



LUFKIN NOVEMBER 1982
ROUNDUP

What's Ahead for the Trailer Industry?



FROM THE PRESIDENT'S DESK...

*"I am very proud of
these most loyal retirees."*

FELLOW EMPLOYEES:

I had an opportunity to attend the monthly coffee meeting of our retired employees and give them an up-date on conditions at Lufkin Industries.

There were about 50 retirees present, and I have never seen a group with so much enthusiasm and interest in anything as this group is about Lufkin Industries.

There is no question in my mind where their heart lies, that they are just as loyal and proud as they have ever been toward LUFKIN, and now even more so. They are very inquisitive about what is happening within the company; they have a keen interest in us as they read the newspapers. Also they are eager to learn about our future plans as to what lies in store for our continued growth and prosperity.

Of course, business conditions have not been so good for the past six months, and we have had to lay off 1,650 good employees and have closed our Cushing and Little Rock plants. But we can see a light ahead in the tunnel. We already can see some improvement in business, and believe it will get even better after January 1, 1983.

In that group of 50 retirees, we estimated that they represented about 15 centuries of service with the company. The oldest one present, Guy Croom, goes back to over a half century of service, and he can be found in a photograph of our work force taken in the year 1919. I believe he is the only one left in the photograph which hangs on the wall of our clubhouse at Piney Point. Robert "Mutt" Barr will join the ranks of our retirees on December 31 with 47 years of service.

I am very proud of these most loyal retirees. I get the feeling that most of them follow the philosophy of the great poet, Robert Browning: "Grow old along with me; the best is yet to be; the last of life for which the first was made." They seem to live the old slogan; "Today is the first day of the rest of your life."

They are enjoying their retirement. They are great boosters of LUFKIN, and they are behind us all the way. I have worked many years with all of them, and it is a real joy to "rub elbows" with them again. They are the rock upon which this company was built.

A handwritten signature in dark ink, appearing to read "DeLand". The signature is fluid and cursive, with a long, sweeping underline.

Productivity A Team Goal



A new program coordinates efficiency efforts.

There is much talk today about productivity and its importance to our nation. But what, exactly, does productivity mean? And how does it affect us as a company?

Simply stated, productivity is the amount of goods produced per man hour. It is the efficiency with which we turn out products and services. When a company's productivity level drops, the cost of manufacturing increases, and prices rise.

If another firm produces that same product more efficiently and at less cost, it gains more of the sales market. Productivity growth is essential if a company is to meet the competition.

The United States was once the most productive nation in the world. But now fewer things are produced for the same amount of labor and money as in past years. Foreign competitors are holding a greater share of the world's market for goods and services.

Because of the nation's decline of productivity growth in recent years, a number of countries are now able to sell their goods cheaper than the United States. If the trend continues, the country's position as the world's strongest economic power could be in jeopardy.

As a company that sells in worldwide markets, Lufkin Industries competes against many foreign manufacturers, as well as domestic producers. That competition has intensified under the current recessionary conditions in the United States and the world.

Productivity growth has become even more vital to the company and its future. LUFKIN has continually sought new ways to be more productive in its manufacturing facilities and offices. For the past five years, a plantwide



One of the major projects of the corporate productivity group has been the redesign of pumping unit gear boxes for the new gear box machining centers. Bill Fincher, foundry group member, Gary Selman, pattern maker, and Joe Simmons, machine shop group member, discuss how the patterns should be adapted for the automated machining processes.

modernization and expansion program has been underway. The ultimate in modern machinery and equipment has been purchased and installed. Production methods have been examined and revised. Product lines have been improved.

Productivity improvement projects are underway in every department of the company. And now, a new program has been initiated to strengthen these efforts in the Machinery Division: Productivity Improvement Teams (PIT).

PIT groups from the machine shop, foundry, structural steel, shipping and engineering departments meet on a regular basis to identify efficiency problems, and to investigate their causes and to recommend solutions. Although the program is only a few months old, productivity gains are being reported.

The program is divided into two levels. A corporate group, representing the major areas of the Machinery Division, meets to discuss plantwide productivity problems. A departmental team, composed of members within a production area, meets to suggest and act on productivity matters for the department.

"The PIT program works because it opens the channel of communication," says Bill Cantrell, manager of industrial engineering and machine shop PIT leader. "Everyone on the payroll is a part of this program. We are just coordinating their efforts."

Chief foundry engineer and foundry PIT leader Clayton Jircik adds that previously there were few opportunities to meet with representatives from various areas of the plant. "We are working on different phases of the same project. PIT lets us discuss many of our mutual problems."

Most of the corporate PIT meetings have revolved around setting up the new gear box machining area. Numerically-controlled machining centers in the building will perform all the machining on gear box housings, combining four machining operations into one single operation. The new method will cut in half the time old machining methods required.

"It is a major effort to get a project of this size onstream," explains Joe Simmons, manager of manufacturing engineering and machine shop PIT representative. "All stages of production—design, pattern building, casting preparation, tooling, fabrication, shipping—must come together on a timely basis."

