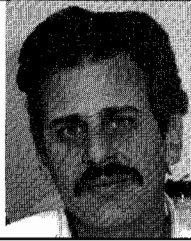


A Look INSIDE



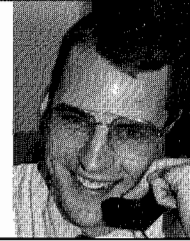
**Barber
heads up
H/N team**

See page 3



**Stoudt is
named new
facilitator**

See page 4



**New reps
join NSW
sales team**

See page 8

The Owners Manual

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

March, 1990

Wilthew reflects on proud career

As Northwestern Steel and Wire Company heads into a new era of leadership, retiring President and CEO Robert M. Wilthew said he can look back on many things with pride, especially the successful economic turnaround which fueled the company to a leadership position in the structural and wire products markets, and one which he believes can be maintained in the years to come.

In a decision he said was "proper action for this time," Wilthew announced his retirement Feb. 20th. He joined NSW in Feb., 1985, as president and chief operating officer and in March, 1986, was named president and chief executive officer.

"I'm proud of the five years I've been here," he remarked. "I'm proud of having been involved with a fine group of people in turning this company around from near bankruptcy in 1985. We employed a successful strategy that took into account sales and operations, and more than doubled the sales of the company. In five years we've put

together 18-19 quarters of profitability."

Wilthew said the employee buyout of the company in August, 1988, is also a highlight of his career here. Reorganized with 51% employee ownership, NSW became one of the largest industrial companies in the

"I'm proud of all the five years I've been here...I'm proud of having been involved with a fine group of people in turning this company around from near bankruptcy in 1985."

nation to be majority owned by its employees. The recent purchase of the Houston-Armco facility also ranks high on Wilthew's list of accomplishments. "I've had a lot of exciting years here," he said.

With a professional career in steel spanning 31 years, he noted the job of chief executive is not an easy one. "The top guy, at times, can

enjoy some of the glory, but must always take the heat. It comes with the territory," he said.

Prior to joining NSW, Wilthew served in several capacities at Copperweld Steel Company, Warren, Ohio, including Vice President/General Manager, and prior to that was General Manager of Kawecki-Berylco Industries Inc., of Reading, Pa.

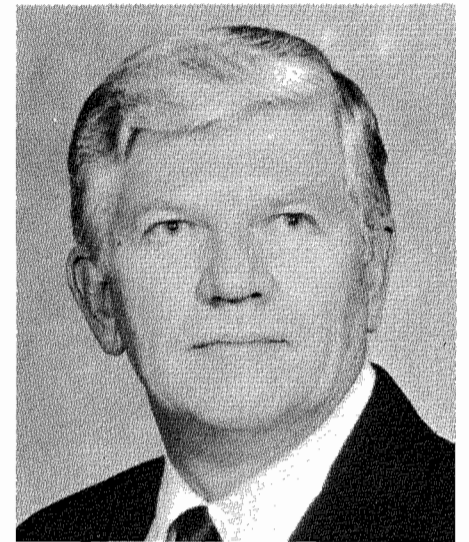
His interest in steel began following high school when he worked as a United Steelworker laborer for Youngstown Sheet and Tube Co., Youngstown, Ohio, where he subsequently served as Superintendent in various operating departments.

Wilthew believes the biggest challenge facing steelmakers today is global competition and firmly believes emphasis should be placed on exports and methods of "producing products at world competitive costs."

With world competition in mind, he explained, "NSW is currently working on the rudiments of

exporting to European countries and the Pacific Rim."

As for the future of NSW, Wilthew is confident the company has found its "niche" in the steel marketplace. In addition to advances in technologies and marketing (See WILTHEW, page 3)



Robert M. Wilthew

NSW 'fencing' with industry

New products pen in competition

The January debut of Northwestern Steel and Wire Company's three new agricultural wire products has produced glowing reviews from the company sales department and groans from the competition.

NSW's new celebrities are Maverick Barbed Wire, 4-Gauge Feedlot Panels and 36-Inch Feedlot Fence. They were introduced to the market Jan. 29-31st at Wheatbelt Incorporated, a major agricultural show in Kansas City,

Missouri, and response was even better than expected.

"This was the first major ag show and a real test for these products. The results were very positive," remarked Dennis Redfield, Manager of Sales, Wire Products Division, who was pleased by the number of orders directly resulting from the show.

"We had 1,100 tons in total bookings, and out of that 250-plus tons were for 4-Gauge Feedlot Panels and 125 tons for Maverick

Barbed Wire," he explained. "It was a tremendous show and we got a number of new customers from it."

Redfield said the new products' strongest selling point is the fact they are promotional items, with the enticement of lower cost.

Maverick Barbed Wire is being promoted as "a lower cost barbed wire that still delivers high quality performance." It is lighter per 80-rod roll, and is available in both the 2 and 4 point specifications.

Even the name is special, as Redfield explained. "On the first day of the show, dealers were asking, 'Where's your lighter-gauge wire?' On the second day they were asking, 'Where's your promotional wire?' By the third day they were saying, 'Where's your Maverick!'"

The new, lighter-gauge Feedlot Fence Panels complement the popular 1/4-inch rod style by offering the same features at a lower cost. The downsized Feedlot Fence is versatile and can be used, for instance, for hog confinement, temporary corrals and for repairing feedlots. It is available in economical 6-gauge, 100-ft. rolls and complements NSW's 48- and 60-inch Feedlot Fence lines. All three new products are STA-BRIGHT galvanized for long life under rugged conditions.

While the possibility exists that new product sales could put a dent in sales of standard wire products, this is not perceived as a disadvantage. "It may cut in somewhat, but the new business we are attracting will offset it," he said.

Outside salesmen were brought up to date on the new lines during a recent regional sales meeting and the products will be displayed "at every major show we have coming up," Redfield noted.

"On the first day of the show dealers were asking, 'Where's your lighter-gauge wire?' On the second day they were asking, 'Where's your promotional wire?' By the third day they were saying, 'Where's your Maverick!'"

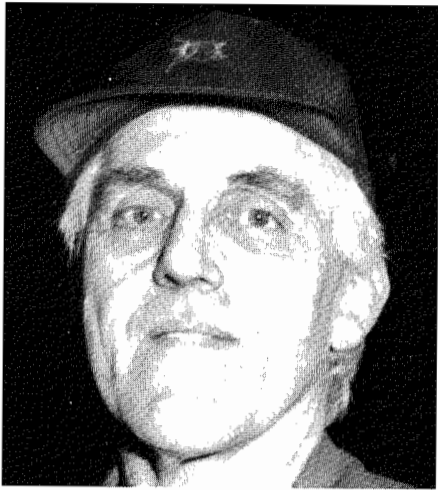
Production of the Maverick Barbed Wire commenced in December, and according to Vernon Schwenk, Supervisor, Agri-Products, the men of the department were very excited about it, having spent many hours studying and redesigning the machines to run the new product.

