

# Sun Ship Log

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## U.S. Navy Berthing Facility "Christened"

Sun's new Navy Berthing Facility was "christened" in true maritime fashion as Mrs. Carl A. Brettschneider broke the traditional bottle of champagne on the building's cornerstone during dedication ceremonies on February 6.

The dedication by Mrs. Brettschneider, wife of the Commandant - Fourth Naval District, was witnessed by local and state officials, U.S. Naval District personnel, Sun Ship management and officers and enlisted of the U.S.S. Portland, the building's first occupants.

The recently constructed shipyard building was designed to provide living accommodations for up to 350 U.S. Navy crew members whose ships are at Sun Ship for overhaul and repair.

The berthing facility is further evidence of Sun Ship's commitment to attract more U.S. Navy shipbuilding business to its Chester yard.

Ground was broken for the new building on October 1, 1979 and the facility was ready for occupancy in late December, 1979. Cost of the building, including furnishings and decoration, was little over \$1 million.



Betty Brettschneider, wife of Admiral Carl A. Brettschneider, Commandant - 4th Naval District, holds the remnants of the bottle with which she christened

the new naval berthing facility at the shipyard. The structure is designed to house approximately 350. The crew from the PORTLAND is the first to occupy the building.

## The Winners Are . . .

Five Operations Division employees were big winners in the company's 2nd Super Safety Contest. The winners' names were drawn from a lottery that contained the names of all shipyard employees who were not injured during the one month of the contest. The winners and their prizes are:

- Bruce Costa - 45 Department, First Prize - Betamax Recorder.
- Larry Wyatt - 34 Department, Second Prize - Vespa Moped.
- Lloyd Chambliss - 47 Department, Third Prize - Stereo System.
- Robert Himes - 31 Department, Fourth Prize - 19" Color T.V.
- Samuel Blue - 69 Department, Fifth Prize - Pair of Philadelphia Eagles Season Tickets.

The contest ended January 31, 1980. Prizes were awarded February 11, 1980.

## Vice President - Financial Planning Named



Henry Z. (Hal) Shelton joined Sun Ship as Vice President of Financial Planning on February 19, 1980. Mr. Shelton reports to George C. Liacouras, Senior Vice President - Finance and Treasury. In this capacity, Mr. Shelton will assist Mr. Liacouras in maintaining the shipyard's corporate financial functions as well as implementing changes resulting from Sun Ship's new technology and systems.

Mr. Shelton's previous post was Director of Finance and Systems for Sunmark Industries, the marketing portion of Sun Company. In that position, as Chief Financial Officer, he was responsible for all accounting, treasury, and credit ac-

tivities, including the Credit Card Center. He was in charge of all aspects of Sunmark's information and computer systems activities as well as being a Director of several convenience store companies.

He obtained a Bachelor of Science degree in industrial management from Carnegie-Mellon University and a MBA in finance/economics from the University of Chicago. Additionally, he received an honors diploma in international economics and history from the University of Vienna, Vienna Austria.

He and his wife, Gail, have two children and live in Oreland, PA.

# President Robert Campbell's Speech To

First of all I'm glad to have the opportunity to talk to you, and I'd like to have you realize I'm addressing my remarks to all employees — hourly workers, managers, supervisors, secretaries — everyone who is an employee of Sun Ship. As my notice on the bulletin boards said, I want to talk to you about the end of the year status of Sun Ship and our plans and needs for 1980.

First, let's look at the year 1979. In spite of the fact that we obtained new business contracts for future ship construction, the year 1979 was an extremely poor one financially for Sun Ship. Last year we lost \$43.5 million dollars and this has been a tremendous shock to Sun Company. Approximately one-half of the loss, \$22 million, was due to writing off equipment purchased long ago for ships we will not construct, plus settlement of various law suits.

However, the other one-half of the loss, \$21 million, was due simply to our poor performance in building and repairing ships. From the president on down to the entry level clerk and production worker, each of us contributed to the shipyard's losses in 1979. In addition, I must add if we all continue with "business as usual" in 1980 on this sub-par performance, we will lose money on every ship we have in the yard today.

