Tax bill: mixed effects on Standard Oil

By Colleen Walsh

A

s President Reagan reached for his pen to sign the new tax bill into law in October, Standard Oil executives evaluated the bill’s mixed effects on the company.

On the plus side, Standard Oil won its battle to have two big projects — portions of the Endcut project in Alaska’s Beaufort Sea, and the modernizations at Kennecott’s Bingham Canyon mine in Utah — exempted from the new tax revisions.

“How much of the work was planned for and begun under existing tax laws,” explains James V. Phillips, vice president, Tax. “In addition, the new tax bill sets a lower corporate tax rate, down from a maximum of 46 percent to 34 percent, by 1988.”

“In Standard Oil’s case, the reduced rate is good news, since we have consistently paid more than our fair share in taxes,” Phillips says. But the news is tempered by lower oil prices and an anticipated decline in profits, he adds. “We would benefit more from the lower tax rate if the price of oil were higher.”

In addition, the bill eliminates the Investment Tax Credit (ITC) and stretches out depreciation schedules. The ITC allowed companies to subtract a portion of their investment in new equipment from their taxes. Depreciation schedules reduce a firm’s taxable income by allocating the cost of capital goods (new plants or equipment) over a prescribed period of time.

Lengthening the schedules means companies will be able to claim less depreciation allowance each year. “We can live with the new law,” Phillips says. “I just hope they don’t change it again — at least for a few years.”

Employees ‘hit the books’ on educational leave

By Dan Goldberg

If you think it’s tough for children to go back to school after a long, lazy summer, imagine how it feels to leave your job after five or 10 years to return to college.

Standard Oil grants educational leaves to employees who want to earn advanced degrees to improve their job skills. “I enjoy walking to school, rather than commuting to work every morning,” says Catherine Jessel, who has taken a leave to attend the Alfred P. Sloan School of Management and Technology.

Some 12,000 present and retired employees covered by the basic Standard Oil Medical Aid and Health Care plans are eligible for the ReviewPLUS program.

Turn to REVIEWPLUS, 8

Pay study complete

By Dan Goldberg

Employees will receive full details by mid-November about the recently announced compensation program review.

Salary increases, although on a more selective basis, also will resume in January. Corporate Human Resources is working with business groups to iron out program specifics.

Preliminary results of the program review were announced in late October. The new program will emphasize pay for performance, and continue the company’s commitment to pay market rates.

“This restructuring will primarily affect the petroleum-related businesses, including chemicals and corporate staff, but will have little, if any, impact upon our non-oil-related businesses,” Frank E. Mosier, Standard Oil president, stated in a letter announcing results of the review.

The study concluded that some professional, administrative, and supervisory employees are paid higher rates than their counterparts in comparable businesses.

“We have elected, however, not to reduce salaries. As a general rule, until our pay structure in these affected areas is more in line with market conditions, merit increases will be smaller and less frequent, and will be more selectively administered.”
New gas hits new markets

Standard Oil is now selling its new gasoline blends for fuel-injected automobile engines in markets outside Ohio. In the Southeast, the Gulf Products Division of BP Oil Company is selling High Octane Super Unleaded, which prevents clogged fuel injectors.

In western Pennsylvania and West Virginia, a new premium unleaded product helps clean injector deposits and prevents them from recurring.

And in Detroit, Gas & Go-stations are selling similar, reformulated unleaded products. These gasoline blends are similar to the new Super Cetron blend sold at Sohio stations in Ohio since July.

Chase lays off in Ohio

Fifty-six employees were laid off in early October at Chase Brass & Copper Company in Euclid, Ohio, due to a drop in incoming orders at the company's copper sheet division. The layoff affected hourly employees in the copper sheet division. Chase, a Standard Oil subsidiary, employs about 472.

Mine sales affect 1,600

In September, as workers began returning to Kennecott's Bingham Copper Mine in Utah, Standard Oil announced an agreement to sell its interest in two smaller mines. Kennecott will receive about $20 million in cash for the sales, including the proceeds from related copper product inventories, which will be sold separately.

However, because Standard Oil carried the properties on its books at a value that was higher than the selling price, the company will take a loss in the transaction—already accounted for in the company's special charges taken in the second quarter of the year.

Notables: 1 million hours... 