"Our department may be the oldest in the mill, but we never stop coming up with new ideas and new products to meet our customers' needs," he said.



Northwestern introduced three new agricultural wire products recently, one of which was Maverick Barbed Wire. Standing behind the product after helping with its production are (from left) Herman Maxey, Bob Adams, Charles Lancaster, Ray Hutchison, Kris Wolf, Merrill Geesey, Tom Biller and Brent Porter.

Viewpoint

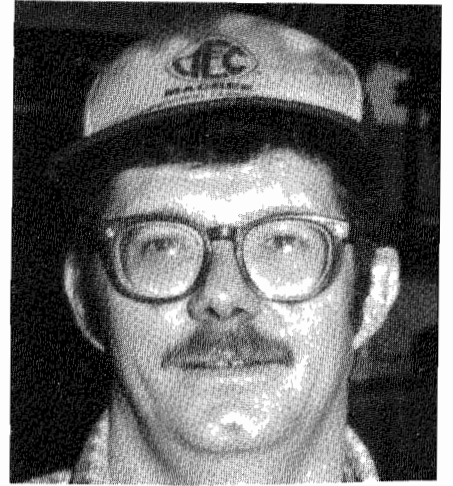


"You got to work with the guys. I've never taken drugs, but I know people who have. It can ruin your life. We need a neutral person that could help the guy's problem - so he wouldn't get fired."

Russell Burkholder
Operator
No. 1 Galvanizer

“What would you do if you knew a co-worker was taking drugs or drinking alcohol on the job?”

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.



"I would try to find some way to help the guy. Try to talk him into counseling and stand by the guy. You don't want to see anybody get into trouble."

Garrett Stevens, Jr.
Wiper/Blotter
No. 1 Galvanizer



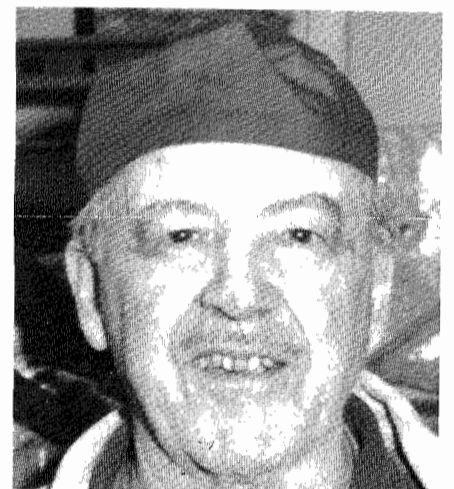
"I think action should be taken immediately."

Eugene Bollman
Reamer
Die Room



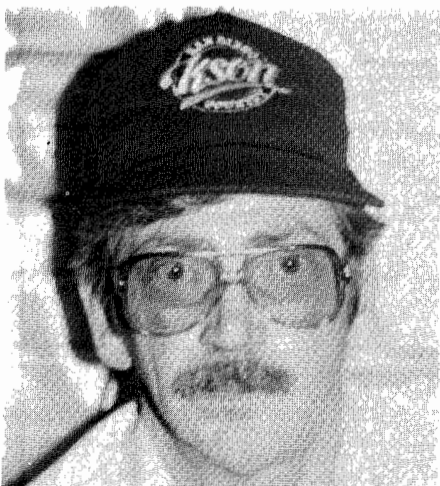
"I would have to actually see the person abusing drugs or alcohol on the job then I would tell them to get some help."

Fred Tintori
Payroll Analyst



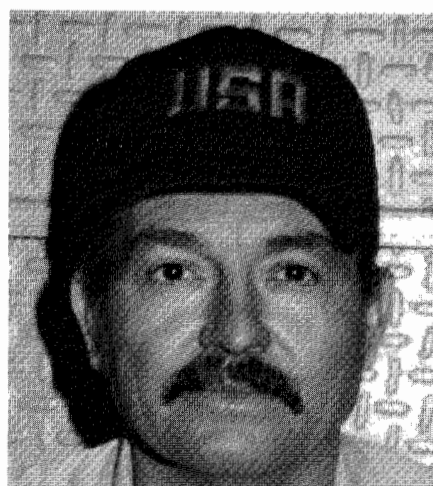
"Try to tell him this is no place for drugs. You could get someone hurt. It's bad for your health, too."

Joseph Fiorini
Plant 2 Millwright



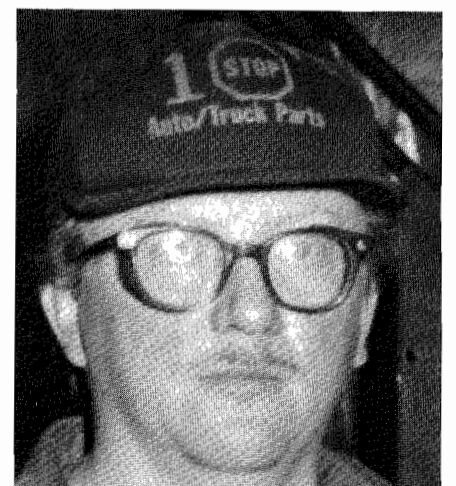
"Try to get the guy help. I'd talk to the individual first."

Walt Barger
Plant 4 Shipping



"Turn them in."

Lupe DeLaFuente
Tractor Operator
Plant 4



"A guy's got to do something to put up with this place."

Steve Grobe
Electrician
Plant 4

Experienced leadership takes H/N helm

Barber grooms management team

Michael J. Barber will head up a highly experienced management team at Houston/Northwestern (H/N) Steel. Barber, a Denver, Colorado native, was named Vice President and General Manager of H/N Steel Company on February 1.

Also hired were Michael Rankin, Accounting Manager, and Dick Friel, Manager of Operations. As of mid-February, eight H/N Steel Company plant technicians were also on board, Barber said.

The Houston plant, owned by Northwestern Steel and Wire Company, will produce 600,000 tons of wide flange beams annually.



Michael J. Barber

Around 50 people are expected to be brought on board in anticipation of the June 10th operational date.

Barber comes to H/N Steel with 22 years of experience in the steel industry. He graduated in 1967 with a Bachelor of Science degree in Metallurgical Engineering from

the Colorado School of Mines. He most recently served as Vice President of Operations at Border Steel Mills Company in El Paso, Texas.

From 1967 until 1982, Barber

"I hope to make H/N Steel the safest, most productive and nicest place to work in Texas (and) I want to see H/N Steel as the leading producer of wide flange beams in the world."

