



From the MixCache.com library

SAMPLE COPY

National Oilwell Varco Inc.

MixCache.com

SAMPLE COPY

Table of Contents

- **Introduction**
- **Chapter 1** The Origins: Oilwell Supply and National Supply
- **Chapter 2** Varco: Beginnings on the West Coast
- **Chapter 3** Mergers and Consolidation in the Oilfield Industry
- **Chapter 4** The Formation of National Oilwell
- **Chapter 5** Rise of Varco International
- **Chapter 6** Market Expansion and Globalization
- **Chapter 7** The Landmark 2005 Merger: Creating National Oilwell Varco
- **Chapter 8** Corporate Strategy: Growth through Acquisition
- **Chapter 9** The Grant Prideco Acquisition and Premium Drill Pipe
- **Chapter 10** Transformative Technologies: Wellbore to Production
- **Chapter 11** NOV's Global Footprint
- **Chapter 12** Leadership and Corporate Culture
- **Chapter 13** Surviving Oil Price Cycles
- **Chapter 14** Rebranding as NOV Inc.
- **Chapter 15** Technological Innovation and the Digital Age
- **Chapter 16** The Shift Toward Automation and Data Analytics
- **Chapter 17** NOV and the Energy Transition
- **Chapter 18** Financial Performance Through the Decades
- **Chapter 19** Adapting to Industry Downturns and Crises
- **Chapter 20** Intellectual Property and Engineering Prowess
- **Chapter 21** NOV's Role in Global Supply Chains
- **Chapter 22** Corporate Governance and Sustainability Commitments
- **Chapter 23** The People of NOV: Employees and Leadership
- **Chapter 24** Looking Forward: The Future of NOV Inc.
- **Chapter 25** Lessons from a Legacy: NOV and the American Energy Landscape

Introduction

National Oilwell Varco Inc., today known as NOV Inc., stands as a quintessential example of American industrial evolution. Founded through a long series of mergers and shaped by the demands of an ever-changing energy sector, NOV's story is one of resilience, adaptation, and innovation. Spanning more than 160 years, the company's heritage can be traced to both the oilfields of Pennsylvania and the workshops of Los Angeles, representing the confluence of multiple pioneering companies that would together shape the global oilfield equipment industry.

From its earliest days, NOV's predecessor companies—Oilwell Supply and National Supply—were instrumental in equipping the young American oil industry, providing the pumps, derricks, and other essential tools that powered the first oil booms. Meanwhile, Varco's origins on the West Coast fostered a spirit of ingenuity and entrepreneurship. Over decades, these companies prospered, evolved, and weathered the economic turbulence of wars, market crashes, and technological revolutions. Their respective strengths ultimately converged through mergers, culminating in the creation of National Oilwell Varco in 2005—a pivotal moment that united two leaders into an industrial powerhouse.

As the oil and gas industry transitioned from a domestic frontier to a global enterprise, NOV expanded its reach around the world, building an unmatched scope of operations. With a diverse portfolio spanning rig technologies, wellbore tools, and production systems, NOV has consistently adapted to the needs of a customer base as diverse as its own product lines. Their focus on innovation—whether through game-changing drilling equipment, advanced automation platforms, or data-driven solutions—has allowed NOV to both survive and thrive amid intense competition and volatile market cycles.

The last two decades have brought significant transformation, not only in the company's structure but also in its vision for the future. The rebranding to NOV Inc. signaled a commitment to integrating new energy solutions alongside traditional oil and gas services. This transition—mirrored across a broad industry reckoning with the realities of climate change and the necessity for sustainable practices—places NOV at the very center of an evolving global energy landscape. The company's push into digitalization, automation, and even renewable energy projects marks NOV as a dynamic actor in both legacy and emerging markets.

Financially, NOV's journey illustrates both the rewards and the risks of operating in a sector driven by global economics, geopolitics, and technological shifts. Through the boom years and in times of contraction—most recently the dramatic oil price crash of

2020—NOV has demonstrated remarkable agility, reinforcing its position through cost controls, restructuring, and a relentless focus on core competencies.

This book invites readers to explore the fascinating story of National Oilwell Varco—its people, products, and place in history. By examining the company’s past and present, and considering its future in a world where energy is being reimaged, we gain not only insights into the making of a modern industrial titan but also a broader understanding of the forces that continue to shape American enterprise.

SAMPLE COPY

CHAPTER ONE: The Origins: Oilwell Supply and National Supply

The narrative of National Oilwell Varco, now known as NOV Inc., truly begins in the rough and tumble landscape of America's early oil industry, a time when ambition flowed as freely as the crude gushing from the ground. Two key enterprises, Oilwell Supply and National Supply, emerged from this era, each carving out a distinct, yet ultimately convergent, path in the provision of essential oilfield equipment. Their stories, spanning the latter half of the 19th century and much of the 20th, form the bedrock of NOV's enduring legacy.

The tale of Oilwell Supply begins in 1862, a mere three years after Edwin Drake drilled the first commercial oil well in Titusville, Pennsylvania. It was in this burgeoning oil region that John Eaton, a man described as a "pig iron peddler," recognized a more reliable vein of commerce than prospecting for oil himself. Instead of drilling, Eaton chose to supply the drillers. He set up a small shop on Elm Street in Oil City, Pennsylvania, essentially an "oil country store," where he brokered and sold tools, and arranged for blacksmiths to craft or repair the equipment needed for the nascent oil industry.

