



shelletter

HOUSTON REFINERY

"It Strikes Us This Way"

No. 70

Monday, January 21, 1963

TO ALL STAFF EMPLOYEES

SHELL OIL COMPANY ESTIMATES RECORD EARNINGS FOR 1962

Consolidated net income of Shell Oil Company and all wholly owned subsidiary companies for 1962 is estimated at \$157,675,000, highest in the Company's history, according to Monroe E. Spaght, President. This compares with \$140,358,000 for 1961.

Earnings per share amounted to \$2.60 in 1962 and \$2.32 in 1961, based on 60,547,568 shares outstanding at December 31, 1962. Consolidated net income for the fourth quarter of 1962 is estimated at \$47,198,000. This compares with \$37,344,000 for the same period in 1961.

"We are encouraged by the results for 1962, and we hope they are an indicated of progress that can be expected to continue," Mr. Spaght said.

The income improvement was aided by increased sales volumes and somewhat better prices late in the year. "Shell's sales of refined products, natural gas, and chemicals reached new highs. However, the Company did not realize the full benefit of the stronger demand because of depressed prices, especially of automotive gasoline and chemical products," Mr. Spaght said.

Continued efforts to increase the efficiency of operations and to reduce controllable costs also contributed to the improved results.

NEGOTIATIONS

Along the labor relatin' front....At Wood River, meetings with the Unions were held on Saturday, with plans set to resume the meetings on Wednesday....At Norco, they're meeting today.

OPERATIONS

The big news this weekend was the top-notch job turned in by everyone on duty Sunday when we lost our purchased electrical power for almost seven hours. It took a lot of quick thinkin' and fast actin' all over the Refinery and Chemical Plant to keep our power show "on the road", but thanks to everyone involved in the act - with a special nod to the Utilities folks - both plants kept right on purrin' without completely shutting down a single unit. And the presence of freezing rain and ice all over the place didn't make the job any easier! The purchased power went off shortly after 6 a.m., and it was almost 1 p.m. before the power was restored and things could start returning to "normal" again....Elsewhere, the Dubbs 9 Cracking shutdown continues as per schedule as the furnace and reaction chamber are now ready for testing. That king-size job of decoking a well coked-up Main Fractionator at the unit has also been completed.

(Over)

NO. 70 - TO ALL STAFF EMPLOYEES

SAFETY

Some of our scooters are not equipped with lights for night drivin'...yet, they are being used for some of the necessary night drivin'. To "light up" the situation, the folks over at the warehouse have a "do-it-yourself" kit just made to order to eliminate the "black out"...You can pick up a set of conduit clamps and some reflector tape from the warehouse. Install the clamp on the scooter handle bar - insert your flashlight in the clamps...stick some tape on the rear of the scooter.....and you're in business (providing you've got the flashlight aimed in the right direction)....Which brings us around to our safety thought for today - DON'T DRIVE SCOOTERS AT NIGHT WITHOUT LIGHTS...FOR SAFETY'S SAKE...

BIRTHDAY BELLES & BEAUS:

January 21 - Not today.

January 22 - Bob Connally, Bodin Hugger, R. J. McCarthy, Vicki Torres

Continued efforts to increase the efficiency of operations and

the success of operations... #

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THEFT OF COMPANY ESTIMATES RECORD FURNISHES FOR 1963

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"It's better to be safe than sorry"

HOUSTON REFINERY