You can logically ask, "How is that possible with all the new ship contracts we have already received?" Also, many of you can point to the articles in newspapers such as the one in the Philadelphia Inquirer that talked about Sun Ship revenue of \$163 million in 1979. I would like to use an example to try to show what is happening and explain away the apparent conflict.

Let's assume Sun Ship is in the business of manufacturing tennis balls. Let's also assume that in the marketplace, a tennis ball sells for one dollar — no more, no less. Our tennis balls and our competitors' tennis balls all sell for a dollar.

Our competitor manufactures the tennis ball and it cost him 85¢. He sells the ball for one dollar and a portion of the 15¢ profit is put back in the plant for improvement and expansion. Sun

Ship manufactures the tennis ball for \$1.25. We sell it for one dollar to the customer and then ask Sun Company for the 25¢ to cover our losses.

And so it is with Sun Ship in the shipbuilding marketplace. The way we build ships now, the more ships we sell, the more money we lose. Sure, we have a \$450 million backlog. But that backlog won't help us if we don't change the way we build ships and begin to build them at a profit.

Sun Company has been willing to provide short term financial support until we are capable of standing on our own two feet. Their willingness to help financially is evident throughout the yard.

Just look around you, the new north yard shipbuilding facility, the largest floating dry dock on the U.S. East Coast, new plate handling and plate burning facilities are all the result of our parent company's support.

A support, I might add, that continues to the present day with the new shot blast and coatings facility, the fab shop modernization and extension of the north yard shipbuilding slab.

But we now have to demonstrate that we can begin to stand on our own.

Anyone of you who thinks Sun Company will continue forever to underwrite shipyard losses is out of touch with reality. Contrary to what you may have heard: Sun Company does not need a tax write-off and is not using Sun Ship as a means of providing economic support to this part of Delaware County. They expect and demand that we become a self-supporting business — and there is no reason we can't. Now if I'm going to tell you we have a problem, I need to be able to also point out specifically where you can begin to help.

As some of you may have heard, we have begun to change and improve the technology by which we design, engineer, plan and construct ships. Some of this technology is from Sweden, some from Brazil, and some from Maine, Virginia, etc. In other words, we're trying to use the best ideas we can find anywhere. What we have started in engineering is a long way from reaching you the hourly worker and supervisor, but is slowly coming out of the other divisions and will be entering the yard piece by piece.

Each new hull will show a greater change toward the new technology and by the time we build the C&H Sugar Barge (Hull 683) it will be almost entirely based on the new means of construction.

If you want to help this company succeed, I need you to help those changes along as they come out into this shipyard. I know that if the workers, supervisors, superintendents and managers don't want the change to occur and hold to the idea that the past was better, we will completely grind to a halt. I need you to question and understand the changes, and then speed them up and put them in practice. What makes this all the more vital is that we recently found out that three other U.S. yards (Avondale, Nassco and Livingston) have signed on foreign consultants to begin the change in their technology. They are following our lead. But as a result, the U.S. shipbuilding industry is going to change dramatically. Please remember that if you take a "business as usual" attitude, it will result in continued losses of this corporation.

A second thing that you can do to help this company and the security of your job concerns the Navy work we are doing. We have had three Navy overhaul jobs in the past two years. The two overhauls we completed on the Ponce and the El Paso were, from the Navy's point of view, unacceptable.

The Navy was critical of our workmanship, our cleanliness, and said we took too long to complete the overhauls. In spite of this we were awarded the Portland, but it was made clear to us that we must not fail on this ship. Our workmanship and cleanliness on the Portland have improved...but we are behind schedule in getting the ship out of the yard.

This can not continue. Because of the problems in the mideast with Iran, and the Russian invasion of Afghanistan, the need for Navy ships is absolutely critical and I have had on four different occasions in my office four different Admirals telling me that they absolutely must have that ship out of here on schedule. I have assured them that my personal reputation is involved and that I will do all in my power to see that it happens.

The Navy needs shipyards to build ships in today's crisis world, and please believe me — this shipyard needs the Navy business.

In today's market we will not survive on commercial work alone. The Admirals who visit us tell me that they are impressed with our new facilities, our plans for improvement and our people. But our performance has been poor and they award contracts based on performance, not promises. So I'm asking you to begin to improve that

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Editor  
Carol Luttwell

# Employees

performance by putting out that extra effort you are all capable of. The Navy could be one of our best customers in the near term future. However, if Sun Ship is to have any chance of capturing future Navy business, we must turn in a top performance on the Portland.

