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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 17, California.

DURING 1951, well over 12 million gallons of Union Oil products moved south of the border to power and lubricate Mexico's rapidly expanding industry. Responsibility for this surprising achievement can be credited largely to the energies of four Company distributors—men who are developing agriculture, industry, transportation and communications and in many other ways helping Mexico attain its rightful place in the economic sun. We are proud, therefore, to introduce this month the foremost Union Oilers of Mexico—Distributors J. M. Rodriguez, Fernando Rodriguez, Manuel Ezroj and Jorge Merida:

A T San Luis, Mexico, in 1918, two young men with a great deal more gumption than money decided to try their hand at cotton farming. They were brothers, their names being Abelardo L. and J. M. Rodriguez.

A few years of hard work, careful planning and husbanding of profits began to bring results. They expanded, branched out into other activities, and became two of the most successful men in Mexico.

Today, Abelardo is known throughout his country as General Rodriguez. He served as President of Mexico from 1930 through 1933, instituting many of the progressive movements that have taken place in recent years. Wherever he travels in his native land he is heralded as a great man and a fine citizen.

J. M., the general's brother, is known and addressed everywhere throughout northern Mexico by those two initials. Keeping pretty well out of the political spotlight, he has devoted all of his years to agricultural and industrial development. Besides helping to build a vast cotton industry, he has delved successfully into other types of farming, real estate, banking, the packing of fish, and many additional enterprises. His present

Pioneer of Union Oil distributors in Mexico is J. M. Rodriguez, left, shown talking business at the entrance of his Mexicali home with Union Oilers Swan and Browne.



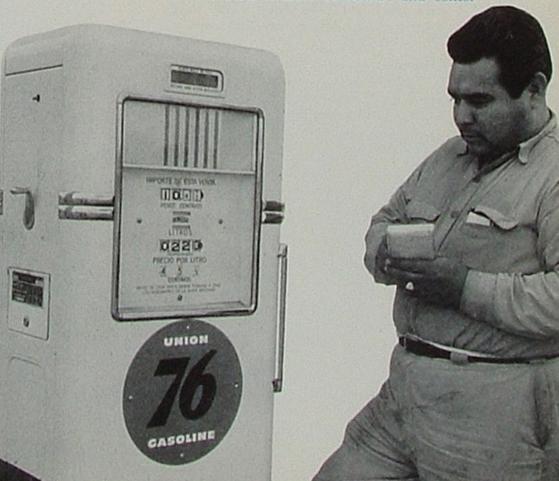
SOUTH OF THE BORDER



Formerly the landmark of a gambling mecca, Agua Caliente Bell Tower today admits vehicles to Tijuana's best school, hospital, golf course, and terminal for oil products.

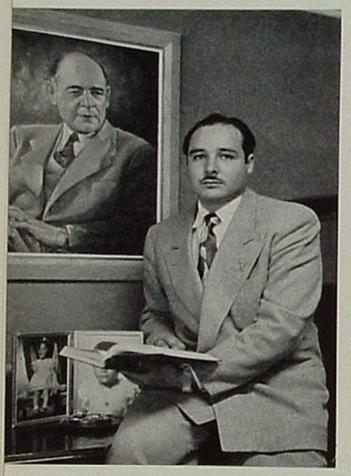
Selling Royal Triton to Senorita Enrigueta Ruiz requires some swift translation of container labels on the part of Roberto Baltazar, Mexicali salesman of Union products.





In Mexico, gasoline is measured in liters and priced in pesos, but Felipe Arvizu is adept at figuring the amount for Union Credit Card holders in dollars and cents. The Rodriguez office, bulk plant and truck fleet at Agua Caliente compare very favorably with the best of such facilities found anywhere in Union Oil Company.





General Abelardo L. Rodriguez (painting) is a former president of Mexico and remains in the highest esteem of his countrymen. His son Fernando J., our Tijuana distributor, is proving himself to be a worthy bearer of the father's great name. ambition is to develop San Felipe on the Gulf of Mexico into an attractive fishing and recreation center.

When, in about 1930, District Manager J. D. Nesbitt and "Pink" Hartin, sales representative, sought a distributor to carry on and develop Union Oil marketing in Mexico, J. M. Rodriguez appeared to be ideally qualified. He was given an exclusive agency in several towns along the border and proceeded at once to increase the business ten-fold. Today, through 29 service stations and numerous wholesale accounts in Mexicali, J. M. is doing a petroleum business of more than six million gallons annually.

Below right, thousands of sportsmen going to and from the Agua Caliente race track find the finest "76" roadside accommodations at their service.

Charming Yolanda Ugalde de Uzarraga is "secretaria" at the Rodriguez bulk plant and something of a genius at figuring oil prices in Mexican pesos.







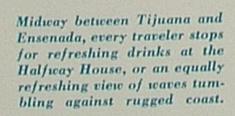
Homes such as these in a new residential section of Mexicali augur well for the future of this potentially rich country.

A BOUT three years ago, a handsome youth called at our San Diego office asking for the district sales manager, who was then H. M. Bragg. The caller introduced himself as Fernando Rodriguez, admitted that he was a son of General Rodriguez, and wanted nothing less than a Union Oil distributorship in Mexico. As there was no opening at the time, the proposal was declined.

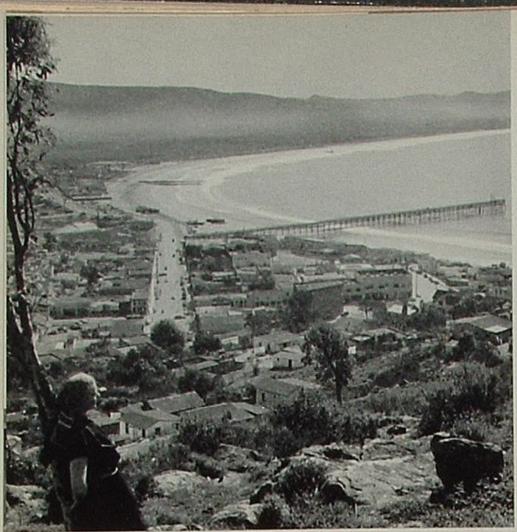
Sales managers seem to have a great respect for perseverance. At any rate, when Fernando reappeared the second and third times with the same proposal, "Hoot" Bragg began to take serious notice. If this Fernando were to go after new oil business with equal perseverance, business south of the border was bound to improve.



A surprising number of "76" stations south of the border do a gasoline business of 35,000 gallons or more monthly.



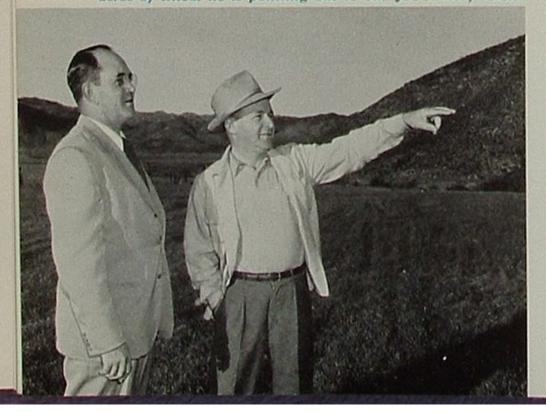




Ensenada, discovered by 16th Century mariners, is being rediscovered today by thousands of American vacationers.



