The Story of Consolidated Natural Gas Company

Innovation, Ingenuity and Accomplishment

G. J. TANKERSLEY
"Were American Newcomen to do naught else, our work is well done if we succeed in sharing with America a strengthened inspiration to continue the struggle towards a nobler Civilization—through wider knowledge and understanding of the hopes, ambitions, and deeds of leaders in the past who have upheld Civilization's material progress. As we look backward, let us look forward."

—CHARLES PENROSE
(1886-1958)
Senior Vice-President for North America
The Newcomen Society
for the study of the history of Engineering and Technology
(1923-1957)
Chairman for North America
(1958)

This statement, crystallizing a broad purpose of the Society, was first read at the Newcomen Meeting at New York World's Fair on August 5, 1939, when American Newcomen were guests of The British Government

"Actorum Memores sim: affectamus Agenda"
This address, dealing with the history of Consolidated Natural Gas Company, was delivered at the “1979 Pittsburgh Dinner” of The Newcomen Society in North America when Mr. G. J. Tankersley was the guest of honor and speaker on October 25th, 1979.
“Men make history and not the other way 'round. In periods where there is no leadership, society stands still. Progress occurs when courageous, skillful leaders seize the opportunity to change things for the better.”

—Harry S. Truman, 1959
The Story of Consolidated Natural Gas Company

Innovation, Ingenuity and Accomplishment

G. J. TANKERSLEY
MEMBER OF THE NEWCOMEN SOCIETY
CHAIRMAN AND CHIEF EXECUTIVE OFFICER
CONSOLIDATED NATURAL GAS COMPANY
PITTSBURGH
INTRODUCTION OF MR. TANKERSLEY AT PITTSBURGH ON OCTOBER 25TH, 1979, BY MR. ROBERT E. SEYMOUR, CHAIRMAN OF THE EXECUTIVE COMMITTEE AND FORMER CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER OF CONSOLIDATED NATURAL GAS COMPANY, MEMBER OF THE PITTSBURGH COMMITTEE IN THE NEWCOMEN SOCIETY IN NORTH AMERICA

My fellow members of Newcomen:

It is a very distinct, personal pleasure to be called on to introduce our speaker tonight. Jack Tankersley and I have worked together at Consolidated for more than a dozen years, and he’s a man I’ve come to know, like and respect immensely.

Jack came to Consolidated in 1966 as the first key officer recruited from outside our organization. The job he came to fill was that of President of our largest gas distribution subsidiary, The East Ohio Gas Company in Cleveland. Prior to that Jack had been President and Chief Executive Officer of Western Kentucky Gas Company in Owensboro, Kentucky.

Now, all that is straightforward enough. But there were some complications at that time that might interest you. The person to approach Jack about the job was the President of Consolidated then, Don Borger, a Pittsburgh native. It happened that Don served on the board of Pittsburgh National Bank with Henry Hillman, a fellow-Pittsburgher, of course, but most importantly in this instance one of the largest shareholders in Western Kentucky Gas. It also happened that another PNB board member was Doug Hannah, who among his other titles and responsibilities, was Chairman of the Board of Western Kentucky Gas.

Don puzzled over that situation for a while. But he decided to move forward directly, contacting Jack and convincing him to come to work for Consolidated.

Henry and Doug’s comments at the time were philosophical and typical of those two very fine businessmen. They said: “Well, we stole Jack from that gas company in Georgia, and we thought that sooner or later someone would steal him from us.”

Jack’s career in the gas industry covers some thirty years. He’s a
graduate of Auburn University, served in the Navy during the war, and returned to Auburn after the war as a member of the faculty of its School of Engineering.

He left the academic world in 1949, entering the gas business as an industrial engineer marketing gas to industrial customers for the Gas Light Company of Columbus, Georgia. Within a few years, he had become Executive Vice President of that utility, and then went on to Western Kentucky Gas, where he served for nine years before coming to Consolidated.

Jack's achievements at Consolidated have been, of course, exceptional. He had an excellent record at East Ohio. While he was there the American Gas Association selected him its Chairman, and in 1972 he was elected Cleveland's "Man of the Year."

In 1974 Jack moved here to the parent company as Consolidated's President. And in May of this year he succeeded me as Chairman and Chief Executive Officer.

