



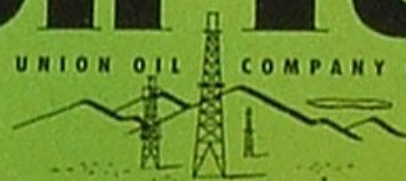
AT THE END OF THIS PIPELINE RAINBOW IS  
BREA'S ALUMINUM PRILLING TOWER, SOURCE OF

***Prilled Ammonium Nitrate***

January 1956

**On Tour**

WITH UNION OIL COMPANY OF CALIFORNIA





# On Tour



Volume 18, Number 1  
January 1956

## In This Issue

- page 2  
**PRILLED AMMONIUM NITRATE**
- page 8  
**PAULINE THOMPSON, CONSIGNEE  
FOR HEROISM**
- page 11  
**YOU'RE CORDIALLY INVITED**
- page 12  
**WATCH IT GROW!**
- page 14  
**INDUSTRIAL SUMMARY**
- page 17  
**THE PEOPLE BUSINESS**
- page 20  
**IN FOCUS**
- page 22  
**C. E. SWIFT**
- page 23  
**SERVICE BIRTHDAY AWARDS  
RETIREMENTS—IN MEMORIAM**
- page 24  
**THE AMAZING ROYAL PURPLE  
MOTOR OIL**

**"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  
R. C. Hogen, Assistant Editor

## Prilled Ammonium

**IS BREA CHEMICALS' NEWEST PRESCRIPTION FOR ONE OF AGRICULTURE'S**

from Robert S. Ray

**F**OR an observer who notices the recent plant expansion of Brea Chemicals, Inc. and laments the loss of a few acres to an industrial plant—we have news. He should learn that on this small tract are being produced each month plant foods for more vegetables, hay, grain and other crops than a farmer could hope to grow here in thousands of years.

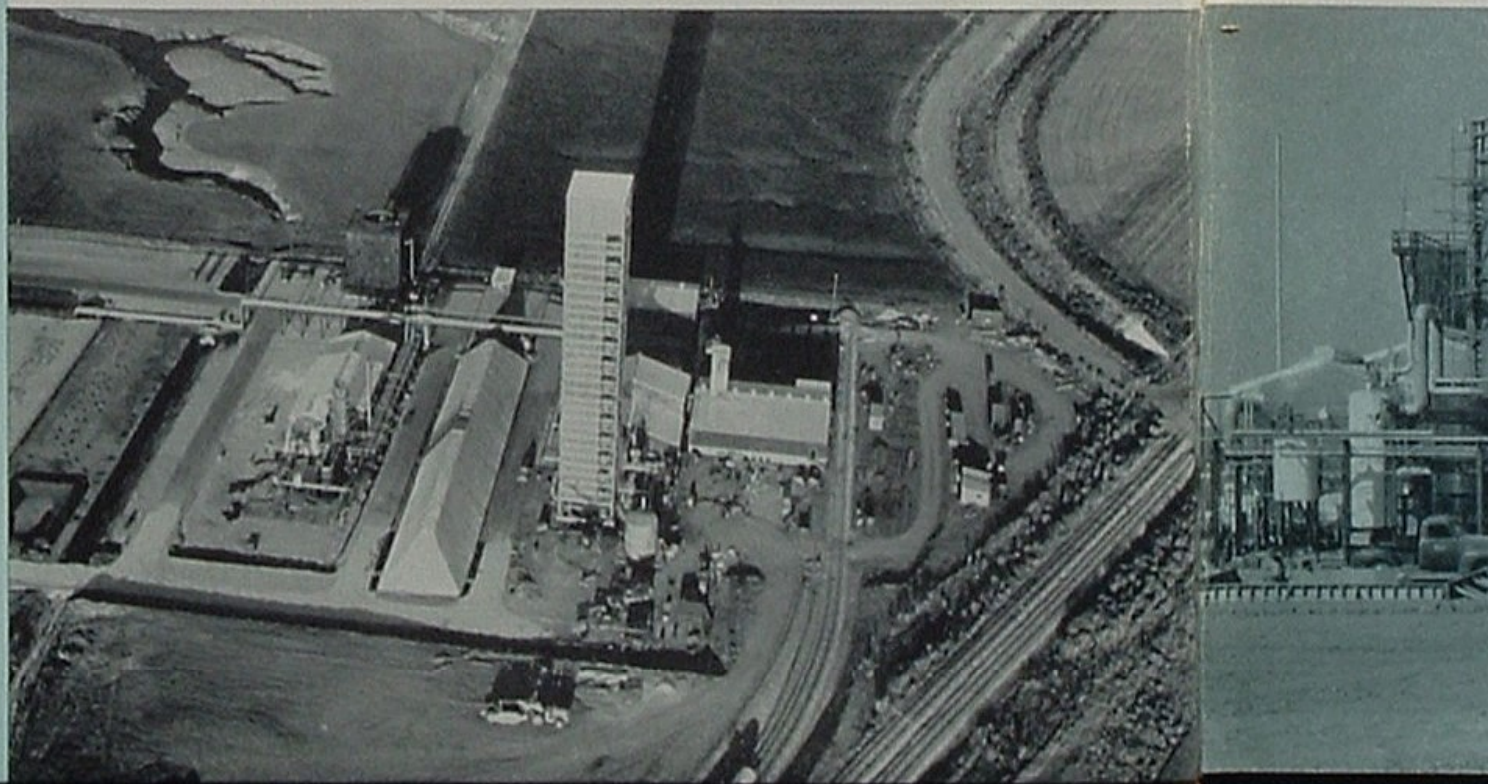
Actually the fertilizers being manufactured by Brea are accounting for a better quality of crops and greater yields of agricultural produce throughout the West and in Hawaii. Furthermore, vast areas of marginal soil in the western United States, Canada and Mexico await only the application of Brea's nitrogen fertilizers to become fertile and highly productive.

Here is a sequel to the story of aqua ammonia, first told in the April, 1954 issue of ON TOUR under title of "Raising Cane in Hawaii":

Since developing Brea aqua ammonia and successfully marketing it early in 1954, Brea Chemicals, Inc. has greatly expanded its products and services. To the original aqua ammonia and anhydrous ammonia products have been added an industrial aqua ammonia, ammonium sulfate, ammonium phosphate solution, dry ice, and liquid carbon dioxide. Now comes prilled ammonium nitrate, the manufacture of which also enables Brea to supply two varieties of nitric acid and three concentrations of ammonium nitrate solution. With new facilities scheduled for completion early in 1956, Brea is in the market with 13 chemical products, the bulk of them headed to the rescue of nitrogen deficient farm lands.

At our mention of prilled ammonium nitrate, people generally ask

*Some of the first prilled ammonium nitrate manufactured by Brea Chemicals, Inc. is examined at right by Joe Rosio and J. W. Buddenberg, who assist in supervising plant operations. New facilities required, seen below and at right, include a prilling tower, said to be world's tallest aluminum unit.*



