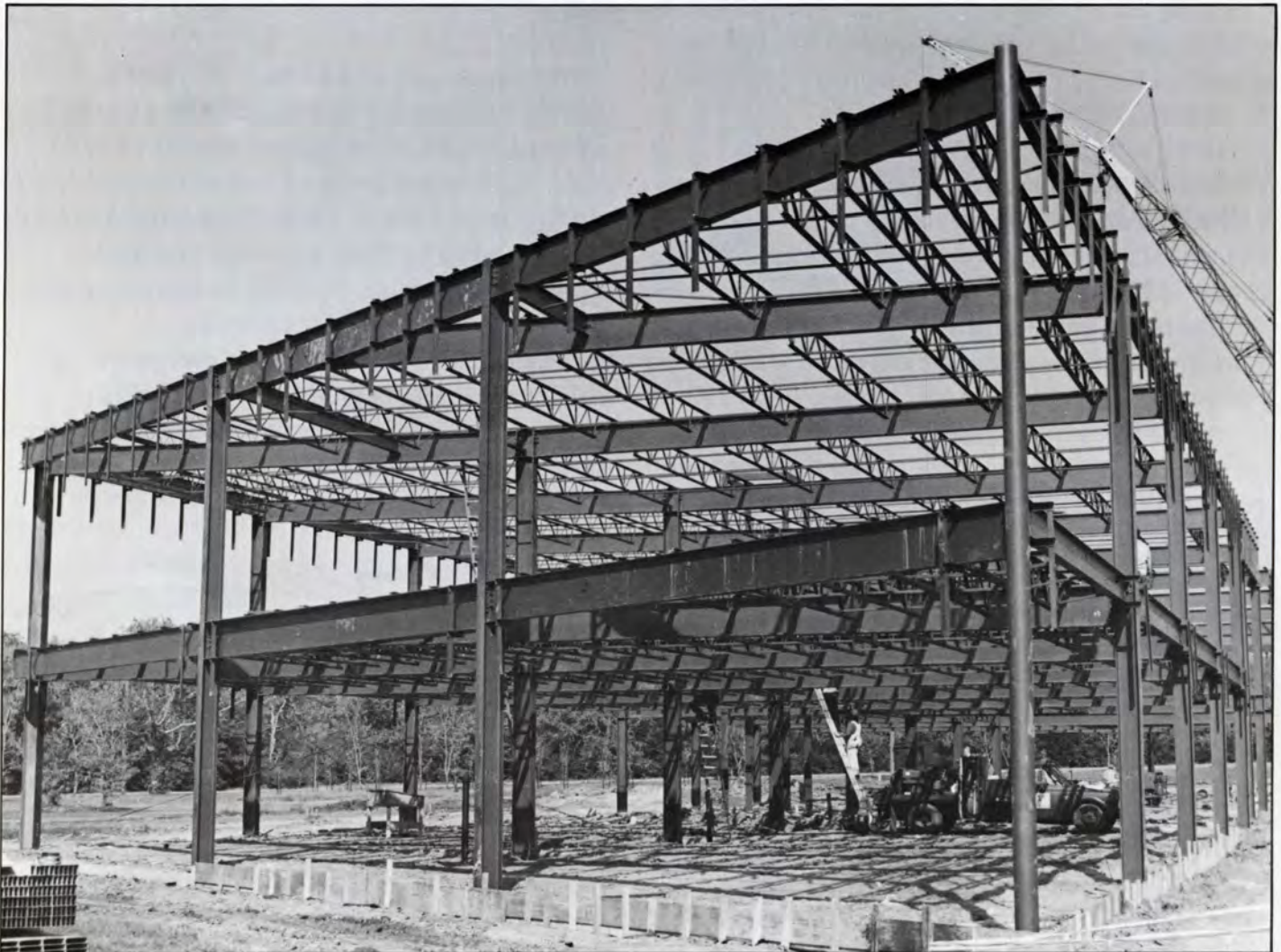


LUFKIN

ROUNDUP

FEBRUARY 1987

New Opportunities for the Structural Fabrication Department!



Continual Improvement - If it ain't Broke - Fix It



February, 1987 marks the 85th anniversary of the charter of **LUFKIN** Industries.

