



**LUFKIN**

OCTOBER 1982

# ROUNDUP

Selling In Tough Times...



## **FROM THE PRESIDENT'S DESK...**

### **FELLOW EMPLOYEES:**

So much of the news you read and hear today is bad news. You rarely find a news report that accentuates the positive. Even in this publication, you have read more bad news than good news lately. But there is another side to this gloomy news.

It is true that the nation's unemployment rate has reached the 10 percent mark, but 90 percent of the nation's work force is employed. And yes, our company has been forced to reduce its payroll by 1,600 people, but some 2,500 persons are still working.

Again it is true, there is a worldwide recession. Yet, recessionary readjustments are bringing down inflation, and that's good news for all of us, especially retired Americans living on fixed incomes. And although our company's business is down this year, we have enjoyed several years of abundant business that have left us in a very strong financial position.

It has been a period of record interest rates, causing companies and families to postpone many purchases. But these unusually high interest rates have created a demand for products and services that will be felt throughout the marketplace when interest rates ease further. And during a time of high interest rates, our company has been able to build some of the finest manufacturing facilities anywhere, without borrowing a dime.

There are two sides to the news, and unfortunately, it is the bleak side we read and hear most often. There is good with the bad, and I believe that bad times are always followed by good ones.

We will emerge from this recession a stronger nation and company. And when the economy does recover, and it will, those who looked for the good will prosper.

A handwritten signature in cursive script, which appears to be "D. Eisenhower".



# Your Help Is Needed

This month, a United  
Way volunteer will  
ask for your  
contribution.

Now is not an ideal time to ask for money. Even the granddaddy of fund-raising projects, the Jerry Lewis Telethon for Muscular Dystrophy, came up short of its goal this year.

Right now, many people find it difficult to dig deep into their pockets for contributions. Some might even be tempted to hold back on their charitable donations, but such funds are needed more now than in prosperous years.

This month, company volunteers will be contacting employees for contributions to the 35th Annual Angelina County United Way Fund Drive. In times of economic stress, the need for the United Way is more urgent than ever. All 18 of the organizations funded by the United Way suffer from the recession as they struggle to provide their various services to the community.

A contribution to the United Way of Angelina County helps many people, and the company matches dollar for dollar the money that employees donate. United Way contributions stay in Angelina County serving every segment of the population.

Gifts fund local youth and senior citizen associations such as the Boy Scouts, Girl Scouts and Angelina County Senior Citizens Center. Donations provide educational organizations like the McMullen, Kurth and T.L.L. Temple Memorial Libraries and the Lufkin Adult Learning Center. Dollars support services for the handicapped, retarded and abused such as the Association for Retarded Citizens of Angelina County, Angelina Foster Home Program and the Lufkin Workshop and Opportunity Center.

Donations assist family aid and health care agencies such as the Wilson McKewen Treatment Center, the Planned Parenthood Center of Angelina County, Palmer Drug Abuse Program and the Lufkin and Temple Day Care Centers. Contributions offer emergency help through such groups as the Red Cross, the Salvation Army and Emergency Relief.

In addition, ten percent of LUFKIN's total donation is set aside for an employee emergency relief fund. This fund is available to any employee who has been a victim of a distressing situation. This year the money assisted employees who lost homes and possessions to fire or who were the victims of extended illnesses.

It is easy to give the United Way, and the gift need not strain the family budget. By filling out a payroll deduction authorization, employees can have contributions deducted from their paychecks on a one-time basis or over a 12-month period. An hourly employee would see this United Way payroll deduction on the third check of the month. United Way payroll deductions for a salaried employee would be divided evenly over a 26-paycheck period. Contributions are tax-deductible.

There are many reasons for giving to the United Way, but the most important one is that your dollars do help others. This year, in spite of a depressed economy, the United Way goal of \$285,000 can be reached if each of us does our part.

Our individual contributions to the United Way are important. Added to other individual contributions, they work the United Way. ☐

# Selling In Tough Times Machinery

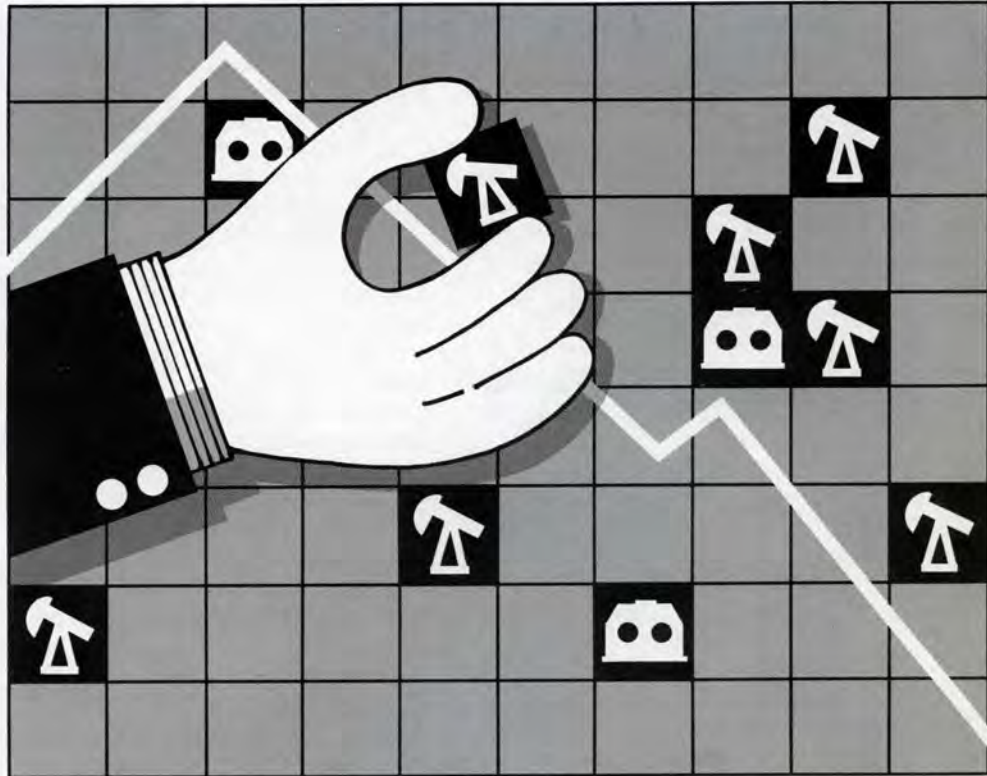
**T**ough times. Those words are being heard more and more often. A depressed national economy has had a negative impact on almost every major industry.

