THE TEXACO STAR

SEPTEMBER 1963

ON THE PROSPERING PENINSULA

SEA BRIDGE

This U.S. Navy Hydrographic map has hung on a wall in Texaco's Marine Department offices for many years. It is a working chart that shows the day-to-day position on the seas of every tanker in the Company's fleet. As the ships move, the models representing them on the map are moved.

Texaco's fleet of large tankers and other vessels transports more than a million barrels of crude oil and finished products a day. Ultimate destination: more than 100 countries in the free world. The fleet is a growing one, as "Another Name on the Map," Page 16, shows.

THE TEXACO STAR

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THE COVER: Like the motorist here spinning along in the bright Florida sunshine, Florida's economy is really rolling. Its rapidly expanding population is one reason. Greatly increased industrialization is another. For a report on the Sunshine State's fast-emerging importance as an industrial leader, see "Florida: Prospering Peninsula," beginning on Page 2 of this issue.

THE TEXACO STAR
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At an airbase near Cape Canaveral, a display of missiles reminds visitors both of Air Force missile strength and of Florida's role in aerospace progress. Since the Cape's soaring development, scores of aerospace manufacturers have established Florida plants. Texaco is an important supplier of their industry.

FLORIDA

PROSPERING PENINSULA

At Cape Canaveral this May, everything was "go"—and astronaut Gordon Cooper blasted off on his history-making space flight. In the rest of Florida, everything was "grow." The rate at which that state is growing could make history, too.

Florida has been growing at a phenomenal rate for the past 10 years. Its population increase between 1950 and 1960 was the highest of any state's. It now ranks ninth in population; in 1950 it ranked 20th.

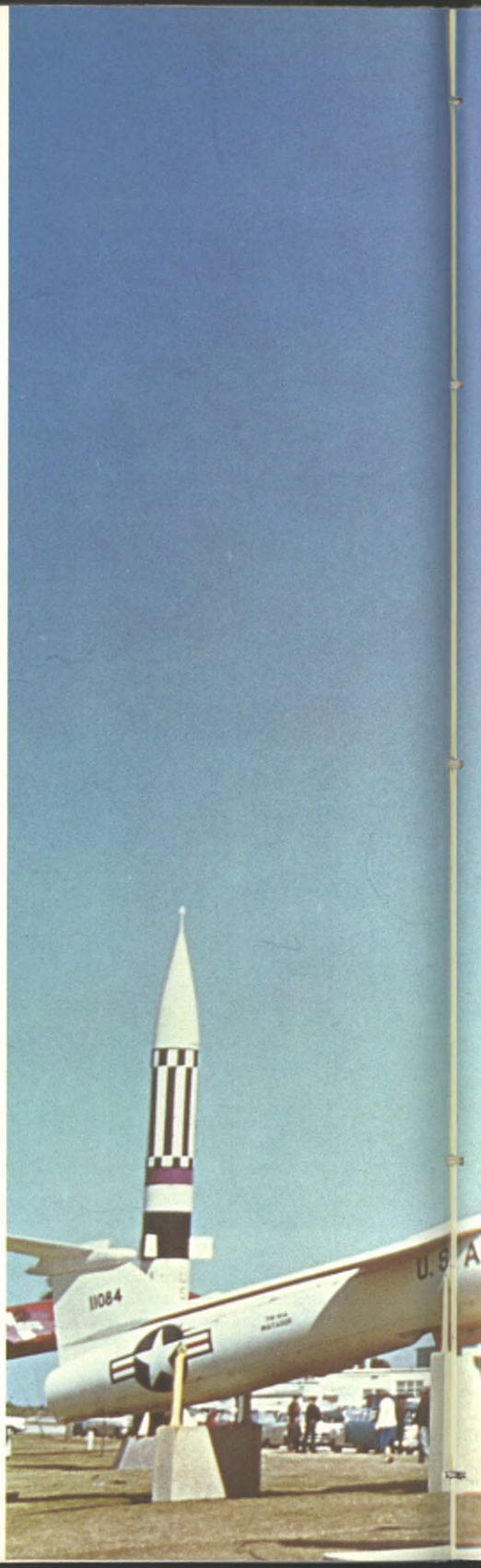
Florida's industrial growth over the last decade has been just as spectacular. In 1960, industrial employment was double that of 10 years earlier. By all odds, Florida will have become a major industrial state by the end of the 1960's.

As a market for petroleum products, this prospering peninsula never looked better, and in the spring of last year Texaco strengthened its marketing forces in Florida with the establishment of an Orlando Sales Division. The Orlando Division was created in recognition of the tremendous growth in Florida—a growth that shows itself in many ways.

Using personal income as a measure, Florida is the fastest growing major consumer market in the United States. Between 1950 and 1961, Floridians' personal income rose 185.8 percent. This was the largest increase in the nation and twice the national rate.

Nearly 13 million tourists visited Florida in 1961, and about 80 percent of them arrived in automobiles. Altogether, they spent more than two billion dollars during their stay. It can be assumed that a fair amount of that very considerable total was spent by motorists on petroleum products. It is a matter of record that in 1962, the state's total consumption of gasoline was well over two billion gallons. Florida obviously is a flourishing consumer market.

As an industrial market, it burgeons, too. During the




S. AIR FORCE
TEXACO

About four-fifths of the tourists who flock to Florida each year arrive in automobiles, keeping superhighways like the one at right busy. Texaco service stations like the one below are there to greet them, and gleaming new apartments are being built at record rates to provide homes for those who stay.

decade from 1950 to 1960, Florida manufacturing employment increased by 102 percent. Value added by manufacture rose more than 78 percent, while the national gain was about 20 percent.

Florida industry is healthily diversified. No one category dominates. The electronics, aircraft, and missiles group may hold the spotlight, but in less exotic fields there have been important developments. Paper, chemicals, metal fabrication, furniture and fixtures, agriculture all have made huge strides in recent years.

Texaco's tested versatility in serving national and world industry assures it wide acceptance among the state's industrial newcomers as well as among Florida's long-established enterprises.

One of Florida's oldest and most important industries, of course, is the citrus business. Since the war and the development of high-speed processing machinery, this business has developed into a marvel of mechanization. About the only thing citrus processors have not been able to mechanize, in fact, is the weather.

At Bradenton, south of Tampa, a good Texaco customer who ships cartoned and bottled citrus juice all over the country regularly processes 180,000 boxes of oranges a week (there are, roughly, 200 oranges in a box).

