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LUFKIN

AUGUST 1982

ROUNDUP

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FROM THE PRESIDENT'S DESK...

During the 80 years this company has been in existence, it has withstood depressed business conditions similar to these we are experiencing now. Yet, in spite of periodic difficulties, the company has survived and continued to grow.

During the years 1907 through 1909, there was a nationwide money panic. Sawmills were hard pressed to pay their bills. But there followed times of good business and collection of bills owed the company. During those years, the company doubled in value and began embarking on a major expansion program.

Since sawmill business was dwindling, the company looked to the promising oil business and began manufacturing large refinery equipment. In 1923, the company began developing the oilfield pumping unit.

After numerous failures in the field of the first pumping units, W.C. Trout invented and patented the counter-balanced crank. That was the spark needed to get the company going strong again.

By 1929, more than 1,000 pumping units were operating in oilfields around the world, and the company undertook another major expansion program.

Then followed the Great Depression of the 1930s. Business dried up and there were extensive layoffs. In 1932, only 29 pumping units were sold.

As soon as the East Texas oilfield stopped free flowing and pumps had to be put on the wells, our business picked up. Also during this time, our foreign markets were developed. Again the company expanded in 1939 by going into the trailer business and starting to manufacture industrial gears.

During World War II, there were seven-day workweeks with 85 percent of the company's business going to the war effort. Once again the company grew with plant expansions and new machinery purchases.

With peacetime came slow downs, and the company's production slumped in the 1950s. There was an oil surplus and not enough demand for pumping units to keep the ten major pumping unit manufacturers in business. Two of our major competitors went bankrupt and four others closed their doors. By 1958, the company had reduced its workforce by 20 percent and shortened the workweek to four days.

Business was still in a slump when we entered the 1960s. To fight for our share of the market, we redesigned our pumping units to offer more competitive pricing. By 1965, times were good again. Trailer sales hit a record, Machinery Division sales zoomed and the Mill Supplies had record sales.

That signaled an era of further expansion. A new trailer plant was built and the Machinery Division expanded into the vacated trailer facilities.

By 1970, the company was recognized worldwide as the foremost manufacturer of pumping units. The plant operated six days a week and in some areas seven days. Getting manpower and materials to produce all the pumping units and gears the oil industry demanded were the major problems the company faced.

Our payroll mushroomed, production was at capacity and the backlog of orders multiplied. We expanded our production facilities in every area. The oil industry seemed untouched by the economic woes that plagued the rest of the nation's economy.

Suddenly, the situation changed. You know the rest of the story. Orders in the millions of dollars were cancelled. New orders plunged. Our production was significantly less than the number of employees, so layoffs had to be made.

We realize today that the picture seems bleak and threatening. But we all need to remember: for 80 years this company has weathered the ups and downs of the economy. In spite of money panics, recessions and depressions, we held fast and even expanded in each decade of the company's history.

Once again we know we will survive—and be the stronger for it when these dark clouds pass over.

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A MARK IN HISTORY

The first LUFKIN pumping unit in Angelina County has been installed during the company's 80th anniversary year.

LUFKIN pumping units can be seen operating in oilfields in almost every corner of the world. For 57 years, the company has manufactured and shipped some 165,000 pumping units to far-away places in Africa, Asia, South America and Europe.

But it was not until this summer, that the LUFKIN trademark could be seen on a pumping unit operating in an oilfield in our own backyard. A Mark II-228D-286-86 unit was installed on a well in Angelina County.

The well—W.T. Carter #10—is located some eight miles southwest of Zavalla in the Saron Community. It is owned by TDC Exploration Inc., an independent oil exploration company out of Austin. The 9,000-foot well is on Champion International land.

"We are delighted to have a LUFKIN unit on an Angelina County well after all these years of building them here," says R.L. Poland, company president, "especially during the company's 80th anniversary year."

The pumping unit was sold out of the San Antonio machinery sales and service office. The unit was shipped from the plant June 23, and it was installed two days later. L

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A Giant In Transition

The oil industry is in a period of adjustment that could leave it stronger and more competitive.

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It hit with incredible speed. Suddenly, without warning, the oil industry slumped. The booming giant, once seemingly immune to economic woes, was suffering.

After two years of explosive growth, the oil business is experiencing one of the most painful periods in its history. Every corner of the industry—the service and equipment companies, the conglomerate and the independent oil producers—has been affected.

For Lufkin Industries, the downturn has meant the cancellation of a pumping unit order backlog of more than $100 million. Production areas that once were busy seven days a week, 24 hours a day are idle.

"I have never seen such a drastic change in business in such a short time," said R.L. Poland, company president, in his "From the President's Desk" column in the July ROUNDUP. His sentiments are being echoed throughout the industry.

A drop in the number of active seismic crews, those who perform the first step in exploration for new sources of oil, began last fall. The decline in that segment of the industry soon spread to drilling activity. In December, 1981, a record 4,530 drilling rigs were active in the United States and Canada. Reports seven months later cut

A LUFKIN M-114D-143-86 operates in a busy oilfield near Fellows, California. Investor worries over high interest rates and drilling costs, and falling crude oil prices are threatening to reduce future domestic drilling.

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A Giant In Transition

that in half.

The exploration/development recession was followed by a decrease in crude oil prices from record high levels. The June 21, 1982 issue of THE OIL AND GAS JOURNAL reported that the drop surprised operators. "No one was warned of an impending decline in the prices that had been climbing since they were unshackled from federal controls in January, 1982. Shaky prices and slack demand for crude oil reflected consumers' inability or unwillingness to pay high prices for petroleum products —mainly gasoline, the refining segment's big ticket item."

The same ills that were weakening other areas of the U.S. economy were now at work in the oil industry. Compounding producers' uncertainties about crude oil prices were rising costs of equipment and operations, high taxes and interest rates and worries about new taxes that might be imposed on the industry.

The combination of factors was too much to allow the exploration/development segment of the industry to grow at the record pace set in 1981. As investors and brokers were bombarded with gloomy news about crude oil prices falling while interest rates and costs climbed, they turned to lower risk investments such as government securities. Oil producers "decided to trim or defer their plans for spending until the situation became clearer." No longer was there pressure to increase drilling programs.

What caused the price of crude oil to drop? Many blame the great "oil glut" of 1982. For the past two years, the Organization of Petroleum Exporting Countries (OPEC) cut back production in an effort to keep crude oil prices high. In an effort to stabilize prices and maintain good relations with the United States, non-member Saudi Arabia increased its production.

High prices stimulated production outside OPEC. Crude price decontrol in the U.S. set off a record-setting drilling spree. Production by Mexico increased. United Kingdom and Norwegian North Sea output jumped. At the same time, the demand for crude oil dwindled as measures to conserve energy increased.

A worldwide surplus of crude oil developed. The OPEC nations, in need of oil revenue to finance economic development, agreed to Saudi Arabia's crude oil price of $34 a barrel. In exchange, the Saudis agreed to cut back production. How long the agreement can last is anyone's guess as OPEC member Iran threatens to increase production to pay for its war with Iraq. If OPEC raises production levels, other oil-producing nations have threatened to increase their production. The glut could continue.

