

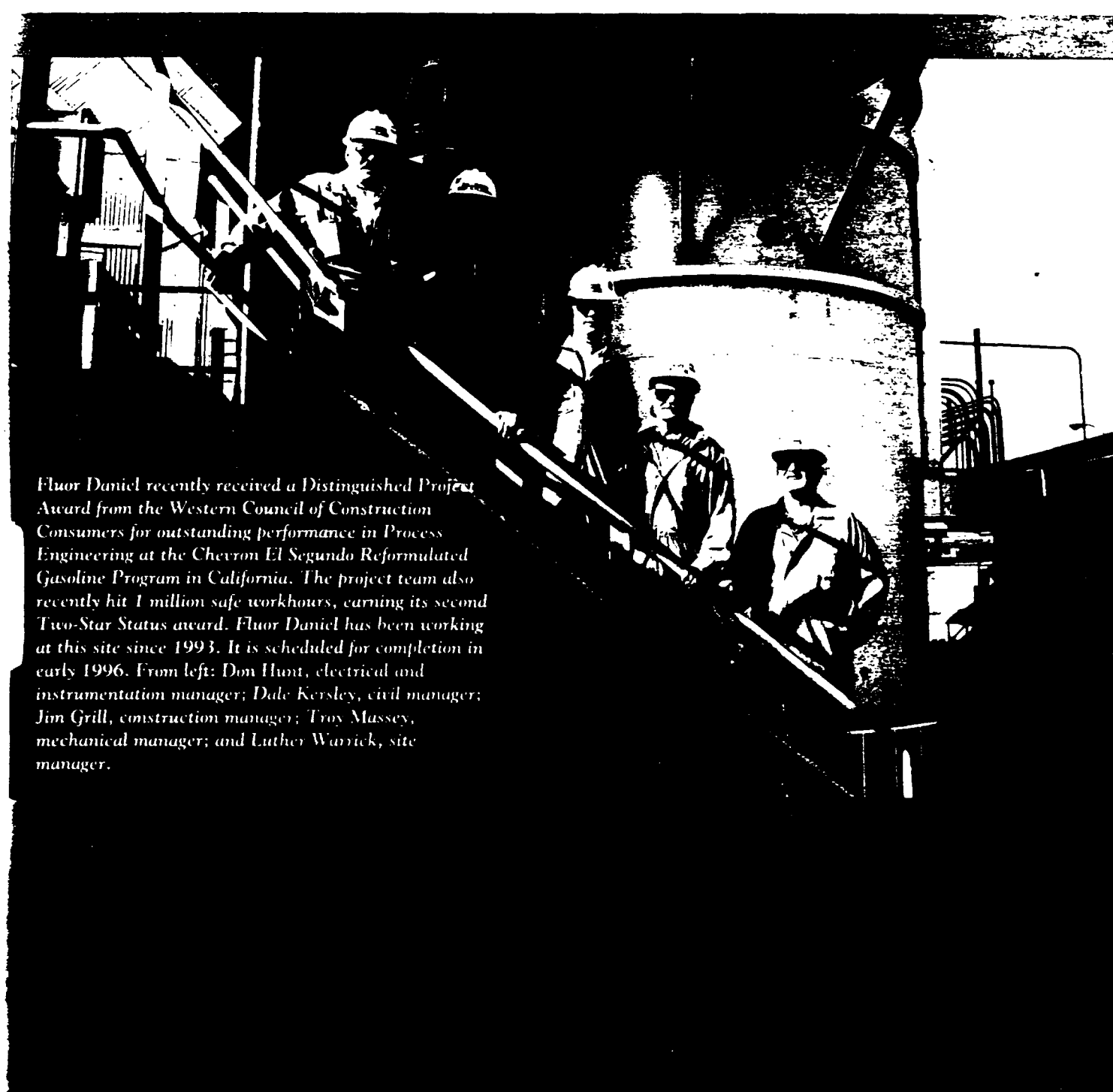
On Site

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A FLUOR DANIEL PUBLICATION **S**
Volume 4, Number 1



Fluor Daniel recently received a Distinguished Project Award from the Western Council of Construction Consumers for outstanding performance in Process Engineering at the Chevron El Segundo Reformulated Gasoline Program in California. The project team also recently hit 1 million safe workhours, earning its second Two-Star Status award. Fluor Daniel has been working at this site since 1993. It is scheduled for completion in early 1996. From left: Don Hunt, electrical and instrumentation manager; Dale Kersley, civil manager; Jim Grill, construction manager; Troy Massey, mechanical manager; and Luther Warrick, site manager.



