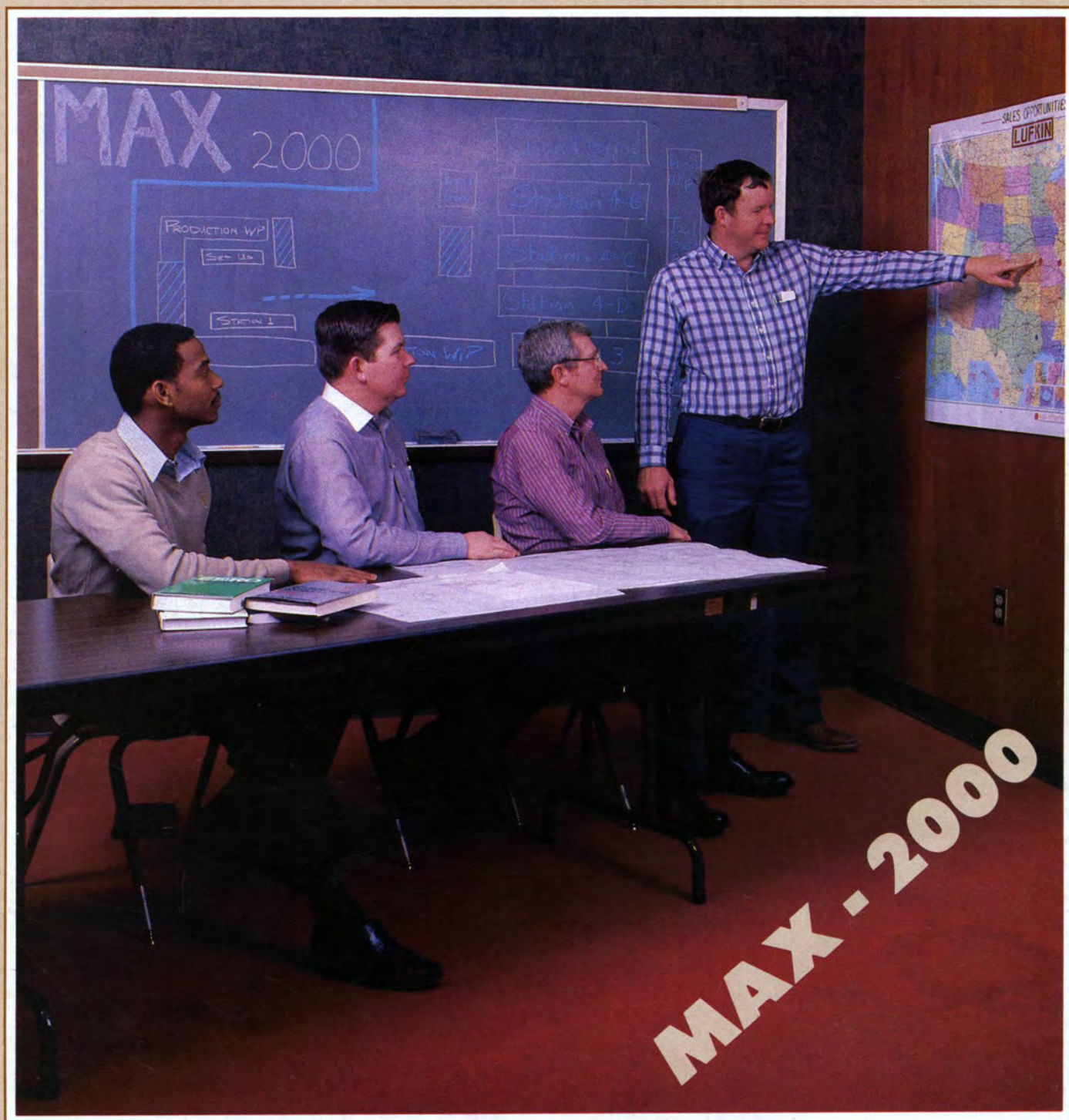


LUFKIN

ROUNDUP

JANUARY 1986



FROM THE PRESIDENT'S DESK

The legacy of the past ... the promise of the future ... During the year just past --- 1985 --- over 120 of our fellow associates retired from active participation with Lufkin Industries, taking with them many years of experience, skill, knowledge and ability. They will always have a warm place within our hearts. They will be missed.

Especially will we miss our daily association plus the spirit of togetherness and companionship that has enabled the LUFKIN team to accomplish the almost impossible dreams of the past. Truly, they have helped us build product acceptance that is unequalled anywhere within the industrial world today.

As we reflect on these great men and women, we are extremely thankful for the legacy they have left us.

Now, it is time for those of us remaining to close ranks and to continue to build on this strong foundation of past glories. We must realize we have tremendous opportunities and responsibilities to all that has been built, and to readily use this solid foundation as a cornerstone for the future growth of our company.

During 1986, we will confront extremely difficult challenges.

We recognize that the oil industry



"We have the strength to master any challenges we may confront."

enters 1986 in a prolonged slump. We expect the oilfield equipment business of 1986 to be more difficult than that of either 1984 or 1985. We face increased competition from all fronts, particularly from a global standpoint.

However, we have long-since learned our LUFKIN team is equal to any task. We have faced adversity in the past; we can certainly overcome the adversities of the present or of the future. We know we have the strength to master any challenges we may confront.

* We have the strength of our heritage --- strong ties with the past; the knowledge and teaching of those that have come before us.

* We have financial strength

--- probably the strongest financial condition of any company within our industry.

* We have a modern plant, equipment and facilities with which we can efficiently build our products to compete with anyone in the world.

* We have, most importantly, each other --- the teamwork and determination to continue to build upon the strong teachings of those leaving us. We know, also, we must never become complacent.

* We truly have the promise of a bright future, realizing it is up to each of us to do our dead-level best day-by-day. We must always remember that our only cause for existence is to daily serve our customers.

If all of this appears as though an awesome task, indeed it is.

We must constantly remember that in order to accomplish all of this, we must appreciate our customers, truly enjoy our work and certainly appreciate one another ... only then can we continue to witness the fantastic adventure and accompanying thrill of our daily jobs.

By doing this, we can and will produce a better, stronger Lufkin Industries.

--- Frank B. Stevenson

JANUARY COVER

MAX-2000 is the latest buzzword filtering through the Trailer Division of Lufkin Industries. Jerry Sudduth, manufacturing engineering manager and MAX-2000 team leader, points to a United States map illustrating potential sales' markets available from reducing production costs in two percent increments. Other team members include (left to right): Roosevelt Adams, Don Roper and Earl Dover.

THE ROUNDUP

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It was a night of memories, and it was ...

A LAST HURRAH

A time for smiles and laughter ... and, a time for a trickle of teardrops, too.

When R.L. (Bob) Poland --- a man who climbed the ladder of success, yet always managed to keep his two feet on the ground --- retired as chairman and chief executive officer of Lufkin Industries, Inc., 554 of his friends and family attended a Lufkin Civic Center fond farewell party. They paid deserved homage to a man who spent 40 of his 66 years with a company he always glorified, saying: "I've loved this place from Day One of my employment here."

During a *This is Your Life* sight-and-sound slide show, a lifetime of memories were kindled and plaudits offered. Among those were these from ...

Frank Stevenson, *company president and master of ceremonies for the Poland retirement event*: "A man of achievement, Bob Poland has made many advancements through his years with Lufkin Industries and he has advanced the company tremendously, from earnings of \$2 million when he became president in 1967 to over \$60 million in our peak year of 1981. We pledge to continue carrying the torch."

Samson Wiener, *a company director since 1957*: "I speak for each of our directors when I say thanks very much



Samson Wiener, right, a director of Lufkin Industries since 1957, presents a plaque on behalf of the company directors to retiring chairman and chief executive officer R.L. Poland during his Lufkin Civic Center retirement party.

*"I've loved this place
since Day One
of my employment here."*

for all you have done. You have been an excellent leader and it has been a pleasure for all of us to have worked with you."

Bayo Hopper, *41 years with LUFKIN and a former executive vice president*: "He came to us right out of the U.S. Army after World War II and eventually became a five-star general with our company. As a stockholder, I hate to see him retire. He always managed magnificently. Because of his Christian character, he has always known where to stand; his feet have always stood on

solid ground. He has never had to debate with himself on matters of honesty, integrity or fairness."

R.E. (Mutt) Barr, *47 years with LUFKIN and a former executive vice president*: "He's been my boss and he's been my friend. I hope that God blesses him and his wife, Adell, with good health through many great years of retirement."

