.



E. A. SANDERS WINS AGAIN Proving that his championship score of 75, scored in the Company Tournament, was no accident, E. A. Sanders won the Annual Refinery golf tournament over the Lakewood Country Club course with a 74. Grant Benham was runnerup; George Cassel's 86-minus-26-handicap was good for the low net trophy; Willie Paris was low-net runner-up; and the three flights were won by Grant Hendricks, Ray Tatum and Norm Sjogren.

PROGNOSTICATOR Phil McCutcheon is suspected of having broken the code through which Dr. Stork is instructed to fetch a boy or girl baby. On an even wager of one dollar he has undertaken to forecast the sex of any infant bound for a Refinery employee's household. In seven attempts Phil has made seven correct guesses and seven inflated dollars.

None other than Earl "Bill" Forbes, a Refinery guard, and his wife were responsible for the fragrant added attractions.

Bill learned the art along with a number of other servicemen during convalescence in a Government hospital. His instructor was Madame Zuka, a Japanese and one of the foremost authorities on the art in the United States. The service men were taught every trick of the trade from gardening to making their own trays out of brass and copper. Bill is shown (below) with an arrangement of chrysanthemum-type marigolds and Japanese primroses in a copper tray of his own making.



CHARLOTTE SUCH beamed with genuine pleasure when the girls in Research brightened her leave-taking with a shower of undersized blankets, a bottle sterilizer and some three-cornered drawers. Need we explain further?

CELLAR-BRATING The Unoba baseball team is reputed to have lost the summer league by forfeit. But that fact failed to prevent their celebrating on October 14 at Allen Center Officers Club, Terminal Island, like winners of a world's series. Present at the excellent dinner were Paul Fryar, Elton Barnett, Grant Hendricks, Jim McDonald, Wally Gilmore, Lou Knudsen—and their wives—also Marilyn Leisk and Harry Bourgeois.

Team manager Paul Fryar announced that the 1948 pennant is in the bag—providing the club can find players!

PERSONNEL CONTACT Two worthwhile classes are being conducted daily by Nate King of Personnel to familiarize Refinery employees with the status of the Company benefits and insurances. The classes are attended by small groups at a time whose individual names have been checked previously by the instructor against the membership lists of each medical and insurance plan. The program will be continued at this refinery until every employee has attended.

GALE BLOWING At their most recent meeting Sigma Xi members and guests heard Mr. Bruce Rule of Cal-Tech tell some of the engineering and astronomical aspects of the 200-inch telescope lens being installed at Palomar Observatory. . . . Thanks to Jim Covington's proposal, Mary Lou Dodge has passed the traditional engagement candy throughout Research.

MARKETING

Northwest Territory



JOLLY WELL RIGHTO Some months ago we introduced Marjorie Brice, our English warbride of the Seattle Office. Now we are happy to present her sister, Jean Brewer, (above) who joined the Stenographic Department in October. Jean and her mother flew the 7,000 miles from London to Seattle making only a single stop in New York to change planes. To the "Okay" that greets her from every Union Oiler she meets, Jean responds with the English equivalent, "Righto!"



Northwest Territory's recent "T 'n T Sweepstakes," a sale contest featuring tires and Triton, was won by Al Downs, district Representative of Bend, Oregon. Al is seen standing behind his first-prize, an outboard motor, and gaining a fingerhold on his additional award of \$25.00. Flanking the champion salesman are several go-getter Union dealers, Consignee Fred Myers, Territory Manager Roy Linden (5th from left) and District Sales Manager Paul Boyd (4th from right).

MODEL MOTHER Not to be outdone by any national advertisers, the Spokane district office presents its own model mother, Phyllis Scherrer. Phyllis, who is pictured with her son, Phillip, recently modeled some of the "new silhouettes" in a style show sponsored by her college sorority, Chi Omega. The function was held at Spokane's newest department store, The Bon Marche, and a very enthusiastic audience of both men and women applauded either the new fashions or the pretty girls.



Way back in May this group of Marketing personnel at Yakima were considered locally to be our best looking and best dressed. Counting their trouser creases and dividing by two, we have seven men who are a sartorial credit to the Northwest, namely, (L-R) Bob Bohannon, Wendell Youngblood, Jack Aichison, W. M. Daniels, L. D. Hansen, A. J. Markham and Orlan Cruce.