In an April, 1982 article, "Falling Oil Prices Threaten U.S. Security," appearing in PETROLEUM INDEPENDENT, author William Brown concludes that an import tariff on foreign oil is needed to insure stable domestic prices and supplies. "What it boils down to is if we want to develop the technologies that would free us once and for all from imported oil, we've got to keep the price up," writes Brown. "If we want to continue progress in the transition to secure non-polluting, renewable resources, the best way is to slap an import tax on imported oil before it's too late."

Others argue, however, that a tax on imported oil would hasten the depletion of domestic resources and leave the United States even more vulnerable to the OPEC nations in the future.

While analysts argue whether an import tax would or would not stabilize the U.S. oil market, the industry is busy coping with the slump. Major and independent producers are hacking away at capital-spending budgets. The cuts are jolting the entire chain of oil service and equipment companies, whose business is dependent on the spending patterns of the oil and gas producers.

There is optimism, however, among industry leaders. In the June 21, 1981 issue of OIL AND GAS JOURNAL, companies large and small voiced their determination to ride out the current setback. Diamond Shamrock Corp. of Dallas called the year a "window of opportunity." Petro-Lewis Corp. of Denver said it intends to take full advantage of this buyer's market. Apache Corp. of Minneapolis referred to the current situation as a period of adjustment that holds great opportunities for those companies which are financially strong and sufficiently imaginative to pursue them.

Lufkin Industries promises to be one of these companies. "We're strong enough financially to weather the storm," wrote company president Poland in last month's column. "We intend for LUFKIN to be not only one of the survivors but the first to come back. We will be tougher, leaner and more productive; more capable of staying in business as we move into a more competitive economy."

The company has begun an aggressive pumping unit sales program, and officials are confident that when the oil industry begins its recovery the pumping unit they will buy will be the best in the oil patch—a LUFKIN. L

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A Penny Saved, Dollars Earned

Electronics technician discovers a method to recycle plasma arc cutting parts that is adding up to big savings

These days, everybody is trying to save money. In the welding shop, Kenneth Faries, electronics technician, has discovered a new cost-cutting procedure. By sandblasting and reusing parts that were previously replaced on the Linde plasma arc cutting machines, he is saving the company from $40,000 to $65,000 a year.

"Faries should certainly be commended for coming up with this idea," says W.T. Pennington, vice president, structural steel, final assembly and shipping operations, Machinery Division. "We always encourage our employees to find better ways of doing their jobs. This is a perfect example of reducing expenses."

Kenneth Faries sandblasts parts that will be used again in Linde plasma arc cutting machines. Like Faries, many other employees are discovering ways to save the company money.

One nozzle for the automatic tape-controlled cutting machines costs $33. Four to eight nozzles are used during a shift as the machines cut metal for pumping unit horseheads. Carbon deposits build up rapidly in these parts.

In the past, all used nozzles, tips and stems were sold for scrap. Faries thought that many of the parts could be used again, if they were cleaned. He tested his idea by cleaning some of the parts with a pencil eraser and slipping them in with new parts. Operators could not tell the difference. At Faries' suggestion, the company bought a $1,200 jeweler's sandblaster that paid for itself the first week.

Now, Faries visually inspects all used copper parts to determine if they are salvable. After culling out any unusable parts, he manipulates the used parts in the sandblaster to remove any corrosion. He cleans and measures the holes in the nozzles with a pencil.

Often, when he is not working on the machines as an electronic technician, he is recycling parts that were considered expendable in the past. Faries can clean about 100 parts in six hours.

The parts are small and seem insignificant as he holds them in his hands, but the savings mount up over a period of time. L

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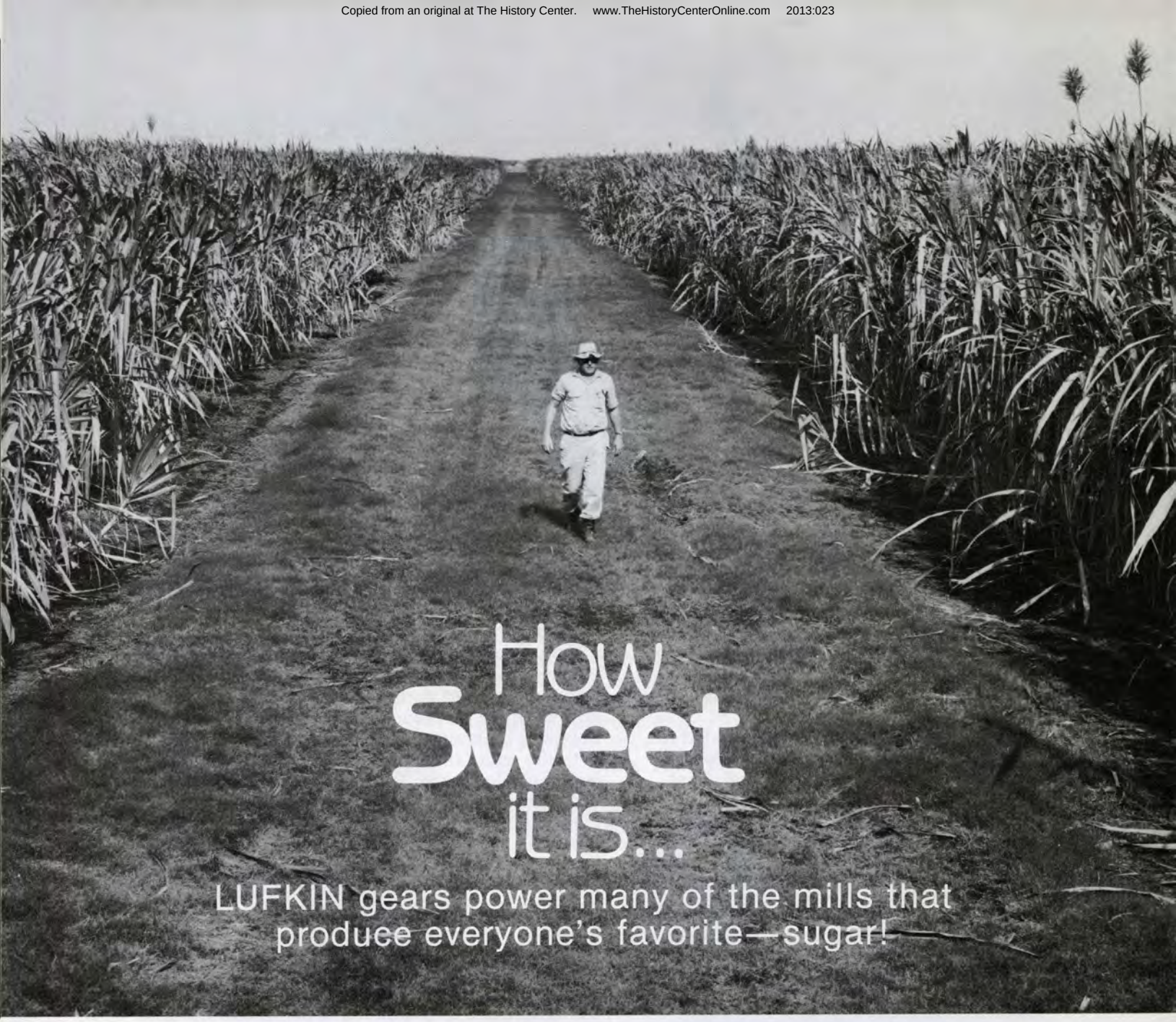

How Sweet it is...