The history of **LUFKIN** Industries is filled with examples of continual improvement. The leadership position that we have in every product line that we produce is due to the continual improvement of the product and the way we produce it.

Being satisfied with yesterday's product or yesterday's technology has never been acceptable at **LUFKIN** Industries. A "get by" or a "this is good enough" approach has never been considered by the people of **LUFKIN** Industries.

The major improvements that have been made were in anticipation of needs rather than waiting for a competitor to introduce improvements.

As we face increased worldwide competition in all of our product lines, and as we see the continual pressure of copies of our products introduced by our competitors, we must resolve once again to continually improve everything that we do.

The spirit of improvement and innovation must flow to every part of the company - with each individual responsible, interested and concerned with

improving every operation. This will lead to excellence in productivity and innovation in the office, in the factory, in the field, and wherever a **LUFKIN** partner touches the product or the customer.

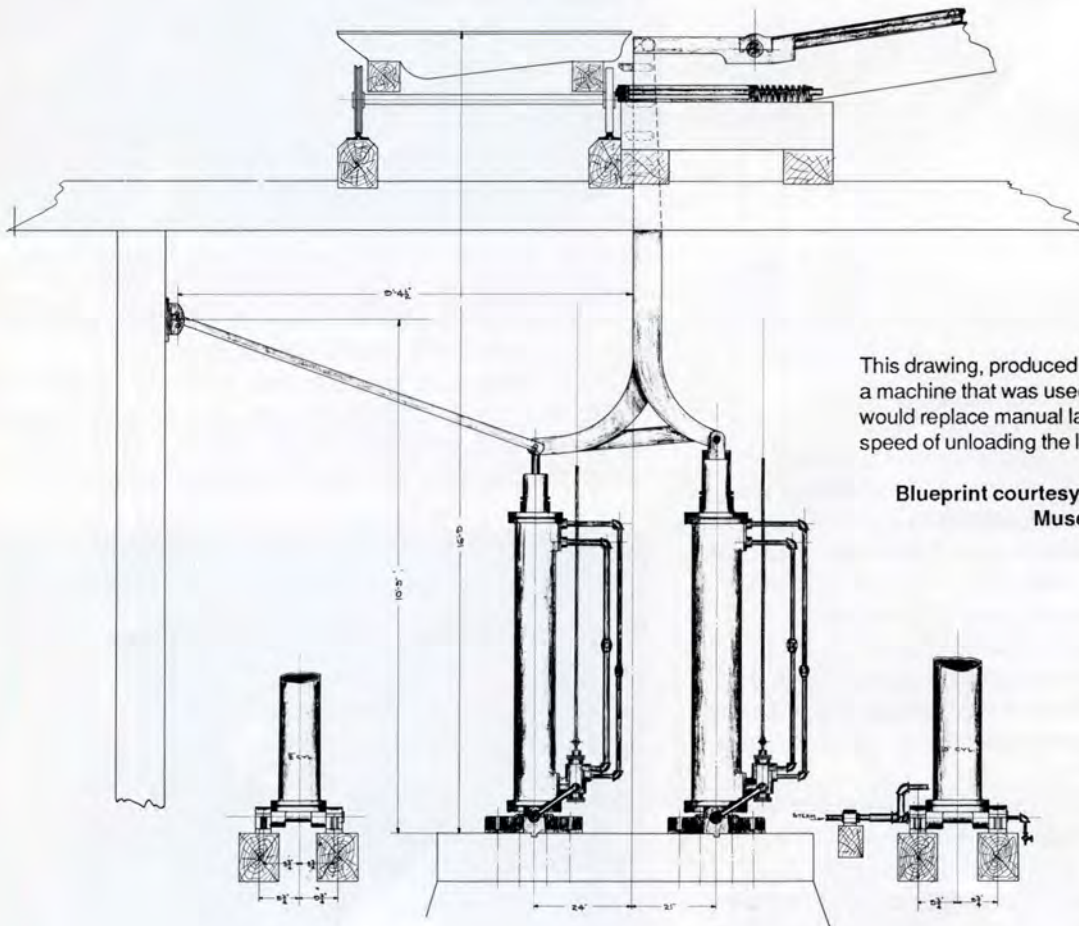
We have a very rich heritage of constant improvement that has helped **LUFKIN** gain the supremacy in all of our product lines for over 85 years. Let's re-dedicate ourselves to that principle of constant improvement, and determine that 1987 will be a year when we bring new ideas and fresh approaches to solving problems, to producing our product, and to serving our customer.

