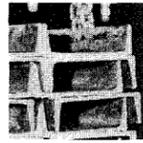


A LOOK INSIDE



Christmas Fund hits all-time high.
See page 3.



Federal Pipe & Steel adapts to maintain success.
See page 5.



Q.I.P. begins 80/80 awards program.
See page 7.

Owners Manual

A PUBLICATION FOR EMPLOYEE/OWNERS AND RETIREES OF NORTHWESTERN STEEL AND WIRE COMPANY

January, 1989

Publication has new name and new look

Lightning Bolt, the employee publication that served us well in the past, now has a successor. *Owners Manual* is bigger to keep pace with the greater needs of an employee/owned company. Everything going on at NSW relates to you. There's more you want to know and more you need to know. And that's what *Owners Manual* is all about.

We've got a new name, too, thanks to Ed Sanders who submitted the winning name in our contest. But the new name, new look and new size are just the obvious changes. A more important difference is the increase in employee/owner involvement we're trying to achieve. To be communica-

tions, it must be a two-way process. Therefore, to be really effective, *Owners Manual* needs your input.

The group of reporters listed below has been busy sharing information for use in this first issue of *Owners Manual*. You can help by letting them know what's going on in your corner of the mill. Let them know your concerns, the subjects you'd like to have discussed.

Special notice to retirees: We need retiree reporters to help keep us up-to-date on that important NSW group. Contact Leona Richards, Manager, Communications Services, Office Annex, 121 Wallace Street, Sterling, IL 61081, or phone 815-625-2500, ext. 211, if you'd like to volunteer.

Reporters

Harlan Bell, Roll Shop.
Steve Bell, Electronics
Lee Buntjer, Electrical Maintenance
Bob Czuprynski, 14-Inch Shipping.
Gene DeJarnette, Furnace.
Ed Edmonds, Engineering.
Mike Fortney, Primary Steel.
Karen Freres, Human Resources.
Dick Friel, 12-Inch Mill.
John Fry, East Plant Shipping.
Bob Gholson, Drawing Room/
Annealing.
Beth Grobstein, Lab.
Anne Hungerford, Data Processing.
John Johnson, 14-Inch Mill.
Bob Jones, Scrap Yard.

Larry King, Nail Dept.
Paul Lester, Steel Division Sales.
Marilyn Lowder, Accounting.
Jim Mangan, 24-Inch Mill.
Margaret McCormick, Purchasing.
Joanne Minson, Wire Products Division Sales.
Keith Padgett, PCIC.
Cedric Patterson, Straight and Cut Bundling.
John Reynolds, Project Engineer.
Vern Schwenk, Field Fence.
Carol Siefken, Data Processing.
Fred Tintori, Payroll.
Bob Wainwright, Inspection.
Larry White, Machine Shop.
Lee Wolfe, Caster.
Sam Worrell, Plant 4.

Ed Sanders is named prize winner

Ed Sanders, Sales Representative, NSW Wire Products, came up with the winner. His prize winning name, *Owners Manual*, was judged most suited to the goals of the employee/owner publication. For his creativity, Sanders received a portable color television.

First runner-up and winner of a cordless telephone was Fred Tintori; runners up were Robert E. Siperly, Donald J. Bielema, E. Edmonds and Bob Lathrop; special merit award went to Richard Anderson.

Judges of the competition included Bob Sherman, President, Sherman & Associates Advertising/Public Relations.
(continued on page 8)

Running the business with Dollars and Sense

Just a reminder that the day-long workshops *Dollars and Sense* concern you. As an employee/owner of NSW, you need to be aware of the issues that affect your business, including its financial side. Representatives of Kirkwood Consulting Associates are conducting the workshops each Monday through Thursday from 8 a.m. to 4 p.m., as long as there are employee/owners who wish to attend. Attendance is voluntary, with pay, and lunch is included.

To attend a one-day *Dollars and Sense* workshop, complete the reservation form you received the end of December and return it to the Employment Office. If you need a reservation form, visit the Employment Office. Remember, this workshop is your chance to learn more about your Company and to have your questions about the Employee Stock Ownership Plan answered.

Employee/owners Speak Out

Responses to the communication program inquiry were excellent. Many, many employee/owners took the time to share ideas, questions and comments. All of the letters received with signatures were answered. The subject matter is now being categorized and will be addressed, in detail. Common concerns will be explored in the *Owners Manual*, in future issues.

Judging from the impressive number of responses and the topics mentioned, as well as the comments to question No. 2, most employee/owners agree that a stronger communications program would be useful to everyone at NSW. In the next few months, new ways of sharing ideas and keeping the communications flowing will be seen and heard. Keep involved. Your comments are important.

NSW teamwork clears up tundish emergency in 11 days

At 10 a.m. on Saturday, November 26th, NSW bloom casting was suddenly at a standstill when the tundish failed and molten steel poured through the bottom. The potential was there for even greater damage than was experienced in the casting complex, according to Lee Wolfe, Maintenance Foreman.

"The crew on at the time of the emergency did a great job," reports Wolfe. Taking immediate steps to control the moving molten steel, the crew had to then cool the liquid before

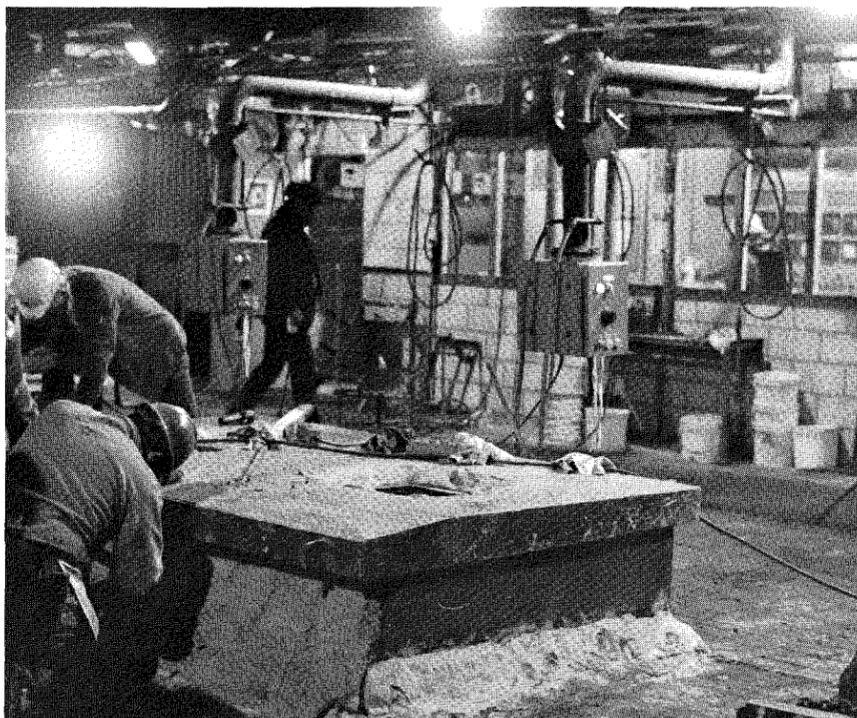
cleanup and repairs could begin. No personal injuries were sustained in spite of substantial damage to machinery.

Coming through the bottom of the failed tundish, the molten steel poured out across the molds and the floor to the control room. The energy exerted by the moving liquid steel was so great it pushed in control room walls and blew out windows. Inside the control room, electronic packages and consoles were burned out as well as all of the swing-out electronic consoles.

Yet, in spite of extensive physical and electrical damage and the cleanup necessary prior to repair, the tundish was operational on Wednesday morning, December 7th.