Sohio Oil's Toledo (Ohio) Refinery recently celebrated over one million work-hours—and also one year—without a lost-time accident. Others in Standard Oil that have met or exceeded the one million-hour mark are the Alliance Refinery, Belle Chasse, La. (619,000), Standard Oil Chemical/Green Lake, Port Lavaca, Tex. (1,600,000), and Sohio Oil's Transportation Department (over two million), which includes pipeline and marine product transportation.

. . . 5 billion barrels

The 5 billionth barrel—or 210 billion gallons—of crude oil to travel the trans-Alaska pipeline arrived at the pipeline's Marine Terminal in Valdez, Alaska, Sept. 15.

The crude completed its 800-mile journey from the oil fields of Alaska's North Slope in about six days. The milestone marked nine years and three months since the first barrel of crude oil flowed through the pipeline.

Oil produced from the North Slope accounts for about 20 percent of the country's domestic crude oil production.

Perspective

Explore ANWR now, cut import dependence later

By George Nelson

The Arctic National Wildlife Refuge (ANWR) is a 19-million-acre expanse of land, roughly equal in size to the state of South Carolina. Located on Alaska's North Slope, some 60 miles east of the Prudhoe Bay oilfield, ANWR is every bit as important to every state in the union, as it is to Alaska.

ANWR's coastal plain—a small, legally defined sub-unit of ANWR—has potential for holding tremendous crude oil reserves. There is virtually unanimous agreement in the oil industry, the Federal government, and the Alaska state government that the 1.5-million-acre coastal plain is, without a doubt, the best opportunity anywhere in North America for finding a "super giant" oilfield or "giant" oilfields. In the Southeast, The Gulf Products Division of BP Oil Company is selling High Octane Super Unleaded, which prevents clogged fuel injectors. Even with additional investment, the existing North Slope oilfields, which currently supply 20 percent of U.S. domestic oil production, will be producing at a combined rate of only about 600,000 barrels a day by the turn of the century—about a third of current North Slope production levels. Unless we find new oil reserves, and a lot of them, we will have no alternative but to substantially increase crude oil imports. Realistically, we have no choice. We will have to increase imports. Even a large oilfield or "giant" oilfield on the coastal plain, at this point, are based primarily on geological and geophysical data. We know that ANWR is sandwiched between the world-class oilfields of the Prudhoe Bay area and the recent large discoveries in the Mackenzie Delta area in the Canadian Beaufort Sea. We also know there are natural oil seeps, apparent from oil-stained rocks on the coastal plain.

The layoff affected hourly employees in the copper sheet division. Chase, a Standard Oil subsidiary, employs about 472.

But unless its national importance is recognized outside Alaska, the door to developing the ANWR coastal plain could be slammed shut.

Immediate exploration in the ANWR coastal plain is important because of the 10 to 15 years it will take to bring any Arctic discovery into production. During this same time, by the year 2000, production from currently developed U.S. oilfields will drop from almost 9 million barrels a day to less than 4 million barrels a day as oil-producing fields are depleted.

The hope of finding a large oilfield on the coastal plain, at this point, are based primarily on geological and geophysical data. We know that ANWR is sandwiched between the world-class oilfields of the Prudhoe Bay area and the recent large discoveries in the Mackenzie Delta area in the Canadian Beaufort Sea.

When Congress passed the Alaska National Land Conservation Act of 1980, it recognized the resource potential of the coastal plain by requiring the Secretary of the Interior to conduct a thorough resource evaluation of coastal plain acreage. This evaluation was to be completed and a report submitted to Congress by September of this year. The report is currently held up by a lawsuit filed by environmental groups that seek input into the Secretary's report. The suit is expected to be settled late this year.

Once the report is made, Congress will decide whether to make the coastal plain available for exploration. Environmental groups are hard at work lobbying to continue the ban on ANWR.
Employees ‘hit the books’ on educational leave

Continued from page 1.

laws, which are my major interests. I think they will be the major legal issues facing us in the 80s.

I would love to do some kind of graduate program eventually,” says Bosh of her decision to go back to school. “Still, going back after working 10 years kind of feels like jumping off a cliff.”

PhD candidate

Ben Kuratolo comments that he “didn’t realize he was going to school,” when he started his educational leave in January from his work as a senior chemist at Warrensville Research & Development Center near Cleveland.

“I worked part time at Warrensville as an undergraduate,” says Kuratolo, “then started working full time at the lab, and then began work on my doctorate in the fall of 1981.”

Kuratolo chose Akron University because of its reputation as a center for polymer science. He left the lab to work full time on the research project that will become his dissertation. Some of the polymers I work with have applications in enhanced oil recovery,” says Kuratolo.