MARKETING

Central Territory



TO MARKET The Oakland District has welcomed Arville Ousdahl (above), former chemist at Oleum Refinery, to a sales assignment at Alameda Marketing Station.

Arville joined Oleum Research in 1940. He entered the United States Army in 1942, served as a tank combat officer, and attained the rank of Captain in General Patton's Armored Division in Europe. The recent addition of a second boy to his family gives him reason to take seriously our wishes for his success in the sales field.

SPECIAL DELIVERY Thanks to Consignee Bill Tibbetts (below) of Hollister and his package-plane, we delivered the goods! Technician Al Mullerweiss had sold a large in-

UNION SERVICE AT KERN COUNTY FAIR Resident Manager James Davies and his marketing staff at Bakersfield have been credited with one of the best displays of advertising and good will to be found at this year's Kern County Fair.

Departing somewhat from the customary idea of an exhibit, Davies decided to give the visitors samples of one of the Company's most famous products—Union courtesy. The products exhibit of Royal Triton and other smartly packaged lubricants was arranged around an oasis of solid com-

fort (see picture below) in the form of divans, comfortable chairs and an inexhaustible supply of ice water. Picture post cards, Triton banks and road maps were made available to each guest.

That the booth proved to be one of the most popular features of the five-day spectacle is evidenced by the number of Minute-Man give-aways consumed. More than 2500 Triton banks and 4000 post cards and maps were given to the 135,000 people who passed through the fair's turnstiles.



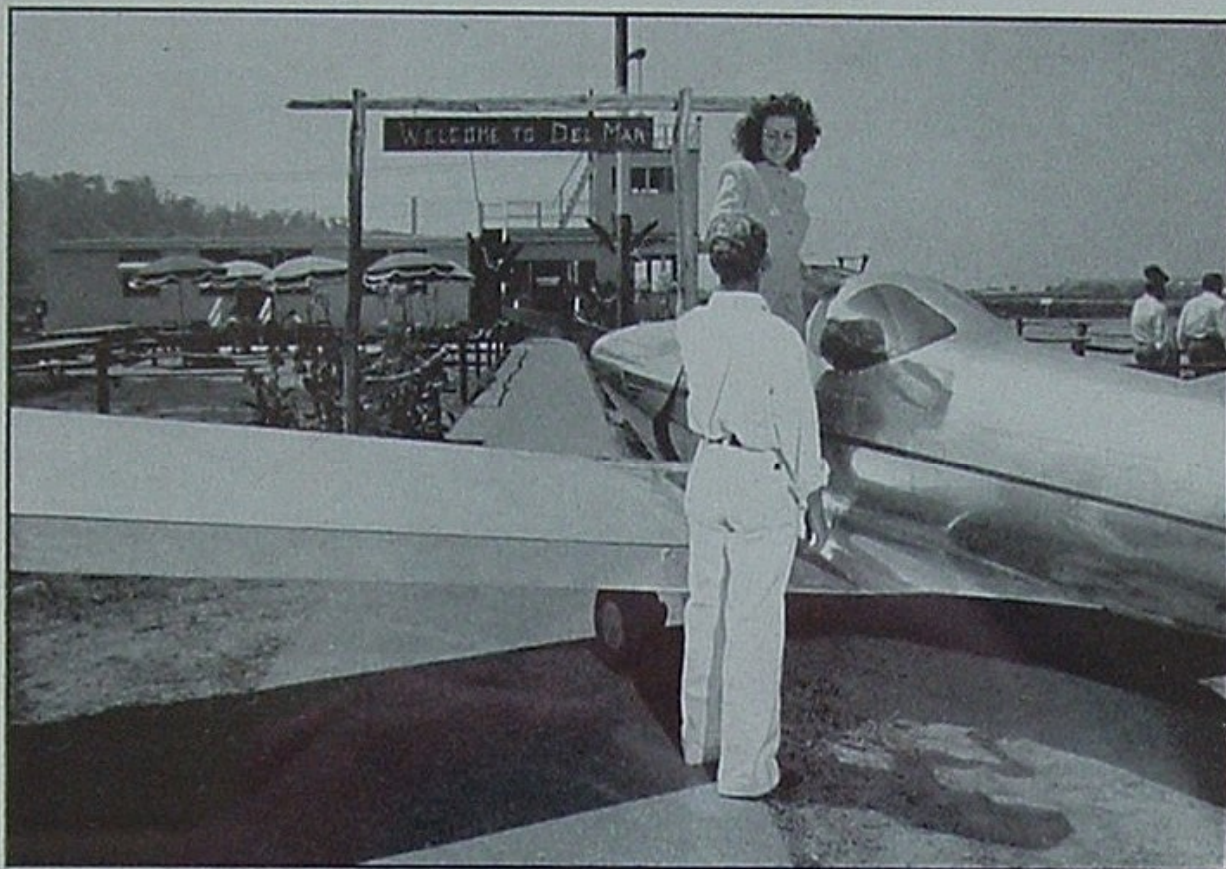
dustrial account on the merits of a Union grease, only to discover there was not a single pound of the product in town. So Tibbetts made the 45-mile delivery by plane in about one hour.