To accomplish the eleven day turnaround, from failure to start-up, Maintenance worked around the clock, using all available personnel. "Nothing has ever happened to the tundish to compare with this," says Wolfe. "I think the crews ought to be congratulated on their fine work. Strong support was given by all of the mechanical and electrical personnel - welders, pipefitters, electricians, millwrights - everybody working together to get the job done."

Tom Galanis, Vice President of Operations, Steel Division, set damage repair figures at more than \$100,000. The bulk of that expense was in electronics replacement. "We took some of the replacement parts out of inventory and they're on order and not applied to the repair cost as yet," reports
(continued on page 3)



Minutes before start-up, NSW Maintenance puts the final touches on the extensive damage repair in the tundish/control room area of the Caster, just eleven days after the emergency occurred.

Viewpoint

The NSW employee/owners who give their viewpoint are picked at random. The opinions of the *first eight* people who give spontaneous or impromptu answers are used; we do not look for the "best" eight answers. The responses given are the responses that appear in print. They are not edited or changed.

"Looking at the steel industry in America, what do you think the future holds for Northwestern Steel?"



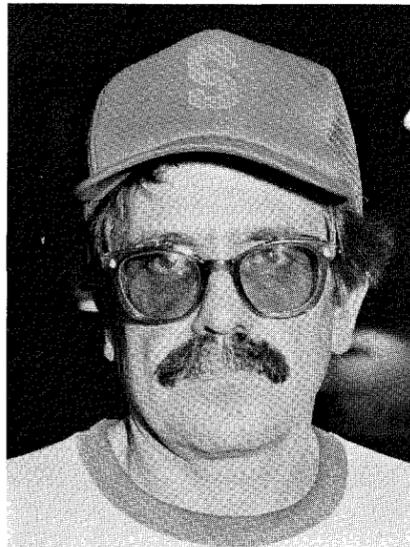
"I think it holds a bright future. We seem to have a great future. It has made a wonderful living for me. I've been here 26 years."

Russ Spencer
Boiler Fireman



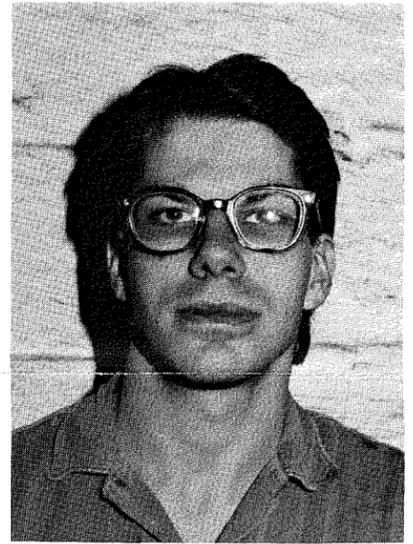
"It has a good future but it's got to be looked at. I believe in the company. I've made a living at it. We've got knowledge in this company that other companies don't have."

Buford Linn
General Foreman
Maintenance Department, Plant 4



"The steel outlook for the next 1 to 3 years looks good. The outlook for Northwestern Steel doesn't appear too bright. Morale among workers is at an all-time low. We have married men with kids taking home \$200 a week without overtime while higher management thrive and prosper under the present ESOP. Only the workers of Local 63 can save our company and we are divided on issues. We had better reunite and become one again or all will be lost."

Donald Jones
Machinist
Wire Division



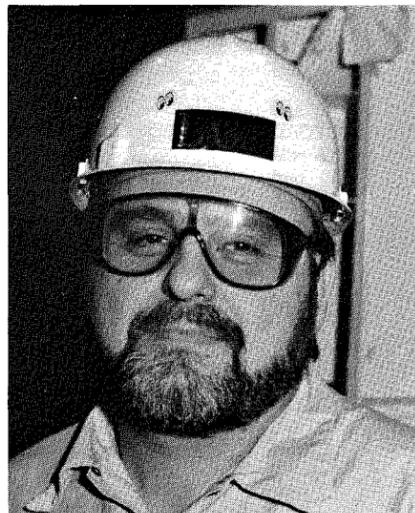
"It will keep going strong like it is now, depending on what the new (Bush) Administration does."

Ken Sondgeroth
Machine Operator
Electro-Weld, Plant 4



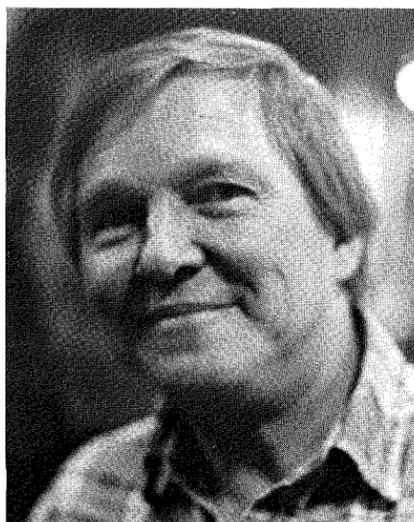
"Being a newer employee I don't understand a lot of what has been going on. So I asked many of the fellows, questioning, and all I've ever received was negative opinions about the future of this company and the steel industry."

Donna Rodriguez
Laborer
Central Stores



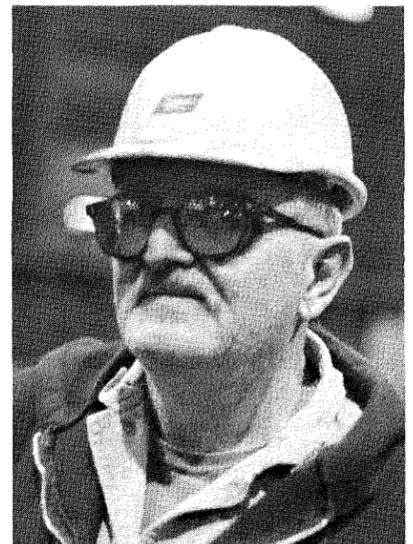
"Right now I think the outlook looks pretty shaky. Hopefully, with a little more honesty and fairness from the upper management, there is a good possibility of us coming out a more profitable and secure company."

Joe Ludwig
Machinist
West Plant Machine Shop



"If we can stay competitive we'll be alright. We've shipped more product this year than we have in a long time in this plant."

Dave Jacobson
Mat Operator
Plant 4



"If they hold their own for 5 years, they should be in good shape. I think everything will smooth out. Until this buyout looks like it is going to fly...I would assume it is a little "iffie" right now."

Wes Bradley
Loader/Hooker
14-Inch Mill

NSW Christmas Fund hits all-time high

The NSW Christmas Fund for Needy Children raised approximately \$12,000.00 to date this year, a record breaker and a giant increase from 1987, the last best year, with \$7,600.00

Through the efforts of NSW employees, the fund has grown steadily since it began in 1977. "My wife

and I have sponsored a family each year since 1977," said Bill Boesen, General Supervisor, Ladle Operation and Refractories. "That year, there were more needy families than sponsors, so a collection was taken up in the 46-Inch Mill and three additional families were sponsored."

The 14-Inch Mill got involved several years ago, according to

Boesen, and then the program spread plant-wide. The fund is used to help children and families recommended by Rock Falls and Sterling school nurses. The Christmas shopping is done on a personal basis that reflects the holiday spirit of caring.

Plant volunteers, their families and friends do the shopping, with specific families assigned to each couple. The shoppers visit the family, double check sizes and most-needed clothing then bargain hunt all over northern Illinois to make the money go as far as possible.

"We buy mostly clothing," says Boesen. "For the younger children, however, we buy some toys. To a child at Christmas, a toy has special meaning - more than a pair of jeans."

Each couple wraps the gifts and delivers them to the family, along with groceries for Christmas dinner. The record-breaking 1988 Fund helped 51 families and 137 children.

