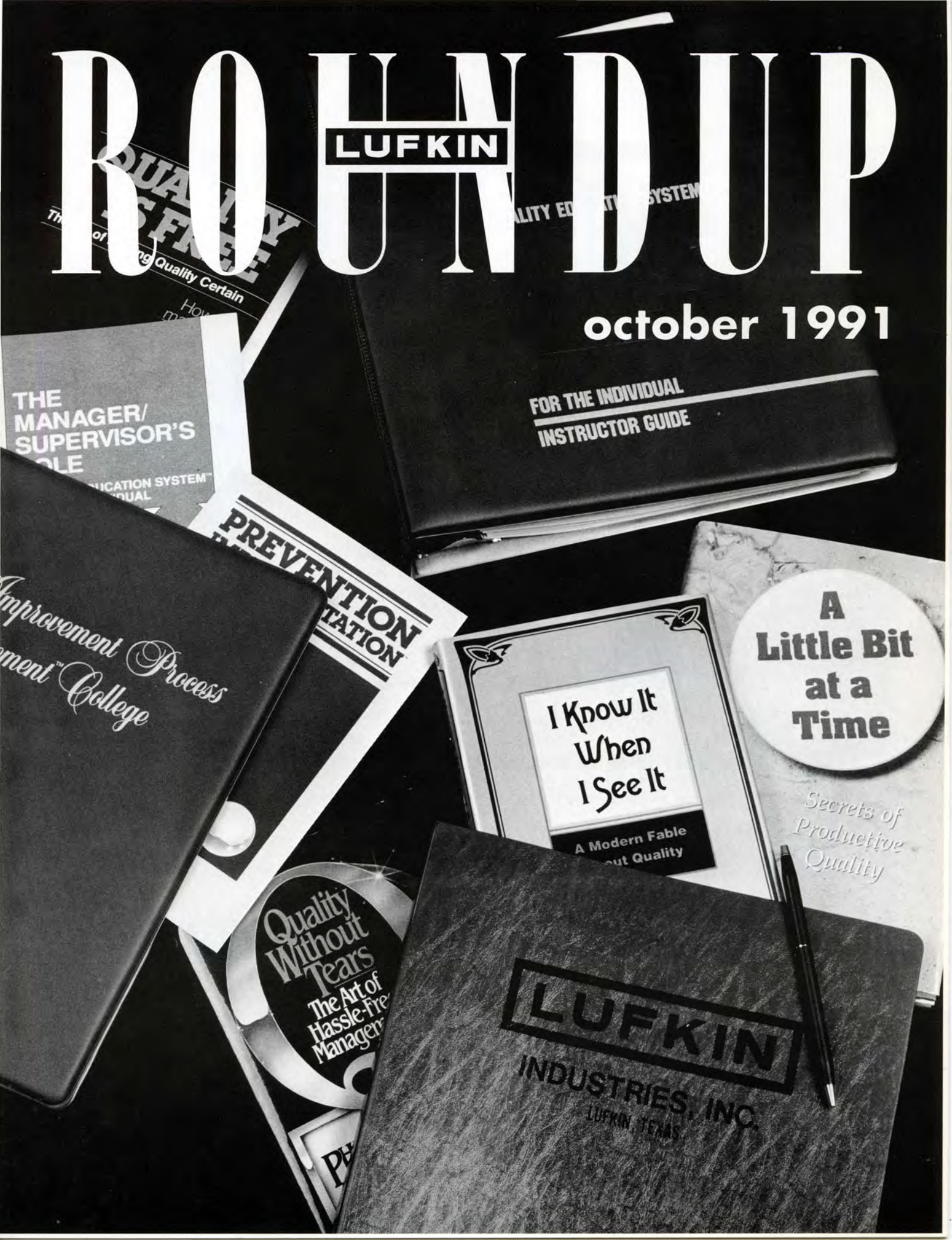
Copied from an original at The History Center, Diboll, Texas. www.thehistorycenterdiboll.org 2013.023

LUFKIN ROUNDUP

october 1991



Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

3

"...the quality attitude was invented at LUFKIN."