Bill Trout, *company vice president*: "He has a natural down-home friendliness. You can't separate Bob Poland from Lufkin Industries, they're one in the same.

Bob Poland can never really retire from Lufkin Industries because his legacy will always be here."

Virginia Allen, *public relations director at LUFKIN for 37 years*: "I enjoyed the sheer, undiluted pleasure of working for and with Bob Poland. He was the essence of a good boss."

Morgan Flournoy, *a Poland family friend of over 50 years*: "He is a seed of a very fine family, always maintaining himself as a man of dignity and distinction. He has always displayed character, intensity and Christian ethics."

Other tributes were paid by Lufkin Mayor Pitser Garrison, former Texas A&M University roommate Bob Gallaway, former U.S. Army sidekick Fred Valentino, long-time fellow employee Riley Webb, sons Charles and Robert Poland Jr., and daughter Joy Dell Prendergast.

The honoree concluded his evening of tributes, saying: "I don't suppose there has been a happier time for me during my lifetime than tonight. If there was any idea in the back of my mind that this organization was not in the best of hands possible, I'd have no thoughts about retirement at all."

--- RICK PEZDIRTZ

MAX-2000

It may sound like a sequel to *2001-A Space Odyssey*, however, this Trailer Division project is not science fiction.

By DIANA HILL

Conversations about an innovative project called MAX-2000 can frequently be heard from one end of Lufkin Industries' trailer plant to the other these days --- from shop helpers to the Trailer Division's top management.

MAX-2000, a relatively new Trailer Division project, is a catch word for maximum profits, productivity and potential through the year 2000.

"We feel the plans and changes we make now through the implementation of MAX-2000 will carry us into the 21st century," says Jerry Sudduth, manufacturing engineering manager and LUFKIN project team leader.

Objectives for the MAX-2000 project include:

- Improve material flow
- Reduce material handling and distance traveled by vital materials
- Reduce direct and indirect labor costs
- Balance work station cycle times
- Reduce machine set-up time
- Improve overall productivity

"As you can see by this list of objectives, the key to the MAX-2000 project is reduction of cost per unit, not the reduction of personnel head count," Sudduth says. "With the reduction in cost per unit, we can increase our potential sales markets. For every two percent reduction in production costs, our salesmen can cover an additional 200-mile radius, and still maintain the same profit margin. Presently, we can efficiently reach customers within a 300-mile radius.

"For example, if we cut present production costs by two percent, we could feasibly contact customers within a 500-mile radius. Another two percent, or a total of four percent, could enlarge our sales radius to 700 miles, and so on," he says.

The key principles for accomplishing the above mentioned



Charles Kendrick's, Trailer Division assembly foreman, tosses scrap down a metal chute, sending the scrap from the elevated platform to the shop floor. Kendrick suggested building the chute to reduce material handling --- one aspect of the MAX-2000 project.

objectives include:

- Simplify material flow and processes
- Automate where feasible
- Integrate with material and information systems
- Low cost automation, first (highest payback)
- Eliminate waste (inventory, material handling, distance traveled, space, machine set-up, non-value labor additions)
- Manufacturing cells
- Multi-function workers
- Focused sub plants
- Point-of-use-stores
- KANBAN (just-in-time schedule deviation)

"Unlike previous endeavors, we didn't begin this project by looking for new and better equipment to accomplish our objectives," Sudduth says. "First we looked for better ways to use existing equipment. Then we'll decide what additional machinery might be beneficial toward cutting costs."

Other team leaders are Roosevelt Adams, project technologist; Truitt Dixon, production controller; Earl Dover, production supervisor; Jimmy Masters, chief draftsman; Bob McBride, tooling designer; Martha Roberts, production controller; Don Roper, senior welding technician. The LUFKIN project team is assisted by Arthur Andersen & Company consultants from Houston.

"Although we're receiving some outside guidance, the LUFKIN team is designing the system," Sudduth says. "We have asked for input from all trailer plant employees. Production people can generate many good ideas. We want as many people as possible to be involved in this project.

"Our goal is to look at the market, understand it and react to it."

The project was at the outset divided into three phases:

(1) September, 1985, through October, 1985: review operations and conceptual design, data gathering, potential improvements.

(2) October, 1985, through March, 1986: detail information, measuring, looking at all work stations, storage space, safety, part sizes, purchasing options, vender certifications and packaging, material costs, vendor forecast, master plan layout.

(3) March, 1986, through December, 2000: implementation.

A suggestion box was set up in the Trailer Division shop clock alley. The MAX-2000 form requests suggestions with regards to (1) simplification of work stations, (2) reduction of set-up times, (3) reduction of workspace and (4) reduction of material handling.

"We have received numerous suggestions," Sudduth says. "We have implemented a few of these suggestions already, and plan to implement many more before we are through with this project.

"Actually, this is an ongoing project. There is always room for improvement," he says.

Some suggestions have included:

Charles Kendrick, assembly foreman: Make a simple metal chute to transfer scrap from the elevated platform, thus eliminating a need for a forklift truck. This would reduce material handling.

Coy Oliver, side machine operator: Eliminate one radius sheet for van siding, thus reducing set-up time and material handling.

David Craven, class A welder: Install scissor jack (lift) on assembly line, thus enabling operator to lift a trailer to move dolly underneath. Van doors can be made to fit on first installation, thus reducing rework.

Dennis Rice, trailer builder specialist: Relocate van door work stations to more convenient places, thus reducing inventory and material handling.

Chuck White, class A trailer builder: Install powered conveyors instead of stationary conveyors in the pierce rivet department.

Robert Thigpen, trailer builder specialist: Implement wood flooring compression device to square boards in three places across the flooring of a float trailer simultaneously, reducing set-up time and material handling. 



The MAX-2000 team is awarding small coolers to employees who make cost-saving suggestions. The team encourages all trailer plant employees to make suggestions that may in turn be implemented. Dick McKay, (left); Jerry Sudduth, (right); and Jim Riggs, (second from right) are pictured with recent igloo winners. Making useful suggestions were (left to right) Robert Thigpen, Chuck White, Dennis Rice, David Craven and Coy Oliver.



Winners of the regional James F. Lincoln Arc Welding Foundation awards are (left to right, back row) Kevin Puryear, van department employee; Eric Watson, Lufkin High School student and son of J.W. Watson Trailer Division employee; Jerry Taylor, LHS welding instructor; Joe Ibanez, van department employee; (front row) David Ferguson, van department employee; James Davis, van department employee and son of Charles Davis, Trailer Division employee; and Keith Wright, LHS student and son of Rayford Wright, machine shop employee. Not pictured is Mark Winthrop, nephew of Charles McAdams, structural steel employee.



Winning Welders

Trailer Division is proud of their ace welders

The management team of Lufkin Industries' Trailer Division can boast of having four award-winning welders working in their area.

Four LUFKIN employees, plus two sons and one nephew of LUFKIN employees have received regional James F. Lincoln Arc Welding Foundation awards for Lufkin High School projects completed during the 1984-1985 school year. They competed against students from 13 southern states plus Puerto Rico and the Virgin Islands.

Winners, under the direction of instructor Jerry Taylor, were: David Ferguson, van department employee, won best of region and \$500 for a customized trailer.

Kevin Puryear, van department employee, won a silver award and \$125 for a dovetail gooseneck trailer.

Mark Winthrop, nephew of Charles McAdams, structural steel employee, won a silver award and \$125 for a dovetail gooseneck trailer.

James Davis, van department employee and son of Charles Davis, Trailer Division employee, won a silver award and \$125 for a utility trailer.

Eric Watson, current LHS student and son of J.W. Watson, Trailer Division employee, won a bronze award and \$75 for a

motorcycle trailer.

Joe Ibanez, van department employee, won a merit award and \$50 for a three-point tractor lift boom.

Keith Wright, current LHS student and son of Rayford Wright, machine shop employee, won a merit award and \$50 for a picnic table.

Students could have entered one of two categories --- a project or a problem. An arc welded project, made by an entrant, could be (a) home, artistic or recreational equipment, (b) shop tool, machine or mechanical device, (c) a structure, (d) agricultural equipment or (e) a repair. A problem must have been concerned with the use and knowledge of arc welding. It may have involved the uses of a welding technique, process or material, joint design, testing, welding procedure, tooling or fixturing. These seven winning welders chose to enter the project category.