In 1929, on the above service station site, Manuel Ezroj started up in business with one barrel of Union gasoline. Now, besides being owner and a Company distributor, he has numerous other business interests, including the 20,000 acres of wheat he is pointing out to our Joe Miller, below.



Soon thereafter the Company had need of a new distributor at Tijuana and the young man was promptly assigned.

Well, in 1951, Fernando Rodriguez did a business of nearly five million gallons. He insists that his father's good name has had much to do with the result. But an inspection of the 23 service stations Fernando has built or is serving—the sight of his excellent bulk plant and truck fleet at Agua Caliente—and an inquiry among those who know him best—reveals that the son has done an outstanding job on his own. Besides the distributor-ship, Fernando owns XEXX Radio Station and a modernistic parts store in Tijuana.

GREAT events have small beginnings, and such was the case at Ensenada, Mexico, about 20 years ago. An oil salesman took either the wrong road or the right hunch out of Tijuana and didn't stop until he was 69 miles south of the border. He was looking for gasoline customers, and his quest led him fortunately to a young man named Manuel Ezroj, recently arrived from Lithuania.

With borrowed capital and consigned merchandise, Manuel had just opened a small store in Ensenada. He didn't appear to be much of a cash-on-the-barrelhead prospect. But the deal was arranged and the salesman got his order—exactly one barrel of gasoline.

That was the small beginning. Manuel's next order was for two barrels. And it grew bigger and bigger each time until in 1951 our total sales to the Ezroj account amounted to well over a million gallons.

The colorful Villa Marina, built by Distributor Ezroj, offers the Pacific Coast's finest seaside accommodations.



Manuel proved to be a genuine go-getter. He made good not only in the store and oil business but in a dozen other enterprises. Today, he has several "76" service stations, one of them standing with his Ford-Mercury-Lincoln agency on the very corner where he sold that first barrel of gasoline. In addition, he owns a hotel and flour mill. South of Ensenada, he has converted 20,000 acres of desert into a beautiful wheat and barley dry-farm. His Villa Marina on the strand at Ensenada is so colorful, beautiful and comfortable that public demand practically forces its expansion year after year.

THE fourth and newest of Union Oil distributors in Mexico is Jorge Merida. His headquarters are at San Luis, a prosperous and rapidly growing farming center 25 miles south of Yuma, Arizona.

However, Jorge is not new to the oil business. For several years he went through a petroleum apprenticeship under the tutelage of J. M. Rodriguez, who then held the San Luis franchise. Eventually, Jorge worked his way up to manager of the branch, and in June of 1951, when J. M. decided to unload part of his widespread activities, Jorge Merida promptly bought up the distributorship.

Bettering the half-million gallon mark during his first year, Jorge is almost certain to show spectacular gains. Industry and mechanized farm operations are sweeping into Mexico on a scale undreamed of several years ago. Jorge is up early, works late, and has lost all contact with that old Spanish custom, the siesta. And his pretty wife, Olga, like many another young woman of this generation, often comes down to their auto parts store to help wait on customers or catch up on the bookeeping.

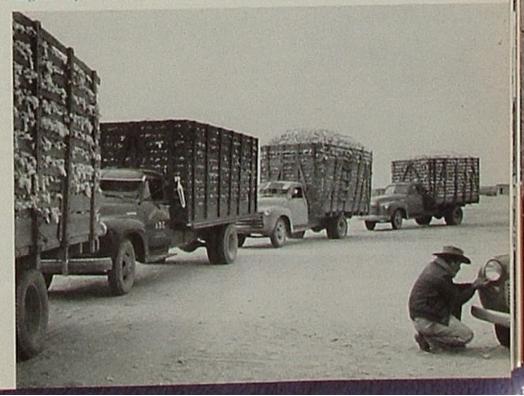


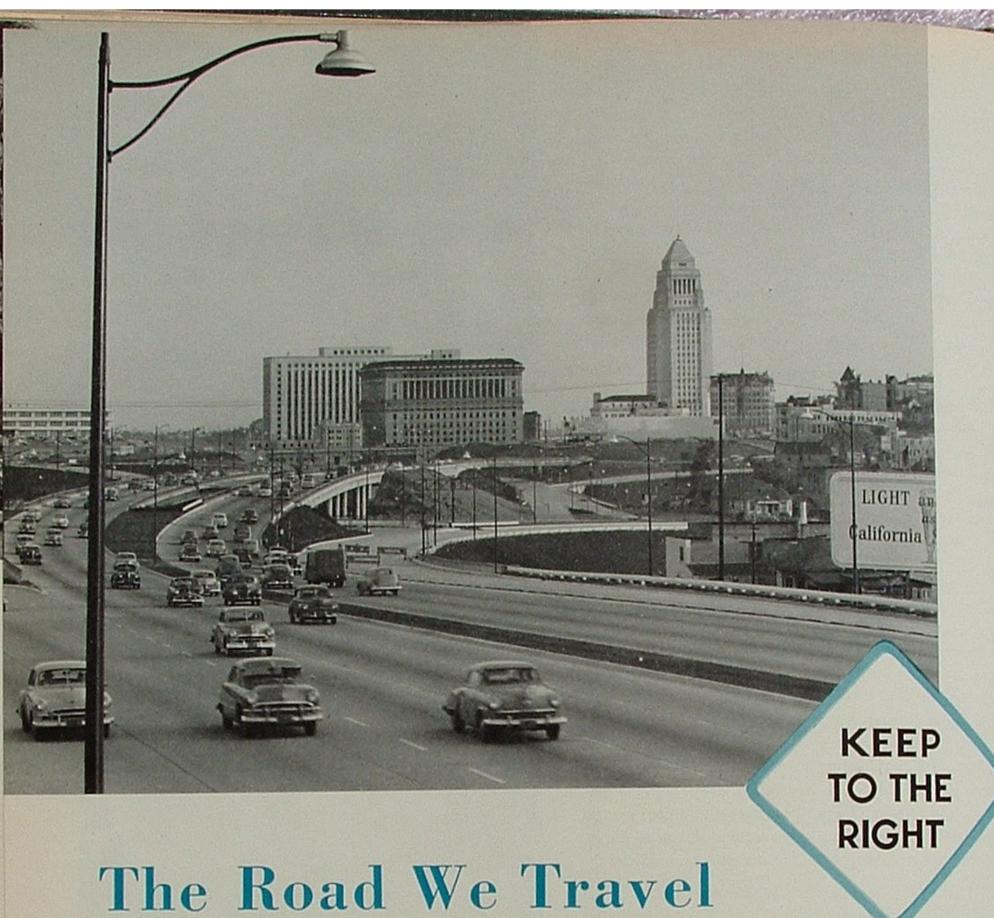


At San Luis, across the border from Yuma, Arizona, Jorge Merida, left, is shown conferring with Norman Bann, Union Oil resident manager from Yuma. Below, Jorge admits that his wife is an invaluable partner in the oil business.



Folks who think of Mexico solely in terms of adobe construction, left, are amazed at the industrial progress and degree of mechanization that hold sway there in 1952.





THE REGREE WE THE

An address by President Reese H. Taylor to the Purchasing Agents Association of Northern California, January 22, 1952.

It is my considered opinion that a very astute and hard-working group of "false prophets" is endeavoring to perpetrate a fraud in this country that would make the Kefauver investigation and our present tax scandals look like very small potatoes, indeed.

