ESSO FLEET NEWS
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Three Questions

In an article about moving ahead or falling behind, in the previous issue of the FLEET NEWS, we tried to explain something about the economic forces that are pressing on the oil transportation business. This is another attempt along the same lines but from a little different angle.

If we look back, we can see that changes, improvements, greater efficiency, etc. have been the rule since the first barrel of oil was carried in a sailing ship. But it seems that in our fleet, at least, more rapid changes have been going on in recent years. They started during the business recession of 1957-8. That rather hard pinch on profits caused a lot of head scratching and pencil sharpening over costs. Just how urgent these efforts were can be judged from the fact that Esso Standard Oil Co., then doing about $2 billion worth of business a year, was at one time uncomfortably close to being in the red.

On July 1, 1958 the fleet became part of Esso Standard and that company was merged into the new Humble company on Jan. 1, 1960. Throughout these moves, the spotlight has been on costs and how to reduce them — not only in Marine but in all functions.

Another subject that has come in the full glare of the spotlight has been "return on investment" — what you get back from what you put in, after expenses. Business managers (as you would too, in their place) want to know how the profit, for example, on $30 million invested in supertankers would compare with the same money put into a new polypropylene plant or some other unit.

Frankly, Marine operations for some years past have been a "weak sister" when it comes to showing a fair return on the money invested. If there were no other way to move oil from the Gulf to the Eastern Seaboard and all our competitors were in the same boat, we might say — "Oh well, that's the way it is".

But now there is another way and some of our competitors are in a different "boat". Nine of them are in the new Colonial Pipeline, with its push-button controls, radio operated pumping stations, electronic data processing and whatnot.

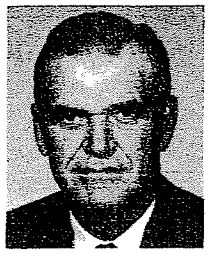
So what should we do? Continue in the same old way until higher costs make the return on investment so unattractive that we all sink together? Like the coastwise and intercoastal steamship lines that wouldn't or couldn't adjust to changing times?

No, your management is alive to the situation and has been taking action. They have gotten rid of all but one of the smaller ships, (which, incidentally, is expected to be operated through 1964) received an OK to build the biggest one yet and made important economies in operating costs.

This last step — principally the smaller crew complements — resulted in a reduction of 343 in the number of regular seagoing employees. Of these terminations, ALL have been voluntary except for the deaths, discharges for cause and normal retirements. About half took the special early retirement offer and others chose the special severance pay. *Not one* regular employee was laid off for lack of a job. There were no "pink slips".

And, strange as it may seem, many more people have benefited by the reduction in personnel than have been hurt. Due to the retirements and voluntary severances there were 109 promotions in the officer ranks, 85 in Deck and Engine ratings and 35 in the Steward's Dept. On the other side, 16 former ABs are now on the OS seniority list and 10 former Bos'ns are now ABs or DMs. But many of these (and others, too) are taking home more pay than before through increased overtime.

Here then, are the three questions — (1) Do you know of any company that has, or had a fairer or more liberal program for dealing with surplus personnel than Humble? (2) Do you have any reason to think that the Company would be any less liberal in the future, if further reductions should be necessary? (3) Do you know of any company better able to stay in the U. S. tanker business?

Morgan J. Davis Carl E. Reistle, Jr. J. K. Jamieson

Davis Retires; Reistle, Jamieson Advance

Carl E. Reistle, Jr. has been elected Chairman of the Board and chief executive officer of Humble, effective Nov. 1. Mr. Reistle, President of the Company since 1961, will succeed Morgan J. Davis, who is retiring at the end of October after more than 38 years' service, the last 6 as the Company's chief executive.

J. K. Jamieson, who joined the Humble board of directors in 1961, will succeed Mr. Reistle as President. He has been Executive Vice President since Jan. 1, 1962.