LUFKIN gears power many of the mills that produce everyone's favorite—sugar!

A massive gear rolls off the production line. Its destination: a sugar mill.

LUFKIN gear installations can be found in many of the sugar mills operating in the heart of Florida's sugarcane country on the shores of Lake Okeechobee, the second largest fresh water lake in the United States. The state is the nation's largest producer of sucrose, the sugar that comes from sugarcane or sugar beets.

One of Florida's most successful sugar mills and a recent customer of Lufkin Industries is the Osceola Farms Company. Opened in 1961 with machinery and components from three Louisiana mills and some new equipment, the mill had a grinding capacity of only 1,500 tons per day. Twenty years later, the mill has a grinding capacity of 7,800 tons of sugarcane daily, and processes cane from 26 independent farmers.

With future commitments requiring a daily output of ground sugarcane of 10,000 tons, Osceola Farms Company embarked on a major expansion project last year. A new mill tandem consisting of seven 42-inch by 84-inch roller mills independently driven by 850-horsepower steam turbines through LUFKIN NM1204C high-speed gear reducer connected to LUFKIN D1824 intermediate-speed gear reducers replaced the mill's original grinding station equipment.

"The gearing was typical of many of the units we sell to our customers in the sugar mill industry," says Joe Varga, group leader, industrial

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gears. "Both the NM1204C and the D1824, however, featured completely self-contained pressurized lubrication systems. The high-speed reducer included a fabricated steel base to accommodate the unit and the customer-furnished steam turbine. The D1824 was specially designed for the mill using several components of the D1824 pumping unit reducer."

The units were shipped from the Lufkin manufacturing plant in May, 1981, and Osceola Farms Company has been very complimentary of their performance. Because their business is a seasonal operation, dependability of equipment is a must.

"After the sugarcane is cut, it is good only for three days," explains David Bishop, sales manager of the Southeastern Division. "The Florida grinding season begins in November and lasts through April. During that time, the mill is open 24 hours a day, seven days a week, including Thanksgiving and Christmas. There is no time for a breakdown of equipment. After the grinding season, any necessary maintenance or modifications are made."

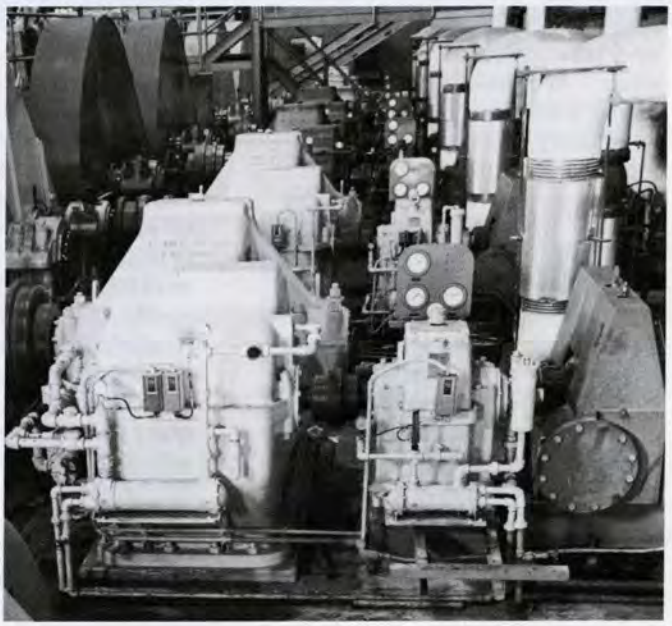
Sugarcane fields look much like very heavy stands of tall corn. They are generally planted with pieces of the sugarcane stalk, and sprouts grow from the joints in the cane. When the crop is ready for harvesting, the field is set afire to burn out the dried leaves, and the cane is cut, cleaned and piled by large harvesting machines.

The stalks are brought to the mill and moved by conveyor belt to the crushers. The enormous steel rollers with interlocking ribbed teeth squeeze the juice from the cane into a tank. After the juice is removed, only the fibrous part of the cane, bagasse, remains. The mill burns the bagasse as fuel in its plant's boiler, generating enough steam to operate all of the plant's machinery including a turbo generator which produces the electricity needed to run the plant.

The sugarcane juice undergoes a crystallization process that transforms it into raw sugar which is about 96 percent sucrose. It is sold by the mill to refiners, soft drink companies and candy manufacturers. The refinery further processes the sugar into the final snow-white product that is packaged for the grocery shelves. Molasses, the sweet syrup which remains when all of the crystallized sugar has been extracted, is sold by Osceola Farms Company to cattle feed lots and distilleries.

For thousands of years, sugar has been a favorite of mankind. We eat it . . . we drink it . . . we crave it. As long as there is a sweet tooth, there will be a need for gearing to power the mills that produce the popular delicacy. L

(Below, Left) Osceola Farms Company was the third mill to be built in the Lake Okeechobee sugarcane area. The mill was involved in an extensive renovation project which replaced all of its original grinding station equipment. (Below, Right) The new mill tandem at the Osceola Farms Company sugar factory consists of a LUFKIN N1204C gear reducer with LUFKIN D1824 double reduction gears driving the spur gear final-drive and Fulton three-roll sugar mill.



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AT THE DRAG

Winning is 20 percent car, 20 percent driver and 60 percent luck

Engines roar. Tires squeal. Starting lights flash. The drag strip is charged with excitement as Rick Hughes, Machinery Division salesman for the Central Division in Kilgore, races his 1967 Camero in the national races at the Houston International Dragway.

He competes in the Super Street classification where the cars run a 10-90, a quarter mile in 10.9 seconds. Hughes is eliminated before the finals in this race, but he is often a winner. His car has a 427 cubic-inch motor with a power glide two-speed automatic transmission.

Drag racing has been Hughes' hobby since his high school days. He has raced his present car for six years.

Hughes and his brother, Jimmy, are partners in this operation. "We do our own engine and transmission assembly work," Hughes says. "This saves us a lot of money."

Usually, a drag racer considers himself lucky if he breaks even—if his winnings pay for the maintenance on his car. Last year, however, was an exceptionally good year for Hughes. His expenses ran somewhere in the neighborhood of $4,000, and his winnings in products and money totaled approximately $11,000.

Hughes attributes his success to consistency. "My car didn't break down, and in bracket racing and the new heads up class racing we're doing this year, it's consistency that wins."

Split seconds and inches make the difference in winning or losing. Racers have the option of rolling their cars three to four inches closer to the starting line or holding back and barely turning on the starter light. There is a possibility that the racer using the more aggressive strategy will "red light" and be disqualified, but without a good start, the race is probably lost anyway.