He is a director of the B. F. Goodrich Company, Midland-Ross Corporation, Copperweld Corporation, and the Federal Reserve Bank of Cleveland, Pittsburgh Branch.

For recreation, like most native Southerners, he loves to hunt and fish. But I think he loves to work best of all.

It is with extreme pride and great pleasure that I introduce Jack Tankersley.
My fellow members of Newcomen:

It is a great honor and privilege for Consolidated Natural Gas Company to be afforded the opportunity of presenting its story before The Newcomen Society. All too often we neglect to muse over our history. We in America have been richly endowed with the traditions of abundant physical resources, a hard-working people always searching for a more bountiful future, a spirit of enterprise fostering the ideals of innovation, ingenuity, risk-taking, and accomplishment.

That spirit of innovation, ingenuity and accomplishment appears throughout the history of Consolidated, a Company which had its beginnings in some oil-drilling operations in this region about 90 years ago and is today one of the country's largest natural gas systems. It is a history inextricably bound up in this region—in the cities and towns of the Pittsburgh and Cleveland areas and of West Virginia, places where those of you here tonight come from. Consolidated is a part of the story—a very important part—of the tremendous wealth of natural resources and indigenous entrepreneurship that have given this region its place in history as the industrial center of our nation.

Consolidated's origin is rooted in the 1880s and 1890s and traces back in a direct line to John D. Rockefeller. By the late 1800s, John D. Rockefeller had consolidated his vast empire of refineries into the Standard Oil Company, but he had grown wary of only horizontal integration. Rockefeller's thinking may seem familiar to us today—he was concerned about the possibility of running out of oil. It is an interesting observation that throughout history energy shortages—far from being only a modern phenomenon—are regular historical occurrences. With his empire built primarily on refining, Rockefeller strongly believed that Standard ought to integrate backwards into production. He directed his people into Western Pennsylvania, Northern West Virginia and Western Ohio, around Lima, to find for Standard its own supplies of crude . . . and they succeeded.

One of his West Virginia exploration subsidiaries, South Penn Oil Company, found (quite by accident, as so often occurs) large quantities of natural gas. This discovery was eventually to give birth to Consolidated Natural Gas.
Natural gas was not unknown to Standard’s oil drillers, but oil was wanted, gas was not. During those days, the first prayer of the roughneck was to find oil. His second prayer was to not find natural gas with it. Gas was not only useless, it was downright dangerous, capable of igniting a good oil well literally at the drop of a match.

But the West Virginia gas discoveries, which were enormous, added a new element to the Rockefeller holdings. In 1891, looking for a way to use this gas, Standard formed Flaggy Meadow Gas Company, one of our earliest corporate ancestors among gas companies and certainly one of the most colorful names. Flaggy Meadow was to pipe gas from South Penn’s wells throughout the oil fields for use as a fuel for the drilling rigs themselves. Eventually, customers were added along the lines laid by Flaggy Meadow, and by 1898 it was
offering residents in the vicinity gas for a cook stove at $1.25 a month; for heating a barn at $3.25; and for lawn light at $1.00 a month. Of course, this selling of gas by the month rather than by units preceded by some years Colonel Rockwell's perfection of the gas meter.

A second thread in Consolidated's origin also goes back to the 1880s when Standard Oil began collecting and building an ever-larger and more far-flung network of oil pipelines. In 1885, Standard merged all of its pipeline operations into one huge holding company called National Transit Company, which then controlled about a third of the Rockefeller empire's assets.

One of Standard's best pipeline builders was Calvin N. Payne, a native of Irvineton, Pennsylvania, who started out in the oil fields before the Civil War and began experimenting on his own with pipeline building. He became part of National Transit when it was formed and within four years was general manager of the company. National Transit—under Payne—began building gas pipelines in northern Pennsylvania and New York State and in 1894 organized a local gas distribution company called The River Gas Company to serve the area of St. Marys, West Virginia, and Marietta, Ohio. River Gas
still exists today as one of Consolidated's five gas distribution utilities. Before he retired in 1911, Payne was involved in setting up no less than 15 different natural gas companies—including our own—stretching all the way from New York to Texas and Oklahoma.