Editor: Nancy Henkel

On Site is published for employees and
retirees of Fluor Daniel and its subsidiaries.
News and comments are always welcome.

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WELDING TRAINING PAYS OFF



From left: Senior Technical Instructor Jack Wilson discusses proper technique with trainees Todd Smith, Annette Dixon and Nick Kurt from the Fluor Daniel Craft Support and Development Center in Greenville.

Fluor Daniel is building the craft work force through a highly regarded training program that helps welders upgrade their skills and find employment. The company has two Craft Support and Development Centers that offer the training in Houston and Greenville.

The welder upgrade training is free. However, those in the program make a commitment to work on a Fluor Daniel project after they finish. "This really worked to my benefit," says Angie Mullins, a young welder from Virginia who recently completed training at the center in Greenville and is working on the VP&L project in North Anna, Virginia. "I want to learn all I can about welding. Not only did Fluor Daniel give me an opportunity to do it, but I had a job afterward."

Participants are required to demonstrate a minimal level of plate or structural welding skills in one of three ways before they're accepted into the program. They can have at least two years of verifiable welding experience, be graduates of a vocational training course, or pass a visual pipe welding evaluation. The program offers a boost to experienced welders

as well as those fresh out of school. Many craftworkers take advantage of the free training while they're between projects, according to Harry Mitchell, technical instructor. "It's a great way to keep up with new techniques in the profession," says Mitchell.

Welders themselves determine the length of their training depending on their skill level and how quickly they master techniques. "Training can range from a couple of days for experienced pipe welders who want to hone their skills, to three months for those just learning about pipe welding," says Jack Wilson, senior technical instructor.

Many technical colleges across the United States encourage their graduates to apply. "I believe Fluor Daniel's welding upgrade program is an excellent way for our graduates to get on-the-job training," says Steve Rutterbush, a welding instructor at Greenville Technical College. "Its instructors are top of the line."

Fluor Daniel is showing foresight in providing the training. In the United States, the construction industry accounts for about 5 percent of the gross national product. Even though one

out of every seven Americans earns his or her living directly or indirectly in construction, the industry is experiencing a shortage of qualified craftworkers. To keep pace with the nation's expected growth during the next decade, it's estimated that 240,000 new craftworkers a year will need to enter the industry.

That's good news for people such as Mark Dixon. Last year, Dixon upgraded his welding skills at the center, and since then he has worked on several Fluor Daniel projects. "It's hard to support your family on \$4 or \$5 an hour, which is what I was making before," he says. "Now my salary has nearly tripled. It's a whole lot easier to make ends meet."

His thoughts are echoed by Gary Clark, a recent graduate from the program. "Welding is a wide-open field," he says. "There's a great demand for us, and it's a good feeling knowing there's a job open for me wherever my family wants to live."

More than 200 welders upgraded their skills during 1995 at the centers in Greenville and Houston. To learn more about the program, call Jack Wilson in Greenville at 864-281-8411 or Harry Mitchell in Houston at 713-479-2985.

Fluor Daniel Craft Support and Development Centers

Eastern Region

28 Jimmy Doolittle Road, Greenville, SC 29607
(864) 281-8600

Central Region

208 East X Street, Deer Park, TX 77536
(713) 479-2985

Western Region

1200 East 29th Street, Long Beach, CA 90806-1846
(310) 424-4991



As Fluor Daniel employees, our mission is to assist clients in attaining a competitive advantage by delivering quality services of unmatched value.

Parker Celebrates 35 Years

090408



Bob Parker has seen Fluor Daniel progress in many different ways during 35 years of service. "The company has evolved such that it is a total project management capability. We can now do whatever is required, anywhere in the world, to satisfy our clients," he says. Parker is vice president of Construction Technology, responsible for innovation in construction methods to more effectively implement the designs for structures and equipment needed in today's industry.

Parker spent his first 20 years in operations, beginning as a field engineer and progressing quickly to manager of projects. In 1980, he was transferred to the services side of the company, and in 1986 he was appointed vice president of Industrial Relations, Personnel Services and Human Resources were added to his responsibilities one year later.

In 1989, Parker became vice president and general manager of Support Services with responsibility for Industrial Relations, Safety and Security on a global basis.

Parker thinks the company is on the right track and moving in the right direction to continue to be a world leader.

"We have to periodically adjust the direction of the company as we move through cycles, and I think we're doing a good job of that. We're more decentralized, global, flexible, and we have more accountability," he says.

