

GOODYEAR**ATOMIC EMPLOYEE****NEWSLETTER**

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Around The Portsmouth Plant

As part of Goodyear Atomic's effort to broaden employee awareness of the Organizational Effectiveness process and the value of positive union-management relationships, two representatives from Motor Wheel Corporation, a subsidiary of GT&R with headquarters in Lansing, Mich., visited the Portsmouth plant Tuesday, Jan. 25, for a presentation to approximately 100 GAT employees. Bill Hall, a Motor Wheel plant manager, and Bill Jones, union bargaining committee member, discussed the dramatic change at their plant from an adversarial union-management relationship to an organizational climate in which mutual cooperative problem-solving occurs.

Personnel

Alvin D. Officer has been promoted to Supervisor, Training, GCEP Recycle/Assembly (D-207). He reports to Gary L. Cormany, manager, Recycle/Assembly Division.

Richard H. Walls has been promoted to Section Head-Laboratory, Analytical Services section, Mass Spectrometry department (D-513). Walls will serve in the capacity of shift supervisor and shift Local Emergency Director (LED), X-710 Building. He reports to A. T. Hale Jr., Mass Spectrometry Analytical Services.

William J. Lemmon has been named Manager, GCEP Production, replacing E. H. Tomlinson, who becomes the GCEP plant manager's Oak Ridge representative. Lemmon reports to Ralph A. Burkley, GCEP plant manager. In conjunction with Roy W. Brown's announced plans for retirement, Charles A. Mentges has been named Manager, Technical Division, reporting to William R. Schultz, director, Technical Services. V. J. DeVito has been named Manager, GDP Production Division, and reports to Richard L. Shepler, plant manager, Gaseous Diffusion. The position of Manager, Safeguards & Security Division, has been eliminated. Nuclear Materials Control Subdivision has been transferred to Technical Division and the Security Subdivision will report to William L. Kouns Jr., administrator, Emergency Planning and Shift Operations.

C. E. Litten has been assigned the duties of Coordinator, Employee Activities. Elaine will be working with the Employee Activities Committee (EAC) and report to Richard A. Steinberg, supervisor, Organizational Effectiveness, relative to EAC projects. She continues to report to Robert J. Bond, supervisor, Personnel and Equal Employment Opportunity, on other phases of her work. Her extension is 2967 in the Personnel Department, X-100 Building, M/S 1131.

Community Activities

The annual Pike County "Walk America" will be conducted March 27, 1983, to help raise funds for birth defect research, medical services and education. Teams of local company employees, members of various clubs, unions, service organizations and schools will join together to obtain pledges for each kilometer they complete over a supervised route. Shirley and Buck Walter, GAT employees, are assisting with arrangements for the "Walk America" event and are now working to recruit additional assistance and participation.

Speakers' Bureau

N. H. Hurt, general manager, spoke February 9 to the Management Club of Robbins & Myers, Inc., a Gallipolis electric motor company. He discussed the nuclear fuel cycle, uranium enrichment technologies and the operation of the Portsmouth plant by Goodyear Atomic Corporation.

Science Demonstrations

Frank Bertram (D-521) and Rick Duncan (D-516) presented a Science Demonstration Program at Union Scioto Local Intermediate Learning Center, Chillicothe, on Feb. 4. A total of 320 students from grades 4-6 attended the session.

Obituaries

Charles L. Mahle, 71, Wellston, January 23. Mahle was a laborer (D-736) at the time of his retirement in August 1976.

New Employees

February 7, 1983	Cynda Ann Lightle	454	Mail Clerk
	Raymond J. Kirby	447	Systems Analyst, Sr.

News of Retirees

Mr. and Mrs. David W. Doner will celebrate their 50th wedding anniversary March 12. Doner was manager, Industrial Relations, at Goodyear Atomic from 1952-66, and then served as personnel director for Goodyear Great Britain through 1972. He retired from GT&R in 1972 after 43 years of service. David and Dorothy have three children and one grandchild. One daughter, Mrs. Samuel J. (Joy) Wilkins Jr. was employed by GAT for 24 years and now lives in Lake Worth, Florida. Mrs. Wilkins is asking that the Doners' friends at Goodyear Atomic participate in a "card shower" for them. The Doners' address is 38 West Arch Drive, Florida Gardens, Lake Worth, Florida 33463.