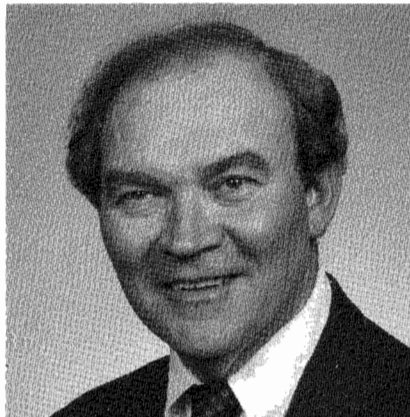
worked for Armco Steel Company. He began his career with Armco in Kansas City, Missouri, where he served in both metallurgical and operations positions. In 1978, Barber was transferred to Armco's Marion, Ohio Works. There he served as plant metallurgist and later as Melt Shop Manager.

In 1981, he left Marion for Kansas City where he served as Superintendent of the Wire Mill at Union Wire Rope, another Armco division.

"Establishing a great working relationship with all the staff at H/N Steel and reaching full production capacity," are the two primary goals Barber has set for himself for 1990. Barber is married and has two grown children.

Michael J. Rankin is a 1964 graduate of Pace University in New York City where he received a bachelor degree in business administration. His areas of concentration were accounting and

finance. Rankin has worked in the steel and pipe industry in the Houston area since 1978. He has also worked for international trading companies and steel service centers.



Dick Friel

Dick Friel, who has been with Northwestern Steel and Wire Company since 1956, will serve as H/N Steel Company's Manager of Operations. This former General Supervisor of the 12-Inch Rod Mill in Sterling sought out the post in Houston.

A native of Sterling, Friel's relationship with NSW has been a family affair. His father and three uncles have worked for the company.

"I hope to make H/N Steel the safest, most productive and nicest place to work in Texas," Friel said.

The new Manager of Operations also said he intends to see to it that H/N Steel produces the highest

quality wide-flange beam at the lowest cost. "I want to see H/N Steel as the leading producer of wide flange beams in the world," Friel said.

He began his employment with NSW as a management trainee. At the time, NSW was preparing for plate and structural products production.

"My first assignment was speed operator on a 16-inch plate mill. The mill was later converted to a 20-inch structural mill," Friel explained. In 1963, he became a Roller Foreman and was later promoted to Superintendent of the Structural Mill.

For the next 15 years, he was Superintendent of the 12-Inch Mill. The last eight years, Friel served NSW as its General Supervisor of Production on the 12-Inch Rod Mill.

He is married and has one daughter.



Michael J. Rankin

Safety program helps reduce injuries

Accident-free work earns employees awards

Many safety awards were presented last month throughout the Maintenance Departments at the East Plant. Eight Millwrights who

were among those presented with safety certificates and watches bearing the logo "Safety Works for You" were Tony Drane, Ralph

Morris, John Rubright, Bob Morden, John Krug, Ray Carlson, Larry Hansen and John Engelkens.

These men are only a small portion of the number of those who received awards throughout the East Plant Maintenance departments for having worked accident-free during the calendar year 1989. Employee/owners of all five general maintenance shops in the Wire Mill (Electricians, Tractor Shop, Millwrights, Pipe Shop and Machine Shop) are eligible for safety commendations which are presented on a quarterly basis as well as annually.

"We are very pleased with the number of Maintenance people who were eligible for the accident-free awards," noted Don LaFavre, General Supervisor, Maintenance, who presented the awards Jan. 1st.

"We've dropped our overall safety accident rate here at the East Plant by 50% since starting the program at the beginning of 1989.

"A worker who has had one accident becomes ineligible for the yearly award, but he is still eligible to earn three quarterly commendations," LaFavre explained.

Another safety incentive being used to help create enthusiasm and awareness of safety on the job includes a special traveling banner which is awarded to the department or departments which have had an accident-free quarter.

This program is proving to be successful because of the efforts of all the employee/owners who are involved and working to make Northwestern a safer place in which to work.

Wilthew retires

(continued from page 1)

strategies of the industry, he believes the future of steelmaking also involves a term called "nichemanship." "You cut out a niche and the company focuses on it," he explained. "With NSW, it's the structural products markets, and the purchase of the Houston plant is for that purpose. And it's a niche that

NSW will maintain."

Wilthew said NSW's greatest asset, however, is its people. "They (people) are any company's greatest asset," he remarked. "No one group in particular, I mean all its people."

The company, through its Board of Directors, expressed appreciation for Wilthew's contribution to Northwestern. Wilthew will remain with the company for a transitional period until his successor is chosen. "I'll stay until May or until they (the board) have someone," he said. Although the responsibility of choosing a successor is solely up to the Board of Directors, Wilthew said he has been asked to interview the person involved.

Wilthew, 59, said he has no plans for fulltime employment following his retirement but does not plan to be idle either. He plans to move to his hometown in Ohio where he will do consulting work and possibly sit on one or more Boards of Directors.

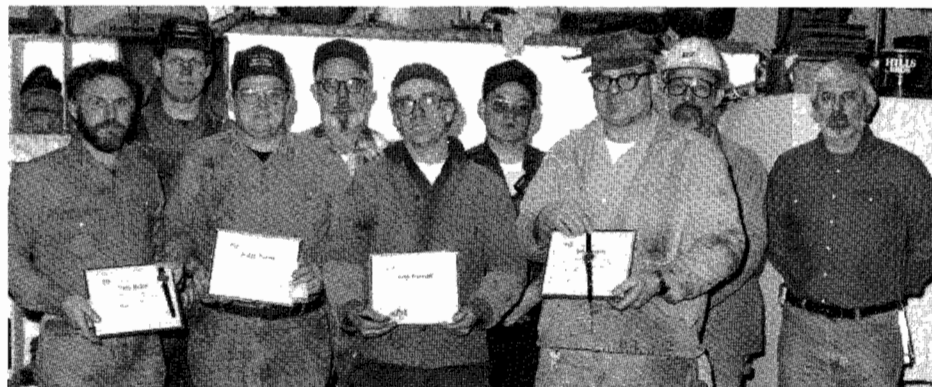
Wilthew and his wife, Val, have three children: Robert, an electrical engineer for General Electric; Melissa, a journalism graduate from Youngstown State University; and Scott, a graduate of Michigan State University in marketing and advertising.

State of the union

United Steelworker Locals 63 and 3720 have established a pension committee to provide consultation for pension plan participants and their spouses.

Present committee members Jeff Hager, Alex Rios and Dick Williams are at the hall twice monthly to help with problems concerning pre-pension, post-pension and spousal benefits, plus post-pension insurance.

Committee meeting days are posted at the Union Hall on the board by the coffee pot. Stop in and check it out.



Safety Awards were handed out recently to Northwestern employees who worked accident-free during 1989. Among those receiving the honor were (front row from left) Tony Drane, Ralph Morris, John Rubright, Bob Morden, (back row from left) John Krug, Ray Carlson, Don LaFavre, General Supervisor of Maintenance in the Wire Division; Larry Hansen and John Engelkens.