Initially, the program was funded by collections in the plant departments; then the group began sponsoring raffles. A major raffle started in Primary Steel and then going plant-wide, with all departments in the Company participating in selling raffle tickets, took in more than \$4,000 for the 1988 Fund. The 12-Inch Mill also held a successful raffle of their own this fall. A traveling trophy for the highest donation in any area was an idea introduced by the 14-Inch Mill, who won the award for the first four years. Primary Steel has been in possession of that trophy for the last few years and retains it for 1988. However, the 14-Inch Mill put in a strong effort and holds second place for the highest donation in any area.

A second traveling trophy (for the largest average donation per person) had been in the Machine Shop for several years, then went to Rewind/Air Conditioning/Electronics in 1987. It was a close race this year between Rewind/Air Conditioning/Electronics, who will retain the trophy for 1988, and the Machine Shop.

An interesting footnote to the 1988 Christmas Fund: one of the couples who shopped this year was a family that had been on the receiving end several years ago. A laid-off NSW millworker at that time, he came back to work and became a volunteer.

"We would like to thank all who helped raise the money, did the shop-

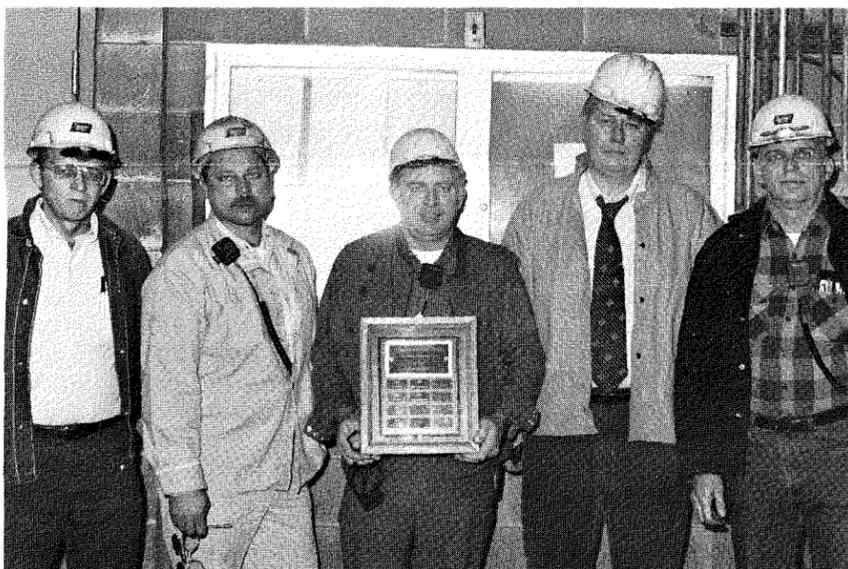
ping, and all others involved throughout the year to make this thing work," Boesen said. "Thanks also to all those individuals who make generous personal donations to the Funds. We would also like to thank the Dillon Foundation for their donation."



Beverly Farwell (l) and Carol Siefken (r), Data Processing, were two of the volunteers who shopped for groceries and gifts for the 1988 NSW Christmas Fund for Needy Children.



Bill Boesen, General Supervisor, Ladle Operation and Refractories, is shown with (l to r) Mike Hughes, Electronics, Eldon Williams, Rewind, Ken Hait, Electronics, Steve Bell, Supervisor, Rewind, and Bill Scott, Electronics, the group from Rewind/Air Conditioning/Electronics that retained the traveling trophy for largest average donation per person to the Christmas Fund.



Primary Steel edged out the 14-Inch Mill in highest donation in any area to retain the Christmas Fund traveling trophy, displayed here by (l to r) Jack Buchanan, General Supervisor, Caster; Dan Willman, General Supervisor, Electric Furnace; Dave Jones, Supervisor Caster Maintenance; Dave Koncsics, Manager, Primary Steel; and Bill Boesen, General Supervisor, Ladle Operation and Refractories.

Millwrights win Spirit of Christmas award



The new Spirit of Christmas award for the NSW Christmas Fund was presented by (seated l to r) Bill Boesen, General Supervisor, Ladle Operation and Refractories, to General Millwrights Al Schick, Jesse Lopez, (standing l to r) Larry Onken, George McDuffy, Ken Huckaba, Lyle Hoyle, Ed Johnson, and Elmer Last.

The Spirit of Christmas, a new trophy for the NSW Christmas Fund, was awarded to General Millwrights, Plant 2, in recognition of their outstanding generosity.

Funds left over at the end of the year from the group's soda pop fund have been donated to the Christmas Fund for the past three years. This year, the millwrights purchased \$300 worth of chances in the Fund raffle with their donation dollars. Beating the 15-to-1 odds, the millwrights won the \$1,000 prize and donated it back to the Fund, making their total donation \$1,300.

The Spirit of Christmas award will not be an annual trophy but will be presented when special or unique donations are made.

Tundish Problem

(continued from cover)

Galanis. "Having them in inventory helped us in terms of time. And some of our vendors responded nicely and overnight freighted spare parts they had in inventory to help us."

Down but never out

As the Maintenance crews went to work to correct the damage caused by the tundish failure, Operations and Production Planning went into action to keep customer delivery schedules intact.

"We run 24 hours a day every day and it's all going out the door," says Norm Woost, Assistant Manager, Primary Operations. "Whenever we can make more than is needed for our mills, we sell it for semi-finished. So it's almost like we're producing for a fourth rolling mill."

According to Ken Boesen, Manager of Production Control, a slight inventory adjustment had to be made but no orders were missed. The slight lull in ordering that occurs each year during the Thanksgiving/Christmas holiday helped ease the potential supply/demand problem.

"In a way, it was a stroke of luck that this happened when it did," says Boesen. "We had scheduled in a three-day shutdown for the 6th, 7th and 8th of December to do some parts replacement and routine maintenance in that shop. Most of it was on the bloom machine. So, along with the damage repair, the other work was done."

Woost agrees that the offsetting planned three-day outage plus teamwork were the keys to keeping problems at a minimum and getting back into bloom production. "Our big plus is that the Maintenance people and the Production people really work hand in hand all the time," says Woost. "This type of spirit and cooperation gives us the jump on most other companies."

NSW team gives Mexican village a church

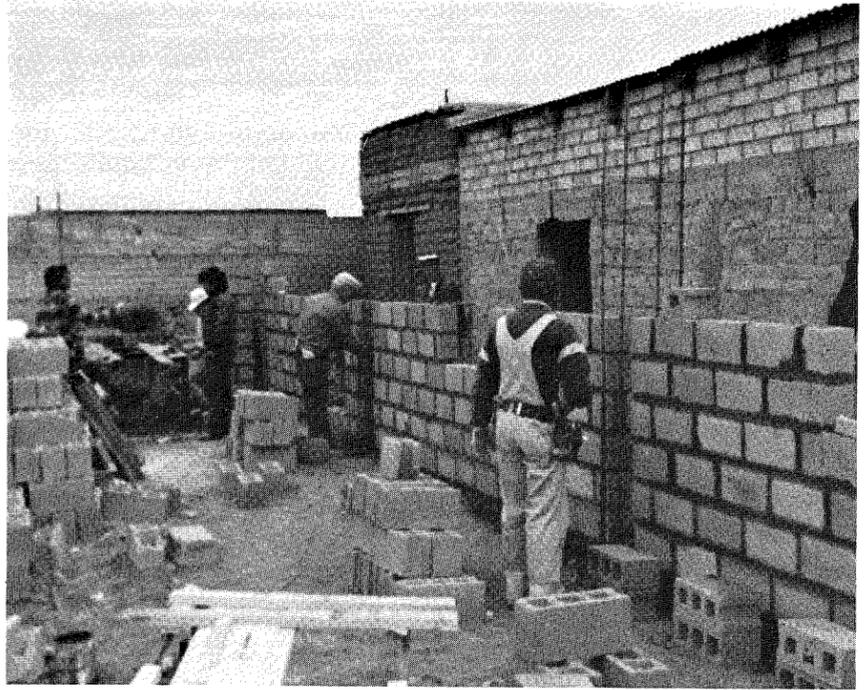
On a Friday night last November, six NSW employees began a different kind of Mexican vacation. Along with six other Sterling/Rock Falls area men and a group from Naperville, they traveled some 1,800 miles, mostly by bus, to La Junta, Mexico, where they spent a remarkable nine days.