"Last year I staged as shallow as I could," says Hughes, "because we ran on a full Christmas tree (starting lights), and I could tell when I needed to leave. This year, I'm staging deep because we only get one yellow, then a green light, and we don't know when it's going to come on."

Hughes has "red lighted" numerous times. Winning depends on outguessing the lights. The racer who hesitates at the start of the race is lost before he begins unless his opponent fouls and is disqualified.

"Drag racing is about 20 percent car, 20 percent driver and 60 percent luck," Hughes commented.

Hughes, who makes his home in White Oak, is married

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G STRIP

and has two children. His wife, Ramona, and eight-year-old daughter enjoy watching him race, but his two-year-old child is too young to enjoy the excitement at the racetrack. The Hughes take vacation time to pursue his hobby.

However, most of Hughes' racing is done near his home at the I-20, Tyler and Hallsville tracks.

When questioned about the dangers of drag racing, Hughes equated the sport to water skiing. "I never have been hurt or come close to getting hurt while racing," he said. "I have seen some bad wrecks, but I have seen only one fatality."

Race cars are equipped with full roll cages, fire extinguishers, shoulder harnesses and seat belts. Prior to each race, safety inspectors check helmets and the installation of all safety equipment in the cars. If the racer and car pass the rigid safety inspection, the inspector issues a sticker certifying that the car is safe to race.

What makes a man want to race? Each time he crosses the starting line, he is challenged to win, to finish before his opponent. The competition is stiff. The race is over in seconds, but he can savor the excitement of those seconds for days, or until the next race. L

(Far, left) Machinery Division salesman Rick Hughes noses ahead of his opponent in the Super Street classification at the Houston International Dragway. While Hughes was not a winner at this race, he has won many races since his high school days when he started drag racing. (Top) Safety is stressed at the racetrack. Racers wear helmets and flame-retardant clothing. Hughes buckles his safety belt in preparation for the beginning of the race. (Above) Before a racer can compete, his car must pass a rigid safety inspection. (l-r) Jimmy and Rick Hughes check their car to make sure that all safety equipment is properly installed.

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IN FOCUS

Two Employees Retire This Month

Jack Gissler

J.W. Summers

Two employees representing almost 60 years of service with the company have retired this month.

Jack Gissler's career with Lufkin Industries has made a full circle. When L.A. (Pete) Little hired him in Dallas in 1947, Little promised to bring Gissler back to Dallas.

Gissler started working in Lufkin as a sales trainee, and went to Kilgore while still in training. In 1948, he left Kilgore to become district manager in Wichita Falls. Gissler remained there until 1954, when he became resident manager of Lufkin Machine Co., Ltd. in Edmonton, Canada.

After eight years in Canada, he returned to Dallas in 1962 as manager of the Central Division. On July 1, he retired from selling LUFKIN pumping units.

"I'm one of the lucky ones in the world to be associated with Lufkin Industries," he said. "Everything that Lufkin stands for, its people and its products, is a sign of quality."

Gissler enjoyed a reunion with old friends in Calgary and

Machinery Division Promotes Six Employees

Six promotions have been announced by company officials in the Machinery Division.

E.M. (Gene) Tate has been named manager of industrial gear manufacturing. Employed by the company from 1952 until 1972, he rejoined LUFKIN last year. He has held various positions in engineering and sales branches of the company.

Tate attended The University of Texas and graduated with a bachelor of science degree in mechanical engineering from Stevens Institute of Technology. He is a past president and state director of the Pineywoods Chapter of the Texas Society of Professional Engineers. He and his wife, Constance, have three children.

In the machinery sales department, H.H. (Rick) Muller has been promoted to manager of the Central Division; Bob Burrelli has been named oilfield district manager in the Cleveland, Ohio sales office; and Ed Dugas has been assigned to the Edison, New Jersey sales office as a sales representative.

Previously district manager of the Dallas sales office, Muller succeeds Jack Gissler, who retired after 35 years with the company. Muller holds a bachelor of science degree in mechanical engineering from Oklahoma University and is a registered professional engineer. He is a member of the Society of Petroleum Engineers and the Petroleum Engineers Club of Dallas. He has been employed by LUFKIN for 33 years. He and his wife, Elsie, are the parents of five children.

E.M. (Gene) Tate

H.H. (Rick) Muller

Burrelli is a graduate of the University of Pittsburgh with a bachelor of science degree in industrial psychology. He was employed by the company in 1976. He and his wife, Georgia, have three children, Donald, Joey and Dina.

Dugas also graduated from the University of Pittsburgh with a bachelor of arts degree in accounting and finance.

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Edmonton, Canada, this summer. He plans to do some traveling in his retirement and play some golf.

As he left LUFKIN, he reflected on his association with the company. "LUFKIN was a big part of my life. I have many memories of this long and pleasant association. Walter and Ed Trout and Pete Little handpicked their peddlers in the old days and started a trend that has continued. There are still some fine salesmen around."

J.W. Summers received his retirement watch in January but was asked to continue working until June 1 as supervisor of the side bay in the foundry.

Summers first came to work for the company in 1950, but went to work at Southland Paper Mill seven years later after he was laid off. He returned to work in the foundry in 1958.

During his years with the company, he has experienced three-day weeks, seven hours a day in the early 1950s and the other extreme, six- and seven-day weeks in the 1970s and 1980s.

During his years with LUFKIN, he has seen many changes in the foundry. When Summers first came to work for the company, the foundry that was built in 1947 was known as the new foundry. He has seen the foundry convert to the no-bake system.

"I sure do hate to go," he said. "I had a good bunch of men, about 40. They all liked me, and I got along with the office force."

Summers breaks horses and loves to ride. In his younger days, he did some rodeo riding. "I am in perfect health," he said.

Summers will not have to look for something to do during his retirement. For years, he has been farming and running cattle on his farms in Jacksonville and Nacogdoches. "I've been building fence since I retired. I haven't retired from work. I've just changed jobs," he said.

His clubhouse on the river at the Nacogdoches farm is an ideal place to go if he has the urge to do some hunting or fishing.

Summers' wife has retired from Lufkin Junior High East after teaching school for 32 years. The couple has four grandchildren.

Bob Burrelli

Ed Dugas

Dennis Clark

Jonny Eoff

Since joining the company last year, he has been involved in the sales and service training program at the Lufkin plant. He and his wife, Jo Ann, have moved to the New Jersey area.

In the foundry, Dennis Clark has been promoted from shop floor controller to systems coordinator. He holds an associate degree from Angelina College and a bachelor of business administration degree in management and computer science from Stephen F. Austin State University. He was employed by the company this year.

Jonny Eoff has been promoted to head cycle counter in the material control department. A graduate of Jesse H. Jones High School, he joined the company in 1978. He and his wife, Susan, have two children, Jason and Aubrie.

REMINDER:
Employee change of address

The company reminds employees that they should notify the personnel department of any change of address. Failure to report a new address can disrupt the monthly mailing of the LUFKIN ROUNDUP.

Labels for mailing the ROUNDUP are printed from the computer personnel files. If the address is incorrect on their files, the magazine will be mailed to the wrong address. Magazines that are returned from the post office are sent through the company mail to employees, who are asked at that time to return a change of address form. If that form is not completed and returned to the public relations department, a magazine will again be sent to the wrong address, creating additional postal expense and paperwork.

