

Best Retirement Wishes

Our best wishes for a long and happy retirement go out to the following employees who have completed their years of service to Northwestern Steel and Wire Company:

April 1, 1983

Hubert Cardwell, West Plant Millwright, 32 years.

May 1, 1983

Robert Coonrad, West Plant Machine Shop, 37 years.

Jessie Williams, West Plant Machine Shop, 19 years.

June 1, 1983

Emigdio Diaz Gomez, Galvanizer, 15 years.

Stanley Fritz, Private Payroll, Plant 1 Inspection, 41 years.

Keith E. Wells, Wire Mill Electrical, 35 years.

Marion B. (Pete) Middleton, Private Payroll, Plant 1 Inspection, 36 years.

Howard L. Butcher, 20/24-Inch Mill Mechanical, 23 years.

Manuel Galvin, 10-Inch Mill, 35 years.

Juan C. Rodriguez, 24-Inch Mill, 28 years.

Samuel Davis, Plant 2 Weld Shop, 21 years.

Frederick F. O'Dair, Roll Shop, 26 years.

William E. Johnson, Plant 2 Weld Shop, 41 years.

Vern J. Myers, Plant 4 Drawing Room, 20 years.

Wilbur H. Hartzell, 20/24-Inch Shipping, 20 years.

July 1, 1983

Lloyd Shoffner, Plant 4 Drawing Room, 30 years.

Eddie Loy, Millwright, Plant 2, 37 years.

Lloyd Dawdy, West Plant Mechanic, 31 years.

Donald Stolzoff, Roll Thread, 34 years.

Don Kinzler, Private Payroll, Merchant Wire Sales, 31 years.

Fremont Cumrine, East Plant Pollution, 30 years.

Glen Longanecker, Furnace Dept., 23 years.

James Parks, Private Payroll, Electric Furnace Dept., 35 years.

Leonard Drummond, Plant 2 Electrical, 37 years.

Ed Mason, Furnace Cranes, 30

years.

Robert Jeffery, Furnace Dept., 37 years.

Charles Van Wassenhove, Private Payroll, Safety Dept., 30 years.

Clevie Pillars, Plant 2 Weld Shop, 35 years.

Jesse Cruz, Pollution, 35 years.

Neil Moloney, Private Payroll, Plant 1 Electrical, 37 years.

Daley Crawford, Nail Packing, 31 years.

George Murray, Electric Furnace Dept., 37 years.

August 1, 1983

William F. Weed, Private Payroll, 24-Inch Mill, 33 years.

William J. Colberg, Caster Department, 37 years.

Mike Valente, Furnace Department, 41 years.

Herman Abbas, Galvanizing Department, 35 years.

Orville Harms, Private Payroll, 24-Inch Mill, 33 years.

Juan Mendoza, Furnace Department, 34 years.

Hubert Glick, Scrap Yard, 33 years.

Gail Dombroski, Private Payroll, Caster Department, 30 years.

Wesley C. Peterson, Private Payroll, 24-Inch Mill, 33 years.

Lawrence J. Berge, Private Payroll, Furnace Department, 30 years.

Lige Crawford, Caster Department, 30 years.

Enrique Rodriguez, Furnace Department, 35 years.

Jeffrey Greenwalt, Furnace Repair, 27 years.

Stanley E. Dublo, Furnace Department, 31 years.

Bernard M. Warkins, Private Payroll, Plant 3 Mechanical, 32 years.

Candelario Ortiz, Furnace Department, 38 years.

Allen H. Lancaster, 20-Inch Mill, 28 years.

Woodrow Nelson, Galvanizing Department, 35 years.

Harold E. Jones, Private Payroll, Caster, 34 years.

Joseph Oswald, Scrap Yard, 20 years.

Ivan L. Wilson, Private Payroll, Wire Mill, 35 years.

George Harshman, Furnace Department, 31 years.

James R. Frey, Caster Department, 35 years.

William F. McEvoy, Wire Mill Machine Shop, 34 years.

Vincente Vasquez, 20-Inch Mill, 32 years.

September 1, 1983

Kenneth Cohenour, Private Payroll, Inspection, 28 years.

Glenn Tompkins, Plant 2 Millwright, 34 years.

Edward Trabelot, Welder, Plant 3, 20 years.

George Burgess, West Plant Welder, 30 years.

Richard Meisel, Private Payroll, 12-Inch Mill, 31 years.

Chester McFalls, Plant 2 Electrical, 30 years.

Kenneth Oller, Galvanizer, 35 years.

Harold Hancock, 12-Inch Mill, 31 years.

Lloyd Massengil, Fabri-Cloth, 27 years.



Receiving 35-year awards from Chairman Martin Dillon (left) and President Peter Dillon (right) were Clevie Pillars and Edward Norder.