Lufkin Industries is no exception, and each of its product lines has been affected in some way. At one time, it seemed as though the company's leading product, oilfield pumping units, might be spared economic difficulties. But a world oil oversupply halted price growth and the eagerness of oil companies to expand operations. The demand for pumping units dropped.

Now machinery sales personnel who only a few short months ago were allocating shortages are intensifying efforts to sell units.

"We are leaving no stone unturned," says Ben Queen, vice president, machinery sales. "In times of reduced business, the demand is greater on a sales department. We are making more calls and working longer days. We are searching for potential new customers. We are getting the word out that LUFKIN can sell you any size pumping unit for immediate delivery."

Machinery sales personnel had expected a change in the 1982 domestic market, but no one had foreseen such a drastic downturn in business. "We knew that the pumping unit domestic sales market was changing, and that we would not have the percentage growth we had seen in recent years. But every economic indicator said the demand for oil would remain strong into the 1990s. Those projections were based



on \$50 a barrel oil though, and when OPEC dropped its prices, it put millions of barrels of oil on the market at reduced prices. It was no longer profitable to drill many of the wells in the United States."

The decline in drilling activity left many of the company's larger customers with a surplus of units. "Many of them had large oilfields to develop so they had purchased large quantities of pumping units," explains Queen. "Before they will be in a position to purchase again, they will have to burn off those inventories. Many of them are indicating now that they will need pumping units again at the first of the year."

However, the smaller, independent companies who did

not keep an inventory of units are still buying. "About 70 percent of the units we are selling today are purchased by independent operators, and many of them are new customers. I believe this exemplifies the effort of our sales force to seek as much of the business as possible."

In addition to the surplus of pumping units, sales of new units have been complicated by the number of drilling companies that are going out of business. "When these firms close, they have pumping units in inventory that they liquidate in price. This puts even more units on a limited market."

And in a limited market two things usually happen. The volume of sales drops and there are price cuts. "We are

## sales force is making every effort to sell products in a down market.

trying to maintain our price structure," Queen says. "No one wins in a price erosion. LUFKIN units have always been competitively priced."

Drilling firms are not the only companies going out of business either. Many of the nearly 200 companies that began manufacturing pumping units during the two-year boom borrowed high-interest money to enter the market. With sales for units down, the newcomers are being forced out of business.

"Many of these pumping unit makers are calling us, willing to sell their manufacturing facilities for any reasonable offer," says Queen. "Fortunately, we did not do business on borrowed money so we are very secure financially."

Companies that purchased units manufactured by these companies are now asking LUFKIN for assistance in salvaging their investment. "If we can modify their units to use LUFKIN replacement parts, our service department can maintain them. Presently, we are attempting to adapt our gear boxes to one of these units. If we are successful, it could mean another 200 to 300 units in the field that our company could service."

One bright spot in pumping unit sales is the export market. Export sales are good, and Queen is optimistic that the market should remain so throughout the rest of this year and into 1983. "We made a conscious effort to take care of our domestic markets during the shortage, because we felt the future of our company was contingent on a strong domestic market. Consequently, some of our export

markets suffered. But we feel that we are recovering that business. Our export markets make up 20 percent of our sales, therefore, we must have a strong domestic market to stay healthy."

He adds that gear sales have remained steady despite the recession, and total gear shipments are running ahead of last year. "Our gear business has not fallen off despite the recession. This is largely attributable to our increased participation in marine gear business. In the past few years, we have strengthened our gear sales force because we recognized the importance of gearing to our future. Those efforts are paying off."

Like other areas of the company, machinery sales personnel are looking for methods to cut expenses and save money. "Our management practices have always been geared toward efficiency and cost reduction. Several years ago, we streamlined our operations by closing our foreign offices, and moving them to Houston. We have no more people in pumping unit sales today than we had 10 years ago. Instead of hiring new personnel, we have located our people where they could be the most effective and profitable."

The department has limited its participation in industry trade shows for the rest of the year, and has reduced its advertising budget. "We will attend only those few established trade shows that have a long-standing reputation in the industry. It is important that we keep the LUFKIN name before our customers through trade shows and advertising, but

those methods cannot compete with sales personnel meeting with customers on a one-to-one basis."

And the LUFKIN sales force continues to be received enthusiastically by customers around the world. "We are treated with the greatest consideration. Our customers still look to us for anything to do with pumping units because we are recognized as the leader in pumping unit manufacturing. Many of our customers are interested in our assessment of the situation."

While some analysts in the industry are calling for an import tariff to insure stable domestic oil prices and supplies, Queen does not favor such a tariff. "Tariffs can be counterproductive. I believe government incentives that encourage our domestic oil industry to drill and produce are the answer. As long as the nation is dependent on imported oil, we will be at the whim and mercy of oil-exporting countries."