LUFKIN ROUNDUP

COVER: The books may be new, but the concept of quality at LUFKIN is as old as our name itself.

3 **QUALITY: A LUFKIN Tradition --** Frank Stevenson

4 **Industrial Hygiene**

5 **lifestyles:** John Ramey

6 **THE QUEST: Zero Defects**

8 **BRANCH SPOTLIGHT:** Pittsburgh, Pennsylvania

9 **VANTAGE POINT:** Wayland Quisenberry

11 **ANNIVERSARIES & F.Y.I.**

6



4



NEXT ISSUE:

A Room With a View

VOLUME 48, NUMBER 10, 1991

Published monthly by Lufkin Industries, Inc.
P.O. Box 849, Lufkin, Texas 75902-0849
For active and retired employees and their families

Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

QUALITY:

A LUFKIN Tradition



"If we are to continue offering outstanding value, our Company must always be looking for ways to improve our processes, products and service."

Quality is a LUFKIN tradition. For the past 90 years, we have built our reputation on quality, dependability and service. Our goal has always been to provide our customer with the best overall value available. That is why the single word, "QUALITY," has been used to describe LUFKIN products and services.

However, the standards defining quality are always changing. As technology improves and competition intensifies, customers demand better products. If we are to continue offering outstanding value, our Company must always be looking for ways to improve our processes, products and service.

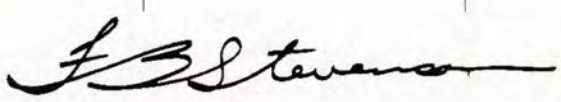
For this reason, we have recently decided to take a new, fresh look at quality as it is applied to our entire organization. We have chosen Philip Crosby Associates, Inc., an organization recognized around the world as the leader in quality training, to help us redefine quality at LUFKIN.

Worldwide, companies are discovering the importance of quality. But in a very real sense, the word and the quality attitude was invented at LUFKIN. Now, we intend to *reinvent* quality.

To do this, we will again emphasize what we have always emphasized, that every individual in the LUFKIN organization must be dedicated to excellence. No matter what your job or where in the Company you are employed, your total commitment to quality and to the customer is vital.

Together, let's build on the LUFKIN reputation of the past, but with an awareness that we must be better today than we were yesterday. We must be better tomorrow than we are today. The success of your Company depends on it.

Thanks very much for building a sound reputation for quality. Now it is time to look ahead, to move forward. Now it is time to take our reputation to new levels, so that the best truly can get better.



Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

INDUSTRIAL HYGIENE SURVEY 1991



"Guessing about our work environment is simply not good enough. We determine, through scientific evaluation performed by a reliable outside specialist, exactly what surrounds our employees." This, according to Jared Satterwhite, Corporate Safety & Health Director, is the reason for the annual industrial hygiene survey. Satterwhite continued, "Of course this annual survey is in addition to the continuous monitoring and testing that our Company safety and health professionals perform."

The survey, which takes a week to conduct and which covers all of the manufacturing areas, runs tests which determine the levels of air-born materials, solvents, metal fumes and any other agent which might affect the working environment. Dwayne Jacobson, Industrial Hygienist, with Parker Services, Inc. conducted the survey this year.

Satterwhite also said, "LUFKIN has for many years been involved in this type of evaluation. The information we receive from this survey is essential if we are going to maintain a safe working environment.

"It is important to understand also, that without the complete cooperation of our employees it would be impossible to obtain this information. I want to extend a special thanks to all those employees who wore different types of pumps and other equipment during the survey. Without their assistance the survey would have been very difficult to perform."

What happens now? Satterwhite concluded, "We expect the results within 30-60 days, and as soon as we get them, they'll be posted on bulletin boards and reviewed in safety meetings."



Photos by: Laura Griffith

Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

lifestyles



In 1962, only 14,500 Chevrolet Corvettes were built. Of that number 465 had a 327 cu. in. motor and an automatic transmission combination. Today, one of those 465 is being rebuilt to its *original* condition.

John Ramey, a Design leader in Engineering, is piecing the 'Vette jigsaw puzzle back together. "The body was in pretty rough shape when I got it. It had been stored since 1976, and it had apparently been wrecked prior to that."