After forming River Gas, Standard’s pipeline people began to have a bolder vision about what to do with Standard’s West Virginia gas properties, where gas production was increasing far beyond what local markets—and companies like Flaggy Meadows and River—could accommodate. It became clear to them that a market for gaseous fuel could be developed in the rapidly growing major industrial centers of our region—in Akron, Cleveland, and Pittsburgh. Given their pipeline skills, they decided to try something that until that time had not really been attempted: the construction from the ground up of an interstate gas production, transmission and distribution network of major proportions.

In 1898, Payne and his associates organized two additional Standard companies. The Hope Natural Gas Company was to develop Standard’s growing gas reserves in northern West Virginia and build a transmission line to the Ohio River. The East Ohio Gas Company was formed to continue the pipeline from the river northward through several Ohio towns to terminate in Akron. This city of 43,000 people was finally chosen by Standard to form its projected natural gas marketing base. But this was not without some internal controversy as several evaluations indicated Canton would produce a much more practical market, while others—as always—questioned the advisability of the project at all.

The vision of the men who built this system of production, gathering, transmission and distribution from West Virginia to Ohio was a bold one for that day. This Transmission Pipeline No. 1 was to be twice as long as any other gas system Standard had tried. A lot of uncertainties and unknowns existed, and the resources of a large organization were required to create and back such a project.

Crossing the Ohio River was an engineering accomplishment of prime magnitude. Laying the line through the Allegheny foothills, under rivers, around swamps and through virtual wilderness extended men and machinery to their limits. The first part of the line used “screw pipe” laboriously threaded and screwed together for strength.
Then the Dresser coupling was developed, allowing pipe sections to be bolted together. Within a year, in 1899, the long line of ten-inch pipe reached Akron. The city celebrated with fireworks and the ceremonial lighting—with a roman candle—of a natural gas flambeau on a downtown street corner.

Three years later East Ohio was told to push the pipeline northward to Cleveland, then served by two companies that made gas from coal. A National Transit aide by the name of M. B. Daly went to Cleveland to pave the way for this expansion. Mayor Tom Johnson was interested but skeptical of such a huge undertaking. “Where would the gas come from?” Mayor Johnson demanded. Who had enough money to say the job would be done? Was this East Ohio Gas Company responsible, or just some fly-by-night company speculating in franchises? Mr. Daly quietly replied that, “the East Ohio is owned by the Standard Oil Company of New Jersey.”

With that Mayor Johnson reportedly stated, “Well that’s different. Go to it and I’ll help you.” And East Ohio did “go to it” by
completing the pipeline to Cleveland early in the following year of 1903.

In those early years, natural gas, with three times the heat content per unit of volume, was marketed in Cleveland for thirty cents per thousand cubic feet compared with the local coal gas price of seventy-five cents. From an unwanted and dangerous product of the West Virginia oil fields came clean and versatile gaseous energy—at a very competitive cost—for consumers hundreds of miles away.

That combination of Hope and East Ohio via our pipelines is still the core of the Consolidated System today. East Ohio, serving almost one million customers in Ohio's northeast cities of Cleveland, Akron, Youngstown, Canton and Warren, is our largest retail gas distribution subsidiary, and by itself one of the largest gas utilities in the country. Hope grew into the Consolidated Gas Supply Corporation, which is our interstate gas transmission system.

There are other threads to follow in tracing our history, for there were other entrepreneurs and other business adventures evident in those days, too. Important among them were Joseph Newton Pew, a real estate man from Mercer, Pa., and Edward O. Emerson, a Titusville banker. Together, they founded in Pittsburgh in 1885 The Peoples Natural Gas Company—now the second largest distribution company in the Consolidated System. Emerson and Pew had joined forces to build several small gas companies in the area of Bradford, Pennsylvania, and Olean, New York, and later turned their attention to Pittsburgh. Once they got Peoples going, they sold out to Standard and their interests moved west towards the developing Lima oil fields in Western Ohio. Based on their oil properties there, they founded what later became Sun Oil Company.

During those years in Western Ohio, natural gas discoveries were giving birth to several local utilities such as Lima Gas Light and Lima Natural Gas, which would be combined into the West Ohio Gas Company in 1924 and later purchased by Consolidated in 1969 as its fifth distribution subsidiary.