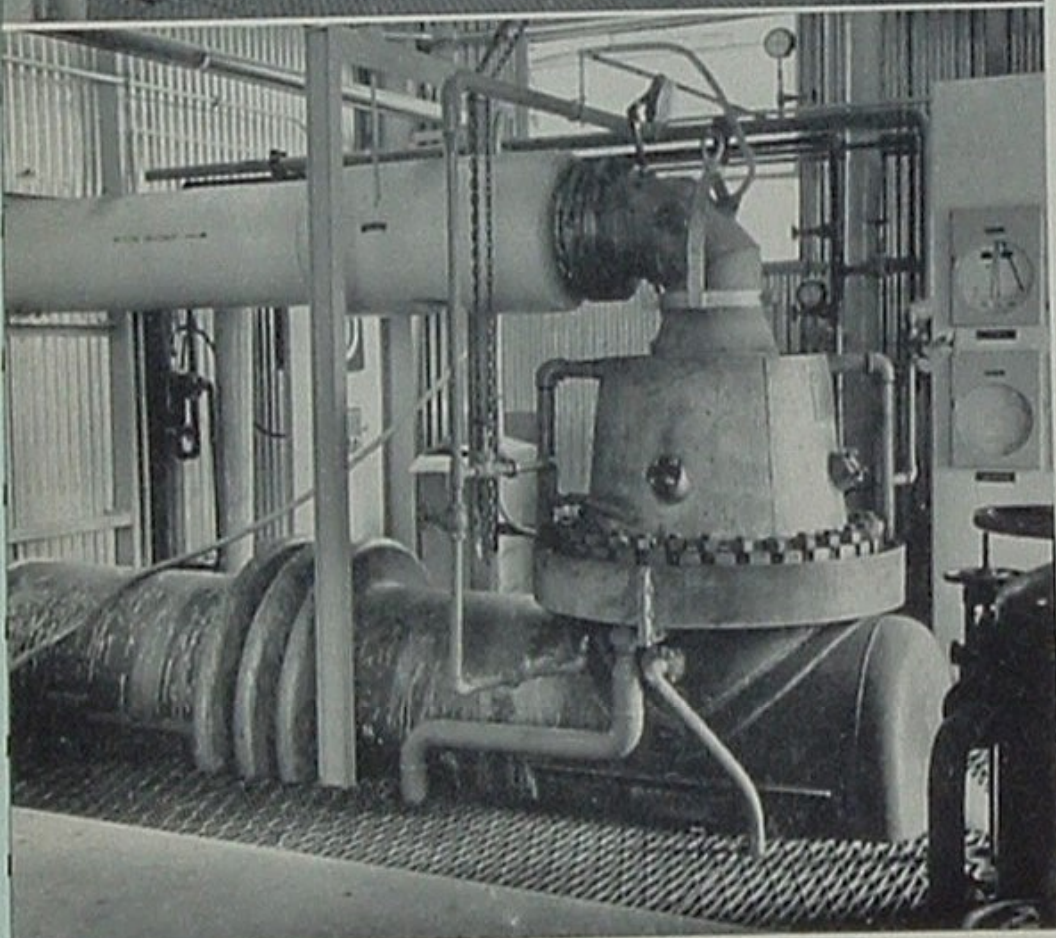
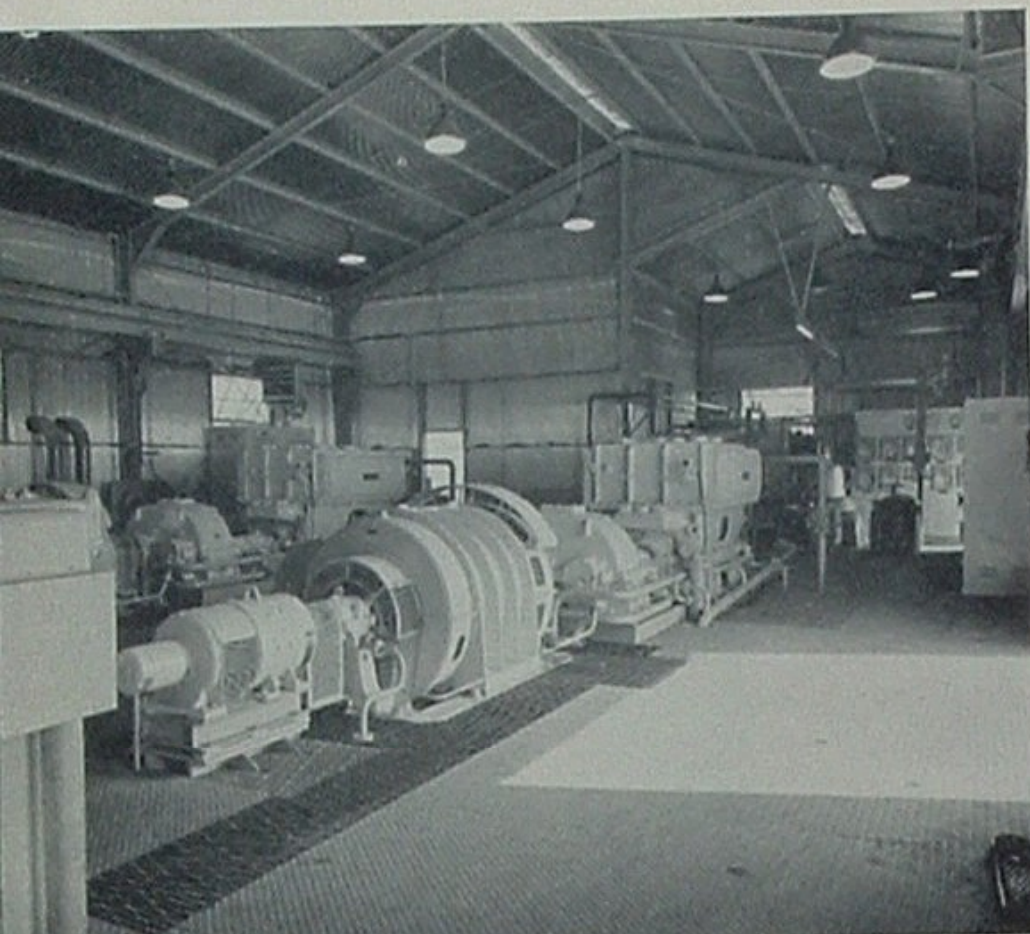


# Ammonium Nitrate

OF AGRICULTURE'S ILLS — NITROGEN DEFICIENT SOIL







High-speed compressors (top photo) are used to compress large volume of air prior to its being combined catalytically with ammonia in the reactor (above) to form nitric oxide. At right, chemists Glen Farris and Bill Wright install a fresh pad of catalyst in the reactor. The 30 sheets of gauze comprising this pad are 90 per cent platinum and 10 per cent rhodium, costing a total of \$25,000.

three questions: What is ammonium nitrate? What are its advantages over other fertilizers? And what do you mean by "prilled"?

Chemically, ammonium nitrate is made up of three elements—oxygen, nitrogen and hydrogen. Although each of these elements in its pure state is a gas, their chemical combination into ammonium nitrate results in a solid at atmospheric temperatures. As is true of other nitrogenous fertilizers, ammonium nitrate is valuable to the soil only for its nitrogen content; the other two elements merely aid in conveying essential nitrogen to the root systems of growing plants.

The advantages of ammonium nitrate over other fertilizers are two-fold. First, ammonium nitrate is richer in the essential element than most products, containing a total plant food value of 33.5 per cent nitrogen. Secondly, it contains in equal proportion two types of nitrogen, *nitric* nitrogen and *ammonic* nitrogen. Nitric nitrogen has the characteristics of being completely mobile and immediately available to growing plants; that is, it flows freely with moisture through the soil and is consumed immediately by plant roots. Ammonic nitrogen, on the other hand, adheres to clay particles in the soil—becomes fixed or immobile until soil bacteria attack and convert it to nitric nitrogen. Ammonium nitrate therefore supplies the fast-acting stimulation often so important to growing crops and also provides a reservoir from which the plants withdraw nitrogen over a relatively long period of time. Furthermore, it can be drilled into the soil, broadcast with spreaders, applied by airplane, or dissolved in water and distributed through all types of irrigation systems.

By "prilled" ammonium nitrate we mean that the fertilizer is manufactured in the form of small, round particles about the size of bird-shot in shotgun shells. This accounts for Brea's "prilling tower," an all-aluminum structure rising 200 feet above ground and said to be the world's tallest aluminum process plant. Herein the hot ammonium nitrate in liquid form is sprayed through a series of shower-heads near the ceiling of the tower. Descending against an upward draft of air, the am-







*At the top of Brea's prilling tower (left), Jim Nelson adjusts one of the shower-heads from which droplets of hot ammonium nitrate begin their 200-foot descent through an updraft of air. The droplets solidify into prills; are dried, screened and coated with diatomaceous earth in the rotary equipment (seen below); and finally are packaged in 80-pound, polyethylene-lined bags (lower photo).*

monium nitrate droplets cool and solidify into prills. After drying and further cooling, the prills are coated with diatomaceous earth to prevent their absorption of moisture from the air and to give them free-flowing advantages throughout their packaging, storage and application stages. Prills of uniform size assure a more even distribution of fertilizer in a field; minimize loss of the product due to wind or "prop wash" when applied by airplane; and permit application by practically all types of drilling or spreading equipment currently used in American agriculture.

