

NEWSLETTER

Vol 2, No. 2 February, 1970

Published by MUELLER CO., Decatur, Illinois

Joe Penne, Editor

ANNUAL MEETINGS HELD BY MUELLER CO.

All members of the Mueller Co. Board of Directors were reelected on Feb. 12 at the annual shareholder's meeting in Decatur.

Members of the Board are:

Albert G. Webber, Jr., Chairman
Frank H. Mueller, Chairman of the Executive Committee
Joe H. Gardner
Robert V. Krikorian
George A. McAvity
Adolph Mueller II
Mrs. Bessie I. Mueller
Edwin K. Scheiter
John A. Schluter
Mrs. Lenore M. Schmick
Franklin B. Schmick
John F. Thurston

Company officers elected at the annual board meeting the same day were:

Albert G. Webber, Jr., Chairman of the Board
John F. Thurston, President and Chief Executive Officer
Paul Hickman, Vice President - Manufacturing
Lyle R. Huff, Vice President and Secretary - Treasurer
W. R. Leopold, Vice President - Engineering
William E. Murphy, Vice President - Marketing
Harlan A. White, Vice President - General Manager (Chattanooga Operations)
Robert W. Mallow, Assistant Secretary

Mallow, newly elected at this meeting, has been budget director since 1959.

He joined Mueller Co. in 1956 as an internal auditor and in 1958 was promoted to plant controller. He is a native of Urbana, a 1951 graduate of the University of Illinois, and was associated with the accounting firm of Gauger & Diehl before he joined Mueller.

He is a certified public accountant and has been active in community programs. He has been a member of the Decatur City Council since 1966. He is a member of the Lions Club, the Thursday Noon Toastmasters and for the last 10 years has served on the budget committee of the local United Fund organization.

At Mueller Co., the shareholders (owners) elect annually the members of the Board of Directors to represent them and their interests through the year. At a meeting immediately following, the Board in turn elects the company officers for the year.

MUELLER, LIMITED REELECTS ALL OFFICERS, DIRECTORS

All officers and directors of Mueller, Limited, Sarnia, Ontario, a wholly owned subsidiary of Mueller Co., were reelected on Feb. 11 at the firm's annual meeting in Decatur.

Company officers reelected were:

George A. McAvity, President and Chief Executive Officer
R.M. Nicolson, Vice President and Director of Marketing
L. Merlin Coates, Vice President and Director of Manufacturing
C. S. Browett, Secretary-Treasurer

Members of the Mueller, Limited Board of Directors are:

John F. Thurston, Chairman
Lyle R. Huff
George A. McAvity
Frank H. Mueller
R. M. Nicolson
A. G. Webber, Jr.
L. Merlin Coates
C. S. Browett

CANADIAN GAS INDUSTRY SEES CONTINUED GROWTH

(Ontario) . . . Another year of excellent progress was recorded by Canada's natural gas industry in 1969 and indications point to a continued annual increase in demand in 1970 of approximately 10%--a growth rate which the industry has experienced for more than 10 years.

Edmund C. Bovey, president of the Canadian Gas Association, said that the country's expanding energy needs increased gas sales by 11% in 1969 to more than 850 billion cubic feet. Canadian utilities added 78,000 new customers last year, of which 67,000 were residential and 11,000 were commercial and industrial, bringing the total to 1,845,000.

C.G.A. says the new year will see new trends in the economic life of Canada, but present indications are that a year similar in results to 1969 may be expected.

WHAT'S NEW IN THE HOUSING INDUSTRY

(U.S.) . . . The housing industry is one of the most basic parts of our nation's economy, but it has become one of the most unpredictable and most dynamic.

Such forces as shortages of money for home loans, increasing costs of labor and materials, archaic and conflicting building codes, accumulating demands, and government programs have made the industry, its suppliers, businessmen, and future homeowners make major adjustments and seek new ways to fill old needs.

One area enjoying great success recently is that of mobile homes, considered the fastest growing segment of the housing industry. In 1968, mobile homes experienced their greatest sales increase—31% over 1967. 1969 was expected to show shipments of 400,000 homes. It is a \$2 billion industry that accounts for 20% of the housing market.

By 1975, the mobile home business may be producing a million units annually. The biggest numbers of buyers are young married couples, a market group that is growing quickly and one that is expected to gain 11 million persons by 1975. Three-fourths of all mobile homes are sold to families with incomes of less than \$7,000. Conventional construction, plus furnishings and appliances, are beyond the financial reach of many in this income range so the less expensive mobile home has great appeal.

