75th Anniversary Special Edition

IMPACT

A PUBLICATION OF THE DOW CHEMICAL COMPANY’S OPERATIONS IN BRAZORIA COUNTY

DOW TEXAS OPERATIONS
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*Trademark of The Dow Chemical Company*
What started in 1940 as an urgent need for magnesium to aid the war effort has today become an extraordinary industrial operation like few in the world.

The 65-plus production units of Dow Texas Operations make thousands of products that are found in markets as diverse as construction, agriculture, personal care, electronics, healthcare, medical supplies, nutrition, packaging, water and transportation.

Made in Texas

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The 65-plus production units of Dow Texas Operations make thousands of products that are found in markets as diverse as construction, agriculture, personal care, electronics, healthcare, medical supplies, nutrition, packaging, water and transportation.

HERE’S TO ANOTHER 75 YEARS OF DOW TEXAS OPERATIONS. BUILT WITH PRIDE AND COMMITTED TO THE FUTURE.

Follow us on Facebook at www.facebook.com/DowTexasOperations for photos and event updates throughout the year.
It was a twist of fate that brought Dow to the U.S. Gulf Coast. In 1939, the Board of Directors traveled to Texas to identify a new site for The Dow Chemical Company to set up operations outside its hometown of Midland, Michigan. The location needed to have several assets – good transportation options, proximity to natural gas reserves and, most importantly, access to the Gulf of Mexico so that the new method of mining magnesium metal from the sea could be implemented to support the Allies in World War II.

Their first stop was at the preferred location of Corpus Christi, Texas, but a freak ice storm made the board members reconsider their choice. Luckily Dr. A.P. Beutel had a back-up plan – a location near a small town called Freeport, where there was available land and jetties that provided easy access to the Gulf of Mexico. Seventy-five years later, Dow is still proud to call Freeport and the Brazosport area home.

The people who enabled the creation of Dow Texas Operations were visionaries. They saw and did the hard work that allowed this place to become an employer of thousands and provide vital products to customers throughout the world. They created a place in which industry, government, nonprofits, schools and businesses could work together to build a community. They inspired scientific innovation that would enable the site to be successful and grow into the manufacturing flagship of the company.

Today, we are experiencing a new era of growth for Dow Texas Operations. It’s an exciting time, but we must always remind ourselves that without the firm foundation provided for us by our founders, we would not be enjoying the success we have today.

We at Dow want to take this opportunity to thank our many community partners who have worked to make the Brazosport area such a great place to do business. We know how fortunate we are to be a part of this community.

There were many factors in the success of Dow Texas Operations over the years, but none are more critical to our success than the people. It is impossible to overstate how critical it has been to have so many intelligent, innovative, dedicated Dow employees and contractors over the years, offering their ideas, time and commitment to making our site – and our world – a better place.

We look forward to celebrating our diamond anniversary in the Brazosport area and we look forward to many more decades of succeeding together.

Earl Shipp  
Vice President  
Texas Operations
Then and Now

While Texas Operations was evolving, so was the world...

U.S. Population

<table>
<thead>
<tr>
<th>1940</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>132.2 Million</td>
<td>319 Million</td>
</tr>
</tbody>
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Gallon of Milk

<table>
<thead>
<tr>
<th>1940</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>40¢</td>
<td>$3.53</td>
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New House

<table>
<thead>
<tr>
<th>1940</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>$6,550</td>
<td>$234,500</td>
</tr>
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Gallon of Gas

<table>
<thead>
<tr>
<th>1940</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>18¢</td>
<td>$2.29</td>
</tr>
</tbody>
</table>

New Car

<table>
<thead>
<tr>
<th>1940</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chevrolet Clipper</td>
<td>Chevrolet Impala</td>
</tr>
<tr>
<td>$659</td>
<td>$26,860</td>
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Movie Ticket

<table>
<thead>
<tr>
<th>1940</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>24¢</td>
<td>$7.96</td>
</tr>
</tbody>
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Average U.S. Annual Salary

<table>
<thead>
<tr>
<th>1940</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,900</td>
<td>$63,091</td>
</tr>
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Average Monthly Rent in U.S.