“That’s one reason why Standard Oil likes employees to continue their education. The more we learn about our areas, the better employees we can be.”

John Dee, a reservoir engineer with John Dee, a reservoir engineer with Standard Oil Houston, always intended to go back to school — but admits he had second thoughts after he made his decision.

“I hoped to work for a few years in engineering, then go back to school and eventually get into a management role,” says Dee, who is concentrating on finance at Harvard Business School. “Experience in different areas allows you to make more intelligent decisions.

“The other hand, I’m taking two years away from my career, in which I could advance and gain experience,” he says. “Not only that, but it was an incredible financial decision — particularly for me, because my wife is still in medical school.

Bush also points out the nonacademic advantages of her move to Tulane, which is in New Orleans.

“The weather is a change from Anchorage and Houston,” she says. “And I’m a lot closer to Mardi Grass.”

The program is available to all full-time employees, but there is no guarantee that a job awaits their return.

The leaves are approved on an annual basis. Employees must reapply for successive years.

Employees do not collect a salary during their leaves, nor do they receive any scholarship assistance from the company.

Dan Goldberg freelances for Standard Oil Now.

Former VP on stage, campus

G lenn Blair retired in 1985, but still “plays his part” in the business world.

Blair, former Sohio Oil Human Resources vice president, had a summer role in the musical comedy “How to Succeed in Business Without Really Trying.” The play was staged at a community theater near his home in suburban Cleveland.

This fall, Blair traded his stage character, Twimble, a loyal mailroom employee in a large company, for a new role — visiting professor of management at Ohio Northern University in Ada, Ohio.

During the one-year appointment, Blair is teaching a full course load including management principles, human resources, and small business.

“Teaching is one thing I’ve had in mind to do eventually in my career,” says Blair. “I’ve taught evening classes at colleges before, but this is my first full-time teaching job.”

But what of Blair’s stage career? “It was something I started doing 25 years ago when I had more time,” says Blair. “I also has sung in the choirs of The Cleveland Opera and The Cleveland Orchestra.

“I had time again this summer, and the show was something I couldn’t pass up.

“T might probably be in another production for 25 more years.”

Janet BednarSKI, chemical engineer, is a product of Standard Oil’s co-op program.

Work/study employees home-grown

By Jim Marino

Corporate Human Resources recruiters beam when asked how Standard Oil continues to attract top-quality student engineers and scientists to its full-time job ranks.

“We grow our own,” smiles David B. Crow, coordinator of technical recruitment. “And that’s no exaggeration.”

For more than 20 years, Standard Oil has attracted college co-op students and summer interns through its Professional Experience Program (PEP).

“As many as 100 student interns and 50 co-op students from 50 colleges and universities participate in the PEP program at Standard Oil units corporationwide,” Crow says.

Co-op students spend considerably more time with the company than summer interns.

Co-op students receive a variety of work assignments at various locations, including Sohio Oil Company refineries at Lima and Toledo, Ohio, and Marcus Hook, Pa.; Standard Oil Chemical Company; Standard Oil Research & Development, and various retail marketing and developmental engineering units.

Summer interns, on the other hand, usually are assigned to the Cleveland area with Research & Development, Sohio Oil Company, or Corporate Staff units.

Crow considers the co-op program unique among major oil companies.

“We are one of the few oil companies with such an extensive program,” he says. “PEP has won Standard Oil an impressive array of talented employees who possess a wide range of engineering, scientific, business, and liberal arts backgrounds,” he adds.

Unlike the traditional summer internship, the PEP co-op program recruits qualified students in their sophomore year and retains them through graduation.

They work in cycles between campus and company to gain experience,

The company has benefits from their work, and — perhaps most importantly — the company has enough performance information on the students to know if it wants to extend full-time job offers.

One chief goal of the program is to attract top talent.

A former co-op student from the University of Michigan is James BednarSKI, who recently was hired as a chemical engineer at Standard Oil Chemical Company in Cleveland.

“There was an effort to give me diverse assignments, including one with Corporate Engineering and another with Research & Development,” BednarSKI says.

Many of her colleagues in the chemical engineering graduating class weren’t as lucky as BednarSKI.

“T had a bad placement year for chemmies.” In my circle of friends, those who got into a co-op program usually got an offer,” she says. “But I’d say a third of my class was without job prospects just a few weeks before graduation.”

However, those figures don’t surprise placement coordinator Crow.