After approximately 1,000 hours on the project, Ramey estimated that he still has several months worth of work still to go.

To put this car back together utilizing original parts has not been easy, as Ramey says, "I've had to hustle pieces out of wrecking yards and special dealers from all over the country. I've gotten parts from Chicago, Atlanta and some out of Houston.

"Actually the larger parts tend to be easier to find. It's the little pieces that are rare and expensive. The clips for the chrome molding — original 1962 clips — are $1.50 each, and I need 30 of them.

"Not many people know it, but these cars had as standard items stainless steel gas tank, wheel covers, fuel lines and brake cylinders.

"To restore this car to its original condition I've used all original parts — down to the markings of the intake manifold bolts. Even the paint has to be on the motor a certain way.

"So far, the only non-original part in the car is the radio. Not only has the original AM radio been very hard to find, but the best price I've had on one is $750."

Although the time and costs in restoring the car to its original state are high, Ramey feels they are all worthwhile.

"This is an excellent investment. I've already had several offers for the car and it isn't even ready to be driven yet. I can get my expenses back, plus a very nice profit.

"Also, I just can't guess at the therapeutic value I get from working on this. When I work on this thing, I forget work... I forget everything. I'm totally involved.

"Why should I put money towards a psychiatrist's new car when I can end up driving this myself?"

Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

THE QUEST: Zero Defects



Zero Defects. Error-free products. On time delivery — every time. These are the characteristics of quality.

Impossible to achieve? Unrealistic?

When a father tells his child not to play in the street, is he satisfied when the child only plays there 3% of the time? No; he's not satisfied until the child *never* plays in the street. He expects zero defects.

When a worker picks up her paycheck, is she satisfied when the correct amount is paid 95% of the time? No; she's not satisfied until she receives *every* penny she earned every time. She expects zero defects.

This expectation for zero defects can also be applied in the LUFKIN manufacturing environment. In fact, Frank Stevenson set forth a zero defect standard in a quality policy published and posted in June of this year:

"We shall strive for excellence in all endeavors. We shall set our goals to achieve total customer satisfaction and to deliver error-free competitive products on time, with service second to none."

Just the desire to provide error-free products and service does not make it happen, however. We cannot work toward zero defects simply by trying harder or being more careful. No one wants or intends mistakes to occur. Errors occur because there is something wrong with the *process*.

Philip Crosby developed a system that companies can use to discover and correct the *process* problems that lead to defects and errors. LUFKIN's management has attended the Crosby school to study this system and adapt it for use at Lufkin Industries. Several of them will be members of Quality Improvement Teams (QIT), the committees responsible for integrating Crosby's ideas into our current quality system.



"We want to be able to say, 'We are the best there is in our field; we are not afraid of our competition because we continually strive for Excellence."
Bill Cantrell

Herb Green, Executive Vice-President, enthusiastically endorsed the system, "This is a world class quality program. LUFKIN is going to utilize Crosby as an outline for a LUFKIN system. Management is 100% committed to this program."

Bill Cantrell has been appointed Corporate Quality Manager, and will play a significant role in reshaping LUFKIN's quality system. "Many quality programs come and go because they are not a way of life. Ours is not just a quality department

Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023





"No longer is 'that's good enough' acceptable." Jeff Lankford

and this is not just a quality program. This is total quality management and it affects everyone in the company."

Because this quality system affects and utilizes *every* employee, one of the most important steps in the process is education. LUFKIN and Crosby call this our Quality Education System or QES. Tim Stacy, one of the QES instructors, believes that quality training will "give us a mechanism to make quality happen throughout our organization . . . everybody will be speaking a common language."

LUFKIN's QES instructors will each teach several classes and seminars in quality. All LUFKIN employees will receive training, the goal of which is to give every LUFKIN employee the tools necessary for them to impact quality.

Since the person who is most likely to be aware of problems is the man or woman involved in the process, it is essential that every LUFKIN employee be intimately involved in the quality process. "We fix the process to prevent things from going wrong," Bill said, "rather than inspect the product after the fact." With everyone working together, processes can be designed to "do it right the first time."