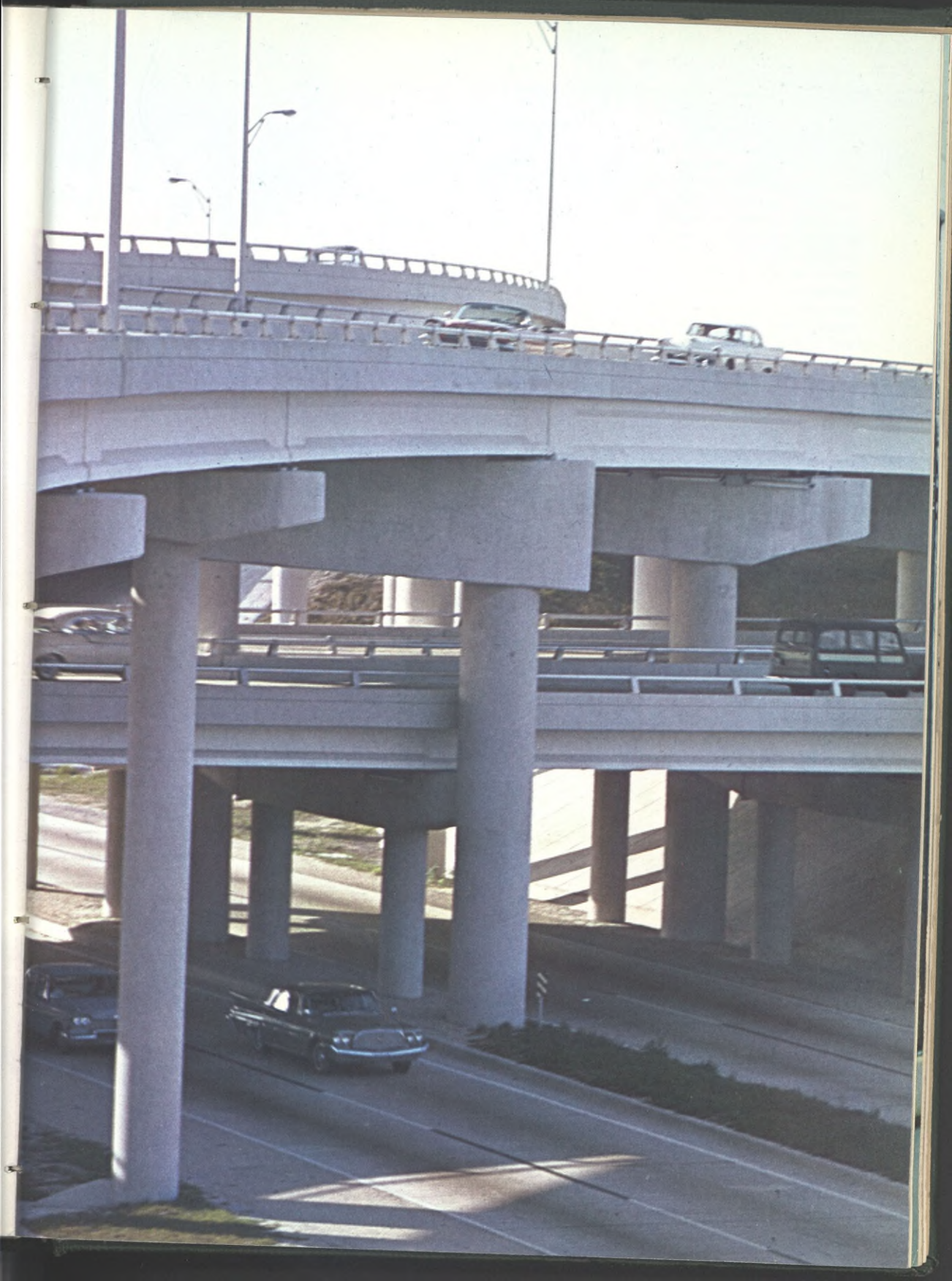
The fruit arrives in open semitrailers that are driven onto a hydraulic platform outside the processing buildings. The platform is tilted and the trailer's cargo tumbles into a conveyor system that carries it to an inspection line. Here, sharp-eyed women cull damaged fruit.

Fruit that passes inspection is carried, again on a conveyor, to gleaming machinery that automatically halves and reams it. Rinds are ground and sold as cattle feed, and the orange juice is shipped to market. In six minutes 450 crates can be processed.

The juice is kept under refrigeration, and a certain amount of it is frozen into blocks and stored in below-zero vaults against the possibility of a crop failure. The plant uses 42 ammonia compressors as part of its refrigeration system, and Texaco supplies the lubricants for them. About 80 percent of the oranges grown in Florida these days, incidentally, are used for juice.

Citrus farming, shrimping, cattle raising, vegetable farming, and phosphate mining are the old-line Florida revenue producers, and Texaco has good customers in each category.

Continued on Page 8



RAISING CANE IN A CRISIS

Until the Federal Government placed an embargo on the import of Cuban sugar several years ago, about a third of this country's sugar requirement was filled by Cuba. Out of the Cuban crisis has come a need for more domestic sugar production, and at Belle Glade, Florida, the Sugar Cane Growers Cooperative works to meet that need. In the photo at right, a cane loader harvests a crop. Below, cane tops are burned before cane is cut (burning removes dry leaves, making the cane easier and more economical to handle). At bottom, molasses is stored in pan receivers before being sent to the centrifuges that separate it from sugar. Texaco products are on the job in the fields and mills at Belle Glade and in other busy centers of domestic sugar production.


CATERPILLAR

Shrimp by the ton, right, is unloaded when the shrimp boats come into Tampa. Below, women inspect and sort one Florida product everyone knows about, and at bottom another, less known one, is being harvested. It is celery, one of dozens of truck farm crops grown in the state. Much of Florida's edible abundance is gathered and processed by Texaco customers.

It also is an important supplier to the newer-than-new aerospace effort: about 90 percent of the lubricants used at Cape Canaveral are Texaco's.

Florida's State Development Commission invests more than two million dollars a year in advertising for tourism, industry, agriculture, and other phases of the economy. Its efforts to attract industry have been notably successful. Last year, 770 new industries were established—and there were major expansions in existing ones. About 22,000 jobs were created. Significantly, many of the new plants opened were regional facilities of national companies, set up to service a wide marketing area—not just Florida.

Far down on the Florida Keys, a curving hairline of sandy islands connected by bridges that stretches some 200 miles south of Miami, more evidence of phenomenal growth over the last few years can be seen.

At Marathon, about two-thirds of the way to Key West, another Texaco customer is a cooperatively owned power company. As late as 1947 only a few hundred people lived in this area and, incredibly, there was no community power available at all. A few families had backyard generators to provide electric light for themselves, but most used old-fashioned kerosine lamps.

