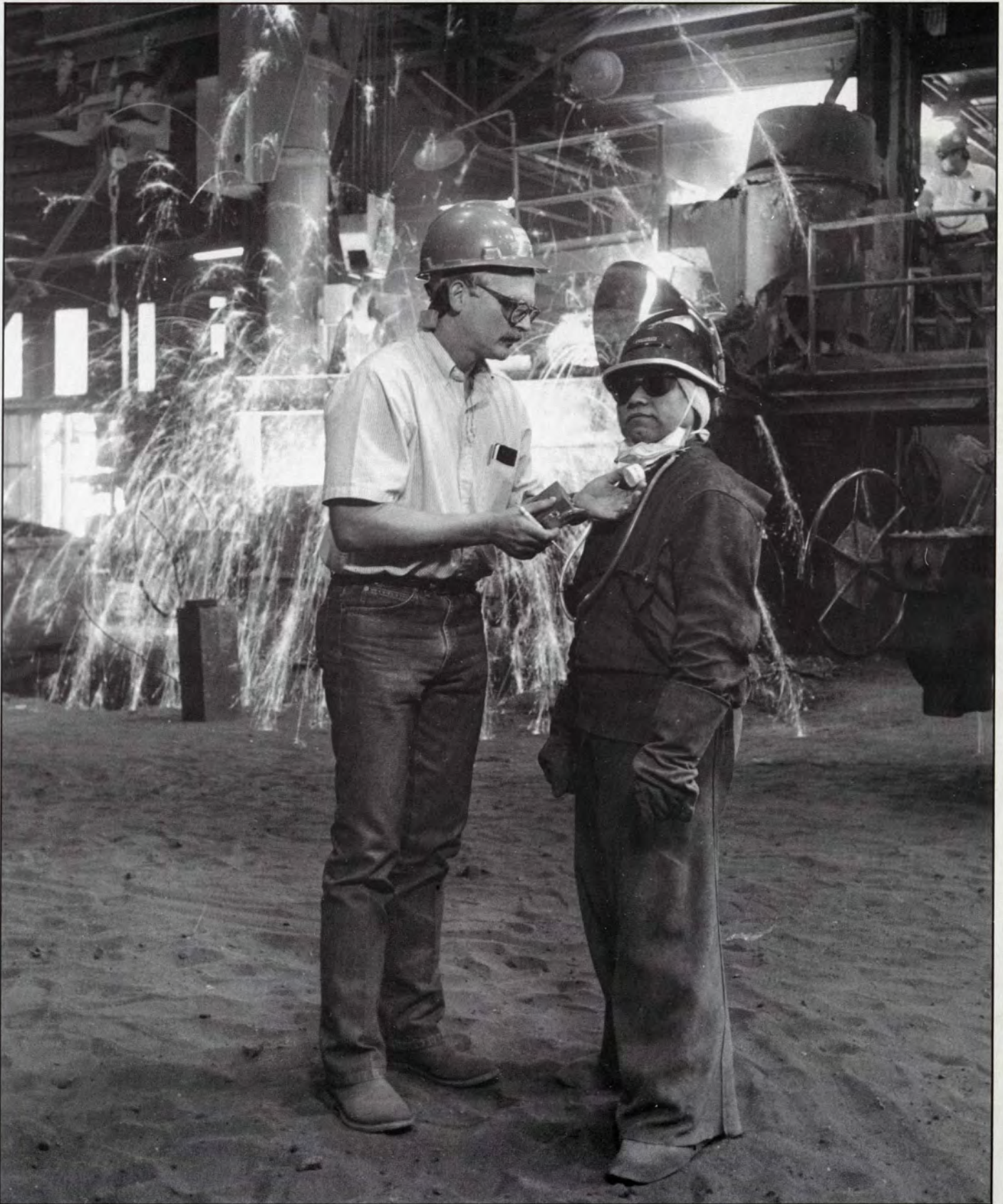


LUFKIN

ROUNDUP

NOVEMBER 1989



A Time To Be Thankful



During the past year we have again had a very difficult business climate and many difficult issues to deal with.

Some of the business difficulties we experienced during the past year were:

- The continuing decline in the oil business - domestic drilling activity is at the lowest level in over forty years as our country has imported more oil from overseas.
- A major trailer competitor has gone bankrupt which has resulted in the dumping of a great amount of inventory on the market. This dumping has in turn necessitated a reduction in the prices of everything we sell in the Trailer Division.

