

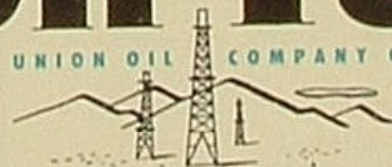


HOW BREA CHEMICALS'
AQUA AMMONIA IS

Raising Cane in Hawaii

On Tour

WITH UNION OIL COMPANY OF CALIFORNIA



A P R I L 1 9 5 4

On Tour

WITH UNION OIL COMPANY OF CALIFORNIA

Volume 16, Number 4
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WHO GETS THE LION'S SHARE?

"ON TOUR"

pronounced "on tower," is an oil field expression meaning "on duty." Our magazine by that title is published monthly by Union Oil Company of California for the purposes (1) of keeping Union Oil people informed regarding their Company's operations and progress, and (2) of recognizing and encouraging the fine accomplishments of employee groups and individuals. We invite communications from our employee readers, whose thoughts, interests and opinions are carefully weighed in determining editorial policy. Address correspondence to ON TOUR, Union Oil Building, 617 West Seventh Street, Los Angeles 17, Calif.

T. D. Collett, Editor
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OIL and the ATOM

from the Industrial News Review

ANNOUNCEMENTS concerning the construction of atomic power plants and the launching of the Navy's new submarine Nautilus are dramatic evidence that atomic power is here to stay.

A lot of people, including many experts both in and out of the industry, have spent considerable time finding out just what this is going to mean to the oil industry. The results of all their study add up to just one thing. If you have any sound oil stock, hang on to it. It's going to be an extremely good bet for a long time to come.

Atomic scientist Harold C. Urey estimates that within the next 25 years atomic energy will be used to an important extent in the fueling of central power stations and possibly ships. Indications are that the oil industry may actually welcome a lessening in demand for the low grade fuels now used for those purposes. To meet the needs of future years, a much greater percentage of each barrel of crude oil will have to be utilized for the production of higher grade fuel such as gasoline. For example, it has been reliably estimated that domestic gasoline demand in 1967 will be 46 per cent greater than it was in 1951.

Though it has already developed hundreds of products ranging all the way from the miracle fabric Dacron to floor wax, the petrochemical industry has barely scratched the surface.

Atomic energy then, though it may change the pattern of demand, is not likely to alleviate our heavy dependence on oil and its products. Judging by past performance, the industry will more than be able to meet every demand of the American people, but it all depends on one thing. As a spokesman for the industry put it, "All long-range speculation about the future of the oil industry must necessarily presume that oil companies will remain free to compete, for competition is the secret of progress."

ON THE COVER



The tassels of Hawaiian sugar cane blossom over the dense green jungle of stalks and leaves as the crop nears harvest time. Sugar cane, a species of grass which grows to a length of 25 feet or more in Hawaii, takes about 2 years to mature. The leaves are burned or stripped off before the stalks are cut for processing. A new crop is planted by burying sections of the mother stubble on which "ratoons" or buds have formed. The Hawaiian sugar cane industry is using Brea Aqua Ammonia on a large scale to provide essential nitrogen plant food. Since aqua ammonia is shipped by tankship, handled by pumps and applied as a liquid, either by soil injection machines or in

irrigation water, it fits ideally into this highly scientific and efficient farming operation.

THE AMERICAN WATCH INDUSTRY

By Raymond Moley

(TO THE EDITOR:—This article by Raymond Moley in the February 22nd issue of NEWSWEEK is excellent. I have written for permission to reprint it in ON TOUR because I think it is very timely, and because of the talk at present about control laws in California, which probably would have the effect of restricting California production to make room for greater imports.

(from Reese H. Taylor)

THE more sensational recommendation of the Randall report on foreign trade, to the effect that we should cut our tariffs, made the headlines. The reasoned conclusions in the same report, that we might well avoid indiscriminating cuts and that foreign barriers to trade should also be kept in mind when we indulge in international good will, received scant note. In short, since trade is a two-way street, the removal of restrictions should be a mutual matter. The case of one American industry which throws light upon this subject was presented to the Tariff Commission last week by the American Watch Manufacturers Association, which includes such familiar names as Elgin National, Hamilton, and Waltham.

For two decades these companies have been losing a battle of competition to the Swiss. Three factors, not at all related to their efficiency, have handicapped them. Their costs have been pushed upward by the growth of organized labor. Free trade has been the spirit of the Administration ever since the State Department in 1933 became dominant in making tariff policies. And military requirements during the second world war drastically limited American production of watches. Swiss watch movements had 65 per cent of the American market in 1930. They now have 86 per cent.

I have attempted to study this issue by firsthand observation of the Hamilton Watch Co., one of the few American companies still making jeweled movements of fine quality. Hamilton has a long and proud tradition. During the war the company was completely converted to military production. It turned out 10,000 Navy chronometers of an unexcelled quality—a larger number than had been produced by all the makers of the world in all history. Hamilton also produced many, many thousands of timing devices for shell fuses. Meanwhile, the Swiss made hay in the American market.

Walking through the factory recently, among the delicate machines and the veteran craftsmen, an executive remarked: "We will survive, even if we have to give up making movements and turn to making cases for imported Swiss products. But militarily that would be a national catastrophe."

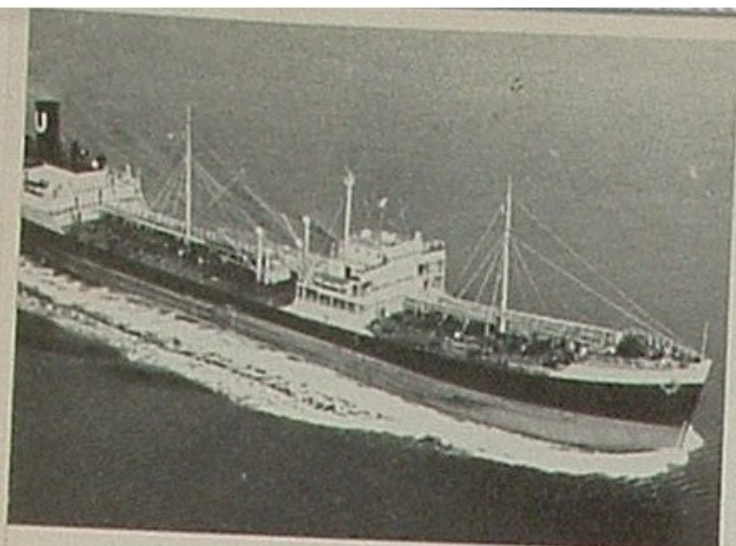
It is nevertheless suggested by the traders that this industry should either be "mothballed" or channeled into other work through a paternalistic process of rehabilitation and retraining of its personnel. But workers with highly developed skill cannot be mothballed. Unless they continue their trade, their skill vanishes. A foreman at Hamilton says: "There are no other men in America who could come in here and do this work without years of training. It takes longer to train a real watchmaker than to educate a doctor or a lawyer."

A craftsman at Hamilton pays more of his wages in taxes than a Swiss craftsman earns. Moreover, Swiss workmen are in many cases working in their homes. Their product is channeled into trade through their government.

At the outbreak of the war Britain and France found that they had allowed their watch business to perish in the face of the government-subsidized Swiss and German industries. Britain managed to get timing fuses from us, but after the war both countries decided never to be caught in such a situation again. So they placed an embargo on watch imports and at great cost have rebuilt their own watch industries.

In 1951 our domestic watch industry appealed to the Tariff Commission for more protection, and they were granted an increase in tariffs. But President Truman, reflecting the preoccupation of the State Department with foreign trade, rejected the commission's recommendation. Since then, domestic production of watch movements has decreased 27 per cent.

The most immediate and perhaps most appealing reason for keeping this industry alive is military security. But the lasting one concerns a choice between a reconversion which violates our American sense of the right to work and to choose our occupation, and relief from devastating foreign competition. That choice faces the Administration.



HOW BREA CHEMICALS' AQUA AMMONIA IS

Raising Cane in Hawaii

A major accomplishment in the field of agricultural chemistry, the fertilizing of 75,000 acres of sugar cane in Hawaii with aqua ammonia, has already been initiated by Brea Chemicals, Inc., newest Union Oil subsidiary. The first history-making shipment of the fertilizer was made last November. Now, even before Brea's \$13,000,000 ammonia plant is completed and *on stream*, additional cargoes of aqua ammonia are moving by Union Oil tankships to Hawaii for use on 10 sugar plantations with some of the highest production records in the world.

The story of how Union Oil and Brea Chemicals developed a major market for aqua ammonia, and started making deliveries before completion of new manufacturing facilities, is a story of initiative, imagination and fine teamwork.

For Brea Chemicals, it was a triumphal beginning in the vast and relatively unexplored field of chemical services to humanity. Few companies start with such an important *first*.

The immediate success of Brea Aqua Ammonia in Hawaii is a forerunner of what may be expected when the Brea plant goes into full operation this summer. Here will be an important new source of nitrogen fertilizer for Western United States and Mexico, as well as Hawaii.

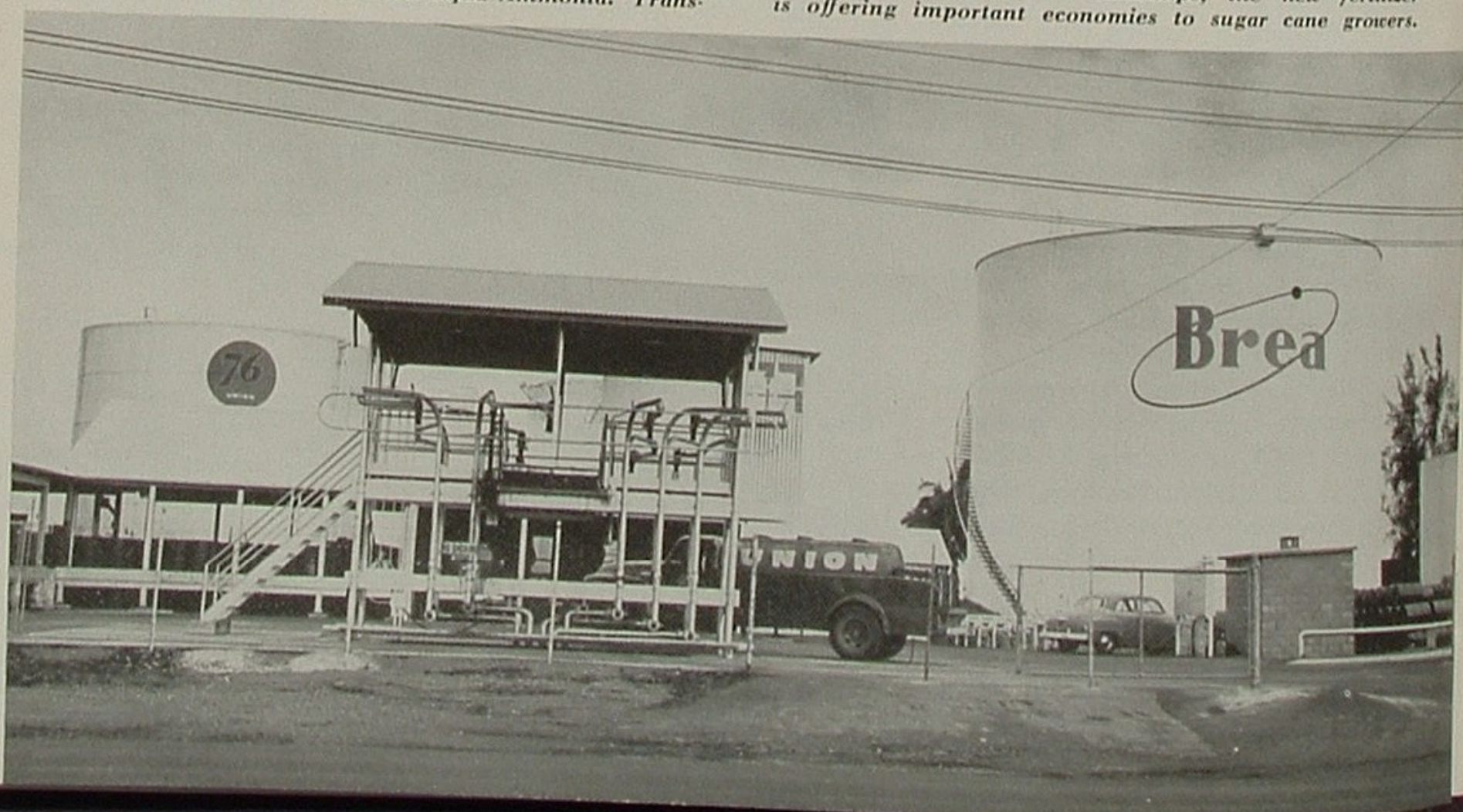
Most recent addition to the Union Oil plant at Hilo, Hawaii, is a tank for storing Brea Aqua Ammonia. Trans-

