

The Journal of Commerce

NEW YORK, FRIDAY, AUGUST 31, 1962

Tanker Setup Girds to Meet Pipeline Peril

Humble Oil Co. Planning Supership Automation, Crew Cuts, Cost Paring

By DON O'SHEA

A gigantic pipeline project now under construction, designed to pump refined petroleum products from the prime Texas-Gulf Coast supply area to New York harbor, may not turn out to be the threat to U.S. coastwise tanker owners as originally feared.

The largest American-flag tanker operator believes that it can offer stiff competition to the \$360 million Colonial pipeline by using supertankers, instituting shipboard automation and reducing crews. This operation is expected to effect major economies in coastal oil vessel use.

From Texas to NY

[The Colonial pipeline, an enterprise of nine oil firms, is to extend some 1,600 miles from Houston, Tex., to Staten Island, N.Y. Ground was broken at the hub of the line at Marietta, Ga., on July 20.]

Humble Oil and Refining Co., a wholly-owned domestic affiliate of Standard Oil Co., N. J., outlined to The Journal of Commerce, some of its plans for future tank ship fleet operations.

In a telephone interview with Joseph Andreae, assistant general manager, marine division, at the company's offices in Houston, Tex., it was acknowledged that a statement was made to the company's employees disclosing plans to reduce costs in order to "remain competitive and stay in the business of transporting oil by tanker."

Scope of Plans

Some of those plans were outlined by the marine division general manager as follows:

- Continuing to improve the existing fleet by providing equipment which would enable seagoing personnel to perform their jobs at maximum efficiency;

- Modernizing the fleet by retiring the remaining three T-size oilers, each of about 15,500 tons carrying capacity within the next year, thus limiting ships to the 27,000-49,000 deadweight ton class.

Mr. Andreae said that Humble, "moreover, is actively considering the possibility of building even larger oilers of a simplified design." He said, however, that he could not discuss details at this time.

- Finally, in order to reduce the cost of manning the carriers, the firm would reduce the crew complement by seven unlicensed men per vessel on the smaller

Humble Plans Superships

Tanker Owner Girding To Meet Pipeline Threat

(Continued from First Page)
ships and by nine men on the larger vessels.

In regards to the crew reductions, the official indicated that "generous allowances in the form of early retirement or severance pay for those not eligible for early retirement, are included in the company's thinking."

Backs Big Tankers

The large economy-size tanker concept planned by Humble Oil was also advocated recently by Edwin M. Hood, president of the Shipbuilders Council of America, in a proposal submitted to Maritime Administrator Donald W. Alexander. Mr. Hood suggested that the government finance an economy-type tanker that would enable shipowners to compete with the Colonial line venture.

Market observers for the most part were inclined to agree that a big oiler making extensive use of automation, could favorably compete with the pipelines' per

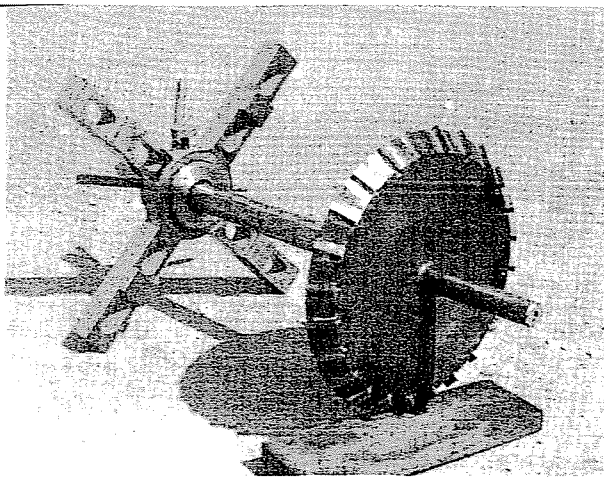
barrel delivery cost estimated at roughly 35 cents to this area.

Industry sources also pointed out that Humble's oil product market in the Northeast could attain an edge in fuel sales since the company would be hauling cargo in their own tankers at lower costs.

May Force Pause

This "rolled-up-sleeves fighting attitude" by the big supplier may force a pause in thinking any further evaluation by those who were prepared to sound the death knell for U.S. coastwise tanker movements.

The Colonial pipeline, the main portion of which is expected to be completed by January, 1963, is expected to pump through about 600,000 barrels daily of refined petroleum products at the outset, eventually reaching about one million barrels in a few years. The line, varying in size from 36 to 22 inches, is expected to be fully operative by October next year.