These are some of the problems that we have had, but it is important to realize that we have tremendous opportunities and we have so much to be thankful for, such as:

- The "can-do" spirit of each and every member of the LUFKIN Team.
- The cooperative attitude of everyone to find better ways to do things - to accept change and to be part of the change.
- Dedicated LUFKIN Team members that are eager to search for ways to improve their own skills as well as to improve the entire LUFKIN Team (we have more people enrolled in LUFKIN educational classes

than ever before).

- The dedication of everyone to providing our customers the quality, dependability and real value that have always been a tradition in LUFKIN products.
- Our country - We are witnessing one of the greatest changes in world politics that has ever taken place. More and more communist countries are shifting toward a democratic form of government and all the freedoms that it provides.
- Our churches, our hospitals, our schools and the wonderful community in which we live.

Let us be eternally thankful for all of our positive opportunities, and let's make the most of any bad situations that may exist. Let's rededicate ourselves to building a better company, a better place to work and a more inspired relationship with our customers, our suppliers and each other. I am sincerely proud to be a part of the LUFKIN Team, and I appreciate so much the contribution of each and every person.

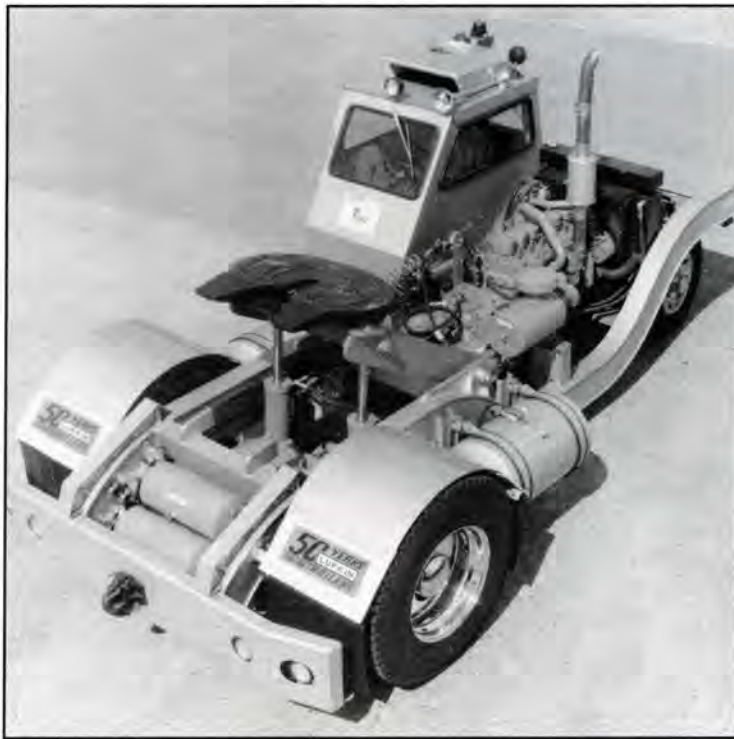
A handwritten signature in cursive script that reads "Frank B. Stevenson".

Frank B. Stevenson

Tugging Along

Lufkin Industries Trailer Division has introduced its newly designed trailer tug to the trailer market. Although Lufkin Trailers has been using tugs to move trailers around the plant, this is the first time it's been marketed. The new tug, designed by LUFKIN engineer Stanley Beck is the only "trailer mover" designed and built by a trailer manufacturer.

The key components of the tug are maneuverability, visibility, operations, and swiftness. It has the ability to turn a trailer 360 degrees while the tandem stays virtually in one place. Easy to maneuver, the tug simplifies closer trailer parking. The tug also has a 360 degree viewing radius through the cab



windows which eliminates the need for mirrors.

The low profile cab has an easy slide door that locks back when opened. No steps or ladders are necessary to enter and

exit the cab. The tug operates with two speeds when moving forward or backward. Regardless of the direction, the driver has the same power of pull or push.

The trailer attaches to the tug's fifth wheel which hydraulically raises and lowers the load with one simple lever. The tug allows more work to be done in less time. After years of pulling and pushing trailers, LUFKIN uses both knowledge and experience to manufacture the most unique "spotter" on the market.