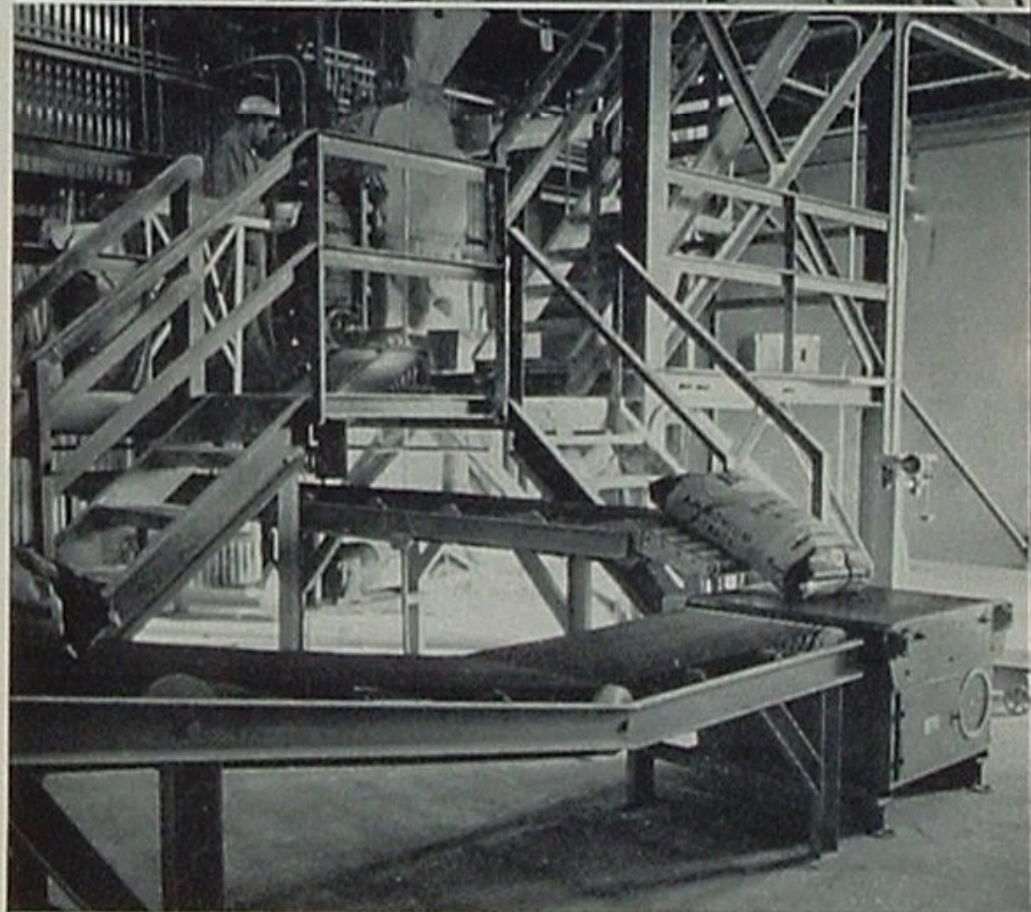
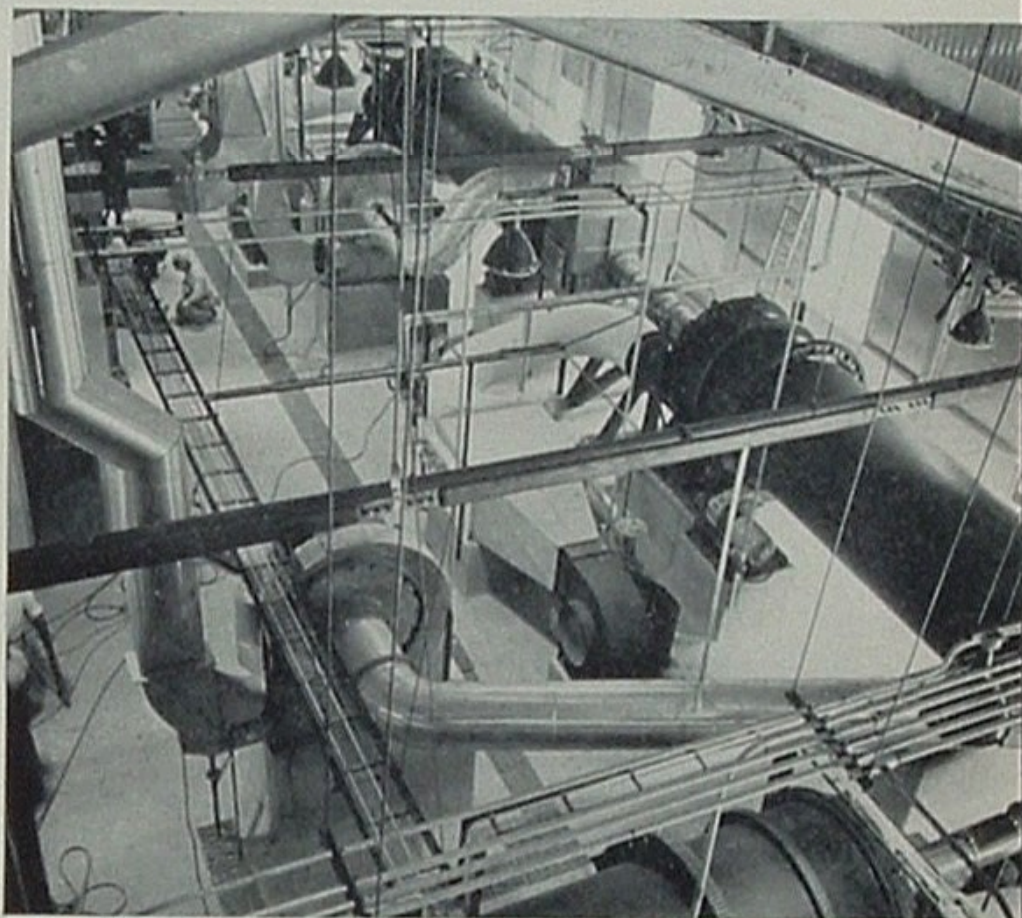
### HOW IT'S MADE

In the August, 1954 issue of ON TOUR it was explained how Brea units take nitrogen from the atmosphere, hydrogen from steam and natural gas, and combine them catalytically at high temperatures and pressures to produce ammonia ( $\text{NH}_3$ ).

To make ammonium nitrate, the next step is to react anhydrous (gaseous) ammonia with atmospheric air in the presence of a catalyst.

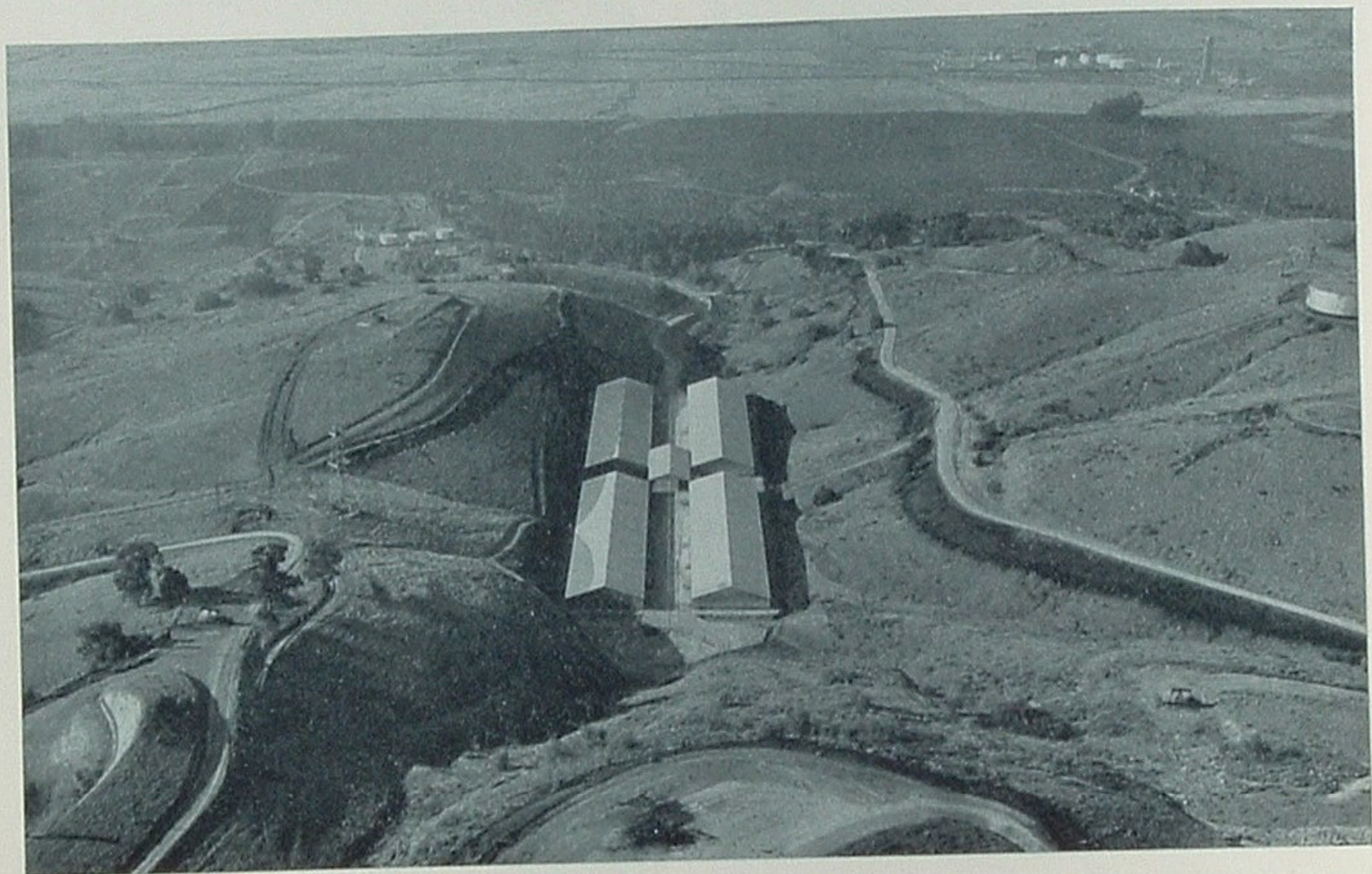
Equipment used at Brea in this step is interesting in itself. Large centrifugal air compressors imported from Switzerland operate at a speed of 11,000 revolutions a minute to supply the volume of compressed air needed. The reactor, where the reaction of air and ammonia takes place, contains a 3/8-inch-thick pad of metallic gauze. The 30 layers of gauze comprising this pad are 90 per cent platinum and 10 per cent rhodium, and cost a total of approximately \$25,000. Very little of the platinum, which serves as a catalyst, is lost during the reaction. However, the gauze has to be removed periodically and regenerated through an acid pickling process.

Within the 3/8-inch thickness of platinum catalyst the ammonia and compressed air burn to produce nitric oxide ( $\text{NO}$ ) and water vapor. Upon cooling, the nitric oxide is further oxidized with air to form nitrogen dioxide ( $\text{NO}_2$ ). Then when nitrogen dioxide is absorbed in water, the resulting product is nitric acid ( $\text{HNO}_3$ ).





*During seasons of slack demand Brea trucks (right) move the ammonium nitrate to four immense warehouses constructed nearby among the hills of Union Oil's Stearn's Lease oil field (below).*



*Each of the warehouses is longer than a football field and in all four can be stored 250,000 bags of fertilizer.*

*Loading of the product for shipment to western buyers is facilitated by the use of wooden pallets and lift trucks.*





In the Ammonium Nitrate Solutions Section of Brea's new plant the nitric acid is reacted with additional anhydrous ammonia to form a solution containing 83 per cent ammonium nitrate. This solution is further concentrated by evaporation under vacuum to a 95 per cent ammonium nitrate. It is this hot 95 per cent solution that is sprayed downward through the prilling tower as previously explained. On leaving the tower, the prills pass through rotary dryers to remove their remaining 5 per cent of water; are cooled in a rotary cooler; screened to remove off-size material; coated with diatomaceous earth; and packaged in 80-pound, polyethylene-lined, multi-wall bags to assure exceptionally good long-term storage qualities.