PEOPLE

Craig Weiss' group phinds phew pheasants

Hunting trip is shy on game, high on fame

Craig Weiss, a St. Louis, Mo.-based salesman for Northwestern Steel and Wire Company, embarked on a weekend hunting trip to "Indian Country" with style and flair.

Weiss and friends from Anheuser Busch and Merrill Lynch offices in St. Louis, turned a 14-hour bus trip to the tiny town of Wagner, SD into a luxurious experience.

The bus -- a limousine owned by the Anheuser Busch officers -- was equipped with a living room, kitchen and bathroom. In addition, mobile phones, a VCR and color television

made the fellows feel at home. Hot and cold running water, a wet bar, refrigerator and plush carpeting were also among the amenities.

"You should have seen the people of Wagner when we pulled into town," Weiss said, noting, "They'd never seen anything like us. We even made their newspaper that weekend."

The "boys night out weekend extravaganza" was of little hunting success -- resulting in about 14 pheasants between the 16 of them, Weiss said. "But the hospitality of

the people -- many of them from the local Indian tribes -- made up for the disappointment," he noted.

Weiss said he ended up with the 14 pheasants, which he donated to the St. Louis Friary for a special game dinner.

Plans are being made for a return visit to Wagner later this year.

Wagner native Glenn Jesperson is expected to serve as their hunting guide across the farms outside of Wagner this year.

"Everyone in Wagner welcomed us -- except for the game warden

who said we'd be arrested if we hunted for water-fowl on Indian reservation territory," Weiss chuckled.

"The only two eating places in town were great. We had dinner one night for 10 people -- T-bone steaks, drinks and dessert -- for \$98.50," he said.

Although pheasants were scarce the weekend Weiss went to Wagner, it didn't deter his enthusiasm. "I guess it was all hunted out already, but we'll probably have better luck next year," he concluded.

Stoudt newest member of improvements team

Employee/owner Dennis Stoudt joined Northwestern Steel and Wire Company's Steel Division Quality Improvement team as one of its three facilitators, effective November 28.

Stoudt replaces Jack Wilson as the union facilitator on the team. Wilson retired January 1.

An NSW employee the last 20 years, Stoudt worked as a mill builder in the 20/24-Inch Mill.

He joins Dick Card and Chuck Bennett as facilitators of the Steel Division QIP program.

"My job as union facilitator will be to coordinate and do research for eight to ten QIP teams," Stoudt said. "I'm looking forward to working on

attracting new members to QIP. Currently, QIP Steel Division teams number 24, with membership equaling about 20 percent of the plant employee roster," he said.

"My priority is to get more interest among the workers in the QIP program. Currently, we're training 18 people for team membership," he said.

As union facilitator, Stoudt said he holds two QIP team meetings per day. Each team meets once a week.

"The QIP teams select what projects they want to tackle. As facilitator, I simply coordinate the effort and assist in research," Stoudt said.

Stoudt noted he received advanced facilitator training during a three-day conference conducted by the Kirkwood Consulting Company of Pittsburgh, PA.

As facilitator, he said he will work closely with the other coordinators to maintain good attendance at QIP team meetings.

"I hope to see new interest in the QIP program soon. I'm going to do all I can to develop the interest," he said.

Stoudt, a native of Sterling, is married and is the father of five.



Larry Miller (from left) is pictured above as he congratulates Cedric Patterson, Supervisor, Drawing Department, on winning the 80/80 Club drawing for a trip to Hawaii. Also pictured are Mrs. Patterson, Mike Mullen, Vice President of Operations, Wire Products Division, and President Robert M. Wilthew.

Drawing helps promise of Hawaii to come true

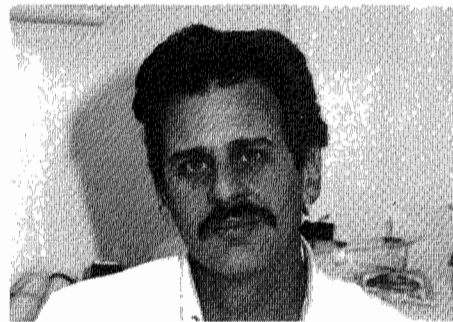
Cedric Patterson said he promised his new bride he would take her to Hawaii someday. That was 20 years ago, but their dream will come true in April since he won the trip in the 80/80 Club drawing.

Patterson, Foreman in the Wire Division, was one of five workers who earned the chance to win the trip by depositing points earned in the QIP program. Although the other four did not win this year, their names will remain in the drawing for next year.

A minimum of 200 points were

necessary to qualify for the drawing. Patterson won two round trip airfares to Hawaii, hotel accommodations for one week, \$350 spending money, and an extra week of paid vacation. The drawing was held January 20 at the Wire Division's Recognition Breakfast which was held at the Brandywine Inn.

Larry Miller, Manager of the QIP and LMPT, said the drawing serves as an extra incentive to workers participating in the programs.



Dennis Stoudt

Systems Contract benefits NSW operations

A new business trend has taken hold at Northwestern Steel and Wire Company, a move which promises to reduce departmental paperwork and reduce overall costs.

The signing of a Systems Contract covering mill supplies between NSW

and Hagerty Brothers of Peoria, Illinois was completed Jan. 12.

According to NSW Buyer Joyce Cantrell, the Systems Contract represents a partnership agreement which will be beneficial to both the buyer and seller of goods.

"Securing Systems Contracts will reduce paperwork, overall costs, our vendor base and inventory," Cantrell said.

The Systems Contract, or partnership agreement, with Hagerty is a one-year commitment. Hagerty will serve as the supplier of fasteners, grinding wheels, drills, cutting and hand tools and miscellaneous mill supplies.

Hagerty, a very large steel warehouse, is the first of 12 such contracts NSW buyers are aiming to reach this year. "Systems Contracts will benefit many departments --ranging from Purchasing, Accounts Payable, Receiving, and Requisitioners.

"The future of Systems Contracts leads to Electronic Data Interchange, which is computer to computer exchange of business documents, such as purchase orders, requests for quotes, acknowledgements, invoices and shipping notices," Cantrell explained.

The partnership agreements are "win/win" situations for both parties, she said. "Currently, I'm working on

similar contracts for supply of pipes, valves and fittings and welding supplies," she noted. The contracts, which may vary in length, will establish fixed prices on supplies.

"The partnership agreements are win/win situations for both parties...securing Systems Contracts will reduce paperwork, overall costs, our vendor base and inventory."

"Our people at NSW are working under the Systems Contract very well. We're asking for cooperation until all the bugs are worked out," she said.

"Systems Contracts are the trend for the '90s. We hope to have mill terminals where requisitions could be entered as the need arises --instead of going through all the paperwork and handling that requisitioners do now," she concluded.