The activity of departmental PIT teams centers mainly on ideas that will improve the efficiency of their department by increasing production or by lowering production costs. Department projects include major and minor improvements. No cost or time saving is too small. Some examples are:



- A tool reclamation program in the machine shop was initiated to locate excess tooling and place it back into storage. In its beginning phase, some \$35,000 worth of tools have been found that would have normally been reordered.
- The foundry reduced the amount of catalyst and binder used in its no-bake mixer from an excessive rate to an ideal rate saving an estimated \$17,550 a year.
- By changing the spray tips used on paint guns in the foundry to a more efficient size, some \$8,550 will be saved next year.
- A new manifold painting system designed by the shipping department and built by structural steel plant employees replaces switching pumps when a new paint color is needed. With 23 colors of paint in use, the time savings will be substantial.

Numerous other projects that will eventually save thousands of dollars are under study. In its first meeting alone, the foundry PIT team submitted 54 ways productivity could be improved. Machine shop supervisors provided its PIT team with 13 pages of suggestions. The structural steel and shipping plant has more than 12 productivity projects underway.

"Most of the ideas come from our production people," says Calvin Scarbrough, structural steel and shipping manufacturing engineering manager and PIT leader. "They will notice a bottleneck in their methods, and they will approach us with a problem, and sometimes a possible solution to it. Our PIT group takes it from there, offers several alternatives, and we choose the one most cost efficient."

Because productivity improves with knowledge, several educational programs have been initiated by PIT. The machine shop holds back to basics classes for its supervisors. Machining techniques are discussed, and attention is focused on the quickest and most effective method of doing a job. A machine shop training group instructs new operators on the proper operation of machines.

The foundry PIT committee placed foreman training on the top of its list of productivity projects. It and a foundry quality committee have combined their efforts to offer a weekly training session, where everything from foundry techniques to management practices are discussed.

But, perhaps, the most important duty of the PIT program is bringing people together to work toward a common goal. Continued productivity growth is not the responsibility of any one individual, program or department. Productivity is a combination of efforts, and the employees of Lufkin Industries are doing their part everyday. □

(Left) A new conveyor system in the shaft shop carries crank pins to the various machining processes. The system saves on handling time, reducing manufacturing costs. Pictured is Jerry Headrick. (Right) Jerry Wigley, a member of the machine shop's operator training program, receives instruction from Cincinnati-Millicron representative, Brian Murphy, on how to operate a new grinding machine. Wigley then teaches LUFKIN personnel correct operation procedures.

What's Ahead for the Trailer

For several years, the industry has felt the effects of deregulation

The trucking industry has been in a slump since 1980. An upward turn predicted for 1981 and again for 1982 failed to materialize. Nationwide, trailer manufacturers and motor carriers are suffering from the state of the economy in general.

During the lean years since 1980, LUFKIN's Trailer Division was in an enviable position as a trailer manufacturer. In 1981, the Trailer Division built 2,071 trailers, an increase of 433 trailers over 1980. Sales for the year totaled nearly \$30 million.

That same year in addition to trailer production, approximately 50 percent of the trailer employees fabricated structural parts and assembled 2,156 pumping units for the Machinery Division. However, when the demand for pumping units came to a screeching halt earlier this year, the Trailer Division lost its advantage, and

all pumping unit production at the trailer plant has stopped.

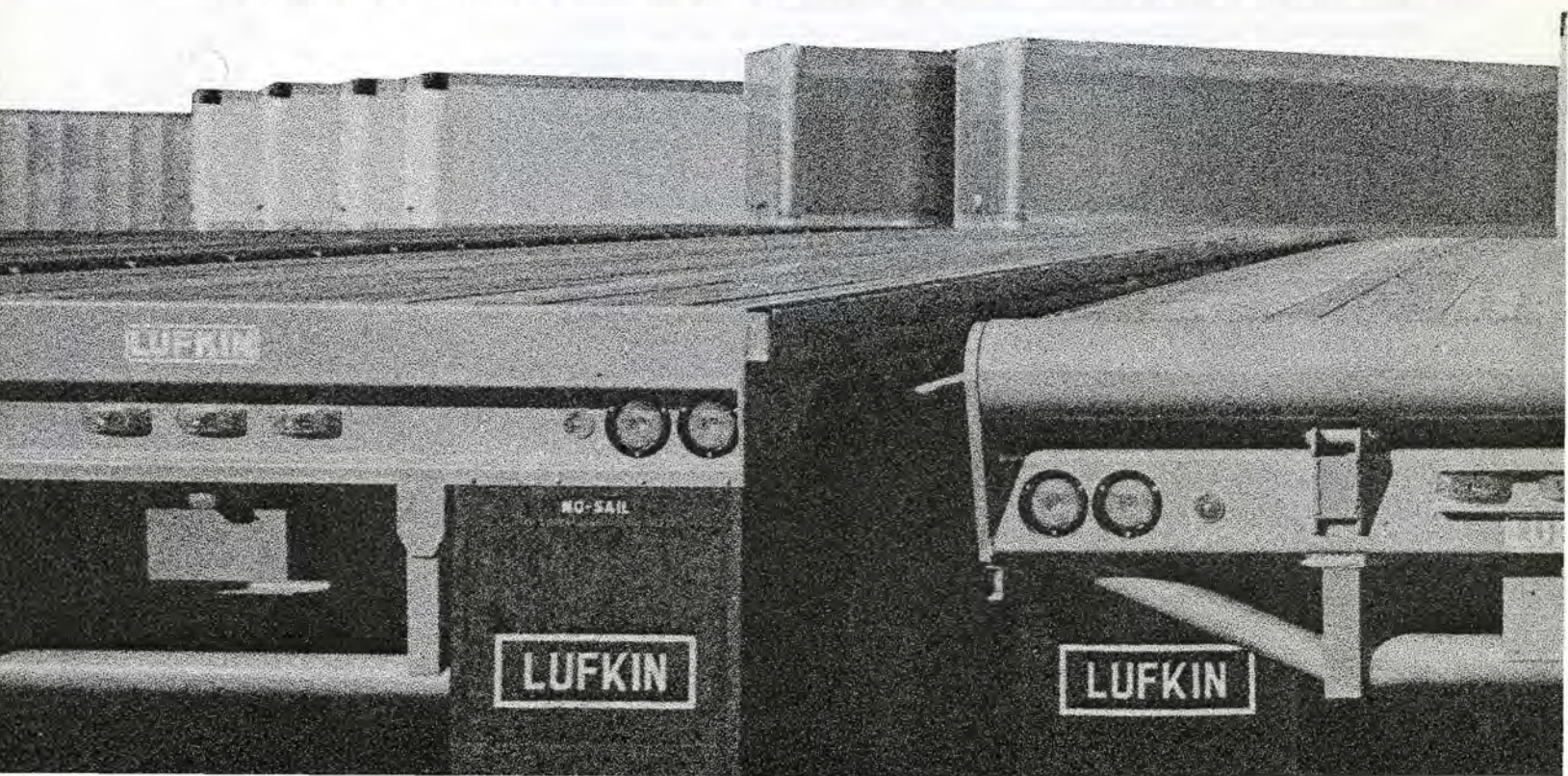
Trailer markets across the nation have remained sluggish. TRANSPORT TOPICS reported in August that the 100 largest motor freight common carriers showed an overall net loss for the first quarter of 1982. This was the first composite loss since the Interstate Commerce Commission's Bureau of Accounts began issuing quarterly reports on carriers' financial results in 1973. With 64 of the top 100 common carriers posting net losses, the composite group lost 1.3 cents for every dollar of revenue it took in.