The beginnings of this fraud date back to the 19th Century. Along about 1867, a gentleman by the name of Karl Marx published "Das Kapital," a book that was destined to affect the lives of about half of the world's present population.

As most of you know, the three principal concepts of Marx's philosophy were these;

First: The theory that a nation's political, legal, cultural, and religious institutions are an outgrowth of its economic way of life—rather than vice versa.

Second: That this economic way of life goes through an evolutionary process which follows natural laws that are inevitable and beyond the control of man. For that reason, it was inevitable that Feudalism would be supplanted by the petty industries and crafts of the middle ages, and that these in turn would be supplanted by Capitalism.

Third: That under Capitalism individual ownership is bound to be supplanted by a

system of private cartel and monopoly with all of the wealth being concentrated in the hands of a few people. Or, as he put it, "One Capitalist always kills many."

Consequently, Marx predicted: "Centralization of the means of production and socialization of labor at last reach a point where they become incompatible with their Capitalist integument. The knell of Capitalist private property sounds. The expropriators are expropriated."

In other words, when Capitalism fell, as it inevitably must, Communism must just as inevitably take over. All of this sounded reasonably plausible in the 19th Century when Marx wrote it. And a great many people—who have blinded themselves to the facts—still believe in it fanatically today. Having bet their all on Marx's theories, they are determined to make him right regardless of the facts.

For the truth is that here in America we developed an entirely new form of Capitalism that is as different from what Marx predicted as night is from day.

For a brief period of time, the development of American Capitalism pretty well followed the path Marx had predicted. Our "Empire Builders," in developing this vast continent, often did obtain monopolies. And a considerable portion of the country's wealth did become concentrated in the hands of relatively few people.

But the succeeding steps which Marx had so confidently predicted simply did not take place. We developed a competitive form of Capitalism which completely reversed the trend toward monopoly and cartel. Consequently capital instead of becoming more concentrated in the hands of a the few, became more and more widely dispersed into the hands of the many. And I would like to cite a few examples of this,

The number of corporations has increased from 270,000 in 1910 to over 490,-000 today.

More than 80% of all American economic activity today is carried on by medium or small corporations, by firms which are not incorporated at all, or by individuals.

Seventy per cent of our farms are owner operated.

Three out of every four families in this country own life insurance, (And, incidentally, through the medium of life insurance alone the average American has a major role in capital markets today.)

One out of every three families owns stock in a corporation. (This is about three times as many as the best estimate indicates there were 30 years ago.)

These statistics, together with countless other facts compiled by governmental and research agencies, prove conclusively that Marx was wrong. The growth of Capitalism did not inevitably lead to great monopolies and cartels; the mass of the people were not exploited. Instead, under the American form of Capitalism, the people have enjoyed the fruits of their labor, and we have had the greatest period of economic development the world has ever seen.

This has been a source of bitter disappointment to Communists both here and abroad—and to all those fellow travelers of varying shades and hues who share in common the fanatical belief that the Government can run the people's lives better than the people themselves can. However, despite the disappointment, they have never ceased in their efforts to gain control.

In the past it has been our national spirit to reject this. We have been a people proud that we wear no man's brand or collar. We, as individuals, have been free; and we have taken pride in our freedom. In fact, we have fought several wars to preserve our individual freedoms.

But what is happening to us today? What sort of a "bill of goods" is being sold to us by various devices and methods?

I would like to take just a few more minutes of your time to examine some of the things that have been happening to us—some of the facets of what I believe to be one of the biggest attempted frauds in history.

The most obvious and direct effort to "sell" us a mess of pottage is through the current program of federal spending and taxation. I do not believe the two can be intelligently separated. When Chief Justice Marshall said that "the power to tax is the power to destroy," he might just as well have said that the power to spend is the power to destroy.

Let's see what this spending and taxation amounts to.

I am sure you all are familiar with the recent United States Chamber of Commerce study which revealed that in the past six years the present administration has collected more taxes from the American people than all other previous administrations combined. The Truman administration has taken 262 billion dollars from the pockets of the American taxpayer as compared to 254 billion dollars from 1789 through June of 1945.

With the exception of a few months of this six-year period, the United States was at peace. (At peace, that is, if we go along with that non-descriptive phrase of a Korean Police Action. A marine friend of one of my sons asked me why if this was a police action they didn't send the cops. However, that is another subject.)

I do not believe that many of us can understand the magnitude of 262 billion dollars. But we might look at it this way.

If we had started in the year 1235—257 years before Columbus discovered America—and had spent money at the rate of one million dollars per day for the next 716 years, we would have spent the same amount that the administration has collected in taxes during the past six years.

But, unfortunately, even these astronomic expenditures do not tell the end of the story. Senator Paul H. Douglas of Illinois estimates that the Federal Government's budget alone in 1953 will add up to 90-BILLION dollars; and that on the basis of present taxes, the Government's tax income in that year will amount to 59 billion dollars. In other words, an additional 31 billion dollars has to be raised either through increased taxation or by increasing the already monumental national debt.

Where is it going to come from? I cer-

tainly do not know. But I do know that if the Government confiscated all personal income above 6 thousand dollars per year, it would account for only 6½ billion dollars of the required additional 31 billion dollars of taxes. And I also know that it already is costing us in the neighborhood of 6 billion dollars a year to pay the interest on our current national debt of 260 billion dollars.

These are large, almost unfathomable figures. Do they have any particular significance to our economy and to our nation? Here I believe we can walk on more solid ground, because we have history as a reference.

Mr. Colin Clark, the Australian economist, made a thorough study of the question of just how high taxes can go in any country before something must give. His conclusion was, and I quote, "the critical level of taxation beyond which inflationary forces come into play is around 25 per cent of the national income." Mr. Clark's conclusions were supported by other economists and related to the experiences of Great Britain, Italy, Japan, and other countries.

Today the tax receipts of all levels of government in the United States are taking 32% of our national income, and all estimates indicate that by 1953 this will amount to 38% of our national income.

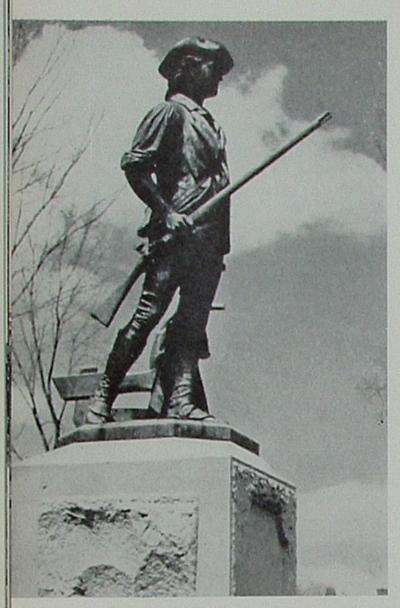
I do not believe that any one of us needs to be told what a tax burden of 38% will do to our economy. The sources of private investment capital already are drying up at the present tax rates. The incentives for more and better production are disappearing. When the incentives and the capital are gone, there is but one answer left—Bigger Government—first, more Government control; and finally, Government ownership.

If we continue on the path we are following, it becomes inevitable.

And look at how we are being sold these taxes. We have been told that these expenditures are essential for the safety of the nation. Yet the best available evidence indicates that the USSR's total military expenditures are at the rate of 25 billion dollars annually. Our estimated military expenditures for the fiscal 1952 year amount to 57 billion dollars, and this does not include some 10 billions for foreign military and economic aid.

