

NEWSLETTER

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Joe Penne, Editor

CHARLES W. MOORE NAMED VICE PRESIDENT

Charles W. Moore, who has been manager of manufacturing since last September, was elected a Mueller Co. officer and named vice president-manufacturing at the firm's annual meeting Feb. 8 in Decatur.

Re-elected to the Mueller Co. Board of Directors at the annual shareholder's meeting were:

Frank H. Mueller, chairman
Robert V. Krikorian, chairman of the executive comm.
Adolph Mueller II
Mrs. Bessie I. Mueller
Philip M. Mueller
William E. Murphy
John A. Schluter
Mrs. Lenore Mueller Schmick
Franklin B. Schmick
Harlan A. White

The retirements of John F. Thurston and E.K. Scheiter from the board were also announced at the annual meeting.

Company officers elected by the board in addition to Moore were:

Frank H. Mueller, chairman
Harlan A. White, president
William E. Murphy, executive vice president
Lyle R. Huff, vice president and secretary-treasurer
W. R. Leopold, vice president-engineering
Robert W. Mallow, assistant secretary

Moore, a native of Decatur, first joined Mueller Co. in 1940 working part-time in the factory while attending Millikin University. Following service he returned to Millikin and then rejoined the company in 1948 as a time study engineer when he received his B. S. degree in business administration.

He has served as plant industrial engineer, assistant factory manager in Decatur and was manager of quality and materials control for all of the company's U.S. plants. In 1964 Moore was named assistant manager of the Mueller plant in Chattanooga, Tenn., and then in 1967 he returned to Decatur as assistant to the vice president-manufacturing.

Moore was assistant plant manager in Decatur from mid-1970 until Sept. 1, 1972, when he was named manager of manufacturing for all U.S. plants.

As vice president-manufacturing, Moore succeeds Paul Hickman, who retired Sept. 30, 1972.

SALES REACH RECORD. BUT PROFITS SLIP IN 1972

Consolidated sales of Mueller Co. and its subsidiaries reached a record high in our last fiscal year. Throughout 1972 construction activity in both the United States and Canada continued the strong advance that started in 1971. In spite of the higher sales activity, consolidated operating results were slightly lower than in the previous year, according to Mueller President Harlan A. White.

Although our sales were up in all United States plants, pre-tax profits were actually down with most of this drop traceable to more competitive conditions for many of our products. In addition, our increased sales activity required us to add about 250 to our labor force, and it has been extremely costly to train these new employees on their jobs. "We believe our work force has become stabilized in number and hopefully efficiencies will result as experience is gained", White said.

The Canadian subsidiary had an outstanding year in spite of the difficulties inherent in abandoning the plumbing goods business. Although the volume of sales of plumbing goods was off substantially from the preceding year, sales of water, gas and St. Jerome products showed a healthy increase.

Total sales could very well be off from 1972 due to anticipated lower housing starts and reduced government spending. The shortage of natural gas may also have an adverse effect upon our sales as the year progresses. Increased cost of metals used is already having an adverse effect on our operating results. Brass ingot has increased \$.0725 per pound since the first of January and scrap steel is now selling at \$18.54 per ton more than when our budget was set. In spite of these adverse factors, "we believe that 1973 will still be a good year for Mueller Co.", White said.

OLD MOVIES SET FOR RETIREE MEETING

Movies taken at the Mueller picnic in 1941 and at the company's centennial celebration in Fairview Park in 1957 will be shown at the next meeting of the men retirees in Decatur. The March meeting will be at 11:30 a.m. on the 8th in the Scanda House, 1610 E. Pershing Rd.

Fifty-four Mueller men attended the February meeting and a number of recent retirees were welcomed by the group.

SECURE PENSIONS NEED MORE THAN JUST MONEY

"How secure is my pension?"

This question and its implications have become subjects recently for commentary from Ralph Nader, a Senate Committee and a network television special, as well as one of natural concern to workers and retirees.