Emerson and Pew had been attracted to Pittsburgh by the tremendous, rapid expansion of gas finds in the Murrysville field, about 20 miles east of here. Those fields brought some colorful and exciting characters into the gas business. Among them were Mike and Obe
Haymaker. Those from the Pittsburgh area may well recall the legend of the Haymaker Well—a giant gusher of natural gas brought in by these two brothers in 1876 near Murrysville. That well led to the unrestrained and at one point violent development of this great gas field. The Haymakers got into a dispute over ownership of the well with a sharp Chicago promoter shortly after drilling was completed. When both the Haymakers and that Chicago fellow hired local hands to defend the well, a riot ensued in which Obe Haymaker was killed.

The stakes were high, for those were big wells in Murrysville. Peoples Gas Well #1, drilled in that field in 1886, is still producing and supplying gas to our System today.

The Murrysville field also brought an entrepreneur by the name of George Westinghouse into the gas business. He formed The Philadelphia Company to pipe and market gas from the Murrysville field. This was the forerunner of our neighboring gas company here in Pittsburgh, the Equitable Gas Company. Westinghouse, as you have heard, was a determined and innovative man. He devised a unique system of using ever-widening pipelines to reduce the field pressure of the gas to the lower pressures suitable for distribution. He also devised a way that he hoped would keep Emerson and Pew—then starting Peoples—from bringing their lines into Pittsburgh. Quite simply, he persuaded all the local government officials whose towns lay along the way to grant exclusive pipeline franchises to The Philadelphia Company. Emerson and Pew did him one better though: They bought private rights-of-way for the whole distance and got their pipeline into this burgeoning industrial city at about the same time as Westinghouse.

Of course, Westinghouse later turned his talents in other directions. Yet, had he continued his earlier endeavors, we just might have a Westinghouse Gas Company based in Pittsburgh.

Natural gas availability on a large scale was unique to this region in those days, and the fuel soon came to be widely used in the rapidly growing industries of Ohio and Pennsylvania. New transmission lines followed quickly after the first ones and natural gas began supplanting the manufactured gas then serving our cities. Customers were added and new and old companies were combined right and
Between 1898 and 1926, East Ohio absorbed 11 different natural gas and manufactured gas companies. Hope absorbed all or part of 11 others, including Standard’s own original Flaggy Meadow. Peoples acquired four others. The franchises of these utilities stretched east to west across some 150 miles—a very large stretch indeed for an interconnected utility system in those days.

The gas industry steadily expanded through the early years of the century. Mobilization during World War I had given a big boost to our markets, and residential sales boomed in the cities as gas stayed economical while coal prices went sky high.

Those were years of some exciting technological innovations on our part. In 1913 our people developed the first commercially viable process to extract natural gasoline from natural gas. This early extraction process also led to pioneering improvements useful in producing by-products such as propane, butane, and ethane—which we still produce today at our Hastings extraction plant in West Virginia.

In the late 1930s, Consolidated started its first gas-storage development. At the same time, at one of our West Virginia stations we also proved the commercial viability of converting gas into a liquid—liquefied natural gas—for storage. It was a major technological “first” for our System.

Until the time of World War II, all of our companies were still a part of Standard Oil of New Jersey. In fact, R. W. Gallagher, a former President of East Ohio Gas, was Chairman and President of Standard Oil in the early 1940s. But at that time Standard had a problem. And that problem was us. The 1935 Public Utility Holding Company Act had decreed that any company holding control of interstate public utilities was to be registered as a public utility holding company authorized to engage only in activities related to its utility business.

Standard, after an unsuccessful appeal for an exemption to the Act, reluctantly concluded that it would have to give up its utilities. So it consolidated them under a new company and spun them off, distributing the stock to Standard shareholders. Thus, in 1943, Consolidated Natural Gas Company, the independent corporate entity we represent today, was born.

There is, of course, no longer any identity between Standard-
now Exxon—and Consolidated, as most of the shares have changed hands several times since then. Today, in fact, the largest single block of Consolidated stock—about 13 percent—is owned by the Company’s employees.

But the Standard association is one of which we are proud. It has given us a tradition of financial conservatism (we started out in 1943 with no debt) and a depth of management skills that helped us prosper and earned us a reputation over those years—on Wall Street and in the gas industry—as one of the best-managed companies in the business.

Consolidated began as an already large company with three quarters of a million customers; close to 6,000 employees; and revenues-
quite respectable for that day—of about $62 million. We've grown considerably since then, of course. Our gas supplies reach about three million consumers today—more than six percent of all the gas users in the country—and we expect to report revenues of about $2 billion this year.