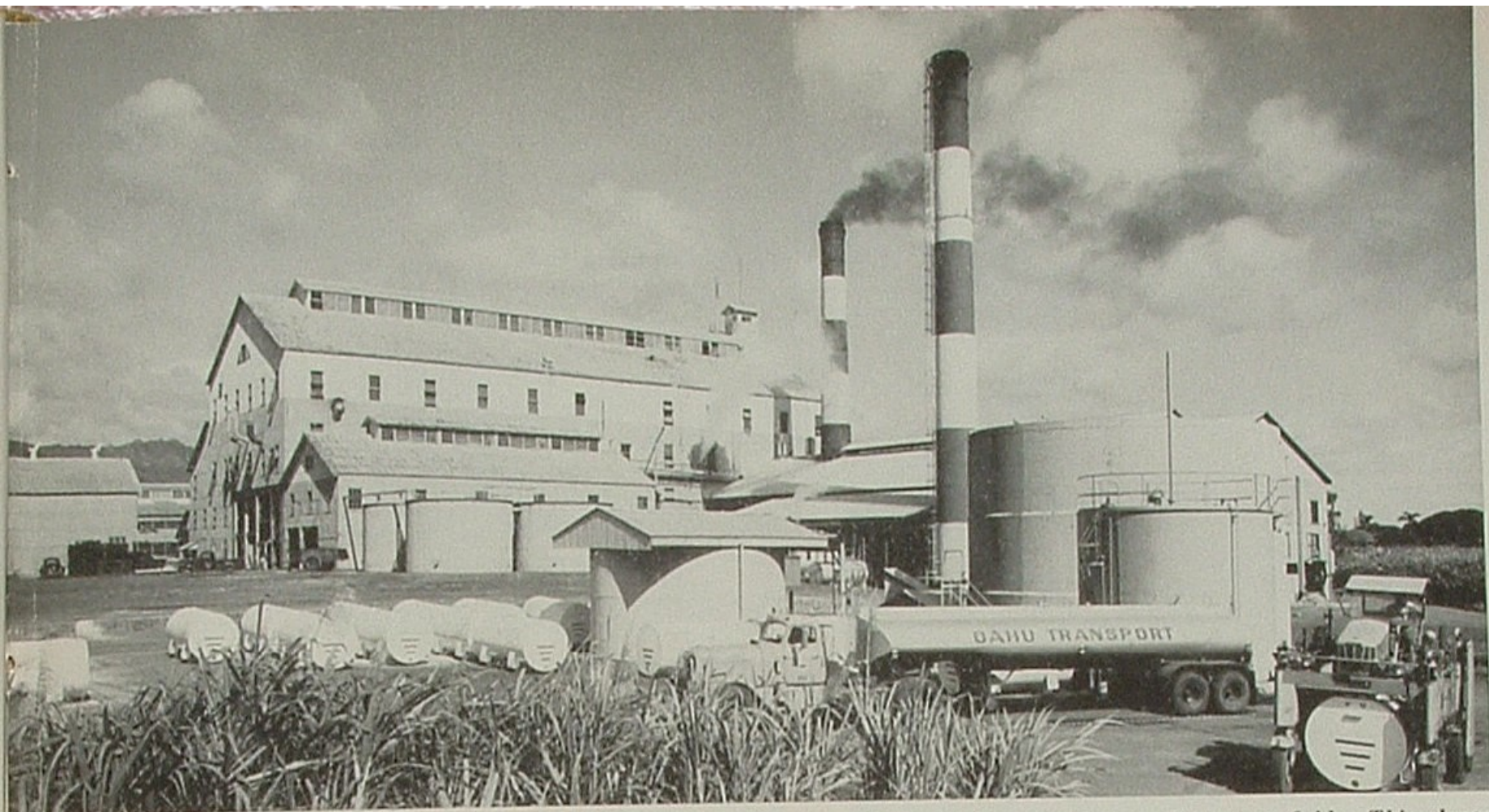
HAWAII'S SUGAR INDUSTRY

Agriculture at its scientific best is found on the sugar cane plantations of the Hawaiian Islands. Farming methods there are so highly mechanized that many of the regular workers have to be skilled operators and craftsmen. The proper distribution of water, averaging some 20 feet per crop, calls for the services of irrigation specialists. Highly trained chemists conduct quality-control tests not only of the crop itself but of the soil in which it is grown. Specialists in the field of soil conservation and enrichment are constantly on the lookout for better fertilizers. Economists keep a close watch on the world's sugar market. In terms of scientific development, oil men who visit the plantations note quite a resemblance between production methods of the Hawaiian sugar industry and those of the American petroleum industry.

As a result of such scientific control and development, Hawaii's 28 sugar plantations produce somewhat more than one million tons of raw sugar annually. The cane stalks, growing to lengths of 25 feet, produce astonishing yields, the Waialua plantation last year averaging 15.12 tons of sugar per acre, thought to be a world's record.

Furthermore, this is one farming enterprise that operated like gasoline in tankships, the new fertilizer is offering important economies to sugar cane growers.



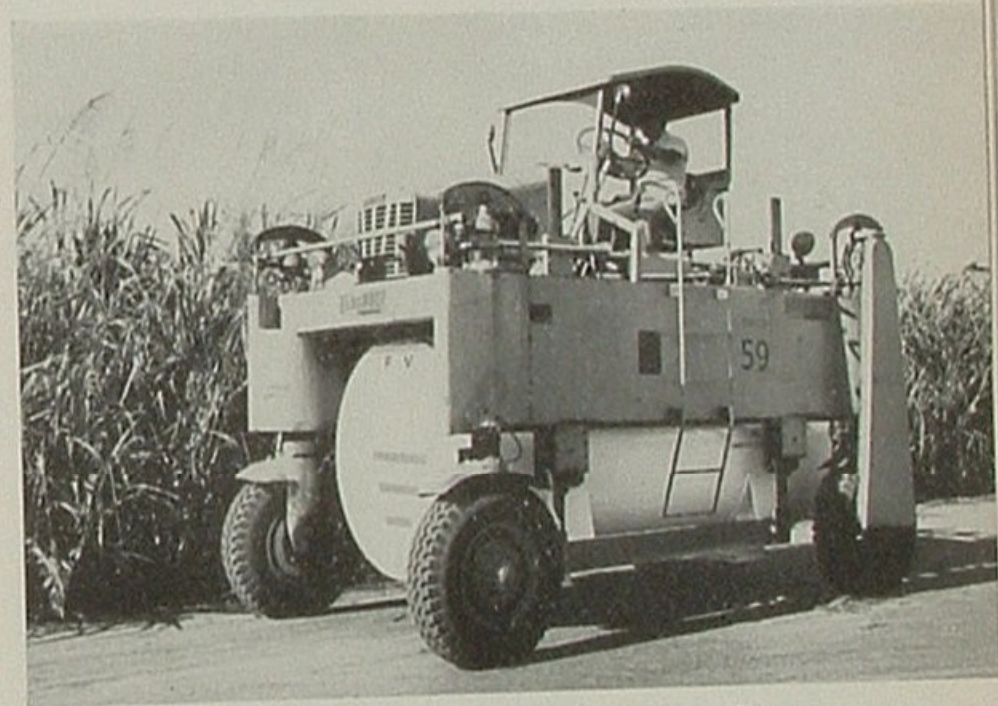


A transport from Honolulu with a load of Brea Aqua Ammonia arrives at Ewa plantation, where aqua ammonia fer-

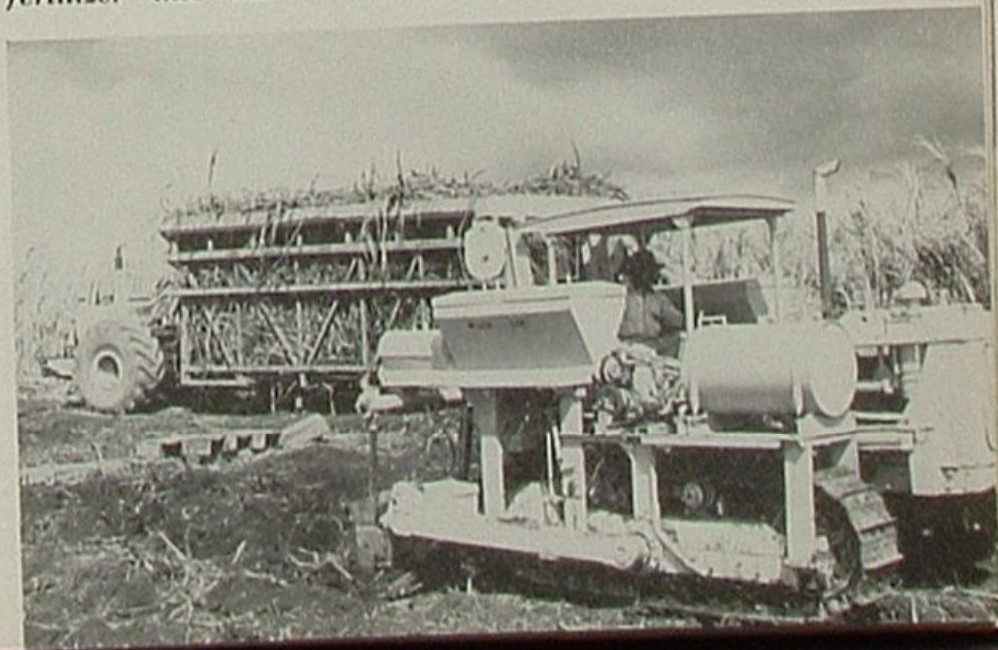
tilizer solution was first used on cane fields. This plantation of 10,000 acres harvests cane nearly the year around.



From a storage tank in the factory area at Ewa, aqua ammonia is transferred to field tanks, above. The operator, below, uses mask and rubber gloves during filling operation as safety precaution against irritating vapors.



A lumber or straddle truck, above, is used at Ewa to convey field tanks. Special application equipment is shown, below, injecting both aqua ammonia and dry fertilizer into the subsoil at Waialua plantation.

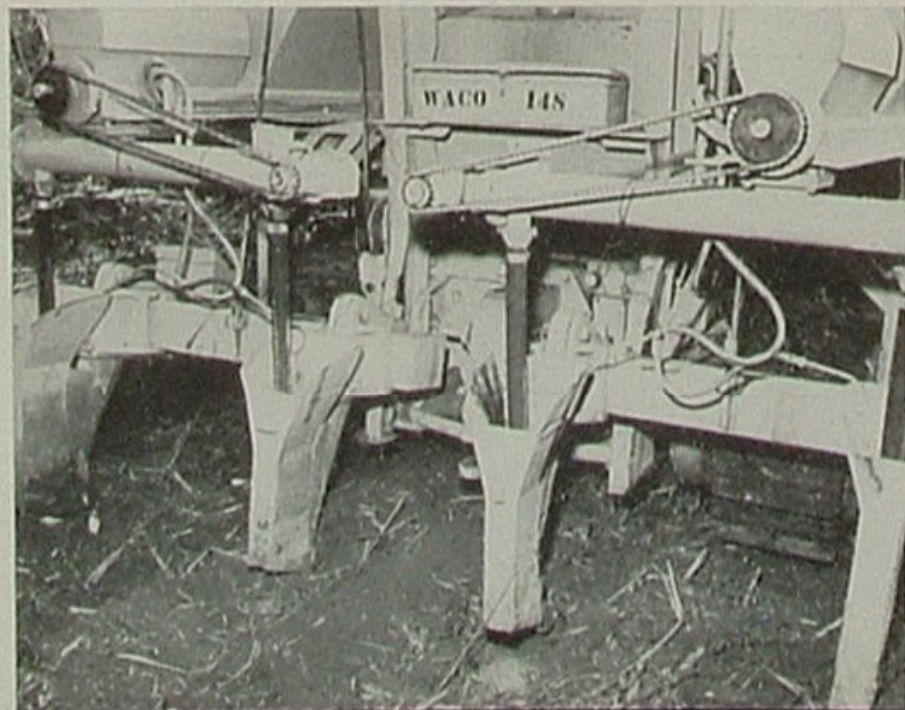




At Kohala plantation on the Island of Hawaii, aqua ammonia is injected into the soil by a tractor plow or subsoiler. Application methods vary according to type of soil, character of terrain, advancement of crop, and so on.



