



ESSO FLEET NEWS

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Tanker Economics and Deadweight Utilization

The tanker industry—at least certain parts of it—has always been one of the most fiercely competitive businesses in the world. The laws of supply and demand have free reign. When tonnage is plentiful, owners underbid each other for cargoes until charter rates may get down to a point where operating losses are only slightly less than the loss that would result from tying up the ship.

When there is a shortage of tankers, the opposite side of the coin is up. Then, it is the people with cargoes to move who compete with each other and charter rates go sky-high while owners of charterable tonnage rub their hands with glee and hope for a higher bid.

Right now the tanker market is in the shortage position and charter rates are perhaps the highest they have ever been at this time of year.

The main cause of this condition is the closing of the Suez Canal. This has resulted in longer voyages from the Middle East to Europe, increased exports of crude from the U. S. Gulf and the Caribbean to Europe and the diversion of some tonnage that would otherwise trade from the Caribbean to the U. S. East Coast. It is this diversion element that has put an additional demand on the U. S. domestic fleet—and at the normal storage tank fill-up time for winter.

Looking back, it appears that through skillful management or good fortune or some of both, the Humble Fleet has been able to sail pretty smoothly through these peaks and valleys of tanker demand and remain in fairly good balance with our cargo requirements. It's been a long time since we've had any ships in tie-up. And our charter needs have ranged from nil to moderately few. At times during the recent past we've had a tonnage surplus but we were able to obtain charters for oil and grain movements to keep the entire fleet profitably employed.

Now the wind is from a different quarter and we are not only not chartering out, we are try-

ing to not charter in—at rates that are currently more than 100% above normal.

How do we minimize inward charters? By operating our own fleet as effectively as possible. In other words, the more cargo we can carry in our own vessels the less we'll have to move in chartered tonnage—and pay through the nose for it.

MOST EFFECTIVE OPERATION

One way to operate effectively is through maximum deadweight utilization. In a strict sense this means to use as much of a ship's carrying capacity as possible by planning and loading the cargo to get her as deep as regulations and channel depths permit without an unreasonable surplus of bunkers or fresh water. An inch of excess freeboard on a 40,900-dwt. vessel means 125 tons of cargo left ashore.

In a broader sense maximum deadweight utilization means not only carrying capacity cargoes but doing it in a minimum period of time. Here we get into a host of elements, some of which we have a measure of control over and some we don't. Among the elements we don't control are the elements (meaning the weather) although we may get around that some day, perhaps with a submarine tanker. We don't control shore facilities, either, and you can't pump 25,000 bph. through a line with a 15,000 bph. capacity.

The factors we do have some control over are the human factors and these involve mainly ability, cooperation and teamwork. The ability of our shipboard personnel to load, discharge and operate our vessels is a well-proven fact. Cooperation and teamwork aboard ship and between ship and shore personnel, already good, is still improving. For example, in the second quarter of this year, the average turnaround time for 28 vessels loading at Baton Rouge was 2.2 hours less than 21 comparable loadings in the second quarter of 1966. Outstanding in the 1967 Baton Rouge loadings was a 17.4-hour turnaround by a 71,000-tonner and a 16.5-hour average turnaround for three

28,000-ton vessels.

On a wide-angle view, the turnaround time for all loadings and all discharges at Company terminals during the first half of 1967 averaged 2.3 hours less than they did in the first half of 1966.

In the light of the foregoing statistics, we are not going to end this essay with a plea for faster turnarounds, more teamwork or better planning. We just want you to be aware of the current situation in the industry and let you know that we appreciate the excellent work you are doing.

Company Publicizing "Clean Seas Program"

The first of a series of illustrated lectures to acquaint press representatives with Humble's "Clean Seas Program" was held at Baytown, Sept. 14 aboard the *Esso Gettysburg*. The presentation, conducted by Asst. Port Captain Bob Stap, included color slides and an explanation of the Company's efforts to prevent sea pollution. A second presentation was made aboard the *Esso Lima* at Wilmington on Sept. 17.