<table>
<thead>
<tr>
<th>1940</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>$30.83</td>
<td>$855</td>
</tr>
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Postage Stamp

<table>
<thead>
<tr>
<th>1940</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>3¢</td>
<td>45¢</td>
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In the late 1930s, Dow began to look at expanding its operations outside Michigan to the U.S. Gulf Coast. Potential locales from New Orleans to Brownsville were studied, but in the end Freeport, Texas, was selected as the new site due to its proximity to seawater rich in magnesium, natural gas reserves and a harbor. A large ice storm in Corpus Christi the day Dow’s Board of Directors visited that potential location didn’t hurt either.

Dow bought 800 acres bordering Freeport Harbor March 7, 1940, and soon after workers began building Texas Operations in the area known today as Plant A.

Dow’s Move from Michigan

A LONE STAR LEAP

Dow Texas Operations Timeline

A lot can happen in 75 years – like a small Dow site in Texas growing from a few small chemical plants in the 1940’s to the largest chemical manufacturing complex in the world. The following are some, but not all, of the big or important events that occurred each year along the way, allowing Dow Texas Operations to become the site it is today.

Willard and Alden Dow explore the countryside in search of land on which to build a city
1941
History was made as magnesium metal was mined from seawater at Dow’s Plant A

1942
Camp Chemical was built in 31 days with residences, laundry, a cafeteria, a post office and other facilities

1940
Dow purchased 800 acres in Freeport, Texas, now Plant A
From the beginning the Freeport site had two advantages – raw materials and A.P. “Dutch” Beutel. The first leader of Dow’s Texas Division, Beutel was famous for getting results and motivating thousands to achieve through his charisma and intimidation. In the 21 years under his direction, Dow’s Freeport site became the largest chemical manufacturing site in the world with more than 3,000 acres and numerous plants.

Beutel’s legacy also includes championing the selection of Freeport as a Dow location and the building of Lake Jackson. He also helped start many civic and charitable organizations in the Brazosport area.
In the early 1940s, the housing market in the local area was not growing at the same rate as Dow construction. Dow tried to alleviate the problem by building Camp Chemical inside Plant B, which at its pinnacle was home to 12,000 people.

For a long-term solution Dow went to Velasco, a village north of Freeport, offering to develop about 500 acres and build 1,200 homes at no cost to the community. Velasco leaders turned down the proposal, saying they were concerned Dow would leave Texas as soon as World War II ended.

The Company then bought 6,500 nearby acres that were once a part of the Abner Jackson Plantation to build a city from scratch. The town would be named after a body of water on the property – Lake Jackson. Alden Dow, an acclaimed architect, designed the city to hold 5,000 people. He also added street names like “This Way” and “That Way.” In late 1943 the first residents moved in.
The first two products manufactured at Dow Texas Operations were magnesium and chlorine. Seventy-five years later, Texas Operations’ 65+ production units are making thousands of products – most of them ending up in products that we use every day.

The site’s products can be found in a number of markets, including construction, agriculture, personal care, electronics, healthcare and medical supplies, nutrition, packaging, water and transportation.

**PRODUCTS**

1956
Dow airport in Lake Jackson was completed

1957
A.P. Beutel building opened

1961
President John F. Kennedy pushed button to start up first seawater conversion plant
Vice President Lyndon B. Johnson attended the event in Freeport
Dow Texas Operations had not even been around a year when its operations changed the world. For the first time, magnesium metal was successfully mined from the ocean, an achievement that was celebrated on Jan. 21, 1941, when the first ingot was poured. The technological achievement established Dow as one of the biggest suppliers of magnesium for the Allies in World War II.

Since then Dow Texas Operations has played an integral part in the creation of a number of innovative products such as AFFINITY® Polyolefin Plastomers for food packaging so that it can maintain freshness during transport and storage, as well as ELITE™ Enhanced Polyethylenes for a new standard in tougher films at higher stiffness and high performance sealants to prevent leakage in food packaging.
Global Influence

In the beginning, Dow Texas Operations’ employee population consisted of mostly Texans followed by those from Michigan and a few neighboring states. But as the site grew larger in the decades that followed, so did the opportunity to have a workforce from around the world. Today, Texas Operations employees represent 60 countries.