Criteria for judging included: (1) the practicality or usefulness of the project or problem, (2) how well the use or knowledge of arc welding was applied, (3) skill and ability with which the project or problem was completed, (4) how clearly the problem was described and (5) how well the entry conformed to entry requirements.



Vernel Winthrop, foundry pattern maker at Lufkin Industries, presses a bandaid to her arm after contributing a pint of blood during the company's 11th annual blood drive which netted a total of 658 pints.



The Giving Season

*Our employees show
their caring spirit
during LUFKIN's 11th
Annual Blood Drive!*



John Melton, foreground, an engineering group leader, is assisted by Stewart Blood Center's Elaine Nichols during the blood drive. Awaiting his turn to donate blood (background) is Machinery Division service representative Chuck Anderson.

Twas the season for giving, and December, 1985, was no exception at Lufkin Industries.

Twenty-seven percent of the local workforce --- 658 of 2,417 employees --- rolled up their collective sleeves and donated a pint of blood during the 11th annual LUFKIN Blood Drive, held under the auspices of the Stewart Blood Center.

"The gift of blood is really a true gift," said Betty Hayes, director of donor and community services for Stewart Blood Center. "The person who donates, does so without receiving a word of thanks from the person who benefits from his blood."

LUFKIN employees --- from the cleaning room, van set up, jig and lathe shop, quality control, engineering, pipe house, purchasing and many other work areas --- felt it was worth their time, a slight jab of needle pain and in some cases a little light-headedness to donate a pint of their blood. The only material rewards they received were a 30-minute break from their work stations, a few cookies, citrus juice and cola.

Highest donor participation came from Corporate Communications with 78 percent (or seven of nine employees) contributing blood. The next highest participation came from materials and information systems with 40 percent (or two of five employees) contributing blood.

Company employees, unable to donate due to colds, flu or high blood pressure at the time of the December



Bill Sides, service representative for the Machinery Division of Lufkin Industries, is assisted by Bonnie Kuhn of Stewart Blood Center after donating a pint of his blood.

drive, may contribute at Stewart Blood Center's branch office, Lufkin's Memorial Medical Center.

Jo Ann Anderson served as company blood drive coordinator. Other departmental coordinators included: Betty Wood, machine shop; Maebelle Hearne, Trailer Division; Sandra Distefano, engineering; Belinda Pyle, material control; Charles Vinson, order entry; Don Baker, downtown welding shop; Pat Merriwether, accounting.

Also, Roy Davis, purchasing; Joyce West, structural steel, final assembly and shipping; Ide Russell, shipping; Charles McAdams, structural steel; Susan Campbell, personnel; Linda Morehead, foundry; Becky Whisenant, materials and information systems; and Lynne Owens, Industrial Supplies Division.

DEPARTMENTAL DONATIONS

Department	Employee Total	Employee Donors	Percentage
Corporate Communications	9	7	78%
MIS	5	2	40%
Corporate Office	92	30	33%
Order Entry	15	5	33%
Machine Shop	678	221	33%
Engineering	71	21	30%
Foundry	505	129	26%
Structural Steel	463	112	24%
Trailer Division	354	92	24%
Material Control	56	11	20%
Welding Shop	53	10	19%
Industrial Supplies	52	10	19%
Purchasing	6	1	17%
Personnel	58	7	12%
TOTALS	2,417	658	27%



Bobby Allen



Jack Anderson



Milton Atkinson



Kenneth Estes



Jimmy Foster



Leonard Grimes



Rick Haney



Ron Hopson



Tim Lambert



Al Luce



Roger Mayes



Gene Nelson



Carter Olds

Fall Supervisor Training course has 27 graduates

Twenty-seven Lufkin Industries' employees have graduated from the 40th Supervisor Training course, part of LUFKIN's continuing education program.

The purpose of the course was to inform current and potential supervisors about company policies and procedures, as well as sharing experiences and ideas to improve themselves, explains Danny Martin, instructor and manager of material control.

"We recognize that 'supervisor' is not a title, rather a specialized job that requires specialized training," Martin says. "To be effective leaders we must strive to understand people. No amount of policy, procedure, benefits, retirement plans, etc. can take the place of a

supervisor who is interested in his job and associates."

The course was designed in 1965 by Ghent Smelley and Frank Stevenson for machine shop employees. Over the years, the course expanded to include employees in other departments. Over 350 employees have completed the seven-week course.

"We must agree that 'supervision' is a people business and that no psychology of working with people really works unless we are genuinely and truly interested in other people. We must all maintain positive mental attitudes and remember the goal of every supervisor must be to improve himself, his associates and the product," Martin says.

Several class members commented on

the worth of the training and how they applied the information to their jobs.

- **Gene Nelson**, Trailer Division maintenance: "First-line supervisors can handle problems easier if they are familiar with policies. They must leave the lines of communication open."

- **Jim Foster**, industrial gear service and repair: "It was beneficial to review the structure of our organization. I was interested in how other people handled problems. As a result of class discussion, I collected several good ideas."

- **Harold Page**, final assembly and shipping: "I learned more about how to communicate with people. Consequently, I feel better equipped to guide employees under my supervision."



Harold Page



Woody Peavy



Bill Pennington



Bill Pittman



William Redd



Robert Ridgeway



Don Roper



G.W. Sisson



Charles Smith



Jerry Swearingen



Curtis Thomas



Willie Walker



Willie Washington



Bob Watson

Employees complete company-sponsored shop classes



Graduating from the blueprint reading class were (left to right, front row) Jo Hugg, welding shop (Buck Creek); Lucille Gilstrap, welding shop (Buck Creek); Sandra Randle, final assembly and shipping; Dannette Gainer, foundry; Harlan Brown, welding shop (Buck Creek); (back row) Larry Wisener, foundry; Jim Hadnot, Trailer Division; Ira Jones, machine shop; James Davis, Trailer Division; and Rajan Babu, Trailer Division.



Graduating from the blueprint reading class were (left to right, front row) James Johnson, final assembly and shipping; Linda Karber, foundry; Virgil Berwick, machine shop; (back row) instructor Jay Schwartz, machine shop; Garry Campbell, final assembly and shipping; Ricky Barley, welding shop (downtown); and instructor Jerry Wilson, machine shop.



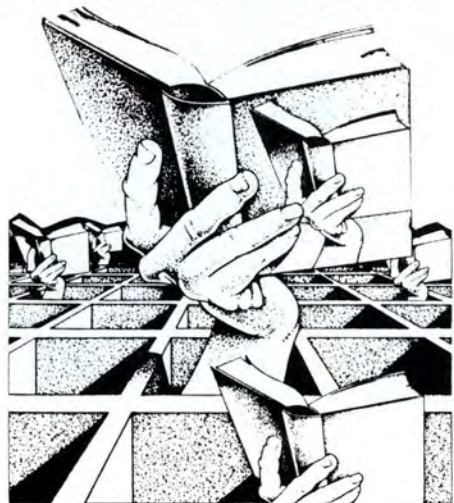
Graduating from the foundry principles class were (left to right, front row) Phillip Lowery, machine shop; Judy Talton, structural steel; Bobby Wood, machine shop; Charles Smith, foundry; Robert Harris, foundry; (back row) Clifton Anders, foundry; Wayne Saucier, Industrial Supplies Division; Malcom Lowery, welding shop (Buck Creek); James Windham, foundry; and Fidel Mendoza, machine shop.



Graduating from the foundry principles class were (left to right, front row) Stanford King, foundry; instructor Bill Pennington Jr., foundry; James Hendrix, foundry; (back row) Mary Beth Kinner, corporate communications; instructor Frank Martin, foundry; and Tommy Sanders, foundry.



Graduating from the shop math class were (left to right, front row) Kenneth Phillips, machine shop; Hilary Brady, welding shop (Buck Creek); Jeff Cole, Trailer Division; Joy Ouseph, machine shop; Paul Fenley, Trailer Division; (back row) Rogelio Reyes, welding shop (Buck Creek); Ricky Parish, machine shop; Frank Myers, engineering; James Hodges, Trailer Division; Oscar Arant, machine shop; Dwight Walter, Trailer Division; Kenneth Rich, Trailer Division; and instructor Bob Pennington, machine shop.



BY RICK PEZDIRTZ

The RIGHT PLACE at the RIGHT TIME

When the fickle finger of fate beckoned, William Thomas (Bill) Pennington was at the right place at the right time to predestinate his next 28 years.

On a midsummer morning of 1957, Pennington --- only a month away from a Master's Degree in industrial education --- slid into a booth at Texas A&M's Student Union.