Fertilizing equipment at Waialua plantation carries Brea Aqua Ammonia in tanks, to supply nitrogen, and dry potash and phosphate fertilizers in hoppers. All three basic cane nutrients are applied simultaneously to soil.



erates steadily the year around, with a minimum of seasonal fluctuation. Although Hawaiian cane requires two years to mature fully, planting is so arranged that a fairly steady harvest takes place month after month throughout each year.

Undoubtedly competition has been and still is the spur to Hawaiian sugar development. Other cane-producing areas such as India, Cuba, Puerto Rico and the Philippines have long had the advantage of extremely low-cost labor. In the Islands, on the other hand, labor rates exceed even those paid to agricultural workers on the United States mainland. So the chief redeeming prospect for Hawaiian planters has been to achieve a greater yield per acre and per man through leadership in science and mechanization.

SOIL CULTURE

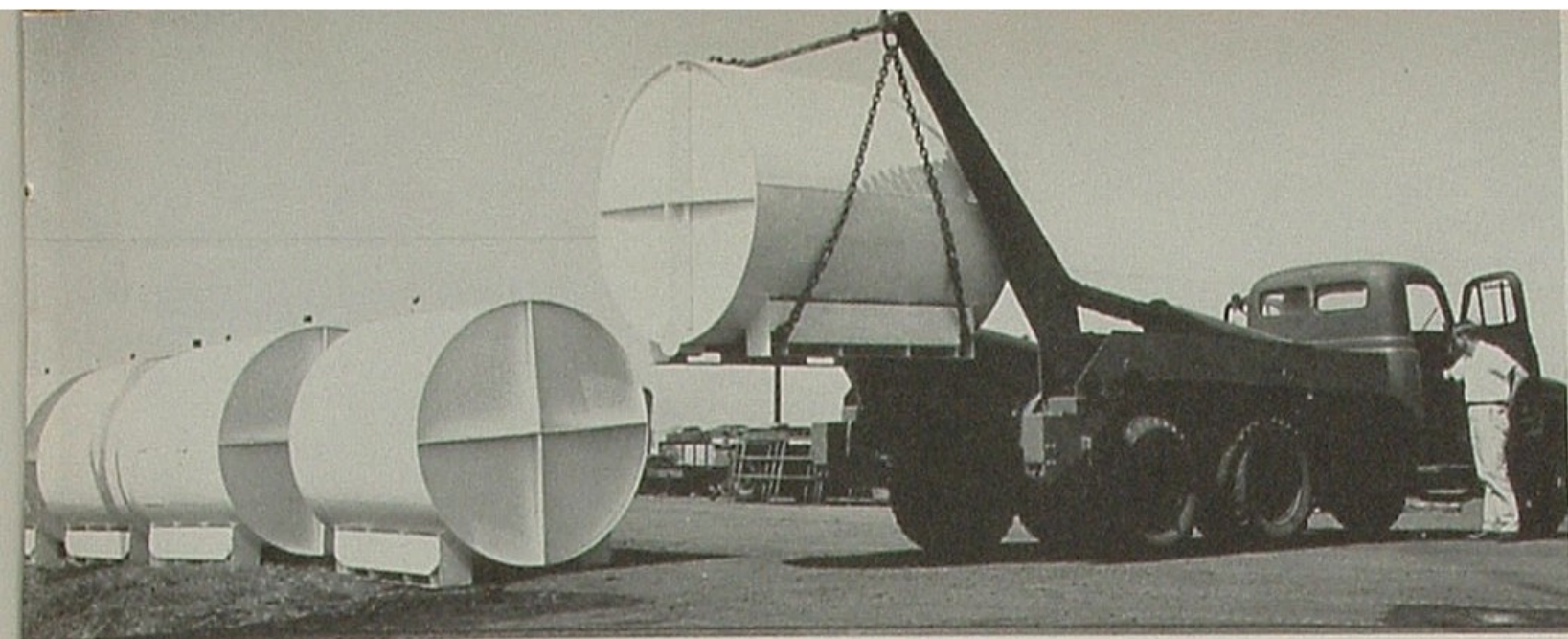
Proper care of the soil through scientific fertilization is only beginning to be understood and practiced in many parts of the world. However in Hawaii, chemical regeneration of the land is nearly as old as the sugar industry itself. Soon after the Territory's first cane fields were planted in 1837, it was recognized that intensive cultivation of the crop would rob the soil of its necessary nitrogen. So a cooperative was formed by various planters to import fertilizers, chiefly guano, a decomposed sea-fowl excrement found on several islands and coasts of the Pacific. Being rich in phosphates and nitrogenous matter, this fertilizer served for many years to keep the cane fields productive.

Guano was costly to obtain and transport. Its costliness increased as the supply diminished. Therefore, when Chilean nitrate was proposed as a less expensive source of nitrogen, the cane growers were prompt to apply it. Then, about 20 years ago, chemical firms began introducing ammonium sulfate and, quite recently, anhydrous ammonia. Ammonium sulfate provided the soil with nourishment at a low cost per pound of nitrogen and gained wide acceptance on Hawaiian plantations. Anhydrous ammonia, a gas which had to be shipped as deck cargo in special pressure containers, posed a costly transportation problem.

Despite the success of ammonium sulfate on sugar plantations, the growers were not entirely satisfied. The product, like other dry substances, was costly to load and unload. It had to be handled many times enroute from manufacturing sources to cane fields, each movement adding to the cost. In addition, its continued use year after year was creating an undesired acid condition in the soil.

BREA AQUA AMMONIA PROPOSED

In an effort to find a better solution to their soil nutrition problems, representatives of Castle & Cooke, Ltd., one of Hawaii's leading sugar, shipping and general business agencies, came to Union Oil and Brea Chemicals in 1952 with an inquiry regarding anhydrous ammonia.



A truck equipped with "load-lugger" carries 1300 gallons of aqua ammonia at a time to fields of growing cane at Waialua. Each tank contains an internal metering device.

Brea's revolutionary proposal to Castle & Cooke—a proposal which has since become a reality—was this:

Why not convert the gaseous ammonia—an excellent source of nitrogen—into aqua ammonia, a liquid, and handle it in the same manner that oil companies transport gasoline? Ship it overseas via the most economical method available—tankships. Pump it off at receiving ports through pipe lines and into storage tanks. Distribute it to the plantations in tank trucks. Apply it in liquid form to the soil.

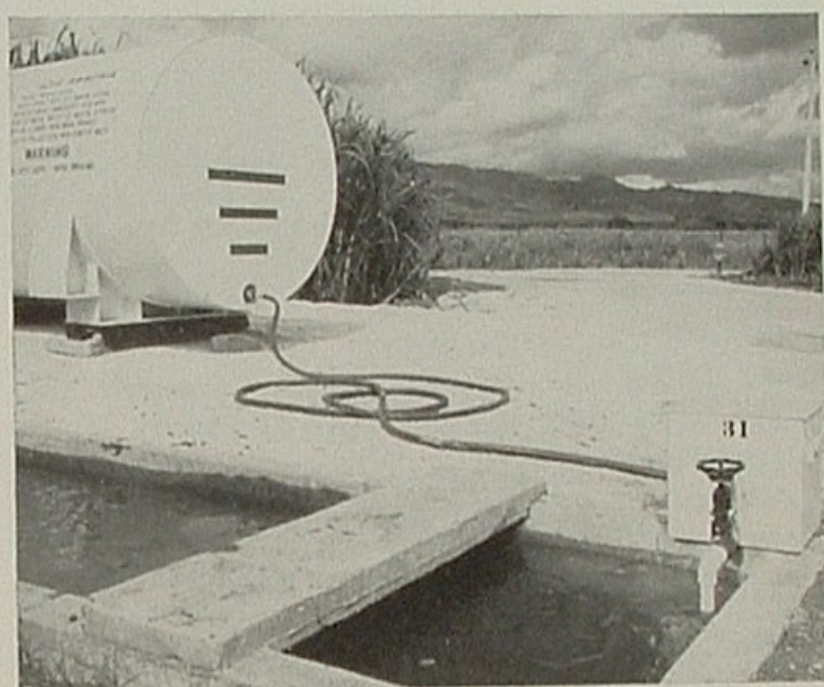
"What's more," Brea officials told the Hawaiian interests, "we can go to work right now to help you make this project work on a big scale."

The Hawaiian sugar growers expressed interest in the proposal—an important milestone for both the sugar cane industry and Brea Chemicals, Inc.

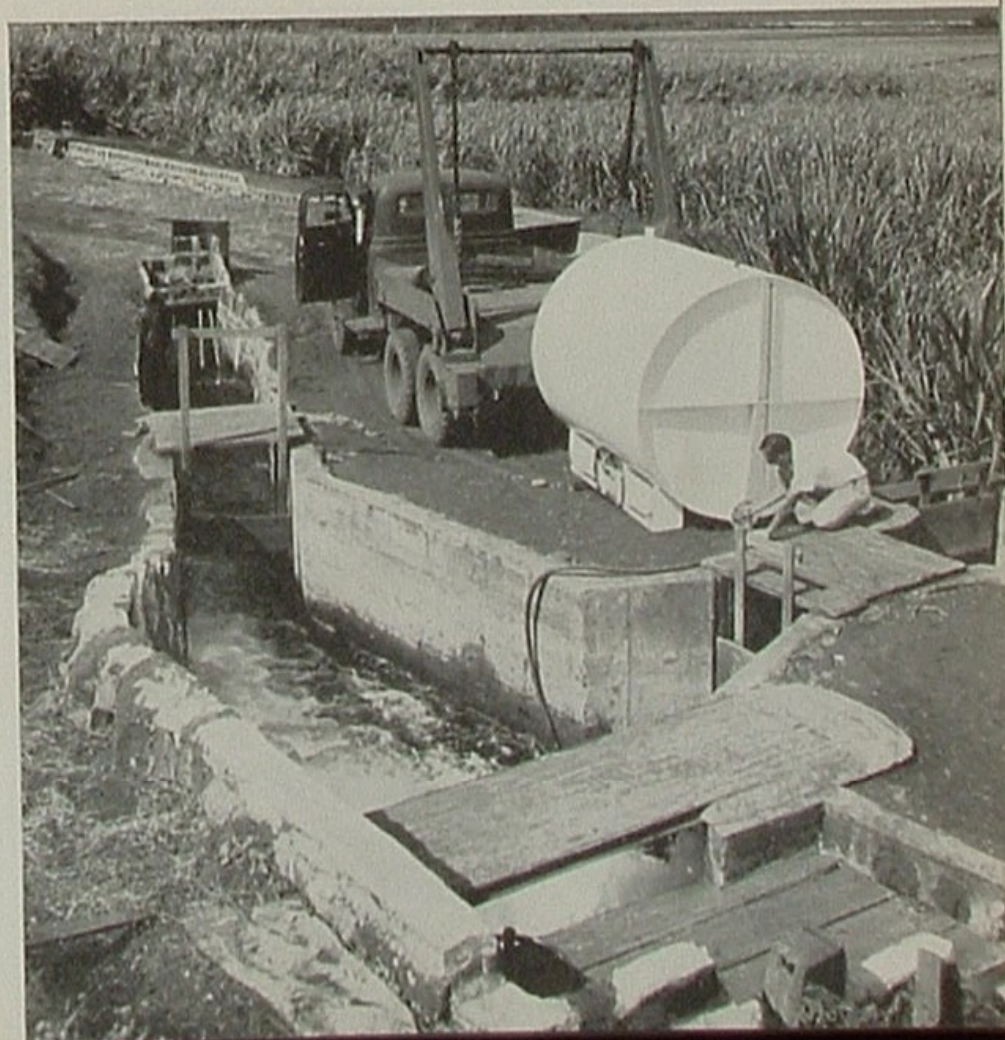
While the earliest discussions were in progress, Union Oil Director Herbert Hoover, Jr., had interrupted his Hawaiian vacation to tour several sugar-cane plantations. Our Vice President Alan J. Lowrey, whose interest in Hawaiian industry has been intimate and lifelong, had started sounding out business sentiment. They concluded that aqua ammonia, sold on a competitive basis, would stimulate not only the sugar industry but the entire economy of the Territory.

