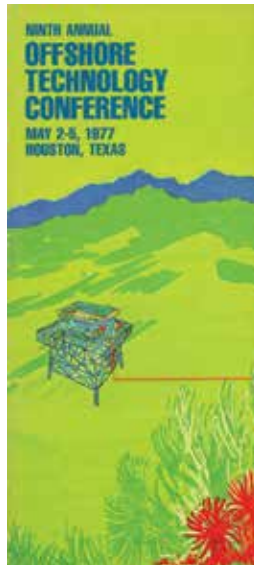


“A Love Affair 50 Years and Counting”: OTC’S ECONOMIC AND CULTURAL CONTRIBUTIONS TO HOUSTON

By *Debbie Z. Harwell*

The ninth Offshore Technology Conference (OTC) in May 1977 was my first OTC. It coincided with my first day on the job as assistant front office manager at the 600-room Holiday Inn-Downtown Houston, then the nation’s largest Holiday Inn. In that era before computers, guests completed registration forms by hand on NCR (no carbon required) paper, and desk clerks kept track of the room inventory with cards about 2 x 4 inches — one for each of the 600 rooms — filed in plastic racks that indicated if rooms were occupied, clean and available, or “on change” (meaning the guest had checked out but the room was dirty). Before going off his shift, the night manager briefed me on the hotel’s status, explaining that OTC filled every room from “Galveston to San Antonio” and we were overbooked. He smiled gleefully as he turned to go, saying, “Good luck!” You can imagine how the day ensued.

Despite my baptism by fire, in the years that followed I observed first-hand how OTC brought an energy and excitement to Houston and the hotel – from the planning stages to the last guest’s check out – that was unmatched by any other conference. Mike Waterman, president of Visit Houston, the Greater Houston



The 1977 OTC On-site Program.

All images courtesy of OTC unless otherwise noted.

Convention and Visitors Council (GHCVB), sees OTC as a blessing, explaining, “It’s a truly remarkable show....It brings tens of thousands of people to the city every year. It’s sort of a rite of passage for us as Houstonians....To know that every year we’re going to sell out this entire week to one convention, that’s a gift for us.”¹

The first OTC met at the Albert Thomas Convention and Exhibit Center downtown (now Bayou Place) with 4,200 in attendance, 125 papers presented, and 38,500 square feet of exhibit space occupied by 200 exhibitors. In need of more space, in 1973 OTC moved to the Astrodome complex, now NRG Park, where it has remained. Local businesses still roll out the red carpet at airports, hotels, restaurants, clubs, tourist attractions, and convention related services, as they should, given that OTC has brought in over \$2.5 billion to Houston since the meeting’s inception.²

THE HOSPITALITY INDUSTRY: WELCOME TO HOUSTON

By far the biggest impact OTC has on the city of Houston is seen in the hospitality industry – hotels, restaurants, and bars – followed by transportation companies of all

The OTC 1980 exhibit at the Astrodome drew 86,965 visitors from around the globe.



types. While my coworker exaggerated about filling hotel rooms all the way to San Antonio, OTC's early reach was expansive, stretching from Galveston to the south, Conroe to the north, and Lake Jackson to the southwest, according to OTC manager Doug Ducate in 1980. Galveston drew enough business to justify hotels offering a shuttle to Houston.³

The early OTCs had a reputation for their carnival atmosphere "full of glitz and glamour." OTC chair Donald G. Russell described "vendors flocking to the show ... [competing] for attention with such sideshow shenanigans as jugglers, singers, dancers, ventriloquists, celebrities, ice cream, popcorn, and bathing beauties." Those who attended roamed the exhibits picking up the cherished free gifts, each one better than the next.⁴

Houston also enjoyed a party atmosphere in the 1970s and early 1980s when the U.S. club scene flourished. The city had high-end disco/dance clubs like Élan, which required a membership, and the country and western dance halls like Gilley's, both of which gained fame in the 1980 movie *Urban Cowboy* set in Houston and starring John Travolta.