The official signing of the Systems Contract between NSW and Hagerty Brothers involved (standing from left) R.W. Martin, NSW Vice President; E.R. Szakatiis, NSW Purchasing Manager; Mark Wittekiend, Hagerty Brothers Vice President; Skip Trantina, Hagerty Brothers Territory Manager; and (seated) Joyce Cantrell, NSW Buyer.

Seven reach 35-year benchmark

Employee/owners chalk up anniversaries

A number of employee/owners will reach career benchmarks in April with Northwestern Steel and Wire Company. On these anniversaries, *Owners Manual* recognizes the longtime dedication of these valued workers.

35 Years

Edward R. Barajas, 4/2/55, Nail Department.
Curtis E. Rude, 4/11/55, Caster.
Charles F. Howard, 4/14/55, Rod Crew.

Gregorio Garcia Jr., 4/20/55, Wire Mill Drawing.

Harvey G. Hill, 4/26/55, 12-Inch Mill.

Ronald L. Schueler, 4/28/55, Plant 2 Millwright.

Marvin B. Albrecht, 4/29/55, Mgr. Taxes & Cash Management.

30 Years

Sandra E. Loos, 4/13/60, Payroll Department.

25 Years

Billy Cooper, 4/3/65, Rock Falls Tractor Driver.

Roy D. Clay, 4/3/65, Rock Falls Millwrights.

John S. Reeser, 4/6/65, Plant 2 Welders.

Carol S. Siefken, 4/7/65, Supervisor of Data Entry.

Walter Hinrichs, 4/10/65, 14-Inch Mill Millwrights.

William E. Anderson, 4/10/65, 24-Inch Mill-Electrical.

Lloyd A. Beckman, 4/12/65, 46-Inch Mill Mobile Crane Opr.

Tom M. Regalado, 4/12/65, Billet Caster.

Edward J. Sanders, 4/15/65, Outside Sales-Wire Prod. Div.

Lyle J. Biller, 4/16/65, Plant 2 Carpenter Shop.

Donald G. Jones, 4/25/65, Plant 2 Machine Shop.

20 Years

Grady D. Daniels, 4/1/70, Plant 2 Millwrights.

Anthony J. Drane, 4/6/70, Wire Mill Millwrights.

Charles B. Fiorini, 4/6/70, 14-Inch Mill Shipping.

Perry W. Ferguson, 4/6/70, Billet Caster.

Gordon W. Riesselman, 4/8/70, 46" Mill.

Donald J. Shehorn, 4/13/70, Nail Department.

Kenneth J. Hait, 4/13/70, Plant 2 Electrical.

Salvatore Sodaro, 4/13/70, Billet Caster.

Sammy K. Johnson, 4/14/70, Wire Mill Shipping.

Earl L. Santee, 4/20/70, Rock Falls Electrical.

Virgle G. Onnen, 4/21/70, Billet Caster.

30 Years

Ray Joslin, 24 Inch Mill Conditioning.

28 Years

Walter Johannsen, 24 Inch Mill.

24 Years

Paul Covell, Plant 4 Shipping.

17 Years

Kent Britt, Nail Room.

15 Years

Robert C. Dannels, Roll Shop.

Calmar J. Watson, 4/22/70, Bale Tie.

Daniel A. Glick, 4/22/70, Electro Weld.

Gary L. Hahn, 4/26/70, Bundling.

Margarito Rangel, 4/27/70, Nail Department.

Thomas R. Beggerow, 4/28/70, Billet Caster.

Donald R. Berkeley, 4/29/70, Nail Department.

Joseph A. Wittenauer, 4/29/70, 24-Inch Mill.

5 Years

Robert G. Winn, 4/1/85, Electric Furnaces.

Thomas M. Vercillo, 4/1/85, Manager of Accounting.

John A. Haglund, 4/15/85, Outside Sales-Steel Div.

Kenneth R. Walls, 4/15/85, Outside Sales-Steel Div.

Jeffery A. Scott, 4/17/85, Nail Department.

Marvin R. Finkle, 4/17/85, Plant 2 Electrical.

Richard J. Irion Jr., 4/18/85, Roll Thread.

Gary T. Egan, 4/22/85, 24-Inch Mill.

Marty A. Mapson, 4/25/85, 12-Inch Finishing-Bars.

Kirk W. Rubright, 4/26/85, Nail Department.

Larry G. Greenwood, 4/27/85, Wire Mill Drawing.

Checking the stats

January, 1990

PRODUCTION

Department/Mill	Produced (tons)	Performance to Plan
Primary Department		
Raw Steel	138,361	87.6%
Billets Cast	60,957	81.8%
Blooms Cast	66,151	99.5%
Wire Division		
Rod/Wire	3,584.3	N/A
Plant 1	10,363.7	102%
Plant 4	2,727.0	101%
24-Inch Mill	27,905	113%
14-Inch Mill	30,309	115%
12-Inch Mill	17,421	100%
	Shipped (tons)	Plan vs. Actual
Total Rod/Wire	17,282	- 1,747
12-Inch Mill	8,246	+ 3,246
14-Inch Mill	29,042	+ 1,042
24-Inch Mill	25,914	- 3,366
Semi-Finished	27,598	+ 8,098

COMPLAINTS

Wire Division Products			
Number Recorded	Reason	By Costs \$ %	TOP FOUR COMPLAINTS = 91% OF TOTAL
41	Service	\$17,752 64.23%	
	Order Error	4,700 17.00%	
	Rust	1,829 6.62%	
	Galv. Coat	831 3.01%	
Steel Division Products			
Number Recorded	Reason	By Costs \$ %	TOP FOUR COMPLAINTS = 73% OF TOTAL
92	Price/Frt. Section	\$18,127 28.95%	
	Service	13,043 20.83%	
	Mixed Steel	8,972 14.33%	
		5,600 8.94%	

ABSENTEES

Normal Work Hours	Total Absence* Hours	% Absence to Normal	% Dec. 1989
398,045	27,008	6.78%	7.29%

* includes off until further notice, i.e. workers compensation, sickness and accident, discipline, etc. and general reporting off.

OSHA RECORDABLE INJURIES

OSHA recordables are injuries resulting in time loss, sutures or physical therapy needed, industrial illness, etc.	Rate 11.99% Rate is % per 200,000 man hours (100 employees working 1 year)	Rate - Jan. 1989 19.01%
28		

Seven hang hardhats on the NSW retirement rack

Seven NSW employee/owners with an accumulated total of 185 years retired effective February 1. *Owners Manual* commends these individuals on their longtime dedication to the company and extends best wishes for a happy and productive retirement.

37 Years

Ken Haverland, Salaried, Plant 1 Shipping.

34 Years

Carl G. Stange, Roll Shop.