“We have about 50 percent of the students we attract through PEP. The job market is tight and good students always attract top talent,” he says.

“Our advantage with PEP is that we make contact early on with promising future employees.”

Retiree completes college stint

I t is known by some people as “the guy who couldn’t retire,” jokes Clifford Shields, whose retirement from Standard Oil in 1982 left him anything but bored.

The Lyndhurst, Ohio, resident recently received an honorary doctorate in humanities from Mount Union College, recognizing his past year’s service as interim dean of the liberal arts college in Alliance, Ohio.

Shields’ involvement with education began when he headed Standard Oil’s Corporate Contributions and University Relations programs. After his “first” retirement, he served as a consultant on development programs at Kent State University and Case Western Reserve University, and later as interim dean of Kent State’s College of Business Administration.

Shields, who remains active on the board of trustees at Mount Union and in other educational organizations, says he’s not anxious to find another administrative position. “It was enjoyable, but I’m looking forward to being a full-time volunteer for a while.”

Glenn Blair, center, is flanked by fellow actors in “How to Succeed in Business Without Really Trying.”
Where can you ‘save a buck?’

Boning sales and slashing costs is the heart and soul of survival for us all. You don’t boost sales and cut costs with grand general statements. You do it with hard work and keen thinking. Everybody in our industry has a huge personal stake — an undivided interest — in helping with this task.

I believe that the personal victory will have to be won in your own office, at your own desk, and out on your own derrick. And I tell you categorically that saving a buck here and making a buck there is the only thing we can truly count on in our hour of need.

I’ve asked around Standard Oil for some examples of people who have actually thought up ways to save a buck or make a buck. I’ll start very simply — in the mailroom at Standard Oil’s Corporate headquarters in Cleveland.

In the mailroom, Brenda Dunke is an expeditor of customer services.

Brenda’s story has to do with a booklet that we were mailing out to 100,000 people across the world.

When the prototype of that booklet got to the mailroom, Brenda discovered that each copy weighed a hair over one ounce. That “hair” is costly when you’re talking about first-class mail. So Brenda warned the booklet producers about the extra weight.

Together they decided they could get under an ounce by trimming one-sixteenth of an inch off one edge while the booklet was being printed and assembled.

That tiny difference saved thousands of dollars for Standard Oil.

Once a year, every year, these companies from small pipeline in Ohio. (Crase comments on the heart and soul of survival for us all.)

It used to take half a dozen people five hours, hitting a pin on each piston, to finish what could be removed.

It’s easy to think up ways to save a buck. To do it with hard work and keen thinking.

Drill technique taps savings

From safety to environmental caution, you can also save — or lose — tons of money on environmental problems, depending on how you handle them.

Let me tell you about Frank Crase and his crew when we had a spill this summer from a small pipeline in Ohio. (Crase comments on the heart and soul of survival for us all.)

Once you drill down to the formation you want — why not bend your string (drill pipe) and run it horizontally through the formation to reach your oil? Nobody really made the idea work until a couple of years ago.

Now up in Alaska, Richard Reiley, Drilling manager, says each horizontal well replaces two vertical ones — and that saves us about $1,250,000 (a well). That’s enough of my specific stories.

The only value any of them can have is in getting you to think about one area or another of your own company. It’s easy to think up ways to save a buck. Believe me, we just have to put our minds to it — and always keep alert, day by day.

Explore ANWR now, cut imports later

Continued from page 2. Congressmen from all 50 states to deny access to that 8 percent of the refuge. This is despite our excellent environmental record in Arctic oilfields that we have developed under similar circumstances. Alaska’s Congressional delegation is solidly behind the effort to open ANWR to exploration. But they have a difficult task in trying to convince their colleagues on Capitol Hill.

The political reality is that many congressmen and senators see this as an issue involving only Alaska, with little or no effect on their own constituents. These legislators also see in the ANWR issue the opportunity to gain support from the organized environmental lobby or other legislators interested in the issue, without creating a problem back home.

The oil industry is aware of the difficult job ahead. Efforts are under way to tell the industry’s story on Capitol Hill and to other industries with a stake in the ANWR issue. We need all the help we can get, and we encourage all standard Oil employees to become active supporters of opening the ANWR coastal plain to exploration.

When all is said and done on the ANWR issue, and the last Congressional vote is counted, we can either look forward to drilling the best prospect on the entire North American continent, or we can trust our future to OPEC.

There should be no doubt as to which option better serves us all.