In addition to Humble and Jersey's prohibition against dumping persistent oils anywhere in the sea, the presentation calls attention to the research Humble is engaged in to prevent or minimize the effects of such occurrences as the stranding of the

Torrey Canyon. The Company effort is being aimed at development of better dispersants to help break up oil slicks; identification of safe, efficient compounds for cleaning oil from beaches, and the perfection of jellying agents which could be used to solidify oil in ships' tanks to prevent spillage into the sea in case of serious accident.

Also mentioned is the safe tanker operation training at Jersey's Marine Research and Training Center in Grenoble, France.

RECENT RETIREMENTS

CHIEF ENGINEER FULTON A. BERGERON, First Asst. and Chief in the *Esso Washington* for the past 10 years, took an early retirement Sept. 1 (and the Special Sea Service Supplement) to start a new career as an annuitant.



"My plans are many," Mr. Bergeron said, "and trying to find time to do these things is my present problem. I will be an engineer at the local State hospital (in Baton Rouge) when construction is finished in a few weeks. I intend to build a new home and when the bass are biting, they will find me at the right spots. As to traveling, my wife Eunice and I have many more places in the U. S. to visit, including St. Louis, where our daughter Jeany, our son-in-law and 2 grandsons live."

Mr. Bergeron's marine career began in the late 1920s aboard dredges and tugs of the Louisiana Sand & Gravel Co. He joined his first Esso tanker, the *Herbert G. Wylie*, on Dec. 9, 1933 as OS. After 6 years as Wiper, Fireman and Oiler, he advanced to Third Asst. and sailed throughout World War II in 5 vessels as Third, Second and First Asst. His first Chief's berth was in the *Esso Bayonne* on June 30, 1947.

During 1949 and '50 Mr. Bergeron was Advisory First Asst. on the initial voyages of 7 new 27,000-dwt. vessels built at Newport News. The *Esso New York* was the last of the 7 and he continued as First Asst. and relieving Chief until he joined the *Esso Washington* in Oct. 1957.

Mr. Bergeron retires with 32 years, 7 months' credited service, which includes over 32 years without a day of sick leave.

ESSO FLEET NEWS is published for the seagoing employees of the Marine Department, Humble Oil & Refining Co.: Joseph Andraee, General Manager; Sydney Wire, Assistant General Manager.

W. E. Gardner, Editor.

Contributions and suggestions are invited and should be addressed to The Editor, ESSO FLEET NEWS, Humble Oil & Refining Co., P. O. Box 1512, Houston, Texas 77001.

SERVICE EMBLEM AWARDS



20 YEARS



Charles H. Parker
Master
September 22, 1967



Robert G. Kirby
Chief Mate
November 6, 1965



Roy H. Ewell
Chief Mate
June 5, 1967



Arne C. Haug
First Asst. Engineer
July 1, 1967



Carroll W. Saunders
Radio Officer
August 29, 1967



Joaquim Correia
Chief Steward
September 22, 1967



10 YEARS



Albert L. Wooten
Third Mate
September 8, 1967

Andrew J. Murphy
Oiler
August 7, 1967

Stewards' Pay Increase

The third increase in pay for Chief Stewards, provided in Amendment No. 5 to the Agreement between the Esso Stewards Organization and the Company, becomes effective Oct. 1.

Should anyone need reminding of the amount of the increase, it's \$24.50 per month and follows a \$23.50 per month increase on Oct. 1, 1966 and \$23 a month a year earlier.

TAFFRAIL TALK

Received a card "Mit Luftpost" from Oiler FRANK GROSS while he and his family were "having a good time in 'Old Germany'" last month.

ELIZABETH STROEBEL, daughter of HOWARD STROEBEL of the New York Branch Office, graduated third in her class at St. Francis Hospital School of Nursing, Jersey City, last June. She had a Teagle Nursing Scholarship.



Al Giallorenzi, Manager of the New York Branch Office, sent the photo to us, requesting that we pass it on to "one of our Company publications." Pass it on indeed! Does he think we don't know a vision of loveliness when we see one, huh?