We no longer have the luxury of thinking we can do it; it is now a matter of we can and must do it.

This is a job for all of us — managers, foremen, clerical, hourly workers, supervisors. I am working, too, with the executives of this corporation to improve the business from the top down. I need all of you to help me from the bottom up. We have the time to do the job, but everyone is looking at us for signs of progress. Our customers are looking at us, the Navy is looking at us and certainly the Sun Company is looking at us.

Help me by sending out those signals that say "we're improving."

1. Refuse to tolerate waste in yourself and in others. Remember it's your job the waster is jeopardizing.

2. Refuse to accept sloppiness and a dirty work place, and an unsafe work place.

3. Do your best in whatever you do so that just "good enough" isn't good enough for Sun Ship.

4. Cut into absenteeism. How can we meet our schedules if a large percentage of the employees don't even show up for work? This simply increases our benefit costs and with no productive time.

5. Don't just identify problems, but take steps to correct them rather than pass them up the ladder. You know what needs to be done, just do it.

6. You shipyard managers, superintendents, foremen and supervisors — I expect you to work to create an environment where our employees are encouraged to speak out, and help, and grow in their jobs.

I believe that if we do our best at using the new facilities, the new technology and refusing to accept waste and inefficiency, we can make this company a productive and profitable shipbuilding corporation.

At this point in time it's a matter of all of us working both harder, and smarter.

There is a real need for a thriving profitable shipyard in this part of the country. Let's you and I fill that need.

We know what we must do.

We know how to do it.

We have the people to do it.

Now let's roll up our sleeves and get the job done. If we don't, then we all will have made a tragic mistake.

Thank you for your attention and help.



## She has helped to power every major Naval action in the Pacific

**T**HIS is World War II's most famous tanker. She has set the pattern for the power-filled tankers that extend the Pacific Fleet's punch to carrier-plane bombing reach of Tokyo.

Speedy...sleek...heavily-armed... staunch-hearted... souled with quality... the 18,230-ton U.S.S. CIMARRON is one of the few ships that has participated in every major naval operation in the Pacific. She was with the task force that launched General "Jimmy" Doolittle's fliers on the first raid on Tokyo. She was with the fighting ships that spearheaded the invasions of Jap-held islands—now ours. She has fueled more ships than any other oiler in the Navy.

Through all this action the U.S.S.

CIMARRON has come unscathed and not a member of her crew has been injured. Carrying 6,000,000 gallons of navy fuel oil on each trip—she has never missed a date to deliver fuel for the fight to ships in action.

Designed, built and launched at SUN SHIP ON THE DELAWARE IN CHESTER on January 7, 1939, the U.S.S. CIMARRON is typical of the finest in American production—the best work of American labor. 26,000 employees at SUN SHIP are building five more Cimarron-type tankers for the Navy this year... plus more than 70 all-welded T-2 tankers.

The U.S.S. CIMARRON—and her sister tankers—one day, God speed it—will drop anchor in Tokyo Bay.

# Sun Ship

CREATORS OF THE ALL-WELDED SHIP

ON THE DELAWARE, CHESTER, PA.

35 years ago Sun Ship placed a series of personnel ads in local newspapers. The ads ran nearly every week. Seen here is one of them. Because of the war, the need for shipbuilders was such that most of the ads contained a line requesting employers to "release for the emergency period those of your employees who deem it advisable to participate in a vital war industry with the full retention of seniority upon their return." Shipyard employment was well over 26,000 at this time.

Should someone be interested in working at the shipyard, he or she could apply at Sun's personnel office on Morton Avenue or one of the five

War Manpower Commission offices. There were Sun representatives at each location.

Also at this time, Sun sponsored four radio programs throughout the week. Programs were sponsored essentially to increase Sun's visibility as an employer. Commercials on the program advertised for additional workers at the shipyard. On WFIL, Sun sponsored the half-hour program "This Week in Philadelphia," and on WCAU Sun ran a 15-minute daily news spot entitled "News of the World." WIP had two Sun-sponsored programs, "The Sun Ship Question Man," and "Dollars to Donuts."