Time, money saved at SOPC gas plant

Now I want to talk about Robert Digby and Tony Pickett — two roadblocks at a Standard Oil Production Company gas plant in Elmore, Ohio.

In their plant, huge compressors squeeze the gas so it can be put into a pipeline and sold. There are eight of these compressors, and each one has six pistons.

Once a year, every year, these compressors are overhauled. And every time, at least one or two pistons have to be rebuilt.

It used to take half a dozen people five hours, hitting a pin on each piston with a steel bar, to free it up so it could be removed.

Digby and Pickett figured out a way to use a hydraulic jack to push the pins out of the pistons.

Not only is it much gentler on the pistons than bashing them with a steel bar — but it’s also much safer.

Robert and Tony turned in a five-hour manual operation taking five people — into a half-hour job for two people. They thought about their job — and schemed a way to save big money.

Safety heroes cut costs

Safety is a way to save lots of money, quite aside from our moral duty to keep people alive and safe and healthy.

When you don’t have to pay the costs of medical care or lost time, the saving is hard to measure. But it’s there.

Take the case of our Green Lake, Texas, acetonitrile plant.

The people in this plant haven’t had a single lost-time accident since it opened in 1986.

That means 1.6 million man-hours for our own employers and another 1.4 million man-hours for our contractors’ people — for a total of 3 million hours so far.

And this means everybody in Green Lake is a hero — because you don’t have this kind of record without being absolutely set on accident prevention.

Don’t forget, when you have an accident you don’t pay just medical costs — you pay the cost of replacing someone while he or she mens.

And when you figure up this overall cost, you should remember that you’re spending bottom-line dollars — lost profits — on those costs.

Quick action contains spill

From safety to environmental caution, you can also save — or lose — tons of money on environmental problems, depending on how you handle them.

Let me tell you about Frank Crase and his crew when we had a spill this summer from a small pipeline in Ohio. (Crase comments on the heart and soul of survival for us all.)

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Hanna moves to BP

Hugh D. Hanna, Sohio's senior vice-president for Retail Marketing, joins BP Oil International, London, Dec. 1. Hanna, with 34 years of gasoline marketing experience, will head BP's Retail Business Development Unit. The process of temporarily exchanging executives between companies is called "secondment" in Europe. It is a means of sharing information and expertise.

While other Standard Oil employees have been seconded to BP, Hanna is one of Standard Oil's highest-ranking executives to represent the company at Britain's House, BP's headquarters.

A Denison University graduate and graduate of Harvard University's 1981 Advanced Management Program, Hanna joined Standard Oil in 1932. He has held his present position since November 1984.

Sohio Oil Company

Wentz Kobar

At Cleveland: Promotions include Andrew F. Gilmair, main frame senior project leader; Charles L. Ryan, Gulf Systems analyst III; Mark L. Shawick, Gulf Systems analyst III; and John D. Taylor, Gulf Systems analyst III.

In Crude Trading & Transportation, Gladys H. Decloet starts as operations planning analyst IV.

Transfers include Mary A. O'Veals, senior crude oil trader; and H. Larry Wentz, general manager-Crude Oil Trading.

In Transportation, intercompany promotions include Frank E. Brooker, manager, Demurrage & Cargo claims; Stephen E. Velikoff, engineering specialist; and Rene A. Vincent, senior engineer.

Standard Oil Research & Development

Patterson Gibson-Rohblint

At Pleasant Valley Laboratory (Independence, Ohio), Christopher P. Eppee is promoted to project engineer.

At Soken, Ohio: Robert M. Patterson transfers from Lexington, Ky. as venture manager.

Transfers from Cleveland include Robert P. Carter, venture manager; Victor W. Hughes, Jr., technical manager; and Jerald L. Maus, project leader.

At Warrensville: Thomas John starts as project leader.

Promotions from Cleveland include Robert W. Collins Jr., research associate; Victoria G. Garcia, senior engineer; and Leonard A. Turkovich, research associate; Alexander E. Velkoff, engineering specialist.

Intercompany promotions include David J. Hamblin, site engineer manager; John C. Eggle Jr., engineering specialist; John D. Hammerson-Robinson, project leader; Frank J. Kopecjanc, Jr., engineering specialist; and Rene A. Vincent, senior engineer.