Whether we are introducing a preventive maintenance plan, or production and quality improvements - we don't wait for something to break - we look ahead; we fix it so it won't break.

A handwritten signature in cursive script, reading "F B Stevenson".

Frank B. Stevenson

Going Full Circle



This drawing, produced in 1920, is a design of a machine that was used to unload logs. It would replace manual labor and increase the speed of unloading the logging wagons.

Blueprint courtesy of Texas Forestry Museum.

Eighty-five years ago, our company charter states that Lufkin Foundry and Machine Company was founded "for the purpose of purchase, manufacture, repairing, and selling all such machinery as is manufactured and repaired from or out of iron, steel, brass, copper, zinc, tin, lead, etc. etc., and for the purchase of such material as may be needed therein or pertaining to said manufacturing establishment".¹

Born from the need for quicker repair of heavy equipment associated with the railroad and lumber industries, **LUFKIN** would soon begin manufacturing new equipment for

sawmills, railroads, and eventually the oilpatch. Included on the pages of this article are copies of early blueprints; one of a machine designed to unload logging wagons and the other a plan for a complete sawmill.

Steel fabrication in the early years consisted of nuts and bolts, or heated rivets compressed by air-hammers. In the early twenties electric welding was introduced to the company by M. M. Fontenot, a new employee hired by W. C. Trout. Trout saw the future of welding in structural fabrication and Fontenot would lay the groundwork for what would become one of the largest structural welding plants in the

¹ **LUFKIN**, From Sawdust to Oil. Elaine Jackson. 1981. pp. 2-3.

Going Full Circle

South.

During fifty years of oilfield manufacturing dominance the market for structural fabrication was restricted to LUFKIN's own products - pumping units and certain commercial gear housings. But about two years ago, in the midst of a soft business climate, our company management saw the opportunity for the structural department to participate in plant improvement projects. This provided employment for our workers along with the experience of producing structural components for a variety of applications.

The bag house used in the air pollution control system of the Foundry, our new D. I. F. (ductile iron facility) and the S. C. F. (small castings facility), use hoppers, conveyors, ducts, silos, sand conditioners, and general structural support built by LUFKIN's Structural Fabrication Department.

In February of 1986 LUFKIN, faced with a diminishing demand for pumping units, knew that capable workers and millions of dollars of equipment would sit idle if a new source of business was not found. This meant looking for other sources of business.

It also meant that some of our employees took on new roles in order to bring the business to LUFKIN. When Structural Fabrication's only customer was LUFKIN Industries, no one was needed to process bids, make sales calls, or chase leads on potential business. But now we have managers and engineers making sales calls, other employees are calculating figures for bids and secretaries are typing the formal bid documents.

All of the work that leads up to preparing a bid proposal and submitting it doesn't mean that you automatically get the business. According to Dwayne Howell, industrial engineer, "We prepared bids for two dozen jobs to get our first contract."

Champion Paper in Lufkin became the first customer of the new endeavor, purchasing 160 tons of steel for a plant renovation and expansion project.

Next came a research building project for Texas A & M University requiring 150 tons of steel for the frame and structural support.

The building which is the first of a new office park development, is located in College Station and the success of this project could lead to more opportunities in the same office complex.

A current project is a new refrigerated addition to the Pilgrim's Pride poultry plant in Lufkin.

The largest contract to date, recently announced to be worth 1.2 million dollars, is a Temple-Eastex sawmill to be located in Buna, Texas. There are more contracts to bid for this sawmill project.



Tommy Reynolds, of the Structural Fabrication Department, aligns and tightens the bolts on the frame of One Research Plaza. The building is located at College Station, Texas.



Dale Frels and Perry McKnight discuss the alignment of beams and columns which support One Research Plaza.

While this is a successful venture, there is another side to this story and it deals with the effort of obtaining this business. The Structural Department's bidding success rate is about 13 percent which reflects a cautious approach to each bid. A good ratio is winning one out of every four bids. "We were not bidding that many jobs. We were picking and choosing the jobs we wanted. We bid the jobs that looked the best to us, plus we were looking for as much local work as we could find", said Howell.