The men, representing the Rock River Christian Church in Rock Falls, woke daily at 5:30 a.m. from sleeping bags laid on the floor of an old church that had no heat, no running water and no indoor bathroom. Each morning, one cup of water per man was used for face-washing and teeth-brushing. On the job at 7 a.m., they ate noon sack lunches made from groceries brought from the United States, then worked till dark.

Called to La Junta to build a much needed church, the Mission to Mexico included Dave Billings, Drawing Room Department, Bob Campbell, Trial Crew, Ray Charleston, Manager

of Petrolane Gas (NSW supplier), John Delgado, retiree, Jerry Dittmar, foreman, Nail Department, and Jerry Dunning, Caster Department. In addition to a \$235 trip cost for room, 2 meals and bus transportation, the participants brought their own bedding, sleeping bags and tools.

Working until the last possible minute, the builders had all of the walls up and windows and doors in by the time the dedication service was held at 1 p.m. on the following Friday. "All of the hard work and time spent was worth it," says Dittmar. "The people of La Junta were so appreciative that tears flowed down their faces. Dittmar reported that the group developed a closeness and brotherhood that was spiritually uplifting for everyone involved. "If you ever get a chance to be part of a program like this, don't miss out," recommends Dittmar.



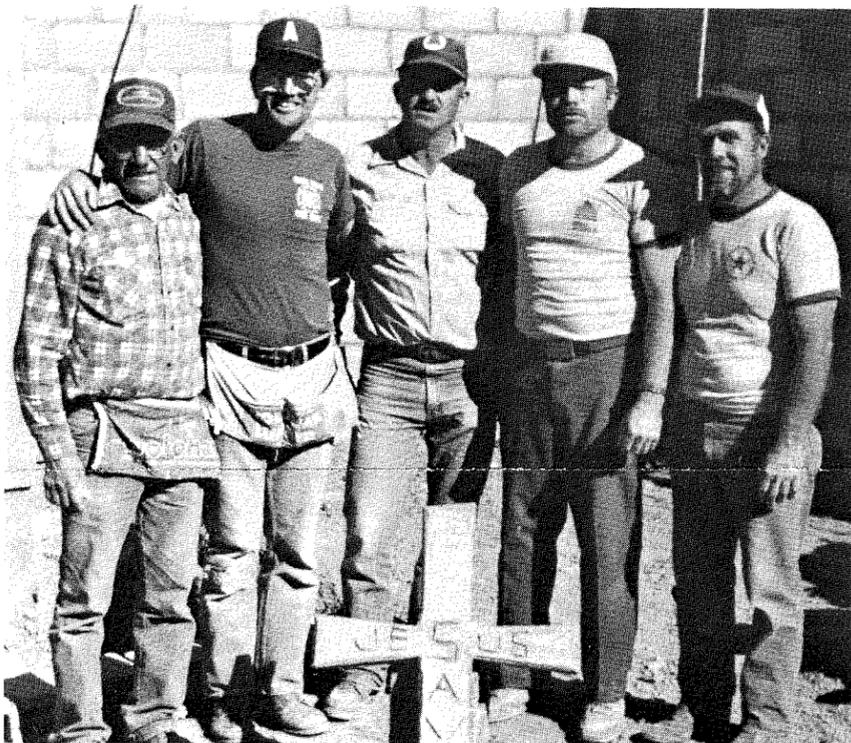
NSW employees were among the group of workers trying their hand at masonry during the construction of the church at La Junta, Mexico.

Building the hard way

Building a 33 x 66 ft. church in a remote Mexican village is a difficult task. But, according to Jerry Dittmar, it was easier than his previous mission to Honduras. "At least we had electricity," says Dittmar. "In Honduras we had to run lines and the power would only take about six light bulbs."

Dittmar reports that the pastor on the Mexican trip, an experienced building missionary, brought along a

power block saw (for cutting cement blocks and steel reinforcing rods) and several table saws. The Mexican workers had located a cement mixer and had poured the footings, allowing them to dry and settle before the U.S. group began construction. Following a very basic blueprint the builders completed the rest of the work using hand tools brought from home.



Building a church in a remote Mexican village was "vacation" for John Delgado, retiree, Ray Charleston, Manager of Petrolane Gas (NSW supplier), Jerry Dunning, Caster Department, Jerry Dittmar, Supervisor, Nail Department, and Dave Billings, Drawing Room Department. Ray Campbell, Trial Crew, (absent from photo) was also part of the Mission to Mexico.

Biggest Complaint From Buyers

Buyers of a wide range of products, including metals, responded to the latest *Purchasing* magazine survey by naming their biggest problem: on-time delivery. This was by far the biggest complaint of the group who "blame suppliers for making promises they can't keep."

Quality problems took the second spot on the buyers' complaint list, followed by extending leadtimes. In this day of economic instability, it might surprise you to learn that rising prices was all the way down to number 4.

The survey also mentioned year-end inventory reductions and unstable pricing as buyer concerns.

Little Is Big

If you think your improvement idea is too insignificant to mention, think again. Dr. Charles R. LaMantia, CEO of Arthur D. Little Inc., a management and technology consulting firm, said, in *Industry Week* magazine:

"As a group, minor improvements in processes have a greater impact on productivity and competitiveness than do the big breakthroughs."

In a plea that American manufacturing and its workforce "reorder our priorities," Dr. LaMantia advises that we "must pay more attention to making the small innovations in process that add up to big gains in productivity. We must make our factories and our workforces flexible, so that we can respond quickly to changes in technology and demand."

NSW February 1989 anniversaries

Recognition and thanks to the following NSW workers on the anniversary of their start with the Company, from friends and co-employee-owners.

30 Years

David E. Douglass, 20-Inch Mill, 2/8/59.

Edmund F. Downey, Car Repairman, Scrap Yard, 2/3/59.

Merle E. Ebersole, 20-Inch Mill, 2/8/59.

Robert E. Elsasser, Sr. 12-Inch Shipping, 2/11/59.

Michael L. Flynn, Electric Furnace, 2/21/59.

Atwood C. Hassell, Plant 3 Millwrights, 2/8/59.

Rafael B. Hernandez, Electric Furnace, 2/9/59.

Anthony V. Lopez, Billet Caster, 2/21/59.

Raymond L. Lowrie, Over-The-Road Driver, 2/21/59.

William D. McClearin, Guards, 2/22/59.

Guy W. McConnell, Plant 1 Pipefit-

ters, 2/10/59.

G. Richard McKee, 20-24-Inch Reshear, 2/16/59.

Joseph A. Padilla, Billet Caster, 2/8/59.

Glenn S. Richmond, Plant 2 Welders, 2/11/59.

Lyle E. Spaulding, Billet Caster, 2/8/59.

Jose M. Tijerina, Billet Caster, 2/24/59.

Jerry W. Turner, Billet Caster, 2/7/59.

Joan E. Wallis, Wire Mill Drawing, 2/3/59.

20 Years

John Alumbaugh, Wire Mill Machine Shop, 2/9/69.

Joseph Chavez, Plant 2 Machine Shop, 2/26/69.

Eddie Clevenger, 14-Inch Mill, 2/12/69.

Wesley M. Crow, 14-Inch Mill, 2/11/69.

Richard E. Hoff, Plant 2 Millwrights, 2/27/69.