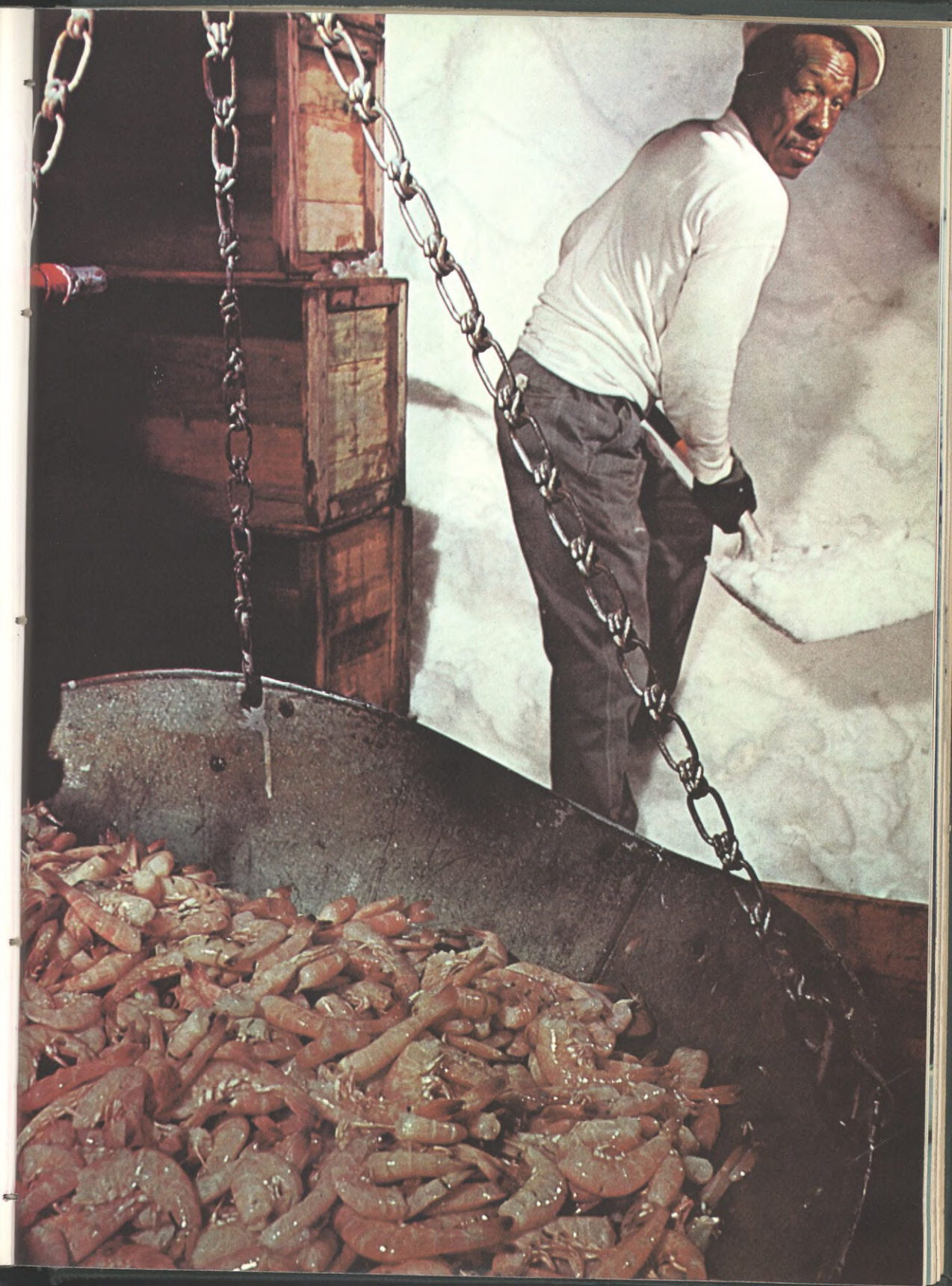
Today the cooperative serves 4,000 homes, and its output keeps growing. It provided 23 percent more power last year than it did in 1961, and it predicts that its sales will double in about three more years if the present growth rate holds up.

To a great many people, Florida still means Miami Beach, mostly. Considering the increasing diversification of business in the state, this impression is far from accurate. But it *is* a fact that tourism remains Florida's biggest single source of income, and Miami Beach reflects the growth of that industry with dazzling force.

Until the late '40s, elegant hotels preened along the beach for perhaps 20 blocks in a virtually solid architectural pastiche. At the end of those 20 blocks, elegance turned into emptiness—long stretches of knee-high grass bordering the 40 miles of road to Fort Lauderdale, accented every few miles by a diner or a souvenir stand.

Today, the beach hotels create a 125-block glitter, and where they leave off the plush motels begin. All the way to Fort Lauderdale, a motorist never is more than a few minutes from a place to stop for the night.

It was to more efficiently serve the needs created by



At right, a huge dragline, used to mine phosphate, has its pulley wheels lubricated with Texaco grease. Florida is the nation's largest phosphate producer. Texaco terminals, like the one at Port Everglade, shown below, serve industrial customers throughout the state.

Florida's boom that the Orlando Division of Texaco's Sales Department was set up. From the Orlando headquarters, five sales districts are administered—each district having its own consumer and industrial representatives. Put together, the districts cover all of Florida and nearly half of southern Georgia. District headquarters are spotted through Florida at Tallahassee (northwest), Jacksonville (northeast), Tampa (west-central), Miami (southeast), and Orlando (central).

The Division has its hands full. Just in the last five years, the number of Texaco service stations in Florida has increased by 41 percent, and the number of Texaco marinas by 58 percent. Product for these consumer outlets, and for industrial accounts, is delivered by tankers from the Company's Port Arthur, Texas, refinery, to deepwater terminals at Tampa, Port Everglades (a little north of Miami), and Jacksonville and a barge terminal at Panama City.

Florida has always enjoyed its place in the sun, but from time to time has been badly burned by a too-heavy dependence on the tourists its sun attracts. Now that it has developed a broad range of industry, and is aggressively going after more, it has effective protection against boom-and-bust. Texaco is in good shape to provide the petroleum energy this new industrialization will demand. •

THE COMMON MARKET: NEW POWER IN WORLD TRADE

Editor's Note: Anyone interested in international commerce knows, by now, of the Common Market that has been formed by six European countries. What the Texaco stockholder or employe may not know is how international oil trade is likely to be affected by the Common Market. The following article, adapted from a speech recently given by Stanley T. Crossland, Texaco Vice President in Charge of Finance and Economics, explains the Market's probable effects on the industry's international operations.

SINCE THEY SIGNED the Treaty of Rome in March, 1957, six West European countries have been cooperating to create a common market for free trade that may prove to be one of the most significant economic developments in Europe's history. Certainly, in the long run, it will prove significant for the international oil industry.

The Common Market—known formally as the European Economic Community (E.E.C.)—was organized six years ago by France, Belgium, Luxembourg, West Germany, Italy, and the Netherlands. Economic cooperation in Western Europe was extensive before that time, but the Common Market is unprecedented because it will eventually mean a complete integration of its member countries' economies.

