

Inside This Issue

Roll Cast Beam Blanks

Some hard work and creative thinking from the Roll Shop and 24-Inch Mill went into rolling cast beam blanks at the 24-Inch Mill. Story on page 2.

Salaried Golf Outing Set

Northwestern's annual golf outing for salaried personnel will be held Saturday, August 29, at Lake View Country Club.

More information, including who to contact in order to participate in this activity, is included in the story on page 2.

QIP Team Develops Scale Contingency Plan

Members of the Engineering Support Team No. 2 QIP Team have developed a contingency plan which will keep the furnaces operating in the event of a breakdown at the furnace platform scale. Story on page 3.

New Prescription Drug Program Planned

An agreement has been reached with the Walgreen Company that will save money for both Northwestern and its employees.

For more details see the story on page 7.

QIP Solution To Save \$1.1 Million

Members of the EAF No. 2 Quality Improvement Team have made a presentation to their Steering Committee regarding 13 recommendations on the use of the oxygen lance on the No. 6 electric furnace that could save the Company an estimated \$1.1 million a year.

The oxygen lance, which was installed in September, 1986, has not performed reliably and has not been used to its potential. When the lance is not used, downtime is experienced when scale and/or stone must be added in order to reduce the amount of carbon in a heat of steel.

Use of the lance will accelerate the removal of carbon from a heat of steel, so time and money are saved by reducing downtime. Savings are also realized by using less electricity to produce a heat of steel.

The team came up with several suggestions to make the lance more dependable in its operation. Their recommendations included slowing down the speed of the motor on the lance's carriage system by using a larger size cable to prevent breakage due to heat exposure. Modifying the controls used to operate the lance and developing standard operating procedures would provide consistency in the use of the oxygen lance.

Members of the EAF Steering Committee, **Dave Koncsics, Dave DeVries, Bill Boesen, Gene DeJarnette, Bob Winn, Doyle Fullington, and Jack Wilson**, were very much impressed with the team's hard work and thoroughness in working on this problem.

The team will monitor the use of the
(continued on page 6)

Two Vice Presidents To Retire

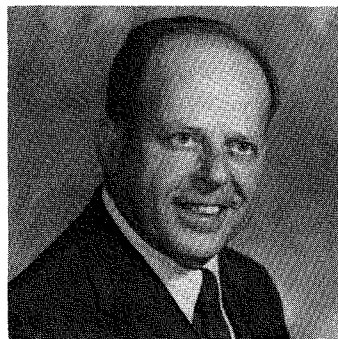
Northwestern Steel and Wire Company will lose to retirement, two valued executives effective August 1.

John P. Conway, Company Vice President-Finance, Secretary and Treasurer, and **D.D. (Bob) Tousley**, Vice President - Sales, Wire Products Division, each announced recently their plans to retire. Conway will remain on the Board of Directors until

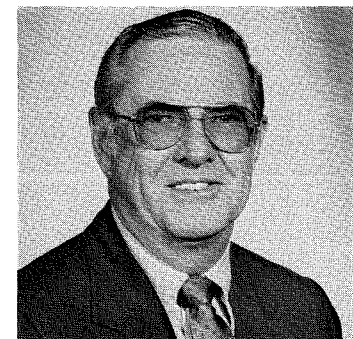
his term expires in November.

Each of these executives have, in their own way, contributed to Northwestern's success and especially to the Company's recent financial turnaround.

Stories featuring both of these executives' careers are featured in this issue of the *Lightning Bolt* on page 6.



John P. Conway



D.D. (Bob) Tousley

24-Inch Mill Rolls Cast Beam Blanks

The cast beam blank (13x9½x4 3/8) used for the W8 wide flange beams, and originally planned only for that section, was successfully trial rolled into W12 x 6½" and W14 x 6¾" finished product on the 24-Inch Mill.

Some hard work and creative thinking from the Roll Shop and 24-Inch Mill went into this new quality and cost reducing development.

World class finished product quality is the result of using cast beam blanks instead of beam blanks rolled from ingots. Surface and internal quality problems associated with ingot products are virtually eliminated, giving our customers the best hot rolled wide flange beam products available in the world.

The cost reduction, profit and profit sharing potential of this new development is significant, considering that it can reduce costs an estimated \$50.00 per ton for every beam ton rolled from continuously cast instead of ingot rolled semi-finished stock.