How much longer will the pumping unit market stay depressed? Is there a turnaround in sight? The machinery sales vice president is cautiously optimistic. "We can make no promises. We know that it will be very tough until the first of the year. We are confident, though, that when the surplus of pumping units in the industry is depleted, and drilling activity increases, the LUFKIN pumping unit will be the unit the oil industry buys."

In the meantime, the machinery sales force is doing everything possible to sell pumping units. Times are tough . . . but so are they. □

# What They Are Saying In The Field Division



**Charles Dyer,**  
Mid-Continent  
Division manager . . .

**“T**his situation is not isolated just to pumping units. It pertains to all related items. Some of our competitors have been caught with tremendously large inventories, and they are discounting their units from 25 to 30 percent. In some instances, they have borrowed millions of dollars, and they have to liquidate their inventories. Still, the oil industry wants LUFKIN equipment. We have many time-honored friends in the business.

“When will there be a turnaround? Hopefully, we will see it the middle of next year. I don’t know. There are so many unknowns.”



**Rick Muller,**  
Central Division  
manager . . .

**“T**here are some orders beginning to take shape here that could make a difference. We are quoting on a number of projects. Our short delivery time is encouraging many companies that a year ago could not buy a LUFKIN to order. They want to buy the best and establish a history with the leader in the industry.

“Recently, the president of one of our competitors that had gone out of business called me. He said that as far as he was concerned LUFKIN was the envy of the industry. We had more industry goodwill than any company he had ever known.”



**Chuck Davis,**  
Pacific Coast  
Division manager . . .

**“I**am very optimistic. More than 1,000 well permits have been issued in California for 1982. There is drilling activity. We did such a good job of supplying our customers the last two years that they have large inventories of pumping units. But I feel those inventories should be depleted by the second quarter of 1983, and there will be an upward turn in the market.

“Our shop is very busy. We are overhauling nine units now. Repair work and part sales are good. Pumping unit sales are down, but I am confident next year will be a much better year.”

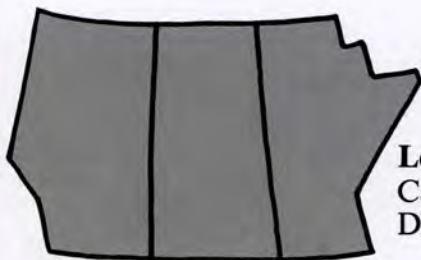


**Roy Lilley,**  
Rocky Mountain  
Division manager . . .

**“W**e are not losing sales to our competitors. Our major customers have an inventory of units, and they are just not buying. We are beginning to see some activity from the independents.

“If interest rates go down, I believe we will see more drilling. But through the first of the year, the market looks tight. When these inventories run out, the companies will buy LUFKIN. They remember the shortage and what we did for them.”

## sales managers comment on today's market.

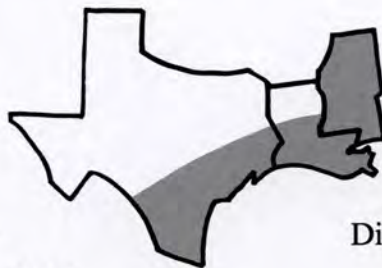


**Len Ruzicki,**  
Canadian  
Division manager . . .

**“T**he Canadian market is about the same as the U.S. market now. Only one-third of the available drilling rigs are working. The government incentives offered last month, however, should pick up drilling activity. Two government programs will pay 50 percent of the cost of drilling a well. And the price of Canadian oil is going up.

“We are facing a great deal of competition from Canadian manufacturers because of price. We still import a large part of the unit from Lufkin. Consequently, the import duty, freight cost and an exchange differential add to the price of our unit. The only answer is to include as much Canadian content in the product as possible, which we are striving to do.

“I think the oil industry downturn has bottomed out, and we should begin to see a gradual incline.”



**Ed Patterson,**  
Gulf Coast  
Division manager . . .

**“T**his has been a frustrating time for us, but unfortunately, it is a sign of the times. We are seeing everyone we can that has any significant oil production, but they all seem to have a wait and see attitude. They are waiting for the price of crude oil to increase and for interest rates to drop.

“I believe we are getting a large share of the market percentage-wise. There is just not much of a market now. Drilling activity is down, and our best customers have plenty of pumping units in stock. This inventory of pumping units has to be worked down.

“It is so hard to say how long this situation will last. The decline was so rapid. We are in for some tough months, but I am optimistic about the future. We should start seeing a steady increase in business about the third quarter of 1983.”



**John Finney,**  
Northeastern  
Division manager . . .

**“I** am optimistic. LUFKIN is in a unique position having a new foundry, fabrication and machine shop. We must take advantage of these facilities in developing new markets.

“During the next decade, the strength of our company will lie in our ability to further diversify such that we can better survive the ups and downs in the economic cycle. We cannot control the markets—we can only contribute to them.”