As the price of oil began to fall in 1983, exhibitors wanted to be certain they were reaping the most benefit from their investment and focused on real customers in a cost-conscious way. In 1984 OTC made the decision to temporarily change its format from an exhibition with technical presentations to solely presentations. Russell believed this would "make it a better, healthier event in the future." He wanted "a little spice" to make it attractive but not so much that it became a "debacle." Sam Fletcher, who covered OTC for years for the *Houston Chronicle*, observed that the 1984, "OTC will be more like a prim schoolmarm than the Wild

West saloon girl of its past."⁵

Houston's party atmosphere also faded away with the "three-martini lunch." In 2011, Greg Ortale, then GHCVB president, and Sarah McPhillips, then vice president of convention services, recalled OTC reflected society's changing attitudes about drinking. When exhibits returned, "the emphasis moved from booze to food....Instead of going to a bar with a club that might have entertainment...they want[ed] to get somebody at a table feed them dinner, and talk to them." Over a meal, vendors could write orders, which is difficult to do when a band is drowning out the negotiations. With that in mind, many restaurants ran OTC specials.⁶

Sonny Look's Sir Loin Inn on South Main by the Astrodome was particularly popular, with a knight on a white horse outside drawing in crowds for the great steaks and Look, dressed in his signature flamboyant jackets, greeting diners. Today local restaurants

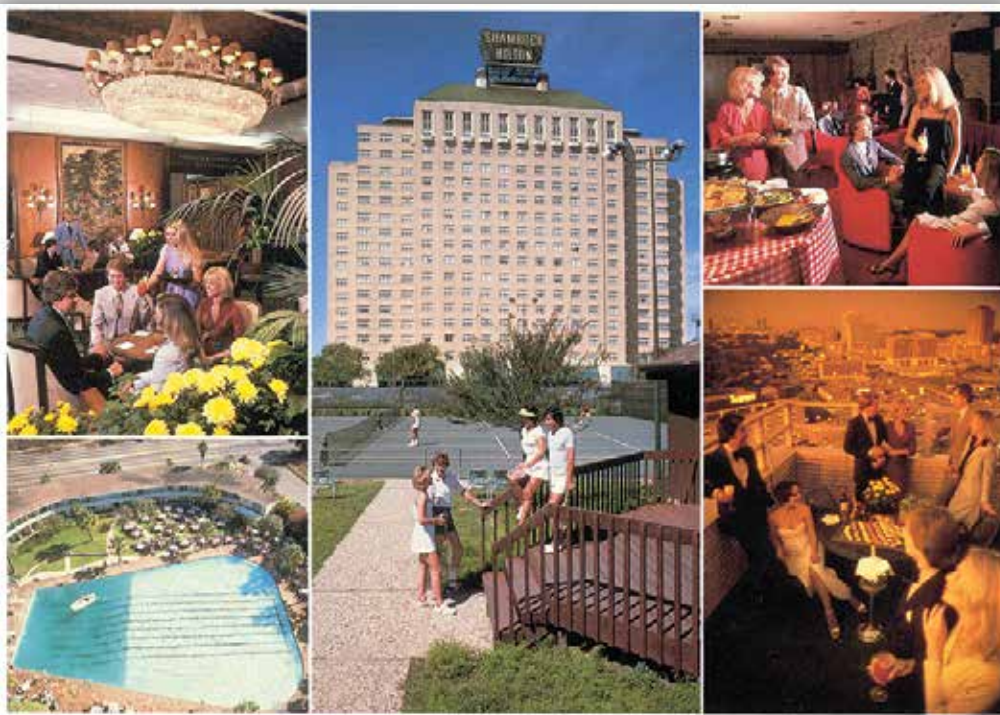


Sonny Look's restaurants were a staple for convention goers, especially the Sir Loin Inn near the Astrodome complex. Known for his flamboyant jackets and customer service, Look, who served as chair of the GHCVB, and then Mayor Louie Welch initiated an annual dinner to show their appreciation to the OTC Board of Directors for selecting Houston as OTC's host city.

Photo courtesy of Carole Look.

continue to cater to OTC and the *Houston Chronicle* includes a list of popular Houston eateries by cuisine in its "FuelFix OTC" section.

During the oil bust, the GHCVB and individual hotels sought business from other sources to make up for the loss of exhibitors in 1984. The Hyatt Regency public relations director noted, "We've increased sales staff and really made a concentrated effort in looking at all business aspects." Helen Perrone of Southwest Inns, which operated nine Holiday Inns around the region, said, "We're trying to attract motor coach tours into the Houston area — tours for senior citizens groups or any special tours bringing people through our area." Nevertheless, hotels still catered to the smaller OTC crowd. For example, in 1984, the hotels closest to OTC, the Astroville, Marriott Astrodome, and Shamrock



The Shamrock Hilton was one of Houston's premiere resort hotels with ornate ballrooms, restaurants, clubs, suites, and a swimming pool large enough to hold water skiing demonstrations. Both its reputation and location made it a favorite for OTC attendees.