We became an independent company just on the threshold of our period of greatest growth. This period saw a rapid increase in the use of natural gas as a home heating fuel and its expanded use for cooking, hot water heating, and clothes drying. It also saw the vital use of gas by industry during World War II continue to widen.

As we moved into the 1950s, it was clear that those would be years of expansion. Our product was something of a wonder fuel. Inexpensive and abundant, it played a major role in cleaning the air of our cities as it supplanted the use of coal. It was a very convenient fuel for the homeowner: no more dirty coal cellars, no more shoveling and before-bedtime stoking of the monstrous furnace in the basement.

Conveniences of gas were important to our commercial and industrial customers, too. Gas offered them a very flexible fuel that could be carefully controlled and regulated, something as important to the customer firing a forging furnace as to the customer baking bread.

The prospects into the mid-sixties were for continuing increases in demand. Gas would be needed to reduce air pollution; as a chemical raw material; as the most economical and cleanest home fuel; as the most flexible industrial fuel.

And for Consolidated, particularly, there was another growth market in those days: the wholesale market. Years earlier, we had begun a small pipeline operation in New York which supplied several industrial companies and later a number of local utilities. This grew into a major wholesale market with Consolidated becoming a leading supplier to New York utilities. We now supply about a third of all the gas consumed in New York State.

The gas fields of the Appalachian region have played a central role in our history. Consolidated, which is the largest producer and purchaser of gas in the Appalachian fields, continues to acquire about 20 percent of its gas from this region.
During the huge growth period following the Second World War, we began looking to additional supply sources. In the '40s and '50s, the Southwest emerged as our most important source of supply, as we made connections with Tennessee Gas Transmission and Panhandle Eastern Pipe Line. Later we added three additional major Southwest suppliers: Texas Eastern, Texas Gas and Transcontinental Gas Pipeline.

We also decided to begin our own gas exploration and development program in the Southwest, focusing on Louisiana and the Gulf of Mexico. We began such a program about 20 years ago, when offshore drilling was just a new frontier for exploration. Since then, of course, the Gulf has become one of our nation’s major sources of domestic gas production. The decision proved to be a wise one, for it helped Consolidated during the past few years to maintain adequate supplies as other sources of supply tapered off, and it is now contributing a positive earnings growth on its own.

After over two decades of tremendous growth, a new challenge was developing for Consolidated and the rest of the natural gas industry. In passing the Natural Gas Act of 1938, requiring federal regulation of interstate natural gas transmission, Congress specifically stated that such controls “Shall not apply . . . to the production or gathering of natural gas.” Sixteen years later found the U.S. Supreme Court ordering a reluctant Federal Power Commission to do just the opposite.

Justice William O. Douglas, in his farsighted dissenting opinion, wrote: “Regulation of the business of producing and gathering natural gas involves consideration of which we know little and we are not competent to deal.” He went on to predict that the producer would simply quit business.

Justice Douglas knew quite well, as our nation rediscovered during the 1971-74 abortive experiment at wage-price edicts, that price controls can create shortages faster than any supposed monopoly could possibly accomplish. By 1968, after almost two decades of mandated wellhead price reductions in face of building inflationary costs, of forced retroactive refunds of previously “legal” prices, and of government-violated arms-length contracts, Justice Douglas’ fears were beginning to be realized.

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Concurrently, our nation became concerned over our environment. One of the results was a three-year suspension, beginning in 1967, of offshore leasing in the Gulf, done out of what we feel were misguided worries about the environment.

We remember 1968 as the beginning of the supply shortages era, of strenuous efforts to deal with those shortages, and of a frustrating inability to convince the public—in the face of political rhetoric—that the gas supplies they had come to count on were in jeopardy. This situation worried us, and we began saying so publicly, although we realized that not very many people were listening. We hired three firms of geologists to survey the Southwest gas situation for us. And all three came back independently with identical reports: the resource base was adequate, but the low, federally-regulated producer prices were keeping supplies from the interstate market.

Producers, some of the most independent, risk-taking entrepreneurs in our economy today, turned their search from natural gas to oil which, uncontrolled then, was far more profitable; shifted drilling emphasis from the U.S. to other more attractive investment climates elsewhere in the world; or abandoned drilling altogether in search of other more rewarding enterprises. What drilling remained was
primarily of a developmental nature and was destined strictly for the intrastate market, thus escaping the yoke of federal price controls.