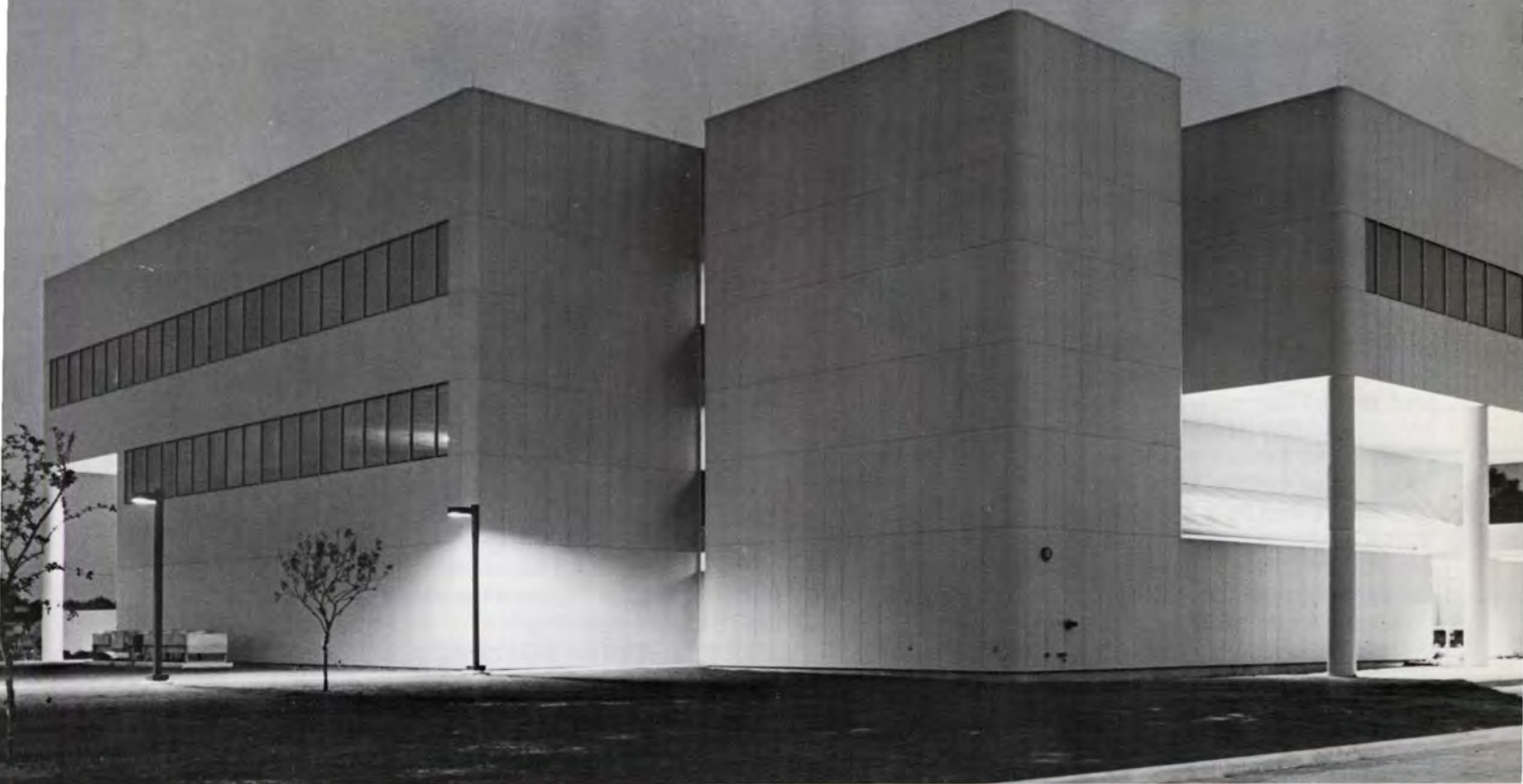
**David Bishop,**  
Southeastern  
Division manager . . .

**“I** have never seen such a lack of active projects to work on and pursue. All industries are down. Companies are just trying to hold on, and no one can see an end to the hard times. We have been fortunate to have had a backlog of gear orders, but after the first of the year, if the recession continues, our gear business could drop significantly.”

□

# A LANDMARK FOR LUFKIN

The move to new corporate headquarters is complete.



## Beginning A New Chapter...

The old main office building starts a new era in its history.

When the red brick office building was constructed in 1930, steak cost 29 cents a pound; gasoline sold for 18 cents a gallon. About this time, Dan Joiner struck oil in East Texas. In 1929, company sales hit \$2 million for the first time. This prosperity plus overcrowded working conditions prompted management to undertake an expansion program, which produced the office building.

When the directors approved the capital expenditures, a maximum of \$16,000 was earmarked for construction of this building. At the same board meeting, \$26,000 was approved for the purchase of a new gear-cutting tool. The late W.C.

Trout, who became president of the company in 1931, liked to stress that the cost of the new machine was almost double the price of the new building. New facilities for the pattern shop, wash rooms and the Lufkin Gin Company were included in the building program, also.

In 1930, the two-story brick and concrete building, the third office building in the company's history, was something to brag about. It was acclaimed as fire proof throughout. The entire top floor was used by the engineering department. On the first floor were general and departmental private offices.

This building replaced the

IN

The new corporate office complex is located on a four-and-a-half acre site between Raguet and First streets.



**W**hen company officials first began planning a new corporate office building two years ago, Lufkin Industries was in the middle of an oilfield equipment boom. To meet the explosive demand for pumping units, a plant-wide modernization and expansion program had been initiated. Construction crews could be found in every production area of the company.

Now it was time to consider replacing the building that had served as corporate headquarters for 50 years. Overcrowded and badly in need of remodeling, the brick and mortar building could be better utilized as a center for machinery manufacturing departments. The decision was made to build new corporate offices.

After almost two years of construction, the office complex was completed this summer. The contemporary structure brings a metropolitan look

to the community and features the latest in office design.

But the move to the new offices has been clouded by the recent decline in product sales that has forced a number of employee cutbacks. "It is unfortunate that the completion of the new offices came at a time when business was down," says R.L. Poland, company president. "But we must remember that the building has been under construction for some time, and that no money was borrowed to finance it.

"We are very proud of the new facility. It is one of the finest buildings in the city of Lufkin and an asset to our company. It, like our new manufacturing facilities, will give us the edge over our competitors when business improves."

