

NEWSLETTER

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HOUSING STARTS IN DECLINE

Housing starts declined the last two months to the lowest level in eight months, but, according to the **Wall Street Journal**, housing officials have expected this downturn and they forecast further reductions in activity.

February starts were off about 2% from January and March's activity was about 8% below that of February. According to the **Journal**, housing activity fell in all areas of the country except the South in March, causing starts to drop 2.3% below the 2,313,000 units of a year ago and the slowest rate since last July's 2,224,000.

The newspaper quoted Michael Sumichrast, chief economist of the National Association of Home Builders, who said the decline was about what the industry expected. He anticipates a continued drop to about two million units this year, down from 2.5 million in 1972. By year-end the adjusted annual rate could be down to 1.7 or 1.8 million units, he said.

MERLIN COATES NAMED DECATUR PLANT MGR.

L. Merlin Coates, assistant plant manager in Decatur, has been promoted to plant manager, succeeding R.K. (Pete) Duncan, who retired April 17.

At the same time, Charles W. Moore, vice president-manufacturing, announced that George R. Lebo was promoted from manager of manufacturing requirements to production superintendent in Decatur.

Duncan started with the company in 1928 as a draftsman. He spent most of his 45 years with the company in the tool engineering section as a draftsman, tool designer, foreman in tool making and machine repair, and as tool engineer from 1949 until 1965 when he was named assistant plant manager. He was named plant manager in 1968. The Duncans plan to keep their home in Decatur and, except for a few trips, expect to spend a lot of time on the golf course this summer.

Coates, who became assistant plant manager in Decatur last year, started with Mueller Co. in Decatur in 1935 in industrial engineering. In 1949 he went to Mueller, Limited, Sarnia, Ontario, to head the Standards Department and in 1966 he was named vice president and director of manufacturing at the Canadian plant and elected to the Mueller, Limited Board of Directors. Coates returned to Decatur in 1971 to become assistant to the vice president-manufacturing.

Lebo started with Mueller Co. in the Decatur factory in 1946 and was promoted to time study engineer in 1953. He spent seven years in production and inventory control as finished stock control supervisor or manager of the department. In 1965 he became manager of data processing and then in 1969 he was named manager of manufacturing requirements.

AVERAGE SERVICE IS 12 YEARS IN DECATUR

The build-up of the work force in Decatur is reflected in a recent survey which indicates 17% of the hourly employees have less than one year with Mueller Co.

As people retire at earlier ages and younger workers have more mobile work careers, the numbers of employees with long service records logically will slowly diminish.

About 10,775 years of experience are found among roughly 900 hourly employees checked in March. The average service years for the group was 12, but those with five or less years of service comprise about 43% of the hourly workers.

Those with 10 years or less of service make up about 52% of the hourly work force, but account for only about 13% of the years of experience. About 31% of the total Decatur years of experience are found among those with 21 through 30 years of service. This group interestingly, represents only about 15% of the hourly force.

At the time of the survey, there were 12 employees with 40 or more years of service and between them they totaled 538 years at Mueller Co.

MEN RETIREES CHANGE MEETING LOCATION

The men retirees from Mueller Co. in Decatur have switched locations for their meetings and beginning May 10, the group will get together at Swartz Restaurant, 204 N. 22nd St.

The retirees have been meeting at the Scanda House since December, 1971, but recent price increases there led to the change. The Scanda House offered only a buffet meal for a set price, while at Swartz a complete choice ranging from coffee and pie to a full dinner will be available to order.

Future meetings at Swartz Restaurant will be at the usual time--11:30 a.m. on the second Thursday of each month.

CAN U.S. MEASURE UP TO USING METRICS?

The metric system for measurement looks like another major addition to the growing list of U.S. imports from around the world.

Commerce Department officials, however, feel this one import will help our exports and eventually could switch the balance of trade in this country.

A few years ago there didn't seem to be much need for the U.S. to convert to the metric system. After all, we were the leading producers of goods and materials at the time, so our customers in other countries just had to learn to accept our system.