Homer Reed, President of Brea Chemicals, Inc., and Harvey Fifer, Vice President in charge of marketing, suddenly were faced with the problem of delivering aqua ammonia to Hawaii by January 1, 1954—which meant solving all the problems of shipping, handling, storing and applying. And the Brea ammonia plant wasn't even scheduled for completion until April or May, 1954. They decided to buy ammonia on the open market until the plant went *on stream*. They put the Brea technical staff to work, and sent their export and industrial sales manager, Jack Sturgess, to the Islands to iron out engineering and economic problems at the receiving points. They asked Union Oil to pitch in on the problems of transportation and storage.

ON TOUR



Aqua ammonia is easily applied to the jungle of sugar cane stalks by metering it into irrigation water. Sugar cane, a 2-year crop, requires additional nitrogen at end of first year, and water application is only feasible method.



Union Oil's Central Territory—under Manager F. K. Cadwell and District Sales Managers R. H. Rath and his successor C. E. Rathbone of Honolulu—performed valiantly in helping to arrange storage and pipe line facilities at Honolulu and Hilo. Their task was complicated by the fact that new unloading lines at one point had to go either through or around the property of our keenest competitor. The lines went around.

Meanwhile, the Marine Department under Captain J. B. Stene moved a trial compartment of aqua ammonia coastwise from Oleum Refinery to Portland and return. They reported our tankships perfectly capable of transporting this type of product.

In Hawaii, the growers themselves were most cooperative in remodeling plantation machines and facilities preparatory to the new aqua ammonia era. Besides the few introduced photographically in this report, such men as Plantation Manager James Orrick, Industrial Engineer Warren Gibson, and Agriculturist Billy Livingston, all of Ewa plantation, contributed their valuable knowledge and long experience to the enterprise. And there were many others on both sides of the project to whom credit is due.

As a result, the Company's tankship PAUL M. GREGG arrived at Honolulu on November 19, 1953, with the first shipment of Brea Aqua Ammonia. The event was accorded Hawaii's *aloha* (welcome). To the sugar planters it meant economies that will amount quickly to over a million dollars. In addition, Hawaiian businessmen look forward to the long-range benefits that are bound to accompany competition in the fertilizer market.

Besides the Ewa and Waialua plantations on Oahu and

Kohala plantation on the Island of Hawaii, all represented by Castle & Cooke, seven other large plantations under the agency of C. Brewer & Co., Ltd., have signed with Brea Chemicals for their aqua ammonia requirements. The 10 plantations have approximately 75,000 acres of cane fields under cultivation and in 1953 produced over 350,000 tons of sugar, roughly one-third of Hawaii's total crop.

BREA'S POTENTIAL

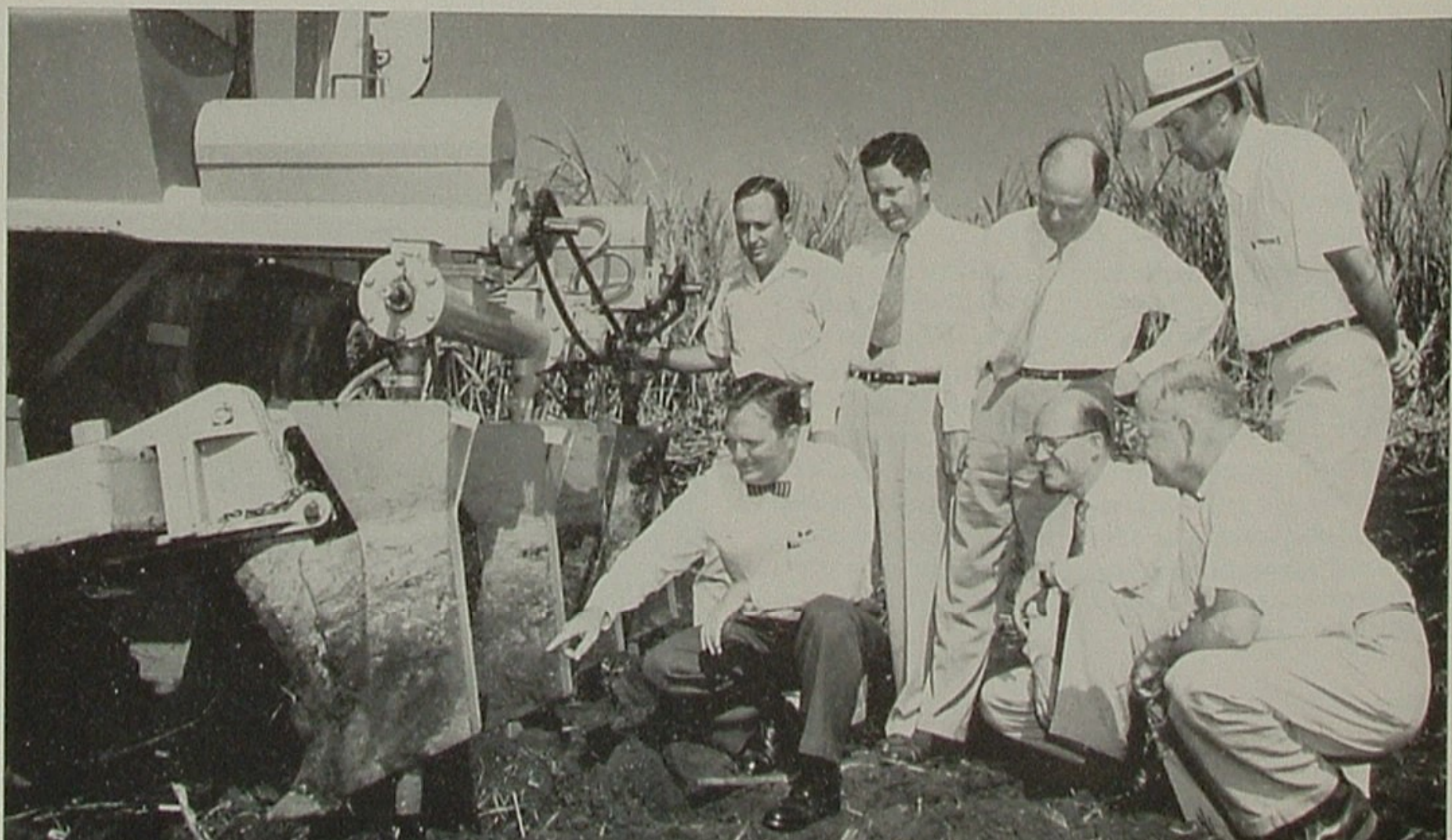
Along with this progress in Hawaii, Brea is moving forward rapidly in establishing distribution of Brea Aqua Ammonia in Western United States and Mexico. The Brea ammonia plant is scheduled for completion early in April and commercial production by the end of June, 1954. A contract has been awarded for engineering a new nitric acid and ammonium nitrate plant adjoining the ammonia plant. Product and market research is underway in other fields of chemistry to carry out the dual purpose for which Brea Chemicals, Inc., was formed in October, 1952: (1) To create and conduct a profitable chemical business based on the use of parent company raw materials resources; (2) To market chemicals manufactured by Union in its oil producing and refining operations.

The ammonia plant is Brea's *first* major new manufacturing project. Development of the *first* large-scale aqua ammonia fertilizer operation, with its revolutionary advantages and economies to agriculture, is Brea's *first* major marketing operation.

The enterprising Hawaiian sugar cane industry is *first* to seize, use and benefit from this new Brea product and service.

Prominent in pioneering and developing the use of aqua ammonia are, from left, (kneeling) Waialua Plantation Manager John W. Anderson; Union's District Sales Manager C. E. Rathbone; Waialua's Factory Superintendent, A. F.

Wallace; (standing) Waialua's Superintendent of Irrigation, Walter Naquin; Brea's Hawaiian Representative, R. Eugene Platt; Union's Vice President, Alan J. Lowrey; and Waialua's Assistant Manager, Douglas Thomson.





National officers, from left, Vice Presidents John Schultheis, W. E. James, C. W. Ritter, Jr., President David H. Boyne, Secretary Hunt Zumwalt, Vice President Harlan

Rigney, and California State President Jim Campbell represent Future Farmers of America. A nationwide tour taken by the national officers included our Brea Research Center.

Future Farmers Pay a Visit

SIX national officers of Future Farmers of America, accompanied by the leader of that organization in California, toured Union Oil properties on February 17 as part of a nationwide trip sponsored each year by their 363,369 members. After meeting President Reese H. Taylor in the Home Office board room, the young men were escorted by Vice Presidents Roy Linden and W. C. Stevenson and Supervisor Harry I. Holbrook through both Brea Chemicals and our Research & Process Department.

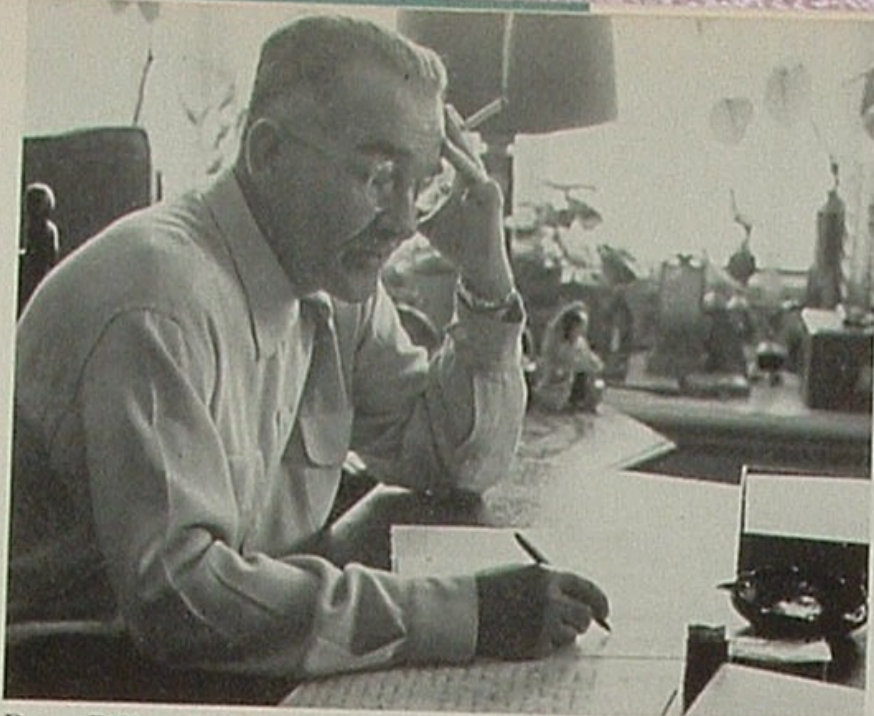
The Future Farmers organization, with 8,500 chapters in farming areas throughout the 48 states, Hawaii and Puerto Rico, operates largely through high schools. Probably its greatest goal is to stimulate the development of skills, leadership and character among young men who are pointing toward agricultural vocations. It combines academic courses in agriculture and animal husbandry with the actual practice of farming and stock raising. Many Future Farmers, starting with an acre of ground and one or two head of livestock, develop profitable enterprises by the time they graduate from high school. They may retain FFA memberships until they are 21 years of age.

Judging by the caliber of young officers who visited Los Angeles as guests of the Carnation Company, the Sears-Roebuck Foundation, Sunkist Growers, and Union Oil Company, American agriculture should look to the future with confidence.



Union Oil officers and members of the Research & Process Department were hosts during the plant tour. The guests manifested particular interest in Brea Chemicals' new plant, below, whose products will aid American agriculture.





Dear Bill:—I just have to sing the praises of Union Oil Company's Retirement Plan to the house-tops.



I no longer have to wish for more time to fly my racing pigeons. . . . Both my wife and I are indulging in some long-delayed fancies: she's studying oil painting, and my one musical finger is giving the other nine piano lessons.



YOU CAN TAKE IT WITH YOU!

By John Y. Quayle

Dear Bill: (Stewart, Stevenson and you too, son.)

Six months a Union Oil Company alumnus, and here I'm finally getting to this letter, one of the things I just had to do along with cleaning out the den closet and garage.

I'm so tickled with the transition from a workaday job to the challenges of really living and having fun that I just have to sing the praises of Union Oil Company's Retirement Plan to the house-tops.

Imagine putting in 35 years of steady employment—with a benefit or insurance plan ready to help me over every rough spot—mind at ease when vagrant thoughts of long illness, permanent disability, death and an unprovided-for family crept in—and then graduating a little before normal retirement at almost half my salary!