EVERETTES "Mac" Small is testing by SMITH bride's biscuits ala the former Miss Kit Maytelle since their Virginia City wedding in September . . . ditto the wedding bells for James Cassingham of San Jose. . . . After more than a year of ads and commuting, Bill Gobby has struck pay dirt in Los Gatos; he's living the sophisticated life of a house renter. . . . The most surprising thing about Jim Smith's new daughter Barbara was that she arrived at Salinas on Jim's birthday. . . . San Francisco employees were so moved by the campaign movie "Red Feather" and ample amounts of home-made generosity that they overflowed the Community Chest with a 140.8 per cent contribution. . . . Nick Norton is back from the east sporting a new Company plane. . . . Ray Collins, veteran Potrero tank truck salesman, is off the sick list and back on his south-of-Market run. . . . The sight of Sam Waters, Jack Greeley, Earl Engen, Tod Franklin and Tommy Tibbles functioning as Minute Men at the opening of Claude Platt's new 21st and Noreigia service station was well worth the expense of those Hollywood lights.

MARKETING

Southwest Territory



PHOTOGENIC Admirers of the charming young lady, who lends added eye appeal to many Company sales-promotion photos, will be pleased to learn that the model is often picked from our home-grown chorus. The aviation feature above, for instance, stars Miss Nellie Nardini who, as a matter of fact, only

wishes she owned and could fly the snappy little "cloudster."

Miss Nardini, as you may recall, has appeared in several Union Oil service station poses, usually in the role of a pleasant and pleased customer. Her fondest publicity memory harks back to the day she met and was photographed with Bob Hope.



This busy young warehouseman is Gary Peterson, who occasionally gives his dad, Earl, a hand at Minute Man Supply Warehouse, Los Angeles.

FOREIGN SALES

PDAP DISSOLVED The Petroleum Distribution Association of the Philippines, composed of Union, Standard, Shell, Associated, and Caltex, has been dissolved after having performed a unique service for the Philippine Commonwealth.

PDAP was formed on March 7, 1945, at the suggestion of Gen. Douglas MacArthur and with the sanction of President Manuel Roxas. Its purpose was to make petroleum products available to civilian requirements on a non-profit basis. The oil companies that cooperated in this friendly service to the war-ravaged country had carried on business in the Islands prior to the Japanese invasion.

It is significant that the concluding act of the association was the handing through its president, J. A. Parrish, of 797,904 pesos (about \$400,000) to the Philippine government. This amount represented savings that had been realized through careful management and the efficiency of PDAP personnel.

Until his return several months ago, Union Oiler Frank M. Jacobs of San Francisco served in Manila as a Foreign Sales representative of the Company and as a director on the PDAP board.

MARINE DEPT.

(Continued from Page 13)

Balboa; all of their equipment was lost in the Tumaco fire. We received our clearance and at 15:45 proceeded to sea; 16:45 departure Tumaco."



