

Northwestern

SINCE 1879

Sterling

November/December, 1988

The Lightning Bolt

NORTHWESTERN STEEL AND WIRE COMPANY · STERLING, ILLINOIS 61081

Employee/Owners...

*Working together - Setting new goals
Watching as Northwestern's future unfolds.
Standing together - facing the test
Of making Northwestern the very best.
Greeting this Season with hope and good cheer
Best wishes to all and a "HAPPY NEW YEAR!"*

MERRY CHRISTMAS

2 Help Name Northwestern's Company Newsletter

Prizes Awarded For Top Suggestions

As part of our program to improve communications Company-wide, Northwestern's newsletter, currently called *The Lightning Bolt*, will be taking on a completely new look in 1989.

Company employees and retirees are invited to participate in this reorganization by entering a contest to rename the publication.

The following prizes will be awarded:

Winning Entry - Portable Color TV.

1st Runner-Up - Cordless Phone.

2nd-5th Runners-Up - Monogrammed Company Sweaters.

To enter the contest, just fill out the entry form on this page and send it to: "Rename the Lightning Bolt," Communications Department, Northwestern Steel and Wire Company, 121 Wallace Street, Sterling, IL 61081.

All entries must be received by December 23, 1988.

The Company newsletter will be taking on a new look in other ways as well. The newsletter will be printed in a tabloid newspaper format and will contain a wider variety of pictures and stories.

Reporters have been recruited from all departments throughout the mills to help gather news items of interest to

Company employees and pensioners. All Northwestern employees are invited to assist us in finding out what our employees are doing that is of common interest to our readership.

Story ideas are to be directed to the Communications Department at Ext. 211.

Let's all participate in making our

newsletter a publication for all employees and retirees by participating in renaming *The Lightning Bolt* and passing on any information that you believe employees and retirees would enjoy reading.

Get involved and help us in our efforts to improve communications!

Workers' Comp, Light Duty And Fraud

Northwestern provides Workers' Compensation benefits to employees injured at work. These benefits are in accordance with the Illinois Workers' Compensation Act. The law requires the employer to pay benefits to an employee temporarily totally disabled from work.

It has been found that employees recover quicker from injuries and return to their regular jobs earlier when Light Duty or restricted work is used as part of their recovery treatment. We at Northwestern have also found this to be true.

Rick Balsley, of the Safety Department worked with the Managers of the various departments throughout the

Mills and put together lists of jobs that can be done by recovering employees with various restrictions. **Dennis Fritz**, Medical Supervisor, has met with most of the doctors in the area and shown them our Light Duty book of jobs. He has called and talked to doctors in Rockford, Clinton, Dixon, and other cities about the Light Duty Program. Some of these doctors have requested and now have their own copy of the catalogue of Light Duty jobs. We can safely say that we have a job in most any department to meet almost any restriction the doctor may find necessary.

Most of our injured are good honest employees and return to work from their injuries as soon as possible even when Light Duty must be used. However, there is a small minority that feels they can receive Workers' Compensation from the Company and then do as they please. To combat this the Company will do whatever is necessary to catch and punish the offenders.

Recently video tapes have been used to document the fact that some employees have stated they are unable to do any type of work when that is not the case.

From the calls and comments we have received from co-workers it is obvious that most of Northwestern's employee/owners are hardworking people and tired of their hard-earned profits being taken by a few people.

Co-workers and Management have no problem providing benefits for those truly temporarily totally disabled. It is those taking advantage of the system that anger all of us.

"Rename The Lightning Bolt" Entry Form

I suggest "The Lightning Bolt" be renamed: _____

Name _____

Address _____

City _____ State _____ Zip _____

Phone _____

Active Employee Department _____

Retiree

1st Prize - Portable Color TV 2nd Prize - Cordless Telephone
Four 3rd Prizes - Monogrammed Company Sweaters

Winners will be contacted and the announcement made in the renamed January Newsletter.

Entries must be received no later than December 23, 1988.

Send To: "Rename The Lightning Bolt," Communications Department, Northwestern Steel and Wire Company, 121 Wallace Street, Sterling, IL 61081

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Diverse Wheatbelt Group Serves 141 Members

Purchases Northwestern's Complete Line Of Wire Products

The Wheatbelt Group is living proof that there is strength in numbers.