Photo courtesy of the Hospitality Industry Archives, University of Houston.

Hilton, had forty-eight hospitality suites. Carol Austin, director of catering services at the Shamrock, told the *Houston Chronicle* in 1985 that she remembered the “massive receptions” companies like Hughes Tool hosted for OTC. “We used to have all three ballrooms going and lines waiting for the elevators. ... People who lived in the hotel would check out of their apartments and stay with friends so they could rent their places out during OTC.” But in 1986, the hotel’s last OTC before being demolished in 1987, the Shamrock had booked only a few hotel rooms and three small lunches.⁷

The downturns actually benefitted attendees who, in some cases, could rent \$400 suites (\$900 today) for \$89 per night (\$200 today), the same price as a regular room.⁸ The change also afforded them the added bonus of being able to choose their hotel rather than having to take what they could get as in earlier years, when attendance repeatedly hit new records.

Fortunately for Houston, as oil prices ramped up again and OTC attendance numbers improved, so did the hotel business. In 2011, when attendance hit 78,149, Wayne Chappell pointed out that many hotels had regulars from certain companies or countries who chose to return to the same hotels year after year. At check-out, they made their reservations for the upcoming year, seeing the hotel as “their home away from home.”⁹

CONVENTION SERVICES — GETTING THE SHOW IN AND OUT

Conferences like OTC do not materialize with each company moving in their own materials on their own schedule. Among many things, large shows require a coordinated effort to ensure that the displays farthest away from the entry are set up first and exhibits closest to the entry are set up last, so that no one’s access to their exhibit space is blocked. In 1972 Dallas-based Freeman Companies won the bid to set up OTC, following the company’s success servicing the Society of Petroleum Engineers’ meetings. Freeman, which has offices near NRG and employs a few thousand workers for OTC based on the show’s size in any given year, sets up registration areas and displays, lays carpet, hangs banners and signs in multiple languages, arranges meeting rooms, and other tasks, before reversing course to remove everything at the end of the week. In 1991 owner Don Freeman explained, “In our industry, long-term relationships with accounts are not unusual. We’ve been setting up some of the same events for 30 years or more” because they can get the shows in and out on time and work well with individual exhibitors. The logistics involved for a show the size of OTC are mindboggling, with several hundred thousand square feet of exhibit space and thousands of exhibitors from around the globe. The company not only has the proper

Outdoor OTC exhibits around the Astrodome in Houston.





Students perform experiments and visit the exhibit hall booths during the Energy Education Institute: High School Student STEM Event in 2017.

equipment to do the heavy moving, it also provides rental furniture, signs, and anything else needed to set up an exhibit. Freeman notes, “Timing is a factor,” and in 1991, they began using computers for scheduling.¹⁰

Over Freeman’s forty-seven years, several things made setting up OTC unique for its employees. When OTC began using the Astrodome for exhibits, Don Freeman recalls that the staff had to “put two layers of 3/4-inch plywood over the entire floor of the Astrodome....Everyone was skeptical that it could be done in time and that it would lie flat and stable enough with the Astroturf cushioning under it for the heavy equipment that was going in.” They then built a custom ramp to get the fully-loaded trailers over the stadium’s steep entrance ramp. Further, Freeman points out that few “trade shows have outdoor as well as indoor exhibits.” In addition to large rig equipment outside, OTC had a heliport in the parking lot, which required a temporary tower from the Federal Aviation Administration (FAA). Helicopters ran from the show to airports, as well as to corporate facilities in the Houston region.¹¹

OTC’s longest tenured worker is Sam “Hoppy” Hopkins, who reflected on his experience in a video interview celebrating OTC’s fiftieth show: “I was kind of green when I came in, but I had help along the way. OTC is a great, great place to start off with. You can see how it’s grown and how people work around you here. Everybody enjoys OTC. OTC is one of our [Freeman’s] big clients. We’ve been with [it] so long, 50 years. So I’ve seen it grow from there to where it’s at now. It’s a great feeling to come and work OTC. I look forward to it every year.”¹²

EDUCATIONAL OUTREACH TO THE HOUSTON COMMUNITY

OTC has always been about sharing the latest technology and educating those in attendance through technical presentations, but it has gone much further than that to reach out to the Houston community. In 1979 OTC partnered with KUHT-TV Channel 8, Houston’s public broadcasting station, to broadcast educational programs created by the