James T. Larson, Electric Furnace, 2/25/69.

Thomas O. Maxwell, Wire Mill Electrical, 2/3/69.

Merlin J. Rajnowski, Caster, 2/20/69.

Geronimo Rodriguez, Scrap Yard, 2/26/69.

15 Years

Robert C. Dannels, Roll Shop, 2/18/74.

Francis A. DeMay, 14-Inch Finishing, 2/26/74.

Gerald S. Foskitt, Wire Mill Electrical, 2/12/74.

Thomas L. Johnson, 24-Inch Mill, 2/11/74.

Howard I. Jones, Mail Coordinator, Safety and Security Department, 2/1/74.

Rickie H. Preston, 46-Inch Mill, 2/11/74.

George E. Ransom, Jr., Plant 2 Crane Mechanic, 2/11/74.

John H. Rogers, III, 14-Inch Finishing, 2/14/74.

Kim R. Schaefer, Nail Department, 2/18/74.

Richard L. Slater, No. 1 & 5 Packaging, 2/12/74.

Rodney D. Tichler, 20-24-Inch Shipping & Finishing, 2/21/74.

Frank E. Vock, 14-Inch Finishing, 2/22/74.

Terry R. Walker, Plant 2 Machine Shop, 2/18/74.

David N. Willis, Plant 5 Electrical, 2/18/74.

Richard L. Worrell, 14-Inch Finishing, 2/21/74.

10 Years

John M. Asumendi, Outside Salesman, Wire Products Division, 2/6/79.

Dennis R. Calsyn, Plant 5 Electrical, 2/2/79.

William L. Grant, 24-Inch Mill, 2/1/79.

5 Years

Ricky D. Ballard, 24-Inch Mill, 2/3/84.



For more than sixty years, Federal Pipe & Steel has consistently supplied the steel needs of structural fabricators by maintaining an impressive product inventory.

NSW customer understands the need for change

Flexibility keeps Federal on top

In its infancy in the early 20's, Federal Pipe & Steel was considered the expert source for flagpoles. Through the years, the company's ability to adapt to change has allowed it to maintain a leadership position.

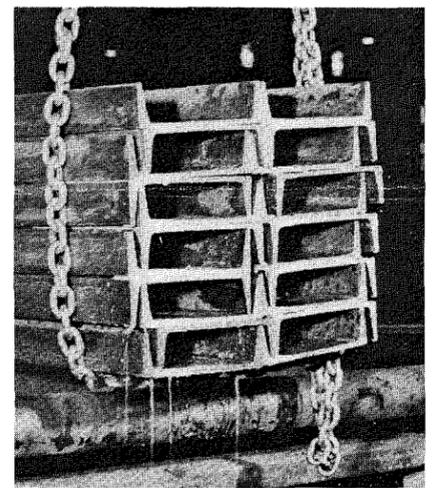
Today, Federal Pipe & Steel Corporation is a major product and service supplier to structural steel fabricators across the country. With facilities in Plymouth, Michigan; Peotone, Illinois; and a newly opened service center in St. Paul, Minnesota, Federal acts as the link between the market-driven steel producing mills, such as Northwestern, and the product end-user.

"We've been able to adjust to changes in the marketplace," says Bill Brown, vice president of Plymouth operations. "Not only those dictated by the consuming market, but also on the manufacturing side. We have a relationship with Northwestern built on mutual respect and regard for the long term. And we support them in their endeavors to continue to expand and change as well."

Originally named Federal Pipe and Supply, the Company moved into steel in the early 1970's and has flourished and grown along with the market for structural steel. In the early 80's, Federal expanded and opened

their Peotone operation during several years of Sun Oil Company ownership.

Two years ago, the firm was purchased by the Ennisteel Corporation of Canada, a publicly held company with approximately 200 employees in its four domestic plants. Brown describes the merging of the two companies as a hand-in-glove integration. "The domestic side of the Ennisteel equation brought to the corporation a rounding out of geographies and a complementing of philosophies," says Brown. "Our sole function is simply to service the structural steel fabricator. We provide what they need when



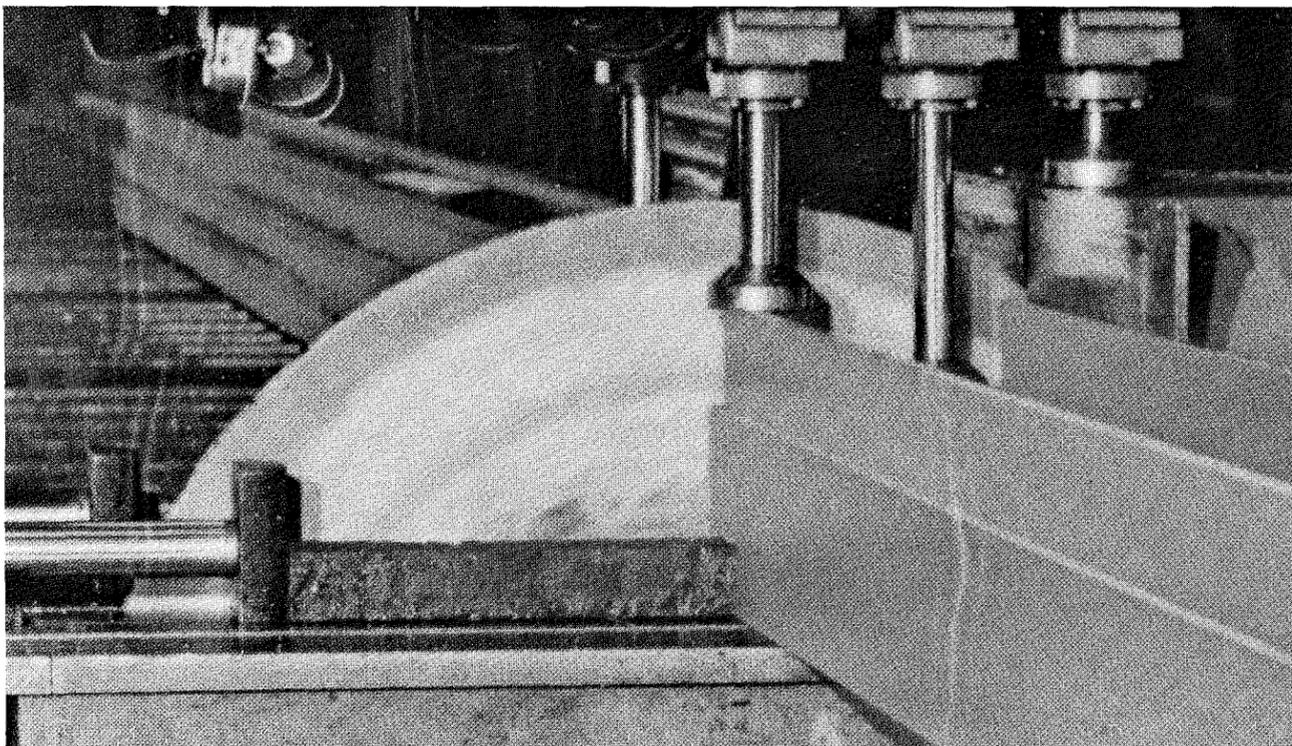
Structural steel beams from NSW's 14-inch and 24-inch Mills are warehoused at Federal Pipe & Steel Service Centers for immediate customer delivery.

they need it - no excuses."

Last June, Federal again expanded and opened a facility in St. Paul, Minnesota. This latest location plus Ennisteel's Buffalo Structural Steel company of Buffalo, New York, allows the corporation to dominate the structural fabricator supply market in the upper Great Lakes area.

In each of their expansive warehouse locations, Federal Pipe & Steel maintains an impressive inventory of wide flange beams in 5-foot multiples from 35 foot through 60 foot lengths, standard beams, structural tube, channels, angles, plate and flat bars. Available processing includes cold saw cutting to a tolerance of plus/minus 1/8-inch, band saw production cutting, mitre cutting and plate/shape burning.