The exterior of the building reflects the company's position in the metal and steel industry. Steel panels with a gray baked-enamel finish and mirrored

*(continued)*



In 1930, the company's main office building was one of the finest buildings in Lufkin. The office building was part of the company's expansion program that year.

second office building, which was constructed in the early 1920s. In 1930, the second office building became the mill supply building. The original frame office building and warehouse was constructed near the railroad tracks in 1902.

If the company's third office building could talk, it could tell plenty of stories about its years as the location for the hub of company activities. But since the building remains mute, some of the highlights of its illustrious history are:

*... Three company presidents, W.C. Trout, W.W. Trout, Sr. and R.L. Poland, have directed the company from the front corner office.*

*(continued)*



## **Beginning A New Chapter**

- ... Dignitaries, including Lyndon Johnson as a young senator and Wild Bill Elliott of movie and rodeo fame, have visited here.*
- ... In 1952, 12,000 square feet of office space, which doubled the size of the original building, were added.*
- ... A fire destroyed the second floor of the building on a cold, wet February night in 1961.*

- ... A baby hippopotamus that spurred the beginning of the Ellen Trout Zoo was delivered to W.W. Trout, Sr. at the main office at Christmas time in 1965.*
- ... Three landmarks, a 4.5 cannon, a high-speed gear and pinion, and a steel plate that was left after two pinions were torch-cut from it, have stood in front of the building.*
- ... Employees erected markers in memory of W.C. Trout*

- and W.W. Trout, Sr. on the brick wall behind the building.*
  - ... Thousands of shop employees have passed by this building on their way to and from work during the past 52 years.*
  - ... Numerous retirees have come to the main office to receive their watches.*
- This old building is filled with traditions and memories. If it could talk, it could tell about the tough decisions that

## A LANDMARK FOR LUFKIN

windows cover the 35,000 square-foot three-level office complex.

Inside, the building is the new home for the executive offices, data processing and computer operations, the accounting department and machinery sales personnel.

Work areas feature an open office concept or "office landscaping." Systems furniture is used to create work stations equivalent to an office. The open concept is also utilized in the focal point of the building—a sky-lighted atrium and coffee bar area located on the ground floor.

"The open office concept allows for greater flexibility in work areas," says Jim Haley, secretary-treasurer and coordinator of the move. "As departments grow and change, work stations can be added or moved.

Office decor is contemporary and color-coordinated. Walls and carpeting are muted, neutral shades of pewter and brown with soft hues of reds, blue, green and mauve as accents. Natural lighting is provided by windows and skylights.

"The building is very attractive but functional," continues Haley. "Each depart-

ment is located in one large room with a number of work stations, a conference room and vault. Departments that work closely together are located near each other. Despite the open concept, the building is extremely quiet, an atmosphere conducive to our work."

The new corporate office complex is the fourth building to serve as corporate headquarters for LUFKIN in the past 80 years. It, like the company it serves, can adapt to the changing needs of the business market. It is ready for the future. □



(Opposite page) The skylight in the landscaped atrium provides natural lighting for the building. (Far, left) All of the systems furniture and divider panels are acoustically designed for sound reduction. Pictured is Fern Basey, accounting. (Left) Computer operations are located on the ground floor of the building. Pictured are data processing employees Arthur Paust and Sara Birdwell.

executives and directors have made within its walls in difficult times and about their dreams and hopes as they planned for the company's future. The building might remember orders from distant lands, products developed in the engineering department and mountains of paperwork processed in various departments through the years.

It could tell about the happy times when employees joked and laughed together, when

they played pranks on each other. But it cannot communicate the feelings of the people who made it hum with activity or the events of the past years. This building can only stand silently as a reminder of the accomplishments of the people who have built the company through their various jobs.

Some employees leave the old building with mixed emotions. After spending all but three of his 37 years with the company in this building,

R.L. Poland said, "To leave it now, is sort of like leaving home for the last time."

The building now houses machinery manufacturing, machinery purchasing and office services offices. The company's third corporate office building begins a new chapter in its history. It will continue to serve the company as it has in the past, just in a different way. □

# IN FOCUS

## Employees Improve Preheat Method

Four structural steel employees with three different skills worked together to save the company time and money.

They found a better way to preheat gear blanks for welding. High-alloyed steel gears vary in metal thickness and size, and some of the gear blanks must be preheated up to 800 degrees Fahrenheit and maintained at that temperature while they are welded. Too much time was spent in the preheating process.

Lawrence Holt and Oscar Vasquez, both hot gear welders; and David Pleasant, plumber; and Carroll Ivey, electrician; put their heads together. The welders told the plumber and electrician what they needed to do their jobs. These men worked together on the project in addition to their regular jobs.

"This is a good example of men in the shop coming up with ideas for saving the company money and doing their jobs better," said Bob Napier, structural steel electrical supervisor.

The structural steel employees replaced the big torches that heat the gear blanks with new, more efficient ones. About 500 pounds of hose that cluttered the floor were removed. All new gas piping was installed.

The new process cut the preheating time from two hours to 30 minutes. Less gas is used by the new torches, which are much more efficient than the ones they replaced. Since the gas used in one day to heat gear blanks probably would warm an average home for a month in the wintertime, this was a substantial savings for the company.



(l-r) David Pleasant and Lawrence Holt check the controls of new gas lines that fuel the torches to preheat gear blanks for welding.

## Reminder To Scholarship Applicants

High school seniors that are applying for 1983 Lufkin Industries Foundation scholarships are reminded that test results from the Scholastic Aptitude Test (SAT) must accompany all four-year scholarship applications. To meet the April 1, 1983 deadline for filing for a scholarship, applicants must take the test this fall.

