

NEWSLETTER

Vol. 4, December, 1972

Published by MUELLER CO., Decatur, Illinois

Joe Penne, Editor

JOHN THURSTON TAKES EARLY RETIREMENT

As all Mueller Co. and Mueller, Limited employees know, John Thurston recently requested that he be permitted to take early retirement effective January 31, 1973. His request was granted by the Board of Directors during the quarterly Board meeting on November 30. Harlan A. White was then elected by the Board to succeed Thurston as President and William E. Murphy was elected to the newly created position of Executive Vice President. White and Murphy will assume their new duties on February 1, 1973.

Commenting on Mr. Thurston's request, Frank H. Mueller, Chairman of the Board, said, "We are sorry to lose Mr. Thurston but we can understand his desire to take early retirement. Under his leadership during the past 10 years, the company has grown substantially in sales volume, in plant capacity and in earnings. We commend Mr. Thurston for having developed a very capable executive team, and under the leadership of Harlan White, as our new President, and Bill Murphy, as Executive Vice President, the owners look forward with confidence to continued corporate growth and progress."

Asked about his personal plans for the future, Mr. Thurston pointed out that he has agreed to make himself available at any time in the future to serve as a consultant to Mueller Co. should this ever be required. However, he was quick to point out that he was greatly pleased when the Board of Directors saw fit to elect Harlan White as his successor and to simultaneously promote Bill Murphy. "With two great guys like these taking over the reins, I would not expect to be needed as a consultant," said Thurston. He went on to point out that Harlan White's 17 years with Mueller Co. and his keen analytical ability gives him an excellent grasp of every phase of the company's operations throughout the U.S. and Canada. Mr. Thurston also pointed out that although Bill Murphy will continue to direct the company's entire U.S. marketing program, he will also be assuming some of Thurston's former duties so that they will not all fall on Harlan White.

Thurston plans to remain in Decatur. Although he indicated that he "does not intend to just loaf all day," he was reluctant, at this time, to disclose his personal plans for future involvement in business or civic affairs.

HOUSING STARTS FLUCTUATE IN FALL

Housing starts have been fluctuating during August, September and October, but remain strong.

The seasonally adjusted rate of 2,353,000 units for

September, was about 4% below August, but in October activity increased and starts climbed to about 2,410,000. The October rate was well ahead of the 2,038,000 starts during the same month a year ago.

Despite the changes, economists continued their optimistic views regarding the housing industry and predicted that the market will continue to be strong into next year.

Government officials feel that total starts will reach nearly 2.4 million units this year, up at least 15% from the record 2,052,000 last year.

CHATTANOOGA PLANT EARNS CONTROL FLAG

Mueller Co.'s plant in Chattanooga recently received an air pollution control compliance flag from the Chattanooga-Hamilton County Air Pollution Control Board.

The brown, blue, yellow and green colors of the flag symbolize a clean earth, a clean sky and a bright and unpolluted day. More importantly, the flag indicates that the company is in compliance with the air pollution control ordinance and doing its part for the area program.

Mueller Co. was one of 10 Chattanooga firms requesting the compliance flags which were to be flown as part of the community's observance of Clean Air Day, October 13.

During the current year, Mueller Co. again made a major addition to its air pollution control program with the installation of a new dust collection system for the foundry.

BUSINESS TALKS ABOUT ITSELF

A four-page supplement produced by the U.S. Chamber of Commerce and written by its chief economist is included with this issue of the Newsletter.

It talks about profits, taxes, distribution of corporate income and cash flow in simple, concise terms. Our economic system's record is "not going to speak for itself", so business must do it through media such as this supplement.

Our economic system has been under attack from a number of segments of our society and many feel this results from a lack of understanding of "business." Business writer Max Ways sees the current state of anti-business sentiment not as something transient, or recently inspired, nor related to politics or inflation, but rather as a culmination of years and decades of neglect by business to explain itself to the public.

We hope you take time to read the supplement, think about it and if you have any questions or comments, please pass them along to Editor Joe Penne.

LIGHT IN WEIGHT, HEAVY ON ENDURANCE

"You make your machines so well and they last so long, I'm surprised you sell as many as you do," a satisfied customer confided to a Mueller salesman recently. He should have added that proper use and care are necessary to such long life.