Howell believes that a half million dollars per month will be generated through the structural plant from outside projects. "We've got four bids in preparation right now. One is a post office and there is also some extensive utility industry fabrication that we are competing for."

The irony is in our returning to the manufacture of sawmill equipment in the 1980s. A market that brought us into business in 1902 is helping sustain us in 1987.

By Kurt Martin

Many of the fabrication jobs that LUFKIN is competing for require certified welders. The following structural personnel have completed welding certification testing:

Hollis Mott
M. P. Christie
D. E. Merrit
Roger Williams
J. P. Womack
H. W. Schoubroek
George Waldrep
James Brennan
T. E. Jones
David Richard
Joe Allen Sr.
Eddie Loche
William Gann
Chester Sickels
Leandro Vasquez
James Thompson
Milton Grimes
James Dalahite
Gene Hill
Alfonso Compean
Martin Walden
Rene Esteves
Ronnie Smith
Ronnie Frederick
Bob Greenville
Douglas Steel

We salute this accomplishment and the dedication of these employees to product excellence.

The above blueprint of a sawmill was drawn in 1920 for the Martin Wagon Company. Martin Wagon Company became LUFKIN Trailers in 1939.

Blueprint courtesy of Texas Forestry Museum.

Promotions



Rick Masters



Norman Shoemaker



Louis Lloyd



Scott Semlinger



Mary Russell



Howard McGill

Rick Masters has been promoted from Design Engineer, Industrial Gears in the engineering department to Project Engineer, Industrial Gears.

A native of Brownwood, where he graduated from high school, Masters earned his B.S. in mechanical engineering from Texas A&M University. Masters has been involved in the industrial gear group since joining LUFKIN in 1977.

Masters is a member of the Lufkin Host Lions Club and attends the First United Methodist Church.

Norman Shoemaker has accepted a promotion to the position of Production Technician in the foundry engineering department. Shoemaker had previously worked as an electrician in the foundry maintenance department.

A native of Kyle, Texas, Shoemaker graduated from Jack C. Hays High School and is presently attending Angelina College.

Shoemaker and wife Debi have one son, Jay, age 10.

Louis Lloyd, Project Engineer, Gear Division, has been promoted to the position of Senior Project Engineer in the engineering department.

Lloyd, who has been an engineer in gear design for LUFKIN since 1970, graduated from Bastrop High School in Bastrop, Texas, before attending and graduating from the University of Texas at Austin with a B.S. in mechanical engineering.

A member of the Texas Society of Professional Engineers and the American Gear Manufacturers Association, Lloyd and wife, Debra, and sons, Daniel, 14, and Michael, 9, attend St. Cyprian's Episcopal Church.

Scott Semlinger has been promoted to Chief Engineer in the foundry engineering department.

Semlinger, who graduated from Lufkin High School and then Texas A&M University with a B.S. in bioengineering, came to work for LUFKIN in 1975 as an engineer in the engineering department. After moving to project engineer in the foundry in 1977 he was promoted to foundry facilities engineer.

Semlinger presently serves as a Director of the Lufkin Noon Lions Club and is also a Director of the Texas Chapter of the American Foundryman's Society. Along with wife, Luanna, and children, Lauren, 9, and Greg, 4, he attends the First United Methodist Church.