The fall test date for the SAT is Saturday, December 4 at Lufkin High School. Deadline to register for the December test is October 29. Area seniors applying for a four-year scholarship who have not taken the SAT should contact their high school counselor immediately about the local test.

Children of company employees in branch offices or plants away from LUFKIN

should contact their high school counselor about test dates and test centers in their area.

An unmarried, high school senior with an overall high school grade of 80 or more, whose parents have been an employee of the company at least one year immediately prior to the date the student registers for his senior year is eligible to apply for the Lufkin Industries Foundation four-year scholarship.

In May, the Foundation awarded nine \$4,800 four-year scholarships and six \$1,200 two-year Angelina College scholarships. The Angelina College scholarship does not require SAT test scores, but students are encouraged to apply for both scholarships.

## Book Scheduled For Publication

*LUFKIN From Sawdust to Oil*, a history of Lufkin Industries, is scheduled for publication this month, and all advance orders for the book are being processed. Employees and retirees who have ordered the book can expect to receive it in the mail in November. Orders for the book are still being accepted.

The hardback book will feature 128 full-color photographs and numerous black and white photographs dating back to the early days of the company. This history was written to celebrate the company's 80 years in business and the City of Lufkin's centennial.

The company is offering this book to its employees and retirees at the special price of \$5.00 (including tax and postage). The book will retail for \$24.95 plus tax and postage. *LUFKIN From Sawdust to Oil* may be ordered at the public relations offices next door to the personnel department.

## Notice Emergency Number Changed

The plant emergency number has been changed to 6666. The digit was added recently when the company went to four-digit extension numbers. In cases of emergency, such as fire or injury, personnel at the downtown plant or the Industrial Supplies Division should dial 6666. Employees at the trailer plant, the structural steel plant and final shipping and receiving should dial 6666, too.

## In the news . . .

The production of two billion barrels of crude oil within Andrews County in West Texas was commemorated in August with the dedication of a memorial pumping unit in the front of the county courthouse. The unit, a B-16D-53-30, was donated by Lufkin Industries,

and it will stand as a memorial to the people of Andrews County that made the production figure possible...

Structural plant employees took third place in the Diboll Baseball League recently. The team, the Pumas, was sponsored by the company.



(third from right) Doyle Herndon, Odessa machinery sales and service branch manager, represented Lufkin Industries at the Andrews County ceremonies.



Puma team members are (front row, l-r) Tomas Fuentes, Francisco Arellano, Jacob Marquez, Reynaldo Carbajal, Olivo Lopez, Lorenzo Reyes (back row) Oscar Vasquez, Marlin Reyes, Ricardo Ibarra, Gustavo Varela. Not pictured is Rosalio Moreno.



## REMINISCENCES *by Guy Croom*

### A Look At The 1950s

Some people and events that I made note of during 1949 and the early 1950s . . .

Dr. R.B. Bledsoe was buried May 6, 1950. He was my uncle, my mother's brother. I wrote a story about him in the ROUNDUP once, entitled "Life of and with a Country Doctor."

J.J. Gunter died May 7, 1950. Mr. Gunter married T.A. Behannon's sister, and that made him an uncle by marriage to Emma Turner and Evelyn Bell. Mr. T.A. Behannon was a brother of Robert Behannon. My informat tells me he was one of the organizers and first president of the Guarantee State Bank and Trust Company, the beginning of the now Republic Bank in Lufkin.

Guy Woods died May 12, 1950. When the First Baptist Church bought their first pipe organ, Guy was organist until he died young. He was the son of E.E. Woods, a prominent hardware merchant and teacher of the Victory Bible Class at the First Baptist Church. When Mr. Woods died, I was honored to be one of his pallbearers. He was as good a man as I ever knew.

On May 21, 1950, Farley Sanford from El Campo was district governor of Rotary, and he was holding the district conference at Angelina Hotel. On Sunday, just before 11 a.m., he said to me, "Let's you and I go to church." I said, "Which church do you prefer?" He replied, "To the one you take me." That raised his standard in my estimation.

I went to St. Louis on business for the company on June 6, 1950.

Coe Agee, a friend of mine and a well-known man in Lufkin, died June 12, 1950.

Thelma, my first wife, and I won fifth place in the golf Scotch foursome on the Fourth of July in 1950.

Leon Jones beat Red Conditt in the race for county sheriff on July 22, 1950. I bought a

two-door 1950 model Ford sight unseen on July 17, 1950. I kept it for ten years and sold it to Ghent Smelley for \$300. It was the best small car I ever owned.

L.T. Womack, night foreman in the machine shop, died August 4, 1950. Dave Thompson, father of Nancy Medford and a well-known citizen of Keltys, died August 11, 1950.

Company-paid hourly employees received what they would have earned had they worked for two weeks for a Christmas bonus in December, 1950.

Tennessee beat Texas, 20 to 14, in the Cotton Bowl football game on New Year's Day 1951.

Company sales amounted to \$13 million in 1950. The temperature dropped to 10 degrees on January 29, 1951. It fell to two degrees below zero on February 2.

Mrs. A.M. Denman died March 15, 1951. Mrs. Denman's husband, Dr. Matt Denman, owned the first semblance of a hospital in Lufkin. He also owned one of the first, if not the first, automobiles in Lufkin. His car was hit by the midnight passenger train that came through here, and he was killed. Mrs. Denman had three sons that were doctors. She also had three grandsons and two nephews that I know of. Her eldest son, Dr. Peyton Denman, was surgeon general for the 36th Infantry Division during World War I. I happened to be in that division myself.

Harry Stitler was fired as head football coach of Texas A&M University on March 22, 1951. The price of a hair cut went up to one dollar on March 28, 1951.