Continued work in the 24-Inch Mill Roll Shop and Casters is underway to convert all larger wide flange beams to this process to keep Northwestern the best quality, highest profit producer in this country.

Northwestern Salaried Golf Outing Slated

Northwestern's annual golf outing for salaried personnel will be held at 1:00 p.m. Saturday, August 29, at Lake View Country Club.

Entry fee for the event will be \$5 (plus green fees for non-members). A steak dinner at a cost of \$8.00 per person will be available, but reservations for this must be made by August 15.

Those who wish to rent golf carts should contact the country club directly (626-2886).

Cash prizes will be awarded for the following categories: Low Score (partners); High Score (partners); Average of Both Partners; Longest Drive; Longest Putt; Closest to the Pin.

For more information or to sign up contact one of the following: **Harold Parks, Don LaFavre, Ollie Schulz, Lanny Munz, Vella Simpson, Tom Vercillo, or Jack Cox.**



Northwestern employees enrolled in welding classes at the Whiteside Area Vocational Center as part of Northwestern's Multi-Craft training program are (from left to right): **Joe Swope, West Plant Machine Shop; Robert Porter, Plant 4; Ray Jamieson, Plant 4 Electrical; Eligh Barton, Instructor (retired NSW welder); Ron Rogers, West Plant Machine Shop; Dennis McCallister, Nail Repairman; Virgle Onnen, Caster Repairman.**

Electrode Water Spray Ring Cuts Costs

A water spray ring designed by **Doyle Fullington** and **Dave DeVries** of Northwestern's Primary Operations, and installed with the assistance of the Melt Shop, is reducing electrode costs.

The water spray ring is reducing costs in a number of ways:

1. A 45% reduction in oxidation loss for the first 14 feet of the electrode column resulting in a stronger column, more resistant to breakage due to scrap cave-ins.

2. A .25 lb./ton savings in electrode consumption, which translates to between 22 cents and 33 cents per ton.

3. A 45 degree F. reduction in holder assembly cooling water temperature pickup, which will increase assembly life by improved heat transfer, resulting in a reduction in the formation of chemical deposits.

4. A 75% increase in roof (Delta) refractory life.

According to **Tom Galanis**, Vice President of Operations - Steel Division, more time will be required to quantify all the benefits, but the

results to date have been excellent and will have a measurable impact on the Company's profit results.

Netting Department Shatters Record

A record was recently broken in the Netting Department.

The crew on the No. 6 Netting Machine ran 312 cuts of 48-Inch 2 x 20 netting on May 5. This smashes the previous mark of 302 cuts.

Members of the record breaking crew were: **Larry Sutton**, Operator; **Pascual Garcia**, Reeler; **Mickey Vasquez**, Patcher; **Charles Lancaster**, Tie-up; **Everett Yates**, Adjuster; **David Jones**, Trucker.

New Appointment

Ken Smith has been appointed Nail Turn Foreman. He can be reached at Ext. 300-208 or with Beeper No. 182.

Tips For Summer Recreational Safety

Ahh! Vacation time...relaxation...outdoor fun. Recreation will be relaxing and safe if you take some precautions. Here are a few tips for individual types of recreation.

Running - Wear special running shoes. Don't just pick any pair of tennis shoes off the shelf. Always run in well-lighted areas, away from traffic. Run *early* or *late* in the day during the hot summer months to avoid hot temperatures.

Bicycling - Ride near the curbs and with the traffic, in single file. Keep a watchful eye out for cars and pedestrians. Be sure to follow all traffic rules. Wear bright or reflective clothing. Be sure tires and brakes are in good shape.

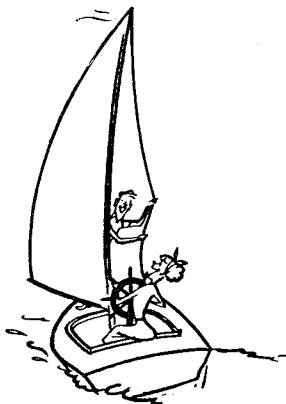
Swimming - Never swim alone or swim in open water without a lifeguard. Be sure you know the depth of the water before diving. After sunbathing, always enter the water slowly.

Boating and Fishing - Let someone know where you're going. Always wear a life jacket and don't overload your boat. Never drink alcohol and operate a boat. Plan to get back before dark.