And, when things are done right the first time, LUFKIN saves a lot of money. According to Bill, "In many cases, companies have found that their cost of not doing it correctly to begin with is 25% of their sales." In Crosby jargon, this cost is called the "price of nonconformance." Although LUFKIN has not estimated the price of nonconformance, 25% of 1990 sales totaled over 48 million dollars at Lufkin Industries.

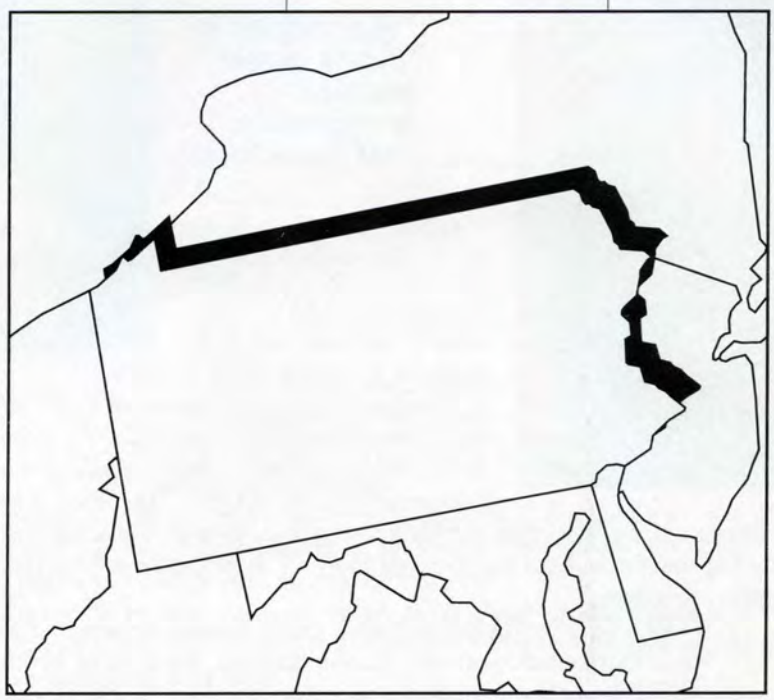
Is a zero defect standard realistic? Jeff Lankford, another QES instructor, thinks so. "At first, I thought the zero defects concept meant we had to be perfect . . .But it's not perfection we're looking for." When zero defects is the standard, "You keep attacking and attacking, relentlessly, to do away with any shortcomings" in the work process. The result? QUALITY.



"I look forward to teaching it [QES] because I believe in what it's saying." Tim Stacy

Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

BRANCH: SpOtlight



Since 1963 Pittsburgh has been the focal point of LUFKIN gear sales for an area covering western Pennsylvania, western New York and all of West Virginia.

In fact, Pittsburgh is only the general area where LUFKIN is located. The actual location of the office is approximately 20 miles from Pittsburgh in New Kensington.

Due to the heavy concentration of industrial concerns in their sales area, the Pittsburgh office deals most often with industrial gearing for large OEM (Original Equipment Manufacturers) companies specializing in turbine and compressor manufacturing. LUFKIN's gears would be a component in the total package being sold to another customer by LUFKIN's customer.

Although located in the northeast, this office directs the sales activities of a zone including Baltimore, New Jersey, Atlanta and New Orleans.

Pittsburgh Personnel

George Adda .....Division Manager
Keith Barnett .....Sales Trainee
Charles Bernard.....Service Rep
Robert Butler .....Sales Rep
Ethel Sunday .....Office Manager
Thomas Williams .....District Manager

Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

VANTAGE POINT

VANTAGE POINT is a page dedicated to focusing on the viewpoint of specific individuals in the LUFKIN organization.