Mrs. Henry A. (Angie) McClelland has written to thank the people of Goodyear Atomic for their prayers, letters, cards and gifts to the Roser Memorial Church in Henry's memory. McClelland died in Anna Maria, Florida, Jan. 9. Both retired from Goodyear Atomic: Angeline in 1968 and Henry in 1975.

Cost Reduction

The following employees submitted ideas through the Cost Reduction "I"dea Program from Jan. 17 through Feb. 11, 1983: A. E. Fischer (D-712), B. J. Huddle (D-712), N. R. Stepp, (D-733), W. A. Bayless (D-822), M. S. Coyne (D-105), J. L. Hieneman (D-411), A. L. O'Connor (D-411), F. S. Bauer (D-424), C. R. Walker (D-512), B. J. Rumble (D-566), G. C. Callihan (D-714), E. S. Grow (D-714), J. G. Brown (D-731), R. M. Robinson (D-829) and J. E. Wiley (D-829).

New Arrivals

Daughter, Joel Sheree, Nov. 7, to George (D-816) and Michele Bolden.
Son, Rodney Dale, Jan. 6, to Dale (D-511) and Willia Chesser.
Son, Chad Timothy, Jan. 6, to Timothy and Donita (D-477) Grashel.
Son, Josiah Daniel, Jan. 12, to Thomas (D-856) and Gayle Kramer.
Daughter, Heather Breanne, Jan. 25, to David (D-306) and Debra Bihl.
Daughter, Leah Michelle, Feb. 4, to Ron (D-713) and Barbara Willis.

Family

David Gearhart, a third grade student at Zane Trace Elementary School and the son of David E. Gearhart (D-422), was named as a school "Citizen of the Week" for the week beginning Jan. 24.

Recreation Review

The annual mixed doubles bowling tournament will be an event of April 2 at Weiss Recreation Center in Waverly. Contact Gary Doerr at ext. 2989 for entry forms.

News from DOE

A single contractor will be selected for operating the U. S. Department of Energy's Oak Ridge National Laboratory, the Oak Ridge Y-12 Plant, the Oak Ridge Gaseous Diffusion Plant and the Paducah Gaseous Diffusion Plant, according to R. J. Hart, manager of DOE's Oak Ridge Operations. The facilities are currently being operated by Union Carbide Corporation, which announced last May that it intended to withdraw as the contractor, but agreed to extend its current contract for three years to permit DOE adequate opportunity to select one or more replacement contractors. Hart said the decision to select a single contractor rather than multiple contractors resulted from an analysis of the various modes of operation. "That analysis showed that a single, integrated contractor approach such as we have now permits the greatest flexibility in meeting a variety of DOE program and project needs in a prompt, efficient and cost effective manner," Hart said. "Most importantly, selection of a single contractor will result in minimum disruption of ongoing programs, have the least impact on the work force, and generally minimize government operating costs. Choosing a single contractor will enable us to have continued flexibility in the utilization of employees through inter-plant transfers of personnel to solve special needs or to minimize the impact of employment reductions that may result from changes in program responsibilities or budget levels. This approach will also assist in the application of uniform employee benefits." Hart said the selection of a single contractor also would assist in holding down overhead costs and provide future opportunities for other cost reductions through possible further consolidation of functional programs and integration of management systems. The decision to select a single contractor follows a study initiated last summer by a planning group composed of representatives of DOE Headquarters and DOE's Oak Ridge Operations. The planning group considered a number of options for the operation of the four facilities, ranging from a single contractor to a separate contractor for each. Included in the planning group's consideration were some 66 expressions of interest received from industrial, educational and non-profit organizations in response to an August 1982 announcement that DOE was seeking expressions of interest for any or all of the facilities. "These expressions of interest indicated that there are numerous organizations interested in and capable of operating the combined facilities, which should provide for a competitive environment when we request definitive proposals for operation of the four facilities," Hart said. The Department is expected to advertise shortly in the Commerce Business Daily for formal requests for proposals for four-facility operation and citing the criteria that should be met for proposals to be accepted for further consideration. Operations at the four facilities involve approximately 17,350 employees, including some 1,300 people employed in a central service group in Oak Ridge. Annual cost for the operations are approximately \$2 billion including some \$660 million related to electrical power cost. It is expected that essentially all of the present employees will become employees of the new contractor.