Three loyal mariners of the Company fleet paused recently aboard the RUBEL to study the camera techniques of Jim Hill. Quite by accident the thing went off, revealing (L-R) Captain Olof Ekstrom, 1st Mate Warren W. Faulkner, Chief Engineer Leon De Smith.



Captain John Friend, who has operated for the past year in our Central American Division as Master of the M. V. UNOBA, offers evidence of the good fishing to be found between Puerto Armuellas and the Panama Canal Zone. Captain Friend first introduced the UNOBA to her tropical duties last year. He was recently relieved by Captain Kurt C. Meyer, whose adventures in rescuing Tumaco from a fire are told on Page 13.

FIELD

Southern Division



A. E. NORMAN RETIRES Arthur Norman, District Foreman, Southern Division Pipe Line, after 34 years of service will retire on December 1, 1947. Holding a key position in the Pipe Line Department for many years, he has become well known throughout the industry. Spurred by a keen interest in new methods, Mr. Norman has helped bring about many improvements in Pipe Line operational procedures. Soon after his retirement, Arthur and his wife will leave for a vacation in Maine. Arthur informs us that his future plans have no room for the proverbial front porch rocking chair.

LOYALTY'S REWARDS Bernice Stewart called ON TOUR during October and successfully asked our help in thanking the more than 200 employees who made her retirement such a gala occasion. For her we thank you! In her seventeen years at Dominguez, Santa Fe Springs and Whittier switchboards, Bernice came to know and serve nearly every Union Oiler in those fields, as well as scores of employees from such associate concerns as Santa Fe Drilling Company, Key Contractors, and the Hearn Company. Hence, her last days of work were the signal for at least two cake-and-coffee farewells, a surprise birthday party, and showers of lovely gifts.

Fred Woodard, another favorite of the Brea-Richfield District whose quiet friendliness will be missed for many years to come, was also paid high tribute on his final day, September 30th. At a surprise luncheon presided over by his good friend Charlie Moseley, Fred was given a warm and cheerful sendoff along Highroad 65. He is one of the few men who have achieved 40 years of service. (Lloyd Kenny)

Coast Division

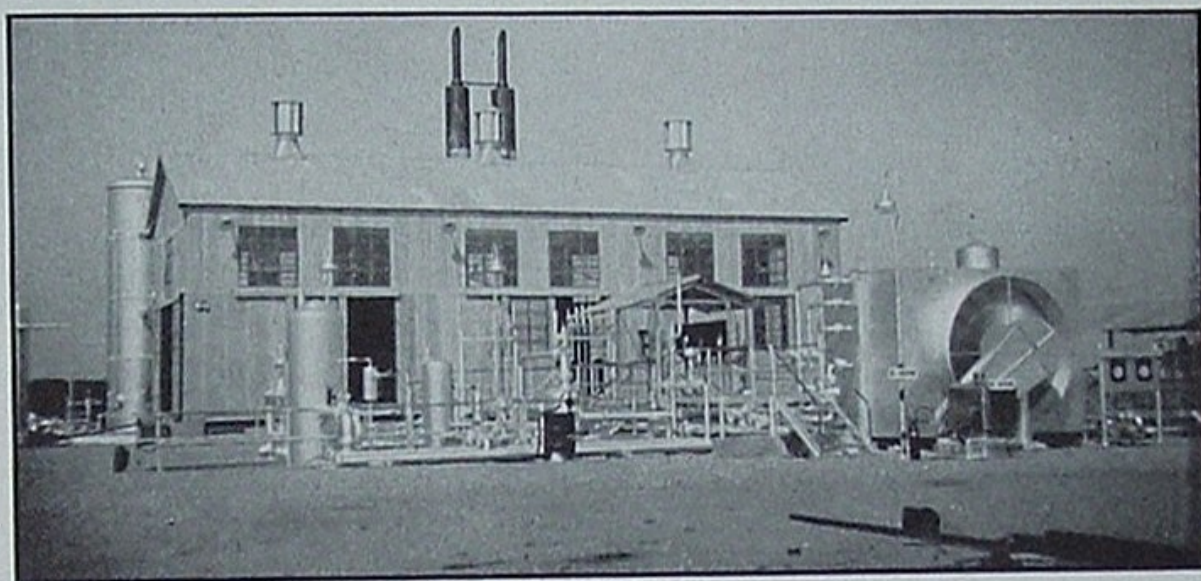
CAT CANYON GAS INJECTION Completed and already in operation is this fine compressor plant, located approximately one-half mile southeast of the Cat Canyon Production Headquarters. The plant was designed by the Company's own field engineering staff. Construction was carried on under the personal supervision of Harry C. Marshall, who retired September 1st. Primary purpose of the plant is to conserve gas by injecting it back into the underground formation. This is not only an efficient means of storing the gas for

probable future needs, but also is expected to increase the yield of crude oil from the injection zone.