The agriculture-oriented company boasts of 141 independently owned stores in 24 states, primarily in the Midwest.

"We are a very diverse group. We extend almost nationwide, with a few stores in the extreme eastern and the extreme western portions of the United States," **Chuck Dickerson**, Director of Merchandising and Marketing, said. The majority of the Group members are located in Missouri, Iowa, Minnesota, Kansas, and the states that border them.

Headquarters is located in Kansas City, MO, where 25 employees work in the Group's offices.

The independently owned stores who make up the Wheatbelt Group are carefully selected by the Group's directors. "Our typical store is located in a small rural community which is likely to be the county seat," Dickerson said. Another interesting aspect of Wheatbelt members is that the people who own the stores also operate them.

The Wheatbelt Group evolved from its modest beginnings in 1955 in North Dakota as an automotive distributor with five members. Emphasis quickly changed into the agricultural sector, however.

Today's stores cater primarily to the agricultural community and are full service merchants, with inventory consisting of hardware to clothing.

Northwestern's relationship with Wheatbelt began in the 1960's, almost immediately after the Group's switch to emphasis on agricultural products.

Wheatbelt purchases Northwestern's full line of agricultural and lawn and garden products, as well as nails. Orders are drop shipped to individual member stores.

"Our General Manager and Board of Directors have been impressed with Northwestern's quality and growth in recent years. A few years ago Northwestern was one of our biggest vendors, and has recently begun to grow again," Dickerson said.

Dickerson, **Gary Mack**, Chief Executive officer of the Wheatbelt Group, and **Max DeForest**, President of Race Brothers, a Wheatbelt member

located in Springfield, MO, toured Northwestern's facilities recently. "We were all very impressed, particularly with the people that we met. We talked with some of the employees and found them very personable, with positive attitudes," Dickerson said.

Denny Redfield, Northwestern's Manager of Sales, Wire Products Division, said "We have worked very closely with the individual members over the last few years and as a result of this effort have seen a significant increase in our volume of business with Wheatbelt."

In addition to the individual calls, Northwestern also attends three buying shows put on by Wheatbelt each year. "This gives us the opportunity to display all our products, introduce new products and again talk to the individual members," Redfield said.

"Wheatbelt is in a growth mode, as is Northwestern, and we plan in the future to work even more closely together. Northwestern's product mix and Wheatbelt's locale make for a perfect blend for distribution of agri-products particularly in the midwest. Northwestern is striving to regain their position as Wheatbelt's largest vendor in agri-products.

"We were very pleased that Mr. Dickerson, Gary Mack and Max DeForest were able to take the time to visit Northwestern and see first-hand the improvements we have made and hear our plans for the future," Redfield said.

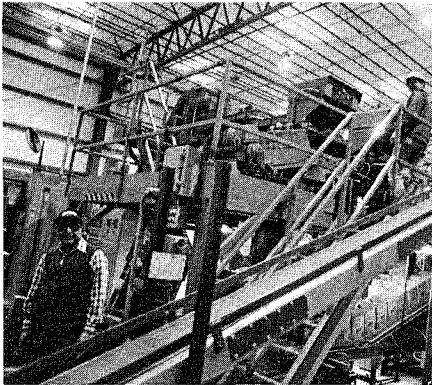
Territorial salesman calling on Wheatbelt is **Gary Maycher**, while inside salesmen are **John Tschosik** and **Dan Over**.



The Wheatbelt Group, headquartered in Kansas City, MO, has 141 independently owned stores in 24 states, primarily in the Midwest. Representatives of the Wheatbelt Group recently toured Northwestern's facilities and paused for this photo. Shown from left to right are: Gary Mack, Chief Executive Officer of the Wheatbelt Group; Max DeForest, President of Race Brothers, a Wheatbelt member located in Springfield, MO; Chuck Dickerson, Director of Merchandising and Marketing; and Denny Redfield, Northwestern's Manager of Sales, Wire Products Division.



Northwestern's Nail Packer, which was recently relocated from the Westwood Nail Facility, has begun production at its location in the new East Plant Nail Facility.



Nail Packer Operators Vern Tichler and Ed Barajas make sure the Nail Packing Machine operates smoothly. The Nail Packer was recently moved from the Westwood Nail Facility to the new East Plant Nail Facility.