The European Economic Community has two major economic goals. One is to abolish all restrictions on the movement of goods, labor, and capital between member countries. The other is to put all trade restrictions—such as tariffs, which members maintain against outsiders—on a uniform basis. In other words, the Six will behave in external trade matters as if they were a single country. Internally, the effect will be to eliminate national boundaries as a factor in their domestic trade.

The creation of a common market was to be accomplished gradually—by 1973 at the latest. The schedule has been substantially stepped up, however, so that a full common market, except for agricultural products, may now be completed by the end of 1968. Tariffs on trade between member countries have already been reduced by 60 percent. France's veto early this year of Britain's bid to enter the Common Market may slow up future progress, but all member countries are committed to carry forward the program of economic integration laid down in the Treaty of Rome, which established the European Economic Community.

To Americans, who have grown up in what amounts to the world's first common market, free trade between states seems perfectly natural. To Europeans, who for centuries have been accustomed to high tariff walls between countries that made it hard for foreign traders to get in, it is a revelation.

THE COMMON MARKET is as important to the political future of Western Europe as it is to Western Europe's economic outlook. Though the Rome Treaty says nothing about political integration, the question of political sovereignty is clearly involved and is a paramount issue in almost all of the economic decisions taken by the Common Market countries. Member countries have already had to surrender a great deal of political authority over economic matters to a supra-national central commission. As economic integration progresses, closer political cooperation will be required to assure the continuing success and even existence of the Common Market.

In the past, the United States has actively supported economic integration in Western Europe, primarily because a strong European economy is needed to withstand the pressures of international communism. The Common Market has over 175 million people and produces about $220 billion of goods and services. The resources of Great Britain, Switzerland, Austria, Portugal, Sweden, Norway, and Denmark, who make up the European Free Trade Area and are potential associates or members of the Common Market, could add another 90 million people and $125 billion of production, for a total population of 265 million and production of $345 billion. The United States has 185 million people and in 1962 its output of goods and services was $550 billion. The resources of both the United States and Western Europe are enormous and in any struggle with the Soviet Union, a strong and prosperous Western Europe would be a source of strength to the Atlantic Community.

While a successful Common Market provides a good buffer to the Communists in Europe, it also creates a strong competitor in world trade for the United States and other non-member countries. And it must be realized that the E.E.C. will discriminate against the trade of outsiders. As the internal tariffs of the Community are reduced to zero, it will become increasingly difficult for non-members to compete in the markets of the Six.

American exporters, for example, will still have to sell over a tariff wall—the uniform external tariff of the Common Market against outsiders—but producers within the Community will have tariff-free access to any other market of the Six. Some farm products of the United States (wheat, poultry, meats) will be seriously affected. However, U.S. exports of manufactured goods should increase over the long term, although some industries are likely to be hurt in the transition period. As the United States now sells about $4 billion of products to the Common Market compared to purchases of $2.5 billion, maintaining ready competitive access to this large market is of major importance to American exporters.

The impact of the Common Market upon the international petroleum trade is not expected to be significant in the short term. Since the end of World War II, Western Europe has built up a large refining industry based almost entirely on the import of crude oil from sources outside Europe, chiefly the Middle East. Zero tariffs on crude oil were the rule in most countries of Western Europe before the E.E.C. was established. The Rome Treaty specifically provides that crude oil imports into the Common Market countries shall remain duty-free.

Common Market tariffs on petroleum products, imports of which are small compared to crude oil, have not yet been fixed. Discussions about the level of these tariffs are taking place, but final agreement is not expected for some time.

In the longer term, petroleum consumption within the Common Market should be somewhat greater as the result of economic integration. The petroleum market of the Six is now over 3 million barrels daily, or about a third of the 10-million U.S. market. But the growth of demand in the Six is expected to be nearly 11 percent annually over the next few years, compared to about 2.5 percent in the United States.

One of the major factors behind Europe's demand growth is its industrial expansion and the increasing conversion from coal to oil. In 1962 coal still accounted for about 65 percent of Western Europe's total energy consumption, compared to 32 percent for oil and gas. In the United States, oil-and-gas' share is 74 percent and coal's 25 percent. Per capita oil consumption is also much lower in Western Europe—only 5.5 barrels a year, compared to almost 20 in the United States.

THERE WILL ALSO BE some changes in the petroleum industry within the Common Market in the long run. Already the trend is toward much greater use of crude oil pipe lines on the Continent. Much of this might not have been possible a few years ago. Larger refineries and petrochemical plants are being built, without consideration for country boundaries, to serve markets in more than one E.E.C. country.

Texaco is in a good position to take advantage of all these opportunities. Its overseas marketing affiliate, Caltex—in which the Company owns a 50 percent interest—markets in all E.E.C. countries. Caltex has interests in refineries in France and Italy, has a refinery in Holland, and is building one in West Germany. It also participates in three pipe line systems within the Common Market.

There will be problems along with potentialities as the E.E.C. moves toward fuller integration. The size of its area and resources makes it a powerful new force in world trade. Its policies will have far-reaching effects on all countries. So it is important that Common Market leaders maintain an outward, rather than inward, view.

The United States' 1962 Trade Expansion Act was designed to reduce the tariff barriers surrounding the Common Market, through negotiations and in return for similar tariff concessions by this and other free world countries. These negotiations are scheduled to start next year. If they are successful, tariff reductions will eliminate some of the discriminatory aspects of the Common Market.

Since the strengthening of the free world is our primary objective, it seems clear that the Common Market countries, the United States, and other free world nations should cooperate to lower trade barriers. By enlarging the area of free competition in this way, all countries, including developing countries in Latin America, Africa, and the Far East, will stand to benefit. •

Beneath the derrick floor, conductor pipes for drilling tools poke the Gulf's surface only yards apart, but the bottoms of the wells may be separated by hundreds of feet. More conductor pipes eventually will be positioned in collars that now sit empty.

As many as 24 wells can be completed from this one Louisiana offshore platform, using ingenious directional drilling methods.

THE WELLS IN SOUTH PASS

IN THE OIL BUSINESS, sometimes, you can be down and out and be happy about it.

Off the mouth of the Mississippi River in the Gulf Coast at South Pass, Louisiana, Texaco has a 75 percent interest in two 24-well drilling platforms from which drill pipe goes both down and out, and the operations there are eminently successful. They are just about the ultimate in directional drilling.

From each platform, a single well can be drilled straight down—and 23 others can be completed in different directions. As far as Texaco knows, these platforms are capable of accommodating more wells than any others in the Gulf Coast area.

Key to this unusual offshore operation is a Texaco-patented double joint that makes the strings of drill pipe especially flexible.

In Block 37, the drilling platforms have been set up on a 2,500-acre lease in water that is, on the average, 110 feet deep. So far, 27 producing oil wells, all of which are dual completions, have been brought in. Two gas wells have been completed. The oil wells are connected to an inshore storage terminal at Garden Island Bay, 12 miles away on Louisiana's southeastern tip, by a pipe line that carries the production to land.