Corporate

Quinn Skingly

At Cleveland: Promotions include Joseph G. Curatolo, Patent & License Counsel- Business Group; F. Harlan Flint, director, External Affairs/Cleveland; David P. Gillispie, manager, Applications Migation, Corporate Information Systems; Anne C. Quinn, project manager, Acquisitions & Divestitures; Virginia M. Rogers, manager, Executive Assessment & Development, Corporate Human Resources; Carol L. Skingly, manager, conference planning, Public Affairs; Thomas G. Watson, division, Aviation; and Charles W. Rose, manager, Executive Communications and Support.

Kenyon C. Gilson, general manager, Gas Task Force, transfers from BP Oil International.

Deckers Leyser

In Corporate Computing, promotions include Robert J. Euston, systems development coordinator; Daniel J. McCormick, business analyst.

Terry F. Lamore is transferred as business analyst from Lexington, Ky.

In Corporate Information Management, promotions include Robert E. Decker, manager, Corporate Staff Facilities; Roger S. Erickson, manager, Executive Support Systems; Clarence F. Jeffries II, manager, Corporate Telecommunications; and D. Vaughan Matthews, senior Information Systems consultant.

In Finance, promotions include Ronald P. Vargo, director, Financial Trading and W. Christopher Hawes, senior Financial Planning analyst.

Wessells

At Raw, promotions include Joseph T. Dattilo, senior attorney; and Peter D. Wilbur, attorney.

In Tax, promotions include Lynn Alfred, associate Tax counsel; Paul M. Bariik, senior Income & Franchise Tax accountant; Mitchell E. Bryk, state Tax audit coordinator; Raymond N. Fritz, director, Tax Planning; Helen Jensen, senior Tax attorney; William A. Leyser, manager, Tax compliance & systems; Daniel L. Siders, director, Taxes (mining); and Paul D. Wessells, associate Tax counsel.

New employees include M. Michael Caulier, Income & Franchise Tax accountant; Michael J. Delaney, Income & Franchise Tax accountant; and James J. Sukys, Tax audit specialist.

Chase Brass and Copper Company

At Shelby, N.C.: New employees in the Narrow Strip Division include John P. Lappin, senior controls engineer; William R. Murray Sr., electrical engineer; and Michael Tatsituno, supervisor, Tinning, Wastewater & Chemicals.

Harvey A. Powers is promoted to manager, Accounting & Controls from division controller in Euclid, Ohio.

David E. Ritchie joins Rod Division as Los Angeles manager; Western Division.

Kennecott

Charles C. Karplus is promoted to director, Operations Analysis, Budgets & Performance Reporting at Salt Lake City.
Sensor scopes out thirsty crops

By Colleen Walsh

How do you tell if a person is sick? Take his or her temperature.

Now farmers can do the same thing to diagnose crops, thanks to the Scheduler® Plant Stress Monitor.

This advance in agricultural technology works like a plant thermometer.

The device was developed by a team of scientists at Standard Oil’s Warrensville Research & Development Center near Cleveland and is now marketed by Standard Oil Engineered Materials, Niagara Falls, N.Y.

Infrared sensors in the Scheduler read and record plant temperatures. The readings tell farmers whether their plants are “sick” (“stressed” or in need of water) or “well” (not stressed or adequately supplied with water), explains Bronson R. Gardner, senior R&D chemist for Standard Oil Engineered Materials who works at Warrensville as technical supervisor for the project.

“Before the Scheduler, farmers had no good, scientific way to tell how plants were doing on a large scale,” Gardner explains.

Research on the Scheduler is a spinoff of long-range work. Standard Oil is doing in the field of biochemistry—the study and solution of problems affecting living organisms.

When Gardner joined Standard Oil in 1984, he and Melvin E. Kenner, research associate at Warrensville, were encouraged to develop an innovative, marketable, cost-effective solution to the irrigation problem.

Irrigation scheduling is critical in the farming process, explains Gardner. Too little water can kill a plant; too much can deteriorate plant quality, and irrigation methods are often time-consuming and expensive.

The Scheduler includes a microcomputer hooked to sensors that measure air temperature, sunlight intensity, relative humidity and plant temperature.

When pointed at a plant, the instrument’s computer receives and processes information. The processed data indicates whether the plants need water.

The instrument can store data on up to 30 fields, and can graphically display information on each field for up to 14 days. This way, farmers can spot trends as their crops grow and develop.

Farmers tested the Scheduler in summer 1985, and several found it let them cut back on irrigation without loss of yield. Those rave reviews triggered a whirlwind of activity.

Family flies high with Civil Air Patrol

Imagine late-night alerts to join teams searching for lost aircraft. Gene Ashley is one of the Civil Air Patrol (CAP) members who answers such calls.