When asked what he would tell new employees, he says: "Because the company is becoming a fully diversified services organization that is global and client-oriented, it will need employees who have the same characteristics. Be flexible, proactive and diversify your resume. Prepare yourselves to serve in any area where the company is working. For employees who do this, their responsibilities will become greater."

Project Re-Enterprise

Fluor Daniel employee Frank Henry was an unlikely candidate for the job fair he attended in 1993. As a company volunteer, he went to the Project Re-Enterprise program to help train prison inmates in job searching and interviewing techniques. Henry, whose ex-wife was murdered during a bank robbery nearly eight years earlier, wasn't thrilled with the plan.

"After Helen's death, I had a lot of disdain for anybody involved in criminal activity of any kind," says Henry. "I went to the job fair because I was asked to by my supervisor, not because I was enthusiastic about it. When I got there and talked to some of the inmates, I was shocked at their high quality, caliber and enthusiasm. Subsequently, I volunteered for more sessions."

Through Project Re-Enterprise, volunteers from companies like Fluor Daniel visit prison treatment units and share their expertise with inmates in the final phases of the program.

"Emphasis is put on getting work because research shows that former prisoners who are unemployed are three times as likely to go back to jail as those who have jobs," says Henry.

Although there's no obligation to hire anyone from the program, Henry's been so impressed with some of the people he volunteered to assist that he's helping them find employment with Fluor Daniel.

"Since I attended my first job fair, we've hired 12 graduates of the program with no negative responses," says Henry. "Many have risen all the way from helpers to journeymen and even foremen. As a matter of fact, the first three people hired started in the middle of a project and were the last ones to be released." One Fluor Daniel employee who went through the program, Top Boilermaker Helper Denise Larivee, says, "While I was incarcerated, I took advantage of the two things that were offered



Frank Henry, left, helped Denise Larivee find a job as a top boilermaker helper while volunteering at Project Re-Enterprise.

to me: rehabilitation and education. All I needed to complete the circle was an opportunity." Her chance came through Project Re-Enterprise.

"Frank taught me how to present myself, talk to employers and fill out a job application. For the first time in my life, I have a resume," she says. "I'm happy as a result of all this. I feel worthwhile, I hold my head up and I know I'm worth something. Before I never thought I was worth anything so I never tried to do anything."

Project Re-Enterprise is growing and works with more than 250 companies in Texas. Henry received an award from the state senate for his efforts and remains active in the system. "I'm not foolish enough to believe that every person that commits a crime can be helped by this program," he says, "but I often wonder how life would be if it had been available to the man who shot Helen."

"A job well done at a crucial time" is the acclaim given to the Rapid Response Team at DuPont Medical Products in Brevard, North Carolina. The crews, led by Allen Walker, Walt Terrell and Billy Powell, installed more than 1,000 feet of pipe in less than 48 hours, over a holiday weekend, with no safety problems. This permitted the Erection/Make operations to resume production with little interruption during a holiday.

Robert C. Edwards and Dennis Edwards received the Silver Triangle Award for their use of the Rapid Response Team to complete the installation of the pipe in less than 48 hours.

The Silver Triangle Award is the highest honor DuPont can give for safety excellence. It is given to the employee or employees who have demonstrated exceptional safety performance.

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Two employees of the Chemical Process Improvement (CPI) project at the DuPont Medical Products plant in Brevard, North Carolina, received the Silver Triangle Award for their use of the Rapid Response Team to complete the installation of the pipe in less than 48 hours.



Top: DuPont Brevard employees proudly display a banner recognizing six years without a lost-workday case. The employees also received Tri-Star Status for 250,000 safe workhours with a recordable rate of zero. As part of the accomplishment, Safety Manager Dennis Edwards received the Silver Triangle Award, DuPont's highest honor for safety excellence. Site Manager Dan Burke received the prestigious DuPont Golden Plumb Bob Award for his leadership efforts in continuously expanding safety milestones.

Above: Safety slogan winner Mike Cline, right, receives a check for \$300 from Vice President of Corporate Safety A.B. Robinson. Cline's entry "The Right Mix in '96—Better. Faster. Cheaper. Safer—ZERO ACCIDENTS!" was chosen from 400 entries from Fluor Daniel employees. Cline is safety manager at the DuPont Spruance project in Richmond, Virginia.

NEW STARS IN THE ZERO ACCIDENTS PROGRAM

Fluor Daniel completed the first year of its **ZERO ACCIDENTS** program with exceptional results. In 1995, 51 projects received star status awards, 27 of those earning the prestigious Tri-Star Status. Following are recent **ZERO ACCIDENTS** safety "star" projects.