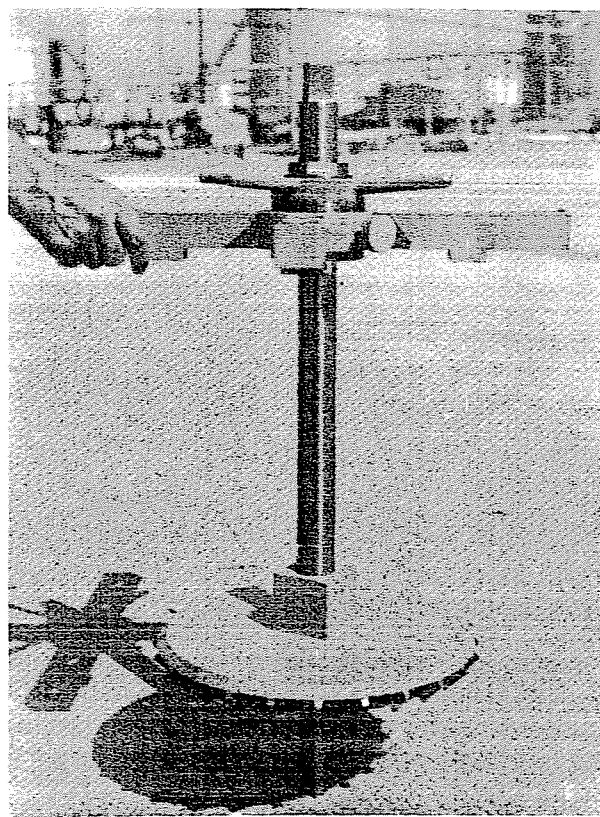


Reseating Tool for Cargo Valves

Pictured here are two views of a new valve seat resurfacer for 12" cargo valves. The tool was designed by Port Engineer T. J. McTaggart to provide a more economical and convenient method of cutting valve seats right in the tanks.

To operate the tool, it is lowered into the valve until the cutter is slightly above the valve seat. Then the spider (cross piece near top) is secured to the body of the valve by the bonnet studs. A four-spoke feed adjuster is then turned to put a slight pressure on the cutter, which is turned by a ratchet wrench or air motor.

The cutting tool weighs about 80 lbs. and is self-centering, almost guaranteeing a perfect reseating



job. A double spherical thrust bearing under the feed screw makes the cutter easy to turn and prevents chattering.

The first valve reseater has been placed aboard the *Esso Jamestown* for testing.

TAFFRAIL TALK

Miss Sheila Ann Galloway, daughter of William M. Galloway, Second Mate in the *Esso Gloucester*, has been awarded a Teagle Nursing Scholarship to attend the Tomlinson Adult Education Center in St. Petersburg, Fla.

* * *

Mrs. Judith Reid, one of eight rescued persons in the *Ketch Seafever* (EFN, Aug. 23, 1962) sent a very complimentary letter of thanks to M. J. Rathbone, President of the Jersey company. "We will be eternally thankful to Esso . . .", Mrs. Reid said. "Will you be so kind as to pass our gratitude on to the Captain of the *Esso Lexington* and his crew. I wanted you to know of their marvelous efforts on our behalf.

* * *

Some seagoing men have been unaware of a provision in the Health Service, Inc. hospitalization contract that makes coverage available for unmarried dependent children, aged 19 to 23. This provision is at the end of the certificate and is titled "Sponsored Dependents" (sometimes called Student Sponsored Dependents). The cost of this coverage, \$5.12 per month, can be deducted from tax-paid Thrift Fund balances.

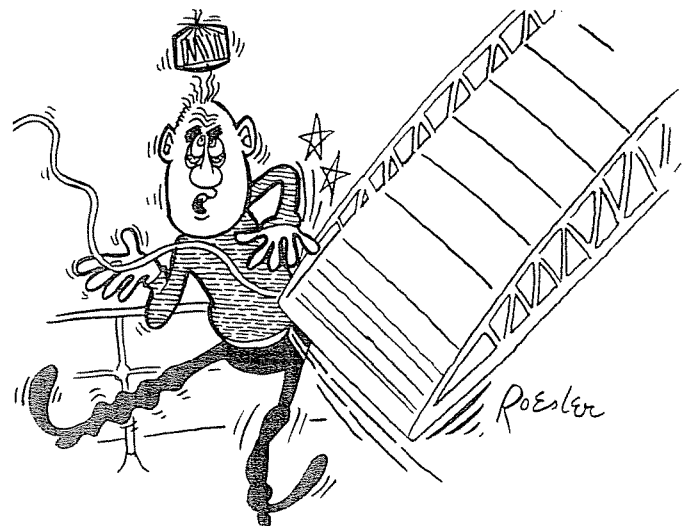
(continued on page 4)

The MIS-Adventures of

J. STUMBLEPRONE MC FRACTURE

Here's a side-splitting situation that isn't funny. Mac was helping to put the gangway out to the dock, got caught between said object and the ship's rail. Result was a little rough on his ribs even though they're fairly well padded.