"I was just there for a quick cup of coffee between classes," Pennington remembers. "A gentleman asked if he could join me. How could I have realized our conversation over coffee that morning would lead to my livelihood and place of work for nearly the next three decades?"

The Texas A&M visitor was Bayo Hopper, chief engineer at Lufkin Industries and later to become executive vice president of the East Texas company.

"I was on a talent search for young engineers," recalls Hopper. "Engineers were a scarcity in those days. I must have talked to about 30 engineering students that day at A&M. I remember interviewing young Pennington for about half an hour."

Hopper hardly envisioned he was recruiting another future LUFKIN vice president.

"My 28 years with LUFKIN exceeded any dreams I ever had about a career," Pennington remarked just prior to retirement from the LUFKIN work force last month. "That chance meeting with Mr. Hopper was certainly one of the luckiest moments I've ever known. But now, perhaps it's time to pay back what I owe to mankind."

Recompensing humanity for "a wonderful life" stands paramount on the retirement priority list of Pennington and his registered-nurse wife, Marceline.

"We hope to spend our retirement years doing volunteer service work

for possible global assignments.

"There's no pay except for transportation expenses and a per diem living allowance," says Pennington of IESC which is a network of people working to upgrade management skills, improve basic technologies and increase productivity of businesses in developing countries. The 20-year organization has successfully completed 9,500 projects within 81 nations, thanks to assistance from 8,500 experienced men and women.

"The individual projects generally last two or three months. Marceline and I both feel we have the aptitudes to serve as counselors and advisors for IESC development programs overseas," says Bill. "We're hoping we'll be selected for this type work."

Born and raised in southern Arkansas, Pennington insists he's now "a Texan by choice, not chance." His three sons --- William Jr., David and Jon Lee --- all work for LUFKIN. "Two of these boys and one of my daughters-in-law are A&M grads, so it's maroon-and-white, 12th Man and gig 'em Aggies 100 percent for me," he says.

A 1947 graduate of Hermitage (Ark.) High School, Pennington spent four years in the U.S. Marine Corps (1948-52), earning two battle stars --- the Korean Presidential and United Nations citations. He mustered out of the military as a technical sergeant; later was commissioned a second lieutenant in the U.S. Army Reserves. He is a 1956 graduate of Arkansas A&M where he was elected to Who's Who of American Colleges and Universities.

His civic and church activities have included youth baseball, Boy Scouts, service on the industrial advisory committee to Lufkin High School and Angelina College vocational welding, the National Association of Industrial Technology, plus two terms as administrative board chairman at St.

**"I was just there for
a quick cup of coffee
between classes ...
How could I have
realized it would
lead to my livelihood
for nearly the next
three decades?"**

Bill Pennington

wherever we are needed," says Bill. "If that should include teaching the underprivileged on an Indian reservation or in Appalachia or somewhere in a Third World country, we're ready to pack our bags and head out."

Pennington began at LUFKIN as a trainee in August of 1957. He became foreman of the welding and structural steel plant in 1966; retired as vice president/manager of structural steel, final assembly and shipping operations.

Now, he and Marceline have taken steps toward humanitarian service. They've mailed applications to the International Executive Service Corps

Paul's United Methodist Church where he has been a Sunday school superintendent and teacher. He and fellow 1985 LUFKIN retiree Riley Webb shared a \$3,000 award during 1967 Lincoln Arc Welding Foundation national competition.

"The highpoint of my LUFKIN career was to be part of the design and construction team at our Buck Creek fabrication and shipping facility. We've received compliments from domestic and foreign visitors that insist our plant is second to none in the world," says Pennington. A key man in the management of LUFKIN's Canadian manufacturing plant, Pennington has also spent time in Venezuela, Argentina and Peru on behalf of LUFKIN international interest.

Other retirement plans for Pennington include fishing from either of two bass boats he keeps at a Rayburn Lake cabin he owns.

In summarizing his LUFKIN career, Pennington says: "I was proud to be hired by LUFKIN, I've always been proud to be an employee of LUFKIN, I shall always be proud to be a retired LUFKIN employee."

"I couldn't have found a better place to cast my lot for a career. That cup of coffee back there 28 years ago at Texas A&M might have been the best I've ever enjoyed."



Prior to retirement from 28 years with Lufkin Industries, Bill Pennington, right, goes over some last minute details with his successor, James E. Riggs. Riggs moves from Trailer Division superintendent to manager of structural steel, final assembly and shipping operations.

Riggs Named to Head Up Structural Steel Area

James Edward (Jim) Riggs has been named manager of structural steel, final assembly and shipping operations within the Machinery Division of Lufkin Industries, according to an announcement from company president Frank B. Stevenson. He replaces Bill Pennington who retired from LUFKIN on December 31.

Trailer plant superintendent since 1979, Riggs joined Lufkin Industries in 1959 upon graduation from Texas A&M University. He was previously an industrial technologist, then named head of industrial engineering in 1969.

"In my opinion, LUFKIN has the very best of equipment and personnel. With this winning combination, we will continue to succeed," said Riggs immediately after receiving his promotion.

A native of Bedford, PA., and a 1954 graduate of Galena Park (Texas) High School, Riggs is presently working towards

a masters degree at Stephen F. Austin State University.

He is currently chairman of the Angelina County Chamber of Commerce Agri-Business Council and was a prime mover behind the establishment of the Farmer's Market in Lufkin. He is on the budget committee of United Way, and is past president of the Lufkin Evening Lions Club and the Angelina County Texas A&M Club.

Deeply involved in Boy Scouting work, Riggs is a past district chairman and holds the Silver Beaver Award, District Award of Merit and Wood Badge Award from scouting work. He is also board chairman and an elder of Lufkin's First Christian Church. A member of the Society of Manufacturing Engineers, he is a past director of the Houston Chapter of the American Welding Society.

Riggs and his wife, Carol, are parents to six children --- Coleen, Sally, David, Richey, Robert and Dianna. 

FOCUS

Promotions for nine employees are announced

Promotions of nine Lufkin Industries' employees have been announced by company officials in six departments.

In the Industrial Supplies Division, **Patrick Sanders** has been promoted to warehouse clerk from machine shop laborer.

He joined the company in 1984. Following graduation from Lufkin High School, Sanders studied human resources and photography at Angelina College. He has had training in blueprint reading, communication and management.

Sanders is a member of the NAACP and assistant minister of Lubbock Street Church of Christ. He and his wife, Barbara, have two daughters, Roxie and Kimberly.

In the machine shop, **R.L. McGuire Jr.** was promoted to electrical maintenance working foreman from electronic technician. He joined the company in 1984. Following graduation from Lufkin High School, McGuire served in the U.S. Navy and studied electronics at Stephen F. Austin State University.

McGuire is an active member of the Lufkin Youth Baseball Association. He and his wife, Sherry, have two sons, Andy and Luke.

In the foundry, **Monte Ramsey** and **Rodney King** were promoted.

Ramsey was promoted to facilities manager/supervisor from foreman. He joined the company in 1980. Following graduation from Ross S. Sterling High School in Baytown, Texas, Ramsey attended Lee Junior College in Baytown and Stephen F. Austin State University.

He and his wife, Kathy, have two children, Brandon and Kelley.

King was promoted to class B designer/computer graphics. He joined the company in 1981. Following graduation from Zavalla High School, King studied drafting and design technology at Angelina College. He is currently studying engineering at AC.

He and his wife, Jenny, have one child, Camary.

In accounting, **Tim Beamon** was promoted to computer operations manager from assistant computer operations manager.

He joined the company in 1978. Following graduation from Sam Rayburn High School in Pasadena, Texas, Beamon received a bachelor of science degree in agriculture education from Stephen F. Austin State University.

He and his wife, Debbie, have two children, Jennifer and Daniel.

In engineering, **Karen Roebuck** was promoted to oilfield division secretary from project coordination secretary. She joined the company in 1980. Following graduation from Zavalla High School, Roebuck attended Massey Business College.

In the Trailer Division, **Jerry Sudduth**, **Gene Nelson** and **Bob Westbrook** were promoted.

Sudduth was promoted to manufacturing engineering manager from chief industrial engineer. He joined the company in 1972. He received a bachelor of science degree in mechanical engineering from Lamar University.

He and his wife, Mary Ann, have five children, Michael, Teresa, Stephen, Robert and Deborah.

Nelson was promoted to maintenance



Patrick Sanders



R.L. McGuire, Jr.