'Stress-busters' help reduce work worries

Whether you're in the plant trying to meet production goals or in an office swamped by paperwork, you're bound to encounter stress that may leave you feeling drained, irritable and perhaps even counter-productive.

Job-related stress is not selective. Anyone who works is prone to stress at one time or another. Causes and severity of stress, however, vary from person to person, and some people are better able to cope with it than others.

Effective stress management is the key to maintaining an enjoyable relationship with your job and a means of safe-guarding your health. In addition to behavior problems like anxiety, irritability, depression, indecisiveness and lowered productivity, stress can make you physically ill. Sleeplessness, head and backaches, indigestion, and excessive eating, drinking, smoking or other substance abuse, are common indicators of stress.

Long-term stress can result in ulcers, increased blood pressure and cholesterol, and can contribute to heart disease. Personal problems, such as family conflicts, often intensify job-related pressures.

The best way to cope with stress is to eliminate its causes and minimize stress that cannot be avoided. Stress-causing habits like lateness, lack of thoroughness, disorganization and clutter are among those which can be eliminated.

Other stressors are more difficult to manage. If, for instance, you are being overwhelmed by your workload, try attacking large tasks in pieces and break goals into daily segments. Stress caused by lapses in work performance can be minimized by reframing your thoughts on criticism that's been directed your way. Instead of anger, focus on how you can use this information to change and improve.

Maintaining your health can also help reduce the negative effects of stress. Proper sleep and diet, combined with exercise and periods of relaxation away from your job, will make you feel better and improve your mental outlook.

Develop a personal stress-buster, whether it be merely counting to ten or visualizing something soothing. By simply stopping yourself, relaxing your body and clearing your mind, you can calmly allow yourself to decide what you must do.

QIP REPORTS

Team studies problems in 24-Inch Mill

Downtime, high cost sparks probe by QIP

A QIP report on excessive cost incurred on the 24-Inch Mill straightener when making adjustments or changeovers got down to the "nuts and bolts" of the operation.

Team 2 from the 24-Inch Mill worked on the problem, which was creating excessive costs and excessive downtime. After studying 14 possible causes for the problem, the team verified several causes, including:

- nuts that were oversized to the threads on the sleeves.
- sleeves that were not built to proper specifications.
- wrong size of nuts.
- hardness of material used to build up sleeves.
- improper instructions to the Machine Shop on what to do with parts sent to them.
- straightener nuts not checked regularly.
- holes drilled through nuts.

After identifying several possible solutions, the team decided the best solution would be to change the tolerance for nuts and sleeves. They recommended that the sleeves and nuts be removed one set at a time, from the straightener, and sent to

the Machine Shop to have the threads removed below the depths of the original threads. After the threads are removed from the straightener one set at a time, the set would be sent back to the Weld Shop for proper build up, using materials with adequate hardness. Upon completion, the set would be returned to the Machine Shop to be rethreaded with buttress threads to new specifications. Each set would be stamped with the date completed

for identification. As the sets are replaced, the date will be recorded and a record will be kept of any trouble.

Their study also indicated the new process would significantly reduce the number of times that maintenance will need to change sleeves and nuts and rework them.

The recommendation on the project was to implement the ideas as quickly as possible. The first step would be to send a worn-out set to

the Machine Shop and Weld Shop for rebuilding. The new set would be used to replace a worn set which would also be sent through the process. The rotation would continue until all the sets were rebuilt to the new tolerance. The team would continue to monitor the reworked sets for 60 days.

The QIP team worked on this problem from July 7, 1989 to the final presentation date of January 19, 1990.

More QIP team members trained to beef up drive for increased quality

The month of January was a busy one for Quality Improvement Program (QIP) training, with 18 trained to augment existing teams and steering committees, and one receiving training to aid in his role as Manager of Human Resources of the Houston/Northwestern facility.

Trained on Jan. 17th as QIP team members were: LeRoy Compton, Thomas Cornwell, Alva Edmondson, Howland Ellis, Gerald Fowler, Richard Hains, John Kustes, Sylvia

Lane, Simon Olalde, Richard Bennett, Billy Ricks, Lawrence Sandretto, David Sproul, Ronald Troxell and Dave Willis.

According to Larry Miller, QIP/LMPT Manager, these employee/owners will "beef up QIP teams already in the plant."

Three employee/owners who sat on steering committees but were awaiting training also took part in the three-day learning session: Ron Szakatis, Office Steering Committee;

Charles Lancaster, Guard Steering Committee; and Al Humphrey, Teamsters Steering Committee.

Rubin Carter, hired last December as the Houston/Northwestern Manager of Human Resources, traveled here to the parent company to receive his training as a team and steering committee member.

Carter is handling all aspects of staffing at the Houston complex, from industrial relations and training to wage and benefit administration.

New start-up methods reduce spots on wire

There is now less likelihood of black spots appearing on the surface of galvanized wire during startup thanks to keen observation by QIP Galvanizer Team No. 10.

In an effort to discover why spotting appeared during Galvanizer No. 1 startup and disappeared after several hours of production, the team had both NSW's zinc and blemished wire tested, with the zinc ruled out as a problem after it was found to have met required specifications.

Several startups were monitored with various procedures, with the following operation achieving the best results: acid, flux, quench and rinse tanks cleaned before startup; strict temperature requirements maintained on acids and flux baths, quench tank and zinc pan; and a rinse tank full and running, with the surface appearing clean and free of foreign matter.

The team reported cost of implementation was minimal and requested the startup procedure be posted on the frame and every operator be informed of it.

Of primary benefit to the company

is a reduction in wasted wire and reduced galvanizing costs. "The wire that contains black spots must either be scrapped or run again," the team noted. "This galvanizing process is costly and by not producing a quality product at the initial startup, adds to the cost of our product leaving the department," the report stated.

At present time, the team reports the standard operating procedure for startups is being followed with excellent results and should be continued. "We are firmly convinced if the procedures are followed, all startups will be accomplished without black spots," the team concluded.

Members of the team are Gary Dunaven, Jack Morgan, Charles Manon, Kerry Church, Clarence Renner, Jack Leaf, Jerry Bellini and Thad O'Brien. The Steering Committee consists of Mike Mullen, Don LaFavre, Ron Leuschke, John Reynolds, Ron Kalas, Dennis Hammes, Don Nehrkorn, Tom Clementz, Dave Erby, Bob Sprungman and Tim Wallace.



Machine Shop Team No. 14 has requested a centralized drill bit cabinet to monitor inventory in a more efficient manner. QIP team members who reached the decision are (from left) Wayne Lapp, Bill Schwab, Don LaFavre, Ron Leuschke, Greg Brooks, Clyde Kerber, Sam Hess, Ed Cedro, and Darrel Bellows.