Although Mueller Co. has been producing and improving drilling and tapping machines for more than a century, there is no way to build into the machines safeguards against improper use or tools in poor shape.

Mueller machines are built to last and to withstand exposure to weather, dirt and rough treatment, but exact enough to make a precise cut in steel, iron or asbestos-cement pipe. A Mueller machine must be light in weight, heavy on endurance.

Without proper use and care, the equipment can't give the long service mentioned. Instead, many will find their way back to the Decatur Specialty Department (No. 70) where three men, Charley Mauch, Gene Latch and Lloyd Bruns repair and service about 30 kinds of drilling machines, line stopping machines, plus completion machines, rental equipment and gate valves.

Mauch, who has been tearing down, checking, repairing, assembling and testing customer machines for about five years, feels that the major share of problems are caused by using poor cutting tools with the machines. "The machine binds while it is working, is forced to operate beyond its capabilities and it fails." In other cases, carelessness is the reason for trouble. To compound the problems of the customer and of the Mueller repairmen, someone unfamiliar with the machine might try to repair it, and the equipment is further damaged before it returns to the factory.

It's little wonder that a waterworks man in the service department would have trouble repairing a CL-12 machine, for example. Roughly 200 parts are included in its makeup, ranging from a tiny pin to a dozen gears, all of which must work smoothly for the machine to make 2" to 12" cuts in all kinds of pipe.

About three working days are required to tear down, clean, replace parts, re-assemble and test a CL-12 machine, the most difficult of our machines to repair or to perform preventive maintenance. Once the machine is torn down, the case is cleaned and painted before the slow work of custom re-assembling begins. Each little collar, spacer and gear will be filed, polished and worked over until the new parts mesh perfectly with the old. They are oiled, greased and hand-worked piece-by-piece until the workmen are satisfied the machine is ready for testing — a procedure, Mauch claims, which takes nearly as long as the repairing.

A number of checks are run first to determine the accuracy of the tool position indicator and the feed travel indicator, in addition to assuring that all of the automatic protective features are functioning properly.

From there, the machine is subjected to 10 different checks in an oil-filled tube that is under pressure up to 1,100 pounds per square inch. The final test is an actual cut with the CL-12 machine in which an 11½-inch cut is made on a one-inch piece of flat cast iron plate,



Charley Mauch repairs a CL-12 machine.

placing demands upon the machine that should exceed any normal operations in the field.

Completing work on the CL-12 machine from City Utilities in Springfield, Mo., Charley said, "With proper use, this machine should last for years." Just follow the operating instructions, keep the tools in good shape and give it "some tender, loving care," is his advice.

SOCIAL SECURITY GOES UP IN 1973

Growing Social Security-Medicare programs will gobble up \$63.4 billion in payroll taxes during 1973 — an increase of about \$13.9 billion.

Congress enacted this tax increase on the nation's workers and their employers to pay for a broad expansion of benefits that took place this year. According to a U.S. Chamber publication, it takes more tax money to operate Social Security and Medicare than any other Federal Government activity — except national defense.

The maximum tax paid by an employee (matched dollar-for-dollar by his employer) goes from \$468 in 1972 to \$631 in 1973. This increase is due to a higher rate and a new tax base. The rate jumps from 5.2% this year to 5.85% in 1973, applied to a tax base that goes from \$9,000 in 1972 to \$10,800 next year.

These new funds will be used to help finance a 20% increase in Social Security payments, extensions of coverage of the Medicare program and higher benefits under the Social Security program for widows and widowers.