A native of Denver, Mr. Reistle was graduated from the University of Oklahoma in 1922 with a BS degree in chemical engineering. He joined Humble in Aug. 1936, after spending 11 years with the U. S. Bureau of Mines and 3 years as Chairman of the East Texas Engineering Association. From Engineer-in-Charge of the Company's Petroleum Engineering Division, he was promoted to Chief Petroleum Engineer in 1940 and to Manager of the Production Dept. in 1945. He was elected a member of the board of the old Humble in 1948, Vice President in 1955 and Executive Vice President in 1957.

In late 1959, when the organization of the enlarged Humble Company was begun, Mr. Reistle became Executive Vice President and Director of the new company. He was elected President in Sept. 1961.

Mr. Jamieson was born in Medicine Hat, Alberta, Canada. After graduation from M.I.T. with a BS degree in civil engineering and business administration, he worked with 2 Canadian oil companies and served in the Canadian government's Oil Controller's Dept. during World War II.

Mr. Jamieson joined Imperial Oil, Ltd., the Canadian affiliate of Standard Oil Co. (N. J.), in 1948. He advanced from Associate Manager of the Coordination and Economics Dept. to head of the Engineering and Development Division at Sarnia and, in 1950, to Asst. General Manager of the Manufacturing Dept. He was elected a Director of Imperial in 1952 and a Vice President in 1953.

In 1959 Mr. Jamieson was elected President and Director of Internationl Petroleum Co., another Jersey Standard affiliate. He served with that company until June, 1961, when he was elected a Vice President and Director of Humble.

Esso Tampa, Jacksonville Sale Pending; Delivery to be Next Year

Negotiations are in progress for the sale of the 28,000-dwt. tankers *Esso Tampa* and *Esso Jacksonville* to Destiny Carriers, Inc., of New York. The sale is subject to final agreement upon the terms and conditions of the contract.

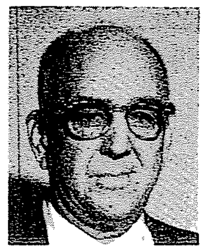
Delivery of the *Tampa* to the new owners is expected to be the latter part of April, 1964 and the *Jacksonville* in late September, 1964.

Decision to sell these two vessels now for future delivery was influenced by the favorable market prices presently available. The vessels were slated to go anyway when the new 66,700-tonner enters service, probably late in '64.

This development has also caused a change in plans for the *Esso Scranton*, which was to be retired next spring. She is now expected to be operated through 1964.

As to the effects on our seagoing personnel rolls — past experience indicates that normal attrition between now and next year will be sufficient to take up the slack caused by substituting one new ship for two old. In other words, no surplus of personnel is anticipated on this account.

Captain Mello Retires; Jacksonville Branch Mgr.



It was 48 years ago (1915) that the 3-masted barkentine *John S. Emery* sailed out of Boston bound for Buenos Aires with a cargo of lumber. On her articles as deck boy and donkeyman was the name of a 17-year old Provincetown (Cape Cod) lad, William Mello. He was making his first deep-sea voyage and starting a marine career that was to be notable as it was long.

After another trip in the barkentine, Captain Mello sailed with United Fruit and the Prince Line in World War I, got his license in 1919 and put in 8 years in the Boston coal boats. His 36½ years of credited service with the Company began on April 30, 1927 when he joined the *Beaconoil* as Third Mate. He advanced to Chief Mate the following year and to Master in 1939, serving in the latter rank during World War II until transferred ashore on April 16, 1945. One of his wartime com-

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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 1, Texas

We have here about as cute a picture of 2 rootin' tootin' cowhands as you'd ever want to see. They are 6 and 5-year old Richard and James Raymond Vila, sons of Mr. and Mrs. Richard A. Vila. Richie is Oiler in the *Esso Tampa*. He and his family (they have a younger son and older daughter) expect to move into a brand new home in Bayamon, Puerto Rico, next month.

Richard A. Vila

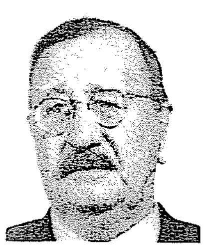
mands. the *I. C. White*. was torpedoed and sunk 500 miles off Brazil on Sept. 27, 1941.