I got a kick out of Perce Munn's story in the March issue of ON TOUR. Incidentally, if any of you healthy young folks do resent the deductions, just follow me around trying to buy, as an individual, the protection *deducts* are buying for Union Oil employees as a group. I would have to pay six times as much for one-third of the benefits.

After spending 18 of my 35 working years closely tied in with the Company's protective plans, I'm ashamed to say I didn't half-know how good they were until I retired. During a leisurely five weeks spent roaming around Old Mexico last holiday season, I met dozens of retired folks. Without being too inquisitive or too informative, it was easy to discover that few companies in the world have devised and made available to their employees a package of protections, topped at the finish line with a retirement plan par-excellence, such as Union Oil's.

So, you see, you *can* take it with you!

What did I take with me? I took one of the optional forms of income provided by the Retirement Plan which not only guarantees me a lifetime income but also guarantees that the minimum paid to me or mine will be an amount equal to seven times the amount we contributed. If I live as long as I'm planning to live, the income will total what I now consider as being a young fortune.

I took with me an insurance policy which will relieve my beneficiaries of the usual funeral expenses and, in addition, possibly finance one of my post-mortem sure-things at the horse tracks.

I'm receiving enough retirement pay to make most of

my day-dreams and even pipe-dreams come true. As stated previously, one of our travel dreams has been realized; driving south of the border we met the nicest, most courteous, gentle and helpful people imaginable—the people of Old Mexico. We have been visited by more of our friends in six months than during the whole two previous years.

I no longer have to wish for more time to fly my racing pigeons—or train Jolly Roger, the cocker spaniel—or enjoy the antics of Laguna, our cat with a high I. Q. and a sense of humor. And both my wife and I are indulging some long-delayed fancies; she's studying oil painting, and my one musical finger is giving the other nine piano lessons. We've had time to attend a series of interesting travelogues. Incidentally, lectures, exhibits, light operas, flower shows, beaches, etc., and travel to and from, are more enjoyable on week days than on weekends.

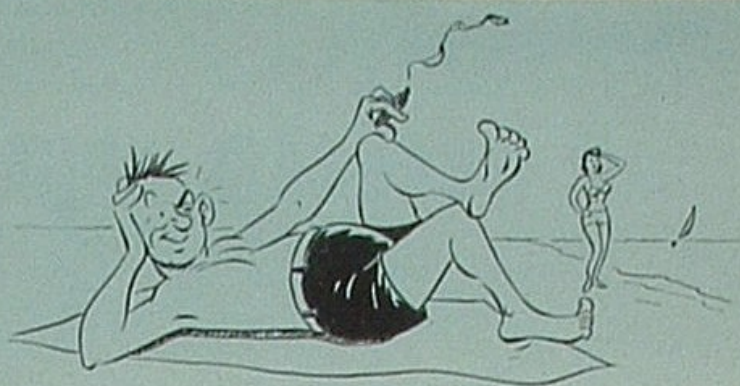
Best of all, I believe, as an alleged statistician, that the average retirement income of all Union Oil employees in the Retiring Class of '53 is sufficient, barring bad luck with health, to permit their doing the same things we're doing.

We've studied retirement possibilities and programs through the magazine, "Lifetime Living," and find that hundreds of people are living on \$200 and less per month. We read of dozens of small towns in almost all the warmer states of the U. S. A., including California, where \$100 to \$200 a month will afford roof, food, clothing and reasonable entertainment. Many people receiving the lesser sum are enjoying life in a trailer.

One of our biggest chuckles is reserved for concerned friends and neighbors who wondered what in the world I would do with all this spare time. Retirement isn't the end of a job—it's the beginning of a much more interesting phase of life. You can do civic and charitable work—most groups in all communities are crying for help. You can go back to school and learn about the subjects which probably weren't even offered when you were in school. You can study arts and crafts, regardless of previous interests and skills. You might even make some betting-money from a hobby that's barrels of fun.

Sure we're lucky—we admit it! Our half-acre property bought 15 years ago with retirement in mind, could keep us busy eight hours a day—if we'd let it. Why after three successful samples of furniture refinishing, we could spend endless hours at that pleasant job and wind up with all "new" furniture.

I guess I'm getting carried away with the subject. But don't forget—back of it all are those "ducks" Percy Munn spoke about in the March ON TOUR. They seem to bother a little bit when they're deducted, but 10 or 20 years from now you'll wake up on a Monday morning, wink at the alarm clock, and realize you don't have to get up and fight that freeway traffic. The "ducks" will have taken over and put you on a new freeway of living. Yes, it takes a complete re-education, but it certainly can be fun.



HOW MUCH WILL YOUR RETIREMENT INCOME BE ?

Under provisions of the Retirement Plan, your income, at age 65 for men or at age 60 for women, can be estimated in most cases through use of the following formula:

- (a) Estimate your average monthly wage for the five years prior to your retirement date and multiply by .018.

$$\begin{array}{r} \$ 400. \\ \cdot 018 \\ \hline \$ 7.20 \end{array}$$

- (b) Multiply the amount obtained in calculation (a) by the number of years of Company service you expect to complete before retirement. (In example, 30 years.)

$$\begin{array}{r} \$ 7.20 \\ 30 \\ \hline \$ 216.00 \end{array}$$

The product arrived at through this formula is your estimated monthly retirement income, inclusive of Federal Social Security benefits.



it adds up

Liberty

SPEAKING before the 33rd Annual Meeting of the American Petroleum Institute, the Honorable Clarence E. Manion of Indiana pointed to one of the greatest rights of an individual American citizen under our Constitution:

"A few weeks ago Time Magazine carried a news dispatch to the effect that the government of Guatemala had arbitrarily seized 230,000 acres of land belonging to the United Fruit Company. What did the United Fruit Company do about it? Absolutely nothing! There was nothing they could do about it. No private citizen in Guatemala can effectively challenge any act of his government.

"Before that notice appeared—some months, to be exact—in a very memorable action, which all of you recall in detail, the then President of the United States seized the steel properties of this country. What did the steel owners do about it? They went into court and pleaded what is known as the Constitution of the United States. Eventually the case reached the Supreme Court of the United States; and that august body, in a divided opinion, commanded the President to give the steel properties back to their owners. He promptly did so.

"Those two historical citations dramatize the difference between the country in which you live and all the rest of the countries on the face of the earth. This is the only place left under God's Heaven where an individual citizen can effectively challenge the acts of his government. Here we are still able to say: 'Thus far and no farther, and here shall thy proud waves be stayed! Stand back!' Not at the command of the king's armies, but at the command of the individual citizen!

"You have read the testimony of this brave Pole who jumped the U. N. delegation recently and escaped into the freedom of the United States. . . . There is one sentence that recurs in all of his testimony. He says, 'The United States of America is the last remaining hope of the world.' That is literally true, my friends. . . . If the United States of America would disappear right now, the people who survived on the remaining areas of the earth would immediately be engulfed in a torture and a terror so tyrannical and so demoralizing that the people who survived it would envy us who escaped it. . . .

"George Washington showed his great genius for

simplification when he said: 'Government is like fire—a dangerous servant, a fearful master.'

"When our Founding Fathers wrote the Declaration of Independence and the Constitution of the United States which succeeded it, they were looking back at six thousand-odd years of human history. They saw this fire of government sweeping back and forth across human beings, burning the God-given rights of man to a crisp at least once in every generation. They resolved that it wouldn't happen here, and for the first time in history they captured this fire and confined it. That is what you do with fire if you are wise. Whether you see fire in a blast furnace or in a cook stove, you see iron walls around it. The Founders took the fire of government and confined it behind the walls of the world's first effective constitutional system. They separated it in compartments—legislative, executive, and judiciary—and they divided it carefully between state and nation.

"They subdivided government sharply not to make it more efficient, but to enable the people to control it. They knew that concentrated government is uncontrollable.

"Our constitutional system is a fire-insurance policy; please think of it that way, talk of it that way, advertise it that way. The Constitution is a fire-insurance policy which protects you against the destructive fire of government.

"The decentralization, the segmentation, of American government was deliberately designed to slow government down, to make it manageable and controllable.

"The Constitution needs to be represented for what it is, a limitation upon government. . . . If you want to be free, then limit government; if you want to be a slave, take the harness off government, because despotism is simply unlimited, unharnessed government—whether it parades itself as communism or fascism or just common, old-fashioned tyranny.

+ Private Enterprise

Writing in a January issue of the New York Journal American, President Reese H. Taylor of Union Oil Company remarked:

"The famous rallying cry of the original Marxist Communists was 'Workers of the World Arise! You Have Nothing to Lose but Your Chains!'

"Ever since that slogan was born, through all the twists and turns that modern Communist ideology has undergone, the fundamental precept of the Communist movement has been that Communism is the best way—and probably the only way to improve the material welfare of the common man.

"Disregarding entirely the spiritual side of the ques-

tion and the effect that a Dictatorship of the Proletariat has on the common man's individual liberties and rights, it is still the greatest irony of modern history that a movement which has failed so miserably in its fundamental concept should have such a world following.

"The truth of the matter is, our American form of Capitalism has taken on the Communist movement at its own game and whipped it up one side of the field and down the other. It has done it in the past. It has done it in the last 15 years. It is continuing to do it today. Furthermore, it has done it while still preserving, to a large extent, the traditional American individual liberties and rights.

"Our American form of Capitalism is actually fulfilling the promise of early Communism. Our American form of Capitalism is actually freeing the worker from the chains of poverty, sweat, and ceaseless toil that have bound down the common men of the world since the beginning of recorded history.

"It has accomplished great strides in this direction since Karl Marx first published "Das Capital." It is continuing to do so AT AN INCREASING RATE right now.

"The last fact, to me, is of the utmost importance. Too often there is a tendency to attribute a large part of America's industrial superiority and high standard of living to the accomplishments of the past. Critics have said that our American form of Capitalism gave us a headstart on the rest of the world during different times than these, but that conditions have changed—it won't work as well in the modern world as it did in the past.

"This is completely fallacious on two counts. First, our American form of Capitalism is not static. It is a dynamic system. The principles on which it is based are fairly permanent, like the principles which underlie our U. S. Constitution. But our form of Capitalism, like our Constitution, is flexible enough to accommodate itself to changing concepts, times, and conditions. Consequently, it is not the same today as it was in the past. It will probably not be the same in the future as it is today.

Second, the theory that American Capitalism won't work as well in a modern world as it worked in the past is completely refuted by the facts.

"Fifteen years ago, we thought we were doing a rather capable job in the U. S. oil industry. At that time we were providing the American people with 418 gallons of petroleum products per person per year. This was many, many times more than the people of western Europe were getting and infinitely more than the people of the rest of the world.

"More important, however, than mere gallons was the fact that if you translated these figures into human terms it meant that the energy provided to the American people by petroleum products did work each day which was the equivalent of providing 50 full-time servants for each and every American family.

"It was this energy, to the tune of 50 able-bodied

full-time servants per family, which had helped unchain the American family from the toil of such commonplace tasks as chopping firewood and caring for the family horse. It was this energy, converted into electricity, which helped run mother's vacuum cleaner, refrigerate her food, do her laundry. It was this energy which had put the American family on wheels and broadened its whole horizon. And most important, it was this energy which had powered father's machines and tools and enabled him to produce far more with far fewer hours of labor—to earn more and to live more.

"That was 1938. And we in the oil industry felt that it was an accomplishment to be proud of. But today we are providing 71% more energy per person to the people of the United States in the form of petroleum products than we did just 15 years ago. And the number of "petroleum servants" per American family has increased from 50 to 80. . . .

"The most casual glance at other segments of our economy reveals the most exciting and varied kind of progress on almost every front."

= Highest Standard of Living

Illustrating what Liberty and Free Enterprise have meant to the common man in material gains alone, The New York Journal American of January 12 then compared the growth of the U. S. wage earner's purchasing power with an actual decline in the purchasing power of a worker in Russia during the last 25 years:

Time Required to Earn:	UNITED STATES		RUSSIA	
	1928	1953	1928	1953
1 lb. bread	9 min.	6 min.	7 min.	12 min.
1 lb. potatoes	3 min.	2 min.	8 min.	7 min.
1 lb. beef	35 min.	24 min.	82 min.	117 min.
1 lb. butter	56 min.	27 min.	228 min.	248 min.
1 lb. sugar	7 min.	3 min.	53 min.	84 min.
1 qt. milk	14 min.	7 min.	12 min.	42 min.
1 doz. eggs	50 min.	25 min.	48 min.	168 min.

