

NEWSLETTER

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Joe Penne, Editor

MUELLER, LIMITED BOARD ADDS WHITE, DOWDING

Harlan A. White, vice president-operations at Mueller Co., Decatur and Harry Dowding, factory manager of the Mueller, Limited plant in Sarnia, Ontario, recently were added to the Board of Directors of Mueller, Limited.

Elected to the Board of Directors at the annual meeting were:

John F. Thurston, chairman	C.S. Browett
Harry J. Dowding	Lyle R. Huff
George A. McAvity	Frank H. Mueller
R.M. Nicolson	Harlan A. White

Elected as company officers by the board Feb. 3 were:

George A. McAvity, president and chief executive officer.

R.M. Nicolson, vice president.

C.S. Browett, secretary - treasurer.

ALL OFFICERS, DIRECTORS RE-ELECTED AT MUELLER

All members of the Board of Directors and all company officers were re-elected Feb. 10 at the annual meeting of Mueller Co.

Elected to the Mueller board at the annual shareholder's meeting were:

Frank H. Mueller, chairman
Robert V. Krikorian, chairman of the executive committee
Adolph Mueller II
Mrs. Bessie I. Mueller
Phillip M. Mueller
W. E. Murphy
E. K. Scheiter
John A. Schluter
Mrs. Lenore Mueller Schmick
Franklin B. Schmick
John F. Thurston
Harlan A. White

Company officers elected by the board were:

Frank H. Mueller, chairman
John F. Thurston, president and chief executive officer
Paul Hickman, vice president - manufacturing
Lyle R. Huff, vice president and secretary - treasurer
W. R. Leopold, vice president - engineering
Robert W. Mallow, assistant secretary
William E. Murphy, vice president - marketing
Harlan A. White, vice president - operations

Commenting on the company's operations throughout

1971, John F. Thurston, president, pointed out that sale of Mueller products traditionally follows the trend of housing activity throughout the nation--particularly where single family housing starts are involved. He stated that because of the housing boom in 1971 Mueller sales reached an all-time high. In recent months it has been necessary for the company to add a second shift in both the iron and brass foundries as well as in the valve machining and assembly departments in Decatur. Second shifts have also been added in both the iron and brass foundry departments in the company's Brea (California) plant.

Mr. Thurston emphasized that although management was expecting another good year in 1972 there was considerable doubt among economists and industry statisticians that housing activity would improve over the 1971 level.

GOVERNOR PROCLAIMS CHATTANOOGA WEEK

The scope of manufacturing in Chattanooga, which includes Mueller Co., is indicated by a recent proclamation by Tennessee Governor Winfield Dunn. It reads:

WHEREAS, Chattanooga ranks eleventh among major metropolitan areas in the entire United States in manufacturing employment as a per cent of non-agricultural employment; and WHEREAS, every day the manufacturers of Chattanooga pay \$1,300,000 into their local economy; and WHEREAS, approximately 53,000 people are employed in the Chattanooga area, making articles that are used all over the world; NOW, THEREFORE, I, Winfield Dunn, as governor of the State of Tennessee, do hereby proclaim the week of January 30, 1972, to be designated as CHATTANOOGA MANUFACTURER'S WEEK in Tennessee, and call upon all citizens to join in this observance.

FAMILIAR FACES IN NEW PLACES

Herman L. Brown, formerly an hourly employee in Brea, has been promoted to assistant steel machining and assembly foreman, effective March 1.

W.T. Miles, assistant steel machining and assembly foreman, has been named assistant shift machining foreman in Brea, effective March 1.

We hear there's a distillery that pays its employees time and a fifth for overtime.

MUELLER INNOVATION AND THE GAS INDUSTRY

When we think of Mueller Co.'s early years we quickly associate it with the water industry, but as early as 1907 Mueller was producing products for gas distribution, utilizing the experience it had gained in the water field.

Although the "NO-BLO"® term was not registered as a trademark until 1955, the concept of allowing work to be done on gas mains without any blowing of gas to the atmosphere was incorporated in the company's early products.

The patent application in 1872 by Hieronymus Mueller covering improvements on machines for tapping water and gas mains shows an awareness for the free blowing of gas and the patent says his machine is "so arranged that only the amount of water or gas that the machine holds will be wasted."

Hundreds of Mueller Co. and Mueller, Limited products currently are designed for the natural gas industry which provides about one-third of the energy demands of the United States. Touted now as a pollution fighter because it fouls neither the streams nor the air, natural gas fires industrial boilers and furnaces, fuels electric power plants and goes into 39 million homes and apartments, and three million businesses, providing energy to heat, cook, cool and manufacture.

The Mueller "D" catalog, produced in 1907, showed a set of equipment for making service connections which incorporated Mueller thinking related to doing gas main work as safely as possible. By 1915, a tee had been designed by Mueller engineers that was basically similar to the current NO-BLO tees. However, there was little market for this fitting in those days as workers and the gas companies were not overly concerned as to the safest way to make a connection.