Innovation, as it often does, may give a partial solution to the housing problem by providing factory-built homes. Prefab homes were popular after WW II but today's factory-built homes will go much farther. Kitchens, bathrooms, plumbing, heating, electrical wiring, etc., will be installed as the home moves through the factory. The homes will be transported, usually by truck, either completely finished or in modular units to permanent foundations.

There is great excitement over the potential of this type of homebuilding. Productivity gains can be realized in using assembly line methods. Weather will be less a factor in building. New materials can be used.

Since the housing demand will become so great in the near future, this new method will merely supplement, but will not displace, the traditional housing industry and its skilled workers. The Housing and Urban Development Act of 1968 passed by Congress set a national goal calling for 26 million new and rehabilitated housing units over a 10-year period. Factory-built homes and increased use of mobile homes will only help fill this need.

There will also be needs for new water and gas systems wherever new homes go up and Mueller Co. and Mueller, Limited are getting ready for this demand "when the dam breaks"—probably in late 1970.

◆◆◆ ◆◆◆ ◆◆◆

"It's a funny thing—If you refuse to accept anything but the best, you often get it."

Somerset Maugham

A receptionist was overheard to say: "He's out to lunch, right now, but he won't be gone long. Nobody took him."

Service Awards

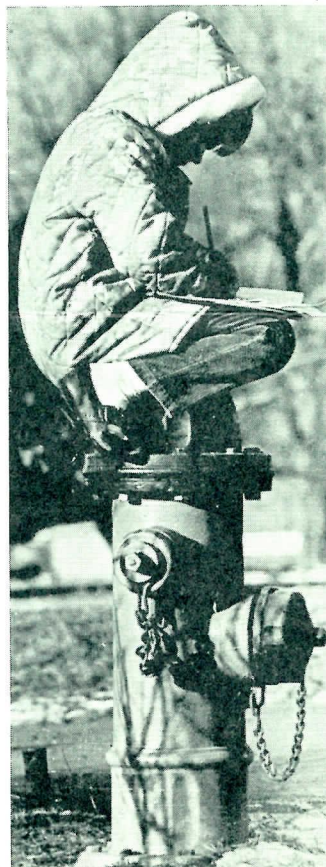
The following Mueller employees received service awards during February.

Decatur

- 5 Years: Peter N. Cassimatis
- 10 Years: Homer Rambo, Edgar Groves
- 15 Years: Thelma L. Endsley
- 20 Years: Robert H. Jesse, Andrew H. Heitman, Joseph E. Yonker, Robert E. Dickerson, Robert R. Henderson, Lloyd W. Darnell, Richard G. Ross
- 25 Years: Robert L. Smith, Jr., Leslie E. Gambee

Chattanooga

- 5 Years: James Frederick, Lewis T. Buchanan, Jr., James D. Rox
- 10 Years: Fletcher W. Hughes, James D. Serre, Fred E. Orton, Jr.
- 15 Years: Joe Roberts, Frank Ransom, Raymond W. Ellis, Glenn F. Cribbs, Willie D. McBee, Thomas S. Mize, Edwin Price, Thomas Ragland, Johnnie McClain, James Burkes, Charles L. Currington, Frank C. Evans, Thomas E. Paris, Quincy C. Flanagan
- 20 Years: Curtis L. Bartlett
- 25 Years: Clatice J. Hill, Arthur Womble



Mueller Fire Hydrants are good for a lot of things. In this case, a Mueller hydrant provides a convenient perch for this nine-year-old doing homework as she waits for her school bus. This photo is by Decatur Herald & Review Photographer Kenny Kiley.

News Briefs

(Chattanooga) . . . The Southwestern Foundry Conference was held in Chattanooga Feb. 5 and 6. Foundry Superintendent Coy Jones is a director of the Tennessee Chapter and had an active part in the meeting, working with the local chapter as a host.

• • • • •

The Clow Corp., a competitor of Mueller Co. particularly with its line of Eddy-lowa valves and hydrants, recently acquired Vega Manufacturing Corp., Wichita Falls, Texas. Vega's basic products are repair clamps and service clamps.