### STORAGE

The new plant was designed to handle a large volume of product with minimum manual labor. From packaging and automatic weighing machines, the bags of fertilizer proceed by machine conveyor either to railway cars or freight trucks. Similar handling economies are important throughout the product's distribution, as it competes in price with other solid fertilizers on the basis of net nitrogen content.

Since there are varying seasons or peaks of fertilizer demand, Brea can maintain a steady manufacturing rate only by incorporating large storage facilities in its program. Accordingly, four warehouses have been constructed—each longer than a football field—in which a total of 20 million pounds or a quarter-million bags of fertilizer can be stored. These steel and aluminum warehouses, equipped with automatic fire-extinguishing systems, are located among the hills of Union Oil's nearby Stearn's Lease as an extra precaution against the extremely remote possibility of fire or explosion. Actually, because of Brea's manufacturing and handling methods, the insurance rates applicable here are lower than those in effect on the average grocery store.

In all other respects the new Brea unit sums up as an asset to Orange County and California. In the nitric acid plant is a fume eliminator, which prevents pollution of the atmosphere by decomposing nitrogen oxides in the effluent gas to form nitrogen and water vapor, both of which are normal components of the atmosphere. Even the 100,000 cubic feet per minute of air passing out the prilling tower is scrubbed with dilute ammonium nitrate solution for the complete removal of any dust it contains.

The appearance of the plant, its employment opportunities, its industrial importance and its value to western agriculture at a production rate of 50,000 tons of prilled ammonium nitrate a year—all combine to make this one of the major 1955 accomplishments of Brea Chemicals, Inc. and the parent company, Union Oil.

#### ON TOUR



*Brea's prilled ammonium nitrate is already finding a good market in the agricultural areas of western America.*



*Above, the prills are being conveyed to the hopper of a California "crop duster;" below, the airplane drops its load of fertilizer on a crop thirsting for vital nitrogen.*







*Pauline Thompson, above, Union Oil consignee at Republic, Washington, credits her sales success to specializing in the "finest" of everything, including fine customers.*

*Among her many loyal Union Oil customers are A. H. Bremner, above, who in 1954 was voted "Cattleman of the Year" by the Washington State Cattlemen's Association.*

REPUBLIC'S BUSIEST OILMAN IS

## PAULINE THOMPSON, CONSIGNEE

*In the Danville area at the Canadian border, Consignee Thompson takes an oil order from Joe F. Blakely, storekeeper, postmaster and dispenser of Union Oil products.*



*With W. C. Bangs and Sylvan Merritt, owners of the M. B. Logging Company, the saleslady carefully checks Union Oil "specs" before recommending proper gear lubricants.*







Robert C. Hinton of Black Beach Resort on Curlew Lake, who caters to fishermen, shows keen interest as Mrs. Thompson points out advantages of Royal Triton 10-30.



Appreciative of steady customers, the lady consignee pays a neighborly visit to T. R. McKeen of Fairview Creamery, who has sold Union Oil products since 1930.

from M. E. Nichols, District Sales Manager

**I**N rugged Ferry County of Washington—where virgin timber, cattle ranches and good hunting country dominate the scene—you would expect to find Union Oil Company represented by a pretty robust specimen of man. Well, the only word in that description that really fits our consignee is *pretty*. Pauline Thompson will probably object to our saying so but, as the pictures will prove, she is pretty and personable—a gracious type of woman who is well liked by everyone she meets.

Consignee Thompson, moreover, knows better than to wait at the plant for business to come of its own accord. Aggressive salesmanship since her appointment as consignee in 1950 has increased the station's sales of gasoline 36%, of lube oils 80%, and of grease 45%. Her formula for creating one of the top marketing stations in the Spokane District is to *give 'em the finest*—not only in products but in service and solicitation.

If you prefer a formal studio picture of Mrs. Thompson, it couldn't be arranged. Her studio is the logging camp, the lumber mill, the cattle ranch, the local store—or wherever petroleum products might be needed to keep Republic's wheels rolling. We proudly introduce Pauline Thompson giving the sales *pitch* to some of our very good Union Oil customers.



Even the more technical aspects of petroleum marketing do not thwart our Republic consignee. Above, she discusses the fueling and lubrication of logging trucks with B. W. James. Below, she offers a lumber mill lubrication plan to Ron and Don Bowe of San Poil Lumber Company.





## A. P. I. MERITORIOUS SAFETY AWARDS GIVEN TO LOS ANGELES REFINERY MEN

# For Heroism

from R. L. Lightfoot

ON Saturday morning, December 11, 1954, a quantity of highly toxic hydrogen sulfide gas was released from the sewer system at Los Angeles Refinery's gasoline treating unit. The poisonous gas apparently was generated by accidental contact between an acid solution and iron sulfide in the system.

So potent and quick-acting was the invisible gas that two operators and a foreman were overcome before they could realize their danger. Two immediately lost consciousness and the third was stricken helpless.

Refinery people are trained to be extremely cautious in gas-contaminated areas—particularly when hydrogen sulfide is the offender. It can be generated whenever an acid solution comes in contact with such iron-sulfide substances as the rust or scale in a pipe line. For a man to inhale air containing as little as 700 parts per million of this poison can be immediately fatal. So any evidence of hydrogen sulfide on the loose is a signal for everyone to move out of the contaminated area.

On the morning of December 11, however, three other men working in the gasoline treating unit heeded a higher impulse than that of assuring their own safety. Noticing the plight of their fellow workmen, and sus-

pecting hydrogen sulfide as the cause, all three ran to the rescue. By the risky stratagem of holding their breath in the suspect area, they carried out the two unconscious men and led the third to safety. The rescuers then applied artificial respiration to all three victims, thereby lessening the toxic effects of the gas and reviving the two unconscious men by the time medical help arrived. After several days under observation in the hospital, the victims were pronounced out of danger.

"A gold medal and accompanying certificates will be presented to any person affiliated with the petroleum industry who, in the line of his duty on or off the job, saves a life either because of an act of heroism which involved the risk of his own life, or because of the successful administration of first aid." So states the American Petroleum Institute in describing the qualifications of anyone receiving its Meritorious Safety Award.

On Friday, November 11, 1955, at a Los Angeles Refinery luncheon, these API gold-medal awards were presented to James R. Best, Rex A. Luard and Laurence N. Mulcahy. And through this printed medium of recognition is added the gratitude and esteem of all who comprise Union Oil Company.



From left, James R. Best, Laurence N. Mulcahy and Rex A. Luard receive through Manager H. C. Meiners of Los Angeles Refinery the API's gold medals for life saving.



# YOU'RE CORDIALLY INVITED



**TO DANCE WITH UNION OIL PEOPLE  
AT THE AMBASSADOR HOTEL,  
LOS ANGELES ON FEBRUARY 10TH**

**Y**ES'M and yessir, everybody's invited. Doesn't matter whether you're an employee, director, consignee, dealer, relative of one or friend of one. If somehow you can qualify as a Union Oiler and get within driving distance of Los Angeles, you're in!

Come stag, come in couples, come in carloads! Makes no difference what you wear—office dress, formal gown, tails or last year's double-breasted. Just bring along your dancing shoes, get there Friday by nine, and start having yourself a wonderful time.

The place is the beautiful new Sunset Room—Ambassador Hotel—3400 Wilshire Boulevard—Los Angeles. The time again—February 10, 1956 starting at 9 p.m. The music—Carroll Wax and his outstanding orchestra. The tariff—\$1.50 per person or two for three bucks. It's all for fun, but if there's any money left over, the Girl's Club will send it along to the Hathaway Home for Children.

We'll see you at the Ambassador February 10th!



*Pulling every trick to make the February dance a big success are, from top, Edith Levasseur and Lewis Howard; Bandleader Carroll Wax, Dance Committee Darlene Orth, Margaret Vincze, Arlene Merrill, chairman, and Vocalist Betty Perry; at right, Alice Bateman, Sally Bermudez and Bob Hagen.*

**ON TOUR**







# Watch

*To make room for the new Union Oil Center, an entire block of homes and apartments (top photos) had to be purchased from their many property owners and removed.*

August  
**1**  
1955







October

1

1955

### GROUND-CLEARING AND EXCAVATION COMPLETED FOR UNION OIL CENTER

## t Grow!

**T**HE wide interest shown in Union Oil Center, new home office headquarters now under construction in Los Angeles, prompts this second in a series of pictorial reports as the work progresses. As shown, all former buildings have been cleared away; excavation for the

three-level underground parking garage is scheduled for completion by January 1; and some steel has been driven to give the project a secure footing.

Only two minor natural obstacles were encountered during the excavation: A small sub-surface stream of water was discovered, requiring installation of a drainage line. And a narrow seam of soft, diatomaceous earth dipping steeply through a portion of the site had to be bolstered by a few extra lengths of steel piling.

As the \$20,000,000 building project is rising near an apartment district, everything possible is being done to minimize construction annoyances. Generally, our new neighbors are most understanding and cooperative.

December

1

1955







# INDUSTRIAL SUMMARY

• **MANUFACTURING** The manufacture of present-day motor gasolines requires the blending in very precise quantities of about eight gasoline stocks and other components. Oleum Refinery recently installed equipment which will permit continuous blending of all these components simultaneously at the rate of about 5,000 barrels per hour. The key to this operation is proportioning equipment, which accurately measures each component. This blending system will permit faster production, more accurate blending and safer operation in the manufacture of finished gasolines.