While there have been cases where pension monies have been depleted through poor funding or where, through mismanagement, some individuals were unable to collect pensions, little is said about the 30 million American workers covered by private pension plans, involving as much as \$30 billion in assets.

Through prudent management and adequate funding, more than 300 Mueller retirees or spouses received regular retirement benefits totaling more than \$800,000 last year. In addition, the company is providing for an equally secure program for future retirees by setting aside specified amounts each year. Several million dollars in assets back up the three trust funds maintained to assure strict control and solvency.

Although Mueller Co. has one of the oldest non-contributory pension programs in the country, it is revised from time-to-time to keep it "competitive" with other industry.

The three individual trustees, A.G. Webber, Jr., retired former chairman of the board; President Harlan A. White, and Vice President and Secretary-Treasurer Lyle R. Huff, are appointed by the Mueller Board of Directors to administer the program, according to the detailed provisions set down in the plans.

The services of outside firms are important to the operation of the pension programs. Three banking institutions take care of much of the detail work, including check writing and mailing.

Investment professionals have the job of wisely investing the trust money in securities. Their job is to gain the best return on the funds, while assuring the safety of the money.

Another group of outside professionals is utilized to determine the proper amounts that must be set aside each year to assure adequate funding for the future. From a list of employees, which includes ages, years of service, and earnings, our actuaries project and compute what it would cost to cover all pension demands if the current labor force worked another year. In addition, they take into consideration changes in the work force, pay rates or benefit changes as they run these annual calculations. The cost for maintaining the current retirement program for 1972 was set at \$1,350,000.

The mechanics of the pension program are rather simple for employees. As a worker prepares for retirement, he reviews the plan with his personnel director and together they figure the individual's income, considering options, years of service and wages. This income figure is reviewed by the indivi-

dual trustees who ultimately will send in the final authorization for payment to the banking institution handling the trust fund involved.

"Our pension plans are well funded and therefore our employees are protected. Further, no part of these funds can ever be returned to the company," Lyle Huff declared.

The duties of the trustees are carefully spelled out and there is no way for them to make adjustments or alter procedures, he said.

Security of the Mueller Co. pension program means security at retirement time for employees.

CHATTANOOGA CITES LOCAL MANUFACTURERS

Chattanooga Manufacturers Week was observed early in February as part of an effort by the Chattanooga Manufacturers Association (CMA) to impress upon area citizens the important contribution industry makes to the economy.

CMA officials stated that Chattanooga is the number 10 manufacturing city in the nation in the number of manufacturing workers as a per cent of the non-agricultural employment.

In discussing the value of industry, they said the local manufacturing payroll per day is about \$1,382,832.

Great strides also have been made by industry in the area of pollution fighting. The city was called the "worst polluted city in the nation between 1961-65" and now Chattanooga is among the cleanest of cities, according to CMA officials.

To meet compliance deadlines, it was stated that Chattanooga and Hamilton County industries have already spent about \$31½ million for pollution control equipment.

ENERGY IS NO. 1 DOMESTIC PROBLEM

Our number one domestic problem is finding new sources of primary energy, according to many.

A booklet produced by the Gas Appliance Manufacturers Association called "Energy For You--Today and Tomorrow" describing some of our energy problems and the solutions being sought--especially by the gas industry--is enclosed in this issue of the NEWSLETTER.

As a user and as a manufacturer for the natural gas industry, Mueller Co. wants to do what it can to conserve this vital energy resource and to work wherever possible toward finding solutions.

FAMILIAR FACES IN NEW PLACES

John E. Puckett, formerly a machine operator in the Specialty Department, Decatur, has been promoted to assistant Specialty foreman (third shift).

In Chattanooga, Jackie L. Saunders, formerly shift foreman of the parts warehouse, has been promoted to shift foreman of the warehouse and Assembly Department.

HOUSING STARTS SET NEW RECORD IN 1972

Housing starts for 1972 totaled about 2,353,000 units, setting a mark about 15% ahead of 1972's record level.