Drilling by Texaco in Block 37 started in March, 1960. It was originally carried out from a two-well tender-type platform and later from a movable rig called *Mr. Gus*. Three wells were drilled to confirm the existence of a salt dome that earlier seismic work had indicated should be beneath the Gulf's surface. These wells were producers: the seismic exploration had been successful.

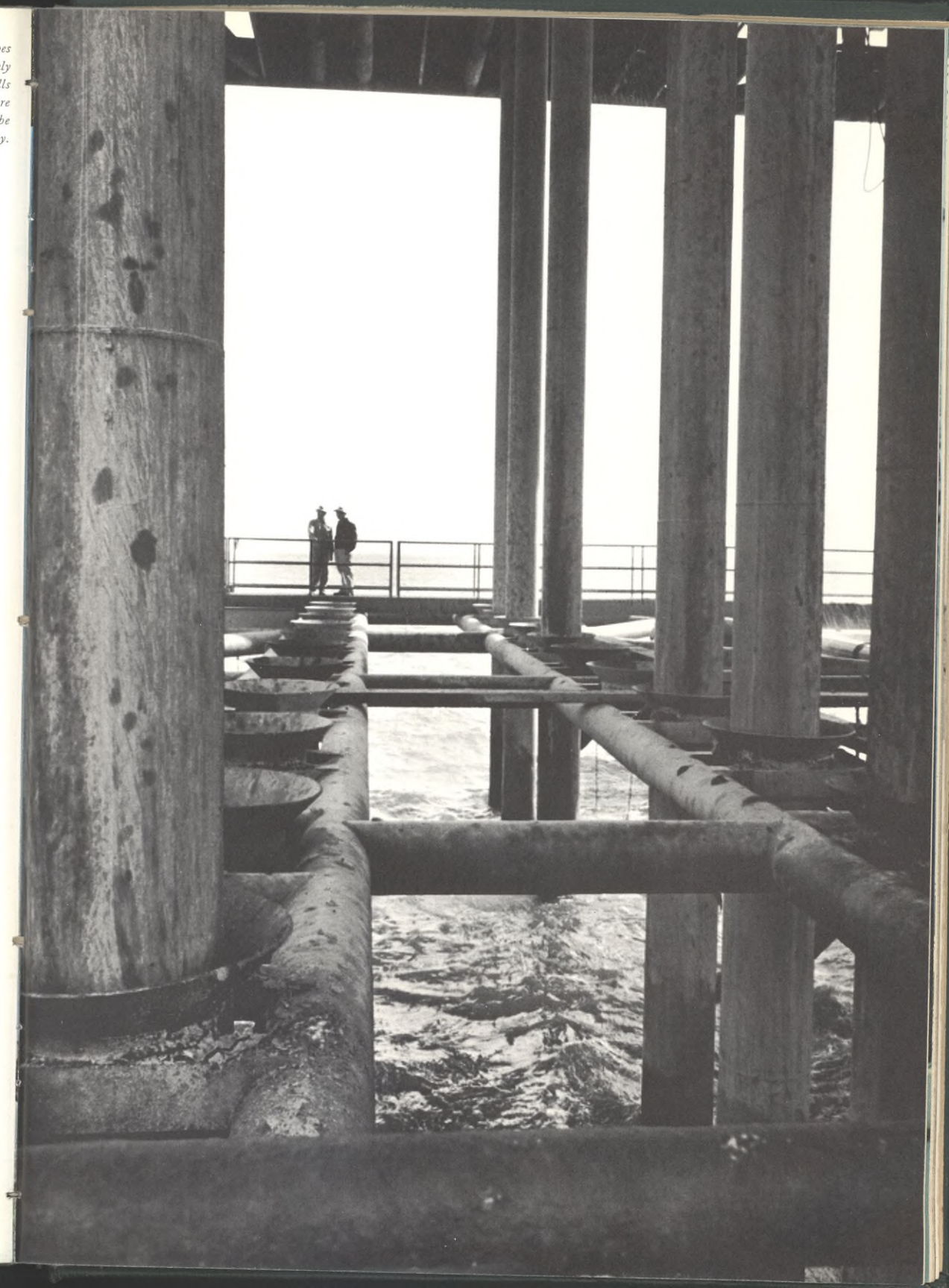
Next step was to define the extent of the reserves in the block, and this was done from a small permanent platform, supporting a drilling derrick, and a tender bobbing alongside to carry auxiliary drilling equipment. After three wells were completed from that platform, the decision to erect self-contained drilling platforms was made.

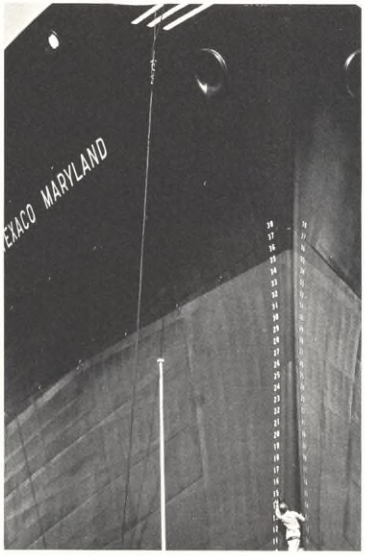
The platforms sit about 80 feet above water level, and they are manned by contractor's crews whose 'round-the-clock work is directed by Texaco foremen. The crews move between the platforms and land, every 10 days when tours of duty change, in boats also used to haul supplies, mail, and replacement equipment.

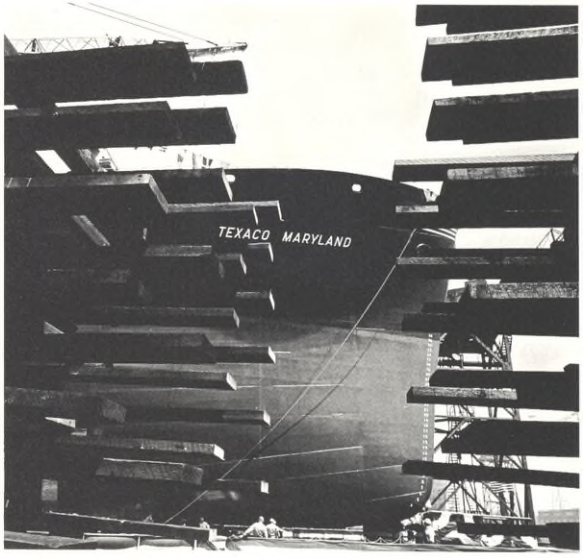
Directional drilling was first tried about 30 years ago as a way to allow drillers to go around obstructions in the hole—equipment lost in the hole, for instance and impossible to fish out. Since then it has been used in many ways. With directional drilling, crews can drill beneath communities without setting up their rigs in the towns; they are able to drill under mountains; and, as at South Pass, they are able to complete a number of wells from one offshore platform. This is an important economic advantage because the platforms are enormously expensive and individual platforms would cost much more per well. What's more, although the *average* water depth in Block 37 is 110 feet there are much deeper spots where reaching bottom would be prohibitively costly.

