

Douglas L. Rock '68

Douglas L. Rock of The Woodlands, Tex., is a national leader in the energy industry and a philanthropic pioneer at Penn State.

Rock graduated from Penn State with a bachelor's degree in psychology in 1968. He also attended the University of Chicago's Graduate School of Business Administration.

He is president, CEO, and chairman of Smith International, Inc. (SII: NYSE), Houston, Tex., a supplier of products and services to the oil and gas exploration and production industry, the petrochemical industry, and other industrial markets. Rock has been with Smith International since 1974. Before becoming president in 1987, he served as president of both the Smith Tool and the Drilco divisions as well as vice president in charge of research and engineering and of manufacturing at Smith Tool. He was named chief executive officer in 1989 and chairman of the board in 1991.



Rock's contributions to Smith International have been enormous. In 1986 the company faced huge challenges—it had declared chapter 11 bankruptcy. Through Rock's leadership the company sold some of its holdings and invested in others to regain Fortune 500 status. In the last ten years, Smith revenues have risen from \$211 million annually to \$3.6 billion in 2001. In 2001, Smith's profits exceeded \$150 million and Smith employees numbered 11,500.

Well known for his conscientious and innovative approach to business, Rock pursues a vision to drill for oil and gas without throwing anything away—leaving an environmentally responsible "small footprint." Such an approach is almost unheard of in those third-world areas where environmental regulations are lax. In addition, he has established a worldwide ethics hotline for Smith International. Under this successful program, employees may call to speak to an ethics officer not employed by the company; he wanted employees to feel they had a neutral place where they could air grievances, report unethical behavior, or simply ask questions. In addition, through Rock's advocacy, Smith International has contributed significantly to engineering science and mechanical research at Penn State.

Rock has received considerable honor for his work and was designated as one of *Worth* magazine's 50 best CEOs, 2001. Rock is former chairman of the Petroleum Equipment Suppliers Association, and is currently vice chairman of the American Petroleum Institutes General Membership Committee.

He believes that his education in Liberal Arts from Penn State is the cornerstone of his success in the business world. As a member of both the Development Council for the Liberal Arts and that college's Grand Destiny Campaign Committee, he has brought the ethics, insight, and commitment for which he is famous in his profession to bear upon University life. The College of the Liberal Arts named Rock an Alumni Fellow in 1995.

His \$5 million endowment of the Rock Ethics Institute at Penn State underscores Rock's commitment to ethical action. The institute will enable faculty to educate students across all

disciplines in “moral literacy”—a concept that encompasses the ability to recognize moral issues, think rationally about them, and formulate and critically support responses to contemporary moral and ethical dilemmas. Rock endowed the institute because he believes that Penn State must provide its students not simply with knowledge but also develop their wisdom and character. Says Rock, “I hope that our work will contribute to a better, more humane world, one in which barriers between different educational and political spheres are broken down so that real dialogues occur.”

Rock’s family includes wife, Julie, a son, Jason, a stepdaughter, Alisson, and three grandchildren.

*This career summary is excerpted from the 2002 Distinguished Alumni Awards Ceremony booklet (2002, The Pennsylvania State University).