To notify the personnel department of an address change, call extension 403 between the hours of 8 a.m. and 5 p.m.

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REMINISCENCES *by Guy Croom*

Retiree "Coffee Club"

Retirees held their monthly meeting on May 5th at Lufkin Barbecue dining room.

I am going to start this one with a top drawer secret: Jake Ross confided that he always reads my column before he reads Bob Poland's, but he doesn't want Bob to know it. So, don't any of you tell Bob, and I won't either.

I am sure you have noticed that some men are wearing full beards, "but you ain't seen any beard" until you see Zack Fenley. I had to ask Cowboy Starrett who Zack was.

It seems that most of these men are products of sawmills, and these stories about sawmills go over big with them. Elmer Williams tells me he was born at Honey Island and raised up around Village Mills, Warren, Doucette, etc.

Well, I was not born at Village Mills, but we lived there for a while, and my kinfolks lived at Village Mills until they married or until Grandpa Bledsoe died.

Lee Gibbs reminded me of Cochran's Mill about five miles north of here, but I had already written about it in the second issue of the Roundup after I started writing about extinct sawmills.

I am glad Bayo Hopper is taking an interest in coming to the meetings. Bayo is a fellow that can get things done.

Bill Cater says he has not had a cold can of beer since our last fish fry—anybody believe that? I don't mean to infer that ole Bill is a drinker, but for anyone that enjoys a cold can occasionally, a year is a long time between cans. Johnny Stewart told Ghent Smelley that he worked at two sawmills that I had not mentioned. If he will tell me their names, I am sure I can find something on them.

I was sort of surprised to see Rudy Fuller there. I thought he had a long time left to work.

I see old Judge Hutson's name on the roster. Judge and I used to build a lot of air castles.

Henry Steele is a fellow you like to meet up with. When Slim Askins asked Charles McLane for a job, Charley ask him what he could do, and Slim said, "I can hoe and plough to beat H---."

Bud Lovett was the last boss I had in the machine shop, and he was a good one.

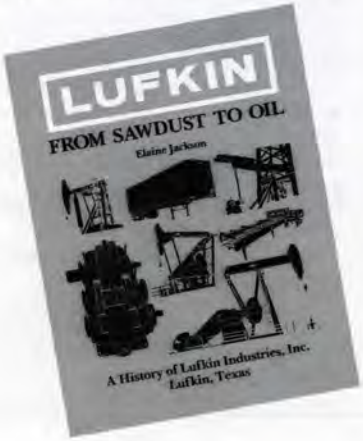
Raymond Willmon is relatively a newcomer. Welcome to the fold, Raymond.

It was good to see M.M. Fontenot on hand. He and I have been missing alternately lately.

I see someone like Cowboy has given the meeting a name "Coffee Club"—good name.

Time To Order Company History Is Now!

The book traces 80 years of business.



The August ROUNDUP is the last issue which will include the mailing form for ordering a copy of *LUFKIN From Sawdust to Oil*, the 80-year history of Lufkin Industries. The book, scheduled for publication next month, is available to employees, retirees and stockholders at the special price of $5.00 (including tax and postage). The book will retail for $24.95 plus tax and postage.

The book was researched and written by Elaine Jackson, special projects editor in the public relations department, and edited by Virginia Allen, director of public relations, for the celebration of the company's 80th anniversary and the city of Lufkin's centennial. More than 300 photographs of the company and community, many of them in full color, are featured in the hardback book.

LUFKIN From Sawdust to Oil may also be ordered at the public relations offices next door to the personnel department. However, persons are encouraged to use the mail order form from the ROUNDUP to insure prompt delivery of the book upon publication.

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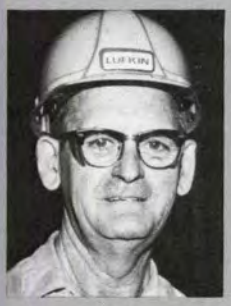
ANNIVERSARIES 10 Years or More



TONY ADKINS
Foundry—Main Bay
32 years

JACK GREEN
Industrial Supplies
26 years

JESSE MORGAN
Industrial Supplies
15 years

CHARLES TEUTSCH
Product Design
Engineering
17 years

JOHN SMITH
Jig Shop
37 years

JOHN LEWIS
Trailer—Parts
17 years

LIL ETHERIDGE
Product Design
Engineering
11 years

CHARLES DANIEL
Machine Shop
38 years

FRANK GRIMES, JR.
Material Control
15 years

ROBERT THIGPEN
Trailer—Float
Finish-Off
18 years

R.L. ROSS, JR.
Foundry—Main Bay
11 years

LEETOLIA YARBROUGH
Trailer—Van Subs
17 years

DENNIS HOPPER
Machine Shop
18 years

ARTHUR DONNELL
Structural Steel Plant
27 years

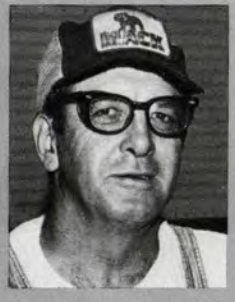
DONNA PARISH
Material Control
12 years

DICK McKAY
Trailer Offices
26 years

JOE VARGA
Product Design
Engineering
21 years

E.W. CHAPMON
Truck Shop
32 years

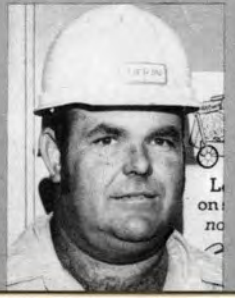
MIKE KARTYE
Machinery Sales
16 years



CHARLES SKIPPER
Trailer—Repair
18 years

ARCHIE RICE
Trailer—Machines
28 years

JOE WATSON
Welding Shop
28 years



ROY TULLOS
Foundry—Maintenance
20 years

ROY DAVIS
Purchasing
15 years

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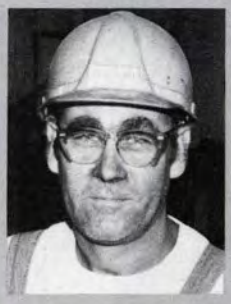
ANNIVERSARIES 10 Years or More