It is most difficult to swallow "essential" when you see such figures as a 1,049 per cent increase in the Department of Commerce budget over its 1940 counterpart; and note that the Department of Labor spent 1,283 per cent more in 1950 than in 1940; and that the State Department spent 1,634 per cent more. It is hard to reconcile this "urgent need" with Senator Harry F. Byrd's documented statement that taxes could be reduced 9.1 billion dollars for the 1952 fiscal year without injuring our defense program.

I cannot believe that the facts on these



"Eternal vigilance is the price of liberty."

expenditures, which are available to us, are not available to the Government. I cannot believe that they do not know what lies at the end of the fiscal road they are following—Socialism.

Just to make it perfectly clear what this "Socialism" means to some of its leading practitioners, I would like to read you the following quotation:

"It is impossible to establish Communism as the immediate successor to Capitalism. It is, accordingly, proposed to establish Socialism as something which we can put in place of our present decaying Capitalism. Hence, Communists work for the establishment of Socialism as a necessary transition stage on the road of Communism."

This was written by Mr. John Strachey in 1936 before he became War Minister in the Socialist Government of Great Britain.

If taxation were the only method being used to Socialize or Communize this country, it is conceivable that it could be taking place through accident rather than design. Even so, the results would be none the less tragic.

However, I would like you to keep in mind the very broad powers which the Federal Government already has to control business in the interests of "National Defense." I would like to recall for you the sweeping authority requested by the administration in its proposed amendment to the Defense Production Act. Had this amendment passed, it would have given the Executive Branch of the Government power to condemn and take over any operation it chose without recourse. The Executive Branch could have built and operated plants, bought and sold as it chose.

These powers were only to be used, of course, if private business were unable to meet the national needs. On the surface, that might seem normal. However, if the man who will be your competitor if you fail, already has the power to regulate your prices and your payrolls; if he controls the source of your raw materials and supplies; if he can confiscate your profit and eliminate your other sources of capital, I would hazard a guess that your chances of success are somewhat limited.

The way things are going today, I believe that is something of an understatement. Let me briefly cite a few examples.

You are familiar with the Controlled Materials Plan by which the Government has taken over complete control of the distribution of the Nation's supplies of steel, copper, and aluminum. This gives the Government the power of life and death over any business or industry using steel or these other metals.

Is it necessary? Here are a few facts on steel production. The average annual production, during the last war, was 84½ million ingot tons per year. The industry in 1951 made around 105 million tons, and completion of the industry's 5-billion-dollar post-war expansion program will bring its annual capacity to about 120 million tons annually.

At the current rate of usage, defense requirements are consuming only 10% to 15% of total production.

As a consequence, even including the defense program, there will be available for civilian use approximately 9 million more tons of steel in 1953 than the total capacity of the industry at the end of the peak civilian year, 1949. Yet we have the continual demand for more and more Government control because of shortages and impending shortages.

Outside of the immediate impact of "scare buying," itself encouraged by the threat of controls, the steel shortage does not exist except in mal-distribution. In other words, the Controlled Materials Plan is causing the very condition it was theoretically set up to cure. It could be bureaucratic bungling, and it could be something else.

It possibly could have been Controlled Materials Plan bungling that halted construction on 30 privately owned power plants in North Carolina at a time when ample steel and copper were being made available to Government-owned utilities, It possibly could have been bungling that has halted construction on 15 much needed merchant vessels. It might have been bungling that tried to withhold steel from the West Coast oil industry at a time when it was supplying approximately 50 per cent of our military's total petroleum needs. And these are but an insignificant portion of the instances where the Controlled Materials Plan has hampered private industry's productive efforts.

What does it mean? We know for one thing that the result of this steel shortage myth has been to make a great whipping boy out of the steel industry. And we also have heard the administration ask for direct authority to enter into the steel business.

It has come to be expected that a businessman in making a talk will throw a few comments in the direction of those "bungling Washington bureaucrats." But I cannot view the trend of events in this country and feel that what is happening to us as individuals and as representatives of industry is solely the result of bungling.

We may, for example, recognize that OPS has succeeded in slowing down production in many lines, and that Wage Stabilization has had a similar result. The other alphabetical agencies all have contributed their part by withdrawing men from productive operation to paper operation both in companies and by taking them into the Government. We may even know that one out of every nine persons in the country receives a monthly check from the Federal Government. (This is exclusive of recipients of country, state, and local payments.)

But how many of us relate these things to our overpowering tax burden and to the punitive restrictions which the FTC and Department of Justice are foisting on industry?

How many of us add to this the proposed Brannan Plan, Socialized Medicine, and Government construction of a synthetic oil plant—the attempted federal press censorship, and the Commerce Department's defiance of the courts in the Dollar Steamship case?

What does it all add up to?

Mr. W. Alton Jones, President of Cities Service Company, made a list of the characteristics of the totalitarian countries against which we went to war in 1941. I would like to quote it to you.

Excessive borrowing and a huge na-

Unbalanced budgets and deficits piled upon deficits.

Confiscatory taxation.

Extravagant public works.

Subsidies to various groups of citizens.

Concentration of powers in the chief executive.

Sapping the independence of courts.

Administrative law; that is, regulation by men rather than written statutes. A planned economy and a greatly enlarged bureaucracy.

Private investments restricted.

Class conflicts stimulated.

Thousands of publicity experts to carry out the government's program of indoctrination.

Control of freedom of the press.

Attacks upon industry.

Continuous war scares.

Subversive forces encouraged.

Does it sound familiar? To me it sounds all too familiar.

What we have been discussing is a large subject—much too large to be fully covered in any one speech. But I sincerely urge you to give the road on which we are traveling your serious and thoughtful study. For I think we have reached a point where only the people can save the country that our Constitution says this one is.

It is not a new problem as the following quotation will testify.

"The insolence of demagogues is generally the cause of ruin in democracies. First they calumniate the wealthy and rouse them against the government, thus causing opposite parties to unite against a common danger. Next they produce the same result by stirring up the populace and creating a sense of insecurity. Nearly all of the tyrants of old began with demagogues in well-balanced commonwealths.

"In well-balanced commonwealths, besides strict observance of established laws, it is especially necessary to keep close watch upon little matters, for a great change in the laws may creep on gradually; just as a small expense often incurred ruins a large fortune. Next, let men be on their guard against those who flatter and mislead the multitude; their actions prove what sort of men they are. Of the tyrant, spies and informers are the principal instruments. War is his favorite occupation, for the sake of engrossing the attention of the people, and making himself necessary to them as their leader. An unbridled democracy is exactly similar to a tyrant. Its objects and instruments are the worst, and both are equally served by the tamest of mankind. It is always anxious to lord it as a sovereign; it therefore has its flatterers in the shape of demagogues.

"Ancient customs must be done away with; ancient ties, civil and sacred, must be broken; everything must be changed according to new and false theories; and the result is an assimilation of democratic to tyrannical government, in its habits and modes of action."

That statement was made by Aristotle

Norman Rockwell's "FREEDOM OF SPEECH" is reprinted here by special permission of Curtis Publishing Company—Copyright 1943 almost 400 years before the birth of Christ.

Fortunately for us, we have available the means to prevent the Socializing and Communizing of our country . . . that is, if we recognize the tools with which we have to work.