AT&T Columbus Works
Columbus, Ohio
Tri-Star Status
100,000 safe workhours
Rick Adams, project manager
Randy Miller, safety manager
(The project earned Tri-Star Status with a recordable rate of 0.)

Chevron RGP
El Segundo, California
Two-Star Status
750,000 safe workhours
Luther Warrick, project manager
Keith Roberts, safety manager
(This is the project's third **ZERO ACCIDENTS** award.)

Chevron USA
Pascagoula, Mississippi
Two-Star Status
4 million safe workhours
Mike Bosarge, project manager
Mike Watson, safety manager

Citgo CFH-1
Lake Charles, Louisiana
Tri-Star Status
500,000 safe workhours
Jerry Kelly, project manager
Leon Garrett, safety manager
(This is the project's second **ZERO ACCIDENTS** Tri-Star award.)

DuPont
Brevard, North Carolina
Tri-Star Status
250,000 safe workhours
Dan Burke, project manager
Dennis Edwards, safety manager
(The project earned Tri-Star Status with a recordable rate of 0.)

DuPont
Circleville, Ohio
Tri-Star Status
100,000 safe workhours
Ken Mabry, project manager
Kerry Ackerman, safety manager
(The project earned Tri-Star Status with a recordable rate of 0.)

DuPont
Hixson, Tennessee
Two-Star Status
250,000 safe workhours
Charles Rogers, project manager
Tom Cardenas, safety manager
(This is the project's second **ZERO ACCIDENTS** award.)

DuPont
Martinsville, Virginia
Tri-Star Status
250,000 safe workhours
Donald Coley, project manager
Cooksey Shugart, safety manager

Elf Ato-Chem
Calvert City, Kentucky
Tri-Star Status
100,000 safe workhours
Jay Mashburn, project manager
Rick Absher, safety manager
(The project earned Tri-Star Status with a recordable rate of 0.)

Glaxo Wellcome
Research Triangle Park, North Carolina
Tri-Star Status
500,000 safe workhours
Dub Karkner, project manager
Eugene White, safety manager
(The project earned Tri-Star Status with a recordable rate of 0.)

Hoechst Celanese
Leeds, South Carolina
Tri-Star Status
250,000 safe workhours
Tom Baker, project manager
Bob Jarrett, safety manager
(The project earned Tri-Star Status with a recordable rate of 0.)

Hoechst Celanese
Spartanburg, South Carolina
Two-Star Status
500,000 safe workhours
Sam White, project manager
Bob Jarrett, safety manager

IBM
Charlotte, North Carolina
Tri-Star Status
100,000 safe workhours
Michael Dean, project manager
Gary Hoffner, safety manager
(The project earned Tri-Star Status with a recordable rate of 0.)

Monsanto
Greenwood, South Carolina
Tri-Star Status
100,000 safe workhours
Bud Young, project manager
Frank Settler, safety manager
(The project earned Tri-Star Status with a recordable rate of 0.)

Procter & Gamble consolidated projects
Cincinnati, Ohio
Two-Star Status
500,000 safe workhours
Gary Kimble, project manager
R.C. Skaggs, safety manager
Tim Seip, safety specialist

CONGRATULATIONS
DuPont in Chattanooga, Tennessee: 250,000 workhours.
FERMCO in Fernald, Ohio: 4 million workhours.
Frito-Lay DBC Pretzel Line in Dallas, Texas: 1 million workhours.
Hoechst Celanese in Greer, South Carolina: 2 million workhours.
Kwinana Maintenance in Perth, Western Australia: 100,000 workhours.
Milliken Live Oak in LaGrange, Georgia: 2 million workhours.
Monsanto in Greenwood, South Carolina: 20 years.
Nissan in Smyrna, Tennessee: 2 million workhours.
NPOS, Inc. in Casper, Wyoming: 500,000 workhours.
Phillips P.R. Core SOS International in Guayama, Puerto Rico: 5 years.
Procter & Gamble Consolidated in Cincinnati, Ohio: 5 million workhours.
Siam in Bangkok, Thailand: 1 million workhours.
Union Camp in Eastover, South Carolina: 800,000 workhours.

FLUOR DANIEL'S BEST-KEPT SECRET

vided range from general janitorial services and the cleaning of process equipment to facilities maintenance and plant utilities, which includes HVAC, power distribution, boiler house and kiln operations. Other services provided include industrial truck repair, predictive maintenance, printed circuit board repair, hazardous waste control/disposal, machine shop, landscaping and a variety of production support activities. Fluor Daniel employees even volunteer to participate in Nissan's in-plant fire brigade.