"Be creative" is often heard by all of us. But what is creativity? Even at home, we hear, "Change the way you usually prepare the dish... do something different — *be creative.*" This doesn't mean a great change, but enough of a change to *improve* the outcome. What is creativity? It is ***putting an idea into practice!***

What, then, is creativity worth? Suppose that by using our creativity each of us could find a way to increase our productivity by one minute today. The one minute of savings could be calculated like this:

1 min. per day X 2400 empl. = 2400 min.
2400 min./60 min per hr. = 40 hrs.
40 hrs. per day/8 hrs. per empl. = 5 empl.
40 hrs. per day X $10 per hr. = $400/day
$400/day + 30% fringe benefits = $520/day

If we made one of these improvements each month, in one year the savings due to creatively improved productivity would be:

$520 per day X 260 working days per year X 12 months (one new idea per month) = **$1,622,400** *savings in one year.*

We all have creative abilities, although researchers tell us that by the time we are adults only about 2% of us are truly creative. Why? As we grew into adults we began to develop set patterns as part of the educational process, which, along with a fear of being wrong in the eyes of others, limits our creativity. What can we do to improve our creativity?

First, begin by asking questions of others and yourself. Why can't something be changed? What can *I* do to change this? Second, develop an attitude that change is good. After all, we change things to satisfy ourselves, and only we know when we have reached our goal. Also, postpone judgement on creative ideas, be willing to take some risk. Keep in mind, there are no right or wrong creative ideas, just possibilities and opportunities. Creativity is the process, not the end product. We can dream up, think up and implement as long as we *believe* in the process of creative improvements and solutions.

At home or work, creative opportunities are ever present. A key factor to remember and employ is that *small changes* are often easiest and can be the best. Experimenting with a *creative* innovation when making home made biscuits, you might decide to add sugar to your recipe. How much? What about a cup of sugar? A more feasible beginning point would probably be a tablespoon. Start with small changes in your creative ventures.

Remember, every swing of the bat is not a home run; each play in football is not a touchdown. So are the efforts for improvement through your creative skills. Consistency and positive attitude are the keys.

Try an idea; change it and try again. Remove fear of change. Do not be afraid of change — welcome it! The commonly heard comment, "We have always done it this way," must be disregarded. Replace this statement with "How can I do it better?"

Each of us is an individual with different tastes and different talents. If we were all machinery mechanics, there would be no operators, grinders, pattern makers, molders or trailer builders. My point is... we are each individuals with varying tastes and talents and we each have daily opportunities to reach new heights of excellence in our chosen field through positive effort and creativity.



Wayland Quisenberry
General Manager, Foundry Operations

Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

ACCOUNTING
Mary Miller 13
Tim Beamon.....13
CANADA
Brian Stanton 9
Duyen Nguyen.....4
CORPORATE
Sandy McMullen 19

James McCroan 17
Vernon Modisette 17
Floyd Hamilton.....16
Lawrence Flournoy....14
Benny McGaughey...13
Isabel Coleman 13
Leroy Adams.....12
Les Haag.....12

OCTOBER anniversaries

ENGINEERING
Jerry Taylor.....14
David Jones 12
Stephen Rice.....1
Kim Martin 1
FABRICATION
Jimmy Stepherson 27
Calvin Scarbrough....27
David Kelsey.....26
Sam Swindle.....26
Judy Dassinger.....25
Craig Curry .....24..
Jerry Williams 22
Hail Hawkins 20
Johnny Burrell 19
Paul Smith 18
Bobby Ward 18

Jeffrey Brown 2
William Martin.....1
David Lovett.....1
Debbie McGraw 1
Eric Watson.....1
Dennis Phillips.....1
Jason Bentley 1
Noe DeJesus.....1
Gregory Duckworth 1
Travis Flowers 1
James Wise 1
Sandra Thompson 1
Garland Bates.....1
William Hull 1
Todd Graham 1
Brian McKinney.....1

Raymond Pace 1
Mitchell Glover 1
Michael Meek.....1
Billy Emerson 1
FOUNDRY
Odis Garner 41
Lonnie Greer.....37
Steve English.....35
Lenard Anders.....29
Elmo Scott 27
Jimmy Jones.....25
Larry Stringer 25
Harold Walker.....19
Willie Hartsfield 17
Julius Cox.....17
Curtis Bryant.....17
Chester Benton, Jr.....16
Jimmy Smith.....16
Oliver Duirden 16
James Davis, Jr.....16
Bonner Davis 16
Michael Cranford.....13
Nathaniel Logan 13
Bernardino Acevedo.12
Jose Gamboa 12
Ruben Guevara 12
Elvis Grimes.....8
Miguel Munoz 8
Leonard Thacker.....7
Roy Burch.....7
Nathan Burnaman 4
Juan Zamora.....4
Kevin Cauley 4
Raul Cabrera 4