Los Angeles Refinery laboratory has installed an emission spectograph. This instrument, usually associated with research laboratories, is used to determine the presence and approximate quantities of metals and other elements in a substance. One of its specific uses is to deter-

mine the various metals present in feed stock for the Fluid Catalytic Cracking Unit. California crude oils contain traces of many metals such as vanadium, copper and nickel which, even in minute quantities, may poison the catalyst, rendering it unfit for further use and necessitating replacement at a cost of several hundred thousand dollars.

*from K. E. Kingman*

• **TRANSPORTATION & DISTRIBUTION**

Hereafter, automobiles purchased for Company service will have automatic transmissions as standard equipment. Exceptions will be made of vehicles required for service in those mountainous areas where a manual gearshift provides better operation.

Increased demand for tanker tonnage worldwide has caused the reactivation of most surplus tankers that have been in lay-up during the past two years. In August, 1954, there were 99 U. S. flag and 170 foreign flag tankers in lay-up—a total of 269 idle vessels. At the end of November, 1955, this figure had been reduced to 23 vessels. As a result of this increased demand for tanker transportation, the rates charged in the open charter market have increased very substantially. Since part of Union Oil's tonnage requirement for delivery to Central and South American terminals is normally secured on the open market, this increase in rates will result in higher shipping costs to those terminals.

*from E. L. Hiatt*

**14½ DAYS IN THE MAKING**

A new record for Union Oil Service Station construction was established in September, 1955 when No. L-4118, at left, was constructed at Glenoak and Keeler Streets, Burbank, in 14½ working days. Our previous record for such a unit, we believe, was 20 days. Our construction supervisor on the project was Fred S. Fiedler; Myers Brothers were the general contractors; Calcor Corporation contracted the steel; Holman & Powell did the paving; and the painting contractor was Darrel T. Stuart.

*from T. W. Proudfoot*





## ● EXPLORATION

The year 1955 has already been established as a successful one in the Company's exploratory operations. New areas of crude oil production have been discovered in all of our domestic divisions, as well as in Canada. Two of these are of special significance, namely, the Oil Creek Field, San Mateo County, California, and the Hugoton Embayment area of the Texas and Oklahoma Panhandles. Discoveries made by the Company in 1955 established the first production we have enjoyed in these areas. Statistics indicating "success" ratios and other indices of the extent of exploration operations during the past year will be discussed as they become available.

*from Sam Grinsfelder*

## ● MARKETING

The Federal contract award on Jet Fuel for the six months beginning October 1, 1955 was 2,500,000 barrels instead of the 1,000,000 gallons inadvertently reported in the October issue. National and Refinery Sales announce an additional award of 15,000,000 gallons of Diesel Fuel to be delivered to the military during the first six months of 1956.

The recent opening by the Company of a new two-bay, extended canopy type service station, occupying three-quarters of a block opposite the Multnomah Hotel in Portland, highlights our continued retail expansion at strategic locations on the West Coast.

The outstanding success of the sales-training trailer program has prompted the Marketing Department to provide an additional new trailer unit in the Central Territory.

Eastern Continental Territory reports the opening of a new regional office in Dallas, Texas, bringing the total regional offices in this territory to six and reflecting a continued expansion of business in eastern markets.

The economies realized from handling bulk products and blending and packaging lube oils at our terminals in

## ASPHALT FOR KOREA

*Oleum Refinery is supplying several shiploads of asphalt destined for the building and rebuilding of streets in Seoul, Pusan, Inchon and other cities of Korea. Shown with the first thousand tons to leave San Francisco aboard the CALIFORNIA BEAR in September are, from left, John Judge of the U. S. Department of Commerce, D. M. Gordon of Pacific Far East Lines, Keun Hyun and Chester Chai of Far East Marine Transport Line, Consul General Dr. Young Han Choo of the Republic of Korea, Dagmar Matson and Frank Jacobs of Union Oil, and Manager Karl Mertz of Connell Bros., Co. Ltd.*

Los Angeles and Portland have pointed to establishing similar distribution facilities in the Central Territory area. We have purchased a parcel of land on deep water in the East Bay area and are engaged in engineering studies.

The Annual Dealer Meetings in our western marketing area and Distributor Meetings in Eastern Continental Territory are in full swing this month. These meetings provide our representatives with our sales promotion and advertising programs for 1956.

*from Roy Linden*

## ● PRODUCTION

Although annual production statistics are not yet available, indications are that the Company's production of crude oil during 1955 reached the highest point in our history. Despite the obstacle of enforced curtailment, our West Texas and Canadian Divisions were successful in steadily increasing crude production during the year, and we are expected to record further advances during the coming year. California continued to produce at the very high levels of recent years. Additional cuts in producing rates ordered in 1955 by the Louisiana Department of Conservation in that state prevented the Gulf Division from recording the production gains that normally would have been expected from a successful program of development operations.

With the development of new producing areas, which entered the picture during 1955, it is believed that 1956 will be another year of high-level production.

*from Dudley Tower*





## ● PURCHASING

An extremely close balance is being maintained in supply and demand for steel. Steel mills are operating at practically 100% capacity, and orders are being taken for the second quarter of 1956 for oil country tubular goods.

Pressure for further price increases is mounting. Cold rolled strip has been increased two dollars a ton. Several mills have announced price increases on "extra" operations. As long as drilling and construction activities continue at their present high rate, no price relief is expected. Present high prices and any future increases will be reflected in further increased costs in all industries dependent on steel supplies.

*from C. S. Perkins*

## ● COMPTROLLER'S

A central reference library of business books and magazines was started in December by the Comptroller's Department's Training and Development Division. The library collection is built around a center of accounting and auditing publications, but also includes a good selection of works on management, human relations and other business subjects. A time-saving feature of the library set-up is that not all material is concentrated in one room; books and magazines frequently referred to in certain offices are located where most needed. Furthering the Division's aim of training and developing employees, catalogs and bulletins from local colleges are maintained up-to-date. While the library is assigned particularly to Comptroller's Department people, each of whom has been mailed a catalog, requests from other departments will be welcomed.

The fourth Comptroller's Supervisory Training Program started November 15 and will continue through next May. It includes an orientation program for two groups of employees who have not previously participated. Of the 155 people involved, 39 are enrolled from other departments. All are divided into nine groups, each of which convenes for 10 one-and-one-half-hour sessions. The program is part of a continuing Company effort to keep Union Oil supervisors up-to-date on modern and generally accredited concepts and techniques of supervision as they relate to our daily work situations.

*from Max Lorimore*

## ● RESEARCH

The Company has signed an agreement with Idemitsu Kosan Company, Ltd. of Japan to employ the Unifining process. The licensee expects to process about 3,000 barrels per day. Other licenses outside the United States have been issued to companies in Australia and Germany. At the present time approximately 40 plants have been licensed to use the Unifining process, and interest continues to be active both in the United States and abroad.

*from Fred L. Hartley*

# BE IT RESOLVED-

*AT* the beginning of the year 1956—

*THAT* we the people of the United States re-dedicate our lives to the preservation and strengthening of the basic foundations of human freedom, as set forth in the Constitution of the United States and its Bill of Rights—

*THAT* we elect or return to public office only competent and patriotic American citizens—devoted, above party allegiance and personal ambition, to the nation's development and to the strengthening of the character and moral fiber of the American people—

*THAT* we aid our elected representatives in the legislative and executive branches of government by suggesting and insisting upon the adoption of modern, proven business practices in the conduct of public affairs, toward the imperative objective of decreasing national expenditures and debt and lessening the tax load that is sorely burdening all of our people—

*THAT* we demand of our federal government the prompt cessation of extravagant loans and gifts abroad—particularly as a means of attracting friends and allies—for it has been the experience of society that such goodwill is better earned than bought—

*THAT* we demand of our federal government a rejection of socialism in practice as well as in theory—that government bureaus desist from carrying on, in tax-free competition with private enterprise, business and industrial projects that have been and are being more efficiently operated by private tax-paying industry—

*THAT* we demand of our federal government the prompt abolishment of war-spawned loans, exemptions, controls and subsidies within our domestic borders—which have not only outlived the emergencies in which they were conceived, but are upsetting the normal checks and balances of our competitive economy and bringing demoralization and hardship even to the intended beneficiaries—

*THAT* we urge our respective states, counties and municipalities to retrieve and safeguard "the powers not delegated to the United States by the Constitution" or reserved to the people—

*THAT* we the people take stock of our bounteous blessings under freedom—that we diligently guard against the loss or forfeiture of our individual liberties to organizations of government, labor or industry—that we may progress onward to a degree of development compared with which the present may be only a shabby beginning.



# THE PEOPLE BUSINESS

Address by Reese H. Taylor, President  
Union Oil Company of California  
At the Board of Trustees Annual Dinner to honor the  
Medical Staff of the Huntington Memorial Hospital  
Pasadena — December 1, 1955

MR. Chairman, ladies, and gentlemen . . .  
I am pleased to be with you tonight to talk about a subject with which we all are concerned. I want to talk to you about business. I am not going to speak about *my* business, the oil business. I am not going to speak about *your* business, the medical business.

I am going to talk about *our* business . . . the *people* business.

There are probably as many facets to the *people* business as there are people, and so I want to discuss only one—or maybe two—with which we are mutually most concerned.

There are certain parallels in our business, certain skills and knowledge which we must possess which might be considered similar. For instance, you are concerned with the pumping efficiency of the human heart in your work. I am concerned with the pumping efficiency of an oil well in mine.