ROBERT BREVELL
Foundry—Maintenance
26 years

HOSIA HARRIS
Structural Steel Plant
21 years

VAN HOOKER
Industrial Supplies
10 years

JAMES KING
Trailer—Repair
14 years



MARVIN FREE
Foundry—Maintenance
12 years

DEAN BROWN
Trailer—Maintenance
18 years

JAMES OATES
Belt Covers
32 years

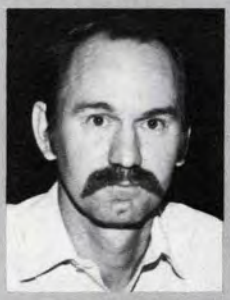
W.D. McWILLIAMS
Shaft Shop
32 years

CARTER OLDS
Trailer—Floats
19 years

WILLIE WASHINGTON
Structural Steel Plant
11 years

DONALD KENDRICK
Trailer—Van Finish-Off
13 years

WILLIE CALVIN
Machine Shop
21 years



DOUG LANDERS
Trailer—Engineering
18 years

JOHN FRANKLIN
Product Design
Engineering
17 years

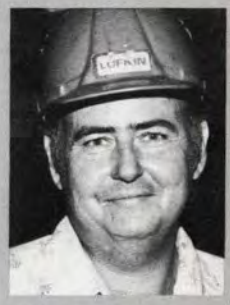
LARRY POWELL
Machine Shop
13 years

THOMAS McFARLAND
Production Control
10 years

WILLIAM DYKES
Trailer—Machines
10 years

BILLY THOMAS
Trailer—Vans
10 years

JAMES DAVIS
Final Assembly
and Shipping
11 years

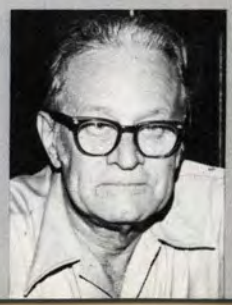


BILLY BRYCE
Foundry—Core Room
13 years

CLAUDE FREEMAN
Industrial Supplies
10 years

RAY STEPHENS
Material Control
15 years

LARRY CADDELL
Welding Shop
15 years



G.C. LAFFERTY, JR.
Machine Shop
41 years

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JERRY LUCE
Industrial Gear Manufacturing
10 years

J.D. PITTS
Tool Room
32 years

LOUIS ROSS
Trailer—Special Projects
10 years

WILLIAM THORNE
Foundry—Cleaning Room
37 years

BILL LOVE
Machine Shop
32 years

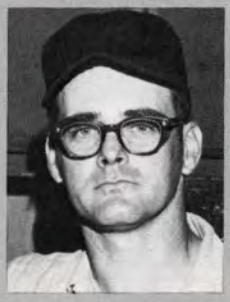
GRADY KIRKLAND
Structural Steel Plant
32 years

GENE NELSON
Trailer—Maintenance
20 years

JAMES EVANS
Foundry—Cleaning Room
35 years

JACK ROBERTS, JR.
Pipe House
28 years

JAMES THOMAS
Final Assembly and Shipping
24 years



GENE MARTIN
Trailer—Float Finish-Off
17 years

RAY HALL
Office Services
20 years

BOB McBRIDE
Trailer—Engineering
15 years

TROY JOHNSON
Welding Shop
12 years

RAYMOND HULETT
Foundry—Main Bay
32 years

WILLIE CHATMAN
Welding Shop
16 years

ALLEN FANCHER
Trailer—Maintenance
18 years

THOMAS LADD
Foundry Offices
12 years

HUBERT PITTMON
Industrial Gears
13 years

ROBERT RIDGEWAY
Foundry—Core Room
32 years

EDDIE MITCHELL
Mechanical Maintenance
16 years

NOLAN WILSON
Accounting
37 years

CONNELLE BISHOP
Trailer—Foreman
32 years

RICHARD BRASHEAR
Mechanical Maintenance
11 years

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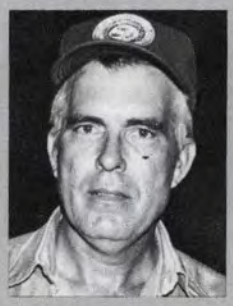
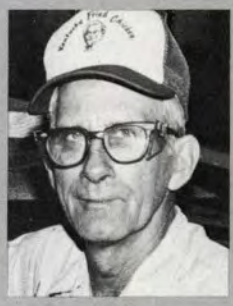
ANNIVERSARIES *10 Years or More*

JAMES WOOD
Gear Cutters
28 years

VERNON McADAMS
Final Assembly
and Shipping
16 years



GEORGE BRANTON
Structural Steel
28 years



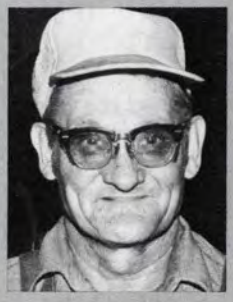
ARMON THRASHER
Final Assembly
and Shipping
10 years

CHARLES GIBSON
Foundry—Side Bay
13 years

WILLIAM LOCHE
Welding Shop
10 years

LEONARD AVERY
Industrial Gears
27 years

DAVID RICHARD
Welding Shop
13 years



JAMES HANES
Final Assembly
and Shipping
10 years

VERNICE ROEBUCK
Tool Room
13 years

SMITHIE REEVES
Machine Shop
32 years

BILLY KELLEY
Machine Shop
32 years

JAMES PARNELL
Jig Shop
34 years

W.T. PENNINGTON
Structural Offices
25 years

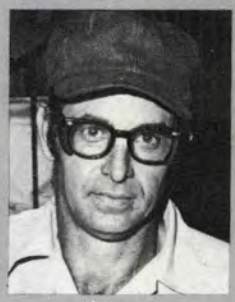
M.C. FREEMAN
Machine Shop
10 years

LEONARD MODISETTE
Welding Shop
32 years

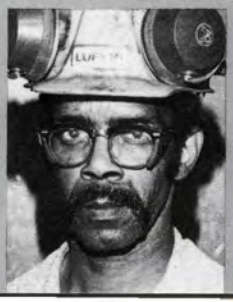
LARRY BLANTON
Shaft Shop
12 years

IZERE MURPHY
Foundry—Side Bay
37 years

JONELL ASHBY
Manufacturing
Engineering
21 years

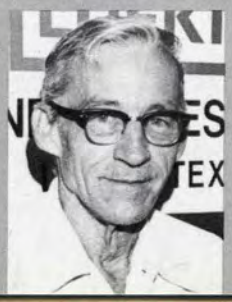


JAMES THOMPSON
Final Assembly
and Shipping
16 years



MELVIN HARRIS
Foundry—Main Bay
10 years

ARNOLD COLE
Lathe Shop
10 years



JIM CUMMINGS
Truck Shop
27 years

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FOUNDRY OPERATIONS

	Employment Date	Years With Co.
William Thorne	August 13, 1945	37
Izere Murphy	August 17, 1945	37
James Evans	August 30, 1947	35
Tony Adkins	August 8, 1950	32
Arthur Harrison	August 14, 1950	32
Raymond Hulett	August 15, 1950	32
Robert Ridgeway	August 19, 1950	32
Robert Brevell	August 22, 1956	26
Roy Tullos	August 28, 1962	20
Billy Bryce	August 5, 1969	13
Charles Gibson	August 5, 1969	13
Thomas Ladd	August 26, 1970	12
Marvin Free	August 27, 1970	12
R.L. Ross, Jr.	August 10, 1971	11
Melvin Harris	August 24, 1972	10
Bobby Allen	August 30, 1973	9
Thomas Jenkins	August 31, 1973	9
John Moore	August 5, 1974	8
Alice Thompson	August 5, 1974	8
Charles Adams	August 13, 1974	8
R.V. Horace	August 27, 1974	8
John White, Jr.	August 21, 1975	7
John Powell	August 22, 1975	7
Dornest Spikes, Jr.	August 26, 1975	7
Willie Bryant	August 24, 1976	6
Alfred Navarro	August 26, 1976	6
Roy Williams	August 8, 1977	5
William Hollingsworth	August 8, 1977	5
James Malone	August 10, 1977	5
Marvin Allen	August 11, 1977	5
Craig Person	August 29, 1977	5
Charles Winthrop, Jr.	August 29, 1977	5
Roger Hurts	August 2, 1978	4
John McElwee	August 21, 1978	4
Larry Loyd	August 24, 1978	4
James Craven	August 24, 1978	4
Everardo Luna, Jr.	August 25, 1978	4
Jack Haney	August 7, 1979	3
Alton Inman	August 8, 1979	3
Marcos Rodriguez	August 10, 1979	3
Bennie Ikner	August 17, 1979	3
Helen Ladd	August 20, 1979	3
Eleazar Carrillo	August 21, 1979	3
William Wade	August 29, 1979	3
Jerry Kromer	August 5, 1981	1
Linda Karber	August 10, 1981	1
Charles King	August 21, 1981	1
Jerry Schanfish	August 31, 1981	1