Robert Belasco 4
Greg Burch.....4
William Doss 4
Jose Salazar 4
Juan Mijares 4
Jesus Solis 4
Albert Williams 4
James Stacy.....4
Eddie Anthony 4
Jackie Rogers 3
Jay Smith.....1
Gary Woodward 1
Douglas Durbin 1
Brian Johnson 1
Larry Goodwin.....1
Martin Perez.....1
Enrique Padilla.....1
Francisco Ascencio.....1
Jose Rodriguez.....1
Alejandro Galaviz.....1
David Johnson 1
Mateo Rivera 1
Danny Bell.....1
Darrell Wall.....1
GEAR SALES
Jimmy Foster 17
Regina Meyers.....14
Michael Rea 7
INDUSTRIAL SUPPLIES
Harvey Graham 30
Nora Smith.....24
Billy Curry 8
Loraine Lee 4

F.Y.I.

* **Lufkin Foundation Scholarship** applications require either SAT or ACT test scores. Parents and children planning to apply for these scholarships should make certain that these tests are taken in the Fall, so the test scores will be returned prior to the filing date in April, 1992.

* **LUFKIN INDUSTRIES, INC.**

Proud to Be...DRUG FREE!

As a part of LUFKIN's commitment to a drug free workplace and community, Lufkin Industries is encouraging every employee to participate in the 1991 Red Ribbon Campaign, October 19-27. During this week, all of us have the opportunity to register our intolerance to illegal drug use by displaying a Red Ribbon. The silent majority can step out and turn red, with commitment to a drug free lifestyle.

Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

James Dunahoe.....1

MACHINE SHOP

James Elliott.....36
Thomas Nerren 35
Clifton Foster.....30
Edward Gardner.....30
Billy Rice 30
James Cates.....28
Jimmy Youngblood ...27
James Cole.....27
Michael Shuell 27
Richard Bivin 25
Charles Jones.....22
Richard Dennie 19
Ronald Smith 19
James Glass.....17
Joe Burch.....17
Thomas Loving 16
John Greenwell 16
Raymond Adams.....16
David Bowman 14
Leon Amie 14
Lynn Cummings.....14
Pablo Solis 13
John Matthews 13
Douglas Harry 13
Eddie Peveto.....13
Harold Donaldson 13
Michael Brewer.....12
Denorris Martin 12
Brent Bolin.....12
Carl Conner.....12
Von Mathews.....12
David Ham.....12
Horace Hill.....11
Kent Martin.....11
Robert Hearne.....5
David Scott.....4
James Holloway 4
John Rowin 4
Bobby Penson 4
Sheree Cloyd.....4
Don Mayo, Jr. 4
David Jinkins, Jr.....4
James Tidwell.....4
Charles Goeyns 4
Michael Kimmelshue ...4
James Chamblee 4
Gene Willson 4
Sabrina Bowers.....4
Rollin Hutton 4
Fred Forsyth.....4
James Linstrom 4
James Madden.....4
Billy Jones.....4
Varghese Moses.....4
Jeffrey Boulware.....4
Rebecca Howard 2
Larry Martin.....1
James Ouseph.....1
Jon Shultz.....1
Lonnie Stone 1
John Blalock.....1
Ronald Roebuck 1
Katherine Foster 1
Tracy Jones.....1
Billy Snider 1
Thomas Frazier 1
Jimmy Johnson, Jr. 1
James Watson.....1
Billy Vardeman 1
Brig Luce 1
Gregory Thompson.....1
Robert Hines 1

PERSONNEL

Leo Lightfoot 25
Paul Crye 18
James Horton 13
Vivian Purvis 11
Alex Rodrigues.....4