Monte Ramsey



Rodney King



Tim Beamon



Karen Roebuck



Jerry Sudduth



Gene Nelson



Bob Westbrook

manager from maintenance supervisor. He joined the company in 1962. Following graduation from Hudson High School, Nelson attended Angelina College.

He and his wife, Linda, have two daughters, Angela and Gina.

Westbrook was promoted to parts and service manager from parts administrator. He joined the company in 1969. Following graduation from Central High School, Westbrook attended Stephen F. Austin State University.

He and his wife, Linda, have one daughter, Kelli.

FOCUS

Yuletide Reunion

Lufkin Retirees celebrate with banquet



Harold Westbrook



G.C. Starrett



"I'm confident in Lufkin Industries' future," R.L. (Bob) Poland told a record crowd of 243 people at the annual retirees' Christmas banquet.

"I'm leaving you in good hands," said the retiring chairman of the board and chief executive officer. "We have a lot of competition, but there is not one of our competitors that wouldn't trade places with us --- to live in America, a country based on the free enterprise system.

"People are the heart of any good industry. Take my people, leaving me the factories, and grass will grow on the factory floor. Take my factories, leaving me my people, and we'll build newer and better factories," he said. Poland began and closed his speech before standing ovations.

The evening's entertainment was provided by standup comedian Hal Westbrook, retiree; vocalist Elie Smith Jr., assistant personnel director; and pianist Bonnie "Bootsie" Eakin. G.C. (Cowboy) Starrett emceed the event.



Soviet Beanie!

When Jim Partridge made a sales trip to the Soviet Union on behalf of Lufkin Industries, the only personal purchase he made was a clabatul, the black, furry caps that are so popular with residents of Moscow. (For more on Partridge and his Soviet sojourn, see *Of Faces & Places* on page 18).

NAMES & NOTES

Raves for Rudolph



Rudolph the Red-Nosed Pumping Unit never had better visibility than during the 1985's holiday season on Lufkin Mall property at the northeast corner of traffic-heavy Highway 59 and Loop 287.

Among many complimentary messages Lufkin Industries received about Rudolph, was this card from Treba Marsh: "As a citizen of Lufkin, I thank you for sharing Rudolph with us and contributing to everyone's Christmas. Each year, children and adults look forward to Rudolph's appearance. What a wonderful and unique decoration."

Texas Business Feature

The December issue of *Texas Business Magazine* carried a two-page spread on Lufkin Industries and retiring board chairman, R.L. Poland. Authoress of the insightful piece was Elaine Jackson who wrote our company history book, *Sawdust to Oil*, a few years back and is now an instructor at Angelina College.

Weavers in Florida

Long-time LUFKIN employee Roscoe Weaver and wife, Helen, now retired in Williston, Florida, sent Christmas greetings to Dick McKay and all his Trailer Division gang. "We never quit thinking of and missing our

long association with all of you. We are glad to receive the ROUNDUP to keep up somewhat with LUFKIN," writes Roscoe.

Fond farewells

A metal driver golf club went to Billy Burnette, and a personalized game bag for his bird hunting hobby went to G.W. Nichols, retiring from the LUFKIN sales force, during a Houston luncheon hosted by Ed Patterson. Burnette spent 42 years with Lufkin; Nichols retires after 35 years of service. Wives, LaRose Burnette and Gene Nichols were also hosted with vice presidents Bill Trout and Ben Queen, plus gear sales manager Hugh McWilliams present from the home office.

FOCUS

Moffetts swear by LUFKIN pumping units

Around the oil patches of central Louisiana, tool-pushers and other hard-hat helpers refer to Hunt Petroleum as the "Moffett-Hunt Oil Company," not bashful in the least about giving top-billing to the Moffett family over the legendary H.L. Hunt clan.

Four Moffetts have put in a total of 80 years with Hunt Oil companies --- father Jesse, 45 years; and sons: Jesse Jr., 15 years; Charles, 13 years; and Tommy, seven years.

Jesse Sr. is an area superintendent with Hunt Petroleum Corp., Charles is a district engineer with Louisiana Hunt Petroleum, Jesse Jr. is a petroleum engineer in the Hunt headquarters at Dallas, and Tommy is a pumper and field clerk with Hunt Oil at Lebo, La.

"We've been buying LUFKIN pumping units since shortly after World War II. Your units weren't readily available during the war years but I can recall our buying about 150 units during the three post-war years," Jesse Sr. was saying during a recent visit to LUFKIN manufacturing facilities.

"We've never had a lemon from LUFKIN in 45 years. In fact, I believe we've had only one gear failure due to faulty pinions during all that time, and that was after a unit had worked for us over 35 years in one of our fields."

Moffett offered further testimony about the value of a LUFKIN unit, saying: "We prefer a LUFKIN to any of your competitor's models because your units can stand an overload and are cheaper to run due to less maintenance requirements."

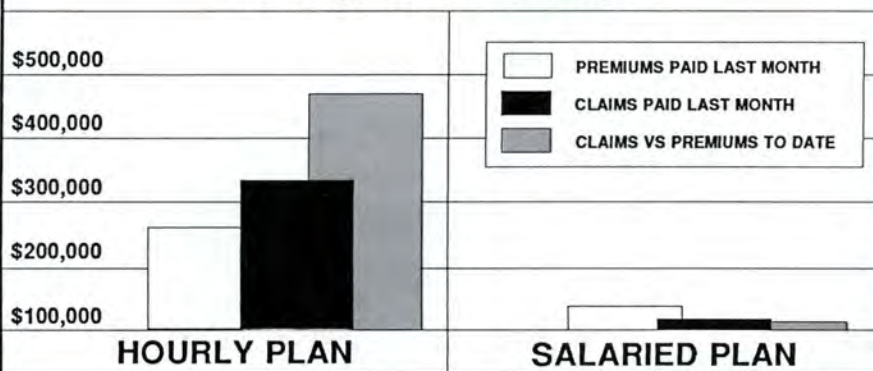
Charles Moffett is equally sold on LUFKIN units and indicated if the Louisiana legislature changes State Order 24 which mandates only one well-head per 40 acres, "we'll be doing much more drilling and we'll turn to our No. 1 supplier, Lufkin Industries, for all the help and equipment we can get."



Willard Chappell (right), Lufkin Industries Machine Division district sales manager in Kilgore, shows pumping unit gears to Hunt Petroleum's Charles Moffett (left) and Jesse Moffett. The father and son were recent LUFKIN plant visitors.

INSURANCE UPDATE

Monthly Insurance Analysis



"Smoking and Drinking Combination, Dangerous," a study done by the International Agency for Research on Cancer, found that a person who smokes heavily (a pack or more daily) and drinks moderately (less than half a liter a day) is five times more likely to suffer from cancer of the esophagus than someone who drinks the same amount but smokes less (ten cigarettes or less daily). The risk of esophageal cancer is 18 times higher for someone who smokes moderately and drinks heavily (a liter or more per day). But, a person who both smokes and drinks heavily increases the risk 44 times.

LUFKIN

Retiree Profiles

Editor's Note: In a continuing tribute to our dedicated retirees, the ROUNDUP is once again presenting these individual retirement profiles.

A.G. Black

*

39 years



A.G. Black had a varied career during exactly 39 years with Lufkin Industries.

He joined the company on his 20th birthday Dec. 17, 1946, as a forklift driver, retired on his 59th birthday after 10 years in the order entry department. He previously spent eight years in the machine shop. Black then changed directions. For 20 years, he worked in LUFKIN's sales and service department. He was based first in Odessa, Texas; then Hobbs, New Mexico.

"I enjoyed my work here, especially sales and service," Black says. "Everyday was different."

He and his wife, Nelda, plan to visit various Texas sites in their travel trailer. They both enjoy fishing and just being outdoors. "Perhaps in the spring, we will head north to Canada and Alaska," Black says.

The Blacks have two sons and two grandsons.

Billy Collmorgen

*

35 years



With the help of his father and brother Lufkin Industries' retiree Billy Collmorgen tends 80 head of cattle. "There are always fences to repair and paint and hay to bale," Collmorgen says.

When not involved with "cowboy" responsibilities, Collmorgen enjoys

hunting, fishing, and traveling.

Collmorgen retired from LUFKIN's electrical department after 35 years of service. As a supervisor, he oversaw repair of conventional tools and overhead cranes. He and his wife, Nannie, have three children and two grandchildren.

Billy Burnette

*

33 years



It's rather obvious what Billy Burnette plans to do with his time now that he's retiring. Burnette, LUFKIN's sales representative in New Orleans for the past 33 years, and his wife, LaRose, have already moved back to East Texas, purchasing a home less than a hundred yards off the Diboll Municipal Golf Course.