Captain Mello's shore assignments included 6 months in Cristobal. Panama as a Ships' Attendant and Supervisor in 1945, 2½ years (Nov. 1945 to May 1948) as a Group Captain in New York. 5 years in Aruba as Marine Dept. Representative and Employee Relations Asst. and, from July 1, 1953 until his retirement, Oct. 1, Manager of the Jacksonville Office.

It was not so much the positions Captain Mello held that made his career notable. it was what he put into them — all he had, including a deep concern for his fellow man. His loyal devotion to every job he had was not prompted by a "still small voice" — his conscience shouted.

Looking forward, Captain Mello intends to stay put in Jacksonville. He is going to play a little golf. work around the house and enjoy his 25' cabin cruiser. He and Mrs. Mello have 3 children — a married daughter, Elizabeth and 2 sons, William, married and a lieutenant in the Navy and John, a freshman at Jacksonville University.

OBITUARY



AKSEL E. LUNDIN, 74, retired Chief Engineer, died Oct. 14 at his home in Nixon, N. J. His wife, Jenny, daughter, Olga and 4 grandchildren survive.

Mr. Lundin had over 22 years' service in the fleet and a 49-year seagoing career, starting as a boy in Norwegian square riggers. He sailed throughout World War II as First Asst. and Chief Engineer, serving more than 2 years in the *Chester O. Swain*. He retired on March 1, 1954.

30 Years' Service

Sydney Wire
Assistant
General Manager
October 21

Captain M. Breece
Manager, New York
Branch Office
October 25

TAFFRAIL TALK

It's time for another report on the *Esso Scranton*. She discharged at Calcutta, Oct. 1-5, proceeded to the Persian Gulf to load at Bahrein, Oct. 15-16, transited the Suez Canal the 26th-27th and was to discharge part cargo at Golcuk, Turkey (on the Sea of Marmara) on the 29th. The rest of the cargo is to go ashore at Salamis Island, near Piraeus and Athens, Greece.

Speaking of Turkey — and we hope Captain Roger Steward had better luck finding Golcuk than we did on a map — there's still a chance that most of the crew may be home for Thanksgiving; Christmas, for sure.

* * *

More coating inspector activities — Third Mate Harald Ronhave and his family will be leaving early in Nov. for an 8-12-month stay in Japan. He will do coating inspection and inspector training work for Esso Standard Sekiyu K. K. in connection with the building of 4 supertankers. Also,

A classic view of the American Niagara Falls taken by Robert E. Haines, AB in the *Esso Boston*. Bob and his family "took in" the Falls on a 1,400-mile trip from their home in Baltimore during his last paid leave.

In the photo at right, taken on the Canadian side of the Falls are, l. to r.: Mr. Haines, his son Robert, daughter Sandra and wife Leah Jane. Real fine family, don't you think?

Robert E. Haines Photos

Second Asst. Engineer Anthony Petryk will be on the West Coast for about 3 weeks on coating supervision for a cargo vessel being built by the National Steel & Shipbuilding Co. at San Diego for the American Mail Line.

* * *

We have 2 more record cargo loadings on the Mississippi. Captain Thomas K. Lawton, *Esso Baltimore*, tells us that the "flagship" loaded 46,379 long tons (342.676 bbls.) of Delta crude at Ostrica on Oct. 14, bettering her previous record of 339,041 bbls. loaded there on Aug. 21.

The *Esso Washington* (Captain Charles L. Llewellyn) set a new record for 38,000-dwt. vessels on Oct. 15 when she took aboard 7 clean grades totaling 36,579 tons (296,199 bbls.) at Baton Rouge. The previous record for this class vessel was the *Esso Lexington's* 35,892 tons lifted at Harbor Island on Aug. 4.

* * *

Captain Victor T. Springer, *Esso New York*, sent a page from the SCIENTIFIC AMERICAN which included items published in that journal 100 years ago. One reads as follows:

> "We learn that Mr. D. L. Miller, Jr., of Philadelphia is loading a cargo of crude petroleum in bulk for Liverpool, which is the first ever carried in that way. The vessel is fitted up with an exclusive view to carrying oil in bulk (of which it is expected she will take 50,000 gallons) and provided with 12 immense iron tanks. The barrels of oil are emptied directly into the tanks, and when the vessel is unloaded, the tanks are pumped out. Of course the peculiar construction of the vessel unfits her for any other than the petroleum trade."