December's rate was changed only slightly from that of November, and the December pace was about 2.6% below the same month in 1971.

Peter C. Manus, acting assistant commerce secretary for economic affairs, said, "Housing starts have remained at a high level in recent months even though the home building boom is more than two years old. This is somewhat unusual, since housing has long been an extremely volatile industry."

Mr. Manus cited several indications that housing will remain strong in 1973. He said demand doesn't show any signs of slackening and vacancy rates still are below the levels of the early and mid-1960's. In addition, he said funds are still readily available and interest rates remain relatively moderate.

He added that the current high level of building permits and housing starts indicate that home building will continue at a high level for some months to come.

Michael Sumichrast, chief economist for the National Association of Home Builders, expressed similar views, calling 1972 as a whole "extremely good" and looking for 1973 to continue strong.

EMPLOYEE WINS A-1, MODEL "A"

Ray Kaufman, Decatur Tool Room, has a new car. It has bucket seats, stick shift, and all of the pollution control devices necessary for the latest models.

It also has a running board, allowing the Kaufmans to take that big step necessary to get into their red 1930 Model "A" Ford touring car, complete with side curtains and spare tires mounted on the sides.

You see on television or read about the "big" contest giveaway items, but never hear about the winners. The Kaufmans are evidence that people really do win these prizes.

Their new Model "A" was one of five given away nationally in Standard Oil Company's "Hats Off To the Past" contest that included campaign buttons from early elections as handouts and player pianos as prizes, in addition to five replicas of the old Ford.

It really was Mrs. Kaufman's name on the entry blank, but Ray says it's the family's car. He adds that they plan to keep it for a while because his four children "wouldn't let us part with it now."

By now, everyone in their home community of Blue Mound recognizes the car, but in Decatur or on the highway it causes honks, stares, and looks of amazement. The Kaufmans also have a 1966 Ford and a 1969 pickup truck that Ray drives to his second shift job as a toolmaker.

The custom-built car was made in Florida and the 1,700 miles on its odometer registered the drive from

there to Chicago, plus the trip to Blue Mound when it was delivered. It is equipped with a 302-cubic-inch, V-8 engine and automatic transmission. The body is constructed of today's fiber glass, but the interior design closely copies that of the early Fords. The car is valued at about \$7,000, leading Ray to refuse an offer by an individual to trade it for a new Chevrolet Monte Carlo.

People currently are searching for instant nostalgia, buying reproductions of the old or searching out the well-used. Today, there's a lot new in what's old.

Retirements

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

Chattanooga

John L. Bray, truck and core set off man in the Core Room, 17 years, 10 months and 30 days, Jan 31. (80 Plan)

Burnest S. Hays, slinger operator molder, 18 years, 9 months and 2 days, Jan. 3, (80 Plan)

Decatur

William Brunner, tool maker in Dept. 36, 48 years, 6 months and 5 days, Feb. 6.

Eldred W. Connors, lathe operator in Dept. 80, 47 years, 8 months and 1 day, Jan. 27.

Mueller, Limited

Milton Ellenor, fork lift truck operator, 29 years, 3 months, Jan. 1.

George Foslett, turret lathe operator, 31 years, 5 months, 16 days, Jan 1.

Howard F. Taylor, turret lathe operator, 31 years, 11 months, 15 days, Jan. 1.

Harold Taylor, combination drill and tap grinder, 29 years, 7 months, 5 days, Feb. 3.

LEON NELSON HEADS DECATUR CREDIT UNION

Leon M. Nelson, data processing operations manager, has been elected president of the Mueller Co. Employees Credit Union, Decatur, succeeding Charles L. Brown.

Other officers re-elected at the annual meeting were: Vice President Cecil Wilson (Dept. 80), Secretary R. Dale Streight (machine repair) and Treasurer-Manager Harold Munsterman.