President Truman fired General Douglas McArthur, a World War II hero, April 15, 1951. This was a very unpopular act in the United States.

Our first strike at the plant started May 7, 1951. It ended on August 12, 1951.

## ANNIVERSARIES

### STRUCTURAL STEEL OPERATIONS

	Employment Date	Years With Co.
Jimmy Stepherson	October 6, 1964	18
Calvin Scarbrough	October 27, 1964	18
David Kelsey	October 1, 1965	17
Sam Swindle	October 25, 1965	17
Judy Talton	October 10, 1966	16
Craig Curry	October 12, 1967	15
Jerry Williams	October 28, 1969	13
Johnny Burrell	October 10, 1972	10
Paul Smith	October 19, 1973	9
Bobby Ward	October 29, 1973	9
Eddie Loche	October 30, 1973	9
Barbara Smith	October 28, 1976	6
Jacob Marquez	October 10, 1977	5
Lawrence Flournoy	October 11, 1977	5
Thurmon Davis	October 31, 1977	5
Benny McGaughey	October 5, 1978	4
Ruben Acevedo	October 10, 1978	4
Cradie Wortham	October 20, 1978	4
Isabel Coleman	October 26, 1978	4
Linda Brantley	October 31, 1978	4
Ricky Patrick	October 1, 1979	3
Juan Betancourt	October 1, 1979	3
Michael Brewer	October 3, 1979	3
Robert Elliott	October 9, 1979	3
Jose Avila	October 10, 1979	3
Michael Martines	October 12, 1979	3
Ricardo Palomo	October 15, 1979	3
Damian Mendoza	October 22, 1979	3
Leroy Adams	October 22, 1979	3
Leslie Haag	October 26, 1979	3
Douglas Mark	October 31, 1979	3
Ronnie Martin	October 23, 1980	3

### FINAL ASSEMBLY AND SHIPPING

	Employment Date	Years With Co.
A.C. Hunt	October 27, 1954	28
Sherman Farr	October 15, 1962	20
James Allen	October 17, 1962	20
Hail Hawkins	October 26, 1971	11
James McCroan	October 3, 1974	8
Vernon Modisette	October 7, 1974	8
Raymond Adams	October 28, 1975	7
David Bowman	October 13, 1977	5
John Matthews	October 11, 1978	4
Bueaford Smiley	October 12, 1978	4
Harold Donaldson	October 30, 1978	4
Donald Stone	October 3, 1978	3
John Clark	October 8, 1979	3
Sergio Hernandez	October 8, 1979	3
Carl Conner	October 15, 1979	3
David Ham	October 22, 1979	3
Johnny Bowie	October 31, 1979	3

### CORPORATE OFFICES

	Employment Date	Years With Co.
Leroy Willmon	October 27, 1947	35
Lee Burnett	October 24, 1951	31
Sandy McMullen	October 16, 1972	10
William Smith	October 18, 1976	6
Jeannie Reese	October 6, 1978	4
Mary Miller	October 30, 1978	4
Tim Beamon	October 30, 1978	4
Mildred Patrick	October 6, 1980	2

### FOUNDRY OPERATIONS

	Employment Date	Years With Co.
John Forney	October 22, 1945	37
Odis Garner	October 24, 1950	32
Kenneth Murrell	October 25, 1950	32
Haywood Henderson	October 14, 1952	30
Lonnie Greer	October 11, 1954	28
Steve English	October 9, 1956	26
Lenard Anders	October 22, 1962	20
Elmo Scott	October 7, 1964	18
Jimmy Jones	October 11, 1964	16
Larry Stringer	October 13, 1966	16
James Lord	October 6, 1971	11
Harold Walker	October 17, 1972	10
Willie Hartsfield	October 14, 1974	8
Julius Cox	October 14, 1974	8
Curtis Bryant	October 16, 1974	8

Chester Benton, Jr.	October 2, 1975	7
Jimmy Smith	October 2, 1975	7
James Davis, Jr.	October 8, 1975	7
Bonner Davis	October 14, 1975	7
Noble Johnson, Jr.	October 15, 1975	7
Michael Cranford	October 6, 1978	4
Jerry Summers	October 10, 1979	3
Gary Parrish	October 23, 1979	3
George Taylor	October 6, 1980	2
Ricky Justus	October 27, 1980	2
Ronnie Stanaland	October 26, 1981	1

### LITTLE ROCK FOUNDRY

	Employment Date	Years With Co.
Kevin Jones	October 3, 1977	5
Harry Hayes	October 3, 1977	5
Charlie Miles, Jr.	October 3, 1977	5
King Acker	October 4, 1977	5
Floyd Andrews	October 24, 1977	5
Johnnie Denham	October 27, 1977	5

### MATERIAL CONTROL

	Employment Date	Years With Co.
Gary Greening	October 24, 1961	21
Floyd Hamilton	October 29, 1975	7
Leon Amie	October 25, 1977	5
Thomas Tatum, Jr.	October 1, 1979	3
Michael Parks	October 23, 1979	3
Ronald Garrison	October 8, 1980	2
David Grimes	October 27, 1980	2

### INDUSTRIAL SUPPLIES

	Employment Date	Years With Co.
Bob Taylor	October 27, 1941	41
Barbara Pletcher	October 18, 1949	33
Wylie Burroughs	October 15, 1952	30
Harvey Graham	October 5, 1961	21
Nora Smith	October 2, 1967	15

### PRODUCT DESIGN ENGINEERING

	Employment Date	Years With Co.
T.C. McMullen, Jr.	October 25, 1957	25
Jerry Taylor	October 3, 1977	5
David Jones	October 1, 1979	3

