

Here are the real culprits in this situation. This is the story from the Wall Street Journal dated February 7, 1967, and the headline says "Gasoline Prices Rise Unseasonably" and it talks about "Standard of Indiana" boosting prices. On February 8, another story in the Wall Street Journal, "Standard of Indiana Raises Asphalt Prices." And then in the Wall Street Journal on February 13 is a full page ad by Standard of Indiana, and it says "1966 earnings break all records at Standard Oil Co. of Indiana. Profits rise 17 percent 8th straight year."

(Items referred to are reprinted herein:)

[From the Wall Street Journal, Feb. 7, 1967]

GASOLINE PRICES RISE UNSEASONALLY AS DEMAND GROWS—INDIANA STANDARD UNIT LIFTS DEALER AND JOBBER QUOTES, FOLLOWING OTHER PRODUCERS

GENERAL RETAIL BOOST SOUGHT

(A Wall Street Journal *News Roundup*)

Prices of gasoline are increasing unseasonably in the wake of rising demand. In Chicago, American Oil Co., a subsidiary of Standard Oil Co. (Indiana), announced it is increasing gasoline prices to dealers by 0.6 cent a gallon and to jobbers by $\frac{1}{4}$ cent a gallon, effective today. American said it also is suggesting to its dealers that pump prices in the states affected be increased by one cent a gallon from previous suggested retail price levels.

The action by American in boosting tank wagon prices to both dealers and jobbers follows similar moves by several other companies, including Phillips Petroleum Co., Sunray DX Oil Co. and Continental Oil Co.

"There's a lot of skirmishing among the major companies who are trying to put into effect a one-cent increase in the retail price of gasoline," said one Midwestern marketer of motor fuel, "but the increases can't be termed general until most of the major companies succeed in getting dealers to go along."

Midcontinent petroleum refiners also are apparently readying a general boost in the wholesale prices of gasoline processed for shipment to the North by pipeline. Some marketers reported the refinery price for 92-octane (regular grade) branded gasoline is fluctuating at least $\frac{1}{4}$ cent above the posted quote of 12 $\frac{1}{4}$ cents a gallon. Some suppliers are said to be advancing wholesale prices by as much as $\frac{1}{2}$ cent a gallon. A year ago, the refinery quote for gasoline processed in the Midcontinent area was generally 12 cents a gallon.

NORMAL PATTERN IS DOWN

Gasoline prices at this time of the year normally go down instead of up. Wintry weather slows driving, and this leads to a buildup of inventories of motor fuel.

According to the American Petroleum Institute, stocks advanced seasonally some three million barrels in the week ended Jan. 27 and now are about 10 million barrels above year-ago inventories. But demand has been climbing. One industry source puts consumption of gasoline at more than 4.6 million barrels daily, or more than 4.5% above a year ago.

Oil companies also insist that gasoline prices both at tank wagon and wholesale levels are below those of the late 1950s.

"Price increases at this time will bring the price of gasoline—which has lagged behind rising prices for other commodities for some time—a little more into line with the economy as a whole," an American spokesman said. "In addition, they will reflect recent wage increases in the petroleum industry."

In view of the increase in dealer and jobber operating costs, which have risen significantly in the past year, he added, the suggested increase in pump prices will enable dealers and jobbers to maintain adequate manpower and station operating hours and provide the service the public expects and should receive.

VARYING BY AREA

In Michigan, tank-wagon price adjustments will vary by area, although the Detroit tank-wagon price will be increased by the 0.6 cent figure. In Alabama,