Mary Russell has accepted a



Don Lorenz



Ray Brown



Rickey Childress

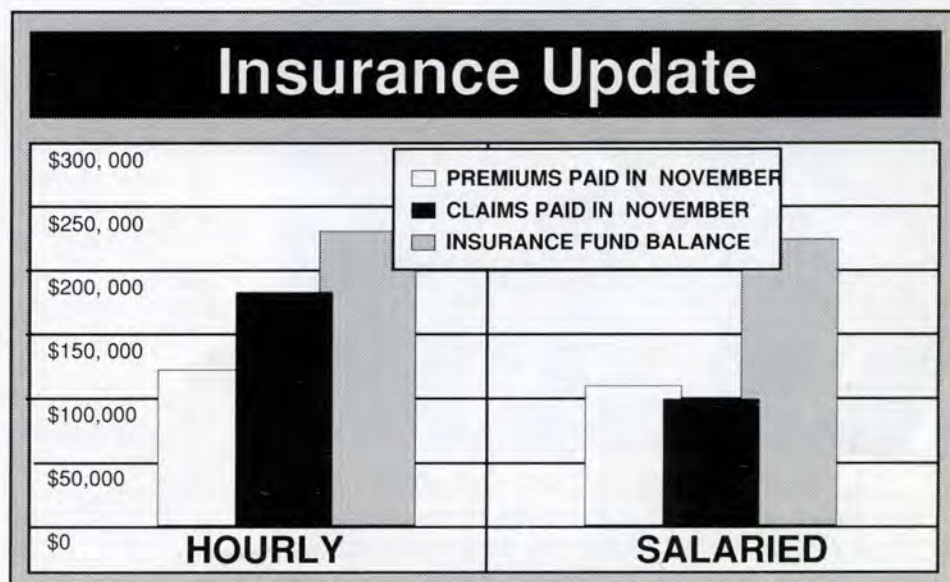
promotion from Secretary C in the engineering department to M.I.S. Secretary in the manufacturing information system department.

Prior to joining LUFKIN in 1986, Russell graduated from Lufkin High School in 1979, earned an A.A.S. from Angelina College in 1981 and graduated from Stephen F. Austin State University with a B.B.A. in 1985.

Russell has deep ties with LUFKIN beyond her own time here, since her husband, Doug, is the son of Ide Russell, LUFKIN'S Fabrication Department Plant Superintendent and her father is Bill Temple, Manager of Numerical Control and Computer Manufacturing Systems in the machine shop.

Howard McGill has been promoted to Senior Project Engineer in the engineering department.

McGill, who came to LUFKIN from a division manager position with Johnston Schlumberger in Houston, holds both a B.S. and M.S. in mechanical engineering from the



FEBRUARY ANNIVERSARIES

Accounting

DOUGLAS HUDSON	10
ELEANOR HOHIMER	8
RONALD SHARP	3
JUNE ARMSTRONG	1

Canada

BETTY MCIVER	7
ANIL SINGH	3

Corporate

ROD PITTMAN	27
HOWARD TROUT	19

Engineering

JAMES KING	22
ROBERT ESTES, JR.	17
ELLEN LIGHTFOOT	11
RAGENA THOMPSON	4
KURT ULMER	3
ALBERT MALLONEE	2

Final Assembly

TED HEARNSBERGER	19
JOHN BRIDGES, JR.	11
JOE FOREMAN	9
FREDDY HENSLEY	7

Foundry

REX JONES	36
CHARLES MINTON	25

LEWIS FERGUSON	21
ARCHIE WILLIAMS	21
DONALD KUEHL	20
EVERETT RHODES	20
JUAN REYES	17
JAMES JOHNSON	15
TROY ALLEN	14
WALTER CUMMINGS	12
EDDIE WADE	11
CLARA BOYETT	9
DAVID RAMIREZ	9
ALFRED BROUSSARD	8
GEORGE SHIMER	8
MITCHELL WARE	6
ANLER MULLINS	6
JESSE FERGUSON	6
WOODY PEAVY	6
LOUIS KILLINGSWORTH	3
GORDON TULL	3
JERRY JEFFERY	3
LEE SAXON	19

Industrial Supply

KENDALL MOSELEY	15
WAYNE SAUCIER	11

Machine Shop

JACK LANDRUM	28
DONALD WALLACE	28
HULEN WARREN	25
CURTIS THOMAS	22
JAMES LUCE	22
RONNIE PARKER	21
RAYMOND SOLLY	18
MARVIN POWELL, JR.	18
KENNETH BRASHEAR	16

ROBERT GRESHAM	15
HAROLD LANE	14
STEVEN LANGSTON	14
MARVIN SOWELL	13
WILLIAM BARNETT	12
SIDNEY ALVERS	12
VICTOR REESE, JR.	12
ROBERT LEWIS	12
THOMAS THOMAS	11
ROBERT DUNN	10
LACY FORD	9
DENNIS MASSEY	8
GARY RITNOUR	8
FRED SUTTON	8
WILLIAM RENEAU JR	8
FERNANDO ARREDONDO	7
ALBERT STOKLEY	7
MICHAEL CASSIN	7
JAMES CRAIN	7
FREDDIE BAKER	7
JOANN DIXON	6
JOE HOOD	6
DAVID HENRY	5