Receiving their 35-year awards from Chairman Martin Dillon (back row, far left) and President Peter Dillon (back row, far right) were (front) Jim Parks, Martin Ramirez, Bernard Bruder, (back row) Lee Jones, William Mathes and Clayton Miller.



Northwestern's Pilot Nail Facility Nears Completion

A new pilot nail facility, which will hopefully assist Northwestern Steel and Wire Company in its quest to become more competitive in the marketplace, is nearing completion.

The new facility, located on West LeFevre Road in Sterling, will be utilizing nail-producing machinery purchased from Tree Island Steel, Carson, Calif.

Equipment installed includes 35 nail cutting machines, a tumbling line for cleaning nails, and a twin 50-lb. nail packer with an automatic strapping machine and a palletizer.

Three 5-ton Demag overhead cranes have been installed to move the stems of wire and containers of nails from one process center to another.

Erection and operation of the equipment is being done by employees of our company.

One big advantage for Northwestern will be greatly reduced handling costs, due to the overhead cranes and the single-story layout. A nearby building will be used by the Company to store and ship nails manufactured by the old nail mill and the new nail mill.

Another plus for employees will be the fact that the new facility should be far cooler in the summer and warmer in the winter because of the insulated building.

Because of a shortage of investment capital, the land and nail building are not owned by the Company. Until the

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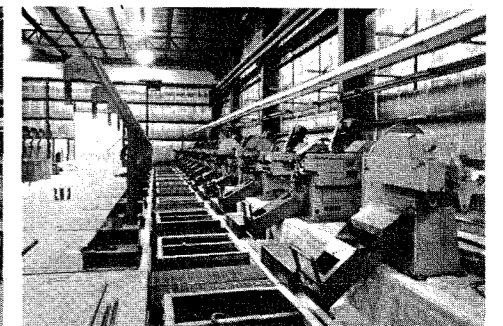
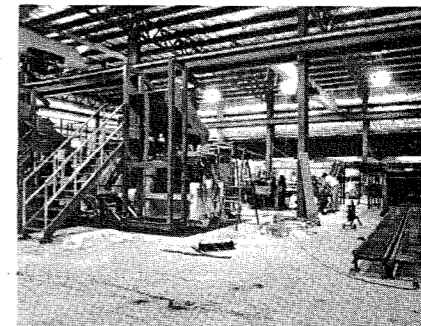
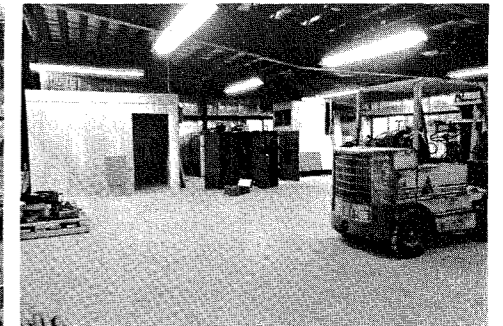
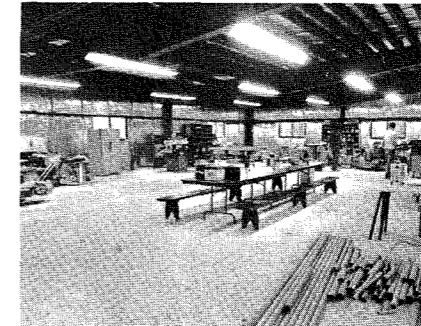
Assembled for a picture at their recent picnic were several Northwestern Steel and Wire Company retirees and Millwrights.

Division returns to profitability, many new methods of financing equipment and building may be needed to speed up the updating of our equipment and facilities.

This facility is part of Northwestern's commitment to the

future of the Rod and Wire Division, as outlined in the labor agreement signed in the fall of 1982.

The Company anticipates that this experiment will lead to other experiments with other departments in the Rod and Wire Division.



Millwrights, Retirees Hold Picnic

Retirees and families of the Millwright crew of the East Plant gathered recently for a picnic dinner at Rockwood State Park in Morrison.

Retirees and their families attending were: John and Dorothy Colberg, George and Opal Farren, Leroy and Florence Johnson, Ken and Augustine Biggers, Richard and Mildred Colberg, Harold and Verda Penhollow, Robert and Shirley Seidel, Ed and Esther Penhollow and Mrs. Dorothy Nehr Korn.