One of the casualties this year was Spector Red Ball, a Dallas-based carrier that was rated the nation's sixth largest in 1980 with revenues of more than \$400 million. This carrier filed for protection under Chapter 11 of federal bank-

ruptcy laws.

The American Trucking Association announced that at least 170 trucking companies have closed their doors, and many other firms are facing serious financial problems. "Motor carrier bankruptcies and failures are at an all-time high, and those remaining in business are finding their net incomes shrinking," Bennett Whitlock, ATA president, said in the July issue of COMMERCIAL CAR JOURNAL.

All of these firms are Interstate Commerce Commission regulated carriers, and Whitlock blames the ICC and the current business recession for their failures. Whitlock contends that the ICC has gone beyond the provisions of the Motor Carrier Act of 1980, which authorized the deregulation of the trucking industry. Deregulation made it easier for carriers to get operating rights



Industry?

the recession and high interest rates.

for routes wherever they wanted them.

In 1976, the ICC granted about 7,000 operating licenses. The year following the passage of the 1980 law, the ICC issued 30,000 permits producing fierce competition in the trucking business, especially in lucrative markets near metropolitan areas. The shipper, who sent his goods by motor freight, became king as carriers scrambled for his business. Carriers cut their rates to get more business.

Competition among motor carriers has increased even more as economic conditions have declined. Historically, there always has been a close relationship between industrial production and the trucking industry. As orders for new products dropped, shipping demands began to slip.

Some carriers have prospered from the competition, but

many others have suffered financially from it. Fewer new trailers were added to fleets as carriers paid more attention to keeping existing trailers on the highways.

The U.S. General Accounting Office reports that the number of trucking operations has increased since 1980 but that a large number of firms with \$1-million-plus revenues have succumbed to increased competition and the recession. Department of Transportation and Department of Labor officials agree with GAO's report blaming the slump in the trucking industry on competition and economic conditions, but they have not produced any cures for the ailing industry.

Rising interest rates further depressed new-trailer markets. Motor freight lines showing less or no profits are not eager to finance new trailers at higher interest rates. The

industry is postponing buying until interest rates come down. There are no immediate answers to the tough economic questions.

Survival for operators and manufacturers until the economy recovers becomes increasingly difficult as reduced business activity cuts the volume of freight in the marketplace. Some analysts are reporting as much as 22 percent excess trucking capacity in the industry.

What is the future of the trailer industry? It will improve, but when is anybody's guess. When the economy recovers, there will be more goods to haul, and trailers will be needed to transport them. And, LUFKIN vans, floats and dumps will continue to carry the nation's goods along its highways. □





TRAILER DIVISION
LUFKIN INDUSTRIES, INC.