Drilling directionally has become such an art that experienced crews, these days, think nothing of aiming for a small target area that sits thousands of feet out from the drilling platform and thousands of feet below the surface. They have learned to take pride in being down and out. •

Along with conventional drilling bits, a variety of specially designed tools are used in South Pass operations.







ANOTHER NAME ON THE MAP

THIS FALL, a new model and another name will be added to the control map in the Marine Department's offices, described on the inside front cover. *S. S. Texaco Maryland*, shown here at her launching at Sparrows Point, Maryland, on June 4, is the Company's newest tanker. She is the second of five new coastwise tankers to be launched and is one of the most modern afloat. *Texaco Maryland* was christened by Mrs. W. Henry Ryer, wife of the Company's Vice President in charge of Foreign Operations (Western Hemisphere and West Africa). •

FOR HIRE FOR HARVEST

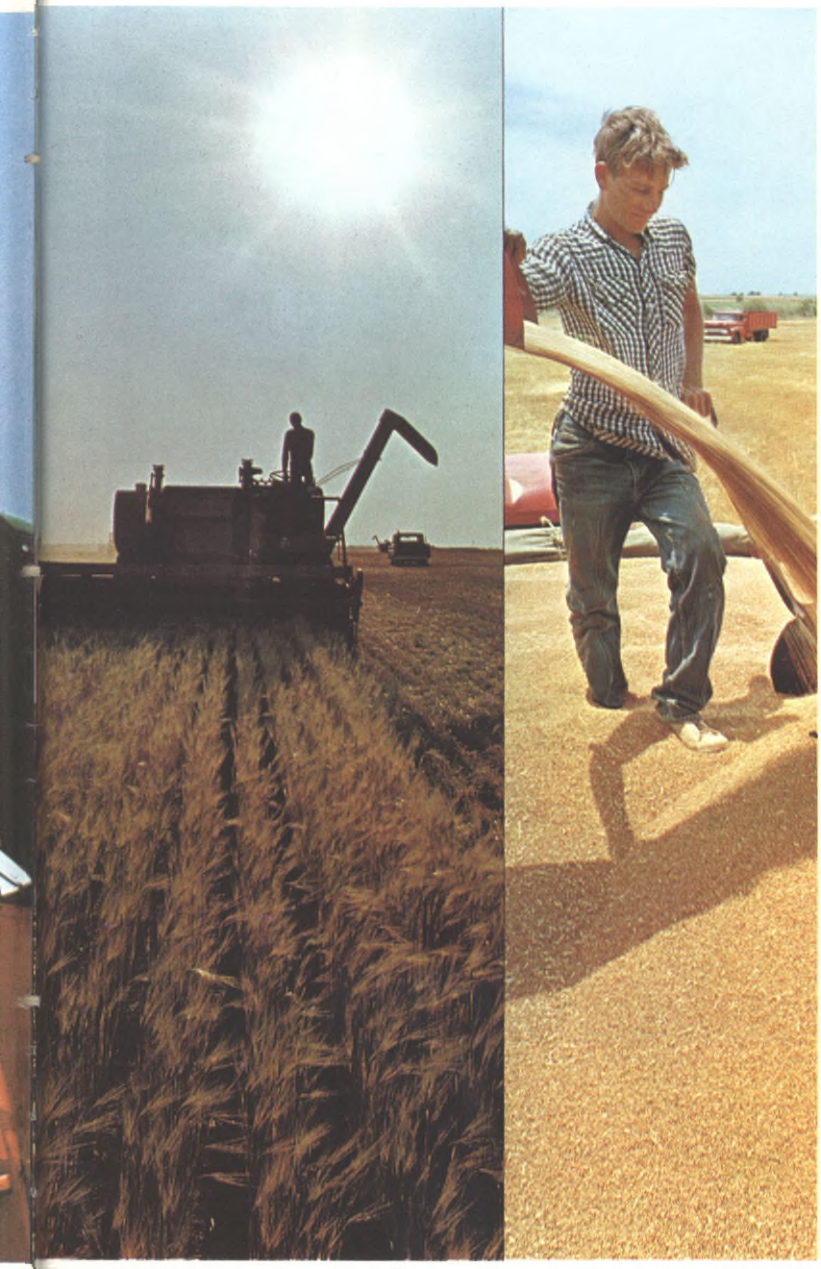
Top, *a combine crew member gets ready to lubricate his equipment.* Above, *a farming phalanx on the move.*

CUTTING A SWATH from Texas all the way to the Canadian border and beyond, every year, a small army of bizarre-looking machinery rolls across the land under the summer sun. Its mission: bringing in the wheat harvest.

The equipment belongs to men who harvest wheat on a contract basis, and to them petroleum is as precious as rain is to farmers. They use huge amounts of gasoline and lubricants (agriculture, generally, is petroleum's biggest single market).

Starting point for a good many of these combine crews is Wellington, Texas, in the Panhandle near the Oklahoma border. Nearly 100 combines fan out each spring from this one small town, and

Combiners say they need five ingredients for success: wheat to cut, good machinery, good crews, good weather, good luck. Machinery is a



tremendous investment; before a crew begins new cutting season it puts equipment in top shape.

one of the best known combine crews is Arthur Belew's. Belew has been in the custom combine business for more than 25 years. Almost from the start he has been a Texaco customer.

Belew owns six combines, worth about $7,000 apiece, and six big trucks. The trucks are used to haul cut wheat to storage elevators, and to transport the combines from one job to another. He also owns a pickup truck on which he has mounted a 200-gallon gasoline tank. With this, he can refuel his combines in the field. Usually he sends this truck to the nearest Texaco service station to have its tank filled. Sometimes a Texaco tank truck hauls fuel to him, in the field. In any case, the Belew crew goes Texaco—all the way.

It is important to be able to refuel on the spot, because once a harvesting job is begun it has to be completed at top speed. There is a just-right time for cutting, and it is not a very long time. When a crop is ripening fast it has to be cut right away. Often crews work around the clock, with only a few catnaps to keep them going. Lunch is always eaten in the field, dinner frequently is. The food is not fancy: pork and beans out of a can, sandwiches, hunks of cheese.

Because of the critical time consideration in harvesting, machinery breakdowns can mean near disaster, and Belew spends a month each spring replacing worn parts, overhauling, repainting, and doing whatever else is necessary to put his equipment in top shape for the season. When he leaves Wellington, he leaves confident that his combines and trucks are ready for the 18 to 20 hours a day of hot, hard work.