"From a Nissan point of view, we bring on maintenance people who have the ability to be flexible and multi-skilled," says Rick Strickland, Nissan maintenance department manager for the body assembly plant. "This approach has worked very well for us, and we look for the same qualities in Fluor Daniel personnel. The teamwork between Nissan and Fluor Daniel employees is the best you will ever see. I have worked for other companies with subcontractors and it usually has been an adversarial situation, but not here. Everyone is working toward a common goal: to produce quality cars and trucks. The Fluor Daniel people take it upon themselves as much as the Nissan people do to produce quality cars and trucks. They feel like this is their company—and that makes a difference."

Fluor Daniel's attention to safety—and the resulting record—at Nissan is outstanding. "When someone from Nissan comes to us with a job that needs to be done or a problem that needs to be solved, we do it," says Craig Vaughn, lead person in the paint plant. "The only time we question anything is when there's a potential safety risk, and then we work with Nissan to eliminate that risk. Fluor Daniel supervision never asks their co-workers to perform an unsafe act or perform a task they wouldn't perform themselves."

The Nissan project recently cel-

ebrated 2 million safe workhours without a lost-time accident. "It's nice to get 2 million safe workhours under our belt," says Gerald Shaw, safety manager. "We have come close several times in the past, and this accomplishment proves that we are headed for the ultimate goal of zero accidents. We have employees who have been here since the plant was built and some recently hired, and together they share the dedication and enthusiasm to work safely," says Shaw.

"Establishing goals and recognizing safety accomplishments are good business practices, but the greatest benefit is that through safe work ethics, fewer people suffer from work-related injuries," adds Guffey.

To highlight the safety celebration, Fluor's Chairman and Chief Executive Officer Les McCraw and Nissan's Senior Vice President of Operations Emil Hassan were in attendance. Both McCraw and Hassan offered their congratulations in recognition of the safety achievement.

"An important part of every good program is to recognize the contributions of the people who make it happen," says McCraw. "Fluor Daniel employees have demonstrated a strong commitment to safety, and this is a testament to their hard work and dedication. The Gift of Life Foundation is proud to support this effort. In 1997, the foundation was named for this celebration—the most collected as a single United Project. Many craft workers donate their fair share, and some pledge much more. It is important to note that our co-workers realize the value of safety and are willing to help those less fortunate than themselves."

Fluor Daniel employees also participate in the "Making It Happen" program at local high schools. They help

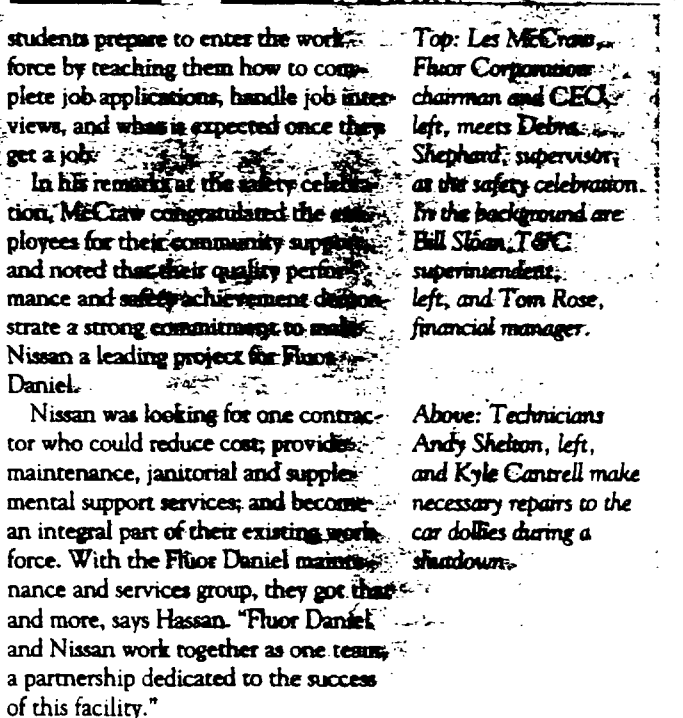
students prepare to enter the workforce by teaching them how to complete job applications, handle job interviews, and what is expected once they get a job.

In his remarks at the safety celebration, McCraw congratulated the employees for their community support and noted that their quality performance and safety achievement demonstrate a strong commitment to making Nissan a leading project for Fluor Daniel.

Nissan was looking for one contractor who could reduce cost; provide maintenance, janitorial and supplemental support services; and become an integral part of their existing workforce. With the Fluor Daniel maintenance and services group, they got that and more, says Hassan. "Fluor Daniel and Nissan work together as one team, a partnership dedicated to the success of this facility."