Gene Jacoby, Safety Department, displays the Water Jel Fire Blanket, which is being placed in accessible places in each plant as a first aid to burn victims.

What's Happening At Northwestern

Water Discharge Tile Completed

A separate 36" diameter reinforced concrete tile for caster water discharge to the pond is complete. The final tie-in will be completed in December when the caster is down for repairs. Purpose of the tile dam is to separate the caster water from the 24-Inch mill water. Water from the caster had previously backed up into the caster system on occasion.

14-Inch Mill Repairs

The building repairs are continuing at the 14-Inch Mill and are approximately two-thirds completed.

24-Inch Mill Furnace

Work continues on the product tracking for the charging end of the new 24-Inch Mill Walking Hearth Furnace. New discharge doors are being furnished by Bricmont and will be installed in late December. Engineers are still working on a new design for the furnace's charging doors.

First Roll Turned On New Lathe

The first roll was turned November 15 on the new Binns Lathe. The Binns Lathe is a new high-speed lathe which will be used to turn and contour mill rolls by a numerically controlled tool path generated by computer geometry.

The lathe is capable of turning material as hard as 90 shore hardness at high speed. It can remove 300 cubic inches of material per minute.

Nail Packer Begins Operation

Northwestern's nail packing machine, which was relocated to the East Plant Nail Packing Facility from the Westwood Nail Facility, began operation November 14.

The machine weighs, boxes, labels, straps, and palletizes nails for shipment.

A similar machine, which is being constructed for Northwestern's use by an Ohio firm, will be set up and operational in late December.



Steve Porter, Painter, stencils numbers on nail storage locations at the Nail Room storage racks.

Northwestern Retirements

Northwestern Steel and Wire Company wishes a long and happy retirement to the following employees who retired effective November 1, 1988.

Peter W. Dillon, Salaried, 30 years.

Harold Ryan, Brick Masons, 45 years.

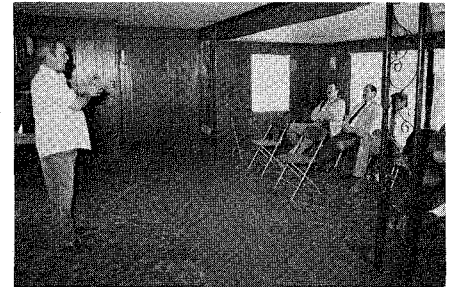
Roy Cooper, Drawing Room, 32 years.

Supervisors Attend Special Safety Meeting

Supervisors from the plant and offices, as well as security guards, attended a recent two-hour special safety meeting.

The purpose of the meeting, conducted by **Chuck Lewis** of Twin City Ambulance, was to instruct the supervisors on the treatment of bleeding, burns, fractures, and the effects of extreme hot and cold weather.

The meetings, which took place at the Fire House Conference Room, involved 231 supervisors in small group instruction.



Chuck Lewis of Twin City Ambulance, discusses with supervisors the treatment of bleeding, burns, fractures, and the effects of extreme hot and cold weather.

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NSW 1989 Summer Work Job Applications

Applications for summer work will be taken December 27, 1988 through December 30, 1988. Interested students should apply through:

Illinois Job Service
2323 E. Lincolnway
Sterling, IL 61081



Holiday Notice

In conjunction with the Christmas Holidays, the following office schedules will be observed:

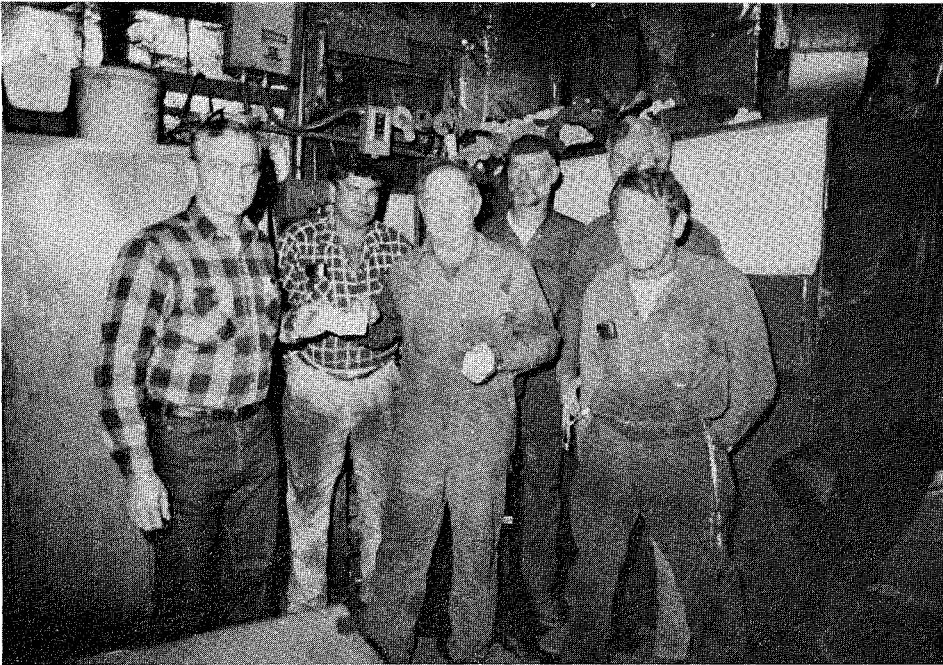
Christmas:

Office Closed - Friday, December 23, 1988, at 12 noon; Monday, December 26, 1988.

New Year's Day:

Office Closed - Monday, January 2, 1989.

The above schedules apply except as directed by your immediate supervisor.



George McDuffy (left) hands **Bill Boesen** back a check for \$1,000 that the West Plant Millwrights won from the Christmas Fund raffle as fellow Millwrights look on. The Millwrights purchased \$300 worth of tickets from their pop fund and donated the first prize when one of their tickets was drawn.

\$7,000 Collected In November

Christmas Fund Nets Over \$10,000

Christmas is going to be a little brighter this year for approximately 50 families who will become beneficiaries of the Northwestern Steel and Wire Company Employees Christmas Fund For Needy Families.

The Fund is expecting to raise about \$11,000, up nearly 50% from the 1987 totals.

Bill Boesen, Fund Administrator said that fund raising efforts in November paid off in a big way. "We took in over \$7,000 in November, which was about what we raised in all of 1987. The raffle was the big factor."

A Christmas Fund raffle was conducted plant-wide and accounted for the bulk of the fundraising in November. A shot in the arm was given to the Fund when the West Plant Millwrights, who purchased \$300 worth of tickets, won the \$1,000 grand prize and turned the winnings back over to the Fund.

A raffle held in July, as well as departmental collections and other private donations, account for the income generated for the Fund.

Boesen said the number of families to be helped this year will be increased somewhat; however, the amount allotted for each family will also be increased. Money allotted for each family is based on the number of children in the family. Families are referred by school nurses.

Northwestern employees volunteer to buy, wrap and deliver packages to the families each year. "We try to get as many new employees involved in the buying as we can. But we know that we can always go back and ask people who have donated their time in the past if needed," Boesen said.

"The number of people who have helped us in our efforts are really too numerous to mention," Boesen said. "People at Northwestern have really supported this cause."

Boesen started buying for needy families on his own in 1976. A few years later volunteers were assisting in shopping for the families. From there the collections began and have grown steadily each year.

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QIP Team Develops Standardized Die Block For Nail Room

While researching a maintenance problem with nail machines, the Quality Nail Team No. 4 QIP Team has developed a standardized die block for uniform repair work.

Due to modifications of individual Glader Nail Machines over the years, it has become increasingly difficult to perform maintenance on the machines.

The Team, while attempting to tackle this problem, began an inventory to compile a standardized parts list in order to develop a Parts Master

and Equipment Master.

Through its research of the problem, the Team discovered that the greatest diversity of design on the nail machines was in the die block, which contributed the largest amount of downtime.

Machinists and repairmen designed and built a prototype die block, which was installed October 7 on machine 6, set 9, and has operated since that time, with no appreciable problems or downtime.

The Team recommended that the die

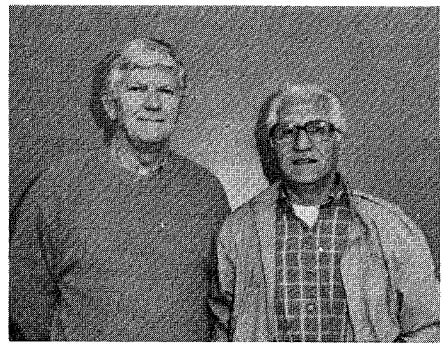
block be standardized and used on all Glader Nail Machines.