I study with deep concentration the juggling lines on a sales chart. You frown over similar lines on an electrocardiogram. But despite the variants in our studies, in the final analysis all of us are concerned first with people.

In our hopes for success, we are all dependent on the acceptance of people for the things we do, and for the ideas which guide us in our activities—our “principles” or our “philosophy,” if you will.

We are interdependent as well. Every group, and every organization, and every profession is dependent, one upon the other, because the needs and desires of the people we serve are endless. They deserve only the finest. No one man or group of men can attain a monopoly on all the finest ideas. No one man can corner the market on wisdom, and even a recognized genius seldom enjoys his rank in more than one field. Because of this, each of us must draw on the knowledge, the wisdom, the ability of all the others if we are to do the best job for those we serve.

This evening I want to draw on *your* knowledge, *your* wisdom, and *your* ability to help with a problem which is growing in my branch of the *people* business. But first I want to recall an example of the interdependence of which I have just spoken.

It has not been very long since the medical profession rallied magnificently in the cause of personal freedom, fighting valiantly and successfully against the ill-con-

ceived idea of socialized medicine. In this struggle you learned that men never can take for granted the public's acceptance of their ideas and the worth of their contribution to the public good. But you learned, too, that the friends of freedom are many, and that they must join together if a fight such as yours—such as *ours*—is to be won. The bonds of socialism that would enchain doctors are the same bonds that would entangle farmers, the same bonds that would enmesh business, and the same bonds that would control education.

It is strange how the planners overlook human nature in their zeal to march us farther down the road to socialism. Medicine, of all things, would tend to suffer the most from going too far down this road—loss of freedom, loss of incentive, and a lowered standard of living.

Disturbing personal freedom in the doctor-and-patient relationship would be like putting the mother-and-child relationship on a commercial basis. Reducing human incentives would lower productivity, both mentally and materially. And certainly in a socialized state the gravitation toward a *common standard* would necessarily result in a *lowered standard* of medical care.

These are factors with which you are familiar as a result of your recent battles. I need not remind you of them, except to warn that eternal vigilance is still the price of liberty.

My congratulations for your leadership in this phase of our struggle to retain our freedom!

Because of this interdependence, this mutual reliance, I know you will be tolerant when I bring you the question about which I am going to speak tonight.

A business manager—which is the kind of job I have—must protect and build the resources of his company so that they most effectively serve people, including the owners of the business, its employees, its customers, and the community at large.

In doing this, he cannot permit his business to become static. He must constantly question every process, every policy, every custom, and every product. “Is there a better way?” “Have we outgrown this?”

These are the questions he constantly asks, for the world in which his business lives can quickly leave him behind. Science, technology, and simple accumulated horse-sense are moving fast. He must, too.

It is this concept of the job of a business manager which has stimulated my thinking for a long time about the phase of the *people* business that I have on my mind tonight.

My question is this: Does compulsory retirement at a fixed age best serve the interests of the employee, the employer, and the community? Or to phrase it another



way: Is chronological age satisfactory as the sole basis for retirement?

This is not a new question. It is one with which many of you have no doubt wrestled, for the medical profession should have a special interest in the problem.

On the one hand, medicine has increased the longevity, and productivity of man. On the other, how is it helping us to capitalize on this longer life and greater capability?

Elder Statesman Bernard Baruch, a brilliant example of ageless vitality and fresh thinking, has said:

"We must get away from employment policies based on cold arithmetical averages and take advantage of the skills and judgment of older people. How hideous a mockery it would be if, as a result of advance in medicine, surgery, hygiene, and higher standards, older people were left willing and able to work—but Society deprived them of something useful to do."

The policy of compulsory retirement at a fixed age is widely used—in industry, in government, in education, and in virtually every type of organization. It is not an old practice in the United States, but became general with the rapid industrialization of the 1900's.

It has, up to now, been a pretty good policy. It has worked, and there have been comparatively few suggestions that it should be changed. We have accustomed ourselves to the practice of compulsory retirement at a fixed calendar age.

There is increasing sentiment, however, that this practice should be modified. Those who are opposed to change hold we should not abandon the chronological age concept until other more accurate criteria for evaluating the fitness of older workers are developed. There are others who maintain that chronological retirement is easily administered, and any other more selective plan involves administrative difficulties and causes more personnel problems than it corrects.

As to the latter objection, a prominent industrialist once said:

"Never let administrative convenience dictate basic policy. Administration, like accounting, bookkeeping, and statistical work, is a service function and its purpose is to help you do what you want. If a new way of doing things is genuinely better, the service machinery can be adjusted to accomplish that purpose. Administrators go to great lengths to make things automatic to spare them the trouble of making decisions. But they are paid big salaries in the very hope that they will make decisions and change things. Any competent clerk can run a business if the job is merely to preserve the status quo and refer to precedent as the guide to action."

Industry's point of view is practical. It is one thing to advance a theory where no great risk is involved. It is another to put that theory into practice where it can adversely affect a business.

But who would dare say that society has reached its final phases of perfection and that no further improve-

ments may be expected. Certainly the experience of less than 50 years is not conclusive enough for us to avoid change, so long as we recognize that change alone does not necessarily imply progress.

The program of mandatory retirement has a tremendous effect upon the national economy, an economy which now is growing at a great rate. This in itself has subtly influenced our attitude toward retirement. No longer do we hold rigidly to the idea that there are only so many good jobs to be had, and that the incumbents should be retired at a certain age to give the younger fellows a chance. The stereotype of the "well-earned" rest given an older employee just doesn't fit a lot of cases today.

Another aspect of this change is the fact that certain skills are now in short supply. The last World War found that there was a tremendous reservoir of good talent among retired people and older workers.

A compulsory retirement program, however, forces a company to give up, say, a highly skilled engineer or a physicist with decades of experience simply because he has reached "x" age. True, the man may no longer wish to hold the job, in which case nothing should interfere with his retirement. But then again he may want very much to go on working.

To compensate for the increase in longevity which the medical profession has brought about, business and industry now have programs to prepare men for retirement. Too many vigorous men were finding only frustration and premature death in idleness after retirement.

So now we try to help them make the adjustment by stimulating their interests in hobbies and other activities. But will training a man at age 60 to tie flies for the fishing he will have the time—though not the urge—to do at age 65, do right by the man? Should we not do more for the man who wants to keep his shoulder—or his brain—to the wheel?

That men age at different rates has always been known. And, when you think about it, it makes no more sense to insist a man must retire 65 years after his birth, than it would to insist that he finish school, marry, and die "x" years after his birth.

It may lie within the realm of possibility that some time there will be established an index whereby the actual age of an individual can be measured, irrespective of his chronological age. Maybe medical science can eventually pinpoint the chemicals in the bloodstream or the bone marrow that give us the Konrad Adenauers, Winston Churchills, Herbert Hoovers, Douglas Mac-Arthurs, and, for that matter, Grandma Moses. Maybe the chemical formula for wisdom or leadership could be found—but perhaps that is asking too much. Maybe we should simply hope for a method of establishing the elasticity of the arteries, or inventorying the remaining capacities of the vital organs, as a measure of whether a man should continue working at his job.

Perhaps the psychiatric branch of the profession could help in this. Perhaps they can develop a measuring rod



for a youthful point of view. If, as the adage says, we are as young as we feel, how young is that? What are the qualities that comprise a youthful outlook, and can they co-exist with that other highly prized quality, "mature judgment?"

It is apparent that if age is not to be sole criterion for retirement, then health and competence must be the governing factors. That, of course, requires a positive approach.

Physicians have been trained to estimate the severity of illness, rather than the quality of health. One of the country's specialists in industrial medicine has said that the biggest challenge to his profession is to learn how to say how well a man is, rather than how sick he is. If we are to use these twin standards of health and competence, then certainly medicine must tell us positively what an individual is still capable of doing, rather than what he cannot do.

Even as the employment of medical doctors and psychiatrists and psychologists in industry is rapidly becoming commonplace, so, in the not too distant future, will each large organization—faced with the problems of retirement—have a review board in which medical examination and psychological testing will have its proper place in determining retirement. Certainly from the standpoint of the individual, compulsory retirement at a fixed age is unsatisfactory, in that it treats all alike who are not alike.

Selective retirement has been practiced for a long time by our armed services through Retirement Boards, which pass upon the physical and mental fitness of the individual and the needs of the services. Perhaps industry needs to learn more about the functioning of these Boards.

It was just three years ago, in early 1952, that the first National Conference on Retirement was held in New York. Representatives of management, labor, government and education were present.

At the conclusion of the three-day session, it was the general sentiment of this group that chronological age as the sole basis for retirement is socially unwise and economically unsound.

A majority was opposed to age as the sole basis for retirement because of the following reasons:

1. Both science and experience indicate that the aging process and its effects show such wide variance among individuals as to destroy the logic of age as the sole factor in determining whether a person should retire or continue to work.
2. There is ample evidence that arbitrary retirement results in hardship for a substantial number of elderly individuals.
3. A flexible retirement policy agrees with the philosophy of maximum utilization of the country's resources—a philosophy which must guide the national policy in the foreseeable future.

There were these arguments advanced by the minority which was favorable to retirement on the basis of age alone:

1. The worker should have a period of rest at the end of his life while he is still physically able to enjoy it, and fixed retirement age provides the best incentive to prepare for satisfactory retirement.
2. A plan based on chronological age is simple to administer, and until more effective objective criteria are developed, it is the only basis for impartial decisions about individual retirement.
3. For this reason, it is the best device now available from the point of view of employee relations.