The Art of Giving

Lufkin Trailers presented a print of an original painting to Central Freight Lines President, W.W. Callan, Jr. The painting depicted an old filling station, with Central's Ol' No. 1 parked in front, and Central Freight Lines Founder W.W. Callan, Sr., standing next to the station's gasoline pump.

The original painting was created by Lufkin Trailers Advertising Manager Darcey Faircloth, Jr. and was presented to Callan by Lufkin Trailer Sales Manager Jim Horn. Callan, was appreciative of the gift and complimentary of the artistic quality of the painting.

"I was very proud to accept the print of the painting from LUFKIN," said Callan, Jr. "Lufkin Trailers is a first-class Texas company and has had a long relationship with Central Freight Lines. Presenting us with the print was a very nice gesture." He added, "I like the painting. It is done very well, is casual and warm and creates a real nostalgic feeling. It is something that will be nice to have around Central Freight Lines into the future."

Away from work, Faircloth relaxes in front of a canvas and turns his effort to producing fine art in the form of vivid acrylic and watercolor paintings. "My subjects vary from nostalgic scenes of the past, including old barns, houses, stores, and cars, to western scenes depicting the Indian and the horse."

Faircloth added, "When I did the painting that Central now has a print of, I really didn't have anything specific in mind. It just kind of developed as I went along. I had done several paintings of old filling stations, and the old Central truck just seemed to fit right into that kind of setting."

According to Faircloth, Central's Director of Public Relations, Tom C. Burke, later furnished him with a photo of the Model-T that enabled him to create this particular painting.

The painting is of special meaning for Faircloth, not just because it was done by him, but also because he realizes the special relationship that exists between Lufkin Trailers and Central Freight Lines.

Negative Is A Plus

Lufkin Industries, Inc. conducted its annual Industrial Hygiene Audit during the week of October 9th. As part of LUFKIN's Industrial Hygiene Program, this evaluation examines the conditions of an employee's working environment. Over a period of five days, Jared Satterwhite, LUFKIN's Safety & Health Director, and Ted Carapezza, a board certified Industrial Hygienist for Parker Services, Inc., collected samples from various areas plant-wide to be analyzed for exposure levels.

Some of the tests were conducted to meet OSHA requirements; however, most are self-initiated as part of LUFKIN's Safety & Health Program. According to Satterwhite, "We not only want to meet the established legal requirements for testing, but we want to far exceed them." Other benefits from the audit include employee feedback on environmental situations and recommendations from Carapezza. In the past, solutions to these suggestions have increased production efficiency and reduced insurance claims. Commenting on the audit, Carapezza said, "LUFKIN is in the upper-crust of industrial hygiene testing. Because they are results oriented and intense in their efforts, it adds more validity to the findings."

The basic focus of the audit is to test the immediate working environment of the employee. Examples of air-borne materials monitored include dusts (toxic and nuisance), solvents, metal fumes, and other agents. In addition to air

contaminants, noise levels are monitored in accordance with LUFKIN's Hearing Conservation Program. Each participant in the test wears a sampling device which picks up material within the employee's breathing zone. Carapezza said, "We're trying to get an average of what the employee breathes in one workday." Equipment used to monitor the designated area is based upon specific materials used in that area. As a result of LUFKIN's Hazard Communication Program, Satterwhite estimates 1000 types of materials are used daily in the plant. He said, "Material Safety Data Sheets (MSDS) provide the information on chemicals which determines the proper sampling method to be used." Although individual susceptibility is considered, the two major factors in evaluating the impact of the exposure is quantity and time. Satterwhite said, "We consider the amount of materials to which the employee is exposed and how long he or she is exposed to it."

The Industrial Hygiene Audit looks beyond the subjective indicators such as sight and smell to determine the environment's intensity. Satterwhite said, "What you can see may not be as dangerous as what you can't see." He emphasized that anything out of the ordinary should be reported. Carapezza noted that there are basically three steps to surveying an employee's work area: recognition, evaluation, and control. "First we realize what is there, then we collect the

On the cover, Jared Satterwhite attaches a personal air device to Eduardo Castillo designed for metal fume sampling. The device will monitor his environment during pouring operations in the Main Bay area of the Foundry.

