History of chevron essay

ASSIGN BUSTER

The first predecessor of Chevron was named California Star Oil Works. It took aim at Pico Canyon, a remote portion of the rugged Santa Susana Mountains in San Joaquin County. In September 1876, driller Alex Mentry succeeded in striking oil in Pico No. 4, despite rattlesnakes, wasps, mud and underbrush.

Pico No. 4 was the first successful oil well in California. It launched California as an oil producing state and demonstrated the spirit of innovation, ingenuity, optimism and risk-taking that has marked the company ever since. Pacific Coast Oil CompanyLacking the capital it would need to seize marketing opportunities in this growing area, California Star was acquired by the Pacific Coast Oil Company on Sept. 10, 1879. Colonel Charles Felton, Coast Oil's president, had incorporated the company less than seven months earlier, on Feb.

19, 1879. Within the next year, Coast Oil built California's largest and most modern refinery, with a capacity of 600 barrels a day, at Point Alameda on San Francisco Bay; constructed a pipeline that linked Pico Canyon with the Southern Pacific's train station at Elayon in southern California, and undertook an extensive, largely successful drilling program. In 1895, it initiated the company's enduring marine history when it launched California's first steel tanker, the George Loomis, which could ship 6, 500 barrels of crude between Ventura and San Francisco. Standard Oil Company (Iowa) In 1878, Standard Oil Company opened a three-person, second-story office in San Francisco. Despite its modest trappings, Standard possessed marketing acumen, outstanding products, an aggressive advertising philosophy and financial backing from its New York parent.

By 1885, it consolidated its western interests under its subsidiary, the Standard Oil Company (Iowa), which controlled distribution stations throughout the West Coast. Iowa Standard quickly became the area's major seller of kerosene, and by 1900, the company controlled a staggering 96. 5 percent of the western market in light oils. Lacking Standard's marketing savvy and financial clout, Coast Oil had been struggling, despite its successful record of exploration and production. As a result, in 1900, Coast Oil agreed to be acquired by Iowa Standard, while retaining the name of Pacific Coast Oil Company. Through the acquisition, Iowa Standard gained a presence in the production, transportation and refining businesses.

After buying 500 acres of rolling lands on the northeast shore of San Francisco Bay in 1901, Standard completed the Richmond refinery a year later. To feed this new colossus of West Coast refineries, Standard laid a pipeline from Richmond to the prolific new oil fields at Kern River and Coalinga. Since Richmond's location also made it ideal for a marine terminal in San Francisco Bay, Standard expanded its fleet by acquiring several vessels. Standard Oil Company (California) and Caltex As the company grew, it changed structurally. In 1906, a consolidation between Pacific Coast Oil and Iowa Standard created a new entity, Standard Oil Company (California), finalizing an integration that had existed for six years. The " new" company stepped up its marketing efforts, particularly in gasoline sales, which nearly doubled between 1906 and 1910, and lubricants, marketed under the Zerolene, Calumet, Diamond, Zone, Ruddy Harvester and Petrolite labels.

To meet the growing market for motor fuels, the company came up with a revolutionary new sales mechanism — the world's first " service station,"

started in Seattle by sales manager John McLean. Until now, Standard had left the hunt for oil to others. In 1909, the company decided to gamble on its ability to find its own oil. After several initial failures, the drilling team had its first success on Jan. 22, 1910, when a gusher flowed in at 1, 500 barrels a day at the Midway-Sunset field in Kern County, California. The company's expertise in searching for oil became increasingly important as a May 1911 Supreme Court decision separated Standard Oil Company (California) from its parent, a giant New York-based corporation.

The decision concluded the government's 4 1/2-year suit under the Sherman Antitrust Act against the Standard Oil Company (New Jersey), its subsidiaries and affiliates. Before the end of 1911, Standard Oil Co. (California) added to its refining capacity with the completion of the El Segundo plant in southern California, formed the California Natural Gas Company to expand its search for natural gas in the San Joaquin Valley and beyond, and constructed a second pipeline linking Richmond and the Kern River field. In addition to demonstrating its overall growth, the company reaffirmed its pioneering spirit by naming Demetrius Scofield, who tapped the company's first well, to be president of the Standard Oil Co. (California). Afterwards, Standard Oil Company continued its expansion both in domestic and international markets.

It also implemented fruitful technologies, which successfully helped the company to survive the fierce competition prevailing at that time. Standard Oil Co. of California had already found a potential market for its Middle Eastern oil by creating a historic partnership with Texaco in 1936. The joint venture, which became known as the California Texas Oil Company, or

Caltex, melded the company’s Middle Eastern exploration and production rights with Texaco’s extensive marketing network in Africa and Asia. The company’s expansion in various parts of the world continued.