Top: Les McCraw, Fluor Corporation chairman and CEO, left, meets Debra Shephard, supervisor, at the safety celebration. In the background are Bill Sloan, T&C superintendent, left, and Tom Rose, financial manager.

Above: Technicians Andy Shelton, left, and Kyle Cantrell make necessary repairs to the car dollies during a shutdown.



Fluor Daniel's Manchester office designed and built a state-of-the-art wastewater treatment facility for Bridgewater Paper Company in northwest England.



A Project for the Environment

In June 1995, the Bridgewater Paper Company located at the Mersey Port, near Liverpool, Merseyside, England, awarded Fluor Daniel a contract to design and build a new state-of-the-art wastewater treatment plant. A tough target was set to get the plant operational by January 1996. The challenge was met, and the goal was achieved.

Says Project Manager Dave

Moore of the Manchester office, "We did this through the efforts of an integrated team comprised of design consultants from Jaakko Poyry out of Helsinki, members of Bridgewater's staff and our own people. This meant the client was able to influence what he got in the most timely way, and it enabled us to fast track this challenging project."

Highly specialized equipment is used in the process which was purchased from suppliers in Canada, Sweden, Finland, Germany, Switzerland, France and the U.K.

The plant is highly automated. It recycles waste newspapers and magazines; removes contaminants such as staples and plastics, and then de-inks the stock prior to bleaching in readiness for paper making. The new plant has reduced Bridgewater's demand for wood pulp fiber to 5

percent of fiber throughput—the rest is recycled paper.

"It's a truly green plant in every sense. It reduces the demand on precious tree forests and is designed to keep emissions to extremely low levels," Moore explains.

The team took the process two steps further by improving the sludge de-watering efficiency and building a secondary flotation plant which recovers fibers that would otherwise be lost during the process. "This means better business for our client in an increasingly competitive world," says Moore.

FLUOR DAN

Nissan Motor Manufacturing Corporation, U.S.A.'s Smyrna, Tennessee, plant, is one of the two largest automotive facilities under one roof in the U.S. But, most notably, it is one of the largest ongoing Fluor Daniel maintenance projects. The 350 Fluor Daniel maintenance employees who work there are largely responsible for making sure that operations run smoothly for the 6,000 Nissan employees.

In 1981, Fluor Daniel began construction on the Smyrna plant which is just outside of Nashville. The 5.2 million-square-foot facility is almost one mile wide and is on a 778-acre campus maintained by Fluor Daniel. The Sentra, Altima and the Nissan pickup truck, as well as body stampings for the Quest and Mercury Villager minivans, are manufactured there. The plant is producing about 450,000 vehicles a year, or about 116 an hour.

"Every project is unique in its own way," says Larry Guffey, project manager, "but this one stands out because of all the services we provide. The variety of services is pretty amazing—that's why we call it Fluor Daniel's best-kept secret. Much of the success we have achieved can be attributed to the open relationship we have with Nissan and the flexibility of our work force to provide a variety of services for a 24-hours-a-day, seven-days-a-week operation. The dedication of each Fluor Daniel employee and his or her commitment to providing quality services to Nissan is a daily way of life. It's because of this 'can do' attitude that we have a long-standing relationship with Nissan."

The Fluor Daniel maintenance team provides a multiskilled work force ready to meet Nissan's needs at a moment's notice. Services pro-

000413

FERMCO'S Milestone Safety Record

Fernald Environmental Restoration Management Corporation (FERMCO) the cleanup contractor at the U.S. Department of Energy's (DOE) Fernald Environmental Management Project, celebrated a safety milestone in February after logging 4 million consecutive safe workhours with no lost-workday accidents.

"The safety streak, which began in March 1995, is the longest since

FERMCO assumed responsibility for cleanup at the Fernald site in December 1992," says FERMCO President John

Bradburne. "It's also the second longest period of safety at the site, after 43 months when FERMCO was the sole contractor responsible for cleanup activities. During this time, FERMCO employees have

worked on the site for more than 10 years, logging more than 10 million workhours. During this time, FERMCO has achieved a safety record that is better than the industry average, according to National Safety Council measurement standards. During this safety period, several complex cleanup projects were in progress, including decontaminating and dismantling activities in a former uranium production building slated for demolition, and transfer and neutraliza-

tion of hundreds of thousands of gallons of uranyl nitrate hexahydrate, hydrofluoric acid, thorium nitrate and nitric acid stored on site.