M. I. S.

DENNIS CLARK	3
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Machinery Sales

MICHAEL HUFF	3
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Material Control

DELBERT ELLISON	23
ALLEN WHITAKER	11
BELINDA PYLE	7

Order Entry

HARWELLEN CORDER	9
ELIZABETH RAY	2

Personnel

WALDO OAKLEY	6
ROBERT MEADOWS	5

Structural

MALCHOM LOWERY	28
DAVID MERRITT	25
LEANDRO VASQUEZ	20
J. P. WOMACK, JR.	20
GEORGE WALDREP	18
CHARLES LEE	17
GREGORY DEMPSEY	11
NELSON REYNOLDS	10
BILLY HOOSIER	8
BOBBY NAPIER	7

Trailer Plant

GRANVILLE WRIGHT	37
MILTON WATSON	37
GARY HOBSON	24
CHARLES KILGORE	23
HOWARD COLEMAN	23
FREDDY WILLIAMSON	23
GEORGE OLIVER	22
CHARLIE JACKSON, JR.	21
ELMER LYNCH	21

J. C. MALNAR	21
JAMES GREEN	21
SAM ADAMS	19
WALTER BUTLER	19
DEAN PRUITT	17
ROBERT BROCKETT	15
JERRY SUDDUTH	15
EDWARD WILLIAMS	15
BILLY ADDISON	15
IRA LEWIS	15
SYLVESTER MCCLAIN	15
WILLIE DAVIS	15
DELBERT MCGUIRE	15
CARNUTO RIOS	11
KENNETH MODISSETTE	9
HERMAN BLAKE	9
JERRY MERICLE	7
LARRY EDWARDS	7
RICKEY CHILDRESS	3
KENNY KENDRICK	3
JOE MADDEN	3
JAMES SANCHEZ	3
TIM CRAWFORD	3
ENRIQUE DOMINGUEZ	3
EDWARD TROTTEY	3
MARK ALLEN	3
PAUL FENLEY	3
GREGORY KORN	3
DWIGHT WALTER	2
CHARLES MCFARLAND	2
TRUITT DIXON, JR.	2

Welding Shop

EARL BURCHFIELD	25
LAWRENCE HOLT	13
MILLARD BARGE	9

Promotions, cont'd.

University of Houston. He is a registered professional engineer with the State of Texas.

McGill and wife, Patsy, LUFKIN's International Sales Administrator for the machinery sales department, have two daughters, Melinda, 24, and Maureen, 21, who are both college students. The McGills attend the First Methodist Church of Lufkin.

Don Lorenz accepted a promotion to Programmer Analyst in the corporate data processing department.

Lorenz, who was previously a Senior Programmer, came to work for the Company in 1983 after graduating from Stephen F. Austin State University in Nacogdoches.

Members of St. Cyprian's Episcopal Church, Lorenz and wife, Keira, have two children, Jay, 4, and Jeffery, 2.

Ray Brown has been promoted from a Welder Specialist

position at the trailer plant to Foreman 9 on the 2nd shift at the trailer plant.

Brown, who joined LUFKIN shortly after graduation from Lufkin High School in 1978, started his career with the Company as a Class A welder and after moving to welder specialist, worked most recently in the float set-up and sub-assembly area.

Brown, wife Stacy and son Casey Ryan, 15 months, are members at the Fuller Springs Missionary Baptist Church where he is the senior high Sunday School teacher and Song Director.

Ricky Childress has been promoted to Tool Room Attendant for the maintenance group at the trailer plant.

Childress, who joined LUFKIN in 1984, has worked in both the trailer plant and the machine shop in both clerical and shop positions. A Lufkin High School graduate, he is presently attending Angelina College.

FEBRUARY COVER

The structural framework for **One Research Park**, a new research center at Texas A & M University, was produced by LUFKIN's Structural Fabrication Department at Buck Creek. See pages 3, 4, and 5 for details. Photos by Kurt Martin.

THE ROUNDUP

Volume 44, Number 2, 1987

Published monthly by Lufkin Industries, Inc. P.O. Box 849, Lufkin, Texas, 75902-0849 for active and retired employees and their families. Produced by the Corporate Communications Department.

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The Lufkin Team



Rick Adams



Billy Ray Davis



Pam Lovett