Though it began as a modest operation with a single “ teapot” refinery, a piecemeal transportation system, and fuel and lubricant sales of just 22, 500 barrels a day, Caltex would emerge as a major international marketer and refiner with operations in some 60 countries in the years following World War II. The onset of World War II changed everything for the company – from the product line to the lives of employees. With the entry of the United States into the war in December 1941, Standard Oil Co. f California (Socal) became a key supplier of crude oil and refined products for the Allies in the Pacific.

Meeting a key need for a more efficient aviation fuel, the company spent more than $57 million to expand 100-octane plants at the Richmond and El Segundo refineries and converted the Bakersfield refinery almost exclusively to 100-octane production. Company research scientists also developed compounds that enabled U. S. Navy submarines to triple their cruising range.

World War II also created a boom in petrochemical demand. Socal invested more than $9 million to boost production of synthetic toluene — the second “ T” in TNT. And when the supply of natural rubber from Southeast Asia was cut off, the company erected a plant at El Segundo to supply butadiene for synthetic rubber. With America at war, Socal fleet came under command of the War Shipping Administration. Its tankers towed large concrete barges to the South Seas, and sometimes served as floating service stations, fueling other vessels in the open ocean.

During the war, Socal built two new ships, the J. H. Tuttle and the R. C.

Stoner, which became, by far, the largest ships in the Standard fleet. At 18, 000 tons each, they could transport almost 154, 000 barrels of cargo. Two company ships failed to survive the war: the Storey was sunk in the South Pacific, causing the death of two men; and the Collier sank after a submarine attack in the Arabian Sea, killing 30 men. In all, almost 9, 000 Socal employees served in the Armed Forces during World War II; 232 lost their lives. In the face of adversity, employees summoned up their “ Standard Spirit” and pressed ahead. During this time, women broke new ground, playing increasingly important roles in offices, laboratories, refineries, service stations and, occasionally, oil fields.

Chevron In Western Europe, Standard Oil Co. of California (Socal) agreed to dissolve the Caltex structure in that area and split its operations between the two parent companies, Socal and Texaco. To manage a share of the divided operations, the company created Chevron Oil Europe in 1967. In 1977, the company made a major organizational change when it formed Chevron U.

S. A. Inc. merging six domestic oil and gas operations into one. This change was driven by the need to establish a nationwide identity and a consolidated organization.

The company naturally chose “ Chevron,” a name that had first appeared on its products in the 1930s and become its most recognizable mark of identification among consumers around the world. Chevron’s emergence in the 21st century as a dynamic, forward-looking company is a direct outgrowth of dramatic shifts it made over the past three decades. The

company’s bold growth strategies followed a period of political uncertainties, supply mbalances, economic instability and the growing cost of environmental compliance. The early years of the 1980s had yielded some impressive results, from major discoveries to large acquisitions of offshore acreage in the Gulf of Mexico, and from a $1 billion modernization of its Pascagoula Refinery to the introduction of new Chevron Supreme Unleaded Gasoline with Techroline. And yet the larger picture was unsettling, prompting the company to conclude that its normal business strategies simply wouldn’t suffice. Merging with Gulf The company’s chance came virtually overnight.

The Gulf Corp. , the nation’s fifth largest petroleum company, had been under siege from an investor group seeking to gain control of the company and sell it piecemeal for a quick profit. After warding off a takeover bid, Gulf’s Board of Directors chose to offer the company up for sale. With a price tag of $13.

3 billion, it was the largest merger in corporate history and a strong married of assets, corporate philosophy and the varied talents of the two organizations’ employees. By acquiring Gulf, Chevron nearly doubled its worldwide proved oil and gas reserves overnight. The melding of Chevron and Gulf was impressively quick and smooth. Assets of both companies were sold or streamlined. By late 1985, the merger was complete. Merging with Texaco Chevron had long affiliation with Texaco.

Thus they finally decided to merge and on October 16, 2000, the two companies announced that they had reached an agreement to merge. Nearly

one year later, on October 9, 2001, the shareholders of Chevron and Texaco voted to approve the merger, and ChevronTexaco Corporation began doing business that same day. Acquiring Unocal In 2005, ChevronTexaco acquired Unocal Corp. , furthering strengthening its position as a leading energy provider. The acquisition was a strong strategic fit, enhancing the company's exploration and production portfolio in the Asia Pacific region, the Gulf of Mexico and the Caspian region.

Renamed " Chevron" in 2005, the company is one of the world's largest integrated energy corporations. Chevron currently conducts business in more than 100 countries and is engaged in every aspect of the oil and natural gas industry.