LITTLE ROCK FOUNDRY

	Employment Date	Years With Co.
Dennis Spradlin	August 9, 1978	4
Michael Creamer	August 21, 1979	3
Gary Calley	August 28, 1979	3
Charles Nabors	August 18, 1980	2
Ollie Branyon	August 12, 1981	1
Bobby Whisenhunt	August 14, 1981	1

MATERIAL CONTROL

	Employment Date	Years With Co.
Ray Stephens	August 14, 1966	16
Frank Grimes, Jr.	August 9, 1967	15
Donna Parish	August 6, 1970	12
Amy Basham	August 7, 1974	8
Donna Lightfoot	August 22, 1977	5
Lonnie Etheridge	August 2, 1978	4

INDUSTRIAL SUPPLIES

	Employment Date	Years With Co.
Jack Green	August 1, 1956	26
Jesse Morgan	August 21, 1967	15
Van Hooker	August 8, 1972	10
Claude Freeman	August 28, 1972	10
David Saucier	August 11, 1980	2
James Hudiburgh	August 3, 1981	1
Tommie Molandes	August 3, 1981	1
Jenny Mahand	August 24, 1981	1

CORPORATE OFFICES

	Employment Date	Years With Co.
Nolan Wilson	August 8, 1945	37
Ray Hall	August 1, 1962	20
Roy Davis	August 17, 1967	15
Joy Havard	August 22, 1973	9
Arthur Paust	August 3, 1976	6
Edith Farrior	August 14, 1978	4
Sondra Bennett	August 20, 1979	3
James Smith	August 11, 1980	2
Brad Peek	August 14, 1980	2
Mary Fann	August 11, 1981	1
Doug Holland	August 31, 1981	1

MACHINERY OPERATIONS

	Employment Date	Years With Co.
Doyle Bowers	August 18, 1941	41
G.C. Lafferty, Jr.	August 29, 1941	41
Charles Daniel	August 23, 1944	38
James Parnell	August 23, 1948	34
Charles Campbell	August 2, 1950	32
E.W. Chapmon	August 5, 1950	32
Bill Love	August 7, 1950	32
Billie Kelley	August 7, 1950	32
Smithie Reeves	August 8, 1950	32
W.D. McWilliams	August 11, 1950	32
J.D. Pitts	August 15, 1950	32
James Wood	August 3, 1954	28
Jack Roberts, Jr.	August 30, 1954	28
Jim Cummings	August 11, 1955	27
John Smith	August 19, 1955	27
Leonard Avery	August 29, 1955	27
Jonell Ashby	August 8, 1961	21
Willie Calvin	August 10, 1961	21
Dennis Hopper	August 14, 1964	18
Eddie Mitchell	August 3, 1966	16
Larry Powell	August 12, 1969	13
Hubert Pittmon	August 14, 1969	13
Vernice Roebuck	August 25, 1969	13
Larry Blanton	August 18, 1970	12
Mike Hartman	August 31, 1970	12
Richard Brashear, Jr.	August 23, 1971	11
Thomas McFarland	August 1, 1972	10
Arnold Cole	August 14, 1972	10
Jerry Luce	August 21, 1972	10
M.C. Freeman	August 28, 1972	10
Maurtis Jansen	August 9, 1973	9
Robert Spencer	August 28, 1973	9
John Sigler	August 13, 1974	8
Rickey Pantalion	August 14, 1974	8
J.D. Robinson	August 22, 1974	8
Joe Taylor	August 28, 1974	8
Elton Wright	August 14, 1975	7
Lloyd McFarland	August 25, 1975	7
Kenneth Lambert	August 25, 1975	7
Mike Miles	August 25, 1976	6
John Phillips	August 1, 1977	5
Donald Spicer	August 8, 1977	5
Reggie Modisette	August 11, 1977	5
Renee Turner	August 22, 1977	5
Chris Skelton	August 21, 1978	4
Billy Sanders	August 28, 1978	4
Daniel Armet	August 2, 1979	3
Billy Ross	August 3, 1979	3
Carolyn Havard	August 5, 1979	3
J.C. Matlock	August 6, 1979	3
Helen Mericle	August 6, 1979	3
Paul Crawford	August 6, 1979	3
Billy Reynolds	August 8, 1979	3
David Goolsby	August 9, 1979	3
G.W. Sisson	August 22, 1979	3
Joe Wilson	August 23, 1979	3
Michael Stephens	August 27, 1979	3
Danny Ross	August 28, 1979	3
Carl Kiel	August 28, 1979	3
Ronald Hawkins	August 29, 1979	3
Frank Pachicano	August 30, 1979	3
Charles Randle, Jr.	August 17, 1980	2
Ray Mathews	August 19, 1980	2
Brian Powell	August 20, 1980	2
Ronnie Pace	August 21, 1980	2
James Coulter	August 24, 1980	2
Kenneth Robertson	August 25, 2980	2
David Jaramillo	August 26, 1980	2
Berta Gilbert	August 26, 1980	2
Edward Roberts	August 28, 1980	2
Billy Howe	August 29, 1980	2
Curtis McBride	August 2, 1981	1
Owen Allen	August 3, 1981	1
Paul Alderman	August 5, 1981	1
Michael Allen	August 9, 1981	1
Wendell Davis	August 9, 1981	1
Allen Roberts	August 11, 1981	1
Ernest Mills	August 12, 1981	1
Chester Whitaker	August 13, 1981	1
Carrol Hargis	August 17, 1981	1
Glenn Hargis	August 26, 1981	1
Hillery Havard	August 26, 1981	1
Jana Painter	August 26, 1981	1
Larry Walker	August 31, 1981	1
Oscar Johnson	August 31, 1981	1
Charlton Hough	August 31, 1981	1