1967
Oyster Creek Division began operations

1968
Fifty percent expansion of Plant B was announced
Plans were announced for construction of Highways 288 and 332 interchange loops

1971
World’s largest phenol plant began operations at Oyster Creek

1972
Longest strike in site’s history occurred, ending 12 weeks after it began
Dow leads the way across virtually every facet of environmental, security, health and safety performance in our industry. The employees and contractors working at Texas Operations are committed to the goal of zero incidents or injuries. Dow was one of the first companies to introduce innovative personal protective equipment – in 1897 – and continues to be a leader in protecting the safety of people, the community and the environment.
If there is a community event in Brazoria County, chances are there will be a Dow Texas Operations employee volunteering. From building homes to tutoring students, in 2014, Dow employees volunteered more than 6,000 hours of their time on projects that directly benefitted the many deserving nonprofit organizations in our community.

Helping Hands

1978
Dow sold its share of Dow-Badische to BASF Corporation

1981
Dow gave 25 acres and additional funding for new hospital site named Brazosport Memorial Hospital

1983
Hurricane Alicia hit the Brazosport area

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Many men who would later become Dow Texas Operations employees joined with millions of others to serve their country and save the world from tyranny during World War II. The Dow Texas Honor Flights, held in 2010 and 2011, provided a chance for 119 Dow Retirees-World War II Veterans and 79 Dow Guardians (employees) to visit the monuments and memorials of Washington, D.C. as a way to show Dow’s appreciation for all the veterans who have defended our freedom.

On the flights back to Brazoria County, a “mail call” was held with each participant receiving letters from family, friends, students, Dow leaders and community members. Back at home, hundreds of people gathered to give a heroes’ welcome to the returning Honor Flight participants.
Since its inception, Dow Texas Operations has contributed to the success of communities in the Brazosport area and Brazoria County. Through the years Dow and its employees have played key roles in starting and participating in nonprofit organizations that have identified social, economic or environmental needs in the community. As part of the site’s charitable giving efforts, Dow Texas Operations has given hundreds of millions of dollars in contributions, in-kind donations and property throughout its history.
Since its beginning in 1940, the people of Dow Texas Operations have always been the key to the site’s success. That is no different today, and having a skilled workforce ready to step into the high-paying, safe, secure jobs offered by Dow is critical. The STEM fields – science, technology, engineering and math – offer a wide variety of career choices for students. Dow works closely with local schools, colleges, government and other industry to provide programs and support to encourage the highest quality K-12 and continuing education to fill the talent pipeline through a solid STEM education.

2000
Dow pledged $2.5 million to Brazosport College for its Center for Business/Industry Training

2001
Dow House opened at Brazos Mall

2003
The site’s first strike in more than 20 years ended after a week

2005
Dow Texas Operations shut down in preparation for Hurricane Rita

2008
Texas Operations braced for Hurricane Ike. Maximum winds on site were about 85-90 mph and surge in Surfside was 6-8 feet
Investments

2010
Dow flew 71 World War II veterans and Dow guardians to Washington, D.C. as part of the nationally recognized Honor Flight program.

2011
Dow provided a second Honor Flight, sending 42 World War II veterans to Washington, D.C. for a chance to view their memorials.

2012
Dow Chairman and CEO Andrew Liveris announced Dow’s Freeport site had been chosen as the home for a new world-scale ethylene cracker.
Dow’s investment in the success of the region began with a single purchase of land near Freeport Harbor 75 years ago. Today Dow is ushering in a new era of growth with a $4 billion investment in Gulf Coast operations to strengthen high-growth, high-margin businesses. The strategic expansion of Texas Operations with new world-scale manufacturing facilities reconfirms Dow’s commitment to the region as an economic leader and corporate neighbor.

2014
Dow announced plans for a new research and development hub to be built in downtown Lake Jackson. The Texas Innovation Center will include two new research and development facilities and an administration building.

2015
Dow Texas Operations celebrates its 75th anniversary.
For 75 years, Dow has called the Brazosport area home. Our history has it all – from groundbreaking innovations to visionary leaders to periods of spectacular growth.

Through it all, Dow Texas Operations has been driven by a commitment to operational excellence, product innovation, employee safety and civic responsibility.

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