News from Goodyear

The strength of its U. S. operations was a major factor as Goodyear established record corporate earnings of \$264.8 million in 1982 despite a depressed world economy and a decline in sales, according to a February 8 announcement by Charles J. Pilliod Jr., chairman, and Robert E. Mercer, vice chairman and chief executive officer. Earnings rose 1.7 percent from \$260.3 million in 1981, while sales of \$8.69 billion were down 5.1 percent from the record of \$9.15 billion set in 1981. Net return on sales reached 3.0 percent compared with the 2.8 percent last year, marking the first time since 1978 the company has achieved the three percent level. Pilliod and Mercer noted that the improvement was made in the face of weak market demand and intense competition. More dramatic was the reduction of debt to 33.1 percent of debt and shareholders' equity, the lowest level in 17 years. In 1981 the ratio was 40.6 percent. Worldwide sales of \$2.09 billion in the 1982 fourth quarter were down 7.3 percent from \$2.25 billion in the fourth quarter of 1981. Earnings increased 8.2 percent in the fourth quarter to \$49.7 million compared with \$46.0 million in the year ago period. Earnings per share in the fourth quarter were 67 cents versus 63 cents in the 1981 period. Earnings per share of \$3.59 for 1982 equaled those of 1981. An extraordinary gain of \$17.2 million dollars was recorded in the 1982 second quarter when debentures were exchanged for 1.4

million newly issued shares of Goodyear common stock. Although 1983 is beginning with the United States and many other nations in recession, Mercer noted, it should produce a slow economic recovery at first and then pick up momentum in the second half of the year. "In the U. S. there are signs of increasing consumer confidence as housing and auto sales begin to move again due to lower financing costs," Mercer said. "With the wide array of well-built, fuel-efficient cars now produced by Detroit, automakers could help lead the recovery the next couple of years."

An agreement providing for the merger of Celeron Corporation of Lafayette, La., with a wholly owned subsidiary of The Goodyear Tire & Rubber Company has been unanimously approved by directors of both companies. Officials of both note that the merger will enhance the positions of both companies through utilization of the combined cash flow for continued growth in their respective fields, a more balanced portfolio of businesses, and ability to realize further diversification opportunities in the future. Celeron operates natural gas transmission systems, principally in Louisiana, and in addition is involved in a wide range of oil and natural gas related activities and engages in onshore and offshore exploration and production programs in 14 states. Under the merger agreement, each outstanding share of Celeron common stock is to be exchanged for 1.15 shares of Goodyear common. Goodyear currently is paying a dividend of \$1.40 a year, Celeron \$0.68. The merger is subject to approval of shareholders of Goodyear and Celeron, any government approvals which may be required, other customary conditions and closing and any necessary documents. The transaction is designed to be tax free to Celeron shareholders and to be accounted for by Goodyear as a "pooling of interests" based on the Feb. 7, 1983, closing price of 33 3/8 dollars for Goodyear common stock on the New York Stock Exchange. The transaction would have a value of approximately \$825 million. Upon completion of the merger, Celeron will operate as a wholly owned Goodyear subsidiary. One of the objectives of Goodyear in approaching the merger arrangement was to retain the management expertise of Celeron, and it is anticipated that upon completion of the merger, Celeron's management will continue to function in that organization. Celeron's president and chief executive officer, Gale L. Galloway, will become a member of Goodyear's board of directors and will have direct reporting responsibility to Robert E. Mercer, chief executive officer of Goodyear. Galloway pointed out that the merger not only broadens Celeron's base, but also puts it in a structure that will help sustain its future growth potential and improve its advance in becoming a more significant factor in the domestic energy business. Goodyear had announced the establishment of a task force more than a year ago to study diversification opportunities, and this merger, an outgrowth of that task force, follows Goodyear's corporate objective of maintaining its position as the world's No. 1 tire manufacturer while reducing dependence on the automotive field which is considered cyclical in nature. With the culmination of the merger, Pilliod and Mercer said, Goodyear will be well placed to accommodate growth opportunities in the diversified areas of tires, rubber products, defense, aerospace and energy. Galloway said Celeron shareholders will receive a premium to Celeron's current market price together with a substantial increase in dividend income and that "association with Goodyear will provide a unique opportunity for Celeron to continue its growth under the umbrella of one of America's truly outstanding corporate entities."

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