During 1972, there were 106 new members added, bringing the total membership up to about 1,775. Assets, up about seven percent, now total just over \$3 million with more than \$1.7 million out on loan. About 1,100 loans were made last year, including 13 to college students under the Illinois Guaranteed Student Loan Program. Since the credit union began operating 28 years ago, \$34,799,000 have been loaned.

**TO EVERY EMPLOYEE OF MUELLER CO.
AND MUELLER, LIMITED:**

Although I could never get to know all of you on a personal basis, I do know a great many of you in every one of our U.S. and Canadian plants. How I have wished that there were some way I could get around to every department in every plant to say "Good-Bye" to all of you before I ended my active duty! Obviously, this was impossible.

However, I want all of you to know how much I have enjoyed my years here and how much I have appreciated the loyal support and the individual effort of this wonderful group of "Mueller People" all across the U.S. and Canada.

I send you my warmest regards, my sincere thanks and my very best wishes for the future.

This is a great organization--and I am confident that, with your continued support, it always will be!

Good-bye and good luck to you all!

Sincerely,



John F. Thurston

January 31, 1973

**RETIREMENT TIPS
GIVEN TO THURSTONS**

(Learning of the retirement of John F. Thurston, Mueller Co. president for almost 10 years, the president of "Do Little Plantation" Hollister, Missouri, passed along a few tips. In retirement, the Thurstons hope to heed the suggestions and follow the philosophies that have made retirement such a joy for Stan Ashby, retired Plant 4 foreman, and his wife. With Stan's permission, we quote from his letter to Mr. Thurston, a letter showing contentment and love, along with a touch of humor.)

Stan writes: "Wherever you go or whatever you do, I pray that you and your wife find as much joy, pleasure and happiness as my dear wife and I have found in retirement.

"I hope you can get up in the a.m. and with a cup of coffee, pipe and your wife, sit in your chair and watch the birds at the feeders for an hour or more in the morning. Talk of the things you have to do that day, then of the things you should do, then get out and do the things you want to do.

"I hope some hot day while you are working in the yard you take a break. Get a cold beer, your pipe and sit on a rock in the shade and watch a bluebird build a nest in the house you have made.

"I hope on some beautiful day, when the sky is so blue and the sun is so bright, you have lots of yard work to do. But instead of doing it, you sit on a nice yard chair under the shade tree and watch the neighbors work, watch a mole make a tunnel in your yard, or watch the eagle and the hawk flying overhead.

"I hope you have a hobby so that on bad days you can make time just fly by.

"I hope you have lots to do, lots that you want to do but nothing you have to do. May there never be too many hours in a day that it seems they drag by instead of flying by.

"Get up early so you see the beautiful day break and the sun rise. Besides it gives you a longer day to loaf."

At the bottom of the letter Stan attached his calling card. It reads: "Stan Ashby, Retired Boy Scout. No Phone. No Address. No Worries. No Money."

(We wish John and Betty Thurston the same happiness and contentment the Ashbys have found in retirement.)

**ANNUAL MEETING HELD
BY MUELLER, LIMITED**

Harlan A. White, Mueller Co. president, has been named Chairman of the Board of Directors of Mueller, Limited, Sarnia. He succeeds John F. Thurston who has retired.

Re-elected to the Board at the annual shareholder's meeting were:

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

Mueller, Limited officers elected by the Board were:

Harlan A. White, chairman
George A. McAvity, president and chief exec. officer
R. M. Nicolson, vice president
Charles S. Browett, secretary-treasurer and controller
Harry J. Dowding, manufacturing manager

Dowding, a member of the Board for the past year, was named a company officer at the recent meeting.

Service Awards

The following Mueller employees received service awards during January.

Mueller, Limited

10 Years: Verne (Buckey) Wright, James Chute
Helen Robotham

Chattanooga

10 Years: Albert Dale, Thomas R. Scarbrough
20 Years: Robert C. Martin, Winfred G. Frasier,
James C. Potter, George Hunter

Decatur

10 Years: James W. Gentzyel
20 Years: Donal R. Page, Lloyd O. Huffman, John C. Boles