Whatever merits their new home may have, the first that come to Burnette's mind were that it's "20 seconds from the golf course and 50 minutes from the lake house."

He and his wife were eager to return to the easy life-style of East Texas after spending much of the last 42 years living in first Houston, then New Orleans, during his career as a LUFKIN representative.

Burnette is ready for retirement and candidly admits that he plans to avoid work if possible.

"I'm going to schedule all my projects in the morning, and when I get up at noon they will all be behind me," he says.

"I've had a job of some kind since I was seven years old," he says. "My first job was selling soda water at a gravel truck stand where my daddy was driving a gravel truck. After that, I always had some kind of a job, a paper route or sweeping out a store after school, until I went to work here."

Burnette's official career with LUFKIN began in May, 1943 after a tour of duty in the Naval Air Corps, but his association with the company began several years earlier. Burnette, whose father worked for LUFKIN, spent summer's working in the machine shop during his high school years. Even if his career options were limited at the time, Burnette had offers from other companies during his long career and chose each time to stay with Lufkin Industries.

"I've never once regretted my decision to work for LUFKIN," he says. "More than any reason I can think of, I stayed because LUFKIN treated me fairly and always honored my word."

Lester Fuller

*

33 years



Lester Fuller, float department shop foreman, retired one month prior to his 34th anniversary with Lufkin Industries' Trailer Division.

"I'll miss the work and the people, but I'll adjust to retirement," he says.

Fuller joined the company in 1952 as a sheet metal maintenance man, but that job only lasted a couple of years. While installing a sheet metal roof on a foundry extension building, Fuller fell from a ladder breaking both legs and feet.

"I was out of commission for about a year," Fuller says. He returned to work as a welder.

An eight-acre truck farm, located on FM 706, will occupy Fuller's time and earn him some extra pocket money. He will also enjoy fishing and traveling --- no place in particular.

He and his wife, Mary, have two sons and six grandchildren. Mary, former LUFKIN mail clerk and switchboard operator, retired two years ago.

LUFKIN

Retiree Profiles

Jimmie Lee Hamilton

*

34 years



Jimmie Lee Hamilton, welder, enjoys working. Unfortunately, he has been unable to do much heavy labor during the past two years.

In February of 1983, Hamilton underwent open heart surgery (a triple bypass). Fifteen months later, he had a stroke.

"I had to learn to walk again, but gradually I've gotten better," he says.

Hamilton has retired after 34 years of service in structural steel operations. His retirement plans include gardening, hunting and fishing.

His wife, Onetta, a Lufkin Industries' machine shop employee, will continue to work for the company. The couple have four children and seven grandchildren.

Lynwood DuBose

*

41 years



According to Lynwood DuBose, he is not quitting work, just changing jobs.

DuBose will operate a sawmill in Shawnee Switch, south of Huntington. DuBose retired from Lufkin Industries' foundry after 41 years of service. During that time he worked in the main bay, side bay and the counterweight department.

When he is not working in his sawmill, DuBose builds cabinets and picture frames. "I call my hobby shop my playhouse," he said.

DuBose has three sons and four grandchildren.

Archie Rice

*

31 years



Being a good neighbor is a high priority with Archie Rice. This priority will remain constant during his retirement years.

"I enjoy doing odd jobs for friends and neighbors --- small carpentry projects, mowing pastures, etc.," Rice says. "I also handle small maintenance tasks and yard work at my church."

Rice, paint house final inspector, retired from Lufkin Industries Trailer Division after 31 years of service. During his tenure with the company, Rice has been a carpenter, blacksmith and a machine operator.

"I suppose I'll miss LUFKIN, but I'm looking forward to retirement," Rice says. "I have plenty to keep me busy."

He and his wife, Mildred, hope to vacation in Arkansas, Missouri and Florida. The couple have two children and five grandchildren.

Alvin Powell

*

30 years



For 30 years, Alvin Powell says he has done just what Lufkin Industries' chiefs have wanted him to do. "Now it is time to do just what I want," he says.

Powell, gear cutter foreman, has retired from LUFKIN's machine shop. He spent almost half of those 30 years working the graveyard shift.

Fishing, hunting, yard work and a little home maintenance will occupy his retirement days. He and his wife, Jean, have four children and five grandchildren.

Freeman Berry

*

33 years



Upon retirement, Freeman Berry turned his attention towards auto repair, truck farming and carpentry.

Berry retired from Lufkin Industries' foundry molding department after 33 years of service.

"I'll miss LUFKIN and the numerous people I worked with all those years," Berry said.

He and his wife, Odess, have five children and five grandchildren.

Robert Chapmon

*

34 years



Together the Chapmon brothers traveled nearly 4.5 million miles for Lufkin Industries' shipping department during 64 accumulative years of service.

"It's difficult to say, but I guess I drove at least 70,000 miles each year," said retiring LUFKIN employee Robert Chapmon. "My brother, E.W., joined the company in October of 1950. I followed in his footsteps six months later."

E.W. drove a LUFKIN truck until he died in 1981. Their jobs took them to all four corners of the United States plus Canada.

Chapmon intends to stay close to home during his retirement. His interests include fishing and hunting.

"I also have a dozen head of cattle to aggravate me and with which to spend time," he said.

He and his wife, Pauline, have two daughters and one son.

LUFKIN

Retiree Profiles

John Short

*

40 years



Retirement from Lufkin Industries will mean John Short will have more time for his favorite hobby --- finding money. He hunts coins with a metal detector.

"I'm not a coin collector," Short explains. "Whatever coins I find are passed onto my grandchildren."

Coin hunting is similar to treasure hunting for Short. School yards, city parks, roadside parks, parking lots, shopping centers, fair grounds and old house sites are gold mines for detecting coins.

"I enjoy discovering the unexpected," he says. "The oldest coin I've picked up was a 1947 half dime. I have several barber coins and once found a bullet mold."

Short retired from Lufkin Industries after 40 years in the Trailer Division's brake and axle department.

He and his wife, Luprell, have two sons and five grandchildren.

John A. McCarty

*

35 years



John A. McCarty and his wife, Helen, will spend much of their new-found leisure time at their lakehouse in the Walnut Ridge Addition near Hanks Creek.

John retired from Lufkin Industries' structural steel operations after 35 years. Helen has also retired from Champion International's personnel department after 25 years. She had worked as Guy Croom's secretary at LUFKIN from 1953-1956.

"I retired as production manager after working my way up through the shop," McCarty said. "I miss LUFKIN. I grew up with these people."

McCarty's other retirement interests include wood and metal work.

Bill Ford

*

34 years



Woodwork --- cutting firewood, building furniture and carving wooden toys --- will be Bill Ford's main focus during retirement. This interest will provide both profit and pleasure, he said.

"I have four daughters and five grandchildren," Ford said. "They already have several projects lined up. One daughter wants a bookcase built. One grandchild is still young enough to enjoy a rocking horse."

Ford retired from Lufkin Industries after 34 years of service. During that time he worked as an industrial engineer at the trailer plant and a draftsman and gear engineer in the engineering department.

He also found time to mix business with pleasure, serving as a fishing guide at Piney Point for LUFKIN customers.

Leroy Willmon

*

38 years



Elderly and disabled members of First Assembly of God church may be the first to benefit from Leroy Willmon's retirement.

"For a long time, I've wanted to organize a group of able-bodied church members to make small house repairs for the elderly and disabled members of our church," Willmon said. "I couldn't

find the time until now."

He will also continue to teach Sunday school.

Willmon, computer operations manager, retired from Lufkin Industries' accounting department after 38 years of service. While at LUFKIN, he worked in the areas of accounts receivable, accounts payable, billing, payroll, programming and computer operations.

"My job was a challenge, and I'll miss that challenge," he said. "However, I won't miss the middle-of-night calls when the computer broke down or when a third-shift employee wasn't able to report to work."

Other retirement activities include tending a dozen head of cattle, bailing hay and gardening.

Charles Campbell

*

35 years

With the retirement of Charles Campbell, Lufkin Industries' employees said farewell to the last of the Oscar Campbell family.

For three generations, the Campbells have worked in LUFKIN's machine shop --- Oscar Campbell, grandfather; Melton Campbell, father; and Grady Campbell, uncle. Charles, tool grinder specialist, retired after 35 years of service. Together, the four men total 134 years of service, from 1933 until 1985.