RULES FOR SUCCESS

Laurence Peter, author of the famed Peter Principle, has now produced the three basic rules of conduct for the harried executive:

1. When in charge, ponder.
2. When in trouble, delegate.
3. When in doubt, mumble.

Service Awards

The following Mueller employees received service awards during October and November:

Outside Sales

20 Years: Robert J. Cope, Warren D. Crawford

Chattanooga

10 Years: Joann G. Cooper

20 Years: Charles E. Leslie, Tom Brady, Jr., Bob Evans, Thomas M. Basham, Willie F. Page, Paul M. Winston

30 Years: William Ben Roy, Clyde D. Scott

Decatur

10 Years: Carl Middleton, Larry L. Hubner, Robert C. Oyler, William A. Hood, Robert E. Helm, Robert Leroy Clark, Jacob Giles, Gerald M. Collins, Eleanor M. Nolen

20 Years: Clifford Endsley, Wendell L. McRoberts, Kenneth L. Smith, Gerald E. Mahaffey, Robert L. Foster, Paul G. Tolbert, James M. Fleenor, W. Eugene Stanley, Bob W. Fulk, Wilber Loy, Dalmar L. Beeson

30 Years: Floyd I. Curry

Brea

10 Years: Marguerite Chilton

20 Years: Hugh Brownridge

Mueller, Limited

20 Years: Lillian Bennett

FAMILIAR FACES IN NEW PLACES

In Chattanooga, Glenn L. Cottrell has been promoted from senior methods engineer to tool engineer, succeeding Robert W. Lusk, who retired.

In Brea, Wayne L. Fike, has been promoted from inventory analyst to production and inventory control supervisor. Richard S. Trzcinski, formerly assistant manager of production and inventory control at Brea, has been named junior tool engineer.

Two promotions have occurred in Decatur. Albert E. Yates has been promoted from industrial technician to industrial engineer, and Robert D. Ritchie, formerly assistant Iron Foundry foreman, has been named Iron Foundry foreman on the night shift.

HOMETOWNS ARE 'RETIREMENT VILLAGES'

Their roots are deep, friends and families are near and the surroundings are familiar. These seem to be the broad appeals that hometowns hold for retirees.

According to the Mueller Co. Directory of Retirees which was just published again, most of the nearly 600 Mueller retirees and their spouses stay close to home and the urge to travel during these carefree days is limited to a

trip to the local grocery store and "vacation-type" jaunts. That urge to move must be strongest in the sales brochures produced by retirement villages.

Of the 115 Mueller Co. retirees from Chattanooga, only three have gone beyond the Georgia-Tennessee-Alabama area to establish their permanent residence.

In many cases of Brea employees, California was not their native state and perhaps it explains the fact that they are a little more mobile than retirees from Chattanooga. Brea's 60 retirees are spread into seven states as far east as Michigan and Texas.

The 400 former Decatur employees on the retirees list have gone to greater lengths (and breadths) than the others to establish retirement homes. They are scattered from California to Florida and the Northeast in more than a dozen states. Numbers of addresses indicate the pleasant climates of California and Florida have most appeal. These are followed by Arizona, Missouri and Arkansas, but Illinois is still "home" for 80% of them.

Retirements

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

Brea

William F. Fletcher, janitor in the Machine Shop, 20 years, 8 months and 8 days, Sept. 19 (Physical Disability Plan)

Linzey L. Kupsh, ground key assembler, 7 years, 9 months and 26 days, Nov. 14

Paul G. Caho, Sales Office manager, 26 years, 7 months and 1 day, Nov. 30 (Physical Disability Plan)

Chattanooga

Elijah Burroughs, Pangborn operator in the Foundry, 18 years, 7 months and 7 days, Oct. 31. (Physical Disability Plan)

Robert Lusk, tool engineer, 40 years, 9 months and 21 days, Nov. 3

EMPLOYEES GIVE TO VIETNAM GI'S

Several hundred pounds of books, magazines, toilet articles and sundries were donated late in October at the Decatur plants for shipment to GIs in Vietnam.

Dept. 33 Draftsman Louis Smith and his wife started the program to make "things a little happier" for servicemen and women in Southeast Asia at Christmas time. The items will be distributed free through USO installations.

Mueller employees dropped their items in boxes located near the office doors and at the guard offices. In addition, they contributed about \$65 in cash, which almost covered the shipping costs.

Smith said, "It has certainly shown that patriotism is still alive in this country. The response has been quite an encouragement for us to continue with more drives in the future."