In addition, more than 36 months of safe performance have been achieved by construction subcontractors.

With the increase in cleanup and construction activities at the site, attention to safety is more important than ever. Recognizing the need for an enhanced safety culture at Fernald, in early 1994, FERMCO joined with on-site labor unions and the DOE to pioneer an employee empowerment "Safety First Initiative." This initiative is designed to ensure every Fernald employee understands his or her right to safe work conditions. Under this initiative, a bottom-up approach, emphasizing ownership of safety by all employees, is being implemented. By identifying and addressing safety issues, employees can help ensure a safe work environment.

The Safety First Initiative Group, a joint effort between FERMCO and the unions, is focused on improving safety at the site. "We are proud that the work force at Fernald has brought that culture to life," says Bradburne. "Each employee has a responsibility for this achievement, and in proving the capability for excellent safety performance has always existed at Fernald. This project presents many challenges to the accomplishment of this milestone, all of which the employees have met."

As Fernald employees strive to complete site cleanup activities in 10 years, rather than 25 years as previously estimated, their participation and safety consciousness will be vital to continue the project's successful safety culture.



Fernald workers hook up lines to a vacuum to remove hold-up material from equipment in Plant 4 - the next building slated for demolition.

taminating and dismantling activities in a former uranium production building slated for demolition, and transfer and neutraliza-



Craftworkers have the opportunity to advance from beginning helper to management. Pictured are Joe Dill, construction manager, left, and Jerry Baskins, area superintendent, at the SCE&G power plant in South Carolina.

and productivity enhancement on the job sites. The intent is to train every site manager by year's end.

Safety First

Fluor Daniel is committed to safety excellence and has established a worldwide standard in the engineering, construction and maintenance industry through its Zero Accidents program. The program, which was designed to protect each employee, promotes a culture of zero accidents at every project site and office. In 1995, more than 300 projects recorded no lost-time accidents. Fifty-one received zero accident star status, 27 of which achieved the prestigious Tri-Star Status with no recordable incidents.

"The Construction Industry Institute issues criteria for safety excellence built around a lost-workday incident rate of one or below," says A. B. Robinson, vice president of

Corporate Safety. "We took that a step further and proved that a zero incident environment is possible."

Construction Technology

"The Construction Technology group, made up of a highly trained core group of consultants strategically located to serve the regions and operating companies, has come of age," says Bob Parker, vice president of Construction Technology. "We have listened to the site teams, and we are addressing their needs. Our objective is to ensure the site teams have current and accurate data with which to manage the work and then, access to the best work processes, tools, methods and technology in the industry to perform the work."

"The Fluor Daniel constructability process begins in the marketing and proposal stages of all operating company projects, be it an EP or EPC/CM endeavor. This work process is becoming a standard practice on Fluor Daniel projects and is strongly supported by our clients and management," says Dick Gev, constructability manager in Houston. "The process continues through the estimating, front-end engineering and design phases where it adds its greatest value. On a recent \$100 million project managed out of Houston, savings in excess of \$3 million were documented."

Fluor Daniel, a member of the Construction Industry Action Group, is working to set new standards in the area of construction technology, as applied to material management and construction automation. The company is committed to reducing the cost of services through computerized data transfer and by streamlining work processes.

"Bar coding has been successfully introduced to the projects and warehousing functions for construction and maintenance use, and all the feedback is positive," says John Hamilton, manager of Automation in Greenville. "The benefits we anticipated—like faster, more accurate data—have been confirmed on the project level. Pen-

based computer applications are making a difference to the construction projects. Ten computers are now being used on projects in the Americas and Asia for field progress, system completion status and is remote work stations."

Kent Goldman, manager of Rigging in Irvine, says, "Fluor Daniel is the only engineering and construction company that has a cadre of highly trained rigging engineering consultants. The Rigging group is very mobile and dedicated to serving both offices and construction sites with all rigging services. They have brought value to projects all over the world, ensuring all critical lifts are made safely and efficiently. Projects are beginning to benefit from the use of our newly developed Crane, Rigging and ANimation Engineering (CRANE) program, which was instrumental in saving \$90,000 on a recent turnaround project in Houston."

Fluor Daniel is taking advantage of new technology in ultrasonic testing, or UT, to make exciting changes in its construction and maintenance projects. "Ultrasonic testing is safer, more efficient and less expensive than radiographic testing," says Fluor Daniel NDE Services Manager Don Harris, who is located in Greenville. UT supplemented radiographic testing on the Rayong project in Thailand. NDE technicians greatly contributed to the successful and timely completion of this project.