This nation was founded on the principal that freedom of the individual was of paramount importance. The great and wise men who drafted the Constitution of the United States well recognized the potential dangers of powerful government,

Therefore, under our Constitution the legislative or lawmaking powers belong to the people and the Congress can make only those laws which the people, through their Constitution, have said they may make. Other government agencies may recommend laws, they can be charged with seeing that they are executed, but they may not make the law. I do not believe that we are being governed by these principles today.

In reading the United States Constitution, you cannot help but be impressed, however, by the fact that here should be the one magnificent bulwark against Communism, the one theory and philisophy that should give us the means to protect and defend that which we choose to call our American way of life.

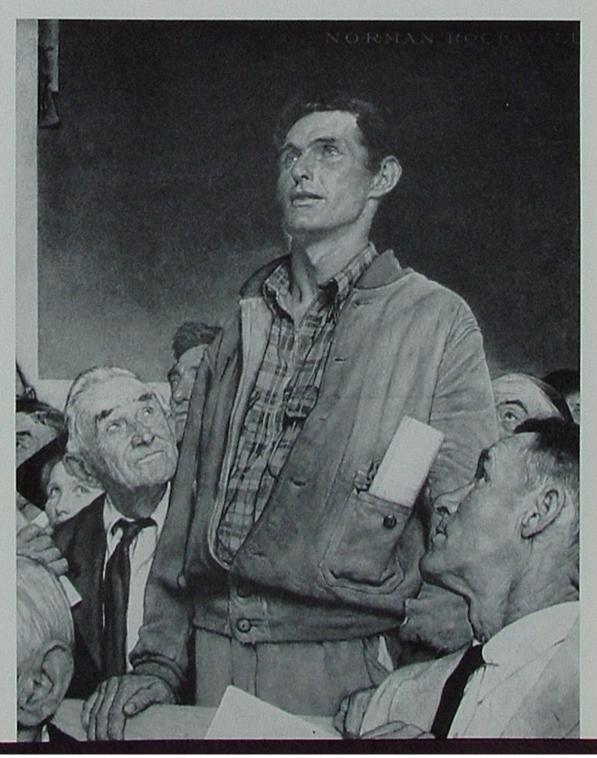
Unfortunately, these freedoms which the Constitution gave to the American people can be lost if the people will let them go by default. For all its greatness, the Constitution cannot protect the people from their own actions or from the actions of others which the people are willing to permit.

The evidence I have presented is but a fraction of that which is available. If you will agree that it is sufficient to warrant investigation, I strongly urge you to give the matter further study. I have no doubt but that you will come to the same conclusions I have—that the Communists intend to destroy this country from within; they intend to defraud us of our birthright.

The law of the land still says that the people run this country. Let us get the Nation back on the right road. Each of us, in our own way, can play an important part in what may well be the most critical era in our history. We must awaken the people to what is happening.

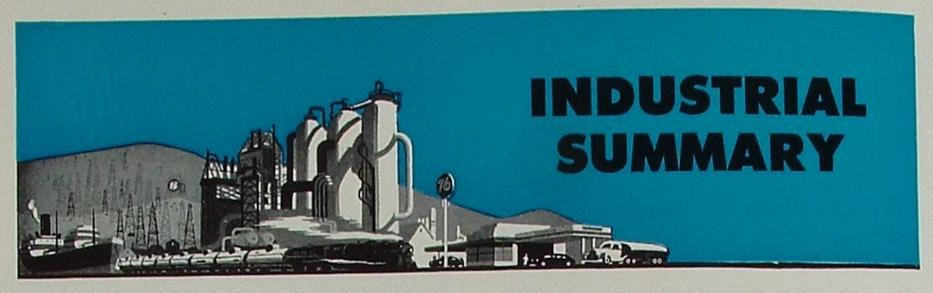
"Eternal vigilance is the price of liberty," but we seem to have forgotten it.

"For I think we have reached a point where only the people can save the country that our Constitution says this one is."









• INDUSTRIAL RELATIONS

The Company's temporary retirement augmentation program has now been amended effective April

1, 1952. The amended augmentation program applies to employees retiring after April 1, 1952, and prior to December 1, 1961. Arrangements have been made with the Equitable Life Assurance Society to fund the program over the next 10 years so that employees retiring after December 1, 1961, will be fully provided for through Equitable. During this 10-year period the Company's informal retirement program will be continued and the amendments described herein conform in most particulars to the Equitable Contract.

The highlights of the amended program are as follows:

- 1. NORMAL RETIREMENT—The basic monthly retirement income at normal retirement age (65 men; 60 women) will be in an amount computed by taking 1-4/5 per cent of the average basic monthly pay for the last five years prior to retirement, multiplied by the number of years of Company service. This basic income includes (a) the amount of life annuity under the contributory Employees' Retirement Plan based on membership therein, actual or assumed, during the full period of eligibility, and (b) the amount of primary Federal Old Age Benefit to which the employee is entitled under present or future legislation.
- EARLY RETIREMENT—For employees retiring with Company approval within a 10-year period prior to normal retirement date, the basic monthly retirement income described above will be reduced by specified discount factors ranging from 97 per cent to 50 per cent based on age.
- 3. MINIMUM INCOME—The program contains a minimum income feature which provides that the monthly rate of retirement income shall not be less than \$125 for 20 years' service and graduates upward to \$150 for 25 or more years of service at normal retirement age. The foregoing is inclusive of the Employees' Retirement Plan and Federal Old Age Benefits.

4. OPTIONAL FORMS OF RETIREMENT INCOME
—Employees will have the right to select optional forms
of annuity payments. These will be the same options that
are permitted under the contributory Employees' Retirement Plan.

The Company has reserved the right to change, modify, or discontinue this program at any time except as to augmentations which have been granted prior to any change.

from W. C. Stevenson

The new Fluid Catalytic MANUFACTURING Cracking Unit being built at Los Angeles Refinery is now about 65 per cent completed. This unit is equipped with a steam driven turbine air compressor having a capacity of 90,000 cubic feet per minute. The steam turbine is rated at 11,000 horsepower and uses 100,000 pounds of steam per hour. The steam supply is generated from heat produced in the process unit. Catalyst used in this operation becomes coated with carbon during the process and is reactivated by passing large volumes of air through the hot catalyst and thus burning or oxidizing the carbon. Currently, there are about 750 contractors' employees, representing 15 contractors, employed on the construction of the new Fluid Catalytic, Crude Distillation, Gasoline Treating units and related facilities at this refinery.

At Cut Bank Refinery in Montana the normal problems of refinery operation have been aggravated by weather conditions, temperatures reaching as low as minus 30 degrees F.

from K. E. Kingman

• FIELD

Crude oil supplies available to our California refineries come either from Company properties or through crude oil purchases. Crude oil which we produce is subject to a steady decline that is inherent to all oil well production. In order to maintain a level supply of produced crude from Company oil wells, drilling schedules for new wells on our proven properties must be planned and adhered to.

This is well illustrated by a survey made in connection with the Field Department's budget of expenditures for 1952. Crude oil produced from Company operated properties in California at present is approximately 80,000 barrels per day. In order to maintain this rate of production throughout the year, it will be necessary to operate seven drilling strings continuously, as a result of which approximately 70 new development wells will be completed. It is estimated that these new wells will be capable of producing 7,000 barrels of crude per day in December, 1952. This will offset a similar decline in production from wells now producing. The estimated cost of this development program is about \$7 million.

from Sam Grinsfelder

• MARKETING Union Oil has just been awarded the contract to build and supply a three pump-island, concrete-block service station at Fort Richardson (Anchorage), Alaska, construction to begin as soon as weather permits. This is the first service station at Fort Richardson and will be operated by the Post Exchange.