Maneuvering the ship's gangway is, as you all know, a group effort and group efforts require teamwork. Everyone in the group should know just what is going to be done and someone should call the signals. "Playing it by ear" is too apt to result in fractures for even the sure-footed, let alone those prone to stumble.



Because gasoline stocks in the Norfolk and Washington, D.C. area were running unusually low, the *Esso Jamestown* made a fast passage from Baytown to Sewells Point, Sept. 13-16. She made the run in three days, 8¾ hrs. with a two-grade, full cargo, gaining one tide (eight to 10 hrs.) less than her normal time.

* * *

Stamp collectors may be interested in a new portfolio by Malcolm C. Dizer, retired Purser, who lives at 320 E. 42nd St., New York 17, N. Y. Entitled "Philatelic Tributes to the World Wide Crusade for the Peaceful Use of the Atom", the three-part portfolio has a first day, hand cancelled "Atoms for Peace" stamp of July 28, 1955, a similarly treated United Nations issue of Feb. 10, 1958 and the 4¢ stamp of July 28, 1962,

honoring the late Senator Brien McMahon, of Connecticut. The Senator was a "one-man crusade" to create the Atomic Energy Commission.

Mr. Dizer, 75, will be remembered for having made a trip around the world, financed by his postage stamp sales (EFN, June 30, 1960). The new portfolio, his 21st creation, sells for \$3.50 with single stamps and \$5 with blocks of four.

WORDS OF THE WISE

There is no readier way for a man to bring his own worth into question than by endeavoring to detract from the worth of other men. — *Tillotson*

— * —

Fear less, hope more; eat less, chew more; whine less, breathe more; talk less, say more; hate less, love more; and all good things are yours.

— *Swedish proverb*

SERVICE EMBLEM AWARDS

★ 30 YEARS ★



Ferdinand Villamore
Chief Engineer
June 19, 1961



Claud J. Lawson
Chief Engineer
April 16, 1962

★ 20 YEARS ★



Ralph F. Mazzucco
Chief Mate
June 30, 1958



Lawton M. Williams
1st Asst. Engr
February 24, 1961



George M. Baptista
Chief Steward
July 12, 1961

★ 10 YEARS ★

Frank H. Freundlich
Feb. 13, 1955

Richard C. Edwards
Sept. 1, 1959

Paul L. Timms
Feb. 13, 1960

Manuel Perillo
Oct. 8, 1960

Gilbert L. Gilmore
Feb. 5, 1961

Carmine G. Marabella
Feb. 26, 1961

Francisco S. Rocha
Mar. 1, 1961

Alv A. Maras
Mar. 7, 1961

Vincent R. Talaac
Mar. 7, 1961

Sheldon S. Eaton
Mar. 11, 1961

Yismael Coronado
Mar. 17, 1961

Raimundo Silva
Mar. 16, 1961

Axel G. Ekman
Mar. 18, 1961

Auriel T. Hall
Mar. 28, 1961

Joao B. Spencer
Mar. 30, 1961

New Company Telephone Number

On Sept. 17 a new telephone system was put into effect at Company headquarters. The old Humble number has been discontinued and all employee extension numbers in Houston have been changed.

The new Humble number is CAPitol 1-3636. There is also a newly established Humble Information Center at CAPitol 1-4586. For long distance calls, the Houston area code is 713.

Under the new system, known as Centrex, each employee's extension can be dialed directly from outside. In other words, incoming calls will not go through the switchboard when the caller dials CA 1 and the individual's extension.

Copies of a new back page for the telephone directory for ships' personnel, giving extensions of key Marine Dept. men in Houston, have been sent to vessels.

There has been no change in the Baytown Refinery number.

RECENT RETIREMENTS

PUMPMAN MELVIN M. WILSON retired Sept. 1 with more than 19 years of Company service. He was Wiper and Oiler for his first few years in the fleet but since Aug. 1, 1945, when he joined the *Esso Dover*, he sailed continuously as Pumpman. His last ships were the *Esso Scranton* and *Esso Greenville*.

In addition to his tanker service, Mr. Wilson was in the U. S. Army for nearly a year during World War II and was a U. S. Naval Reservist for four years.

Mr. Wilson lives in Texas City, Texas, a convenient location for one who enjoys fishing. He has two children, Patricia, 19 and William, 17.