Moreover, the so-called luxuries that few Communist workers can use, let alone own, have become commonplace in America. Here we have a television set for every 4.6 persons; an auto for every 3.5 persons; a washing machine for every 4.7 persons; a telephone for every 3.2 persons; a radio for every two persons. U. S. savings accounts average \$1,437.50 per person. The 35-hour week is almost within national grasp if we want it in preference to greater earnings. And our normal life expectancy has increased from 47.3 years in 1900 to nearly 69 years today.

Liberty and free institutions have given us a Utopia beyond the fondest dreams of Karl Marx. And better things are on their way, *if* we remain vigilant.



INDUSTRIAL SUMMARY

● MARKETING

The Sales Training Section of the Marketing Department opened its 1954 series of training school classes at Los Angeles Refinery on March 15. Simultaneously, sales training classes for Eastern Continental marketing personnel were started in Chicago. The Eastern Continental classes will be held in various cities throughout the East in order to obtain complete coverage of our sales personnel.

Sales training for retail is under development, and it is anticipated that a fully integrated program will be ready for presentation in the very near future. The Territories are currently in the process of setting up retail training facilities for Company-employed personnel who are assigned to Company-operated service stations.

The release of our new Barium-Lithium Unoba Grease will be accompanied by a substantial promotional program throughout the Company's entire marketing area, including Eastern Continental.

from Roy Linden

● FIELD

With the possibility of continued curtailment of crude oil production in some areas, aggravated by large imports of foreign crude, producers are looking more and more to revenues to be derived from gas as an effective counterbalance to reduced revenues from oil.

Growth of the gas transportation and distribution business has been phenomenal in recent years as the benefits of this type of fuel for industrial and domestic use have become more appreciated. The feasibility of long-distance transportation of gas has been amply demonstrated, with the result that large volumes of gas are now being delivered, oftentimes great distances, to practically all major industrial areas in the United States. From the point of view of continued growth of this industry, it is of interest that the energy value of known domestic gas reserves exceeds that of proven crude oil reserves.

Contradictory though it may seem, gas is a more stable commodity in the market than crude oil. Supply is controlled by the capacity of transportation facilities, price is established by long-term contract, and demand is not subject to extreme fluctuation. Consequently, if crude oil production is curtailed, increased sales of gas can act effectively as a stabilizing influence on revenues received. This was clearly demonstrated last year in the Company's Gulf coast area operations: Oil well allowables in the latter part of the year were reduced on an average of 25 per cent. During the year, however, the Company increased its sales of gas to the transportation companies to 52,041 million cubic feet, a gain of 17 per cent over 1952. As a result, overall revenues from operations in the Gulf Coast Division reached an all-time high in 1953.

from Sam Grinsfelder

● PURCHASING

A buyer in the average purchasing department used to be regarded as a person who knew a little about everything and not much about anything. His principal job was to get exactly what was requisitioned from a stated supplier. That concept has changed greatly.

Purchasing today is a matter of specialization. In the construction of new refinery units—in the purchase of tanks, exchangers and countless other large items—a knowledge of engineering is essential. So in our Purchasing Department are trained mechanical and electrical engineers who are able to discuss the purchase of such items intelligently with both requisitioner and supplier. Considering that the Company spends millions of dollars a year on chemicals alone, it is evident that a chemical engineer can best supervise such purchases.

In the Department also are printing buyers who can go into a printing plant and actually operate the presses. Men who have worked in domestic and foreign oil fields buy our pipe, pumping units, etc., with a full knowledge of the ultimate use of such items. Other specialists know how containers are manufactured, the right type and size

of rope for particular uses, the various types of hose and their application to our requirements, what type of wood is best for each installation.

This specialized knowledge, together with skill in negotiation, enables the modern purchasing department to give valuable service while reducing costs.

from C. S. Perkins

RESEARCH & PROCESS

The Executive Committee has approved the expenditure of \$950,000 to construct certain facility additions at the Research Center. These additions are designed to permit the moving of Process Development personnel and activities from Wilmington to Brea, thereby consolidating all Research and Process activities at one location. The new facilities will also provide functional housing for activities added to the department since the completion of the center in 1951 and for certain departmental staff services. Additions will consist of an office building for engineering personnel, a staff services building, a pilot plant building, an outdoor pilot plant area, and auxiliary facilities. Architectural and engineering work on the new additions will be completed in four to six months. An additional ten to twelve months will be required for the construction work.

from C. E. Swift

TRANSPORTATION & DISTRIBUTION

The products pipe line between Torrance and our Rosecrans Truck Terminal is now carrying 17,000 barrels per day of finished gasolines. When first built in 1949, the line handled 8,000 barrels per day. A steady increase in gasoline sales and the expanded use of this terminal as a distribution point have more than doubled the original volume handled. Further increases are expected in the future. Potentially, the line can accommodate 30,000 barrels of gasoline per day.

Vehicles operated by the Company total 2,118. All types including trucks, pickups, automobiles, trailers, semi-trailers, and special mobile equipment make up the total. During the past year 429 vehicles were purchased. Of this number 307 were replacements for vehicles retired from service and 122 were additions to the fleet.

from E. L. Hiatt

COMPTROLLER'S

Due to increased activity in the Oklahoma Division, an accounting office is being established in the field headquarters at Tulsa, Oklahoma. H. O. Stewart, who has been in Tulsa for several months assisting the division manager, has been assigned the duties of division accountant.

Effective March 1, 1954, the accounting for Field and Exploration Departments activities, formerly accomplished in the Great Falls headquarters, was transferred to Denver, Colorado and consolidated with certain accounting functions already being conducted there for the Rocky Mountain Division. P. K. Noland will supervise this office in the capacity of division accountant.

from Irving J. Hancock

MANUFACTURING

At the Manufacturing Department Technical Review held March 10-11, 1954, managers of Union Oil Company's five refineries reported on their operations for the year 1953. In addition to a general interchange of technical information, many problems associated with our petroleum refining operations were discussed. The session of March 11 was devoted to discussion and talks by Manufacturing personnel as well as members of other departments and concerned, essentially, future operations. The long-range forecast of raw material availability and the demand for petroleum products, both as to quality and quantity, were reviewed. New processes, including those in the Manufacturing Department's expansion program for 1954 and 1955, received considerable attention.

Oleum Refinery has announced with justifiable pride that one year's operations, totaling 1,738,882 manhours, without a lost-time accident was attained February 25, 1954.

The Los Angeles Refinery recently was host to a group of 10 firemen from Italy who are studying American fire fighting techniques under sponsorship of the U. S. State Department.

from K. E. Kingman

Oleum Refinery's outstanding safety performance is attracting industry-wide attention. Above, Vice President K. E. Kingman, left, is seen extending the congratulations of Union Oilers to Oleum through Manager J. W. Towler.





In our Los Angeles Yards of over 40 years ago, horses outnumbered trucks about 72 to 1. The 1910 Packard

seen foreground is thought to be the first tank truck purchased by Union Oil and one of the first used anywhere.

Recollections by The Barrel

From Art Roseman

THINGS were considerably different when I started work in April, 1913 at Union Oil Company's Los Angeles Yards, today better known as our Los Angeles Terminal. Two Company subsidiaries, Union Tool Company and Union Well Supply Company, occupied part of our present property. Superintendent John Topham was moving out and Judge W. M. Cooney was moving in to take his place. Seven or eight people made up the office crew. We did everything including operating an order desk, handling all credit arrangements, and sending out hand-written statements; however, it was mostly a cash business.

Of course this was before motor trucks amounted to much more than a curiosity. We did have a 1910 Packard truck in the yard for hauling fuel oil, but the serious work was done by horses.

Our tank wagon fleet in 1913 consisted of about 30 wagons of from 500 to 650 gallons capacity each, and about 72 horses. Several of the routes required four-horse teams, and there was a four-mule team we used in

the winter to pull bogged wagons out of our unpaved yard. We also had a buggy horse by the name of June. She became everybody's pet, and her buggy services, were preferred for running office errands and making small deliveries of kerosene even after we got a one-lung Cadillac that cranked on the side.

It took a full-time blacksmith to shoe our 72 horses, keep the tank wagons rolling on steel treads, and forge most of the Company's gasoline curb signs while he was resting. We also had a full-time wagon painter, and a wood-worker whose extra jobs consisted of making gauge sticks with a burning needle and helping the blacksmith.

It was a common sight in the evenings to see a long string of horses and mules filing down Sixth Street to our barn on Santa Fe Avenue. The barn was quite a place. It had 85 stalls, a large exercise yard, and a three-room apartment for the liveryman. Charley Holt and his brother ran the barn for a number of years, then went into business hauling hay. Charley Canfield took over and stayed until all the horses were gone.

The drivers worked about 12 hours a day, six days a week—largely because you couldn't get anywhere and back again with a team and wagon in less time than that.

Our first trucks, following the Packard, were the solid tire variety with a top speed of eight miles per hour. I don't believe they were new trucks, but were transferred from the Field Department and fitted with tanks. By make they were a Packard, an Alco and a

In private dining room of Levine Cooperage, Art Roseman shares his recollections and retirement cake with a group of good friends. Levine's made oaken barrels for Union Oil Company when Art first came to work in April, 1913.

ON TOUR





Even oil men of 1911 had to line up and have their "pitcher took." At extreme left was Superintendent John Topham. These men laid the Company's sales foundation.

Moore. Quite a while later the Company took over, in lieu of cash, a number of double-deck coaches from a bankrupt Los Angeles transportation firm. These were rebuilt into tank trucks and caused quite an unemployment stir among the horses.

Like Topsy, the gasoline business just grew. I remember when the yard contained a row of 50-gallon gasoline tanks with lock faucets and locked lids. One of our drivers had keys to the lids and refilled the tanks from time to time. On each tank was painted the name of an automobile owner. When he wanted gasoline, he simply drove out to the yards and filled 'er up—himself.

Another *service* pioneered by Union was to open the doors of our garage on Sixth Street so that motorists could come in and buy a tankful of gasoline at a time, C.O.D. Business got so good that one boy spent most of his time just pumping gasoline.

The garage I mention was a small brick building on the corner of Sixth and Mateo streets, where Service Station No. 8 now stands. A crew of five or six people, including Superintendent C. G. Bussey, was kept busy working on cars belonging to Company executives and department heads. Some of the chain-drive classics of that day were the Locomobile, Stutz and Simplex. I believe that old garage can be numbered among the first retail gasoline outlets in America.

When the line of cars got too long for our garage, we built a little shack east of the Sixth Street office and installed two one-gallon pumps. Customers pulled alongside the curb and we stretched the gasoline hose across the sidewalk to give them a fill.

Finally, when cars got to backing up to our Sixth Street pumps all the way from Mateo street, we built old Service Station No. 8 down on the corner. It was the super service station of its day—with two driveways, five standpipes between the drives, and Bowser five-gallon hand-operated pumps inside the station building. It did a big business and eventually stayed open all night.

Our gasoline stocks came from Stewart Refinery, a



Union Oil tank wagons were noted for fresh paint and good horses. The drivers worked 12 hours a day, six days a week—because teams were so slow getting there and back.

few blocks west of Brea. It was not until after fire destroyed the Stewart plant that Wilmington Refinery got going.

We didn't sell much lube oil and grease at first—only a little Auto Oil, Axle Grease and Harness Oil. Even our 1910 Packard came equipped with "Eastern" oil dictums attached. But as the years rolled along, so did our Motorene, Diamond Motorene and Motorite. Even today's Aristo and Red Line lubricants had quite an early beginning.

The oils were shipped down in tank cars from Oleum Refinery. It was our job to package them either in oak barrels or in five-gallon tin cans. The barrels were bought from Hyman Levine, with whose cooperage firm we are still doing business today. We also had a cooper on the payroll to keep these wooden barrels in condition. A tremendous amount of refined oil was also sold in tin cans, which in turn had to be crated in wooden cases. It took the time of two men cutting, nailing and printing the wooden cases.

Our first steel containers were the 110-gallon variety we called drums. They weighed 900 pounds when full and were sure hard to handle. It was later that the 50-gallon steel barrel appeared.

Besides those already mentioned, I recall many colorful personalities who picked up experience and training in the old Los Angeles Yards: Sales Manager Harry Botsford to whom all our Special Agents in Southern California reported; Field Man Frank Albright, who was promoted to Area Manager in Imperial Valley; Credit Man Mackecnie and Salesman Gilholm, who later started a baking business and became part of the Langendorf Baking chain; Salesmen Black, LaJoie, Thurston; A. J. McVean, our first District Manager; Pipe Liner W. W. Hay, who later headed that department for the entire Company; Superintendent Eugene Power and Manager Kelson; and hundreds of others. They did the pick-and-shovel work on which America's finest marketing system is operating today. And it's been a great personal satisfaction to me to watch the success unfold.