At Federal Pipe & Steel, product is only part of the picture. "Steel is our product but service is truly our business," says Brown. "Over the long term, service is the element that built our long term relationship with a valued supplier, such as Northwestern. We try to build the same relationship with our customers; we are their suppliers. So the quality that starts at Northwestern just continues forward."



At Federal's Plymouth, Michigan, service center, a Trennjaeger cold saw cuts structural steel material to size for on-site fabrication delivery.

Efficiency built into new Drawing Room Building

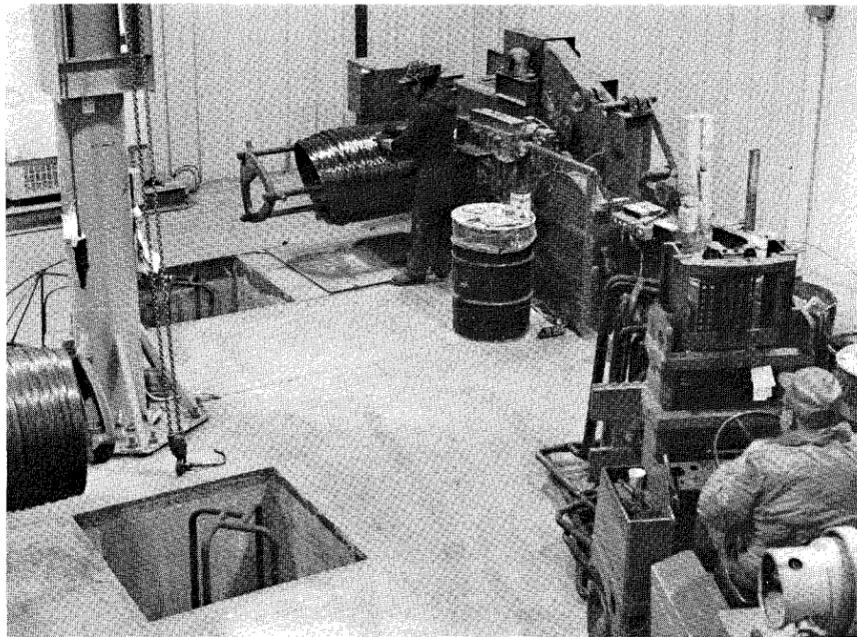
The Drawing Room Building constructed last year is up and running with machines, reports Bob Gholson, General Supervisor, Wire Drawing Department. Two new MacBee multi-hole machines were purchased, installed and operating before the heavier gauge machines were moved from the old Drawing Room. Bull-Blocks No. 41, No. 42, No. 43 and No. 44 are running with two operators.

In the more efficient design of the new building, the easily accessed Bull-Blocks were placed closer together so one operator can run two machines. "We left one Bull-Block back in the old Drawing Room for in-plant use," explains Gholson. "Hopefully, as time goes by, the building will itself be expanded and we'll need to get more machines and more operators in

here."

The MacBee machines, considered state-of-the-art, draw about 95% of outside shipped wire in the range of

.0625 to .162. With recent business being very good, a four-letter shift has become necessary to keep up with demand, reports Gholson.



Bull-Block No. 41 and No. 42 are easier to reach and closer together in the new Drawing Room building and a single operator, Carlos Lemus, with the help of tractor driver, Walt Creekpau, can handle both.

Wire pay-off problem solved by Q.I.P. team

A list of recommendations by Drawing Room Team No. 8 of NSW's Quality Improvement Program to solve the pay off problems of wire laid on stems have either been adopted or are in the process of being implemented.

The November presentation represented one full year of work, as the Q.I.P. team studied the problem from every angle. Questionnaires to clarify any and all complaints were sent to the Nail Cutting and Galvanizing Departments, the two largest internal users of wire. (The group's rationale was to solve internal user problems and apply those solutions to outside wire shipments to insure elimination of any complaints.)

A major team concern was the amount of scrap generated by wire not paying off properly, and translating that loss into dollars. Finally, company benefits to be derived by adopting the recommendations were calculated in dollars. Intangible benefits were listed and a timetable for making the changes were all part of the comprehensive, 16-page report.

Several recommendations were adopted as is. For example, Q.I.P. recommended renovating wire layer heads. Maintenance supervisors are investigating a change in design to be sure the problem is corrected. Change-over sheets for wire drawing machines have not only been developed, as recommended, but also are being computerized to lock in consistency.



Operator Dennis Hammes and the new No. 28 and No. 29 MacBee drawing machines, considered state-of-the-art in the industry.

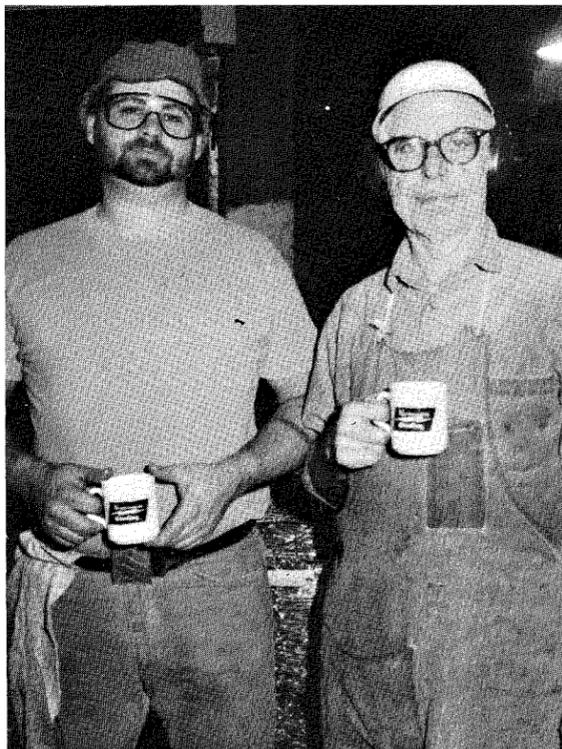
Engineers boost furnace melting power

When the transformer failed on No. 7 furnace last February, it was sent away for more than just repairs. Thanks to NSW engineering, it has been redesigned to have a secondary top voltage of 900, up from the original 840 volts, which will result in an increase of melting power.

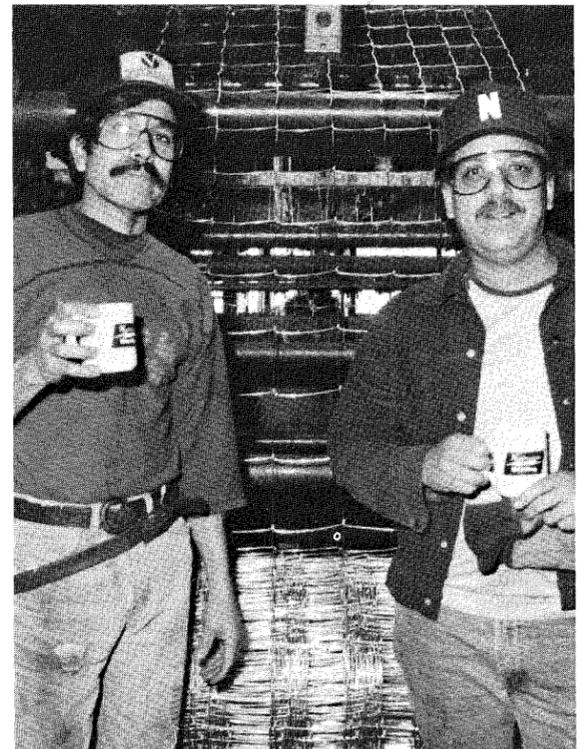
The power-improved transformer will be installed on No. 8 Electric Furnace in mid-1989 when Electric Metallurgical Company delivers the new secondary Delta closure they are engineering with NSW. Charlie Bosco, NSW Chief Electrical Engineer, wanted to improve the old flat bus Delta closure. His design will use two 12-inch copper bus tubes per phase in an oil-cooled, triangulated configuration to maximize load balance and reduce electrode power flow impedance. The result will be a marked increase in melting power, says Bosco.