DATE 10-13-82 CUSTOMER Debra's Industries ADDRESS Debra's Industries SALESMAN 5 QUANTITY 5 FRONT STD TIRE CARRIER 13/16" x 14" x 14" FLOOR STD LIGHT SOCKET STD SUSPENSION STD AXLE SIZE 5" WHEEL EQUIPMENT STD TIRE BRAND STD BRAKE TYPE STD PAINTING: CHASSIS STD FIFTH WHEEL STD EAVE HEIGHT 106" SIDE DOOR STD REAR DOORS STD LINING: SIDES STD INSULT: SIDES STD FLOOR STD MEAT RAILS STD VENTS: FRONT STD REAR STD REFRIG: MAKE STD EXTRAS STD

LENGTH 45 ft. SERIAL NO. 51025 MODEL TFV-106-24-1A K.P. SETTING STD BUMPER STD LIGHTS & WIRING STD EXTRA LIGHTS STD ORDER NO. 113235 QUOTE NO. 113235 DELIVERY DATE 12-13-82 CAPACITY STD LANDING GEAR 8 ft. MUD FLAPS STD VOLTAGE 12V TANDEN SETTING 58-124 in OIL SEALS STD PLY TIONS STD HEIGHT 11-34 5 12 in T5 DUMPS STD

WHEEL SIZE 16 1/2 in X 24.5 in EXTERIOR TYPE STD O.A. HEIGHT 106 in LOCATION STD LOCKS STD NOSE STD DOOR STD

LUFKIN
MODEL TFV-EP
Exterior Post Van

"A" OVERALL LENGTH
"B" BODY LENGTH
"C" INSIDE BOX LENGTH

LUFKIN
MODEL TFV-IP
Interior Post Van

ALL LENGTH
LENGTH
BOX LENGTH

PRICE ONE UNIT
PRICE ENTIRE ORDER
CASH DOWN
TRADE DOWN
BALANCE DUE
STATE SALES TAX

TERMS:
PRICE AND TERMS SUBJECT TO APPROVAL OF THE HOME OFFICE
CUSTOMER SIGNATURE: (AGREEING TO SPECS, PRICE AND TERMS)

ALUMINUM AND STEEL FR
DUMP TRAILER

The Trailer Marketplace: *A Sales Challenge*

Trailer Division salesmen find prospective customers in a wait-and-see economy mood.

Trailers for sale or rent." That message from the country-and-western song best describes the efforts of the LUFKIN trailer sales force in recent times.

They are struggling to sell in a market that has been wounded by the recession, deregulation and high interest rates. It is a challenging market that is calling upon all of their sales capabilities.

During the first three months of this year, the Trailer Division was selling as many trailers as its manufacturing facilities could produce. It looked like 1982 would be a record sales year. Then last spring, the oil industry plunged, and trailer business fell with it.

"We had a backlog of orders for floats in March," said Marshall Dailey, trailer sales manager. "The building trades were already down when the oil quit, and we lost about 60 percent of our trailer business."

Nine months later, float and dump business related to oil and building industries is still down. Currently, vans, which are used primarily for hauling finished goods, are the company's best-selling trailer product.

What is LUFKIN doing to generate business in the trailer industry?

On October 1, the company

introduced a new float line that offers higher payloads and greater uniform loads for oil-field and general freight use. The 1983 float line features the LOADMASTER and SUPER HAULER. "We are confident that this new line is going to help us give something fresh and new to the market," said Jim Horn, assistant trailer sales manager. "It gives our salesmen something new that they can be excited about."

Last June and early July when prime interest was up to 15½ percent, the company offered a special 13¾ percent interest rate to stimulate trailer business. This special rate brought in orders for about 300 trailers, from \$3 to \$3.5 million worth of business. "That's the business we are operating on right now," said Dick McKay, vice president, Trailer Division. "The special interest rate was very effective."

In the present market, sales personnel's competition is not only with other trailer manufacturers. A surplus of late-model used equipment has flooded the marketplace, and used trailers from bankrupt common carriers are available at greatly reduced prices. Many companies have surplus trailers sitting on their lots.

New trailer sales have been hurt also by cutbacks and

economic measures. Rather than order new doubles, one common carrier took surplus 40-foot van trailers from its fleet and cut them down for doubles. This same trucking company also extended some of its 40-foot trailers to 45-foot trailers, which can carry a better payload.

The only business the Trailer Division received from these conversions was to supply Pintle Hook assembly kits used to attach the doubles to each other. These kits include heavy-duty crossmembers, fabricated with gussets and adjustable end plates, air-operated pintle hooks, air lines and shutoff valves ready for installation after the trailers have been changed to the desired lengths.

For less than half the cost of new trailers, this trucking company converted used trailers to more efficient sizes. These rebuilt trailers could last another 10 or more years.

The Trailer Division is generating income from its used equipment, also. Used LUFKIN trailers are rented or

leased for storage in Lufkin and from some branch offices locations. Businesses and a few individuals rent 40-foot vans to store clothing, furniture, grain, fertilizer, tires and other goods. Rental floats and vans are used for hauling on a temporary basis until other equipment can be repaired or purchased.

As trucking companies delay buying new equipment, trailer sales representatives from the nine branch locations are increasing efforts to reach any possible customer. "We have our people calling on more prospects than ever before, and we're making more contacts by phone to maintain good relations with our customers," said Dailey.

He and Jim Horn, assistant trailer sales manager, are communicating closely with each branch and each salesman. For the past few months, they have traveled with salesmen from the nine sales offices in Texas, Georgia, Louisiana, Tennessee and Oklahoma.

"Marshall and Jim alternate

branches," said McKay. "They make about 20 to 25 calls a day with the salesmen. This shows the salesmen that the sales management team is interested enough to come out to work with them. The customer sees someone from the home office, and we see personally what is happening out in the field."

One of the major changes the pair noticed during their visits is the growing number of new prospective customers in the trailer industry. Deregulation of the trucking industry produced many new customer prospects as the industry opened up to new private carriers. Another promising new customer is leasing companies, since high interest rates have made it more feasible for many haulers to lease equipment than to buy new equipment.