Prior to 1968, the long-line transmission companies were sitting on our doorstep each spring waiting for us to contract for the next year's increase in requirements. In that year, much to our surprise, they were found not on our doorstep, but cloistered in Houston unable to line up enough new reserves to meet new market demands. Curtailment was soon to become a new word in our energy dictionary.

Consolidated, realizing that a major natural gas shortage was imminent, took the lead in an effort to have our trade organization—the American Gas Association—take on a role as a leading proponent of deregulation of interstate prices. We also began a lengthy and expensive trek back towards our own origins—towards more reliance on our own production.

We quickly expanded our traditional Appalachian operations; accelerated our Gulf of Mexico leasing activities; and began participation in the nation's first large-scale program to import liquefied natural gas from overseas. Since then—and this is a surprise to many—we have become one of the most active gas and oil drillers in the country.
During the decade between 1968 and 1978, Consolidated changed from virtually a safe, primarily marketing system, to one diversifying rapidly into the very high-risk area of supply development. Our investments in developing our own gas supply prospects required more than $1 billion between 1968 and 1978—an amount exceeding our profits in those ten years by more than a third.

We were among the first gas companies to withdraw marketing and advertising efforts, to encourage installation of alternative fuel capacity and to aid customers in reducing gas use. Those of you who are among our customers know how concerned we were in that area. We were also among the first to voluntarily limit the addition of new customers. This was not because our gas supply was the worst (it never was, we were always among the best in that category), but because we saw the difficulties ahead.

We're very proud of what we did in that period. By the time that bitterly cold winter of 1976-77 disrupted gas supplies nationwide and made the public clearly aware for the first time that the gas shortage was real, we were well on our way—largely through our own efforts—to restoring our supply-demand balances.

As we begin in the 1980s, Consolidated is a much-changed company... one where production operations are now becoming as important as our marketing and retailing operations. It's a company that has diversified into nearly all aspects of the gaseous energy business. We have created three new subsidiaries specifically to handle supply-related activities; another to handle the large coal properties we've acquired for eventual use in coal gasification; another to own and market any promising products or processes that we develop in our extensive research into gas production, synthesis, distribution and use.

Although we have diversified and expanded far beyond our original Appalachian production operations, we still derive many benefits from them. In addition to the continuing production, we found an added resource in the Appalachians by turning depleted producing fields into storage fields for gas piped to this region from the Southwest, a system that offers us a low-cost way of insuring our ability to meet our customers' peak winter needs. Our storage system, comprising 27 fields and containing more than 800 billion cubic feet of gas, is the largest gas storage system in the world.
There is some promising potential still to be tapped in the Appalachian fields, too. Throughout the region are large deposits of what is called Devonian shale. These are very tight rock formations compared to the type of sandstone from which we normally produce gas, and they hold large amounts of natural gas, more gas, perhaps, than the total U.S. proved reserves. We are working to unlock that gas in sufficient quantities to make it economical to develop. To the extent that we succeed, we will have developed another vast energy resource in this historically resource-rich area.

Consolidated now has an unusually diverse range of supply sources: gas from the Appalachians; from our Gulf production; from the pipeline companies that supply us; and in liquefied form, imported from overseas. We also own large coal reserves, and we are an industry leader in research and development involving several different ways of converting coal into gas. Because of our work we are quite confident about the role that gaseous energies have to play in the future of this region and about our ability to keep gas an abundant resource.

The history of the Consolidated Natural Gas System, as we have related here tonight, is one closely intertwined with the history of this region. Although Consolidated was based at Rockefeller Plaza in New York from its start, it must be obvious to the perceptive observer that under the leadership of Don Borger and Bob Seymour, two of our past chairmen, we have been slowly moving our headquarters here to the heart of our service region. But the move from New York has never in any way been officially announced. So, since Consolidated is firmly headquartered here now, and by every economic and operational rationale ought to be headquartered here, we might as well use this occasion as the official announcement of that event, taking our place, when ranked by sales, as the ninth largest of the many large corporations that make their headquarters here in Pittsburgh.