A contract has also been awarded the Company to supply the military with 1,285,000 gallons of heavy-duty engine oil during the next six months. This is in addition to approximately 1,250,000 gallons of the same product ordered under an earlier contract and scheduled for shipment during the next 60 to 90 days.

Weed control is becoming an ever increasing problem, especially in orchards, on vegetable farms and along irrigating ditches, railroad rights of way and other thoroughfares. For many years it was necessary to plow the weeds under, burn them or control their growth by the use of expensive chemicals. Recently, aromatic petroleum oils and other special petroleum products have found increasing favor among those who encounter weed problems on a commercial scale. Union Oil is tapping a larger and larger percentage of this market, selling through various weed spray manufacturers and distributors a considerable volume of base oils for weed control.

from Roy Linden

• TRANSPORTATION

Approximately two miles of four-inch gathering line has been installed in

the Bellevue Field, permitting us to transport this waxy crude to Kern Station by pipe line instead of tank truck. The approximately 650 barrels per day of crude available to us in the Bellevue Field is produced from the Quinn and Brittain Leases. We understand additional wells will be drilled there in the near future.

The SS OLEUM sailed from Los Angeles on January 19 under charter to the Military Sea Transportation Service with a full cargo of Army diesel for Sasebo, Japan. This ship was made available to the Navy in order to fulfill our assigned quota of transportation required under the voluntary pooling arrangement. She will proceed to the Persian Gulf to load a second cargo for Japan before returning to California. The ship reported gales of hurricane intensity while 1,000 miles from her destination on February 6.

from Ronald D. Gibbs

COMPTROLLERS
 Industry, like any individual wage-earner, is a direct tax-payer. In addition, Industry is obligated to function as a tax collector and, in fact, is the nation's No. 1 tax collector.

Union Oil Company, for example, collected over \$49 million from customers and employees on behalf of Federal, state and municipal jurisdictions during 1951. This figure is comprised of \$11 million in Federal excise tax collected on gasoline and lubricating oil sales, \$31½ million in state motor vehicle fuel taxes, \$1 million in state and city sales and use taxes, \$4½ million in withholding taxes, and almost \$½ million in social security taxes, besides lesser sums collected on fuel oil and diesel fuel sales. A new responsibility as of November 1, 1951, which, while minor, is indicative of the growing tendency to "let Industry do it," is collection of a Federal tax of 2 cents per gallon on fuel used in diesel-powered highway vehicles.

from Irving J. Hancock

PURCHASING

Nation-wide expenditures for manufacturing expansion, equipment and utilities approximated \$25 billion in 1951. Full effect of this additional and more efficient production capacity has not reached the market, but already there are indications of increased supply in some lines. Cotton, coal, lumber and rubber are definitely weak. Steel making capacity now totals about 107 million tons yearly, with new capacity of 10 million tons scheduled for completion this year. While strikes, shortage of scrap, or war could interfere, prospects for better balance in supply and demand by the second quarter of this year are very good.

from E. H. Weaver

SHARE OWNERS

The Annual Shareholders' Meeting is scheduled for April 8th. If you do not plan to attend this meeting personally, please sign and return the proxy that has been mailed to you. No employee should regard his or her holdings as being too small for representation at this meeting.



Stillman Robert Haire and Foreman Everett Freligh appear to be "most popular" students in the eyes of Coeds Diana Johnson, Beverly Ladiges and Gail Reddick. But "On Tour" takes all credit or blame.

LOOKING AHEAD BY GOING

Back To School

TWO recent experiments in making petroleum courses available to Company employees have met with very encouraging success.

With the enthusiastic approval of Los Angeles Refinery, nearby Harbor Junior College started an adult

Los Angeles Refinery employees enrolled at Harbor Junior College include (front to back rows) Hoag, Pollard, Newhall, Anderson, Klee, Falconer, Francis, Willis.

class in petroleum processing last September 26, designed for Union Oil refinery personnel exclusively. More than 50 employees, including several foremen, registered for the course and stayed with it through the final exams in January. These and so many others took interest that in February the initial class was promoted to an advanced course, and a repetition of the starting course was being offered to newcomers.

The classes convene for two hours once each week. There are no limitations as to age or scholastic attainments. The non-technical material studied is intended as





Oleum Refinery employees receiving Certificates of Completion from Contra Costa Junior College included Anschutz, Bath, Bello, Bianchi, Coles, Cook, Cooper, Cowan, Eye, Forden, Harmon, Harp, Hibbs, Knight, Knolls, Matanic, McMahon, Michelic, Murphy, Nix, North, Parker, Rose, Russell, Salo, Smith, Walden, Wirth, Dildine, Amerine, Cabral, Chapman, Erickson, Heuser, Hughes, Kreutzen, Krieger, Leaf, Lewis, Loftus, Muro, Nuss, Palma, Sargent, Bagley, Cook, Harvell, Johanson, Nunes, Williams, Cargile, Gullion, Heller, Mathos, Welch, Hill, Daneri, DeLege, Ingalls, Jackson, Johnson, McMahon, Olsen, Dubetz, Van Meter.

a general introduction to refining units, feed stocks and processes. College credits are granted to those who complete the course satisfactorily. A student body card costing \$2.50 is the only expense involved and admits the bearer to his school's athletic contests.

A similar arrangement with Contra Costa Junior College resulted in the awarding of 65 Certificates of Completion to employees of Oleum Refinery on February 7. Theirs was the largest industrial group to complete such an adult education course in that area. Fifty-nine of the class are continuing through an advanced course of

And considerably more pleased with school than they might have been several years ago, Rosio, Totten, Haire, Van Liew, Anderson, Heins, Jr., and Turner. petroleum technology during the current semester and are eligible for college credits.

Among Union Oilers chiefly instrumental for planning and arranging these educational programs were Jack Warnecke, Martin Manders and Gregg Stone of Oleum Refinery; Les Smith and Paul Doyle of Los Angeles Refinery. Gale Peterson, "prof" of the Harbor Junior College class, is an engineer in the Refinery Process Department of Los Angeles Refinery and had to qualify for a California teacher's certificate before accepting the nomination of pedagogue.

Union Oiler Gale S. Peterson, engineer in the Refinery Process Department, is class instructor.









Presentation of the Bear Flag by J. Walter Kamb (left) and Helen Weir (center) was acknowledged for Union Oil by W. L. Stewart, Jr., C. E. Swift and Mrs. Swift.

Research men volunteered as guides during the two days of open house and conducted visitors in groups of a

Thousands Admire Brea Research Center

CLIMAX of the public's urge to see Union Oil Company's new Research Center near Brea, California, was reached on February 1 and 2, when approximately 8,000 visitors were escorted through the 14 buildings that comprise this \$8 million investment in progress.

Many hundreds of pre-viewers had toured the plant during its construction and while equipment was being installed. And certainly a steady stream of Company employees, customers and friends will be welcomed there during years to come. But seldom will it be possible to duplicate the undivided attention and hospitality

dozen or more on walking tours of entire Research Center. Over 8,000 employees and friends of the Company were







Handsome brochures of the Center, handed to guests by Margaret Mikkelsen, Betty Redman, Nancy Groff and Mary Lou Covington, brought words of praise and gratitude.