## Recreation Club Schedules Events

### SOFTBALL TEAM TRYOUTS

Tryouts for the 1980 Sun Ship Softball Team will be held on March 29 and 30 (Saturday and Sunday) from 1:00 to 3:00 P.M. on the company field at 8th and Hinkson Streets in Chester. The company team is in the Industrial Valley High Arc League of Delaware County.

Any shipyard employees interested in playing on the team are welcome to try out for it. For additional information contact Skip White on extension 582.

### RACQUETBALL PARTY

Sun Ship's Recreation Club is sponsoring another racquetball party. The date is April 19, 1980 and the place is the Brannan Racquetball Club located at Marsh and Silverside Roads in Wilmington, Delaware. The cost is \$10 per person. This covers a buffet, beer and soda, use of racquets, balls, towels, whirlpool and saunas.

Space is limited so it is advisable to reserve as soon as possible. Lorraine Lipka and Sharon Herbert are the principal organizers.

### TRIPPING ALONG!

The Recreation Club is sponsoring a trip to Disney World in Florida this coming July. The four-day trip package includes air transportation from Philadelphia to Florida via TWA, round trip transfers from the airport to the hotel, three nights' deluxe accommodations at the Royal Plaza Hotel, two round trip transfers from the hotel to Disney World, two days' admission to the park, gratuities and local taxes. Rates are varied, depending on the number of occupants in a room.

## Maritime Industry News

### Marad, Coast Guard Publish 1st-Ever Text on Sea Firefighting

The Maritime Administration with help from the Coast Guard has put out the first-ever manual on fighting fires at sea. One of the voids in this frequently tragic area has been a lack of a "comprehensive marine firefighting textbook," according to Samuel B. Nemrow, assistant secretary of Commerce for Maritime Affairs. This nearly 400-page book will provide mariners, he explained, with a "comprehensive firefighting text for study and ready reference."

The book ranges from a history of major marine conflagrations through fire detection systems, extinguishing agents and extinguishing systems, combating procedures, fire protection for various craft, safety methods, and medical treatment and protection devices.

The manual has been distributed to the U.S. Maritime Academy, and the state and labor-sponsored maritime schools.

### Did You Know?

According to an article in *The Journal of Commerce* world ship launchings declined by 57% between 1975 and 1978, and in 1978 the number of new orders placed was the lowest for 16 years. In that time the number of jobs in shipyards fell by about 250,000. The traditional shipbuilding countries of the industrialized world were hardest hit. Developing countries new to the business were better off.

### Mysterious Circumstances

According to an article in *The Journal of Commerce*, the sinking of the Tanker SALEM off the West African coast on January 17 occurred

under mysterious circumstances. The tanker sank on a voyage from Kuwait to Italy. 193,000 tons of crude were on board. However, at its sinking, no sign of an oil slick had been found. Further, it is curious that the Liberian-registered SALEM should have taken as long as five weeks to reach the West Coast of Africa from Kuwait.

The problem is that most of its cargo may have been discharged at a South African port before sinking. A Tunisian crew member has stated that the bulk of the oil was unloaded at Durban and that the vessel was sunk later.

To add to the problems, in addition to fraud, sensitive political questions have been raised in view of the oil having been sold to South African interests.



You're concerned with the price of gasoline! Unfortunately it is going up in cost. You might save yourself a few gallons and a few dollars by joining the company's van pool. "Four of the routes need riders at this time," said Ed Kordalski, coordinator of Sun's vanpool program.

The routes needing riders are:

Route Number	Area	Arrival Time
4	Bromall, Media	8:00 A.M.
5	Middletown, Aston, Brookhaven	7:00 A.M.
7	Silverside, Claymont, Delaware	8:00 A.M.
8	Deptford, New Jersey	7:00 A.M.

If you're interested in joining the vanpool or want general information about the program, contact Ed Kordalski on extension 475.



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The SUN SHIP LOG is published each month for shipyard employees such as WILLIAM HOLLIS. WILLIAM is a mechanic in 36 Department (Machinery

Installation) and has over 18 years of service. Here he is shown installing the propeller on Hull 678, the MARYLAND SUN.