SERVICE EMBLEM AWARDS

★ 20 YEARS ★

Carl W. Thenemann
Radio Officer
April 13, 1963

Lester M. Payne
Chief Steward
February 28, 1962

Edward T. Tomczak
Deck Maint.
June 17, 1962

☆ 10 YEARS ☆

John M. Barros, Aug. 4, 1961	Augustin Loredo, Jr., July 5, 1961	James A. Perkins, Aug. 14, 1961
James F. Goalder, Aug. 14, 1961	Donald D. Lytle, June 24, 1961	Chas. H. Quackenbush, June 5, 1961
Charles H. Hancock, Aug. 17, 1961	Abelardo Matas, June 21, 1961	Francis Renzetti, July 21, 1961
Kolbjorn Hansen, July 22, 1961	Waclaw W. Matusiak, Aug. 16, 1961	Henry A. Samuelsen, Aug. 12, 1961
Antone Joaquim, Aug. 24, 1961	Denver S. McCasland, July 2, 1961	Hans Sanness, Aug. 17, 1961
Walter E. Levendosky, June 29, 1961	Angel R. Meraz, Aug. 16, 1961	Robert Wallace, June 3, 1961

Alex McDonnell, AB in the *Esso Jamestown*, enclosed a clipping of James S. Avery's column "Sea and Scene" in the NEWPORT NEWS TIMES-HERALD, Oct. 9, in which Humble tankers got the following mention:

> PETROLEUM PEEP SHOW — It's nice to learn that Humble Oil tankers have some first-rate strippers working for them. Unfortunately for the seamen, these are not the peeling kind, but just another name for new-type pump lines that can discharge a tank down to the last gallon — good to the last drop, as a borrowed slogan says.

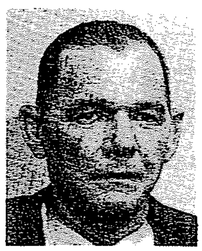
* * *

Worry is a thin stream of fear trickling through the mind. If encouraged, it cuts a channel into which all other thoughts are drained.

— *Arthur Somers Roche*

RECENT RETIREMENTS

PUMPMAN WILLIAM A. MALLINI retired Oct. 1 after 15 years, 5 months' service in the fleet. He started as Pumpman in the *Esso Binghamton* in Feb. 1948 and, except for a few assignments as FWT and Storekeeper in 1950 and '52, sailed continuously as Pumpman. He was born in Pass Christian, Miss. and resides now in Baton Rouge.



DECK MAINTENANCEMAN EMORY W. ROSS (retired Oct. 1) has some well-laid plans for his future. He is going to a school of barbering and then open his own shop. Probably he'll build it, too. He already knows something about the hair business as his wife, Nellie, has had a successful beauty shop since 1958. Emory helped build her first one in the breezeway of their home in Great Bridge, (near Norfolk) Va. When that became too small, he built a larger one on their 1½-acre property.

Mr. Ross went to sea 30 years ago as a deckhand on a barge. He was AB and bos'n in Pocahontas and Mystic SS Co. colliers in the '30s and aboard Parry Navigation Co. and Isbrandtsen freighters during World War II. In his 16-year Company career he served as Bos'n, AB and DM.

WIPER JOHN N. NEVES. Born in the Cape Verde Islands, to which he will return next month for a 3-month visit, Mr. Neves went to sea in a 2-masted whaling ship when he was 19. He was in the U. S. Lighthouse Service from 1930 to '41 and worked in a defense plant during the War. His career in the fleet began in March 1952 and ended with his retirement, Oct. 1, at age 65. He sailed as Wiper for the past 10 years.

Mr. Neves lives in New Bedford, Mass. with his wife, Albertina. They have 3 daughters, 4 sons and 5 grandchildren.