This story has changed! Japan, West Germany, France and most of the other great manufacturing countries are on the metric system and their influence is being felt in world trade. Great Britain is now in the midst of its transition from the inch to the centimeter, leaving the U.S., Gambia, Sierra Leone, Ceylon, Jamaica, Burma and a few others as the remaining holdouts to using metric measure.

A bill sponsored by Rhode Island's Sen. Claiborne Pell, which would convert the federal government's standards to the metric system, passed the Senate last year, but little action on it has been seen in the House. The bill also recommended a **voluntary** conversion within industry, extending the change over a decade. Other legislation has been introduced so final recommendations are open for broad speculation.

Pell's bill would set an 11-member board representing business, education, labor, consumers, science and technology to encourage industry to convert--but there would be no compulsion. The Senate Commerce Committee claimed 11% of the nation's economy was already on the metric system, mostly in the fields of medicine, drugs, military and sciences.

Many of the nation's large firms, especially the major exporters, are using the metric system to some extent with much of this involvement limited to a dual dimensioning system which uses the English (inch) system with the metric equivalents.

When (if) the transition comes, it will take years, millions of manhours and dollars, and a complete education program with the final costs borne by the user. A detailed study of its impact on Mueller Co. has been underway in our Engineering Department.

If Thomas Jefferson had gotten his way in 1790 the U.S. would have switched to the metric system then. Instead of today's 1½ inch corporation stop we'd have to ask for a .38 millimeter valve and Denver, the "Mile High City," would be the "1.61 Kilometer High City."

We inherited our current system of measurement from "mother" England. At the time of our colonization and subsequent nationalization, the English system of weights and measures was probably the best standardized and most widely used in the world.

England, separated by sea from many turmoils of the

European continent, had long before established standards for weights and measures that have remained essentially unchanged up to the present time.

No such uniformity existed in Europe. Weights and measures differed not only from country to country but even from town-to-town and from one trade to another. This need for a unified system eventually prompted the birth of the metric system.

Its origin as an official standard dates back to the 18th century. The principal unit of measure, the meter, was established in 1791 as an outgrowth of the French Revolution. The founders of the French Republic, influenced as they were by the scientific opinion of the day, believed a direct relationship should be established between units of length, volume and weight, using multiples of ten.

They also recognized that an absolute standard in the physical universe should determine the basic unit of length. The distance from the equator to the North Pole was called a quadrant. Jean Delambre computed the quadrant by carefully pacing the distance from Dunkirk to Barcelona. The distance was so great that a ten-millionth of the quadrant was chosen as the new basic unit of length. This new unit was called the "metre" which simply means measure. The meter became the basis of the metric system.

By 1799 a standard meter stick, the newly measured length, was cast of platinum and placed in a vault in France. (In 1960 a general conference of weights and measures redefined the meter from a wave length of the orange-red light of Krypton 86--a laboratory exercise that can be repeated anywhere with the proper equipment.)

Jefferson asked Congress to consider converting the U.S. to the metric system in 1790 but no action was taken until 1866 when the possibility of conversion was legalized by an act of Congress. Again no action and interest died until after World War II. Finally in 1968 Congress authorized a detailed study into the advantages and disadvantages of use of the metric system in the United States.

The study by the National Bureau of Standards and the Department of Congress entitled "A Metric America: A Decision Whose Time Has Come" was released in 1971 with a recommendation that the country change to the international metric system.

The time may come when Texans wear 38 liter hats, a kilogram cake tastes like a pound cake, and the 36-24-36 beauty queen blossoms out to 91-61-91.

Retirements

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

Decatur

Ralph K. Duncan, plant manager, 45 years and 4 days, April 17.

Service Awards

The following Mueller employees received service awards during March.

Chattanooga

20 Years: Lee Roy Hampton, Richard Goodloe, Edward McGhee

30 Years: Howard Rogers

Decatur

10 Years: Ralph H. Strahle, Jimmy D. McDermith

20 Years: Robert W. Nelson, Marvin R. Black, John R. Wood.

Mueller, Limited

30 Years: Doris McLaughlin

The following Mueller employees received service awards during April.