### TRAILER PLANT

	Employment Date	Years With Co.
C.E. Hicks	October 19, 1938	44
Winston Richard	October 14, 1946	36
Burnice Scarborough	October 3, 1950	32
Robert Clark	October 4, 1950	32
Elbert Kirk	October 4, 1951	31
Oren Rice	October 15, 1952	30
Roy Brown, Jr.	October 27, 1952	30
Brown Hays	October 11, 1954	28
Ronald Jackson	October 5, 1955	27
James McDuffie	October 6, 1955	27
Earl Dover	October 24, 1955	27
Charles Gault	October 26, 1964	18
Chester Hodge	October 24, 1966	16
Ernest Jenkins	October 14, 1968	14
Richard Hensarling	October 16, 1969	13
Albert Duffield	October 29, 1969	13
R.L. Watkins	October 26, 1970	12
Kirby McAdams	October 9, 1972	10
Carl Gooding	October 4, 1973	9
Howard Price	October 18, 1973	9
Willie Smith	October 22, 1973	9
William Smith	October 15, 1975	7
Lema Thompson	October 17, 1977	5
Mark Oliver	October 20, 1977	5
George Edwards	October 24, 1977	5
David Burreis	October 4, 1978	4
Henry Alexander	October 19, 1978	4
Larry Russell	October 25, 1978	4
Patricia Adams	October 27, 1978	4
Enrique Chavez	October 1, 1979	3
Noe Saenz	October 1, 1979	3
Gary Latham	October 23, 1979	3
Freddie Jordan	October 13, 1980	2
Leo Molandes, Jr.	October 28, 1980	2
Ricky Rigsby	October 5, 1981	1
Jeff Sepulvado	October 7, 1981	1

### TRAILER SALES AND SERVICE

	Employment Date	Years With Co.
Ernest Dailey	October 22, 1956	26
Bill Mayfield	October 26, 1964	18

### MACHINERY OPERATIONS

	Employment Date	Years With Co.
Floyd Vann	October 14, 1946	36
William Yount	October 11, 1951	31
Victor DiStefano	October 30, 1951	31
Leonard Grimes	October 28, 1952	30
James Elliott	October 28, 1955	27
Thomas Nerren	October 25, 1956	26
Clifton Foster	October 10, 1961	21
Edward Gardner	October 11, 1961	21
Johnny Arnold	October 16, 1961	21
Billy Rice	October 24, 1961	21
James Cates	October 28, 1963	19
Jimmy Youngblood	October 2, 1964	18
John White	October 14, 1964	18
James Cole	October 22, 1964	18
Michael Shuell	October 27, 1964	18
M.T. Wilson	October 1, 1965	17
Richard Bivin	October 1, 1966	16
William Williams	October 4, 1966	16
Robert Barbe	October 10, 1967	15
Charles Jones	October 2, 1969	13
Milton Atkinson	October 8, 1969	13
Richard Dennie	October 2, 1972	10
Ronald Smith	October 10, 1972	10
Norman Baird	October 16, 1972	10
Jewel Drake	October 15, 1973	9
James Glass	October 2, 1974	8
Bo Satterwhite	October 7, 1974	8
Jimmy Foster	October 7, 1974	8
Joe Burch	October 16, 1974	8
Larry Moreland	October 24, 1974	8
James Lunsford	October 29, 1974	8
Thomas Loving	October 5, 1975	7
John Greenwell	October 21, 1975	7
Denzel Harris	October 3, 1977	5
Julian Cummings	October 31, 1977	5
Pablo Solis	October 3, 1978	4
Melvin Lee Ehrhardt	October 22, 1978	4
Doug Harry	October 23, 1978	4
Eddie Peveto	October 25, 1978	4
Dwayne Bynum	October 1, 1979	3
Charles Grissom	October 8, 1979	3
Walter Levine	October 8, 1979	3
DeNorris Martin	October 8, 1979	3
Marie McCormack	October 9, 1979	3
Brent Bolin	October 15, 1979	3
Kenneth Hall	October 16, 1979	3
Von Mathews	October 16, 1979	3
Willie Hale	October 16, 1979	3
Ronnie Belote	October 17, 1979	3
Clarence Newton	October 23, 1979	3
Anna Bengé	October 24, 1979	3
Fred Mann	October 25, 1979	3
Jeffery Bogany	October 26, 1979	3
Patrick Allen	October 8, 1980	2
Gary Griffin	October 9, 1980	2
Horace Hill	October 20, 1980	2
Odie Watts	October 5, 1981	1
Leon Fondren	October 27, 1981	1

### MACHINERY SALES AND SERVICE

	Employment Date	Years With Co.
Jerry Mullens	October 14, 1963	19
Harold Stevens	October 7, 1974	8
Regina Meyers	October 1, 1977	5
Kent Peppard	October 13, 1980	2

### PERSONNEL

	Employment Date	Years With Co.
Mathey Lightfoot	October 11, 1966	16
Paul Crye	October 2, 1973	9
Clifford Stephens	October 8, 1977	5
Janice McLaughlin	October 17, 1977	5
James Horton	October 2, 1978	4
Douglas Russell	October 15, 1979	3
Dailey Davis	October 13, 1980	2
Vivian Purvis	October 29, 1980	2

**LUFKIN INDUSTRIES, INC.**  
P. O. Box 849 Lufkin, Texas 75901

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**COVERS**

Front: Despite a drop in pumping unit sales in the United States, export sales remain steady. For more on the market and how machinery sales forces are dealing with it, see pages 2-5.

Back: A new landmark stands in the city of Lufkin. For the story on corporate office headquarters, see page 6.

Photos by Tom Johnston.

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**LUFKIN ROUNDUP**

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