Millwrights and families attending: John and Evelyn Gaffey; Robert and

Theresa Miller and Calvin; Larry and Daphne Miller and Troy; Mike and Jan Seidel and Gina and Jennifer; Nile Hager and Debbie Hoffman, Phil and Mary Jo Tichler and Brad, Matt, and Jenny, Dick and Judy Larkins and Sheila and Barb; Ray and Carol Carlson and Missy; Gene and Shirley Bell; Don and Linda LaFavre and Terri and Julie; Louie and Carolyn Frieberg and Lori and Todd; Tony and Connie Drane and Stacey, Kris and Kara; Roger and Mary Christ and Amy and Beth; Larry and Sondra Hart and Tarry, Leroy and Gary.

Company Still Depends Greatly On The Railroad

Northwestern Steel and Wire Company has always had a tradition rich in railroad history. From the early days when Paul W. Dillon engineered the first of Northwestern's well-known steam locomotives for intra-mill switching, to present day capacity of shipping and receiving 40,000 carloads of steel a year.

The first of Northwestern's famed steam locomotives was put to use in the late 1930's. The former Chairman of the Board, the late Paul W. Dillon, learned the trade of engineer as a teenager working on the Denver and Rio Grande Railroad in Colorado while seeking relief from bouts of hay fever.

Until 1980 the Company continued to use 16 steam locomotives for intra-plant switching. The locomotives all came from the old Grand Trunk and Western Railroad and the sound of their steam whistles and labored exhaust echoed day and night throughout the mill.

Under normal operations, Northwestern is one of the Chicago & Northwestern Railroad's largest carload shippers.

During the boom years of 1973 and 1974 we shipped an astounding 40,000 carloads in and out of our facilities. An impressive 70% of all our inbound materials (mostly scrap steel) comes via rail and 45% of the finished goods that we manufacture go out by gondola and box cars.

Northwestern also relies heavily on its leased truck fleet through Ryder for inbound and outbound shipments of supplies and products.

Why is shipping by rail advantageous for Northwestern? A big reason rail is used, according to Larry Mangan, Manager — Transportation Services, is that our larger-sized products can fit at no extra shipping charge on rail cars. "Our 60-foot steel sections are adaptable to cars because the cars are 65-foot long, and there is no penalty for shipping this length," Mangan said. "By truck we have to pay a 50% higher charge for long steel, plus we have to have permits to travel on highways through each state."

There are other advantages too — like being able to load around the clock seven days a week. Truckers are limited by the Department of Transportation in the hours that they can work. Truck

loading is done usually only on week days.

The railroads allow one day to load and two days to unload without charging a penalty fee, called demurrage. By truck, the "free time" is two hours, then detention charges of \$18 an hour are charged.

We can ship roughly twice as much steel on a rail car as we can by a single truck, thus the total cost of shipping is reduced.

But there are disadvantages too. Not all our customers are located next to

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New Assignments

Cliff Powless has been appointed Maintenance Foreman in the Electric Furnace Department.

Jim Price has been appointed general foreman in Plant 2 Weld Shop.

Mike Maddox has been appointed Turn Superintendent in the Rod and Wire Division.

Glasses Hang Tough!

When **Rick Nelson**, Bale Tie Operator, puts on his *Panalenz* Safety Glasses these days he does so with confidence.

The new one-piece safety glasses which are issued here at work, are molded to contour completely around the eyes and fit so snugly that they stayed in place despite a jolting motorcycle accident.

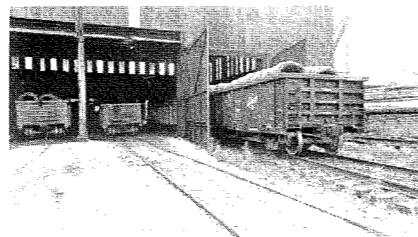
Rick said he was leaving work on his motorcycle one Tuesday afternoon a few weeks ago when he was struck head-on by a car turning off of Third Street.

Rick said he was thrown onto the hood of the car and then fell to the pavement. He said he must have been knocked unconscious briefly because when he came to, the first thing he remembers is noticing that his safety glasses were still in place.

Having suffered some minor leg, arm and back injuries, Rick was taken briefly to the hospital but was able to go to work the next day.

One of the complaints of the old-style safety glasses was that they kept slipping off — but it appears the new glasses have just passed the "acid test."

rail service. Though the rates are cheaper by rail, transit time by rail is normally several days longer than by truck.

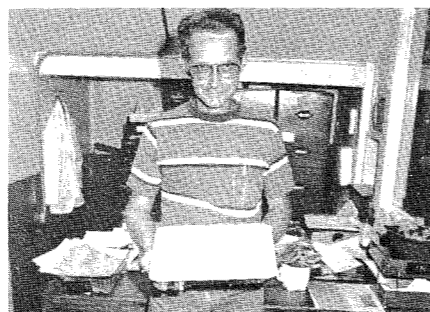


Rail shipments are extremely valuable to Northwestern operations. We ship roughly 45% of our products by rail.