Common practice around 1917 was to use a simple machine to drill the cast iron main and then the workman would put his foot over the drilled and tapped hole to reduce the blowing of gas. Then a street tee was screwed into the hole. More blowing of gas occurred when the service line was put into operation. Some companies made plugs to keep the blowing of gas at a minimum. Gas pressures were low and there wasn't much concern shown for correcting these potentially dangerous practices.

Mueller Co. kept working on finding a better way to make the connections and finally the key to solving the problem was the use of both internal and external threads on the top outlet of the tee. This permitted operations to be completed through a valve and tee against pressure, with a double seal provided to prevent leakage.

A patent application for the Mueller NO-BLO tee, and other operating devices to work with it was filed in the name of Frank H. Mueller in 1933 and a patent was granted in 1935.

Many improvements in design and metallurgy have been made since the patent was granted, but the basic

concept has remained unchanged and its principle applied to many Mueller gas products.

The same drilling and tapping machine which had made "Mueller" a famous name in the water industry was eventually adapted for use on gas mains. The B-110 "Our Special" dry pipe and gas main tapping machine was originally listed in our 1907 catalog.

For many years work was done to improve the machines so that larger cuts could be made with greater utilization of power. In the late twenties and early thirties investigation by Mueller engineers convinced the company that there would be a growing need for some method that would allow stop-off of gas mains and pipelines at points where work had to be done and where there were no installed valves. Harry E. Wolf had been applying his talents to the problem under a working agreement with Mueller since the mid-twenties and in 1931 a stopping machine he invented was patented. This was the first known stopping machine and had its share of mechanical problems, but Mueller Co. purchased the patents and applied its engineering know-how to improving it.

Later, Timothy A. Larry, an employee of Southern California Gas Co., made a stopping device that used a drilled hole slightly larger than the inside diameter of the pipe, completely through the pipe. This could be done by means of attaching a fitting to the pipe at the point of shut-off, providing a means to attach a control valve, drilling machine and stopping device. His stopper was an expandable rubber plug that was actuated in the pipe. This system overcame the objections of irregularities, chips and mechanical strength found in earlier methods.

Mueller Co. and Larry worked out an agreement for the former to develop the idea into a commercial product and it was marketed in 1935. Many refinements and modifications were patented under the names of Mr. Larry and Earl E. Cline, a Mueller Co. engineer, to extend the range of the equipment.

As more and more Mueller equipment and products became available to improve procedures for safely working on gas mains, gas company employees had to be informed as to their use. Mueller undertook a training program in the mid-1930's and set up a school on the use of NO-BLO equipment. The first courses were held in Decatur and then, in the 1950's another innovation was a mobile unit that visited gas companies around the country--a program that has been carried on intermittently ever since.

Mueller Co. has been a leader in the design and development of equipment and methods for safely working on gas service and distribution lines. These efforts to find a better way continue today. This determination to improve the entire gas industry was one of the high points in a recent talk by Ralph T. McElvenny, newly elected chairman of the American Gas Association. "Of course the gas industry has problems. Any progressive, dynamic industry has problems. But the problems of today are merely the challenges, goals and opportunities of tomorrow," he said.

Some Time Ago

At MUELLER

Mueller Co. celebrated its centennial in 1957, one hundred years after company founder Hieronymus Mueller started his gunshop in Decatur. Last year was the 100th year after Mr. Mueller was named city plumber for the City of Decatur, an event marking the start of his interest in water distribution.

This year on July 23, we can observe another centennial anniversary in the development of the company. On July 23, 1872, Mr. Mueller applied to the U.S. Patent Office for his "Improvement in Machines for Tapping Water and Gas Mains." This machine is recognized as being his first "product" of this nature and was the forerunner to his entry into the business of producing goods for the water and gas industries. The design of his machine in 1872 has the same basic principles used today in the drilling and tapping machine.

In the patent application Mr. Mueller said: "My invention relates to an improvement in machines for tapping water and gas mains when they are under pressure and so arranged that only the amount of water and gas that the machine holds will be wasted, and that the operator shall not get wet; and consists of a cylindrical case inclosing the mandrel, said mandrel operated with a ratchet; a spring attached to the lever for reversing the mandrel; a feeding device for the drill; an improvement in the valve for shutting off the water from the case; and the clamping device for attaching the machine to the main".

Finding corporation stops of top quality needed to go with the machine became a problem for Mr. Mueller, so a few years later he turned his attention to producing them and the business expanded.



"RAPIDAC--the newest Mueller product" was the theme of the parade float sponsored by the H. Mueller Mfg. Co. in about 1912. Rapidac refers to the "rapid acting" method used in the opening and closing of certain types of faucets found in the Mueller plumbing line. The horse-drawn vehicle out-dates the picture almost as

Retirements

The following list gives the retiree's job at time of retirement, years of service and date of retirement.

Decatur

Gladys M. Masterson, secretary to the assistant secretary and budget director, 43 years, Feb. 25. (80 Plan)

William (Russ) McCoy, furnace operator and metal skimmer in Dept. 60, 35 years, 6 months, and 14 days, Feb. 11. (80 Plan)

Chattanooga

Robert L. Newby, core room helper, 20 years, Feb. 28. (80 Plan)

Outside Sales

Francis V. (Doc) Martin, sales representative, 23 years, 1 month, and 1 day, Feb. 2.