“A business systems analyst with Standard Oil in Cleveland, Ashley is a colonel in CAP, the civilian arm of the United States Air Force, and is trained to fly with air crews as an observer during searches.

The Air Force turns missing aircraft information over to CAP, which handles all search and rescue missions for the service. Ashley explains.

In addition to his air duties, Ashley serves as inspector general of the Ohio Wing, the statewide level of the organization.

Ashley is in his second “hitch” with CAP. As a teenager, he participated in the organization’s cadet program, which provides students aged 12 to 18 with leadership training, and aerospace and flight education.

“When my son expressed an interest in attending the Air Force Academy, I suggested he look into CAP,” says Ashley. “That’s how I got involved again.”

The father-and-son interest soon attracted Ashley’s wife. She started in the cadet education program, and rose to her rank of major, responsible for the Ohio Wing’s organizational flights.

“This isn’t a pilot’s organization, as many people think,” says Ashley. “Only one in five members is part of an air crew.”

“A lot of people are needed for ground search crews, radio communications, and other duties. There are many ways people can get involved.”

Canadians invite painter to teach

“Art, my life. I wanted to paint, but never received much encouragement,” says Faye A. Hall at Standard Oil Production Company in Dallas.

All that changed when Hall, a project management administrator, passed the National Society of Tole and Decorative Painters’ test that certifies her as a decorative artist.

“Tole” was originally defined as tin or metal-ware decorated by painting. Over the years, “tole painting” has come to mean decorative painting on a variety of surfaces, including wood and porcelain.

Thanks to a friend who knew of her work, Hall was asked to teach four tole painting classes in Calgary, Alberta, Oct. 23-25.

Cabin fever strikes Lima employee

Last fall, Lima (Ohio) Refinery employee Nolan V. Sherrick began a project that is taking him back in time—to the 1800’s. Nolan “discovered” and purchased the antique structures, then dismantled and moved them for reassembly on his property near Lima.

“The shop will be made out of logs from a barn and house built in the mid-1800’s. Nolan “discovered” and purchased the antique structures, then dismantled and moved them for reassembly on his property.

The shop will include a wooden spiral staircase, and will feature “corn hook” and other colonial crafts for sale, Marty says.
SOPO's Johnson: Tax credit could spur oil hunt

At the United States' oil industry struggles to regain its footing since last fall's nose-dive in oil prices, William J. Johnson, president, Standard Oil Production Company (SOPO), warns that serious production problems could soon abound.

If oil prices force U.S. companies to continue their near moratorium on exploration, SOPO could begin to turn out of reserves and foreign oil imports will again have this nation in a vise grip, he says.

How to prevent the problem? Johnson's suggestions follow—excerpted from a recent speech of SOPO's employee publication, Communicator.

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The United States' oil industry could continue to reel from the free-fall in oil prices that began in late 1985. Since then, oil prices have fallen more than 50 percent.

The negative results are readily apparent:

• Capital and exploration budgets by major oil companies and independents have been slashed.

• Drilling activity in the U.S. has plummeted to the lowest level since record keeping began.

• Most companies have been forced to cut valuable, talented manpower.

• Industry interest in offshore pipe sales has waned, and bonuses paid to the Federal government have decreased significantly.

• Revenues to Federal and state governments from federal and royalty payments and severance rates have been reduced significantly.

• Many companies won't drill in remote fewer leases drilled in the Outer Continental Shelf.

Williams Johnson

Johnson, speaking from his office in New York City, says SOPO is proposing that Congress enact a tax credit of up to 15 percent for exploration wells.

"Such a tax credit could spur SOPO and other companies to delay or cancel exploration projects, he says. "The tax credit would be phased out incrementally if the oil price exceeds $22 per barrel. Once oil reaches $30 a barrel, the credit would be eliminated.

"Such incentives would encourage investment in high-cost, high-potential areas that, otherwise, would see little or no spending by industry because of current, depressed oil prices.

"By encouraging exploration and production, tax credits stand to increase revenues to the Federal government from lease bonuses, rentals, and royalties. For our company and others, it could help reduce Federal corporate income taxes, yielding additional cash for research and development projects and programs which can generate new employment.

"Unlike a quick-fix import fee, this is a statesmanship-like package that would not only benefit the oil industry but the nation."


At Lima (Ohio) Refinery:


William C. Fuller (July 1), pumper. Employed 1948.

Gerard P. Giorgianni (Sept. 11), operator. Employed 1948.