Eaton's foresight was remarkable. While others chased the elusive dream of striking it rich, he saw the consistent, fundamental need for the tools of the trade. His shop quickly became known as the first ever to produce equipment specifically and exclusively for the oil industry. The inventory, ranging from basic riveted sheet iron to drill bits and temper screws, reflected the raw, developing technology of the time. As the oil boom intensified, Eaton cemented his reputation as the "oil well supply man," a moniker that underscored his pioneering role.

The burgeoning nature of the business demanded growth, and Eaton's one-man operation soon expanded. In 1869, the company evolved into Eaton & Cole, and by 1875, it was known as Eaton, Cole & Burnham. The growth rate was so swift that by 1878, Eaton and his partners settled on a more definitive and descriptive name: Oil Well Supply. By the turn of the 20th century, Oil Well Supply had become a global leader in oilfield equipment. It boasted seven manufacturing plants across several states, including Pennsylvania, Ohio, West Virginia, Missouri, and New York, alongside an impressive network of over 60 stores spread across nine states and the Indian Territory out west. This extensive network, operating much like modern "chain stores," highlighted the company's early grasp of distribution and market reach.

Innovation was ingrained in Oil Well Supply's DNA. The company constantly adapted

and refined oil and gas field equipment to meet the industry's evolving needs. A notable achievement came in 1908 when the Siverly plant, one of its key manufacturing hubs, developed a one-piece steel sucker rod, a significant improvement over the older wooden poles with iron couplings. The company's global influence was evident as orders and representatives from oil-producing nations worldwide converged on its Oil City office, seeking tools, equipment, and expertise. This international engagement underscored Oil Well Supply's position as a critical player in the global energy landscape even in those early days.

Meanwhile, a separate but equally vital entity, National Supply, began its journey in 1893. While Oilwell Supply was rooted in the Pennsylvania oilfields, National Supply's origins were in Pittsburgh, Pennsylvania, though it later established a significant presence in Torrance, California, by acquiring the Union Tool Co. in 1920. Union Tool, founded in 1911, had already been a pioneer in rotary oil drilling equipment. This acquisition solidified National Supply's position as a major player, particularly in the burgeoning West Coast oilfields.

By the 1950s, National Supply had grown into the world's largest manufacturer and distributor of oil drilling equipment. The company's catalog from 1921, a hefty tome of over 1,000 pages, showcased a vast array of oilfield machinery, indicating its comprehensive offerings. National Supply was particularly known for its portable, skid-mounted rigs and its "heavy duty spudder" cable tool rigs, which were advertised as having "displaced the old standard derrick." The company's manufacturing operations, including its large plant in Torrance, California, contributed to making the city a major steel manufacturing hub during the 1960s.

The mid-20th century brought significant changes to both companies as the broader industrial landscape shifted. In 1930, Oilwell Supply was acquired by United States Steel, a titan of American industry, marking a new chapter in its corporate ownership. This integration brought Oilwell Supply under the umbrella of one of the nation's largest steel producers, providing stability and access to greater resources.

Similarly, National Supply underwent a major transformation in 1958 when it merged with Armco Steel Corporation, then the seventh-largest steel producer in the U.S. This merger created the National Supply Division of Armco. Like Oilwell Supply's integration into U.S. Steel, this move linked National Supply to a prominent steel conglomerate, reflecting the close ties between the steel and oil industries in terms of materials and manufacturing.

Both Oilwell Supply, as a division of U.S. Steel, and National Supply, as a division of Armco, continued to operate within the oilfield equipment sector. However, the 1970s and 1980s proved to be challenging decades for the steel industry as a whole, and by extension, for the oilfield equipment divisions attached to them. Downturns in steel production and an increased reliance on foreign oil, leading to a slump in domestic oil

drilling, took a toll.

By the mid-1980s, the economic realities of overcapacity in the oil service business spurred a new strategic direction for both Armco and U.S. Steel. To sustain their oilfield supply operations, the two steel giants decided to combine their respective divisions. This pivotal decision led to the formation of "National Oilwell" in April 1987, a joint venture that merged U.S. Steel's Oilwell division with Armco's National Supply Company.

This union brought together two historic entities, each with a long and distinguished past in providing essential equipment to the oil and gas industry. Oilwell, founded in 1862, contributed its expertise in drilling equipment, production and fluid control systems, and various pumps. National Supply, established in 1893, added its strengths in hydraulic, fluid, and plunger pumps, engines, and other drilling equipment. While both companies had the capability to construct new oil rigs, the market at this time was lean, with orders for new rigs being rare. Consequently, the focus of the newly formed National Oilwell largely revolved around rig refurbishment, repair, and the continuous supply of vital components and spare parts.

National Oilwell began its operations with approximately 2,200 employees, nine manufacturing plants, 80 oilfield supply stores, and 20 sales offices, inheriting the collective infrastructure of its predecessors. The initial years were marked by continued market uncertainty, but the new entity was built on a combined legacy of resilience, innovation, and a deep understanding of the oilfield. This joint venture, bringing together over a century of accumulated experience and engineering prowess, laid the foundational stone for what would eventually become the global powerhouse known as National Oilwell Varco.

This is a sample preview. Purchase the book to read the full content.

Visit MixCache.com to purchase the complete book.

SAMPLE COPY