It is believed that approximately \$200,000 a year can be realized in annual savings, based on the previous high rate of downtime experienced on the nail machines.

Members of the Team are: **Lee Buntjer, Jason Kermeen, Ed Rios, Bob Knapp, Mike Linden, William Helms, Kris Ewbank, Mike Gragert, and Melvin Johnson.**



Robert M. Wilthew, Company President/CEO, recently presented watches to these gentlemen for their 40-year anniversaries with the Company. Receiving the watches were James E. Baker, Laverne Franks, William D. Mathes, Kenneth L. Mills, Cecil E. Monnier, Jose Olalde, Felipe Ranjel, Ynes L. Vasquez and Eugene R. Walls. Absent were Raul G. Garza and Raymond C. Schutt, Jr.



Salvador Garcia (right) was recently honored for completing 45 years of service with Northwestern by Robert M. Wilthew, Company President and Chief Executive Officer. Also completing 45 years of service but absent was Harold J. Ryan.



Northwestern Anniversaries December, 1988

30 Years

Eugene Williamson, 12/15/58, Poultry Fence.

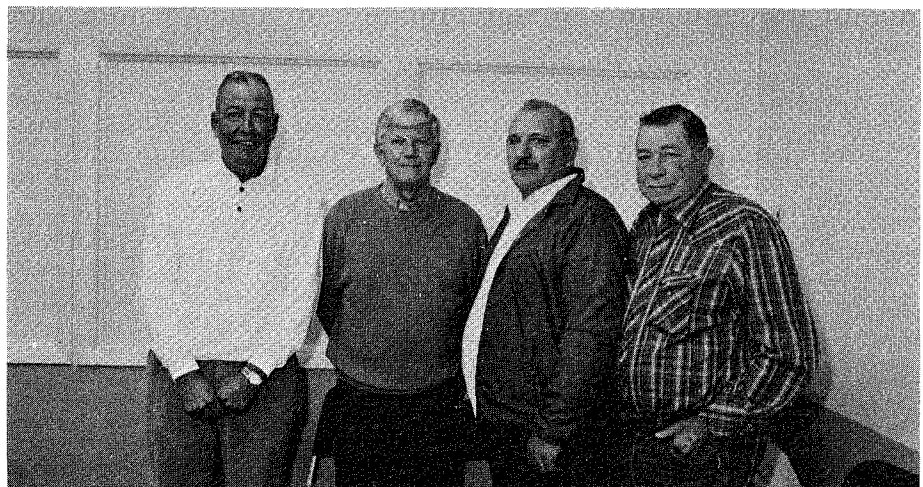
Thomas J. Walter, 12/22/58, Plant 2 Pipefitters.

20 Years

Eldon Pursell, 12/2/68, Trial Crew West.

10 Years

John J. Mucci, 12/19/78, Draftsman.



Robert M. Wilthew, Company President/CEO recently presented 35-year service award clocks to Glenn Immel, Thomas H. Mullen, Jr., and Glenn R. Norman.

Failed Magnets Precipitate Liquid Cooled Version

A series of failed load-out crane magnets in the Caster Department has led to a QIP Team's recommendation to lease a liquid cooled version.

In a five month period, five magnets were placed out of service, costing the Company a total of \$58,863.50 in repair bills. Prior to the latest string of losses, just one or two magnets had failed since the casters began operation in 1982.

The Caster Team No. 1 QIP Team was assigned to determine a solution to the problem by the Steering Committee.

The Team determined through its research and consultation with Company personnel and magnet manufacturers that the magnets are probably being stressed by the intense heat of the steel. Current methods of cooling the magnets by dipping them in water are creating cracks in the magnet housing, which cause a variety of other problems inside the assembly.

One magnet manufacturer has utilized the liquid cooled magnets in steel plants in Indiana and Ohio and offered to custom design a set of magnets for Northwestern's use.

The team recommended that Northwestern lease the magnets from the Company for a 12 month period at a cost of \$36,000.