Hiking - Wear comfortable, rugged and high top shoes. Build up your distance gradually. Let someone know your destination or route and don't hike alone. It's a good idea to check the weather, and time your hike to get back before dark. Take a compass, water, matches, windbreaker, and pocket knife on a long hike.

Team and Racket Sports - Use the proper equipment for the sport, and build up gradually. Don't push yourself too hard or show off. Wear eye protection and other special protective gear.

The sun can be one of the biggest



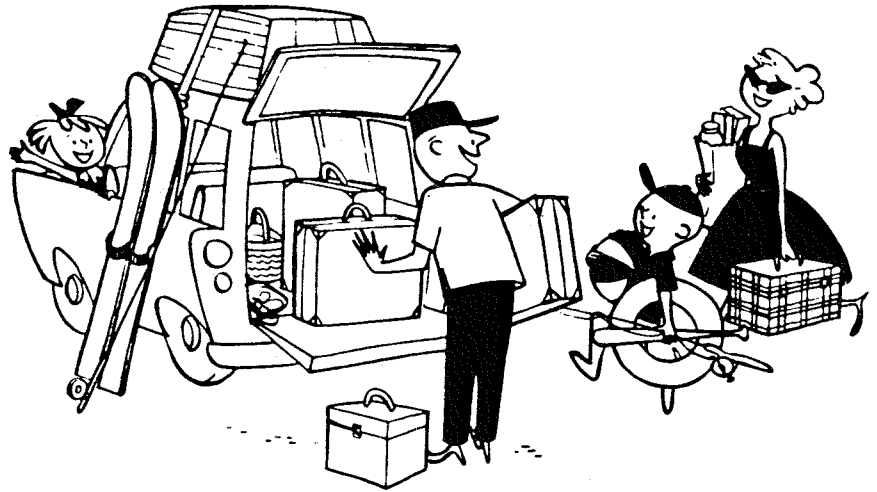
threats to outdoor recreation enjoyment. Too much sun can give you a painful sunburn, cause heat exhaustion, or lead to heat stroke. Too much sun may also cause long term skin damage - even skin cancer.

Use sunscreen products. They're rated by Skin Protection Factor (SPF). The higher the rating the better the

protection. Try to stay out of the sun between 10 a.m. and 3 p.m. when the rays are the strongest. Remember, the sun intensifies when it is reflected off sand, water, and concrete.

Have a fun and safe vacation and remember - *Safety First*.

By Gary Budde



Northwestern Benefit News

In a letter soon to be received by all employees and pensioners with Major Medical coverage, Northwestern Management and the leadership of Locals 63 and 3720 of the United Steelworkers of America will announce the new Prescription Drug Program.

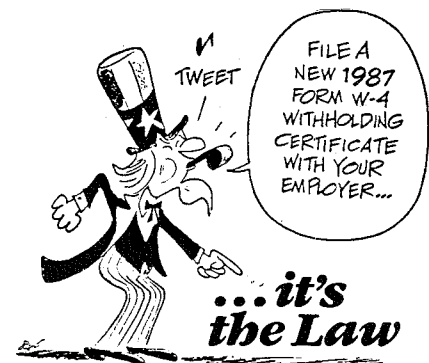
Through the efforts of the Company-Union Health Care Cost Containment Committee an agreement has been reached with the Walgreen Company that will save money for both Northwestern and its employees.

By simply presenting their NSW/Walgreen card and a doctor's prescription employees will be able to purchase at reduced cost prescription medication from any Walgreen Pharmacy. The employee will pay the pharmacist \$4 for each name brand prescription; however, if generics are used, no employee payment will be required. The balance of the drug cost will then be billed directly to Northwestern by Walgreens.

For those persons not wishing to use the new Program, the current provision for drug coverage under Major Medical including claim forms and deductibles can be used.

The Company and Union together urge employees to read carefully their letter that fully explains the new Prescription Drug Program and then take advantage of its benefits.

★ ★ ★ ★ ★



Give your employer a new W-4 form AS SOON AS POSSIBLE so that your 1987 withholding can closely match your 1987 taxes. If you don't give your employer a new W-4 form before October 1, 1987, your employer may have to withhold more tax than necessary, which would lower your take home pay. You can get a W-4 form from your employer. These W-4 forms are for Federal Withholding only.

W-4 forms are available from the Employment or Payroll Departments, or ask your supervisor.