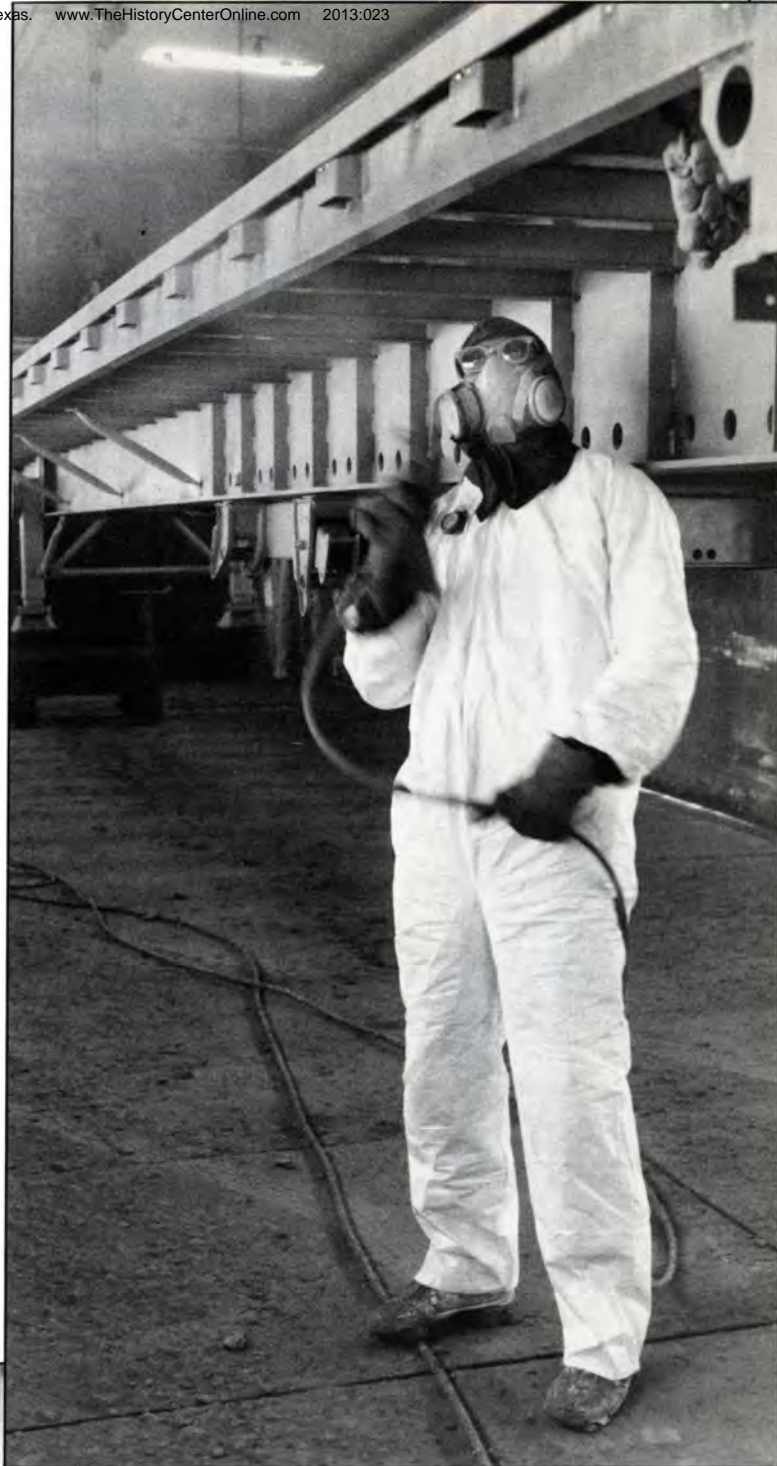
To the right, Jared Satterwhite and Ted Carapezza prepare Jason Parrish for oil mist sampling in the Machine Shop. Parrish operates a tape drill machine in I.G.M.



information and evaluate it. Once the results are determined, we do something about it." Carapezza said control can come in the form of engineering controls, administrative, or personal protective equipment. Sometimes the hazardous material may be eliminated altogether.

After completing the tests, the samples are taken to Parker Services lab in Stevens Point, Wisconsin where they are analyzed and compared to federal standards. According to Carapezza, it takes approximately 10 days for an analysis and two weeks to organize and distribute the information to LUFKIN. Carapezza added that it is difficult to provide instantaneous answers because physical appearance does not always indicate the severity of the exposure. Once LUFKIN receives the results, problem areas can be identified and corrected, and occupational health needs can be met. Although unknown factors impede a 100% accuracy rate, comparisons to audits in the past will give LUFKIN an indication of how well the Industrial Hygiene Program is working. In the case of these audits, Carapezza said, "Negative findings mean positive results for the employees."