Job flow is enhanced by monitoring inventory

The frustration of not being able to find the right tooling when needed has led to a request by QIP Machine Shop Team No. 14 for a centralized drill bit cabinet whereby inventory could be more closely monitored.

After examining problems with "job flow in the Machine Shop," the team cited three areas of prime concern, the first being no formal inventory system. "Because there is no formal inventory system, we have no idea what our drill bit inventory amounts to in dollars and cents," the team reported. "Ordering drill bits usually happens when we are using or have broken the last drill bit or the size being used."

The second problem outlined in the report concerns the need for a centralized location. "The physical layout of the Machine Shop makes for a very cluttered work area. It is not unusual for the machinists to spend 10-45 minutes looking for a drill bit or other tooling."

No policy on using tools was the third area of concern, mainly due to tools disappearing after being left out and not locked up, as well as those tools loaned out to other departments and sometimes not returned.

Realizing the impossibility of moving the Machine Shop to a more strategic location, the team offered a three-fold solution: construction of a drill bit organizer to be placed in a centralized location in the shop; establishment of a formal inventory system, with one person assigned this responsibility and quarterly inventories taken; and to make it standard operating procedure, putting drill bits and other tools back where they belong after use.

Cost for implementation was estimated to be minimal, as scrap material available at the plant would be used to construct the cabinet. Benefits to the company would include cost savings in labor (time previously used searching for tools) and a projected reduction in drill bit inventory of \$6,000.

Members of the team are Ed Cedro, Wayne Lapp, Don Sawyer and Clyde Kerber. Resource people include Darrel Bellows, Sam Hess, Greg Brooks and Bill Schwab. The Steering Committee consists of Mike Mullen, Don LaFavre, Ron Leuschke, John Reynolds, Ron Kalas, Dennis Hammes, Don Nehrkorn, Tom Clementz, Dave Erby, Bob Sprungman and Tim Wallace.



After presenting a solution to eliminate black spots on galvanized wire, the Wire Division allowed a verified savings of \$42,000 to Galvanizer Team No. 10. Team members include (seated from left) Jerry Bellini, Tom Clementz, Gary Dunaven, (standing from left) Kerry Church, Jack Leaf, Charlie Manon, Ed Renner and Thad O'Brien.

Bonds provide an easy savings plan

U.S. savings bonds continue to provide a safe and easy savings plan for everything from education to cars and vacation homes.

The Payroll Savings Plan allows you to sign up to have the deduction taken out of your paycheck before you receive it. Government bonds are considered extremely safe by investment counselors because they are backed by the federal government, Gerry Hunsberger, Manager of Payroll, reports.

About 6% of NSW employee/owners participate in the payroll deduction savings bond plan, Hunsberger said. The figure is relatively constant among both salaried and hourly workers. Bonds mature in 7-10 years, depending on the current interest rates, and double in value upon maturity. The current rate of return on savings bonds is 6.98%.



Beginning in October, government regulations require that no bonds can be issued for less than \$100. Employees can choose how much they want deducted for the bonds, with about \$5 per week being the average for Northwestern

employees.

If you or members of your family are pursuing a college education, a new tax break exempts the interest on savings bonds purchased after Dec. 31, 1989, that are used to pay educational costs. The new program,

under the Miscellaneous Revenue Act of 1988, permits you to exclude from your gross income all or a portion of the interest earned on eligible Series EE Savings Bonds (with face values from \$50 to \$10,000) as long as the bond proceeds, principal and interest are used to pay tuition and college-related expenses of the taxpayer, the taxpayer's spouse or the taxpayer's dependents.

There is an annual purchase maximum of \$30,000 face value or \$15,000 purchase price.

To qualify for the exemption, the purchaser must be at least 24 years old before the due date of the bond. The bonds must also be purchased by a parent and put in the parent's name, not the child's name. If the taxpayer is married, he or she must file a joint return to qualify for the excluded interest.

Variety of safety-related prizes are awarded during grand opening of Safety Centers, Inc.

The grand opening of Safety Centers, Inc. at Northwestern Steel and Wire Company netted several employee/owners coveted prizes.

The store, which opened its doors Nov. 20th, awarded the following door prizes in January: safety shoes to Salvador Velazquez, 14-Inch Mill; Arnie Myers, West Plant Machine Shop; John Bellini, Mats; Andy Moore, Human Resources; Al Wagenecht, 12-Inch Mill; and Bruce Terveer, Electro-Weld.

Recipients of new smoke detectors were: John Tomczak, Plant 4 Millwright; Tom Cornwell, 14-Inch

Millwright; Doug McCulloh, 12-Inch Mill Electrical; Frank Leisner, Truck Scales; Lawrence Slifer, Die Room;

The grand opening of Safety Centers, Inc. at Northwestern Steel and Wire Company netted several employee/owners coveted prizes.

and Randy Conkling, Plant 2 Crane Mechanic.

Fire extinguishers were awarded to: Alex Rios, Plant 3 Mechanical; Randall Wolber, 12-Inch Mill; Larry

Stevens, Nail Repairman; Vern VanDyke, 12-Inch Mill; W.L. Grant, 24-Inch Conditioning; and Leroy Bowman, Caster.

The Safety Store, located on the northeast side of the Avenue G overpass, offers a complete line of safety- and work-related items.

"Business has been very successful," according to store Optical Manager Rebba Forren.

Some of the required business items are available at no charge while other retail and specialty items are available for purchase. "Items with logos are selling very well, as are the jeans and hats," Forren said.

The store, operated by Safety Centers, Inc. of South Holland, Illinois, is open from 7 a.m. to 5 p.m.

"Business has been very successful...some of the required items are available at no charge while other retail and specialty items are available for purchase."

Monday through Friday.

The store is beneficial because safety equipment purchase is better monitored.

Increased production creates new champs

Employee/owners knock out plant records

Employee/owners continued to knock out records during January and February, proving that Northwestern Steel and Wire is the winner and still champ!

Owners Manual salutes the ongoing accomplishments of Northwestern Steel and Wire Company's employee/owners.

Drawing Room

Monthly Record Old Record
Cleaning, pickling, lime coated rods.