Nicholas D. Patrone (Sept. 1), operator. Employed 1948.


At Toledo (Ohio) Refinery:


At Marcus Hook (Pa.) Refinery:

George N. Dilworth (Sept. 1), operator. Employed 1948.

Peter R. Giorgianni (Sept. 11), operator. Employed 1943.


At Anchorage:


Bernice M. Crudden (Sept. 1), technical assistant. Employed 1951.

At Huntington:


Paul J. McCluer (Sept. 1), head storekeeper. Employed 1951.

At Mobile (Ala.) Refinery:


At Anchorage:


At Houston (Texas) Refinery:

Edward C. Morrell (Sept. 1), technical assistant. Employed 1964.


At Lima (Ohio) Refinery:

John H. Miner, 65, Corporate secretary, Technology.


At Toledo (Ohio) Refinery:


At Lima (Ohio) Refinery:


At Marcus Hook (Pa.) Refinery:

George N. Dilworth (Sept. 1), operator. Employed 1948.

At Anchorage:


Bernice M. Crudden (Sept. 1), technical assistant. Employed 1951.

At Houston (Texas) Refinery:


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ReviewPLUS to keep medical costs in check

Continued from page 1.

To initiate ReviewPLUS action, either admission. doctors and nurses contact the admitting medical costs in check services. It may even recommend an your designate must contact ReviewPLUS when you should, an extra $200 deductible per hospital stay is assessed. There are also financial penalties if: • Your admission is not certified. • You are admitted to a hospital when outpatient facilities should have been used. • You are required to get a second opinion and fail to do so. Under those circumstances, Emerick explains, only 50 percent of the cost of services deemed unnecessary will be covered by the plan, up to a maximum expense to the patient of $2,000.

Cost spiral continues

"Our company's medical plan rates have risen steadily over the past five or six years. It is our most expensive employee benefit," McAuliffe says. "One component of this rise has been unnecessary hospitalization. While inflation in the United States appears to have slowed, medical inflation continues to rise. It is now about 10 percent a year. Projections for the next 12 months show a 12-to-13 percent inflation rate.

"Obviously, there is a need for cost containment," Emerick, who has studied the spiraling health-cost phenomenon in the U.S. for more than four years, agrees. People have been reluctant to challenge health-care specialists about costs for several reasons, McAuliffe and Emerick explain. "I think the main reason why people have been disadvantaged is an economic one. As long as their insurance company paid the bills, they weren't financially involved," says McAuliffe.

"The patient should remember that he or she pays in the long run, regardless of insurance coverage. High medical costs eventually get passed along to consumers and their employers through increases in health plan rates," he adds. And health-care plans like ReviewPLUS are growing.

"Many of our major oil company competitors have pre-certification programs. Some experts predict that within five years all hospitalization programs will have some kind of pre-certification program attached to them," says Emerick. Consequently, most attending physicians are not alienated by such outside reviews. Many doctors even initiate the process to ensure their own payment, he adds. ReviewPLUS was chosen as the pre-certification agency, McAuliffe says, because it specializes in medical procedure and cost reviews. It also retains a high-quality medical staff.

Here's what you think about our 'new look'

By Colleen Walsh

When the first issue of Standard Oil Now rolled off the presses in June, we asked readers to tell us how they liked the redesigned, bimonthly publication. We included a survey card in each copy of the newspaper, asked readers' opinions on the new format, and solicited story ideas to make the publication more responsive to employee and retiree needs.

As promised: a summary of the results. About 500 readers responded. "The graphics were excellent — the paper was well-edited and breezy... the first issue will be hard to beat," one reader wrote.

95 percent felt it "needed improvement" in areas such as type size and color choice. "I don't care for all the color, and I don't like the type style used in the title Standard Oil Now," one reader wrote. Many respondents suggested articles for future issues. "I would like to see more about the various company operations, how they function," wrote one reader.

Respondents expressed a similar interest in knowing more about other employees' jobs. Many would like to see stories on retirees and their roles in the community. Readers also wanted inside information on management's long-range plans for Standard Oil. They wanted to know how the company positions itself to weather tough times in the oil industry.

Finally, almost all of the respondents — about half of whom were retirees — said Standard Oil Now helps keep them informed about the company. If you missed the survey the first time around... or want to send additional suggestions, address your comments to: Editor, Standard Oil Now, 200 Public Square 33-J Cleveland, Ohio 44114-2375.

Standard Oil Now - November/December 8