• • • • •

(Decatur) . . . The association for retired women from Mueller Co. in the Decatur area continues to meet monthly in the Elk's Club on the first Wednesday of each month. From 16 to 20 retired ladies get together and have, as described by one of them, a "wonderful time". All women retirees from Mueller are invited to attend.

• • • • •

(Decatur) . . . William E. Murphy, vice president-marketing, has been elected president of the United Fund of Decatur and Macon County for 1970-71. He served as first vice president of the United Fund this past year and has been a member of its Board of Directors.

• • • • •

(Decatur) . . . The organization formed by the retired men from Mueller Co. is now one year old and interest continues at a high level. At the last meeting about 35 men, including four from the company, attended the session at the House of Plenty. All retired men are urged to attend the next meeting which will be at noon on March 12.

• • • • •

(Decatur) . . . Traffic Manager Walt Mitchell has been named secretary of the Decatur Transportation Club. The organization is made up of shippers from industry and business, and representatives from the railroads and truck carriers.

U.S. GAS INDUSTRY SETS ALL-TIME RECORDS

(New York) . . . The gas utility and pipeline industry, indicating confidence in its future by spending \$3 billion for construction in 1969, chalked up all-time records in customers, sales and revenues during the year.

Sales and revenues climbed 7½%, the customer total reached a year-end peak of nearly 41½ million, and plant investment, in which the gas industry ranks 6th in the U.S. economy, went up to \$38 billion.

One discordant note was sounded in April when proved natural gas reserves were reported to be down 5½ trillion cubic feet to 287.4 trillion cubic feet. The American Gas Association (A.G.A.) attributed the 2%

decline in reserves to a long-term downward trend in exploratory well drilling activity.

Nearly 580,000 customers were added during 1969. Included in the total of 41.5 million customers are 38 million residential users. Projections recently completed by the A.G.A. indicate more than 11 million customers will be added by 1980.

Construction during 1969 was \$3 billion for the second year in a row. Transmission facilities involved an outlay of \$1.6 billion, while \$945 million was spent for distribution facilities, \$191 million for production and \$152 million for underground storage.

About 32,000 miles of pipeline and mains were added to the vast underground network which transports gas from wells to consumers. The total now stands at 893,000 miles and is expected to exceed one million miles before 1973.

PROCESS INTRODUCED CONVERTS COAL TO GAS

(Chicago) . . . Ground was broken here late in May for the construction of the Institute of Gas Technology's (IGT) multimillion-dollar pilot plant which, when completed, will convert 80 tons of coal a day into 1.5 million cubic feet of pipeline-quality gas.

Mueller, Limited and Mueller Co. have been closely associated with the gas industry as manufacturers of products for the control and distribution of this fuel, and this conversion process could be important to the industry and Mueller in the future.

Scheduled to be ready for operation in the spring of 1970, the plant is in the second phase of IGT's Hydrogasification (HYGAS) development project which began in 1955 with the American Gas Association (AGA) as sole sponsor. (Mueller Co. is a member of this large trade association and active in many of its programs. We also support IGT). The Department of Interior's Office of Coal Research joined A.G.A. in cosponsoring the project in 1964. The total cost of the program is estimated to be about \$14 million.

The HYGAS process uses high-temperature and high-pressure technology to convert coal to synthetic pipeline gas that is fully interchangeable with natural gas. Any grade of coal can be used ranging from low-grade lignite to high volatile bituminous types.

At the ground-breaking ceremony Assistant Secretary of the Department of the Interior Hollis M. Dole said, "I believe that all of us, both within and without the Government, are convinced of the importance of developing alternate sources of pipeline-quality gas for use in certain areas of our country. While forecasters may disagree on timing, there seems little doubt that we will see a pressing need for such substitutes in a few years. Coal, because of its abundance and widely scattered geographic locations, is a logical source of substitute gas to supplement existing supplies and help pick up part of the load for future growth needs."

At one time the gas and coal industries were competing for customers, but today the two are working together on a project that could be beneficial to both industries as well as to the consumer and to Mueller Co.

DECATUR CREDIT UNION CONTINUES GROWTH

(Decatur) . . . In 1969 the Mueller Co. Employees Credit Union in Decatur continued to grow--but at a slower pace, according to Treasurer Harold Munsterman's report given at the annual meeting Jan. 27.

He said this reduced rate was due primarily to the tight money market.

According to the annual report, assets increased 1.7% to \$2,409,000; shares went up 1.1% to \$2,234,000 and the amount of the 1281 loans increased 8% to \$1,529,000.