Regardless of opinion on the relative merits of arbitrary versus flexible retirement age, there were certain principles on which there was general agreement.

1. A selective retirement policy can be expanded in industry only in proportion to the success of working out a method that will permit the retention of the competent and the retirement of the incompetent.
2. Any retirement policy, to be satisfactory, must be acceptable to both management and employee. The worker's performance and productivity on the job must contribute to the worker's welfare without making undue demands on his health.
3. Chronological age will inevitably continue to be one factor in consideration of retirement, regardless of what other methods are used.
4. Retirement, whether at a fixed or flexible age, presupposes pension provisions related to previous income.
5. A worker should have the right to retire at a given age if he desires to do so.

These are principles with which I can find no quarrel. But before they can become practices, there are many answers to be given.

Most of the answers must come from the medical profession. They will be tough answers to come by, for this is a tough problem. The massive, dramatic problems of public health are succumbing to your strength. I am sure you can provide some light for this problem of modern business and industry.

This is a proper problem to lay before you, for its solution will require three characteristics which the medical profession displays in its battle against socialism—understanding, faith, and confidence.

You understand that free men, working in a free economic climate, are the basic strength of this country's productivity.

You have faith in the American way of life.

You have confidence that there is no problem, no obstacle, that free Americans cannot solve and conquer.

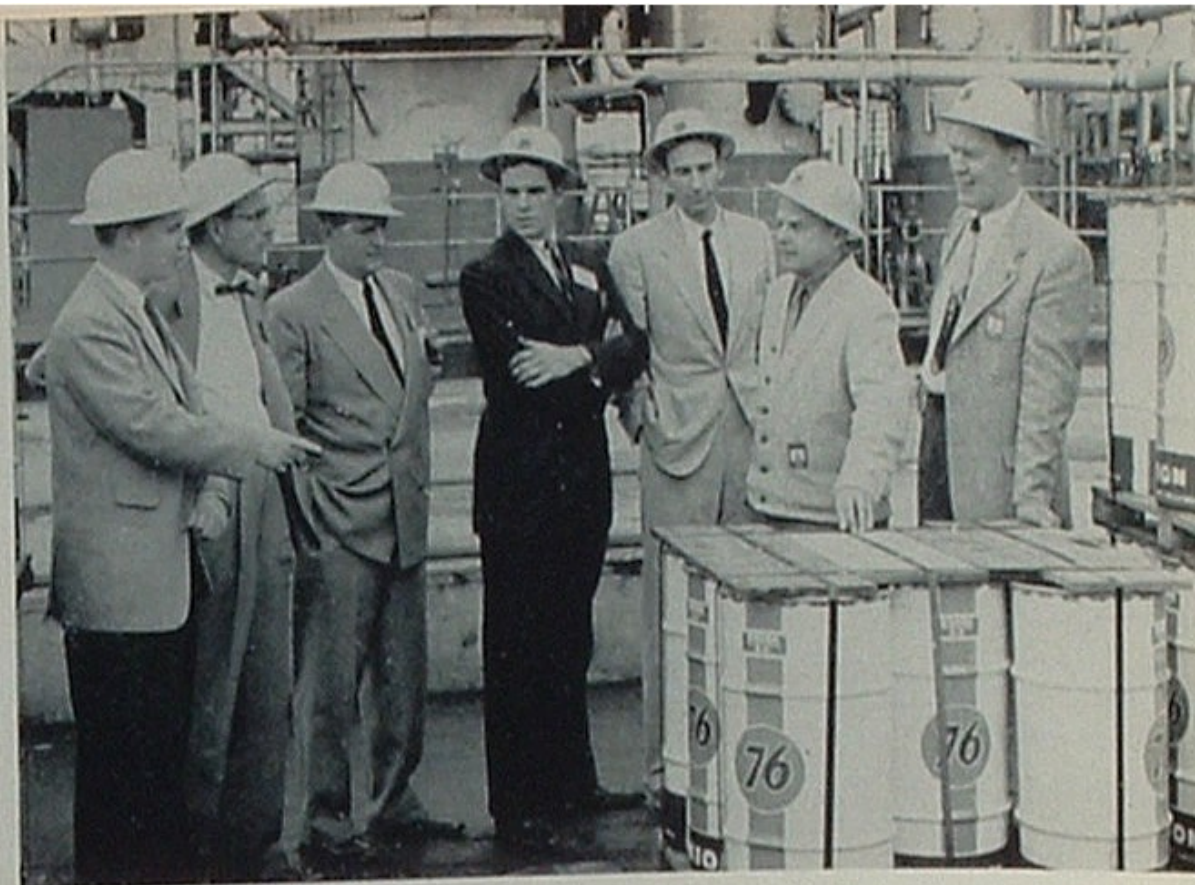
Understanding these truths, the *people* business shall continue to be the *best* business for America.





**WINNERS** of Eastern Continental Territory's recent sales contest are seen at Oleum Refinery enjoying their reward—an expense-paid tour of our West Coast facilities. The party included, from left, John Reynolds of Houston, Palmer Crandall of New York, Host Bob Spiro of Los Angeles, E. K. Bondurant of Atlanta, Jim Thompson of Denver, and Hosts Neil Winship and Dave Zenk of Oleum Refinery.

from Clyde Morton



**IN PANAMA,** as elsewhere, Union Oil employees have excellent staying qualities. Participating in recent service-pin presentations were, from left, Domingo Gonzales (10 years), Stanley Mowatt (30 years), District Manager D. G. Mavor, Carlos Denis (10 years), Territory Manager J. W. Graham, and Resident Manager Alberto Aleman. On this same occasion, 16 employees here were given Safe Driver Awards for completing from one to seven years without a chargeable accident.

from Frank L. Hooper

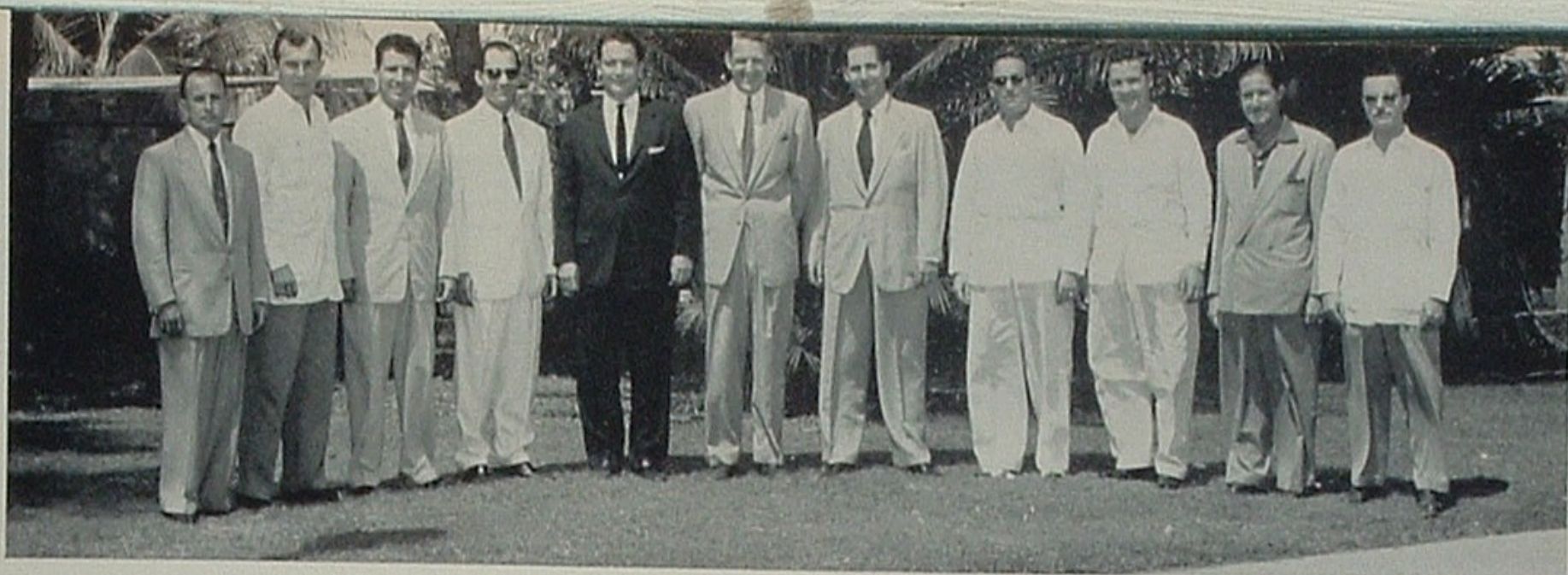


**BILL CRESSWELL,** a foreman in the Thermal Cracking Department of Los Angeles Refinery, holds photographic proof of his 40 years' association with Union Oil. His father operated a Phoenix, Arizona garage and was pumping Union Gasoline into a 1913 Model-T when the picture was taken in 1918. Bill, then three, is seen within spanking distance of mother.

from Herb Zirnite







▶ **EN CUBA** Visitaron la Habana la semana pasada los señores C. Haines Finnell y James Hattrick, ejecutivos de la Union Oil Company of California y fueron agasajados por sus representantes en Cuba, Bestoil Petroleum Corp. En el almuerzo de despedida a los señores Finnell y Hattrick se reunió un grupo de vendedores de la Bestoil Petroleum, donde aparecen, de izquierda a derecha: Guillermo Baca Arus, Guillermo Helbig, Manuel Lopez, Renan Moreira, Presidente de Bestoil, C. Haines Finnell, James Hattrick, Oney Moreira, Jose Manrufo, Noel Espinosa, Eduardo Mauri y Amador Amador. Bestoil Petroleum distribuye en Cuba los exclusivos lubricantes Royal Triton, T5X, Unoba y Unitec.