The single-compressor unit is capable of injecting nearly four million cubic feet of gas a day. It is planned to expand these facilities in the future to handle four million cubic feet a day from Cat Canyon and all excess gas from the Santa Maria Valley.

Don McFaddin, Senior Field Engineer, estimates that the \$304,000 investment in this plant and its associated facilities will be amortized in less than four years. He is now also engineering plans for a CO₂ (dry ice) plant at Santa Maria.

(B. B. Brison)

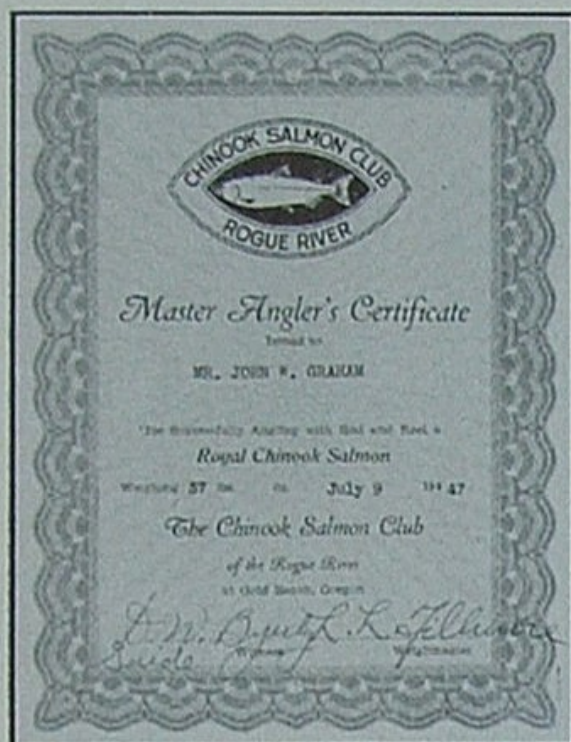


Valley Division

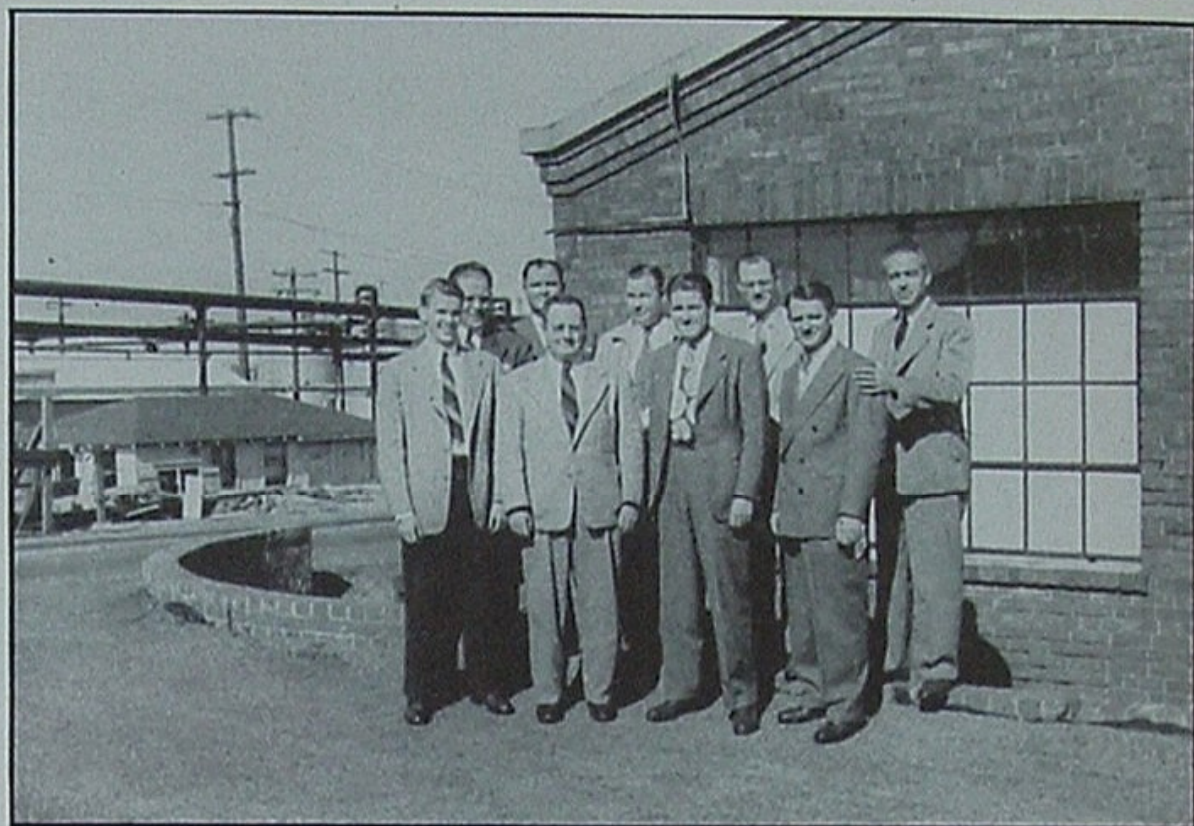


Employees of the Northern Division Pipe Lines assembled at a steak dinner in Coalinga honoring Frank A. Brown, retired. Seen presenting a gift wrist watch from the group is A. E. Brown and the recipient, Frank, (right).

HEAD OFFICE



For catching a 37-pound Chinook salmon, Jack Graham of Foreign Sales was presented the above certificate by the authenticity-loving citizens of Gold Beach, Oregon. He has canned proof, too!



From nearly every point of the Union Oil Marketing compass came this large class to Oleum's halls of lubrication learning. The two week's course brought together (L-R)

Front Row: Bob Chestnutt, Clyde Patterson, George Wamsley and Bill White. Back Row: Dwight Logan, Frank Adams, Lou Huntington, Dr. Earl Amott and Doug Hayes.