Back in February, a spare transformer, which was designed to the new higher secondary voltage, was installed in No. 7 furnace. "We also have plans to bring No. 6 furnace up to a higher melting capacity in the future," says Bosco. "We are working with several firms on a new design of the electrode arms and holders, in order to decrease the spacing between electrodes, which has calculated to increase the melting power."

Agri-Products busy breaking records



Working on NSW's original product line, barbed wire, Robert Adams, machine operator (l), and Herman Maxey, adjuster (r), broke the old production record, set on April 19th, of 122 spools. On November 28th, they produced 128 spools in an 8-hour shift. Vern Schwenk, supervisor, Agri-Products, reports that a crew knows they're doing record-breaking work about halfway into their shift. "Then they keep their fingers crossed that everything will just keep falling into place and nothing breaks down," says Schwenk. "We're real proud of our record breakers. I keep telling them to just keep it going."



Jamie Garcia, machine operator (l), and Noe Ramirez, tractor operator (r), along with William Yarbrough, adjuster (not present for photo), comprise a record-breaking field fence production team. Until late November, the record had been 62 rolls. On November 23rd, running 39-6C size field fence on No. 6 machine, they broke the record with 65 rolls in an 8-hour shift. On November 29th, they beat their own record, producing 66 rolls and, on December 2nd, 69 rolls. To really appreciate their performance, consider that 69 rolls is 22,770 feet of field fence.



At their December Breakfast Meeting, the Wire Division Q.I.P. Steering Committee was introduced by Dave Erby, Manager, Wire Drawing (top). Corporate Steering and Q.I.P. statistics were presented by Mike Mullen Vice President of Operations, Wire Products Division (center). Bob Sprungman, Wire Division Steering Committee Member, (bottom) introduced the new 80/80 Club.

New 80/80 Club introduced at Q.I.P. breakfast

A new concept to emphasize Q.I.P./L.M.P.T. meeting attendance was introduced at the group's Annual Breakfast Meeting. Bob Sprungman, from the Wire Division Steering Committee, gave details of the 80/80 Club which kicked off January 1. Prizes of caps, windbreakers, a riverboat cruise and dinner and gift certificates will be awarded to team members and teams who achieve 80% meeting attendance.

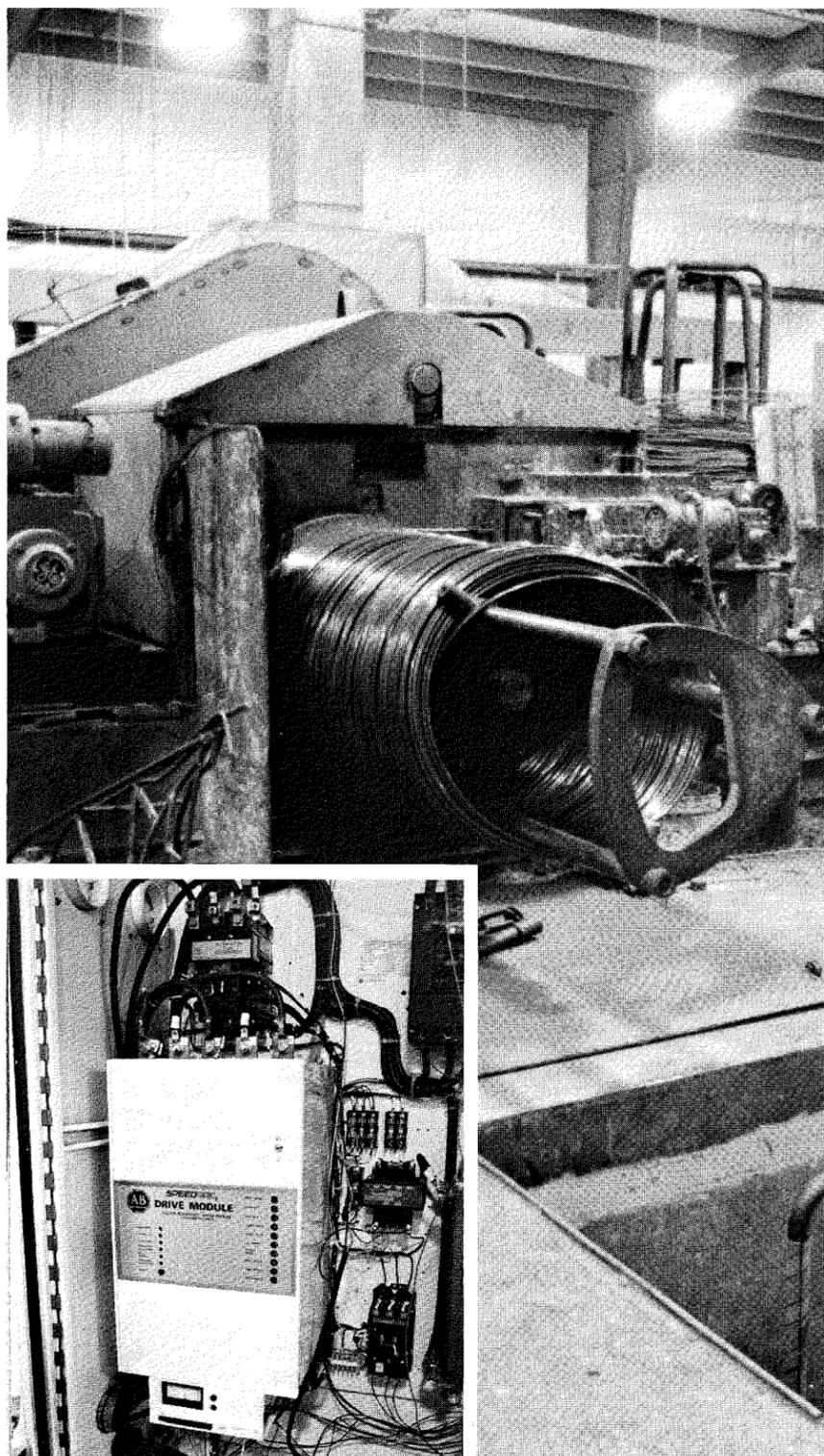
Sprungman pointed out that attendance is the single most important element in making employee participation teams work. "Involvement and attendance go hand in hand," said Sprungman. "Therefore, the 80/80 Club is meant to recognize employee/owners who are active in the Q.I.P./L.M.P.T. process."

Based upon a calendar year, the Q.I.P./L.M.P.T. Steering Committee will recognize individuals who have

an 80% attendance record and teams that reach 80% attendance at 45 or more meetings. A definition of excused absences was presented.

According to the committee, teams averaged 70% attendance in 1988 and 53 of the 113 active Q.I.P. members had an 80% attendance record. "We'd like to see all 113 members and all 13 teams in the Wire Division make the 80/80 Club," said Sprungman.

Also on the morning's program were Mike Mullen, Vice President of Operations for the Wire Products Division, and Dave Erby, Manager, Wire Drawing. Greeters were Betty and Tom Clementz and Judy and Don Nehr Korn. Ed Rios, Steering Committee Member from Local No. 63, was Master of Ceremonies. Individual teams were introduced by their respective Facilitators, Larry Miller and Lanny Munz.



The workings of the PC boards inside the Allen Bradley Drive Module (inset) and how they "drive" massive Bull-Blocks (No. 43 shown) were studied by plant electricians.