"Recently, Construction Technology has had consultants on projects in Indonesia, Chile, Venezuela, Brazil, Argentina, New Guinea, the Philippines and Mexico, as well as numerous locations throughout the United States," says Jim Harrison, director of Technology.

Keeping pace with construction technology and focusing on people development, key markets, construction sales growth and safety will ensure that Fluor Daniel remains the safest, most cost-effective supplier of quality construction projects and services in the world.

★ Implement the Fluor Daniel culture of Better, Faster, Cheaper and Safer.

Key Growth Markets

While the United States remains a stable market with steady growth, the Middle East, Latin America and the Asia Pacific region appear to hold the most growth potential.

"To stay competitive in these international markets, Fluor Daniel must hire more workers who are native to the area," Buck explains. "We want to take the self-perform concept—which has worked so well locally—and apply it globally."

"We're looking at these growth areas to find out where most of our work will be executed," says John Schroeder, vice president of Marketing. "Then we'll evaluate our resources. If it appears we need a stronger presence there, we'll develop local people who know the area. This knowledge is vitally important to a well-run project." Fluor Daniel already has self-perform projects in parts of Latin America, and studies are being performed in the Asia Pacific region and the Middle East.

Sales Strategy

During the restructuring two years ago, it was determined early on that Construction would work closely with each operating company's sales team to win new work, rather than having its own sales force. "We realized that each company already had its own clients and strategic thrust, and we certainly didn't want to come across as two different companies," says Schroeder. "We've discovered that salespeople tend to concentrate on the larger EPC projects. However, that means there's a tier of business which remains an open opportunity for growth."

As an initial effort, a "construction-only" salesperson was hired to cover the Gulf Coast region of the United States.

"Dave Harris's job is to work closely with sales staffs of the industry operating companies in the area," says Schroeder. "He finds out which clients they're concentrating on and contacts



the ones they just have not had time to call on. By doing that, we've uncovered some new opportunities we probably wouldn't have realized. If this experiment works, we're confident the potential will be exponentially greater globally, particularly in the construction market, which is a very hot area right now."

For example, Fluor Daniel is currently working on a project in the Middle East. "We're looking for a foreman and a number of workers," says Dennis Buck, vice president of Operations. "We want our craftworkers to be experienced people for them. They have to be able to manage their own crew and be able to do the work. We're looking for a foreman in three to four years, and a foreman and a number of workers." Buck says the company is looking for people who can manage their own crew and be able to do the work. "We're looking for a foreman in three to four years, and a foreman and a number of workers." Buck says the company is looking for people who can manage their own crew and be able to do the work. "We're looking for a foreman in three to four years, and a foreman and a number of workers." Buck says the company is looking for people who can manage their own crew and be able to do the work.

Fluor Daniel hires native craftworkers on projects in key growth areas—such as at the Rayong Refinery project in Thailand

Another important aspect of people development is training. The company now has standing training focused on improving the project execution skills of our management. The newly developed Site Manager Manual supports the corporation's quality plan and drives quality project execution.

GLOBAL CONSTRUCTION: A VISION FOR THE FUTURE

The Zero
Accidents
program was
designed to ensure
the safety of each
employee at every
project site and
office



The worldwide growth and success of the Construction operating company clearly demonstrate Fluor Daniel's commitment to construction.

"We've had outstanding support from all of our industry operating companies in advancing the construction effort," says Construction President Don Buck. "Our plan for the future is to grow backlog and volume at a rate of 15 to 20 percent annually. We hope to do that by increasing the focus on construction sales growth in new regions, and by possibly making some niche acquisitions. We also want to have more self-perform jobs—where it makes sense—as opposed to construction management.

"A greater share of Fluor Daniel's market is moving to offshore locations," says Buck. "From a construction standpoint, the percentage of work outside of the United States is rising—reaching nearly 60 percent of total revenue by the year 2000, as opposed to the current 40 percent."

A focused vision statement and set of strategic objectives are in place to help show how the operating company intends to proceed.

"It's very important to have a clear vision that everyone can understand and that our goal is," says Buck. "Our vision is to be recognized by our clients as the most cost-effective global provider of quality construction services. Our strategy focuses on key markets, increasing our market share, and growing our profit margins. Our strategic objectives, which align with operating company objectives, are to:

- Increase our construction volume and market share.
- Set the global benchmark for construction company excellence.
- Increase Fluor Daniel Construction to become the quality projects and services in all regions and industries.
- ★ Consistently deliver quality construction projects and services.
- ★ Focus on internal and external communication requirements to meet Construction's strategic objectives and issues.