Chattanooga

10 Years: James Randall, Oscar Arthell Lewis, Carl M. Hunsucker

20 Years: Samuel M. Marsh, George Skillern, James Zellander, Willie C. McCurdy, Eddie Lee King

30 Years: Seth Fowler

Decatur

10 Years: James D. Poling, Norma M. Wellwood

20 Years: Earney J. Black, Paul D. Bolhorst, Luis L. Gordillo

30 Years: Homer F. Hooker

News Briefs

Jack D. Vincent, process control supervisor in Chattanooga, was a member of the planning committee for what was called "the most successful Engineers Week in the Chattanooga area history." By virtue of his office as local chairman of the American Society of Metals, Jack worked on arrangements and also helped welcome Apollo 17 astronauts, who were special guests during Engineers Week. Sixteen technical and engineering societies and organizations worked on the observance. As the result of the successes of Engineer Week, an Engineer Task Force was formed to act as a pre-planning committee to advise area governmental bodies on many technical matters.

The Assemblers won the Decatur Mueller Bowling League championship for the second year in a row, edging out the Foundry team. Members of the winning team are: Charlie Ater, Floyd Erlenbusch, Ed Nalefski, Galen Jenkins, Joe Chladny and Charley Monroe. The Foundry team was made up of: Ron Clutter, Dick Janetzky, Bill Dunaway, Ron Chaney, Mike Ater, Paul

Williams and Bob Cates.

Harold Whitacre from the Quality Control team had the best three-game series with a 644 score and tied Zeke Cortese from Adam's Clamp for the best average with a 181. Larry Warfield's 268 beat Erlenbusch's best game by one pin for the high individual score.

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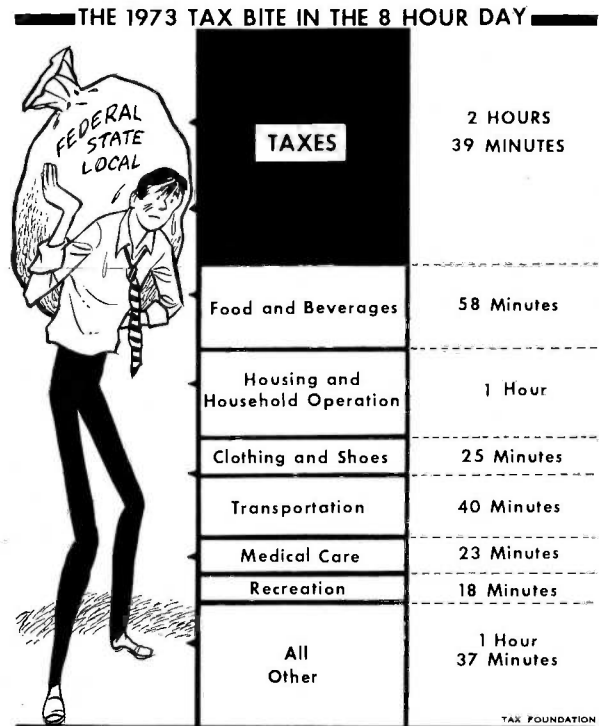
The seven-team Mueller Golf League is scheduled to begin play May 1 at Decatur's Scovill Golf Course. Regular handicap team play will be used the first half of the season and the second half will consist of individual and team tournaments. The annual Frank Mueller Playday will be held Aug. 18 at the Hickory Point Golf Course, followed by a cookout at the Mueller Lodge.

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The Paul Hickmans made a brief stop in Decatur in mid-April during their travels from the southwest to the northeast. Their meanderings during the winter included several weeks in Mexico. They are headed for New England to visit family and perhaps to establish a more permanent residence. Paul was vice president-manufacturing until his retirement last fall.

NO SHUTDOWN SET FOR U.S. PLANTS

Due to scheduling for production, Mueller Co. has no plans at this time to close any of the U.S. plants for vacations. Mueller, Limited, however, will shut down operations from July 30 through Aug. 12 for vacations.



In 1973 Americans will need 2 hours 39 minutes of their eight-hour workday to meet their taxes, longer work time than is needed to pay for their food, shelter and clothing.

HOW PROFITABLE ARE PROFITS?

How profitable are a company's profits? In fact, just what do you think being profitable means in dollars and cents?