More than \$104,000 or 54% of earnings were paid to members in the form of dividends as net income for the year rose to \$125,778 from \$101,378 in 1968.

The credit union now has 1,578 members and since it began operation about 26 years ago, it has loaned more than \$27,250,000 to employees, retirees and members of their families.

At the annual meeting, Donald L. Matthews (foreman in Dept. 50) and Herbert W. Deibert (Dept. 70) were elected to the board of directors, succeeding Harold Taylor and Pershing Griffith. Harold (Machine Repair) served on the board for about 20 years and Pershing (Dept. 70) had a total of 12 years, including a term as president.

Officers for 1970 are: Charles L. Brown (Dept. 80), president; Cecil Wilson (Dept. 80), vice president; R. Dale Streight (Dept. 70), secretary; and Harold Munsterman, treasurer.

Reelected to the board were: Delmar E. Bagenski, Amos Bailey, Eric Blankenburg, Otis B. Fears, Howard Gleespen, Leon Nelson, George S. Paxton, Anthony J. Schultz, and Orville Spencer, Jr.

Retirements

The following list gives retiree's job at time of retirement, years of service and date of retirement.

Chattanooga

Robert G. Lansford, machine operator, 23½ years, Feb. 14.

Brea

Eugene H. Warren, foreman, Tool and Die Dept., 35 years and 17 days, Feb. 15.

Jack W. Warren, 35 years, 9 months and 26 days, Feb. 28.

FAMILIAR FACES IN NEW PLACES

(Chattanooga) . . . Arnold McKelvey, formerly assistant foreman in the Maintenance Department, has been promoted to maintenance planner. The newly created job involves scheduling and planning of work programs for the department.

Charles Blankenship, formerly a maintenance mechanic assigned to the Moldmaster unit, has been promoted to assistant maintenance foreman. He started with Mueller Co. as a maintenance welder in 1963.

Some Time Ago At MUELLER

Today, Mueller advertising is limited to trade journals that circulate in the water and gas industries, but in 1926 Mueller was a regular advertiser in two national "family" magazines--**The Saturday Evening Post** and **Liberty**. Full page ads in color appeared at two-week intervals in these magazines, promoting Mueller plumbing goods. Here is a sample of a Mueller ad in the August 14, 1926 issue of the **Post**. The headline reads: "Do Noisy Faucets Arouse You In The Night? . . . Look to the vital spots." The body copy, in part, says: "Do you live in a house of leaky, gurgling faucets? Do you know the misery of being awakened every so often by a turmoil of hideous faucet groans? Faucets that murder sleep are an easily avoidable nuisance. The whole trouble can be corrected within a few hours' time. Mueller faucets are made with a real conception of the purpose of faucets. For sixty-nine years the Mueller people have given the best of their skill to making faucets ever better and better." There is more copy, but the ad concludes with: "MUELLER FAUCETS--Faucets Without a Fault." The **Post**, **Liberty** and Mueller faucets were all big sellers in the 1920s, but none are available today.

According to a Decatur Review from 1901, Hironymus Mueller's first invention many years earlier was a burglar alarm pistol. Being a gunsmith it was logical that his first idea would follow this line, but few people were interested in a device that would discharge a pistol when a window was opened. There were certain hazards inherent with such a setup, so Mr. Mueller turned his talents to other pursuits.

In Decatur we have plants 1 and 4, referring to the operation on Eldorado Street and the Foundry respectively, but what happened to plants 2 and 3? Plant 2 was the designation for an iron foundry and machine shop on East Eldorado Street which operated from the early 1920s until our foundry operations were consolidated at Plant 4 in 1953. That site is now part of the Mississippi Valley Structural Steel Co. Plant 3's operation began in the late 1920s when the company began producing vitreous china plumbing products. This operation lasted about three years and was hit hard by the depression. Little activity occurred at the plant until World War II when Mueller began producing shells and Plant 3 became the "War Plant." Shortly after W W II the company began formulating plans to build a complex at the Plant 3 site that would consolidate all of the Mueller operations in Decatur. These plans were dropped, however, and in 1948 the Borg-Warner Corporation leased the Plant 3 property and today this area is the location of two divisions of that corporation.

On **June 29, 1935**, a Decatur newspaper mentioned that a rule at Mueller Co. had been withdrawn that prevented women from marrying while working at the company.