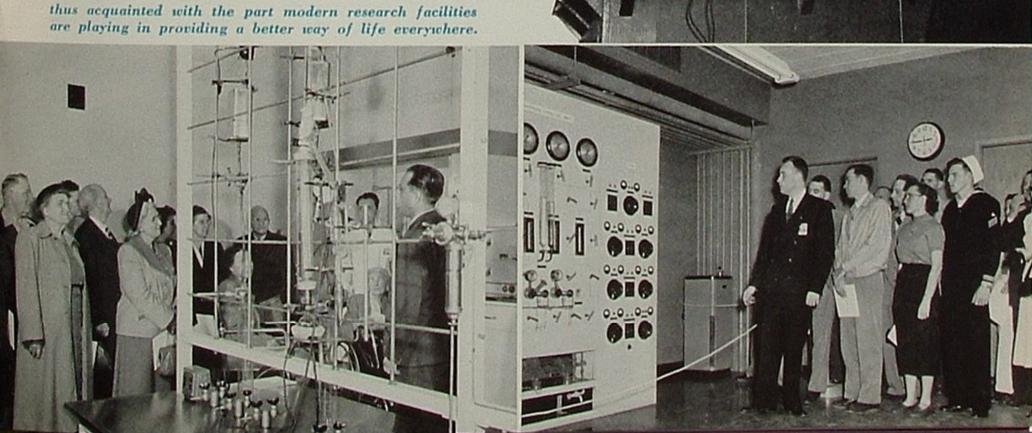
Dr. R. J. Garofalo, B. T. Anderson and W. C. Stevenson. Below, Florence Baker, Anna Nottingham and Patricia Milloy dealt in information of a non-technical nature.

FORMATION

shown by every member of our Research and Process Department during the official opening. That they were superb hosts and hostesses is shown by innumerable messages of commendation that have been volunteered to management, most of which praise the courtesy and teamwork demonstrated by Company personnel.

Now officially begins one of the most challenging eras in Union Oil history. Current methods, no matter how efficient, may not be efficient enough. New processes are bound to revolutionize the oil industry. The earth must be made to yield a higher percentage of its crude oil stores. The best of fuels and lubricants can be improved upon. Through human effort will come hundreds of new oils and chemicals to satisfy thousands of new uses. Research has a tremendous and unending job to do.

thus acquainted with the part modern research facilities

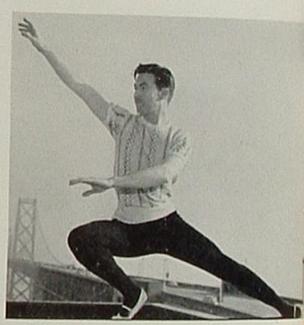




ALAN J. LOWREY, dent received from Dr. J. M. Stalder, left, of Oakland a cable-tool drilling bit dating back 90 years to the earliest discoveries of oil in Humboldt County, California. The bit was handed down to Dr. Stalder's brother, the late Walter Stalder, by a blacksmith who had kept the relic for many years in his Humboldt County shop. In accordance with the doctor's wish, the bit is being sent by Mr. Lowrey to the California Oil Museum now occupying the original Union Oil home office in Santa Paula.

"LARRY" BRADLEY of Retail Bookkeeping in San Francisco appeared, much to the surprise of many co-workers, as a leading dancer and vocalist in two of four performances offered annually by the Childrens Ballet Theatre of San Francisco. Although taking up singing and dancing only as an avocation, he has performed before large and enthusiastic audiences. Members of this excellent theatre association range in ages from 6 to 35 years and are directed by the former dancer Evalyn Wenger.

C. V. CHRISTENSEN, property representative of Central Territory, has been elected president of the American Right of Way Association, San Francisco Chapter No. 2, for 1952. The chapter has 275 members and is part of a national organization composed of appraisers, realtors, bankers and others interested in rights of way.



JOHN H. FISHER, district sales manager at Oakland, has received for Union Oil a Berkeley Junior Chamber of Commerce award praising the Company for its support in furthering civic activities. Mr. Fisher, front, appears in this Berkeley Daily Gazette photograph with, from left, Walter Brown of the Oakland Tribune, Claude Gillum of the Hotel Claremont, Don Hambly of Radio Station KRE, and George Dunscomb of the Daily Gazette. These men were handed prized certificates for their firms at Hotel Claremont festivities on January 11.



Union Oilers



THE GIRLS' CLUB of San Francisco have used their annual election of officers as an excuse to dine lavishly at Panelli's Blue Room. Their orchid luncheon on January 26 bestowed honors on officers (l-r) "Skippy" Stewart, Yvonne Oswald, Elsie Marson, Rose Brosnan (outgoing president), Marcia Hemmings (incoming president), Lorine Trumbull and "Lee" Reed. So much talent was discovered among the 50 present that the group supplied their own music and photographer.



SHREVEPORT UNION OILERS
were unavoidably bypassed during
ON TOUR's introductory trip
through Louisiana. But may we belatedly present (seated) Draftsman
Sybil Fowler, Secretary Frances Allday, (standing) Geologist Dave Collier, Landman W. Ogden Harris, and
Geologist Hamlin G. Fox? Their
Shreveport District includes North
Louisiana, South Arkansas and the
northeast portion of Texas. Their
headquarters city, with a population
of 135,000, is the second largest in
Louisiana.

ELLA ANDERSON, hostess at Central Territory Office, can nearly set the clock by George's arrival each morning and early afternoon. Unlike some seagulls we have heard of, George doesn't stay in San Francisco day after day to receive Ella's free handout. He disappears for weeks at a time—only to reappear out of nowhere again for some of that wonderful Bay Area chow. A rugged individualist, George claims the sundeck as private property and puts all gullible trespassers to flight.





Retail Represen-LONG BEACH tatives (l-r) Carlos Knight, Hod Garrison, Glenn Parker, Bob Franks, Louie Weir and Paul Grand are using a miniature working drilling rig in their current "Drill Deep for Oil" sales campaign. To the Union dealer in their districts who shows the greatest gain in oil sales per thousand gallons of gasoline sold will go a valuable new Kwik-Serv oil changer. The campaign will run for three months through March and is the opening gun in Long Beach District's endeavor to sell a record 60 million units during 1952.

HOW TO EMPLOY AN ATTORNEY

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HOW TO CHOOSE AN ATTORNEY

Question: I don't know a lawyer. How do I find One?

Answer: Finding one is like finding any other professional man, a doctor, dentist, or engineer. Ask your friends, employer, neighbor, union representative, banker, business acquaintance, or anyone else.

The Bar Association will refer you to an attorney.

The telephone books list them under the heading of "Attorneys."

Question: Is it likely that the attorney I select will handle my matter competently for a fair charge?

Answer: Yes. Lawyers, like other people, vary in knowledge and ability but the experience of a large number of clients shows that (1) most lawyers do their work competently and (2) their charges are fair by any reasonable comparison.

YOUR FIRST VISIT

Question: I have a lawyer in mind; how do I arrange my visit?

Answer: Telephone him and make an appointment. If you merely go to his office, you may find he is engaged in court that day, or is out of town serving some client.