"We are getting off the free-ways and finding these prospective customers," Dailey commented.

Horn added that much of a salesman's work now is making cold-canvass calls or

**During the company's
fourth annual blood drive,
employees can give . . .**



Employees of Lufkin Industries will have the opportunity to give a very special gift during a time of year traditionally set aside for giving. This Christmas season you can give the gift of life—a unit of life-saving blood.

The company's fourth annual blood drive has been scheduled Tuesday and Wednesday, December 7 and 8. The drive was held previously each October, but because the need for blood is so acute during the holiday season, the drive was rescheduled for the month of December.

By donating one unit of blood, employees become members of the Lufkin Industries Family Blood Plan through the Stewart Blood Center of Tyler. If ten percent of all full-time employees in the Lufkin area donate one unit of blood, the center will assure every full-time member of the Lufkin work force, and retirees living in East Texas, of unlimited blood replacement at no cost for one year.

The company has been a member of the plan for the past three years. Since January, some 14 employees

missionary work, introductory visits to prospective customers. Sales literature is sent to prospective customers.

While present economic conditions are tough and competition is even tougher, Dailey feels that the salesmen's efforts will pay off in the long run. "We plan to continue to work this way," he said.

A plus for LUFKIN Trailers is its longevity in the business. "We have a very good reputation in the trailer industry," said Dailey. "We have been building good trailers for a long time. Once a customer buys a LUFKIN trailer, it is much easier to sell him a second time. Also, the resale value of LUFKIN trailers is much higher than many of our competitors' equipment.

"The biggest disadvantage that LUFKIN Trailers has in the industry is where our manufacturing facilities are located," Dailey continued. "The golden area of a trailer manufacturer is a 500-mile radius of the factory. You take a 500-mile radius of Lufkin,

Texas, and half of your territory is in the Gulf of Mexico."

This is also a disadvantage because freight costs to ship new trailers often mean the difference in getting and not getting a trailer order. Trailer manufacturers cut freight costs on new trailers shipped outside the area by a method called freeloading. In this method of shipping, common carriers agree to load a new trailer with goods to be hauled to the area where the trailer purchaser is located. There is no charge for shipping the trailer.

To take advantage of the freeloading method, however, Lufkin Trailers must deliver or ship a trailer to common carrier freight lines in Dallas, Shreveport or Houston. Freight costs to ship a trailer to Dallas run about \$200. "If we truck a trailer ourselves to Atlanta, Georgia, it would cost from \$700 to \$800," said Dailey. "With freight like that, you are automatically out of the race with the competition."

Teamwork between home office and the sales force, as

always, remains essential to sell in the competitive trailer market. Various departments within the company, such as accounting and purchasing, are assisting the sales personnel make the best possible bids. Bidding on parts and service has become highly competitive since the recession hit the industry.

Efficiency measures are stressed in trailer office and production areas. "We are always looking for ways to make our trailers better and in fewer hours," said McKay. "The longer it takes to build a trailer, the less profit we make on it. We must be highly efficient if we are going to build trailers and sell them at today's prices. The competition is fierce."

Selling trailers in 1982 is not an easy job. "The companies we call on are all very budget-minded right now," said Dailey. "Everybody is talking about '83. If all of the people who say they are going to buy in '83 do what they say, 1983 is going to be one heck of a year!" □

and their dependents have used 90 units of blood, and these units have been replaced to local hospitals free of charge. If it had not been for the family blood plan, the units of blood would have cost almost \$5,000. (The current charge for a unit of blood from Stewart Blood Center is \$53. In metropolitan areas, blood charges are even higher.)

These are costs that would have been passed along to the company insurance plan—higher hospital costs that could result in higher insurance premiums later to

the company and employees.

But more importantly, blood was there when it was needed by the community. For the past three years, more than one third of the work force has donated blood during the plant-wide drive. The donations have helped Stewart Blood Center meet its growing demand for blood. The blood bank supplies blood to 44 area hospitals serving 800,000 East Texans.

A donation of one unit of blood during the drive assures the donor, his spouse and any children under 23 years of age living at home of unlimited

blood replacement at no cost for one year. Single donors are assured of unlimited blood replacement at no cost for two years. The only charge are hospitals processing and administration fees. Dependent parents also are included in the plan for units of blood not covered by Medicare.

Circle the dates of December 7 and 8 on your calendar. And this year, when blood donor cards are distributed in your work area, give the gift of life. □

Not many people can boast a famous person as a job reference on their employment application. But machinery salesman Rick Neal can. When he applied for a position with Lufkin Industries three years ago, he used the name of the winningest football coach in history—Paul “Bear” Bryant as a reference.

Neal is a 1979 graduate of the University of Alabama where he was a member of their renowned football team, the Crimson Tide. During his senior year the school won college football’s National Championship.

“Playing football for the Crimson Tide was a dream come true,” says the Casper, Wyoming sales representative. “Bear Bryant is a legend in Alabama, and to play for him was the thrill of a lifetime.”

The former tight-end was dubbed by the Alabama press as “the other end” because he played opposite Ozzie Newsom, the team’s All-American split-end and now a member of the NFL’s Cleveland Browns. Bear Bryant himself is remembered as Alabama’s “original other end,” playing opposite the fabled Don Hutson in 1933-34.