ACTUALLY IT'S ALL WORK AND NO

HORSEPLAY

FOR OIL INDUSTRY PUMPING UNITS

PUMPING UNITS, moving patiently up and down at their production tasks in the oil fields, seem to stimulate people's imaginations.

They remind Bob Hagen, our ON TOUR cartoonist, of those *whaty'ma'call'em* birds we used to see so often dunking their beaks behind the plateglass of shop windows. To others they resemble chickens, prehistoric animals, or dogs. But to Homer Wright, who recently went on a photographic roundup in some of our fields, the units were horses. He saw them performing every act in the equestrian realm of behavior, and snapped the accompanying pictures to prove it.

To or three years ago, our Southern Division Field men drilled a group of wells in a suburban residential area near Whittier, California. In order not to offend the view of residents living on a hill above the wells, they started to plant a concealing wall of trees and shrubs around the closely grouped pumping units. Presently one of the nearby residents sent word down not to bother about the camouflaging. He didn't mind at all sitting on his front porch of an evening watching the silent units at work. The fact was he quite enjoyed it.

Photographer Wright's horsey view of the pumps is shared to some extent by oil men. They call the lifting head of the unit a *horse-head* and the cable attached to it a *bridle*. Also, some makes of units stand on *four legs* and all come equipped with a *saddle*. However, the stout back of the mechanical beast of burden is a *walking beam*, and the tail is a *pitman assembly* that attaches to counterweights and a motor.

Of course there's more to a pumping unit than meets the eye:

Most units produce their own power in the form of natural gas, which is used in the condition it emerges from the well or, more often, is first stripped of its *wet* or gasoline fractions before being piped back to the well site as a pumping fuel.

The *polished rod* seen moving in and out of the well head is attached by *sucker rods* to a pump on the well bottom, sometimes more than two miles deep. Each upward stroke of the pump produces something less than a gallon of crude oil. So a bright boy can count the strokes per day, multiply by something less than a gallon, and make a very bad guess as to what the well is worth.

A column of oil being pumped from some of the deeper wells amounts to a *beam load* or lift of over 30,000 pounds. Yet so perfectly counterbalanced are the units that a motor of relatively small horsepower can do the work.

Generally the size of a pumping unit is a good clue to the depth of a well, that is, the larger the unit the deeper the well. And if you should ask a purchasing man to estimate how much a pump for a given well would cost, he could come fairly close at present by converting the depth of the well in feet to dollars, or \$1 per foot.

Seldom do you see two units pumping at the same speed. This is no accident. Usually it's because crude oil flows through sand pores and into well casings at widely varying rates, and pump speeds have to be maintained accordingly. In other instances pump speeds are regulated to prevent *sanding up* or the accumulation of sand plugs on the well bottom.

We're inclined to agree with Photographer Wright that pumping units do look a little like horses. Also, they work like horses. A lot of horse sense goes into their development and operation. And because of 'em, America's horsepower has increased tremendously.

Horselaugh

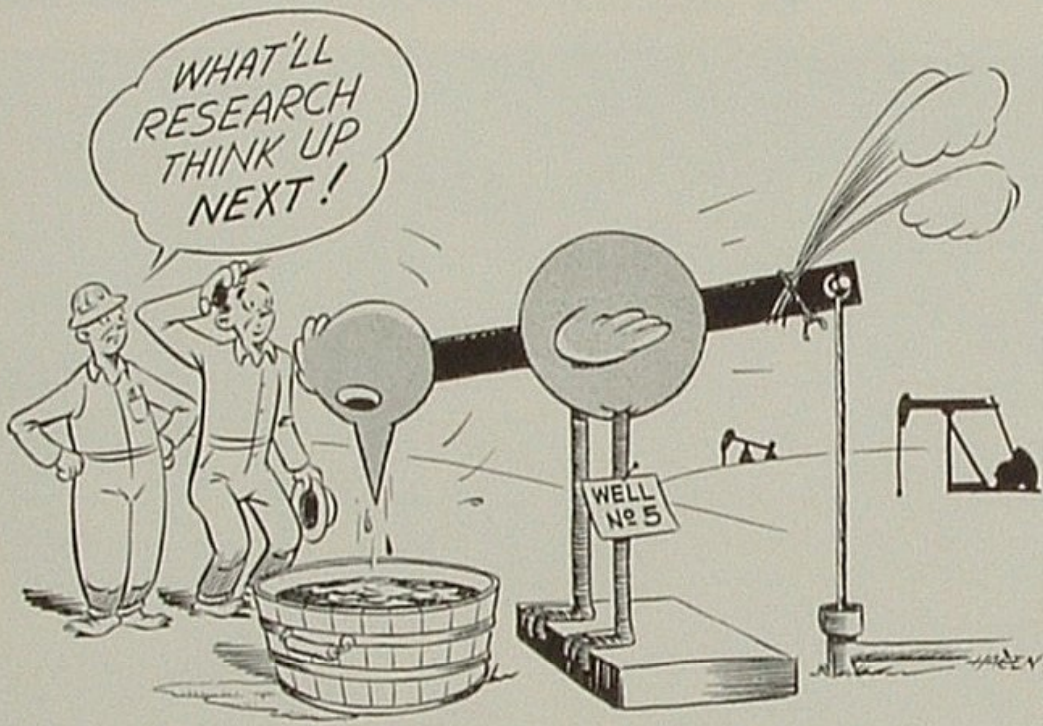




Horsefly



Circus Troupe



Staked Out

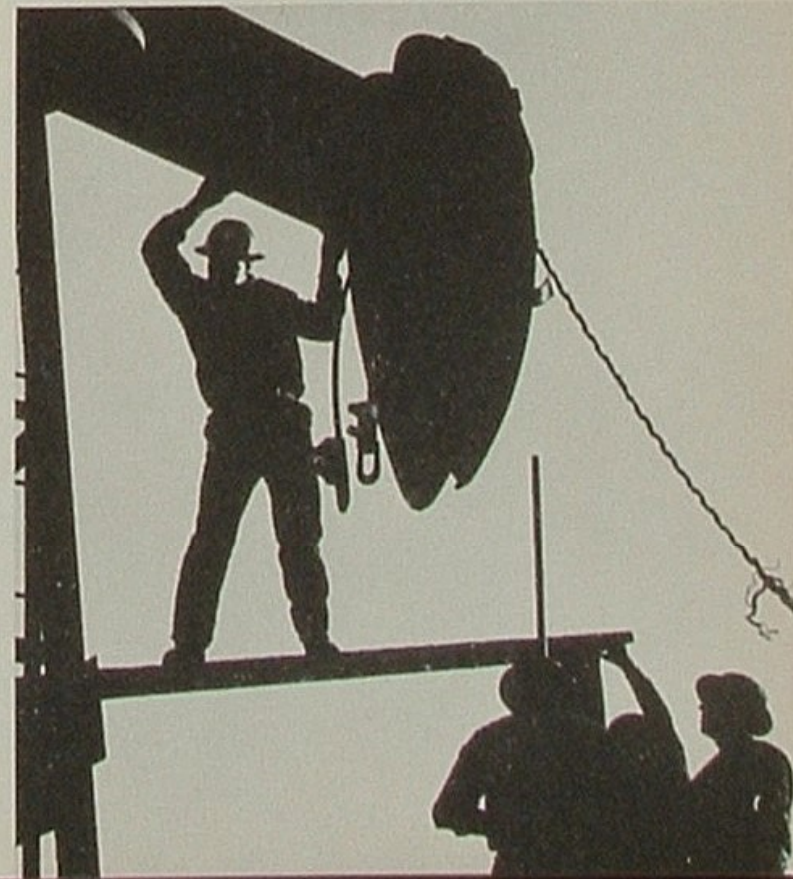


ON TOUR



Polo

Sick Horse



Union Oilers



IT RUNS IN THE FAMILY

Apparently George F. Herrman, Jr., manager of retail sales in Northwest Territory, isn't a man who puts aside his marketing enthusiasm at quitting time. At any rate, his two daughters Joyce and Judy are so completely sold on the New 76 that they consider it almost a public responsibility to do a little advertising. So, on a wintry day, when Seattle residents turn to catch a second glimpse of the pretty young ladies, they get quite an advertising surprise, left. Even the snowman, right, in the Herrman dooryard seems quality minded. Below are George, Joyce and Judy—obviously cooking up an advertising program for spring.

from Gudrun Larsen



MORE FIRSTS We missed having a photographer on hand recently when, for the first time in history, a Swiss ship entered Puget Sound and was bunkered by Union Oil Company. But when the freighter CYGNET marked up a similar first for a Liberian ship and was bunkered by Union Oil at Bellingham, Washington, we were Johnny-on-the-spot. In the photo upper left, First Mate Sypos Manesis and Captain John Carapiperis appear with Industrial Sales Engineer C. B. Mallory of Union Oil Company.

from Gudrun Larsen
ON TOUR

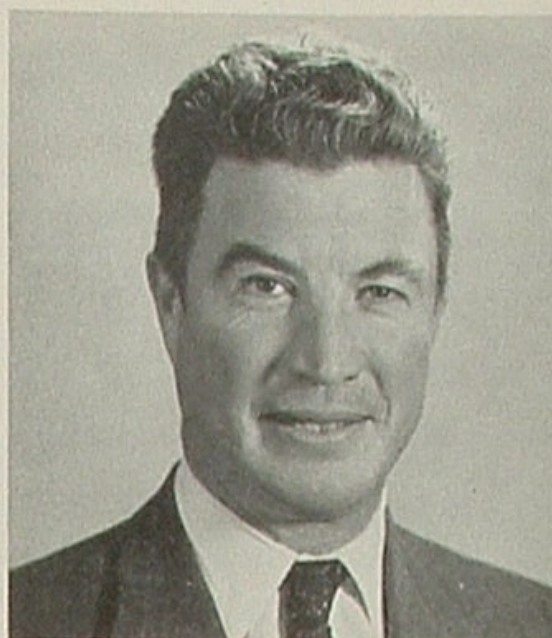


C. M. Gjerde

NEW BENEFIT PLAN ADMINISTRATORS

In a close election J. T. Ledbetter and C. M. Gjerde were named to the Board of Administrators of the Employees' Benefit Plan. There were eight votes tabulated for write-in candidates.

Mr. Ledbetter, who started work for the Company as a roustabout in 1933, is now superintendent of the Los Angeles Basin Division. Mr. Gjerde since his 1925 employment date has risen from tank truck salesman to supervisor of disbursements and payrolls in the Comptroller's Department. They succeed H. D. Aggers and A. L. Reed on the EBP Board.



J. T. Ledbetter

BEFORE THE WHISTLE

Trying on some of the responsibilities that will face them in years to come, nine Rodeo Boy Scouts were Chamber of Commerce officers-for-a-day on February 11. Part of their official calendar called for an inspection trip to Oleum Refinery, where Union Oil in the person of Stan Thomson (seated third from left) invited the party in to a refinery cafeteria lunch. Although all Boy Scouts are supposedly good boys, the young man second from left, middle row, is wearing a halo quite by photographic accident.

from J. R. Betts

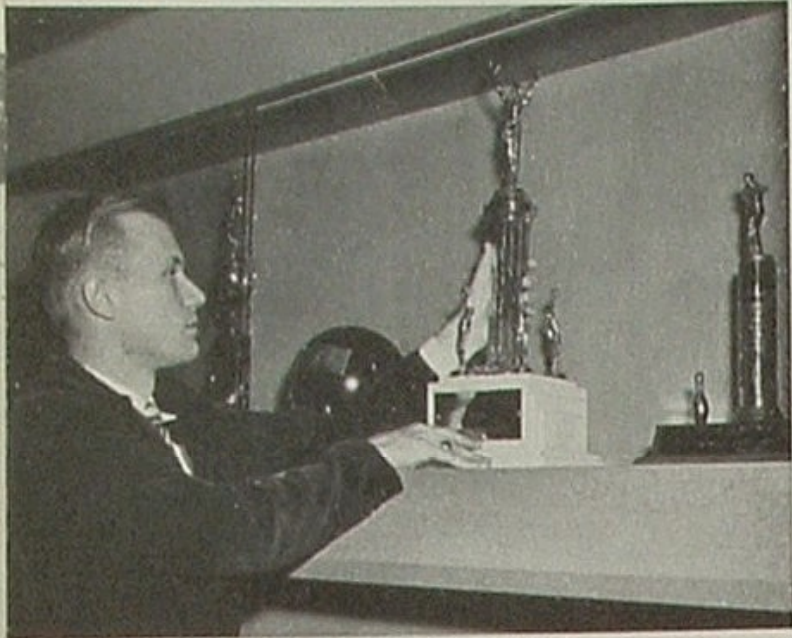


AFTER THE WHISTLE

At the Oleum Supervisors' Association inaugural dinner held on February 6, Art Smith was installed as president, Chet Frisbey as vice president, and M. S. McNamara as secretary-treasurer. Welcomed at the dinner were the retired Oleum supervisors appearing at right with the new president, namely from left, Claude Van Marter, Peter Miller, Wade Wetmore, Bing Miller, Art Smith, Charlie Ambrosier, R. J. Stafford and Chuck Carlile.

from J. R. Betts





CHAMPIONSHIP OR NO COUNT

Union Oil basketball teams seem

to be satisfied with nothing less than top spot in their respective leagues:

A Research Center team including, upper photo, from left, (standing) Tex Inwood, Abe Bullington, Jerry Lamb; (kneeling) Bob Burns, Dick Stegemeier and Bud Heath are champions of the Brea Industrial League. Captain Stegemeier is shown above adding their handsome prize to the Research Center trophy case.