Offshore Technology Television Network, directed by communications manager John C. Rash. Over ten hours of programming spanning five days “depict[ed] historical, present and future operations concerning ocean resource development and environmental protection...reflect[ing] the scope of the conference, and seek[ing] to translate the technology of offshore operations into laymen’s terms.” At the twentieth OTC in 1988, the conference included two museum exhibits set up inside and outside the Astrohall that featured examples of equipment in use before the first OTC.¹³

In more recent years, Houstonians beyond the oil industry have also benefitted from the emphasis on education. The Energy Education Institute, first offered in 2007, provides an all-day workshop for local science teachers who participate in hands-on lessons from the U.S. National Energy Education Development (NEED) Project “to help them bring energy topics into their classroom.” On Education Day, traditionally held on Thursday, OTC invites approximately 200-250 high school students to tour the exhibition to meet industry professionals, inquire about oil and gas careers, and learn about technology. In 2018 another group of sixty Houston high school students took part in the OTC Energy Challenge where they were asked to solve “real-world energy challenges.” The teams from Stratford High School, Westside High School, and The Village School received recognitions for their creative solutions.¹⁴

DOLLARS AND SENSE

For fifty years OTC has been a welcome economic boom for the city of Houston, even when the price of oil fluctuated. Conference attendance skyrocketed from 4,200 in 1969 to 51,212 in 1975 and 108,161 in 1982, with hotel guests paying up to \$140 per night (\$430 today). Even when oil prices began to fall and attendance at OTC dropped to 58,755 in 1983, OTC still ranked as one of the top ten conventions in the country and brought in over \$58 million to the Houston economy. The following year, when OTC temporarily dropped the exhibitions in favor of technical presentations, was a blow to Houston hotels, which had seen a building



Students are escorted to a workshop at OTC 2016.

boom from 1980 to 1983 that increased the number of available rooms from 22,000 to 33,000.¹⁵

The impact of the 1980s oil bust on Houston went far beyond the loss of OTC exhibitors for a year. In 1986 crude prices fell 52 percent, and the rig count plummeted from 4,500 in 1981 to 663. Sales of oilfield equipment plunged from \$40 billion to \$9 billion and drilling rigs were torn apart and “sold for scrap at pennies on the dollar.” Houston lost over 225,000 jobs, unemployment topped 9 percent, and 20 percent of office space stood vacant along with 200,000 homes. As the city faced serious questions on how to diversify its economy, OTC attendance picked up, hovering between 25,000 and 51,000 from 1986 through 2005, when it once again began to climb steadily, reaching 72,025 in 2010. It peaked at 108,300 attendees and over 680,000 square feet of exhibit space in 2014, when oil reached \$100 a barrel. In 2011, hotel rooms for conference attendees stretched from The Woodlands to Kemah, with a few companies having separate meetings in Galveston. Diversification also helped protect the city’s hospitality industry, which now boasts

100,000 hotel rooms in greater Houston with 8,000 of those downtown.¹⁶ This enables the city to better serve OTC and cater to other convention groups.

Slumping oil prices the last three years brought another drop in OTC attendance, which averaged 65,000 from 2016 to 2018.¹⁷ But even in a comparatively lean year, Houstonians – restaurant, bar, room service, and catering wait staff; hotel housekeepers, concierges, bell staff, and desk clerks; baristas; taxi, Uber, Lyft, and bus drivers; shoe shiners; NRG and Freeman employees; concession workers; retail clerks; ice carvers and more – express their gratitude for the business OTC brings to town.

Visit Houston president Mike Waterman explains that OTC’s impact goes way beyond the number of hotel rooms. “OTC is by far our largest recurring convention...75,000 to 100,000 coming to your town is a huge deal. Even the locals that work in oil and gas are a boon for us because they are entertaining clients [at] breakfast, lunch or dinner. It’s sort of an amplifier effect when OTC is in town...[Visitors] are going to the Galleria and shopping, especially the international travelers. They’ve heard what a great place Houston is to shop...and distribute a broad degree of purchasing power that we absolutely enjoy.”¹⁸

Additionally, these visits create a ripple effect for future tourism. Waterman points out that OTC’s international market brings visitors to Houston, many for the first time. “They come and see our amazing food and beverage, our amazing cultural and culinary offerings, and they go back to Stavanger, Norway, or Russia and tell their family and their friends how amazing Houston is...Those visitors come back and experience NASA or our Museum District or a cultural district.” This makes OTC much more than a business conference because it also generates a more traditional vacation or leisure experience when people return or extend their stay.¹⁹

The conference offers Houstonians more than just its immediate monetary value as well. For example, for Ken Richardson, executive vice president of global offshore at

Sponsors are recognized in this logo-themed ice sculpture presented at the 2015 Annual Awards Dinner.