These are both important questions, since American business is currently under fire for supposedly making more profits than it deserves, and doing so at the expense of its work force. Most Americans think the average after-tax profit of companies is 28¢ out of every dollar of sales. That's a long way from the actual figure: Average after-tax profits are 4¢ per dollar.

Industries vary, of course, in their profitability. While the communications field posts a 6.2¢ profit per dollar, the wholesale/retail profit is 1.4¢ per dollar.

Profits haven't always been this low. Today, employees receive \$9 to every \$1 of profit. In 1946, for every \$3 paid to employees in the form of wages or benefits, after-tax profits were \$1. While the Gross National Product--the total of all products and services produced in the country--increased 53% between 1965 and 1971, employee compensation rose 63%. Profits inched up 2% during this same period.

What's happened to the profit picture? The government is mainly responsible since 60% of the direct profit made by business goes to the tax collector. The individual isn't the only one to feel the growing tax bite. Federal and state income taxes, federal excise taxes, state sales taxes, property taxes and many other miscellaneous taxes all cut into the major portion of the company's profits.

The subject of profits is much more pleasant than taxes. Profit is the inducement for business to expand in size and scope. This means jobs. When a factory adds 100 new workers to its payroll, it produces an average of \$331,000 in retail sales each year; \$229,000 in bank deposits; 65 more workers employed in non-manufacturing jobs; covers \$700,000 in personal income generated per year; and the opening of three more retail establishments in the community.

Profits are important to everyone, because they are the bedrock of more investment in equipment and facilities, higher wages and more jobs. Every dollar paid in wages has what economists call a "multiplier effect": One dollar paid in salary may snowball into seven dollars of goods or services bought as it moves through the economy.

Profits make things happen!

FAMILIAR FACES IN NEW PLACES

In Brea: **H.V. Hassebrock**, formerly assistant Iron Foundry foreman, has been promoted to senior industrial engineer. **T.P. Summers**, formerly Brass Foundry shift foreman, has been named to succeed Hassebrock in the Iron Foundry. **W.T. Miles**, formerly assistant shift machining foreman, has been appointed junior tool engineer.

Some Time Ago At MUELLER

In November, 1938 the "49 Club" gave a testimonial dinner for Robert and Adolph Mueller. Part of the evening's entertainment offered by the outside salesmen was the singing of the "Mueller Song" by Leroy Evans, now retired former vice president and eastern sales manager. To the tune of "Marching Along Together", Mr. Evans intoned:

"Going along with Mueller
That is what we all have done
Giving our all for Mueller
That is why we've always won.
Honesty is our policy, quality is our aim,
From San Francisco, and New York
Los Angeles by gum,
Chattanooga, Sarnia, Decatur we are one:
Yeah, come along with Mueller
And we'll have them on the run, run, run."

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The Mueller Co. retirement program is more than 30 years old, making it one of the earliest industrial programs of its type. The original plan reads: "The Retirement Trust (also known as the Pension Plan) was effective Dec. 1, 1942, under a three party Trust Agreement between Mueller Co., Harris Trust and Savings Bank (of Chicago, Illinois) and three individual trustees.

"The entire cost is paid by Mueller Co. Harris Trust and Savings Bank has exclusive control of all finances and no part of the Mueller Co.'s contributions can be returned to it, or otherwise used directly or indirectly for the Company's benefit." According to the plan, the payments to employees were figured on average income and the durations of the individual pensions were related to years of service. The plan also included provisions for disability retirement and widow's benefits.

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Formation of a Mueller Co. Employees Credit Union in Decatur was announced in the September, 1944 issue of the RECORD. The first president was Al Lindamood and Harold Munsterman was the treasurer--a position he holds yet today. The new credit union's office was located in the Mueller Gym Building. Within two months there were 227 members reported.

PRIVATE PENSIONS STILL WORKING

Private pensions are still doing their job, despite some of the talk today about their deficiencies.

The newest Treasury-Labor Department study of pension plan terminations during the first months of 1972 shows that about 4/100 of 1% of all workers covered by private pension plans lost benefits. Or more positively, 99.96% of the private pension plans are working.