"I'll enjoy sleeping when I get sleepy, eating when I get hungry and going when I get ready," Charles said.

Charles will be happy as a lark reading old newspapers and building bird houses. He has a collection of Lufkin Daily newspapers dating back to 1966. When he didn't have time to read an edition, he shelved the copy. "I enjoy reading old news," he says. "It is fun to see what it was like in those days. In 1966, a brand name loaf of white bread cost 42 cents. Today, it costs over \$1."

CHANGES

Company officials have announced 19 job changes and new assignments. They include:

LITTLE ROCK FOUNDRY: Raymond Ferrell, from mold finisher to shakeout operator.

FOUNDRY: Jose Garcia, from hydraulic manipulator to crane operator learner; **Kenneth Moore**, from chipper grinder to hydraulic operator; **Elmo Scott**, from chipper grinder finisher to class A welder.

TRAILER DIVISION: — **Jesse Brooks**, from helper to class B trailer builder; **Walter Butler**, from machine operator specialist to inspector; **Donnie Chandler**, from welder specialist to inspector; **Keith Collins**, from general laborer in foundry to helper; **James Davis**, from class B to class A welder; **Glenn Ellender**, from machinist helper in machine shop to helper; **Jose Ibanez**, from helper to class A welder.

Also, **Walter Jones**, from chipper grinder in the foundry to helper; **Robert Lamar**, from laborer in machine shop to helper; **Charles McFarland**, from helper to class A welder; **Marvin McKnight**, from cleaner and grinder to class C maintenance mechanic; **Robert Molandes**, from class B to class A trailer builder; **Kevin Puryear**, from class B material handler to class A welder; **Kenneth Sowell**, from helper to class B material handler; **Kerry White**, from class B trailer builder to class B maintenance mechanic.



JANUARY ANNIVERSARIES

LUFKIN INDUSTRIES CANADA

Tony Colangelo 6
Dung Nguyen 3
Delbert Schuetz 2

FINAL ASSEMBLY & SHIPPING

Linwood Johnson 35
Harold Page 24
John Cooper 12
Rudy Rios 12
Manuel Luna, Sr. 10
Rayford Barnes 7
Jack Palmer 6
William Cooper 6
Jimmy Russell 4
Russell Gauman 1
Michael Juarez 1
James Johnson 1
Gary West 1
Janice Dixon 1

FOUNDRY OPERATIONS

Ernest Lord 41
John Jones 31
Ferdinand Guillory 24
Calvin Cooper 23
Walter Bane 15
Ray McColister 15
Jessie Wade 13
John Wade 13
Robert Hoosier 12
Eneere Cranford 11
Kenneth Larue 10
Howard Henry 10
George Darden 10
Helen Ingram 9
Thomas O'Quinn 9
Blake Bordelon 8
Ella Banks 8
Roger Kitchens 8
Trinidad Solis 7
Joe Hamb, Jr. 7
Carlos Rojas, Jr. 7
Herbert Moore 7
Tommy Smotherman 7
Pedro Garza 7
Oscar Elijah 7
Ken Tillery 6
Tommy Bass 6
Karl Ballenger 6
Bruce Bain 6
Frederick Preston 6
Cedric Doggett 2
Peter Hermes 2
Gregory Toliver 2
George Thomas 2
Tracy McGee 2
Darllet Stripling 2
Fabian Lopez 2
Jon York 2
Elroy Gregory 2
Bryan Squyres 2
Carroll Bonner 2
James Hendrix 2
Javier Jimenez 2
Leon Denning, Jr. 2
Lenneth Sowell 1
Ricky Justus 1
Houston Davidson 1
Vicki Tullios 1

LITTLE ROCK FOUNDRY

Bobby Hall 7
David Hall 7
David Swift 1
James Sims 1

WELDING SHOP

James McKinney 21
Bias McDaniel 20
James Hamby 16
Nicolasa Vicencio 6
Charles Fritz 2
Richard Parks 1
Wendell Carter 1
Beverly Martines 1
Charles Petree 1

MACHINERY SALES

John Fincher, Jr. 31
Ethel Sunday 17
Wanda Otters 15
Bob Hail 12
Wayne Stuckey 10
Bill Williford 10
Peggy Herbst 6

MANUFACTURING ADMINISTRATION

LaVerne Basey 21
Ed Dixon, Jr. 21
Jackie Ford 20
James Lee 18
Carolyn Sherrer 18
Claude McDonald 6

CORPORATE OFFICES

Levell Glenn 31
Don Young 16
Tom Doss 16
Pamela Thompson 7
Jerry Hill 6
Brenda Kee 4
James Gossage 2

MACHINERY OPERATIONS

Cecil Berry 40
I.D. Curry 39
Harold Weeks 39
Henry Whitten 32
Richard Collmorgen 30
Lannas Bryant 27
Jimmy Horton 27
John Cole 24
Milton Davis 24
Walter Estes 24
Thomas Reynolds 24
Hollis Clifton 24
Ed Dominey 24
Johnnie Smitherman 23
William Oldham 20
Clarence Miller 20
Mac Mitchell 19
Willie Bryant 15
Elzie Allen 15
Lowell Wicker 14
James White 13
Robert Ray 13
Esklee Simmons 13
William Tidwell 13
Joe Powell 13
L.G. Dove 12
Paul Birdwell 12
Michael May 12
Jerry Hampton 12
W.H. Tullios 11
James Warren 11
Robert Conner, Jr. 11
Clark James 10
Marce Allen 10
Bennett McMullen 10
Alfred Johnson 10
Michael Modisette 10
James Hines 9
Louise Melton 9
Conney Stapleton 9
Jack Anderson 9
Von Lowery, Jr. 9
Gary Freeman 9
Rickey Stanford 9
Fredrick Berquist 8
Willie Jones 8
William Molandes 8
John Wilson 8
Kenneth Singleton 8
Billy Coutee 7
Felipe Trevino 7
Joe Pittman 6
Tony Hight 6
James Davis 6
Frank Derkowski, Jr. 6
Kenneth Spears 6
Bruce Mott 6
Charles Reynolds 6
Beauford Kervin 6
Frank Sander 4
Sherry Green 4
David Palmer 2
George McMullen 2
Douglas Alexander 2

INDUSTRIAL SUPPLIES

Edith Arnold 23
Hubert Morgan 19
Elton Fenley 13
Richard Huber, Jr. 2

PERSONNEL

John Havard 12
Samuel Blair, Sr. 8
Delbert Ray 5
James Hight 4
Anna King 2
Beverly Hightower 2
Marsha Day 1

STRUCTURAL STEEL OPERATIONS

Audie Christie 24
Marvin Malnar 20
Tommy Hollingsworth 19
James Loving 18
Tommy Dennis 15
Robert Wilson 13
John Goodwin 13
William Gann 12
David Compton 10
Thomas McLendon 10
Leon Berry 8
Maria Boonstra 8
Robert Elliott 7
Kim Frels 7
Sandra Ward 7
Russell Ash 7
Daniel Torres 6
Tomas Fuentes 6
Jesus Alvarado 6
William Haynes 6
Jose Reyes 6
Roy Harrison 6
Eusevio Martinez 6
Willie Bell 4
Ernest Pleasant 4
John Anthony 2
Juan Morales 2
Hipolito Reyes 2
James Jones 2
Charles Euper, Jr. 2
Helen Ladd 2
Isaac Hines 2
Claudie Heaton 2
Hollis Jones 2
Arthur Anderson 2
Frank Oder 2
Curtis Hinson 2
Randy Stepherson 2
James Stokes 2
Danny Havard 2
Jonathon Bagley 2
Walter Murphy 2
Thomas Bengie 2
John Anthony, Sr. 1
Gregory Williams 1

CORPORATE COMMUNICATIONS

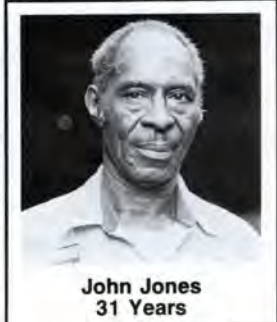
Rick Pezdirtz 2
Mary Beth Kinner 2
Kurt Martin 2

ENGINEERING

Bobby Spells 21
Cecil Hunt, Jr. 20
Roy Wright 19
Jane Green 10
Don Bridges 10
David Wideman 5
Arthur Myers 5
Lisa Slaydon 5
Stephen Dehlinger 1