NSW Electricians bone up on troubleshooting skills

Allen Bradley classes part of plan



When Allen Bradley reps came to NSW last November to present half-day classes for plant electricians, the event was part of Lee Buntjer's continuing education plan. Broken into two sessions so all electricians could attend, the classes covered the PC board functions on the Allen Bradley drives used in all phases of motor control throughout NSW.

"When the drives were purchased for Wire Drawing's No. 42, No. 43 and No. 44 bull-blocks, they came with one day of technical assistance in start up," explains Lee Buntjer, Electrical Supervisor, Plant 1. "But we were able to start-up without outside help. So I worked with their people to have them come in later for a one-day school. We want to be more familiar

with the drives and how they operate so we can be better at troubleshooting and speed up repair time."

Buntjer had a similar plan when reps from Cleveland Machine Control came in, in December, to work on No. 3 Galvanizer. He asked them to stay an extra day and conduct two classes on CMC controls. Earlier in the year, a 2-hour hands-on learning session was held on Honeywell Digital Controllers, the temperature regulators on NSW Wire and Nail Galvanizers.

Throughout the year, company electricians will be invited to similar classes on other equipment in Buntjer's on-going plan to make everyone more knowledgeable about the machinery used in the NSW mills.

Daughter of NSW employee saves child's life

Vickie Heaton, daughter of Charlie Gipson, Drawing Room Inventory Clerk, literally saved her 10-month-old son's life, with the help of Lee County Sheriff's Department Communications Officer, Barb Herbon, the 911 Operator.

Bill and Vicki Heaton of Dixon had just settled the child, who was suffering from a cold and ear infection, in his crib for the night. Hearing a strange moaning noise, they rushed to the crib and found the boy unable to breathe.

In an understandable panic, they suddenly remembered to dial the 911 emergency number. Distraught, Vicki gave her son mouth-to-mouth resuscitation, following calm, precise instructions relayed by Herbon to Bill Heaton. When the Dixon police and fire department paramedics arrived, the Heaton's were amazed to be told that the incident took only five minutes.

Since then, the couple and their babysitter have taken CPR training. Gipson reports that his grandson has recovered from his cold and infection and is back to being "all boy." Subsequent tests have concluded that no brain damage or after effects were sustained from the incident.

Plant 1 Maintenance makes changes in safety program

Don Heeren, Supervisor of Maintenance, has been named Safety Coordinator for the Plant 1 Maintenance Departments. In his new role, Heeren announced measures to enhance the mill's safety program. Bulletin boards have been installed in each Maintenance Department to keep employees informed of department and plant accident records and a VCR has been added for safety and training videos.

A reward program is being planned for good safety records. However, Heeren cautioned that no accident should go unreported, in spite of rewards or records.

Among his goals, Heeren included more involvement by employees in safety tasks and demonstrations. "We have always stressed the importance of watching the other guy and helping him," says Heeren. "And we will ask for, listen to and try to do something with suggestions from employees on safety."

Track facelift solves old problem

Things don't look the same outside the West Plant where 4,820 feet of new railroad track was laid by Swanson's Contracting of Chicago, in a \$240,000 five-week project. Bob Jones, yard foreman, reports that NSW crews took out the 30-year-old tracks and the mill's Mobile Equipment Department excavated the area, leveling out the hill the old tracks used to climb.



Two employee/owners are December retirees

As of December 1, 1988, Harold Higginbotham and Melvin O'Brien moved on to retirement. Higginbotham, from Tampico, Illinois, spent 19 years with NSW, retiring from the 24-Inch Mill Shipping Department. O'Brien, from Dixon, Illinois, after 22 NSW years, left from the Drawing Room. Thanks and good wishes to both from their friends and co-workers.



Expressing their tongue-in-cheek frustration with the 24-Inch Mill furnace, an unknown NSW artist has dubbed it "Freddie" for Freddie Krueger, the nightmare in the "Nightmare on Elm Street" movie and TV series.

Sanders Winner

(continued from cover)

tions; Leona Richards, Manager, Communications Services; Chuck Biermann, Vice President Sales - Steel Division; Robert M. Wilthew, President, Northwestern Steel and Wire, and Dave Oberbillig, Vice President Sales - Wire Products Division.

Thanks to all who entered the contest and took the time, during the busy holiday season to submit names for the contest.



John Garza, 14-Inch Mill Inspector, bagged this 15-point deer on his first time out bow-and-arrow hunting trip to rural Morrison. Scoring 147-4/8, the deer measures well beyond the 125 needed to make the official Pope and Young record book. Garza, who bought his bow and arrow last Spring and had been practicing with experienced NSW co-workers, called the deer a once-in-a-lifetime chance. He pointed out that bow and arrow hunting at 50 yards is a far cry from shotgun hunting at 150 yards.

Wire drawing records set and broken

The ability to track wire drawing production by size is just three months old. Yet existing records have already been broken by four NSW Wire Drawers, according to Bob Gholson, General Supervisor.

Mark Smith set the November 28th record on .135 diameter Nor-Twist Nails at 13,680 pounds in 8 hours. Three days later he broke the .162 diameter Nor-Twist record by drawing 18,120 pounds.

On November 18th, Jack Morgan drew 18,580 pounds of 12 gauge, .101 diameter nails to set a record broken by his co-worker, Charles Krabbenhoft, ten days later with 20,980 pounds.

The top producer, in pounds, was Vern Ellis, Sr., who drew 25,510 of 11 gauge, .116 galvanized nails on November 18th. "Record Breaker" coffee and root beer mugs and t-shirts were awarded to these top-notch producers.

Accident free month for electricians

Lee Buntjer, supervisor, reports that he and the 16-man team of Plant 1 Electrical had an accident-free month in November.

NSW helps United Way reach goal

Don Anderson, Manager, Industrial Engineering, was an active volunteer and loaned executive from NSW during the 1988 United Way campaign. His chief function was making presentations to major local firms. Using a national United Way video and a local slide show, he spoke at meetings at The Daily Gazette, Gate City Steel, General Electric, Community General Hospital, and to the Rock Falls city employees.

A long standing supporter of United Way, Anderson also gave his talk to NSW employees. He credits the help of all participants for the Sterling/Rock Falls United Way reaching its goal of \$555,555. NSW people who participated in this year's campaign were: Jim Boesen, Assistant Controller; Russ Green, Factory Payroll Clerk; and Dave Hadley, Assistant Manager, Transportation. Robert M. Wilthew, President/CEO of Northwestern, and Noel Reed, President of Local 63, USWA, are members of the United Way Board.

Retiree hits \$2 million jackpot in Vegas

Kenneth Russell, Annealer Operator in the NSW Wire Mill before his 1979 retirement, is the newest millionaire in Hannibal, Missouri, where he and wife, Helen, now live. Before investing \$20 in the Fremont Hotel's Megabucks slot machine, he had lost at poker and keno. Then came the big \$2.1 million win.

"It will take 12 years for me to be a millionaire," Russell told a reporter for his hometown newspaper. "They will give me \$111,000 a year for 20 years. I might live to see I'm a millionaire someday." Son Barry Montague, foreman, NSW Plant 4 Shipping Department, reports not much has changed in Russell's life. He bought himself a new pair of boots and is talking about building a new, but small house. (Third generation of the family to be part of NSW, Barry Montague, Jr., is an employee in the Galvanizer Department.)

About Photos

Photos of anniversary, retiree, or other in-plant celebrations will be utilized in communications outside the employee/owner publication. Be watching for these community-wide news photos.

Northwestern Steel and Wire Company
121 Wallace Street
Sterling, Illinois 61081

Bulk Rate
U.S. Postage
PAID
Permit No. 69
Sterling, IL

JOHN H LEHR
27690 KNIEF RD
ROCK FALLS
61071

IL