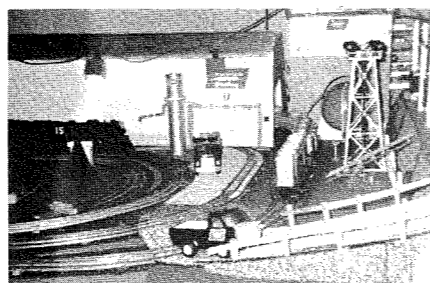
Welcome, Little One

Our congratulations to John and Donette Stevens, proud parents of a son, Justin Donald, who was born May 28.

John works at the Plant 2 Mechanical Department.



Kermit Reins, East Plant Receiving Clerk, recently celebrated his 30-year anniversary with our Company.



A model of Northwestern's 12-Inch Mill, constructed by Ed Scherbinske, former NSW employee, now retired, features a toy steam engine — a likeness of the famous NSW engines formerly in service here. The complete model, which also includes a likeness of the NSW Truck Scales, took Ed 1½ years to complete.

The Mini-Mills Are Growing Up

You can't get any lower on the steelmaking product totem pole than reinforcing bars. Yet this was precisely the humble beginning for many of the mini-mills that have sprouted like wild flowers across the U.S. in the past two decades.

The integrated mills once may have looked upon these little mills that produced steel from scrap as the mouse that roared; they were quick to point out that the minis could only produce merchant quality bar, and in a limited size range to boot.

Nonetheless, the big mills were stung by the tremendous price competitiveness that the mini-mills brought to the bar market and which ultimately forced them to meet the mini-mill prices or shut down these plants.

Having proved that they could make merchant quality steel more cheaply than their larger counterparts, the minis began to expand their repertoire, making alloy and special-quality bar as well as angles and channels, starting off in the smaller sizes — e.g., 3-4" channels — then gradually moving up in size, so that today several minis are rolling 10-12" channels on their mills. During this growth process, the mini-mills have not forgotten the reason for their original success: They were efficient, low-cost steelmakers.

Jeffery Werner, marketing vice president at Chaparral Steel in Midlothian, Texas, neatly summarizes the intentions of the minis: "Our desire is to produce a limited range of products more efficiently than anyone else

in the world. The real challenge over the next 20 years is to avoid what the major mills have failed to avoid, namely to be a low-cost producer."

Note that besides cost, Werner emphasizes that the mini-mills will concentrate on a limited range of products. Don't expect now or in the future the minis to start producing stainless steels or any of the fancier alloys beyond the commonest grades.

The proliferation of mini-mills in the

Lightning Bolt To Be Published As Needed

The Lightning Bolt will not be published on a monthly basis during the current economic crisis. It will instead be published on an "as needed" basis to effect cost savings.

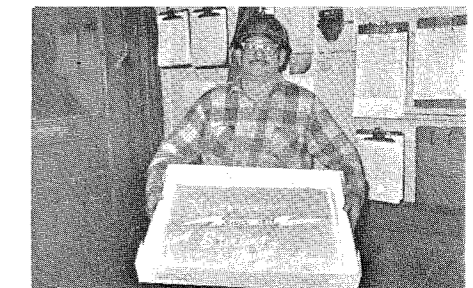
past decade has brought competition in the markets served by the minis to a fever pitch. The battle is not so much between the minis and the big mills but between the minis themselves. Further aggravating this budding intramural struggle is cheap foreign steel, which particularly concerns the mini-mills near coastal ports where foreign steel has captured more than one-third of the rod and structural steel market.



Cecil Hoffman, who retired in February, displays a saw he has decorated to commemorate his 32 years of employment at NSW. The saw contains a Company decal and each of his service pins.



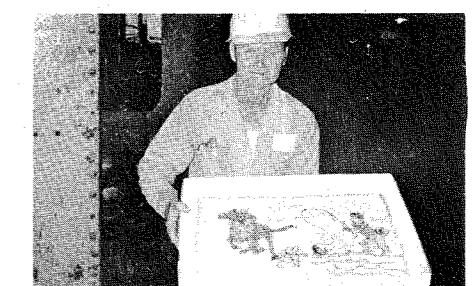
Roger Lubbs, Assistant General Foreman of the Nail Department (left), presents Daley Crawford with a cake from fellow employees on Daley's last day with our Company, following 29 years of dedicated service.



Manuel Galvan displays a cake given to him by fellow employees at the 10-Inch Mill. Manuel retired after 35 years of service.



Stan Fritz (right) cuts into a cake given him on his retirement by fellow employees of Plant 1. Stan completed 41 years of service to NSW. Dishing out ice cream is Dick Schuchard, Plant 1 Inspection Foreman.



Woodrow Nelson, who retired recently after 35 years of service to our Company, displays a cake given him by fellow employees of the Galvanizing Department.