Carapezza stressed employee participation as the key to a successful and more accurate survey. In fact, he said those who will benefit the most from the audit are the employees. "My experience with LUFKIN has been gratifying. The cooperation from the employees has made this program work."



Above, Albert Duffield wears a passive dosimeter on his right shoulder which monitors organic vapors as he spray paints a trailer. This type of procedure is used for sampling solvents. To the left, Hollis Mott wears a pump on his right hip which connects to the sampling cassette attached to his lapel. Mott is participating in a welding fume sampling at Buck Creek.

On The Road To Success

ENGINEERING

Lisa Thompson.....Part time Draftsman to Draftsman B

FOUNDRY DIVISION

Aurelio Castillo.....Chipper-Grinder to Chipper-Grinder-Finisher
 Leslie Ford.....Order Clerk B (Trailer) to Purchasing Secretary
 Florentino Lopez.....Chipper-Grinder to Melter A
 Carlos Riojas, Jr.....Chipper-Grinder to Chipper-Grinder-Finisher
 Jose Rodriguez.....Helper to Core Machine Operator A
 Elmo Scott.....Chipper-Grinder-Finisher to Welder A

MACHINERY DIVISION

Fernando Arredondo.....Machinist to Hi-Speed Test Stand Technician
 Caroll Bengé.....Machine Operator A to Machinist
 Roy Conway.....Assembler A to Assembler Gears
 Randal Doss.....Electrician A to Hi-Speed Test Stand Technician
 David C. Goolsby.....Machine Operator Trainee to Machine Operator B
 Rafael Guevara.....Laborer to Machinist Helper
 James Linstrom.....Laborer to Machinist Helper
 Ray Manley.....Machine Operator A to Assembler A
 Bennett McMullen.....Machine Operator B to Assembler, Class A
 J. D. Olford.....Machinist Helper to Machine Operator Trainee
 David Scott.....Machine Operator Trainee to Assembler Gears
 Curtis Smith.....Machinist Helper to Machine Operator Trainee
 Ronald Smith.....Machine Operator A to Inspector
 Michael Standifird.....Machine Operator A to Machinist

Gregory Stevens.....Laborer to Machine Operator Trainee
 Jeff Stewart.....Laborer to Machine Operator Trainee
 Wesley Walton.....Machinist Helper to Truck Operator
 Gregory Williams.....Truck Operator to Machine Operator Trainee
 LaMoine Williams.....Truck Operator to Machine Operator Trainee

MACHINERY SALES

Don Crow.....Salesman A to District Manager

STRUCTURAL FABRICATION

Scott Walters.....Electronic Technician Trainee to Electronic Technician

TRAILER DIVISION

Thomas Bengé.....Machine Operator A to CNC Operator
 Billy Bynum.....Welder A to Welder Specialist
 Matt Daniels.....Machine Operator A to CNC Operator
 Mario Elizondo.....Part time to Trainee Helper (Houston)
 Edward Farmer.....Mechanic Helper to Parts Assistant
 Sam Figueroa.....Welder A to Welder Specialist
 Richard Gilley.....Jig & Fixture Builder to Production Technician
 Gregory Harrison.....Welder A to Welder Specialist
 Clayton Johnson.....Welder A to Welder Specialist
 Joe Jumper.....Maintenance Mechanic A to Supervisor 10
 Delbert McGuire.....Plasma Torch Operator to CNC Operator
 Bryan Squyres.....Plasma Torch Operator to CNC Operator
 Curtis Strock.....Welder A to Welder Specialist



Amr Gohar

Lufkin Industries welcomed a visitor from Cairo, Egypt. From July to September, Amr Gohar trained in LUFKIN's Engineering Department. With help from Cecil Hunt, Howard McGill, and Wesley Davis, Amr learned the drafting techniques used by LUFKIN. He also experienced skilled labor by working in the production facility of the Odessa branch office.

Because he wanted to visit the United States, Amr's uncle, Abdul Wahid Farid Gohar, Production Superintendent for Agiba Petroleum Co., one of LUFKIN's largest customers in Egypt, made

arrangements for him to work at Lufkin Industries. Amr, a 19 year old sophomore engineering student at Ain Shams University in Cairo, was curious about the American culture and wanted to further his education by working here.