American Bureau of Shipping who has attended since 1982, it is about making connections. “My favorite part is meeting people, and catching up with acquaintances and friends who I haven’t seen in a while,” he says. “The conference draws many people who’ve been in this industry for a long time, and various companies put on receptions with interesting crowds of people.” Sybil Oyeagoro, coming from a year-long leave from offshore work to be near her four children, came to OTC to make employment connections. For others, OTC set their careers in motion. Rustom Mody attended his first OTC forty years ago as a young engineer and is now vice president of technical excellence at Houston energy services company Baker Hughes. He recalls, “It was an amazing experience. I just fell in love with the industry.”²⁰

Houston has worked hard to maintain close relationships with convention service providers and the OTC Board of Directors. At one point, when restaurateur and hotel owner Sonny Look chaired the convention council and Louie Welch was mayor, they treated the board to a dinner at the River Oaks Country Club to show their appreciation. Hosting a similar dinner for the board with the mayor and notable Houstonians has since become an annual tradition to kick off the conference. Mike Waterman speaks enthu-

siastically of the dinners he has attended since coming to Houston three years ago, saying, “We want to make sure that the folks at OTC know that we appreciate [them], we’re grateful, and we will always work hard to make sure their event is appreciated and successful because the more successful they are, the more successful we are.”²¹

Just as OTC is celebrating its golden anniversary, the city of Houston, too, is honoring the fiftieth anniversary of their partnership. Houston has been a loyal steward for OTC, welcoming its visitors, presenters, executives, and exhibitors; providing manpower at all levels from shuttle drivers to engineers; and standing steadfastly with OTC through the ups and downs of the oil industry. At the same time, OTC has pumped billions of dollars into the Houston economy and helped reinforce the city’s claim as the energy capital of the world. Mike Waterman observes, “Oil and gas is in our DNA. OTC has now become part of our DNA, just like hospitality is in our DNA,” adding, “We’re always going to make sure that OTC thrives and succeeds. We feel like it is an amazingly mutual relationship, and we’re thrilled to have it. ... A love affair, fifty years and counting.”²²

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Memories of OTC in the 1970s *By Rebecca Golden Timsar*



Rebecca and Bert Golden.
Photo courtesy of Rebecca Golden Timsar.

As a young girl growing up in Houston with a father in the oil industry, my annual outings to OTC with Dad were a highlight for me – only slightly edged out by overnight visits to the rigs around Columbus, Texas. I loved being with him and learning about what interested him.

When we arrived at OTC, a buzz filled the air and the smell of BBQ wafted across the Astrohall. I saw large offshore platform equipment, submersibles, logging trucks, helicopters, and evacuation boats for the first time. Kids could

get inside everything to really experience the action. We saw demonstrations, entertainment like live banjo music, automobile drawings, pretty ladies—lots of those—and rows of company booths, big and small. The best part was the free goodies. They could not stuff enough swag in my OTC goodie bag – flashlights, pens, stickers, lighters, hats, golf balls, Life Savers, toy helicopters or boats, key chains, and games.

My dad, Bert Golden, recalled the 1970s as the best era for OTC, saying, “I went every day because [OTC] was

smaller and you could get around a lot better...I went to see the technology, see my friends like Bob Grace and Cecile Eicke, and to hear a couple of papers.” My mom, Mira, said, “[OTC] was huge; even when it was small, it was huge.”

Dad explained, “If I needed a particular kind of pump that the injection pump folks wouldn’t build, I could find someone to build it and I did...OTC was a good way to transfer technology from the inventors to the industry, it was a study in face-to-face marketing.” He also liked seeing “Schlumberger, Halliburton, and Baker Hughes exhibits right at the front—always well done.” The last time Dad went six or seven year ago, he felt “it was too big and really more international exhibits and country exhibits,” but added, “which is what it should be.”

When I returned in 2017 to work the University of Houston’s Energy booth, I was disappointed – probably because I was not with my dad and the childhood wonderland, now seen through adult eyes, had been replaced by corporate/country booths with coffee bars but no Life Savers. Nevertheless, my early education at OTC and the special memories with my dad prevail. As I work my way around the globe from the oil deserts of Oman to the swamps of the Niger Delta, in varying capacities, I am always connected to these early years of excitement, innocence, and wonder.

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