“Ozzie was a great receiver and we were and still are great friends,” says Neal. “I follow his pro career closely, and he taught me a lot. Having him made us a better football team, and the better we were, the more we won.”

And win they did. From 1974-79, the years Neal was on the team, the school’s record was 62-8-0. His last game was the 1979 Sugar Bowl game against Penn State for the National Championship, one of the most exciting games in the bowl’s history.

“It was a very emotional ballgame for me because it was my last game, and it was for all the marbles,” Neal recalls. “I can’t remember a tougher ballgame. When we won it 14-7, it was the highlight of my years with Alabama.”

A FOOTBA

Machinery salesman Rick Neal
a national championship team



Neal played high school football on two state championship teams at Banks High School, one of the largest high schools in Birmingham, Alabama. When the university won the national championship, the city proclaimed a day in his honor. “It was an exciting time for me. I really felt like a celebrity.”

But now he had to make a decision about the future. At 6’2”, 196 pounds, he was considered too small by NFL standards. A semi-professional Birmingham team approached him, and he rejected the offer. “Such teams can serve as a stepping stone to the pro teams, but NFL scouts usually won’t even look at a tight-end unless he’s 6’4”, 230 pounds.”

ALL STAR

al played football on
m under a legendary coach.



Rick Neal then and now, (left) as a member of the national college championship team, the Alabama Crimson Tide, and (right) as a sales representative in the Casper, Wyoming machinery sales branch office.

He decided to try his luck in the business world instead. Following graduation, armed with a bachelor of science degree in industrial arts, he and his wife, Jana, headed for Houston. They stayed two weeks in Houston while he interviewed with several companies.

"It didn't take me long to figure out I didn't like Houston," laughs Neal. "It was too much city for this Alabama boy. Since we were so close, we stopped in for a visit with Jana's aunt, Barbara Fowler, who has been with the company for 25 years. I started talking to LUFKIN, and, well, the rest is history."

He spent one year in the machinery sales and service training program in Lufkin, and then was

transferred to the Casper office. He enjoys Wyoming because most of the state's activities are outdoors. "I've learned to snow ski, and I enjoy hunting. I do miss football and the lime-light, but I am adapting."

And his football training is helping him make the adjustment. "Coach Bryant believed football prepares you for the business world because it teaches you discipline and competitiveness. He emphasized the importance of placing your education first, football second.

Neal speaks of the Alabama football mentor in almost reverent tones. "I have a tremendous amount of respect for Coach Bryant. Many of the coaching responsibilities are delegated to other coaches, but he is in total control of what is happening on the football field. He has a 40-foot tower stationed in the center of four practice fields where he observes team practices. It keeps the coaches and the players on their toes knowing Coach Bryant is looking down on them."

He describes Bryant as a motivator. "Before every game, he would read an inspirational poem or story to us. He cared about us as individuals, not just as a team. I still keep in contact with him through cards and letters, and he never fails to respond."

Although his playing days are behind him, Neal remains an avid football fan. Many of his former teammates are members of professional teams, and he follows their careers closely. "Richard Todd of the New York Jets was quarterback when I was a freshman. I played ball with Tony Nathan of the Miami Dolphins and Bob Cryder of the New England Patriots. Bob and I were big buddies, so I have really become a Patriot fan."

And his favorite college team? The football star turned salesman grins. "You've got to be kidding ... the Alabama Crimson Tide, of course!"

IN FOCUS

Retirement Marks 50 Years of Service

Two employees representing five decades of service with the company have retired during October. Maurice Kindle has retired after 20 years in the trailer plant, and W.D. McWilliams has retired after 32 years in the machine shop.

A native of Center, Kindle joined Lufkin Industries after returning from four years in the armed forces, where he traveled throughout Europe. He spent his career with LUFKIN in the brake and axle department of the trailer plant, mounting tires on company trailers.

"When I went to work for the company," he recalls, "they were mounting five sets of tires a day. I could do 27 sets a day by myself. They used to tell me that I was the best they had."

Kindle will spend his early retirement days recuperating from a back injury. He also plans to spend more time with his family, a daughter, two grandchildren and three great grandchildren.

When McWilliams first joined LUFKIN in 1941, he started at 35 cents an hour, but after only one day on the job, a general raise increased his salary to 45 cents an hour.

He left the company six years later to move to Houston, but returned to his job in 1950. The next 32 years were spent as a grinder, then an inspector in the machine shop.

"I ran a manual shaft grinding machine for 20 years," he says. "Automation has replaced so many operations that it is a dying trade. We prided the parts we made by hand. They were as close to a perfect part as you could get."

A hunter and a fisherman, McWilliams plans to head for



Maurice Kindle

the river, to think and unwind. "Retirement will be a change for me after all those years of coming to work everyday," he says, "but I am prepared. I have about every recreational vehicle you can have."



W.D. McWilliams

The father of four children, and grandfather of one grandson, much of his time will be spent with the family. "My years at LUFKIN help to raise that family, and we all have turned out fairly well."

Company Participates In Ceremonies



Participating in Pershing Avenue dedication ceremonies were Kenzy Hallmark, Chamber of Commerce president-elect; Lynn Hill, state highway department; Ed Wareing, mayor pro-tem; R.L. Poland; and Pat Foley, city commissioner.