NORTH OF THE ARCTIC CIRCLE Hardly recognizable in his parka and service cap is Manager of Exploration Earl B. Noble (below) shown sitting on the veranda of an Eskimo dwelling at the northernmost end of Pt. Barrow, Alaska. Earl states that the temperature on this September 19th was 15 degrees below freezing and a stiff wind was blowing. The house he preferred not to seek shelter in is made of sod reinforced with whalebone, several large pieces of which lie on the ground

at his feet. The bleak point, often feeling temperatures of 55 below, is used by Eskimos as a place to beach whales during the hunting seasons. It is part of a 35,000 square mile reserve of the United States Navy.

Earl went to this north-of-the-arctic-circle outpost at the invitation of the Navy. He was impressed by the excellent judgment shown by Government and private agencies in selecting personnel for various projects in the Far North. The Americans he contacted were highly capable as well as enthusiastic.



FASHION LOW-DOWN At J. W. Robinson Company's pre-winter showing of longitudinal lingerie and stuff, three Head Office girls walked the fashion plank charmingly for 800 business women of Los Angeles.

Shown in the picture is Irene Carnal modeling one of two elongated creations she enhanced during the afternoon.

No less fetching at the style show were Janice Crowley and Velma De Wold, who more than did justice to everything from a gray-sheer-wool to a cocoa-metallic-with-draped-hip-and-skirt. Our Earlda Marino was an honor guest at the show.



SERVICE BIRTHDAY AWARDS

NOVEMBER 1947

Thirty-Five Years

Lewis, Frank E., Oleum Refinery Mfg.