Commenting on his experiences in Lufkin, Amr said, "It's different because it's something I've never done before." He added that he enjoyed his visit and found the pine trees of East Texas a pleasant atmosphere. Amr returned to Cairo on September 24th where he will finish his education in the electronic communications field.

Let's Get Acquainted



E. Bernard Foster, Jr. is Warehouse Manager in the Casper, Wyoming branch office. He is responsible for invoicing, shipping and receiving, customer relations, and selling LUFKIN parts.

Bernard graduated from East High School in Cheyenne, Wyoming and received an AAS-Legal Assistant degree from Casper College in May.

Bernard joined the company in 1984. He and his wife Vicki have two children, Seth, 9 and Chelsea, 6. Bernard enjoys writing, showing horses, and reading. He is a member of the American Quarter Horse Association and the Wyoming Association of Vietnam Veterans.

Bernard says, "The fact that we are the top of the line in pumping units is a motivation for working here."



Gary Hobson is Office Manager in Lufkin Trailers Shreveport, Louisiana branch office. His main responsibility is to oversee all office operations.

Hobson graduated from Rusk High School in Rusk, Texas. He joined the company in 1963. He and his wife Myrl have three children,

Linda, 35, Michael, 33, and Robert, 31. They also have 10 grandchildren.

Hobson enjoys puzzles and contests. He is a member of the Restoration Church in Bossier City, Louisiana.

Commenting on working at Lufkin Industries, Hobson said, "I enjoy working with the people who work for LUFKIN and the customers we come in contact with."

NOVEMBER ANNIVERSARIES

<p>Accounting</p> <p>Gerald Hedge.....7 Rick Morris.....5 Kenneth Griffith.....5 David Adams.....2</p> <p>Assembly & Shipping</p> <p>James Burrell.....15 Donald Davis.....14 David Glover.....11 Gene McGallion.....11</p> <p>Canada</p> <p>Juan Bravo.....7 Harminder Hothi.....2</p> <p>Corporate</p> <p>Chad Courtney.....6</p> <p>Engineering</p> <p>Bob Freeman.....30 Marvin Kimmey.....30 Vallie Hodges.....5 Melissa Mitchell.....2</p> <p>Foundry Division</p> <p>Maurice Patton.....28 Norris Alexander.....28 Preston Cauley.....23 Alton Bennett.....18 Curtis Anthony.....17</p>	<p>Oneal Jones.....15 Johnie Horace.....14 Mike Justus.....14 Joe Calhoun.....12 Albert Funderburk, Jr.....12 Refugio Rojas.....10 William Dean.....6 Jay Hess, Sr.....6 Byron Coutee.....2</p> <p>Heavy Weldment</p> <p>Billy Kirkland.....28 Bobby Greenville.....15 John Richard.....12 Kerroy Thomas.....2</p> <p>Industrial Supplies</p> <p>Nick Durham.....6 Ronnie Hill.....5 Claudia Holland.....3 Jerry Hough.....2 Kenneth Saxon.....2</p> <p>Machinery Division</p> <p>Cleveland Simmons, Jr.....28 Jerry Tullos.....28 Robert Manning.....24 Clarence Thorn.....24 John Reece.....23 Alvie Luce.....23 Larry Tompkins.....22 Jerry Taylor, Sr.....20</p>	<p>Jerry Brock.....19 Clifton Marze.....16 Dorman Boaz.....16 Richard Guevara.....15 Robert Boynton, Jr.....15 Andy Modisette III.....13 David Bazar.....12 Charles Morgan.....11 Samuel Price.....11 Eugenio Aldava.....11 Carlos Tovar.....11 Kara Porter.....11 Daniel Phipps.....10 Sue Landers.....10 Timothy Johnson.....9 Travis Amie.....9 Joy Nell Settle.....3 Terry Waldon.....2 Billy Kitchens.....2 Bruce Horton.....2 Ernesto Lopez.....2 Ronald Chunn.....2 Charles Doyle.....2 Keith Purvis.....2 William Williams.....2</p> <p>Machinery Sales</p> <p>Rick Muller.....40 Don Stanley.....24 David Pickens.....3 Diane Teffer.....3</p>	<p>Darren Swartz.....3 William Little, Jr.....2 Manuel Nakashima, Jr.....2 Donald Freeman.....2 William Bryant.....1</p> <p>Personnel</p> <p>Michael Mark.....13</p> <p>Sargent</p> <p>Benjamin Harris.....2</p> <p>Trailer Division</p> <p>Dennis Rice.....23 James Tucker.....19 Tommy Wells.....15 James Jones.....13 Belton Havard.....13 David Holt.....13 Roy Weathers.....13 Cleveland Adams.....12 Kenneth Faires.....12 Mamie Hankins.....12 David Lawson.....12 Harley Steele, Jr.....12 James Nerren.....12 Jewel Brewer.....11 Warren Steel.....11</p>	<p>Pattie Smith.....11 J.L. Horace.....11 James Roberts.....11 Robert Nicholson, Jr.....11 Tracy Bisang.....10 Michael McGrail.....8 Robert Foote.....6 Ronnie Harris.....6 Robert Love.....5 Larry Berry.....5 Charles Terry.....4 Benjamin Raney.....2 Billy Tucker.....2 Victor Garcia.....2 Morton Halyard.....2 James Haney.....1 Rodney Gullick.....1</p> <p>Welding Shop</p> <p>Hollis Mott, Sr.....34 Cecil Agent, Jr.....17 Arthur Chatman.....17 Leonard Sullivan.....16 Donny Garton.....14 John Foster.....13 Brenda Taylor.....11 Judy Bussey.....11 June Garton.....11 Daryl Walters.....2 Jessie Nash.....2</p>
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United Way Goal Exceeded