PUMPING UNIT SALES

Jerry Mullens.....28
Harold Stevens.....17
Phyllis Paust 9
Mark House.....7
Franklin Waddell.....4
Michael Duncan.....1
Shirley Williamson 1

TRAILER

Brown Hays.....37
Ron Jackson.....36
James McDuffie.....36
Earl Dover 36
Charles Gault 27
Ernest Jenkins.....23
Albert Duffield.....22
Kirby McAdams 19
Howard Price.....18
William Smith 16
Barbara Smith.....15
Lema Joe Thompson..14
George Edwards.....14
David Burris.....13
Ruben Acevedo.....13
Larry Russell.....13
Gary Latham.....12
Juan Betancourt.....12
Jose Avila.....12
Leo Molandes 11
Gary Pierce 8
John York 8
Clifford Duirden 7
John Brown.....7
Robert Garrett.....7
James Hutto 7
Walter Jones.....7
Jeffery Eberlan 7
Mark Strong 6
Sandra Ward 4

TRAILER BRANCHES

R. L. Watkins 21
Jeff Sepulvado.....10
John Taylor 9
Mike Donovan 7
David Reimschissel 3
Jose Villarreal 3
Perry Mathews 2
Kathie Vancil 1
Robert Mathews 1
William Wooten 1

---

*

The Angelina County United Way Drive for 1991 is underway. Nineteen agencies in Angelina County benefit from the generosity of all of us. Through this *united* effort many worth-while local organizations receive community-based assistance and funding.

Lufkin Industries has been an integral part of this community effort since its beginning. Not only does LUFKIN support this cause with the time and efforts of individual employees serving on the United Way committees, but our rank-and-file employee has also supported the cause with their own dollars.

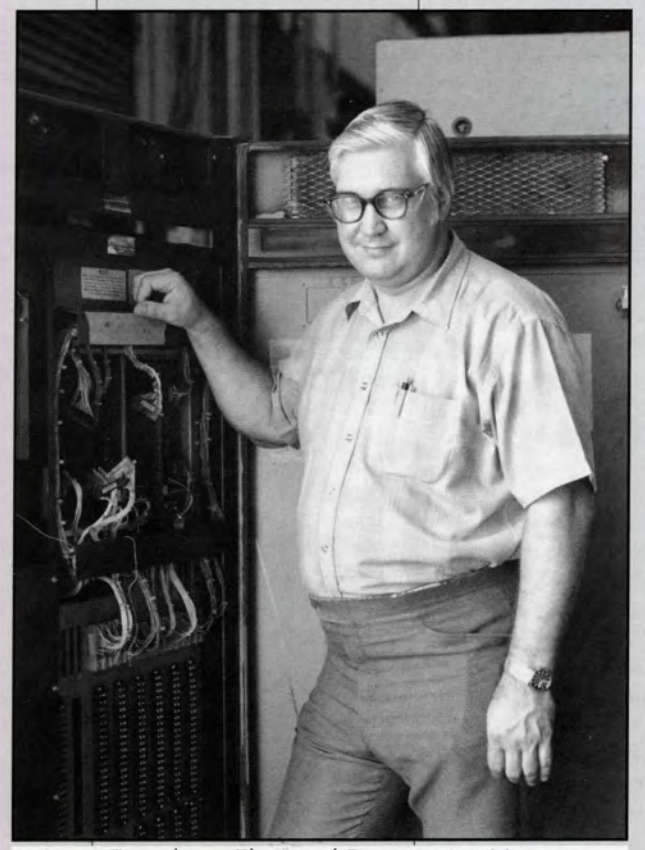
One of the keys to the United Way effort is that it is totally community-based – meaning: the dollars we contribute go to our community, to help Angelina County as well as LUFKIN. In the past year, nearly $2,000 of the money contributed by LUFKIN employees came back to assist LUFKIN employees. Our co-workers have received assistance due to a house burning down and medical costs associated with heart problems, stroke and/or terminal cancer.

Once again, each of us will be given the opportunity to contribute in a number of ways – payroll deduction of a day's pay or specified amount or by simply contibuting cash. Sign-up cards should already have been distributed; please fill these out and return them as soon as possible. As in the past, the Company will match the contribution of the employee's – remember, this benefits Angelina County, where we live, and Lufkin Industries, where we work.