Thirty Years

Hilton, Ralph, So. Div. Field

Nelson, James C., So. Div. Pipe Line

Ste. Marie, Joseph A., No. Div. Pipe Line

Wiley, Lawrence O., So. Div. Field

Twenty-Five Years

Ball, Emmett B., So. West Territory

Barnes, Henry F., Valley Div. Field

Durham, Benj. G., So. Div. Field

Fraser, Harry G., Oleum Refinery Mfg.

Hougham, Hugh K., Central Territory

Jones, Leroy E., So. Div. Field

Lashley, Walter C., So. Div. Field

Leeson, Hubert H., So. Div. Field

Lenninger, John M., Valley Div. Field

McKenna, Horatio, No. West Territory

Pinder, Wm. E., So. Div. Pipe Line

Peterson, Lillian M., Central Territory

Putnam, Marvin S., H. O. Comptroller's

Reas, Arthur F., So. Div. Field

Robinson, James H., No. Div. Pipe Line

Salisbury, Geo. W., So. Div. Field

Thomas, Clarence F., No. Div. Pipe Line

Tinker, Truman R., So. Div. Field

Twenty Years

Ahl, Ernest V., No. West Territory

Bettencourt, Alfred M., Oleum Refinery

Mfg.

Camp, William, So. Div. Pipe Line

Miller, Dorian H., Oleum Refinery Mfg.

Peterson, John A., No. Div. Pipe Line

Sanders, Harry D., No. Div. Pipe Line

Fifteen Years

Adams, William E., Oleum Refinery Mfg.

Carmichael, Norma E., So. West Territory

Howell, Frank H., L. A. Refinery Mfg.

Lee, George S., So. Div. Field

Parkin, Ernest M., Great Falls, Montana

Ten Years

Flanagan, Chas. J., No. West Territory

Gardner, Gail Clay, No. West Territory

Ottewell, Gordon F., Central Territory

Truher, Florence M., Honolulu

Turner, Cecil H., No. West Territory

MEET THE MANAGEMENT, Cont.

(Continued from Page 9)

tail supervisor, Spokane District, in 1943; assistant district manager, San Francisco, in 1945; and district sales manager, Oakland, in 1946.

L. C. LEONARD

District Sales Manager—Reno

Born June 29, 1897, at Geneseo, New York. . . . Educated at Geneseo High School; School of Physical Education, Battle Creek, Michigan; Western State Normal School, Kalamazoo, Michigan; and Colgate University. . . . Served in France with the 27th New York Division during World War I. . . . was store manager for Louis K. Liggett Drug Company, personnel manager for Club Aluminum Company, and salesman for American Drug-gist Syndicate. . . . Joined Union Oil Company in 1929 as a salesman, San Francisco. He was appointed service station superintendent, San Francisco, in 1931; salesman, Redwood City, in 1931; agent, Hollister, in 1932, Salinas in 1933, Reno in 1940; district salesman, Reno in 1940; district representative, Twin Falls, in 1941; division representative, Reno, in 1944; area manager, Reno, in 1945; and district sales manager, Reno, in 1946.

FRED T. HOLT

District Sales Manager—Sacramento

Born March 7, 1903, in Kansas City, Missouri. . . . Educated at Wilson High School, Kansas City, and La Salle Extension University. . . . Worked for Scouler Bishop Grain Company; later owned and operated a delicatessen and restaurant business. . . . Joined Union Oil Company in 1934 as a service station salesman, San Francisco, becoming a station manager in 1936. He was appointed retail representative, Sacramento, in 1940; personnel representative, Central Division, in 1943. . . . served on loan to Petroleum Administration for War for nine months. . . . On return, was appointed training representative, San Francisco, in 1944; assistant

division manager, Sacramento, in 1945; district sales manager, Bakersfield, in 1946; and district sales manager, Sacramento, in 1947.

SAM A. WATERS

District Sales Manager—San Francisco

Born February 16, 1908, in Frederick, Oklahoma. . . . Educated at Phoenix, Arizona, Union High School. . . . Joined Union Oil Company as office boy, Phoenix, in May, 1924. He became a service station operator, tank truck salesman, and assistant resident manager at Bakersfield during 1925 and 1926; resident manager, McKittrick, in 1927 and at Lemon Cove in 1928; salesman, Fresno, in 1929; resident manager, Turlock, in 1932 and Stockton in 1933; sales supervisor, San Francisco, in 1934; resident manager, San Jose, in 1935 and Oakland-Alameda in 1937; district sales manager, Santa Rosa, in 1938 and Sacramento in 1940. . . . Served in the United States Navy from 1942 to 1945. . . . On return, was appointed assistant division manager, Sacramento, in 1945; and district sales manager, San Francisco, in 1946.