On the road, he and his crew pay careful attention to proper equipment maintenance and lubrication. And he uses the very best lubricants available—Texaco's.

Custom combining got its start during the war, when harvesting machinery was so scarce many farmers

Fuel delivery right in field by Texaco tank truck, top, *saves valuable time.* Above, *wide ribbons of wheat are cut under prairie sun.*

had trouble getting their wheat crops in. Belew had for several years been hiring out during the harvest around Wellington, and he decided to expand his service all through the wheat belt. He has been making the yearly run from Texas to Canada ever since.

Most of the other Wellington combiners worked with Belew's outfit at one time or another, then branched out on their own when they had saved enough harvest money to buy a combine and a truck.

The combine caravans that pull out of Wellington each spring, headed for wheat to be cut, make big, colorful illustrations of farming's development as an efficient, cost-conscious business. They also point up the strong supporting role petroleum plays in getting food to America's tables. •

"Stop loss" on their program

IN THE PICTURE ABOVE, you are looking at a model of efficiency. It is a scale replica of a section of the Upjohn Company's Kalamazoo, Michigan, plant. Among other things, it helps Upjohn's plant engineers work out the most efficient routes to be taken on periodic lubrication tours.

Upjohn, a leading pharmaceutical maker, uses the model as a convenient control device that gives management a clear picture of plant operations. Another very effective control it has worked out is the plant-wide programming of lubrication schedules on electronic data processing equipment, which it began recently with the help of Texaco.

The use of data processing is a feature of Texaco's efficient "Stop Loss" plan for organized lubrication. "Stop Loss" is a concept of systematic selection and application of lubricants the Company offers to industry, and it has been very successful. Most users of the plan employ conventional charts and files to systematize their lubrication. What Upjohn has done is transfer all necessary scheduling information to punched cards that are fed into its data processing machinery.

Programming a lubrication schedule on data processing machines for a 25-building plant filled with custom machinery took some doing. It called for the help of someone who understood both tabulating systems and lubricants. Texaco's representatives understood both. They worked with Upjohn to set up a system that automatically and unfailingly signals the need for lubrication of machinery all through the plant.

Upjohn is one of the first companies to undertake such a project, but chances are other companies very soon will begin using electronic data processing to program lubrication schedules. Against that likelihood, the Company has developed a thorough-going training program for its industrial sales force that shows how "Stop Loss" can be adapted to data processing throughout industry. •

BUSINESSMEN'S LAUNCH If the boat in the photographs becomes as popular as its owners hope it will, the executive commuter might change his uniform from oxford gray to navy blue. ■ This ship-on-stilts is called a hydrofoil. It's shown here on a demonstration run in (or above) the Hudson River, in New York. Hydrofoils churn through the water until they reach a speed of about 18 miles an hour, then hoist themselves up on four broad ski-like foils fixed to the bow and stern. Once aloft, they cruise at 32 miles an hour, foiling along about three feet out of the water. In heavy seas, the captain slows down, lowers the hull—and the boat operates like any other. ■ Five hydrofoils like this one are going into service this fall, skimming between New York City and suburban docks to carry businessmen from home to office and back. The trip-times are not appreciably faster than those of commuter trains, but the ride is certainly more stimulating. ■ For the demonstration pictured here, the hydrofoil operators made sure they had a fuel that wouldn't fail—as they used Texaco 445 Diesel Chief.

ELECTIONS ANNOUNCED

• Harvey Cash, Texaco's Executive Vice President in charge of worldwide producing activities, was elected to the Company's Board of Directors effective July 1.

Mr. Cash joined Texaco's Domestic Producing Department in 1933. He held various technical and managerial positions in the Southwest until 1953, when he was transferred to New York as Assistant Manager of the Foreign Operations Department-Eastern Hemisphere. The following year he was named General Manager of that department.

In 1956, Mr. Cash was appointed Assistant to Texaco's Chairman of the Board. He was elected Vice President in charge of the Foreign Operations Department-Eastern Hemisphere in 1958, and to the position he presently holds in 1962.

• Sir Edward Beetham, K.C.M.G., C.V.O., O.B.E., was elected chairman of the Board of Texaco U.K. Limited, a subsidiary, effective July 1. At the same time, Sir Edward became a Director of Regent Oil Company Limited, Regent Petroleum Tankship Company Limited, Regent Refining Company Limited, and Texaco Iran Ltd., also Texaco subsidiaries.

Sir Edward will coordinate activities of Texaco's affiliated and subsidiary companies with headquarters in London.

From 1955 to 1960, Sir Edward was Governor and Commander-in-Chief of Trinidad and Tobago. Since 1960 he has been Consultant to the Office of the High Commissioner for Trinidad and Tobago in London. Educated at Charterhouse and Oxford University, he entered the Colonial Service in 1928 and has held a number of key Colonial administrative posts.

• William J. Clayton was elected Secretary of the Company effective July 1. He succeeded Maurice L. Nee, who was elected Treasurer. Mr. Nee had served as Secretary since 1961, and in his new post succeeds Greer W. Orton, who retired after nearly 35 years' service with Texaco.

Mr. Clayton joined Texaco in 1939 as a member of the Refining Department in New York City. He subsequently held positions of increasing importance in that department, and in 1952 he was transferred to the Executive Offices. He was named Assistant Secretary in 1957.

CONSENT DECREE ENDS ANTITRUST CASE

On June 20, Texaco announced that it had agreed to the disposition of an antitrust suit instituted by the Federal Government, more than 10 years ago, against Texaco and four other international American oil companies. The Government's suit had challenged under the United States antitrust laws certain of the companies' foreign operating policies.

In its announcement the Company said: "The Government and Texaco have agreed to conclude the matter through the entry of a consent decree. Such decree specifically states that the Government's allegations are denied by Texaco, and that Texaco's consent to the entry of the decree is not an admission as to the truth of any of the charges made.

"The consent decree does not in any way adversely affect Texaco's present or projected future operations abroad, which will comply with the antitrust laws in the future as they do in the present and have always done in the past. Also, the decree permits Texaco's continued participation in the Caltex group of companies which operate in the Eastern Hemisphere and which are owned 50 percent by Texaco. It further recognizes

Harvey Cash

Sir Edward Beetham

William J. Clayton

Texaco's right to operate independently in the Eastern Hemisphere and elsewhere."

TEXACO'S LARGEST TANKER ORDERED

This June, Texaco signed a contract with the Belfast, Ireland, shipyard of Harland & Wolff for the construction of the largest tanker ever built in Belfast. It will be larger than any ship now in the Texaco fleet. The vessel, an 88,000-deadweight-ton supertanker capable of a service speed of 16.5 knots, is being built for delivery late next year.