FINAL ASSEMBLY AND SHIPPING

	Employment Date	Years With Co.
James Thomas	August 25, 1958	24
Vernon McAdams	August 22, 1966	16
James Thompson	August 23, 1966	16
James Davis	August 18, 1971	11
James Hanes	August 4, 1972	10
Armon Thrasher	August 24, 1972	10
Charles Reeves	August 1, 1974	8
Alexander Koshy	August 24, 1977	5
James Howell	August 7, 1979	3
Theodore Perez	August 15, 1979	3
Helen Hill	August 22, 1979	3
Lezo Langston, Jr.	August 11, 1980	2
Ann Roy Major	August 15, 1980	2
Don Houston	August 18, 1980	2
Brent Brockman	August 20, 1980	2
Kenneth Brashear	August 21, 1980	2
Dana Day	August 3, 1981	1
Daniel Boone	August 3, 1981	1
Sandy Smith	August 17, 1981	1
Vernon Bryant	August 18, 1981	1
Jeffrey Nungester	August 19, 1981	1

PRODUCT DESIGN ENGINEERING

	Employment Date	Years With Co.
Joe Varga	August 23, 1961	21
John Franklin	August 9, 1965	17
Charles Teutsch	August 23, 1965	17
Lil Etheridge	August 2, 1971	11
Terry Orr	August 16, 1976	6
Connie Townsend	August 20, 1979	3
Ronald Gilmer	August 31, 1981	1

MACHINERY SALES AND SERVICE

	Employment Date	Years With Co.
Allen Herndon	August 20, 1959	23
Pat Stanley	August 1, 1966	16
Mike Kartye	August 9, 1966	16
John Skillern	August 7, 1978	4
Amando Ramirez	August 1, 1979	3
Patsy McGill	August 25, 1980	2

STRUCTURAL STEEL PLANT

	Employment Date	Years With Co.
James Oates	August 17, 1950	32
Grady Kirkland	August 23, 1950	32
Leonard Modisette	August 23, 1950	32
Joe Watson	August 5, 1954	28
Paul Thompson	August 9, 1954	28
George Branton	August 23, 1954	28
Arthur Donnell	August 12, 1955	27
Bill Pennington	August 1, 1957	25
Hosia Harris	August 18, 1961	21
Willie Chatman	August 25, 1966	16
Larry Caddell	August 16, 1967	15
David Richard	August 20, 1969	13
Troy Johnson	August 27, 1970	12
Willie Washington	August 3, 1971	11
William Loche	August 11, 1972	10
Milton Grimes	August 6, 1974	8
Doris Hooper	August 12, 1974	8
George Johnson	August 28, 1974	8
John Hodges	August 4, 1975	7
Ira Mott	August 25, 1975	7
John Johnson	August 25, 1976	6
Ronnie Jones	August 22, 1977	5
Rick Huckabee	August 29, 1977	5
Talmadge Hyde	August 3, 1978	4
Jimmy Jackson	August 15, 1978	4
James Russell	August 21, 1978	4
Nelda Howell	August 29, 1978	4
Jose Arrellano	August 6, 1979	3
Craig Anglin	August 6, 1979	3
Doris Gregory	August 10, 1979	3
Jose Diaz	August 14, 1979	3
Bradley Wall	August 14, 1979	3
Sherry Meaux	August 21, 1979	3
Jolyn Neveu	August 21, 1979	3
Emmett Rushing	August 21, 1979	3
Milton Burrell	August 23, 1979	3
Connell Patton	August 8, 1980	2
Nathaniel Major	August 12, 1980	2
Lemuel Hicks	August 15, 1980	2
Roy Hughes	August 15, 1980	2
John Anthony	August 18, 1980	2
James Carlile	August 25, 1980	2
Anthony Burrell	August 25, 1980	2
Fred Canady	August 25, 1980	2
Joe Potts	August 27, 1980	2
Fred Kelly	August 27, 1980	2
Alejandro Delgado	August 3, 1981	1
Robert Horton	August 5, 1981	1
Victor Terrazas	August 10, 1981	1
Arthur Parks	August 10, 1981	1
Jose Castillo	August 12, 1981	1
Charles Sellman	August 18, 1981	1
Charlie Floyd	August 21, 1981	1
Karen Lambert	August 21, 1981	1
Carolyn Gallas	August 24, 1981	1
Bridgett Lumbley	August 24, 1981	1
Antonio Alvarez	August 31, 1981	1

MACHINERY MANUFACTURING ADMINISTRATION

	Employment Date	Years With Co.
Bill Williams	August 19, 1976	6

PERSONNEL

	Employment Date	Years With Co.
George Cook	August 20, 1975	7
Billy Redd	August 4, 1978	4
Ann Wareing	August 3, 1981	1
Samuel Blair, III	August 10, 1981	1
Rebecca Hines	August 17, 1981	1
Curtis Fancher	August 21, 1981	1
Jimmie Billingsley	August 24, 1981	1

TRAILER PLANT

	Employment Date	Years With Co.
Connelle Bishop	August 28, 1950	32
Archie Rice	August 23, 1954	28
Dick McKay	August 1, 1956	26
Katherine Luker	August 27, 1956	26
Gene Nelson	August 27, 1962	20
Carter Olds	August 20, 1963	19
Charles Skipper	August 10, 1964	18
Doug Landers	August 18, 1964	18
Robert Thigpen	August 20, 1964	18
Allen Fancher	August 24, 1964	18
Dean Brown	August 25, 1964	18
John Lewis	August 16, 1965	17
Gene Martin	August 18, 1965	17
Leetolia Yarbrough	August 24, 1965	17
Bob McBride	August 23, 1967	15
James King	August 26, 1968	14
Donald Kendrick	August 26, 1969	13
Sherman Blanton	August 10, 1970	12
Louis Ross	August 21, 1972	10
Billy Thomas	August 21, 1972	10
William Dykes	August 28, 1972	10
Gail Fenley	August 12, 1974	8
Isaac Wheeler	August 9, 1977	5
Charles Davis	August 29, 1977	5
Louis Jackson	August 7, 1978	4
Glenn Coutee	August 21, 1978	4
David Ackerman	August 24, 1978	4
Arthur Hadley	August 16, 1979	3
Lloyd McKnight	August 21, 1979	3
Tammy Howard	August 4, 1980	2
Timmy Fair	August 19, 1980	2
Travis Harris	August 10, 1981	1

TRAILER SALES AND SERVICE

	Employment Date	Years With Co.
Donald Butler	August 21, 1956	26
Edward Johnson, Jr.	August 27, 1957	25
Floyd Bates	August 1, 1960	22
Norman Coleman	August 10, 1964	18
William Money	August 11, 1969	13
Phillip Coderre	August 21, 1972	10
Jose Sanchez	August 21, 1974	8
Tony Boston	August 6, 1979	3
Jose Guerra	August 7, 1979	3
Toney Carney	August 22, 1979	3

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INSIDE

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COVERS

Front: Lufkin Industries has been serving the oil industry with pumping unit equipment like this conventional unit located in Bryan-College Station, Texas for 57 years. Now the oil industry is undergoing one of the most painful periods in its history. For more on the situation, see page 2.

Back: A LUFKIN 1204C gear reducer connected to LUFKIN D1824 double reduction gears drive a spur gear final-drive and Fulton three-roll sugar mill. For more on the installation in one of Florida's most successful sugar factories, see page 6.

—Photos by David Freeze

LUFKIN ROUNDUP
Volume 39, Number 8, 1982

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