Some Time Ago At MUELLER

"Civilization has progressed to the point where it is not possible for people any longer to follow the line of least resistance. In the near future no individual or group of individuals will be permitted to pollute the air with smoke and fumes, just as no one may now poison the waters of lakes and streams with city garbage and factory waste, without being penalized. Too many of our citizens have interpreted liberty as a form of license to exercise indifference to public welfare."

This could be taken from a current news release from the Environmental Protection Agency, but this familiar warning comes from The Story of Gas, published by the American Gas Association more than 40 years ago.

An awareness concerning the threat of pollution is obvious, but new needs for energy supplies and the future of the gas industry were much in evidence in the booklet. "In the future, the industries of all countries will be shaped by the energy resources available," the booklet predicted.

This statement was prophetic and visionary in view of the shortages of energy today. The growth of some nations, not just the future of their industries, will be determined by energy supplies.

In 1928, when the booklet was published, the writers urged fuel conservation and proposed that coal could produce more energy if it were used to produce gas, rather than burning it as the primary fuel.

A few years later, natural gas became widely accepted, leading to current limitations on supplies. One solution to this shortage has been to use coal to produce a synthetic fuel with the properties of natural gas. Advocates of this method use the familiar claim, that coal's energies can be more wisely used if they were made into a substitute for natural gas.

The writers of the A.G.A. booklet would be staggered by today's demands for fuel and energy. It may seem hard to believe, but mankind has consumed more energy in the past 30 years than in all history before 1940.

UNITED WAY GIFTS IMPROVE IN DECATUR

The total contributions to the United Way of Decatur and Macon County from Mueller Co. employees were up 12% this year compared with last year.

The percentage of individual participation was down by 3%, but the increase in dollars was due mainly to wider acceptance of the "Fair Share" plan. The biggest improvement took place among hourly workers in the plant, especially in the Foundry, where the total contribution was up nearly \$2,300. Almost two out of three bargaining unit members contributed, including nearly 300 "Fair Shares."

Special efforts by Local 838 President Joseph J. Fyke and Allied Industrial Workers Regional Representative Charles F. "Bud" Riley contributed significantly to the success in the plant.

MUELLER J.A. FIRM BEGINS SALES EFFORT

Members of F.B.T.C. (Future Business Training Company) have begun their sales campaign and "A Thinking Game" called Concentrite may be purchased from our Decatur Junior Achievers for \$1.25.

F.B.T.C., a Junior Achievement firm sponsored by Mueller Co., began producing the simple game in October. Concentrite consists of a triangular wooden block with 15 holes in it. Each hole has a peg and the object of the game is to eliminate all of the pegs, except one, by jumping in a straight line.

The scoring system runs from a "Dingbat", a player who leaves five pegs on the board, down to a "Concentriter", a player who has only one peg left on the board.

F.B.T.C. currently has 18 high school-age achievers working on the production, sales and management of the miniature company. Officers are:

Kris Ray, president
Wendi Westbrook, vice president — sales
Ruth Romero, vice president — manufacturing
Debbie Coleman, vice president — personnel
Libby Snelson, secretary
Terry Stiers, treasurer

Serving as advisors to the young people are Mueller Co.'s Ray Ewing, Bill Lawyer, Jack O'Riley and Larry Warfield.

11 VENEZUELANAS VISIT DECATUR

Eleven engineers from Venezuela in the United States for a year to study the U.S. natural gas industry, recently spent three days in Decatur becoming familiar with Mueller gas products and touring our plants.

They are in this country under the sponsorship of the National Oil Company of Venezuela and enrolled in a study program at the Institute of Gas Technology, Chicago.

They will examine all facets of natural gas production, distribution and management through classroom work, field trips and visits to major suppliers of the U.S. industry.

Venezuela currently uses little of its available natural gas and the future of the industry in that country will be determined, for the most part, by these engineers and others who succeed them in the study program.

The married men are accompanied by their families and since they came to this country in June, two babies have been born here.

A NEW FACE IN A NEW PLACE

Dan L. Carlson joined Mueller Co. October 17 in the newly-created position of internal auditor. Carlson held various accounting positions with the Hyster Company and was corporate cost accounting director in Portland, Oregon, before he came to Mueller Co. He received his bachelor's degree in business administration from the University of Iowa in 1967.