TRAILER PLANT

Aubrey Fuller 34
Otis Alexander 30
Don Block 24
James Masters, Jr. 22
Calvin Hammer 22
Dawson Howell 20
Lankford Ballard 20
Kermitt Gammill 19
Eddie Watts 18
Jerry Lawson 18
Michael Stringer 15
Joseph Williams 14
Herman Nerren 14
Quinton Edwards 14
Charles Holmes 14
Virgil Reynolds 14
Carl Walker 10
Roy Erwin 7
Reginald Moore 7
James Davis 6
Grady Spangler 6
Ray Loving 6
Horace Kendrick 2
Henry Sledge 2
Joel Wier 2
Charles Kilgore 2
James Davidson 2
Billy Horne 2
David Merritt 2
Johnny Christie 2
Danny Lock 2
Vincent Greene 2
Glenn Ellender 1
Keith Collins 1
Rajan Babu 1
Guy Hagood, III 1
Richard Pritchett 1
Michael Hebert 1
Rolando Garza 1



John Jones
31 Years



Richard Collmorgen
30 Years



Otis Alexander
30 Years



Edith Arnold
23 Years



LaVerne Basey
21 Years

OF FACES AND PLACES

RICK PEZDIRTZ



*"You have to do
business their way
or you don't do
business at all ..."*

From Russia with kid gloves ... The same week President Ronald Reagan and Soviet leader Mikhail Gorbachev were holding their "fireside summit" in Geneva, Switzerland, other less-globally significant negotiations were transpiring within a small conference room at Machinoimport offices in Moscow.

Jim Partridge, chief engineer of Lufkin Industries' Machinery Division, was in Moscow, attempting to set in motion the possible sale of LUFKIN oilfield pumping units to the USSR (United Soviet Socialist Republic).

"This was my initial visit to the Soviet Union and there were several items of social protocol I quickly learned," Partridge was saying the other day.

"First, you don't refer to the country as Russia, since Russia is only one of 15 republics within the USSR. Secondly, you don't call the people of the USSR, communists. They don't like that. They want to be referred to as simply --- socialists."

Although trade between the United States and the USSR has fallen from a peak of \$748 million in 1979 to \$465 million in 1984, Partridge believes his bargaining on behalf of LUFKIN went "as well as could be expected."

Working with LUFKIN's French agent, Alexander Waldman, and conversing through interpreter Melissa Pereira, Partridge met with Victor Matveev and Vyacheslav Tyutyuev, a deputy director and senior engineer respectively of USSR heavy machinery importation concerns.

"They told me exactly what they wanted and what they did in their jobs. I did likewise. They indicated they wished to purchased 65 pumping units, but offered no technical information about how much oil they were trying to produce or anything about well conditions. They did mention the units they needed would have to tolerate operating in minus-40-degree temperatures," Partridge said.

Possibly because of the language barrier, Partridge found his meetings with the Moscovites to be "all business, no good-natured kibitzing as is often common within Western world trade parleys."

Requested to supply complete price quotations on desired oil-field equipment, Partridge secured necessary figures with a later phone call and an overnight telex from LUFKIN's Houston international office to his Moscow Hotel Metropol room.

"During our second-day meetings, they reviewed our price

quotations and indicated we were above the world market. I explained our oilfield equipment demanded a premium worldwide because of its exceptional durability and ease of service, but didn't argue what I considered their exaggerated figure of our prices as compared to other suppliers," said Partridge.

"One of the other things I learned early was you have to do business their way or you don't do business with them at all."

Should LUFKIN land an order from the USSR, Partridge doubts the LUFKIN equipment would be our first on USSR soil.

"I would imagine some of our World War II equipment went to the USSR during our country's lend-lease agreement when they were our allies. And, we have

some LUFKIN high-speed gear drives on air conditioning units within a Moscow hotel-mall complex, although these were first sold to a domestic air conditioning company," said Partridge.

During his five days in Moscow, via a 17-hour flight from Houston-Atlanta-Frankfort, Germany, Partridge made a few mental notations.

"The hotel I stayed in was very modern ... in 1910, that is.

"You had to be a hotel guest to eat at the Metropol. The food was heavy and without much selection. There was a scarcity of fruit. Eggs and orange juice were practically non-existent. There were no menus. One morning I was given two wieners and some English peas for breakfast.

"I saw long lines of people waiting within grocery stores and a scarcity of items on the shelves.

"I carried \$700 in U.S. currency and an American Express card with me. It was very easy to spend U. S. currency in their shops, if you could find anything you wanted to buy. Their prices were rather steep.

"Because I was only a block and a half from the Kremlin and KGB headquarters, I noticed many wearing military uniforms, but then you can see a lot of military uniforms being worn in Washington, D.C., too.

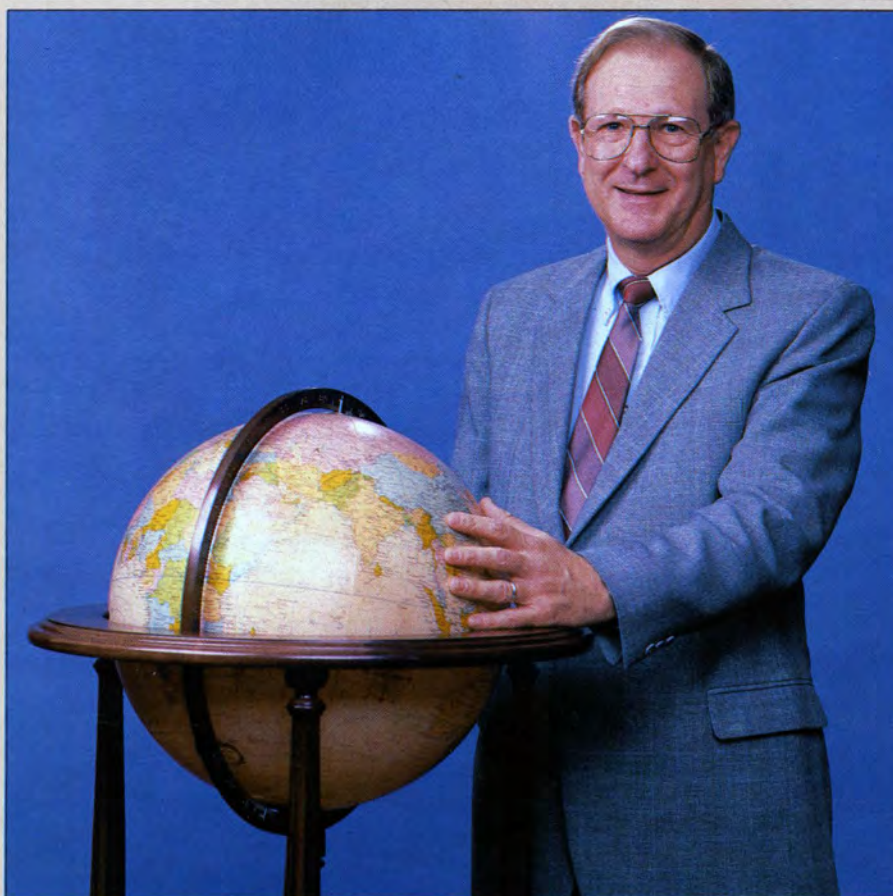
"Since the peace talks were going on in Geneva while I was in Moscow, there were televisions on every floor of the hotel with large clusters of interested people gathered around.

"When I departed for the airport, the non-English speaking driver I was assigned, clutched my arm and said: Gorbachev, Reagan in Geneva. Good.' I couldn't have agreed more."

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

Address Correction Requested

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Permit No. 10



THE WORLD AWAITS

Bill Pennington, who has retired after 28 years with Lufkin Industries, looks over a world globe, perhaps pondering where he might be sent if his application to International Executive Service Corps is accepted. "This is something my wife, Marceline (a registered nurse), and I have wanted to do for a long time ... work overseas in under-developed countries on a volunteer basis," says Pennington. The former LUFKIN vice president and manager of structural steel, final assembly and shipping operations, could accept assignment to any of the 81 foreign countries where IESC currently dispatches field representatives.

2

**A Last
Hurrah!**

3

MAX-2000

6

**The Giving
Season**

9

**Right Place,
Right Time**

ALSO IN THIS ISSUE

*FROM THE PRESIDENT'S DESK, 1; WINNING WELDERS, 5;
SUPERVISOR GRADS, 7; SHOP CLASS GRADS, 8; FOCUS, 11; RETIREE
PROFILES, 14; ANNIVERSARIES, 17; OF FACES AND PLACES, 18*