Lufkin Industries was recognized during recent formal dedication ceremonies for the reopening of a three-block portion of Pershing Avenue from Angelina Street to the Bynum Street intersection.

The company donated \$100,000 to the city of Lufkin for improvements to the street

last year. The new section has been redone with concrete and widened to allow for left turns in the area.

Lufkin city, civic and business officials took part in the ceremonies. Representing the company was president R.L. Poland.

United Way Campaign Concluded

A total of 1,036 employees gave \$13,171 to the United Way this year. The company will match the employees' contributions bringing the total Lufkin Industries contribution to \$26,342. Fifty employees gave a day's pay.

Volunteers soliciting contributions for the drive were Edith Arnold, industrial supplies; James King, product design engineering and print shop; Lee

Burnett, corporate offices; Becky Carlile, material control; Janice Aston, public relations; Jerry Vann, order department; Gene Lee, traffic; and Joan Griffin, personnel.

Trailer Division volunteers included Ruby Gilbert, Betty Niosi, Walter Butler and Polly Deason. Soliciting for machinery operations were Barbara Fowler, Michael May, Dora Schoubroek, Cecil Berry,

James Pate, W.C. Watson and Jimmy Cook. Foundry volunteers were Linda Robb, Jewel Hale, Rex Jones, Terry Carter, Ralph Jones, John Wade, Calvin Cooper.

Volunteers for structural steel operations were Ricky Buchanan, James Dalahite, Marie Ray, Jerri Gilbert, H.G. Tierrablanca and John Foster. Final assembly and shipping volunteers included Kenneth Brashear, Bob Jackson, Fred Henseley and Sandria Randle.

Anniversaries

FOUNDRY OPERATIONS

	Employment Date	Years With Co.
E.E. Edwards	November 21, 1945	37
Judge Burrell	November 4, 1946	36
Seamon Rigsby	November 1, 1947	35
Dock Spencer	November 4, 1947	35
Levi Patton	November 2, 1955	27
Henry Jefferson	November 18, 1955	27
Clifford Johnson	November 18, 1958	24
Cloyce Fussell	November 8, 1961	21
Maurice Patton	November 17, 1961	21
Norris Alexander	November 22, 1961	21
Preston Cauley	November 17, 1966	16
Willie Polk	November 26, 1968	14
Alton Bennett	November 15, 1971	11
Curtis Anthony	November 2, 1972	10
Leslie Segrest	November 19, 1973	9
O'Neal Jones	November 21, 1974	8
Johnie Horace	November 6, 1975	7
Mike Justus	November 24, 1975	7
Artis Gregory, Jr.	November 24, 1975	7
Pat Molandes	November 14, 1977	5
Albert Funderburk, Jr.	November 21, 1977	5
Elaine Rogers	November 12, 1979	3
Thomas Sides	November 18, 1979	3
Harold Kelley	November 20, 1979	3
Donald Ridgeway	November 24, 1980	2

STRUCTURAL STEEL OPERATIONS

	Employment Date	Years With Co.
William Rogers	November 14, 1950	32
Hollis Mott	November 21, 1955	27
Billy Kirkland	November 10, 1961	21
James Dunn	November 14, 1966	16
Amos Mayo	November 19, 1969	13
Cecil Agent, Jr.	November 15, 1972	10
Arthur Chatman	November 27, 1972	10
Clifton Marze	November 1, 1973	9
Leonard Sullivan	November 5, 1973	9
Bobby Greenville	November 5, 1974	8
Chester Sickels	November 10, 1975	7
Donny Garton	November 17, 1975	7
John Foster	November 4, 1976	6
Tru Duc Vu	November 11, 1976	6
Belton Havard	November 16, 1976	6
Doniel Horn	November 22, 1976	6
David Holt	November 23, 1976	6
Joe Hollis	November 30, 1976	6
Marie Ray	November 1, 1978	4
Carlton Maxie	November 6, 1978	4
Brenda Taylor	November 10, 1978	4
Jewel Brewer	November 13, 1978	4
Judy Bussey	November 15, 1978	4
Juanita Johnson	November 27, 1978	4
June Garton	November 27, 1978	4
Robert Myers	November 6, 1979	3
Kalvin Buckley	November 7, 1979	3
Terry Anderson	November 12, 1979	3
Kevin Lowman	November 20, 1979	3

FINAL ASSEMBLY AND SHIPPING

	Employment Date	Years With Co.
Chester Robinson	November 28, 1969	13
James Burrell	November 26, 1974	8
Donald Davis	November 6, 1975	7
James Turner	November 7, 1977	5
Martin Habacek, Jr.	November 28, 1977	5
John Richard	November 28, 1977	5
Earl McGallion	November 2, 1978	4
Timothy Haggard	November 28, 1979	3
Richard Landers	November 3, 1980	2
Richard Welch	November 5, 1980	2
Hubert Sutton	November 21, 1980	2

INDUSTRIAL SUPPLIES

	Employment Date	Years With Co
Ed Dietz	November 3, 1952	30
Aaron Pigg	November 1, 1963	19
William Grady	November 15, 1978	4

PRODUCT DESIGN ENGINEERING

	Employment Date	Years With Co.
Marvin Kimmey	November 16, 1959	23
Bob Freeman	November 16, 1959	23

MACHINERY SALES AND SERVICE

	Employment Date	Years With Co
H.H. Muller	November 29, 1949	33
Don Stanley	November 9, 1965	17
Jacqueline Campbell	November 8, 1971	11