She is designed primarily to carry crude oil from the Middle East to a 100,000-barrel-a-day refinery being built in Great Britain by Regent Refining Company—a Texaco subsidiary. The refinery is scheduled for completion in 1964. It will supply petroleum products to the markets of the Regent Oil Company in the United Kingdom.

FIRST WOMAN OFFICER NAMED

Mrs. Gertrude H. Farrington was appointed Assistant Secretary effective July 11. With her appointment, Mrs. Farrington became the Company's first woman officer.

Her career with Texaco began during World War II. Most recently she has been serving as secretary in the office of the Chairman of the Board. She is a graduate of the College of New Rochelle with a Bachelor of Science degree.

INQUIRY WINDOW

THIS MAN is looking for customers. That is, he's doing some important looking that could lead to better home heating for Texaco fuel oil buyers.

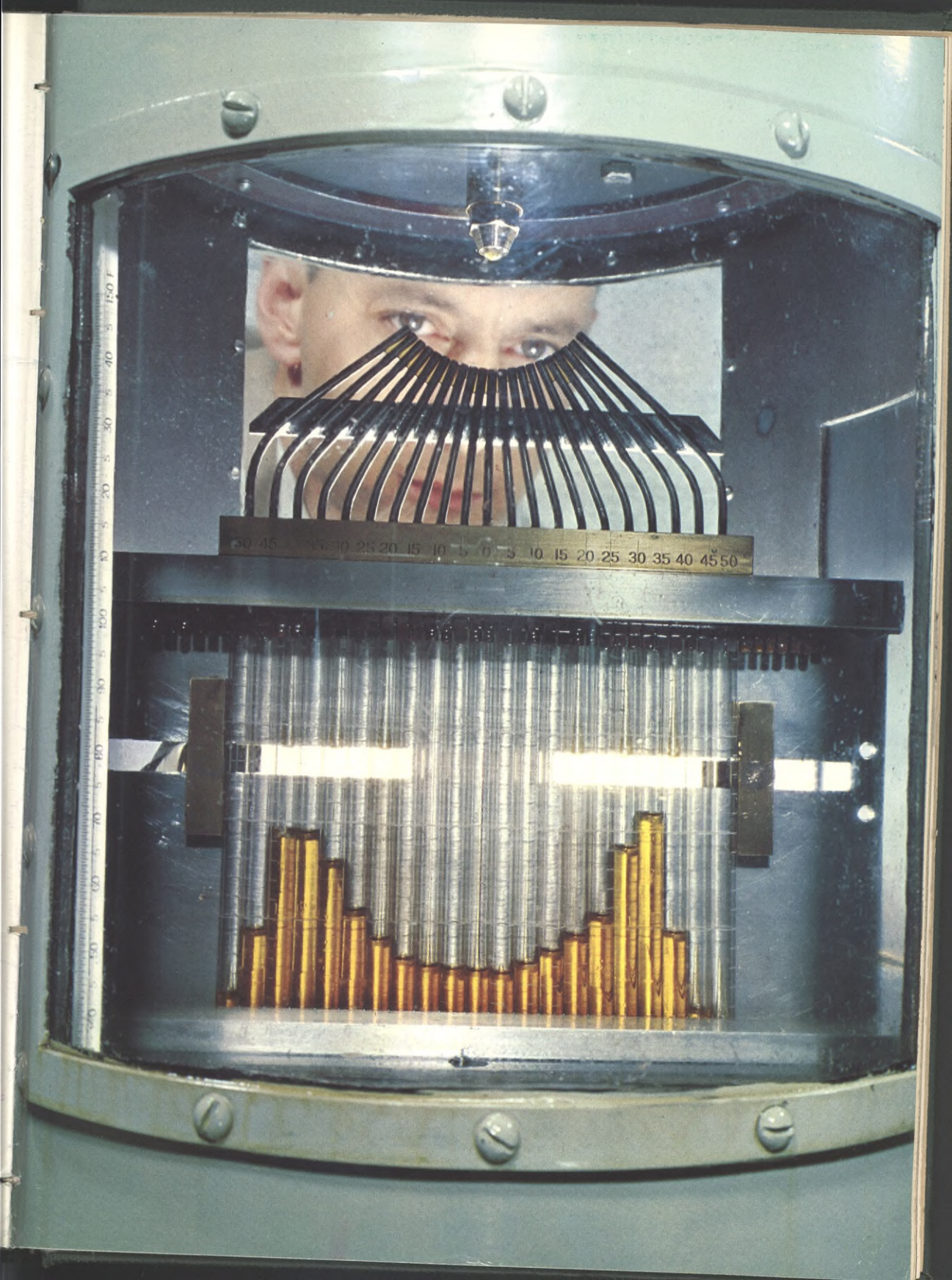
He is a technician in the new heating oil laboratory at the Texaco Research Center in Beacon, New York. He is peering into a device in the lab that measures the spatial distribution of oil as it is atomized and sprayed from a mock-up fuel oil burner's nozzle. The pipe organ-like pattern at the bottom of the instrument indicates the efficiency of the nozzle's design.

Nearly 12.5 million American homes now are centrally heated with oil—more than with any other fuel. In the 28 states that make up the nation's primary heating region (including the entire Eastern Seaboard, the Midwest, and the Northwest), oil heats 44 percent of the households. Consumption of fuel oil last year reached an all-time high of 19.5 billion gallons, which was an increase of five percent over 1961.

Much of the credit for the gain goes to research like that done at Beacon.

Industry's burner research has produced a typewriter-size unit that operates ultrasonically to atomize fuel with inaudible high-intensity vibrations. Under study is an electrostatic atomizer for breaking up fuel with electrical charges; this may result in development of a burner with no moving parts.

One of the principal functions of the new laboratory at Beacon will be to check out equipment before it is added to Texaco's Fuel Chief line. This is just one of the quality controls used to make sure every piece of Fuel Chief equipment has earned the Company's approval seal. •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MEETING AT THE SUMMIT

In its new Quality Line, Texaco matches excellence with excellence. These specialty products have been formulated to meet Texaco's high standards. Their superior performance and impressive value have earned them the right to bear the Texaco trademark. Texaco Car Cleaner and Polish, Texaco Super Cleaner and Wax, Texaco Chrome and Metal Polish, Texaco Spray-on White Tire Cleaner, Texaco Brake Fluid–Super Heavy Duty, Texaco Radiator Anti-Rust and Water Pump Lubricant, Texaco Radiator Fast Flush, Texaco Radiator Stop Leak, Texaco Heavy Duty Radiator Cleaner, Texaco Fuel System Conditioner and De-Icer, Texaco Super Motor Detergent, Texaco All Temperature Windshield Washer, Texaco Windshield De-Icer, Texaco Lighter Fluid, Texaco Charcoal Lighter Fluid, Texaco Home Lubricant. These quality products may be found at good addresses in 50 states–the service stations of Texaco's 40,000 dealers.