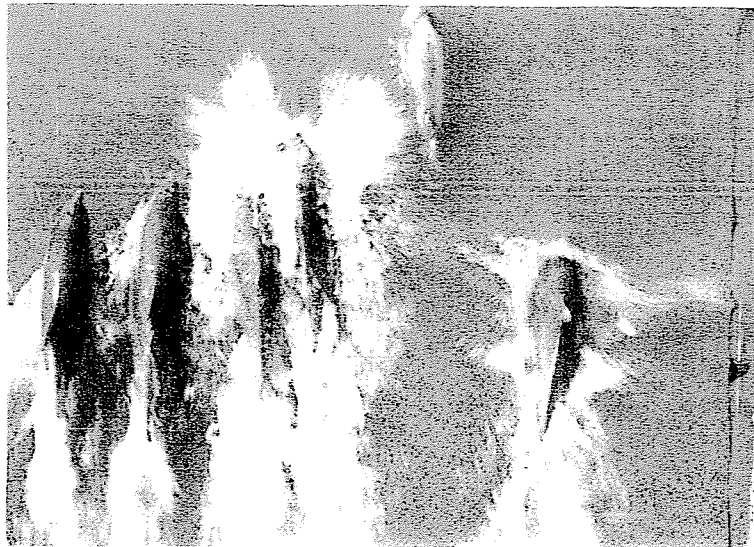
The Navy is building a revolutionary type of hydrofoil gunboat on the West Coast. Propulsion, hull and foil-borne, will be by water jets. A 3,000 shp. gas turbine will drive a centrifugal pump, said to be the largest of its type in the world. The pump is rated at 100 tons a minute, which is 37,440 bph. (As a comparison, the *Esso Houston's* 4 main cargo pumps are rated at 40,000 bph. total.)

In operation, sea water is drawn in through openings in the after hydrofoil pods, is given a whirl in the pump and ejected through two jets with explosive force. The gunboat, to be named *Tucumcari*, will have an aluminum hull 71' x 19'. Sea trials are expected to start next spring.

OBITUARY

CAPTAIN FRANS G. M. ANDERSON, 86, died Aug. 24 in Manasquan, N. J., where he had lived for 18 of his 22 years as an annuitant. His wife and a daughter, Mrs. S. White, of Wana-massa, N. J., survive.

Captain Anderson retired Sept. 1, 1945 with 25 years'



How's this for an action photo? Half a dozen porpoises cavorting just ahead of the *Esso Baltimore*. Al Beever, now Pumpman in the *Esso Miami*, shot it awhile back.

Interesting thing about porpoises—an oil extracted from the fat of the head and jaw is used to lubricate watches, clocks and precision equipment because it doesn't corrode, thicken, gum or freeze even at very low temperatures. The oil might find additional uses in this supersonic space age—unless Esso research has already found something better.

service. He joined the Company on Aug. 25, 1920 as Second Mate in the *Glenpool*, had his first command, the *Geo. H. Jones*, in Dec. 1926 and sailed continuously as Master from June 1933 until his retirement.

JOHN W. COLTRAIN, 61, former First Asst. Engineer, died of a heart attack July 21 at the U. S. Public Health Service Hospital in Savannah, Ga. A widower, he is survived by a daughter, Kathleen Coltrain, of Burbank, Calif.



Mr. Coltrain sailed as FWT and Oiler from July 1941 to Sept. 1943 and as Third, Second and First Asst. for the balance of his 22½ years in the Fleet. He had been living in Miami, Fla. since his retirement on April 1, 1963.

A Better Automatic Transmission Fluid Being Marketed by Humble

As a result of the development of an improved automatic transmission fluid, Humble will supply half of the factory fill transmission fluids that Ford Motor Co. will put in its 1968 model cars.

Development of the new fluid was a 6-year project by the Enjay Additives Lab of Esso Research & Engineering Co. The fluid contains 10 additives designed to prevent varnish and sludge deposits, wear, foaming, rust, copper corrosion.

and to provide fluidity under all temperatures and compatibility with various seals.

Among tests of the fluid was a wide-open throttle durability test at the Ford Proving Grounds. This test called for increasing the speed of a car from 0 to 90 mph. once every mile for 10,000 miles. In an independent field test, 92 Ford taxis

in New York City ran more than 6,000,000 miles with the new fluid. Some taxis went 110,000 miles without a change of transmission fluid.

Humble is marketing the improved transmission fluid (and also a power steering fluid) for all makes of cars through its service stations. The trade name is "Glide."