Question: Do I need to prepare for my first visit? Answer: No, but you can save time and do more by following these rules:

- (1) Bring all papers that may bear on your problems.
- (2) Try to state the facts about your problem clearly.
- (3) Be ready to tell your attorney all the facts favorable or unfavorable—you know about your problem. Do not withhold facts.

But don't fail to see your lawyer because you have doubts about your problems, or have no papers, or can't find them, or can't recall the facts.

HOW MUCH WILL AN ATTORNEY COST?

Question: When may I talk about fees with my lawyer? Answer: At your first visit. Any time.

Question: Can he tell me in advance what the charges will be?

Answer: Sometimes; it depends. For example, he can usually set a fee for writing a lease, say, but it may be hard to set a fee in advance if you are sued for violating

People who need an attorney may hesitate to engage one. They don't know how. Others may regard an attorney as a costly luxury. Look upon a lawyer as one who really can serve you. He can keep you out of trouble, or he may help get you out once you are in. Remember, it costs less in time, worry, and money to get a lawyer's advice before you act, than afterwards when you are in trouble. Even then, chances are an attorney can show you an economical way out.

If you have never used a lawyer, we have jotted down answers to a few of your questions.

after signing it. It costs less to get legal advice before you act than after you are in trouble. However, you can tell the attorney how much you can spend, and he may agree not to do anything over that amount without getting your approval first. Question: How do lawyers set their fees?

Answer: Usually based on the following factors: the time and work put in, the difficulties and money involved, the good resulting from his work, the probabil-

ity of pay, and the attorney's experience and standing.

Question: If I sue and win, does the loser pay me back my attorney's fee?

Answer: Usually not. Your attorney can tell you if you can get it back. You can, for example, where there is a contract permitting attorney's fees or if statutes permit recovery of the fees, in whole or in part.

Question: Is it true that the relation of attorney and client is confidential? What does this mean?

Answer: It is true. The attorney may not tell about confidential information you gave him as a client without your consent. This rule encourages you to tell your attorney many things knowing that he will not violate your confidences. Better not have other people present (unless your attorney says so) when you discuss confidential matters.

Question: May an attorney represent both sides? Answer: Not unless both sides know it and consent. He can if both so agree after being fully informed. For

example, frequently one attorney will represent two people in a partnership, though the parties' interests

conflict somewhat,

One more thing: This pamphlet doesn't tell you when to hire a lawyer. As a rule, get a lawyer before you get in trouble. It's better to see him before than after you "sign on the dotted line." If you don't know whether a statement, written or oral, you are about to make is legally binding, ask your attorney first. Attorneys can prevent trouble. "An ounce of prevention is worth a pound of cure."

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SERVICE BIRTHDAY AWARDS

MARCH 1952

Bepariment	Department Location
EXPLORATION & PRODUCTION	Miller, Joseph Louis, San Diego
Tallant, Edward P., Denver	Morris, Leslie S., Seattle
Collar, Jesse B., Santa Fe Springs30	Obecny, Ann Helen, Los Angeles
Davis, Lee M., Dominguez30	Walker, Wm. J., Hollywood
Paulson, Samuel, Richfield30	Watson, Alfred, Los Angeles
Sommerville, Delbert, Santa Fe Springs30	Webb, Howard R., Seattle
Wood, Samuel J., Dominguez30	Campbell, Harold, Los Angeles
Bennett, Dyer A., Richfield	Clark, Gerald T., Seattle
Aycock, Clyde H., Louisiana10	Garrett, Malcom H., Las Vegas
Miller, Dozeta, Louisiana	Cooper, Elgin E., Fresno
	Schwalm, Bernard M., Stockton
COMPTROLLERS	Sheridan, Mary Rees, San Francisco
	Sofia, Richard Theo., Rosecrans
Sweet, Lawrence L., Home Office	
Calvert, Wm. J., Home Office 25	INDUSTRIAL RELATIONS
Thompson, Robert L., Home Office	
Frinier, Oliver M., Home Office	Farnsworth, Ethel P., Home Office
Tackaberry, Ellswood F., Home Office20	
	MARINE
TAX DIVISION	Thompson, J. H., Wilmington
Blum, Carl A., Home Office35	Wilson, Frank L., Wilmington
Jones, Velma, Home Office	
	MANUFACTURINIG
PIPELINE	Adams, Frank J., Wilmington
Gould, Theodore A., Santa Fe Springs30	Gaines, Thos. H., Jr., Wilmington
Sturdivant, Wm. E., San Luis Obispo30	Jeffery, Daryl F., Wilmington
Perry, Clifford O., Santa Fe Springs25	Baumgartner, Geo. S., Oleum
Peterson, Jennings W., San Luis Obispo25	Cox, Chas. Wm., Oleum
	Mathos, Frank, Oleum
EXECUTIVE	Mosher, Marshall L., Oleum
Whiting, Dwight, Home Office30	Roe, Marcus D., Oleum
Morshead, Stanley M., Home Office30	Rose, Jos. Edward, Oleum
Statistical, Statisty M., Home Omec	Russo, Frank Thos., Oleum
MARKETING	Stame, Stanley J., Wilmington
MARKETING	Vaughan, Eugene C., Wilmington
Dampier, Lee Oliver, Eureka25	
Jones, Alvin B., Bakersfield	AUTOMOTIVE
McDougal, Art A., Maltha	Brimhall, William H., Santa Fe Spring
Willey, Floyd A., Santa Barbara	Conkey, A. W., Jr., Santa Fe Springs
Christopher, Willard S., Fresno20	Schuppert, Earl G., Santa Fe Springs
Duss, Carl, Burbank 20	
Frandsen, Honald Clark, Los Angeles20	RESEARCH & PROCESS
Fry, Clark C., Los Angeles	
	Williagold Odell I. Bren
Lindsey, Bradley E., Long Beach20	Whitfield, Odell L., Brea



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A grateful Company and hosts of wellwishing employees are bidding farewell to the following Union Oilers who have concluded long careers of Company service and are retiring:

ROBERT A. DUNHAM
Research and Process
Employed 4/16/20—Retired 3/1/52

JOHN B. HEYWARD
Oleum Refinery
Employed 2/11/14—Retired 3/1/52

JOSEPH A. STE. MARIE Northern Division Pipe Line Employed 11/1/17—Retired 3/1/52

IN MEMORIAM

With deep regret and with earnest sympathy toward their families and intimate associates, we report the death of the following employees:

> Killed in action in Korea approximately October 25, 1951

DONALD W. DANA Los Angeles Refinery

On January 15, 1952 WILLIAM BLACKWOOD Oleum Refinery

On January 20, 1952 ALFRED C. FULTON Central Territory

On January 22, 1952 HORACE M. VAN AUKEN Central Territory Retired November 15, 1951

On January 24, 1952 LOWELL BYRON SIKES West Texas

> On January 28, 1952 JAMES HARRIS Central Territory

On January 28, 1952 HUBERT W. BONGARD Coast Production

On January 29, 1952 ARNOLD P. GALLEGOS Northern Division Pipe Line

On January 31, 1952 ROBERT ROY HATFIELD Southern Division Production Retired March 31, 1945

On February 4, 1952 CECILIA JETRUTE GRIFFIN Central Territory Retired February 28, 1947

On February 10, 1952 CHARLES L. GRIFFIN Los Angeles Refinery Retired August 29, 1947

On February 17, 1952 VISENTE B. CISCAR Oleum Refinery Retired October 1, 1936