Jan., 1990	March, 1989
All shifts	All shifts
16,543.1 tons	16,274.9 tons

Netting Department

Shift Record	Old Record
24/36 1x20 150	
Feb. 2, 1990	Oct. 3, 1989
7 to 3 shift	7 to 3 shift
232 rolls each	228 rolls each
Everett Yates, Operator	Everett Yates, Operator
Chris Snodgrass, reeler	John Wheat, reeler
Sam Rodriguez, helper	Sam Rodriguez, helper
Larry Sutton, trucker	Randy Jacobs, trucker

Netting Department

Shift Record	Old Record
24/36 1x20	
Feb. 6, 1990	Feb. 2, 1990
7-3 shift	7-3 shift
234 cuts	232 cuts
Everett Yates, Operator	Everett Yates, Operator
Sam Rodriguez, helper	Sam Rodriguez, helper
Randy Morris, helper	
John Wheat, reeler	Chris Snodgrass, reeler
Larry Sutton, trucker	Larry Sutton, trucker

Netting Department

Shift Record	Old Record
24/36 1x20 50/150 4/4	
Feb. 9, 1990	Feb. 6, 1990
7 to 3 shift	7 to 3 shift
236 cuts	234 cuts
Everett Yates, operator	Everett Yates, operator
John Wheat, reeler	John Wheat, reeler
Sam Rodriguez, helper	Sam Rodriguez, helper
Randy Morris, helper	Randy Morris, helper
Larry Sutton, trucker	Larry Sutton, trucker

Field Fence

Shift Record	Old Record
39-6-B	
Feb. 16, 1990	Unknown
7 to 3 shift	7 to 3 shift
70 rolls	64 rolls
Jamie Garcia	Unknown
Field Fence	Old Record
39-6-E	
Feb. 20, 1990	Unknown
7 to 3 shift	7-3 shift
65 rolls	60 rolls (est)
Jamie Garcia, operator	Unknown

Drawing Department

Shift Record	Old Record
.300 collis wire and .246 galvanized wire	
Feb. 20, 1990	Jan. 7, 1990
7 to 3 Shift	7-3 Shift
66,060 pounds of wire	59,800 pounds of wire
Raymond Gonzales	Raymond Gonzales

Coiling Department

Shift Record	Old Record
12-gauge baler wire	
Feb. 22, 1990	Aug. 21, 1989
7 to 3 shift	7 to 3 shift
152 boxes	140 boxes
Leo Wilson	Trent Druce



Ray Gonzales was one of the many Northwestern employees to break records during the past two months. Gonzales was instrumental in breaking a Cleaning House record.

RECOGNITION

New representatives join NSW sales team

Three added to Steel Division staff

One outside and two inside representatives have been added to Northwestern Steel and Wire Company's Steel Division sales staff.

Vern L. Johnson, Manager of Sales for the Steel Division, notified customers December 15 of the new appointments.

Tom Sondgeroth will serve as an outside salesman. Sondgeroth, 27, holds Bachelor of Arts degrees in both Business and Accounting and formerly served as an Inside Salesman for the Steel Sales Division. He is a graduate of Mount St. Clare College in Clinton, Iowa.

Sondgeroth is replacing Warren Mead, who has temporarily been servicing the Michigan and greater Toledo, Ohio area. Mead will resume his original territorial assignment covering Indiana, Kentucky and Ohio.

The new inside sales representatives include Tom Beien and Brian Buchanan.

Beien, 23, of Sterling, first joined NSW in June, 1988 in the Transportation Services Department. He joined the Sales Department in October, 1989.

Beien, a graduate of Northern

Illinois University with a Bachelor of Science degree in Marketing, replaces Sondgeroth.

Beien's territorial assignment includes the upper peninsula of Michigan, Wisconsin, accounts north of the Eisenhower Expressway in Chicago and extreme northern Illinois.

Buchanan, 23, joined NSW's Steel Division in September, 1989. A Sterling resident, he is a graduate of the University of Iowa where he earned a Bachelor of Science degree in General Studies.

Buchanan replaces Mark Petitgoue who has been named Market Analyst for the Steel Division Sales Department.

Among the areas Buchanan will service are the eastern seaboard and southeastern U.S., including Tennessee, North and South Carolina, Mississippi, Alabama, Georgia and Florida.



Brian Buchanan



Tom Sondgeroth



Tom Beien

Two honored for perfect attendance in Wire Mill

Two workers were recognized by Agri-Supervisor Vernon Schwenk for attaining a perfect attendance record for 1989 in the Wire Mill.

Everett Yates, Netting Department, and James Stickel, Field Fence, each received a complimentary Form 3 and a desk clock as his award.

Schwenk, who supervises 34 workers, said a perfect attendance record reflects a lot of initiative by

the employee/owners since it means they did not take any days off for sickness, family matters or weather. "We had some really bad weather, so they came in when some people might have stayed at home," he said.

The complimentary Form 3 will remain a part of their permanent record at NSW, Schwenk reported.



Everett Yates



James Stickel

Interested in a 401(k)? Return the form below

NSW employee/owners may be offered the advantages of an Individual Retirement Account through payroll deductions in a plan administered by the company called a 401(k) plan. The Board of Directors has authorized a 401(k) wage deferral plan for hourly employees if there is sufficient interest.

Interest in the plan is being tested while the company is getting bids and shopping around for providers, according to Ed Maris, Vice President of Finance and NSW Secretary-Treasurer.

Already about two-thirds of the salaried employees participate in the plan, which is in its fourth year,

Maris said. The plan has several features not often found in IRAs, including professionally recognized investment choices, loan provisions, and higher investment caps.

A 401(k) savings plan also offers several advantages over traditional savings plans, including before tax savings, tax-deferred growth of savings, and convenient payroll deductions. The plan features three distinct investment choices: money market funds, stock funds, or a guaranteed fund offering guaranteed rates of return.

Anyone interested in such a program is asked to fill out and return the coupon below to the Payroll Department.

Breakfast honors 18 for perfect job record

Eighteen workers received certificates for perfect QIP attendance at the annual Wire Division QIP Breakfast on January 20.

This is the first full year of tracking performance and attendance in the program, according to Larry Miller, Manager of QIP and LMPT. He said he is pleased with the results. About 140 persons, many husbands and wives, attended the event at the Brandywine Inn.

In addition to a certificate, perfect attendance earns team members 30 points in the 80/80 Club which can be redeemed for cash, prizes and, when accumulated, may qualify the worker for the annual trip drawing.

Recognized for perfect attendance

in the Wire Division were:

Greg Brooks, Nail Team No. 3; Don Heeren, Bob Adams, Ray Hutchison, Don Bielema, Ron Kalas, Charles Gilkey, all Wire Finish Team No. 6; Frank Dubiel and John Crady, Shipping Team No. 7; Cedric Patterson, Tim Wallace, Ron Ruble, Larry Slifer, Gale Bradley, all Drawing Room Team No. 8; Rome Garcia, Drawing Room Team No. 11; Pete Shore and Glenn Luther, Coiler Team No. 12; and John Fry, Nail Packing Team No. 13.

Awards for eight LMPT members and 29 QIP members from teams representing officers, guards, teamsters, and the Steel Division, who also attained perfect attendance last year, will be presented at similar breakfasts in March, Miller reported.



A total of 18 Northwestern employees were awarded certificates for perfect QIP attendance during the recent Wire Division QIP breakfast.

Name: _____
 Clock Number: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Yes, I am interested in a 401(k) plan

Return to: Payroll Department

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