Caster Steering Committee Members are: **Dave Koncsics, Lyle Meiners, Lee Wolfe, Norm Woost, Jack Buchanan, and Art Gillihan.**

Team members are: **Norm Nelson, Jerry Dunning, Jim Dawson, Arnold VonHoltzen, Larry Tichler, Marvin Tichler, Cliff Golden, Rick Gaskill, Pete Barajas, Mike Thomas, Larry Colberg, Virgle Onnen and Dennis Knapp.**

Northwestern Anniversaries

January, 1989 45 Years

William P. Brockman, 1/11/44, Plant 2 Electrical.

40 Years

Harold D. Wolber, 1/12/49, Plant 2 Machine Shop.

Wallace H. Hartman, Salaried, 1/31/49, Purchasing Department.

35 Years

Robert A. Rubright, 1/25/54, Billet Caster.

30 Years

Gary L. Rude, 1/12/59, Salaried, 24-Inch Mill.

Robert K. Wright, 1/13/59, 24-Inch Mill.

Ronald K. Hussung, 1/19/59, Plant 2 Crane Mechanics.

James M. Boesen, 1/19/59, Salaried, Accounting.

Donald L. Kuykendall, 1/25/59, 20-24-Inch Shipping & Finishing.

Douglas D. Carruthers, 1/25/59, 20-24-Inch Shipping & Finishing.

Eugene Strike, 1/26/59, 20-Inch Mill.

Peter A. Razo, 1/26/59, Scrap Yard.

Gilbert A. Quick, 1/28/59, 24-Inch Mill.

Keith B. Helms, 1/28/59, Electric Furnace-Brickmasons.

25 Years

Norman E. Barnum, 1/20/64, Wire Mill Machine Shop.

Harry A. Hermes, 1/30/64, Nail Department.

20 Years

William E. Abel, 1/9/69, Salaried, Plant 2 Inspection.

Elwyn L. McKenna, 1/9/69, 14-Inch Shipping.

Floyd E. Royer, 1/9/69, 14-Inch Shipping.

Walter Hay, 1/9/69, Wire Mill Drawing.

Ray Calloway, 1/14/69, Billet Caster.

Donald R. Olson, 1/15/69, Salaried, Transportation.

Melvin L. Schappert, 1/16/69, Wire Mill Inspection.

James A. Zinke, 1/20/69, Wire Mill Shipping.

Bobby L. Wagner, 1/22/69, Nail Department.

Arnold Von Holtzen, 1/23/69, Electric Furnace.

David Miller, 1/23/69, Plant 2 Millwrights.

Mervin E. Deets, 1/23/69, 14-Inch Finishing.

Patrick McCoy, 1/23/69, Scrap Yard.

Mark Brown, 1/24/69, Nail Department.

Efrain Castillo, 1/29/69, 46-Inch Mill.

Carl M. Paxton, 1/30/69, Salaried, Nail Department.

15 Years

Vernon G. Royer, 1/2/74, Plant 2 Machine Shop.

Barry L. Johnson, 1/7/74, Salaried, Engineers.

Larry M. Hurd, 1/14/74, Salaried, Outside Salesman - Wire Products Division.

Richard A. Schuchard, 1/21/74, Salaried, Plant 1 Inspection.

Wayne E. Lapp, 1/21/74, Wire Mill Machine Shop.

Roger H. Pettorini, 1/28/74, Roll Shop.

Vernon R. Jaquet, 1/28/74, Roll Shop.

10 Years

Michael J. Burgess, 1/1/79, Over-the-Road Driver.

Robert L. Wrolson, 1/7/79, Over-the-Road Driver.



Social Security Taxes

Effective January 1, 1989, the amount of wages subject to Social Security payroll taxes is to be increased from a base of \$45,000 to \$48,000. The Social Security tax rate of 7.51% will remain the same for 1989.

A comparison of the maximum annual tax for employer and employee is shown below:

	1988	1989	Increase
Employees	\$3,379.50	\$3,604.80	\$225.30
Employer	\$3,379.50	\$3,604.80	\$225.30

5 Years

Lane A. Fellows, 1/24/84, Nail Department.

Michael D. Kinnaman, 1/25/84, Wire Mill Drawing.



Melvin O'Brien, who recently retired as an East Plant tractor driver following 23 years of service, displays a cake given to him by fellow employees.



Harold Ryan, Brickmasons, displays a cake given him by fellow employees on his retirement November 1, following 45 years of service at Northwestern. Shown with Harold are Ronald Hay, Melvin Wade, and Arnie Johnson.