DEAN P. HUNTER

District Sales Manager—San Jose

Born December 1, 1907, in Anaheim, California. . . . Educated at Santa Barbara High School. . . . Joined Union Oil Company in 1927 as a service station operator, Santa Barbara, and in 1928 transferred to the wholesale department as warehouseman and clerk. Was appointed salesman, Santa Paula, in 1929; agent, Lompoc, in 1929 and Santa Barbara in 1931; division station inspector in 1933; agent at Wilmington, Phoenix, Culver City and Hyde Park during 1936 and 1937; district sales manager, Portland, in 1944; and district sales manager, San Jose, in September, 1947.

Are profits too high?



1. In the first six months of 1947, Union Oil Company made a total net profit of \$8,543,594. On paper, this is just about double what we made during the first six months of '41, '42, '43, '44, '45 and '46. Consequently, when the newspapers headlined the fact, some people began to wonder. Frankly, we're beginning to be bothered about a few things ourselves.



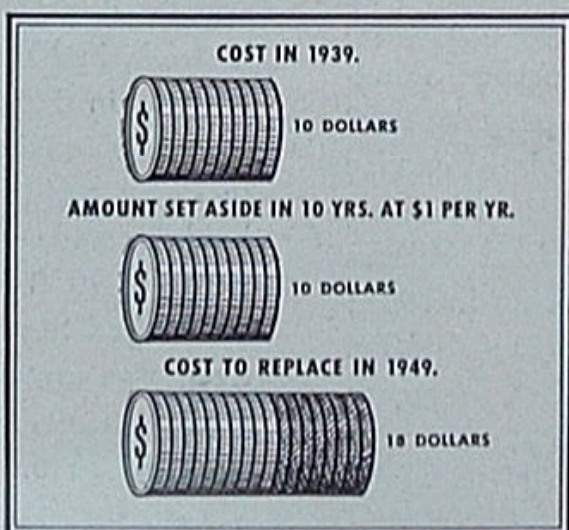
2. For in spite of the fact that there's more money coming in, it doesn't seem to mean very much. To begin with, only \$2,801,885 went to the stockholder-owners in dividends. That represented a return to them of 3% on our gross sales. Of the remaining 5 3/4 million, \$5,200,000 had to be spent on day-to-day replacement of equipment. For the money we had set aside for that purpose (some 10 1/2 million) wasn't adequate to meet today's inflated costs.



3. In other words, a corporation's cost of living these days has gone up just as much as an individual's. In 1941, for example, it cost us \$12,000 to lay a mile of pipe line. Today it costs \$30,000. In 1941 it cost \$400 per barrel of capacity to build a piece of refining equipment. Today it costs \$1,000. In 1941 we could build a service station for half what it costs us today. And the cost of replacing every barrel of crude oil we sell has tripled.



4. Of course, a certain sum is set aside each year to replace these "tools" and raw materials before profits are figured. But here's the rub: According to accepted accounting practice, and the rules of the Federal tax collector, you must depreciate these things on the "historical" basis—on the basis of what they cost you when you acquired them.



5. That means if an item costs you \$10—and you expect to wear it out or use it up in 10 years—you're allowed to set aside only \$1 each year toward replacing it. The fact that it may cost you \$18 to replace it today—or when the time comes—doesn't make any difference to the tax collector. If you were going to liquidate a business, this method of accounting would present an accurate picture of your profits—in dollars.



6. But if you plan to stay in business as we do—and replace your "tools" and raw materials as they run out—today's accounting "profits" aren't always what they seem. In fact, the American people might well take a new look at their accounting methods and their Federal tax schedules. For unless our businesses, large and small, can set aside enough to keep improving their "tools," American production can't continue to increase.

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, California.

AMERICA'S FIFTH FREEDOM IS FREE ENTERPRISE