from "Informacion," La Habana

▶ **"BARREL NO. 1"** is the title of a motion picture prepared by the petroleum industry for use in the public relations and educational fields. It tells the story of oil from exploratory well to consumer. During Oil Progress Week, two copies of the film were presented to the Kern County Visual Education Department by Kern County Land Company and Union Oil. From left, C. Stanley Amenius of Kern County Land, Superintendent Jesse D. Stockton of Kern County Schools, William A. DeWire of the California Oil Producers, and our District Manager C. A. Goughnour consummate the goodwill offering.

from T. W. Proudfoot

▶ **AT DOMINGUEZ FIELD** on November 30, 33 officers and cadets of the French training cruiser JEANNE D'ARC were guests of our Field Department. Oil men, whose French vocabulary is usually limited to the word "tour," were not seriously handicapped by the language problem. They explored Company offices and soon found four thoroughly qualified interpreters, namely, Lillian Jarrett, Edith Levasseur, Rose Pelous and Ruth Sommerhalder. Just how the girls explained drilling techniques is a question, but certainly not one of the cadets took "French leave."

from Otto Gillingham





## RESEARCH PEOPLE HONOR RETIRING VICE PRESIDENT

### Claude E. Swift

**F**OR many years to come, the kindly and studious gaze of an outstanding Union Oiler will have its good influence on hundreds of younger people he has employed and encouraged. For, an excellent oil-painting likeness of Claude E. Swift now hangs above the fireplace at our Brea Research cafeteria.

During Mr. Swift's nearly 30 years with Union Oil Company, he rose from research chemist to the top position of leadership in his department, vice president in charge of Research. Furthermore, he has guided our research development from an extremely modest scale to its current status of being one of the foremost organizations of its kind in industry. His retirement this year, coming as it does at the climax of a most useful career, will afford him the satisfaction of having fully attained a great objective.

That his working associates throughout these years desired and arranged for the hanging of Mr. Swift's portrait speaks eloquently of his success both as a scientist and as a well-loved man of the oil industry.

*Following the unveiling of his portrait at Brea, Mr. Swift (top photo) bids a pleasant retirement farewell to nearly 400 of his Research co-workers (below). Sharing the rostrum with Mr. Swift were W. L. Stewart, Jr., R. J. Garofalo, and (center photo) Fred L. Hartley, seen presenting the honored guest with remembrance album.*







## SERVICE BIRTHDAY AWARDS

JANUARY 1956

### EXPLORATION & PRODUCTION

LaGraffe, Floyd, Richfield .....	40
Gibson, Clinton R., Dominguez .....	35
Glimpse, John J., Richfield .....	30
Kerwood, Elroy T., Orcutt .....	30
Lynch, Joseph P., Bakersfield .....	30
Rampton, Ralph W., Bakersfield .....	20
Whittlesey, Lindsley F., Dominguez .....	20
Wolf, Fred J., Ventura .....	20
Beatty, Woodrow W., West Texas .....	15
Clarke, Robert L., West Texas .....	15
Billman, Harold G., Bakersfield .....	10
Gallant, Willard J., Orcutt .....	10
Garver, Herman A., Del Valle .....	10
Greer, Charles A., Ventura .....	10
Halter, Clarence C., Orcutt .....	10
Hudnall, Martin W., Dominguez .....	10
Pagan, George L., Del Valle .....	10
Paulsen, Leo E., Richfield .....	10
Rogers, Charles H., Texas .....	10
Senff, Robert M., Orcutt .....	10
Young, Temple C., Texas .....	10

### MARKETING

Lee, Will T., Phoenix .....	35
Gray, Mary C., Seattle .....	25
Hastings, James W., Edmonds .....	25
Hayman, Arthur, Portland .....	25
Planalp, Lowell C., Long Beach .....	25
Brosnan, Rose R., San Francisco .....	20
McCloy, James I., Pasadena .....	20
Rodriguez, Juan B., Central America .....	20
Nelson, Elmyra I., Seattle .....	20
Brewer, Carlos G., Central America .....	15
Emerick, Clyde B., Jr., Santa Monica .....	10
Fiedler, Fred S., Los Angeles .....	10
Harrell, Bruce F., San Diego .....	10
Howe, John A., Rosecrans .....	10
Mears, Stephen J., Jr., Central America .....	10
Moore, Rexford L., Wilmington .....	10
Nagel, Frank C., Jr., Home Office .....	10
Nicholson, Robert E., Santa Maria .....	10
Stone, Raymond E., Los Angeles .....	10
Tavernelli, Anthony A., Los Angeles .....	10

### MANUFACTURING

McKinstry, Paul R., Oleum .....	35
Swearingen, Ivan R., Wilmington .....	35
Bennett, William H., Oleum .....	30
Bramblett, Corbett F., Wilmington .....	10
Campbell, Robert C., Wilmington .....	10

Ceballos, Ruben I., Oleum .....	10
Hendrex, Clifford C., Wilmington .....	10
Hickman, Ora V., Wilmington .....	10
Hoglund, Ernest, Wilmington .....	10
Houle, John M., Wilmington .....	10
McGlaughlin, James R., Wilmington .....	10
May, Evelyn C., Wilmington .....	10
Pew, Phillip A., Wilmington .....	10

### NATURAL GAS & GASO. DEPT.

Gard, Clare D., Home Office .....	35
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### INDUSTRIAL RELATIONS

Hill, James E., Home Office .....	35
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### PIPELINE

Chaplin, Oscar S., San Luis Obispo .....	30
Russell, Frank D., San Luis Obispo .....	10

### COMPROLLERS

Green, Lela T., Home Office .....	25
Neumann, Theresa B., Home Office .....	25
Bowker, Robert L., Home Office .....	10
Harcastle, William E., Home Office .....	10
Rupert, Mae R., Home Office .....	10
Schmidt, Mary V., Home Office .....	10

### AUTOMOTIVE

Mayo, Eugene, Emeryville .....	20
Ohrt, Wilbur B., Santa Fe Springs .....	10

### PURCHASES

Brauer, Robert J., Home Office .....	15
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### BREA CHEMICALS, INC.

Howard, Ray S., Brea .....	15
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### RESEARCH

Bailes, Jack, Brea .....	10
Lasley, Harold D., Brea .....	10

### MARINE

Crouse, Marion F., Wilmington .....	10
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## Retirements



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

### EARL L. RUSSELL

Field Department  
Employed 4/28/21—Retired 1/1/56

### CLARENCE E. HILL

Field Department  
Employed 10/25/21—Retired 1/1/56

### CLAUDE E. SWIFT

Research Department  
Employed 12/3/26—Retired 1/1/56

### WILLIAM McLEAN

Pipe Line Department  
Employed 10/11/27—Retired 1/1/56

### HERBERT E. COOK

Treasury Department  
Employed 6/1/28—Retired 1/1/56

### LOYAL R. MILLER

Southwest Territory  
Employed 11/1/30—Retired 1/1/56

### MYRTLE S. BYBEE

Sales Promotion Department  
Employed 7/17/31—Retired 1/1/56

## In Memoriam

On November 25, 1955

### WILLIAM T. BOTTS

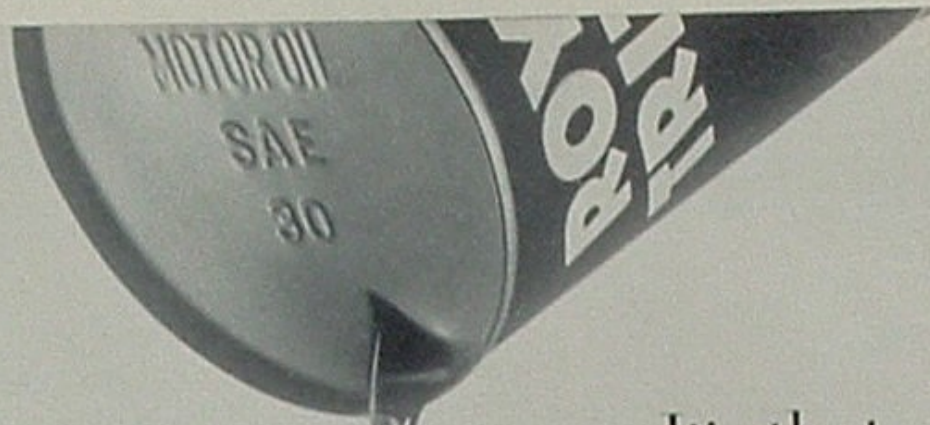
Los Angeles Refinery  
Retired 7/1/49

On December 7, 1955

### CARL B. JOHNSON

Production Southern Field  
Retired 7/30/39





It's that  
amazing purple motor oil

AMERICA'S FINEST MOTOR OIL, here poured into clear crystal to show you its unique color, prolongs your engine's trouble-free performance for thousands of miles. Purple Royal Triton — now in new all-weather 5-20 and 10-30 grades at new car dealers and service stations in most areas of the U.S. and Canada and Union 76 Stations in the West.

# *PURPLE ROYAL TRITON*



*UNION OIL COMPANY of CALIFORNIA*

*The West's Oldest and Largest Independent Oil Company*