Service Awards

The following Mueller employees received service awards during the month of January.

Brea

10 Years: Peggy Wright

20 Years: William Fletcher

The following employees received service awards during the month of February.

Chattanooga

20 Years: Robert Newby

Mueller, Limited

30 Years: Donald Goodall

much as the statement across the bottom that reads: "860 Decatur citizens earn \$576,000 annually making these and other Mueller water, gas and plumbing brass goods." The faucets and plumbing goods, the horses and average paychecks of \$13 a week have been left in the past.

TAXES, FREEZES, PROFITS -- WHO REALLY NEEDS THEM?

What do you say to the worker who may see his future income reduced by freezes and guidelines to convince him that profits must rise and thereby strengthen our economy?

Do you tell him that 100 million Americans (about half of our population) share in profits, either as stockholders, life insurance beneficiaries, members of mutual funds, or through participation in pension programs?

How about suggesting that "everyone profits from profits" because profits mean money for expansion, higher wages, job security, and benefits for everyone?

The worker who has been touched by recent government action is hardly sympathetic with owners and stockholders. He is primarily interested in how things are going to effect him.

Even if President Nixon tried to plead the case for profits and tried to show that ultimately "everyone profits from profits," few would listen. In fact, many might not listen, simply because it was the president. But read what he said recently about the subject before the Economic Club of Detroit and ponder the arguments he gives.

"Now, first, with regard to our freeze, when you control prices and costs there is automatically some control on profits. Second, when there is control of prices and costs, the only way that there can be more profits is for the industry involved to expand and that means more jobs and we think that is good," Mr. Nixon said.

The American worker can only compete with those from around the world if he has the latest in equipment and machinery. The money for these improvements comes from profits. There is no other source.

"It is very easy to say let's control profits, let's limit profits and let's have an excess profits tax and, of course, the argument for saying that is that you are taking care of the big man and helping the little man. But when you really look at what makes this economy work, when you really look at what produces jobs, it comes from profits being plowed back into industry and making American workers thereby more competitive, and thereby producing more jobs," President Nixon said.

Another point he made was that one dollar of every two in corporate profits goes to the government. This money goes to support such government programs as highway construction, education, help for the poor and aged, defense and all the other programs which we, as citizens demand.

Where are profit levels today? Corporate profits now barely exceed 1969's, and are lower than those of any of the four years ending 1968, the Chamber of Commerce of the United States says.

It is true they are rising, just as they do in any period of economic recovery. But when earnings are below normal, any increase represents a higher percentage of gain than when the same increase is compared to normal earnings. A \$10 a week raise to a worker earning \$200 is a 5% increase; to a worker only earning half that amount, the same raise would be a 10% increase.

Even in a comparison of increases in actual dollars of profit, inflation must be considered. Business profits are not adjusted by a cost-of-living formula. They are expressed in current dollars and profits have suffered from inflation just as everyone's earnings have.

A far more accurate picture of post-tax profits comes from comparing these profits as a percentage of sales. All wage earners make this same comparison when they determine how much of their paychecks is left after tax deductions and all necessary living expenses are subtracted.

Profits as a percentage of sales have been dropping since the end of 1965, and for the second quarter of this year were barely higher than the 16-year record low point reached the last quarter of 1970.

More specifically, in 1966 business profits after payment of taxes were 5½ ¢ from each dollar of sales. By 1971, this figure (for all U.S. manufacturing firms) had dropped to 4 ¢. Although increases in sales volume would normally reverse this trend, the fact that it has continued to decline in recent years would indicate that all business costs have been increasing faster than any improvement in productivity.

Looking at this picture in its proper perspective, it does seem evident that "everyone profits from profits"!

RETIREMENT FUND TAKES BIG MONEY

While many of us only think about retirement, Mueller Co. provides for it by actually setting aside large sums of money to cover the cost of the employee retirement program.

In fact, for a man at 65 who will live an average lifetime, the company must set aside about \$1300 to provide funds for just a \$10 a month pension. In other words, if an employee is to receive a \$300 a month pension, about \$39,000 must be in the trust fund by the time he retires. The cost is even higher for a woman because women live longer.

If we were to buy similar coverage individually from an insurance company, we would pay considerably more --but at Mueller this retirement plan costs us nothing.

The amount the company must pay each year to fund the retirement program is determined by actuaries. These are specialists retained by the company who statistically calculate needs, taking into consideration life expectancy, number of employees, and program benefits for all employees through the year. The money set aside is invested through the trust fund so that it will grow with dividends and interest. As employees retire, the money previously accumulated is paid out to take care of them as long as the program provides.

MEN RETIREES MEET MARCH 9

The men retirees from Mueller Co. in Decatur will meet at 11:30 a.m., March 9 at the Scanda House.

There are 6.2 million businesses in this country.