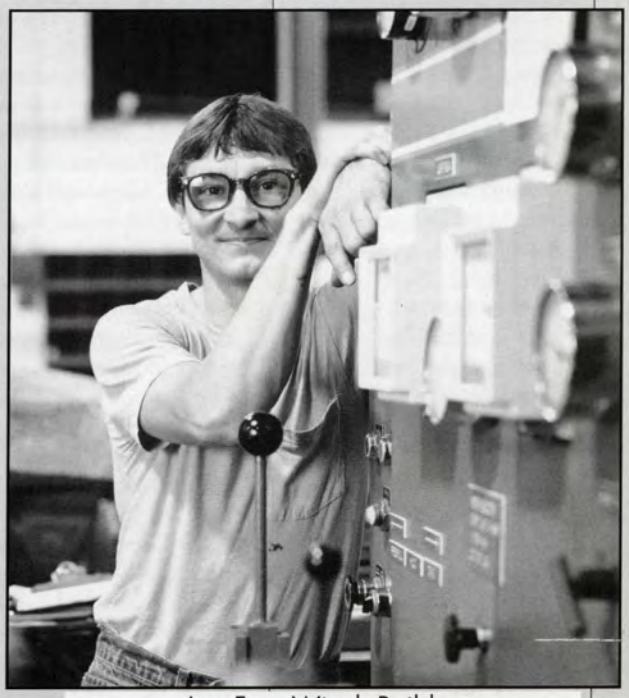
Copied from an original at The History Center, Diboll, Texas. www.TheHistoryCenterOnline.com 2013.023

Lufkin Industries, Inc.
P.O. Box 849, Lufkin, Texas 75902-0849

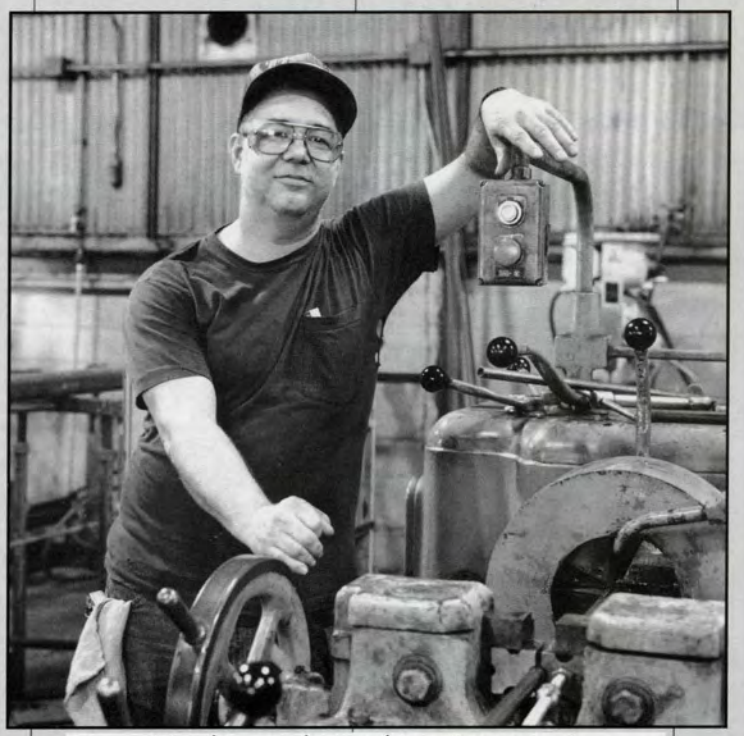
Bulk Rate
U.S. Postage
PAID
Lufkin, Texas
Permit No. 10



Larry Tompkins, Electrical Department Manager
Machine Shop



Lee Fox, Winch Builder
Chanute



Virgil Berwick, Machine Operator C
Machine Shop

James Horton, Director of Personnel and Corporate Communications

Michael Mark, Editor

Viron Barbay, Senior Photographer

Diane Baker, Writer