Earlier tonight we mentioned a number of innovators and organizers who made this region their base in years past. We here tonight are in every respect their heirs. As today's business leaders in this region we've got the responsibility for carrying forward that tradition of entrepreneurship and devotion to the free market system that they began. We, of course, don't operate in many of the ways they
did. This is no longer a rough industrial frontier. We have the responsibility of dealing with social concerns that acquire greater importance in the kind of highly technological society where each per-

FOUR GATEWAY CENTER

CONSOLIDATED'S HEADQUARTERS ARE IN PITTSBURGH, PENNSYLVANIA, AT FOUR GATEWAY CENTER. THE COMPANY'S PRINCIPAL OPERATING SUBSIDIARIES AND UNITS ARE CONSOLIDATED GAS SUPPLY CORPORATION, CLARKSBURG, WEST VIRGINIA; THE EAST OHIO GAS COMPANY, CLEVELAND, OHIO; THE PEOPLES NATURAL GAS COMPANY, PITTSBURGH; HOPE NATURAL GAS COMPANY, CLARKSBURG; WEST OHIO GAS COMPANY, LIMA, OHIO; THE RIVER GAS COMPANY, MARIE-TA, OHIO; CNG PRODUCING COMPANY, NEW ORLEANS, LOUISIANA; CONSOLIDATED SYSTEM LNG COMPANY, CLARKSBURG; AND CONSOLIDATED NATURAL GAS SERVICE COMPANY, PITTSBURGH.
son's livelihood is ever more dependent on the activities of other men and women.

But we must also recall—as this meeting of The Newcomen Society makes possible—that ready acceptance of the concept of progress that those men lived by. As business leaders, we have the opportunity to institute change; the ability and even responsibility to guide and to shape it.

As I look at our region—with its broadened industrial base, its secure energy resources, and its proximity to the nation's major markets and population centers—I think it now faces the brightest opportunities for industrial growth and development that it has seen in three decades. At Consolidated, we'll be doing our best to help promote that development. We feel we have as much to offer this region in the future as we offered it in the past.

THE END

"Actorum Memores simul affectamus Agenda!"
THE NEWCOMEN SOCIETY
IN NORTH AMERICA

IN APRIL 1923, the late L. F. Loree (1858-1940) of New York, then dean of American railroad presidents, established a group now known as "American Newcomen" and interested in Business History, as distinguished from political history. Its objectives center in the beginnings, growth, development, contributions, and influence of Industry, Transportation, Communication, the Utilities, Mining, Agriculture, Banking, Finance, Economics, Insurance, Education, Invention, and the Law—these and correlated historical fields. In short, the background of those factors which have contributed or are contributing to the progress of Mankind.

The Newcomen Society in North America is a non-profit membership corporation chartered in 1961 under the Charitable Law of the State of Maine, with headquarters at 412 Newcomen Road, Exton, Pennsylvania 19341, some five miles east of Downingtown, Pennsylvania, and 32 miles west of the City of Philadelphia. Here also is located The Thomas Newcomen Memorial Library and Museum in Steam Technology and Industrial History, a reference collection, including microfilm, open to the public for research and dealing with the subjects to which the Society devotes attention.

Meetings are held throughout the United States of America and across Canada at which Newcomen Addresses are presented by leaders in their respective fields. The approach in most cases has been a life-story of corporate organizations, interpreted through the ambitions, the successes and failures, and the ultimate achievements of those pioneers whose efforts laid the foundations of the particular enterprise.

The Society's name perpetuates the life and work of Thomas Newcomen (1663-1729), the British pioneer, whose valuable contributions in improvements to the newly invented Steam Engine brought him lasting fame in the field of the Mechanic Arts. The Newcomen Engines, whose period of use was from 1712 to 1775, paved a way for the Industrial Revolution. Newcomen's inventive genius preceded by more than 50 years the brilliant work in Steam by the world-famous James Watt.


Members of American Newcomen, when in Europe, are invited to visit the home of Thomas Newcomen at Dartmouth in South Devonshire, England, and to see the Dartmouth Newcomen Engine working.
"The roads you travel so briskly
lead out of dim antiquity,
and you study the past chiefly because
of its bearing on the living present
and its promise for the future."

—LIEUTENANT GENERAL JAMES G. HARBORD,
K.C.M.G., D.S.M., LL.D., U.S. ARMY (RET.)
(1866-1947)

Late American Member of Council at London
The Newcomen Society
for the study of the history of
Engineering and Technology