Allan Huggins Named Northwestern Operations Auditor

Joining Northwestern Steel and Wire Company as Operations Auditor is **Allan Huggins**.

He brings to the Company 14 years of experience in the metals industry, including titanium, industrial fasteners, and grey iron castings.

Past positions Huggins has held include Budget Analyst, Superintendent of Cost and General Accounting, Controller, and Manager of Financial Controls.

A graduate of Bellarmine College, Louisville, KY, majoring in math, Huggins also holds a masters degree in Business Administration.

The position of Operations Auditor, unfilled in recent years at Northwestern, will entail analysis of several areas. Huggins said he will investigate policy and procedure; make recommendations in manufacturing operations; implement departmental budgets; and look toward improving productivity and lowering costs.

"I think I will have some freedom to shape the position the way I see fit," Huggins said. "I am very impressed with the people at Northwestern. They are very friendly and cooperative."

★ ★ ★ ★ ★

Best Retirement Wishes

Best wishes for a long and happy retirement are extended to the following employees who have completed their years of service with Northwestern Steel and Wire Company.

Effective June 1, 1987

Joe Lewandowski, Wire Mill Machinist, 26 years.

Lois Ferguson, Nail Room, 10 years.

Effective July 1, 1987

Stephen Blackburn, Galvanizer, 24 years.

Gilbert Cortez, Descaler, 15 years.

Leonard Imes, Nail Cutting, 27 years.

Venustiano Castaneda, Caster Department, 32 years.

Charles Davis, 24-Inch Mill, 32 years.

Harold Monroe, Private Payroll, 12-Inch Mill, 32 years.

Huggins' wife, Susan, and their four children, Whitney, 13, Kelly, 12, Benjamin, 8, and Hannah, four months, will move to Sterling in the near future.



Allan Huggins

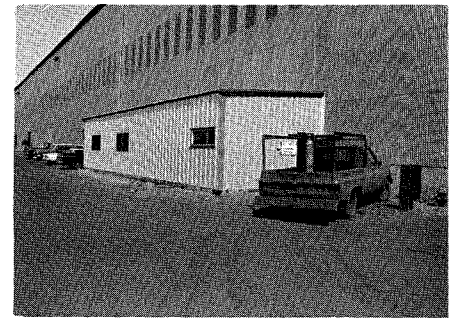
★ ★ ★ ★ ★

New Beeper Number

Lee Buntjer's Beeper Number has been changed to 306.



David Hadley (right), Manager of Northwestern's Truck Scales, congratulates **George Dravis** on his retirement from the Company. Dravis retired with 20 years of service as a Company truck driver.



The new 14-Inch Mill Shipping Office was moved from inside the 14-Inch Mill area to this new building to make more room available for inventory at the 14-Inch Mill.

Northwestern's July Anniversaries

40 Years

John Pasada, 7/11/47, Brick-masons.

35 Years

Cruz Rivera, 7/2/52, Electric Furnace Department.

Julian Barajas, 7/2/52, Electric Furnace Crane Operator.

Walter Laemmel, 7/14/52, Over-The-Road truck driver.

25 Years

Donald Melberg, 7/8/62, Wire Mill Shipping.

Danny Todhunter, 7/9/62, 12-Inch Mill Crane Operator.

Joyce Cantrell, Salaried, 7/17/62, Purchasing.

15-Years

Garry Scott, Salaried, 7/2/72, Plant 5 Inspection.

David Cummings, 7/2/72, Descaler.

Don Salazar, Jr., 7/2/72, 20-24-Inch Mill Shipping and Finishing.

Gary Dunaven, 7/2/72, Wire Galvanizer.

Anthony Magana, 7/3/72, 46-Inch Mill.

Billy Bryant, 7/3/72, 12-Inch Mill.

Douglas Albert, 7/3/72, Guards.

Virgil Taylor, 7/3/72, Wire Mill Shipping.

Robert Rank, 7/4/72, 12-Inch Mill.

Larry Cervantes, 7/5/72, Scrap Yard.

Mark Reglin, 7/5/72, 20-24-Inch Shipping & Finishing.

Michael Miller, Salaried, 7/7/72, 12-Inch Mill.

William Hale, 7/11/72, 24-Inch Mill.

Terry Steder, 7/14/72, Wire Mill Shipping.

Robert Jacobs, 7/15/72, Descaler.

Fred Knebel, 7/17/72, Wire Mill Drawing.