Oleum's sharpshooters, center photo (standing), Milton Ritchie, Verne Gosney, Dave Davidson, Jack Nunes, John McKinnon; (kneeling) Neil Sheridan, Jr., Johnny Sikes and Sal Forcades, manager, are champions of the Richmond Industrial League and the Rodeo Invitational Tournament.

Representing Marketing's Los Angeles District are, lower photo, from left, Captain Bert Mathews, Bob Daniels, Bob Overpeck, Dick Pierce, Bud Thompson, Terry Anderson, Archie Walseth, Bob Burns, and Jerry Lamb, co-champions of the Los Angeles Municipal Industrial League. The appearance of two Research stars on the Marketing team is attributed partly to a transfer and partly to the Union Oil custom of consulting Research when in need of a few technical points.





SERVICE BIRTHDAY AWARDS

APRIL 1954

PIPELINE

Correll, Charles E., San Luis Obispo	40
Kernan, Walter P., Santa Fe Springs	30
Bardin, J. V., Santa Fe Springs	10
Estrada, William W., San Luis Obispo	10
Finstad, Chester W., Santa Fe Springs	10
Horton, George P., San Luis Obispo	10

MARKETING

Decker, Leon E., Coos Bay	35
Peterson, Albert J., Portland	30
Sather, Edwin L., Seattle	30
Van Kleek, Walter R., Beaverton	30
Aitchison, John, Yakima	25
Normoyle, Thomas W., Seattle	25
Rathbone, Charles E., Jr., Honolulu	25
Six, Kenneth F., Rosecrans	25
Svirbely, Emma R., San Francisco	25
Engen, Erling C., Spokane	20
Johnson, Elmer E., San Francisco	20
Martin, William S., Pasadena	20
Parker, Arthur G., Portland	20
Von der Hellen, Donald G., Seattle	20
Beyersdorf, Rudolph R., Seattle	15
Mealiffe, Alfred E., Fresno	15
Kent, John Stanton, Eureka	10
Schneider, Harold W., Los Angeles	10

EXPLORATION & PRODUCTION

Danieley, Howard, Richfield	35
Wensel, Gottlieb, Dominguez	30
Cox, Ambrose S., Santa Fe Springs	25
Montgomery, John Y., Dominguez	25
Anderson, John Ross, Bakersfield	20
Cobine, Ralph W., Dominguez	20
Fagan, Wilbur T., Dominguez	20
Gerlich, William P., Richfield	20
Munroe, Gilbert C., Dominguez	20
Dabney, James R., Jr., South America	15
Henley, Douglas S., Bakersfield	15
Hess, Glenn A., Bakersfield	15
Atkins, Lawton D., Orcutt	10
Wilks, Wann L., Ventura	10

COMPTROLLERS

Hadley, Russell D., Home Office	35
Nicholls, Lisle H., Home Office	30

MANUFACTURING

Emerson, Erroll E., Oleum	30
Munro, Fred C., Wilmington	30
Cobb, Kenneth L., Wilmington	25
Hayes, Oscar C., Wilmington	25
Miller, James H., Wilmington	25
Russell, Othir R., Oleum	25
Walker, Carl A., Wilmington	25
Forden, Earl R., Oleum	20
Murray, Berle T., Oleum	20
Wren, Jack F., Oleum	20
Gray, James V., Oleum	20
Basten, Clarence Wm., Oleum	15
Saunders, Leonard H., Oleum	15
Day, James E., Wilmington	10
Ferrario, Winifred B., Oleum	10
Link, Howard B., Wilmington	10
Loope, Edward T., Wilmington	10
Miller, William B., Wilmington	10

RESEARCH & PROCESS

Allen, Kenneth F., Brea	25
James, Ivor J., Jr., Brea	10
Spratt, Robert B., Brea	10

AUTOMOTIVE

Littell, Estel B., Portland	20
Foxen, Edward E., Santa Fe Springs	10
Lumms, Jack L., Santa Fe Springs	10

SECRETARIAL

Weld, Arthur S., Home Office	20
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MARINE

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OOPS!

Dear Editor:

May I be allowed to call attention to a minor error in ON TOUR's February story of "Montana's Oil Frontier?" It was Lewis, rather than Clark, who ascended Cut Bank Creek in 1806 . . . It was July 26, 1806 that Lewis and his men, on their return to the Missouri to meet Clark, had the perilous skirmish with the Indians, undoubtedly a close call for all concerned. See The Journals of Lewis and Clark, edited

by Bernard DeVoto, pages 433-470.
C. R. McEwen
Research Center

A thorough search of all records on the subject gives your newsboy the *dis-stink-shun* of being unique. Mine is the only account that places Clark in an Indian fight near present-day Cut Bank. It was Lewis—which fact mortifies me quite as much as it did the two dead Indians. Nevertheless, ON TOUR thanks you to the extent of a free lunch, collectible on sight of

The Editor

Retirements



A grateful Company and host of well-wishing employees are bidding farewell to the following Union Oilers who have concluded long careers of Company service and are retiring:

ARTHUR G. ROSEMAN

Southwest Territory
Employed 4/10/13—Retired 4/1/54

JIM E. HALLAM

Field Department
Employed 8/16/20—Retired 4/1/54

RONALD MACAULAY

Pipe Line Department
Employed 7/12/23—Retired 4/1/54

In Memoriam

On February 12, 1954
EUGENE A. WHITTEN
Southern Production
Retired 11/30/47

On February 28, 1954
WILLIAM ALLBEE
Southern Automotive
Retired 9/30/52

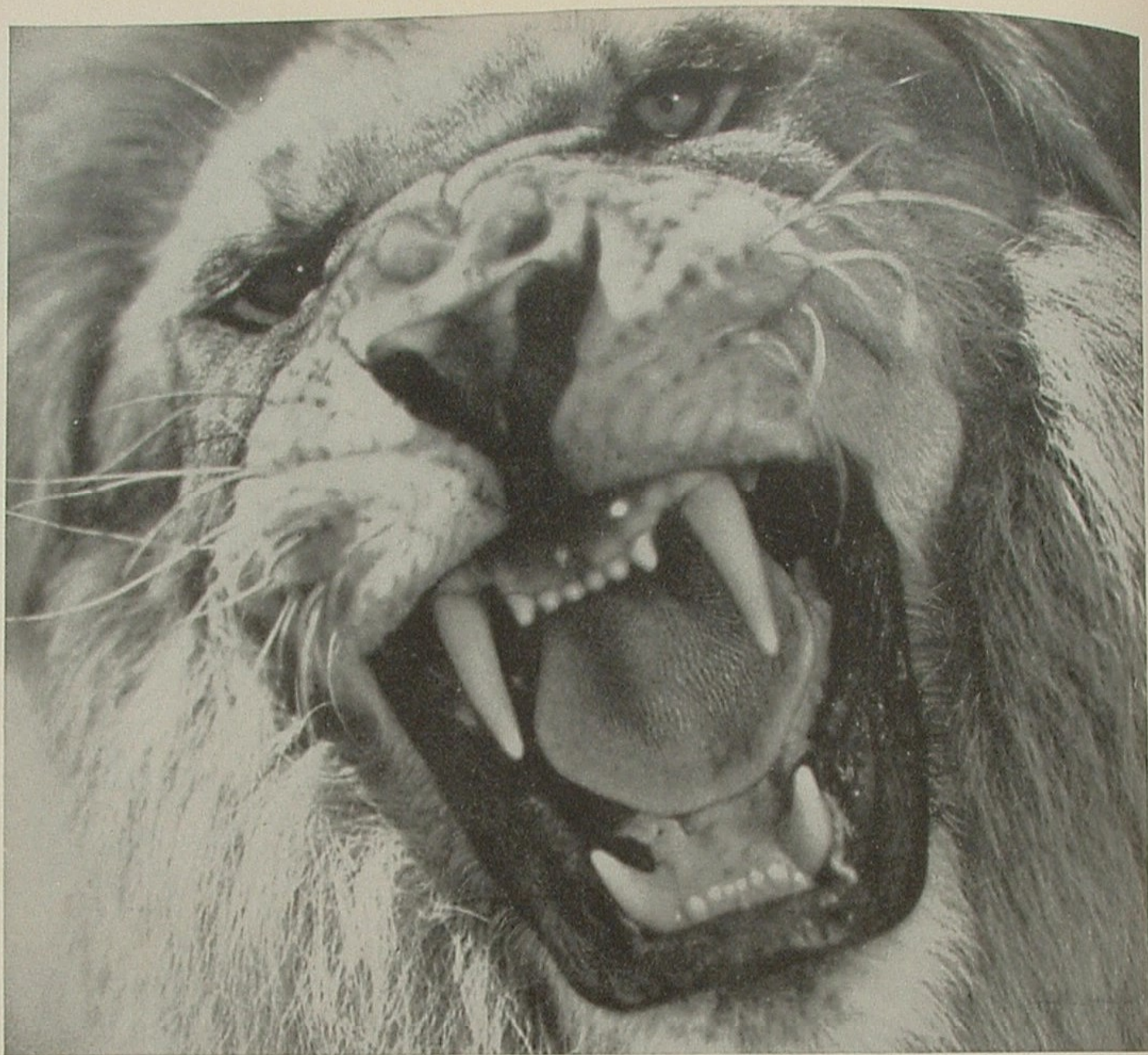
On February 28, 1954
RAOUL H. STARKE
Cut Bank Refinery

On March 6, 1954
HARRY B. FACKLER
Southwest Territory

On March 5, 1954
LEROY E. MORNINGSTAR
Comptrollers
Retired December 1, 1949

On March 19, 1954
JAMES B. FRAZIER
Northern Division Pipe Lines
Retired August 31, 1952

On March 23, 1954
ALBERT O. PEGG
Marine Department
Retired May 31, 1939



WHO GETS THE LION'S SHARE?

In 1953 the Union Oil Company of California did a \$325,103,000 business. That's big money. Who gets the lion's share of it?

The employees?

In wages and other benefits, 9,263 Union Oil employees earned \$55,564,000. The average per employee: \$5,998.

The tax collector?

He did all right, too. Federal and other taxes took \$21,821,000.

(This does not include \$55,239,000 additional in fuel taxes which we collected for the government.)

The stockholders?

No, the stockholders did *not* get the lion's share.


They were paid \$11,690,000 for the use of their money, plus a dividend of one share of common stock for each ten shares of common held. This profit was divided among more than 40,000 people.

Well, who did get the lion's share?

After we replenished working capital by \$20,088,000 (over and above the \$55,564,000 paid employees, the \$21,821,000 that went to the tax collector and the \$11,690,000 to stockholders), the lion's share—or \$215,940,000—was divided among more than ten thousand companies and individuals we do business with.

Some went for services. Some for materials. Some for wages.

But all of the lion's share of Union Oil's 1953 gross income was reinvested in the American economy. Maybe it helped make your job a better one.

UNION OIL 76 COMPANY
OF CALIFORNIA
 Buy American and protect your standard of living.