MACHINERY OPERATIONS

	Employment Date	Years With Co.
Johnnie Carroll	November 24, 1952	30
Estill Holiday	November 15, 1954	28
Alvin Powell	November 21, 1955	27
Cleveland Simmons, Jr.	November 21, 1961	21
Jerry Tullis	November 28, 1961	21
Robert Manning	November 8, 1965	17
Clarence Thorn	November 10, 1965	17
Manzel Clark	November 12, 1965	17
John Reece	November 14, 1966	16
Alvie Luce	November 22, 1966	16
Larry Tompkins	November 13, 1967	15
Clarence Matchett	November 21, 1967	15
Jerry Taylor	November 18, 1969	13
Francis Hyde	November 16, 1970	12
Jerry Brock	November 23, 1970	12
L.P. Griggs	November 1, 1973	9
Dorman Boaz	November 7, 1973	9
Richard Guevara	November 19, 1974	8
Andy Modisette, III	November 16, 1976	6
James Nerren	November 21, 1977	5
David Glover	November 2, 1978	4
Charles Morgan	November 2, 1978	4
Samuel Price	November 7, 1978	4
Willie Settler	November 9, 1978	4
Eugenio Aldava	November 10, 1978	4
Melba Schoennagel	November 20, 1978	4
Carlos Tovar	November 20, 1978	4
Kara Porter	November 22, 1978	4
Lunell Curl	November 22, 1978	4
Daniel Phipps	November 2, 1979	3

Clara Landers	November 5, 1979	3
Patricia Edwards	November 5, 1979	3
Richard Miller	November 7, 1979	3
Jack Hightower	November 7, 1979	3
Jerry Jenkins	November 14, 1979	3
Marvin Stubblefield	November 19, 1979	3
Mike Curry	November 18, 1975	7
Gene Lee	November 12, 1979	3
Michael Kimmelshue	November 3, 1980	2
Timothy Johnson	November 12, 1980	2
Travis Amie	November 13, 1980	2

MATERIAL CONTROL

	Employment Date	Years With Co.
Bob Boynton	November 22, 1974	8
David Bazar	November 21, 1977	5
J.L. Horace	November 21, 1978	4
Dwain Forsythe	November 17, 1980	2
Michael Webb	November 24, 1980	2

CORPORATE OFFICES

	Employment Date	Years With Co.
Joe Floyd	November 22, 1948	34
Walt Bardwell	November 21, 1962	20
Bob McCarroll	November 1, 1973	9
Nancy Moore	November 20, 1979	3

PERSONNEL

	Employment Date	Years With Co.
Michael Mark	November 1, 1976	6

PUBLIC RELATIONS

	Employment Date	Years With Co.
Virginia Allen	November 1, 1946	36
Elaine Jackson	November 17, 1980	2

TRAILER PLANT

	Employment Date	Years With Co.
J.W. Smith	November 14, 1944	38
E.L. Tullis	November 27, 1951	31
Bob Beddingfield	November 12, 1952	30
Dennis Rice	November 21, 1966	16
James Tucker	November 24, 1970	12
Hugh Lambright	November 29, 1972	10
Tommy Wells	November 11, 1974	8
Roy Weathers	November 29, 1976	6
Kenneth Faires	November 7, 1977	5
Cleveland Adams	November 7, 1977	5
David Lawson	November 14, 1977	5
Warren Steel	November 13, 1978	4
Pattie Smith	November 14, 1978	4
James Roberts	November 21, 1978	4
Robert Nicholson, Jr.	November 29, 1978	4
Alice Mills	November 13, 1979	3

TRAILER SALES AND SERVICE

	Employment Date	Years With Co.
John Elliott	November 3, 1970	12
Clovis Craig	November 13, 1972	10
James Jones	November 8, 1976	6
Harley Steele, Jr.	November 16, 1977	5
Tracy Bisang	November 16, 1979	3
Jesus Cobio	November 29, 1979	3
Michael McGrail	November 2, 1981	1

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

Address Correction Requested

BULK RATE
U.S. POSTAGE
PAID
Lufkin, Texas
Permit No. 10



INSIDE

Productivity	
A Team Effort	1
What's Ahead	
for the Trailer Industry?	4
The Trailer Marketplace:	
A Sales Challenge	6
The Gift of Life	8
A Football Star	10
In Focus	12
Anniversaries	13

COVERS

Front: The trucking industry has been in a slump for two years. The ROUNDUP examines the state of the industry on page 4.

Back: A new program utilizing a team approach to improve company productivity is underway. Its success is dependent on the efforts of groups like this one from the structural steel and shipping plant. Pictured are team members (l-r) Dwayne Howell, Ide Russell, John A. McCarty. For the story, see page 1.

Photos by Tom Johnston

LUFKIN ROUNDUP

Volume 39, Number 11, 1982

Published monthly by Lufkin Industries, Inc., for active and retired employees and their families. Produced by the Public Relations Department: Virginia Allen, Director, P.O. Box 849, Lufkin, Texas 75901. Janice Aston: Managing Editor/ Elaine Jackson: Assistant Editor/ David Freeze: Manager, Photographic Services/ Tom Johnston: Photographer/ Ken Burke: Art Director.

IABC

Member of International Association
of Business Communicators

Copyright© 1982 Lufkin Industries. All rights reserved.