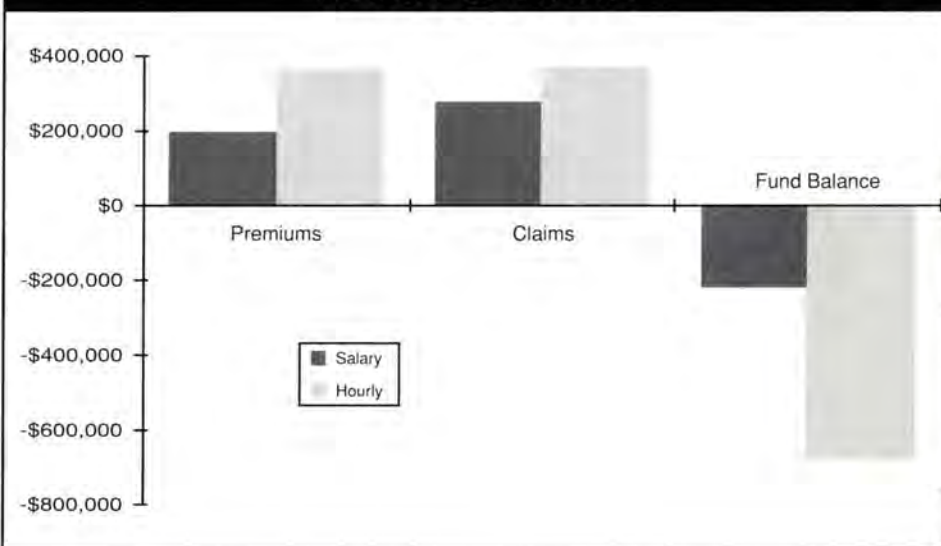
Lufkin Industries, Inc. and its employees have met the challenge of United Way. The corporate goal of \$11,308.00 was exceeded by \$332.00. LUFKIN's employee's \$11,010.00 combined with LUFKIN's retiree's \$630.00 to bring the total to \$11,640.00

This amount was matched by the Company resulting in a total contribution of \$23,280.00 to United Way. The county-wide goal is \$374,000.00.

Giving to the United Way is another example of the LUFKIN Team coming together to help others.

"Time is one of our most valuable but limited resources."

AUGUST INSURANCE



LUFKIN, INDUSTRIES, INC.
P.O. Box 849, Lufkin, Texas 75902-0849

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The LUFKIN Team



Allen Whitaker, Asst. Lead Controller, Foundry



Betty Wood, Production Secretary, Machine Shop



W.H. Oldham, Utility Maintenance Class A, Utility Maintenance

THE ROUNDUP

VOLUME 46, NUMBER 11, 1989

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For active and retired employees and their families.

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