

Computer power doubles See page 3



NSW is applying for JIS rating

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EAP is surpassing expectations

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

August, 1990

Wire Products receive UPC coding

Northwestern Steel and Wire Company has taken an industry lead in its application of Universal Product Codes (UPC) on its Wire Division products and packaging.

"Most of our large wholesale and retail customers and potential customers are requesting UPC numbers on all merchandise," said Jim Treacy, NSW's Assistant Manager of Sales.

"UPC codes were first used in the grocery business to control inventory and assist at the checkout counter. Now, UPC code applications have arrived in the wire products business," Treacy said.



Richard Bennett is pictured above as he makes UPC code applications to the products and packaging emerging from the Wire Division.

Several steps have been taken already by NSW, from acquiring a UPC manufacturer's number for use solely by NSW, to purchasing equipment capable of printing UPC labels directly on NSW packaging. According to Treacy, NSW's competition is currently taking the same steps to incorporate a UPC system.

"All wire products will carry a 12-digit code number – the first is a number system character, the first set of 5 figures is our manufacturer's number, the second set of five are product code numbers assigned by our Data Processing Department, and a final number is a check point digit to insure the first 11 are correct. The check point digit is computed by the companies that produce the UPC labels," Treacy explained.

Applications of the bar code will require a variety of methods, Treacy noted. "Some of our packaging will have sprayed-on coding, such as our 50-pound boxes," he said.

The roll goods will sport specially printed tags. "At first, we'll have to order the printed tags from an outside supplier, but we plan to purchase our own UPC printers later," Treacy said.

Agri-products, which already

sport tags, will simply have the UPC code added to the printed tags.

Both one-pound and five-pound nail packages will have printed UPC symbols on them as well as the master cartons in which they are shipped.

Northwestern has taken an industry lead in its application of Universal Product Code (UPC) to its Wire Division products and packaging.

"We hope to have the UPC bar code system in place on all of our products by Jan. 1, 1991," Treacy said.

"The application of bar codes is the new demand from our customers. It is not a low cost investment. Just acquiring the UPC manufacturer's number cost us \$6,000," he said.

"Our ultimate goal is to have all in-house equipment and on-line applications in order to keep our operation streamlined," Treacy noted.

"Our Sales, Communications, and Production staffs have all been involved in this coding project. It's been an enormous undertaking," he explained.

Johnson heads recycling department Scrap winds its way back to NSW furnaces

Recycling at Northwestern's Wire Division has taken on heightened importance with the recent creation of the Waste and Reclaimables Department, through the efforts of QIP Wire Division team No. 6.

Headed by 27-year NSW veteran Bob Johnson, the department, located at the west end of the old descaler building, is in business Flooring for the two areas is expected to be laid this summer.

"The new department, formerly known as the Scrap Baler Department, has many other responsibilities and functions as well," Johnson said, noting, "Not only do we bale and load scrap, but we weigh everything we handle so that other departments can keep track of their efficiency levels." be sold to customers because there are some imperfections. "We plan on offering the material for sale at a discount to all employees," he said.

Johnson, who previously worked in the Cleaning House, says the "phase-in" period for his new department will take some time. "This is a big job and it will only get bigger. Recycling has so many applications," he said. storage barrels and turn them over for dumping purposes. "The investment should pay for itself just in the savings in medical costs for strained backs and by preventing other injuries when great weight is being maneuvered."

"Work for those of us in the Waste and Reclaimables Department is never-ending. Right now we're trying to determine a way for

Recycling at Northwestern's Wire Division has taken on heightened importance with the recent creation of the Waste and Reclaimables Department...

primarily for the clean-up of scrap tonnage.

"Members of my department travel to each area within the plant for the purpose of baling and loading scrap wire and rod. The scrap is sorted and then returned to our own furnaces for melting and recycling," Johnson explained.

The new department, formed in April, currently numbers nine employee/owners. Johnson is expecting to add at least three more staff members before year's end.

The department, which covers a 60 by 120-foot area, is located next to the new nail shipping facility.

Material which cannot be salvaged or recycled at NSW is now sold, such as the ferrous sulphate scrap from the Cleaning House Department. "We sell the Cleaning House sulphate to 3M Company by the bags full. I understand the company uses the material in the photography field," Johnson said.

Thanks to his department's efforts, Johnson said that cardboard packing is now compacted and sold. "Not much money is made, but at least we break even by not having to ship materials out ourselves or pay a landfill to take our waste materials," Johnson said. "What we're doing is just the beginning for us," Johnson explained, noting, "A plan is in the works for offering "seconds" and prime material, such as wire and fencing, to all employees."

The "seconds," Johnson said, are products which, while usable, cannot

His most recent project was the acquisition of a tractor which sports a 360-degree rotator attachment. The \$14,000 piece of equipment will enable his employees to pick up getting rid of used tires without paying the high rates the landfill charges," he said.

"My new job is a challenging one," he concluded.



Bob Johnson has been named head of the new Waste and Reclaimables Department at Northwestern.





"Yes you do, because of the technology involved and the multicraft system that's implemented now."

Phil Schroeder Millwright 14-Inch Mill 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.

"Do you think the NSW workers of today have to be more skilled than in the past? Why?"



"They have to be more skilled, but they should get rid of these LMPT teams that are costing a lot of money. We need better management,

Harry Adams Plant 4 Shipping



"When the company first started out we just sold barbed wire. Today, we've expanded into different types of products -- beams, and different types of wire and fences. Even your average laborer has to be more skilled."

William Young Laborer Furnace Department



"Yes. Because of all the new technology that is coming out. The company is moving forward with the new technology. There is a need at NSW for ongoing training for all employees."

Lanny Munz Facilitator Wire Division



"Yes. Today's competitive job market requires a more knowledgable, diversified employee, and of course with this comes a more skillful, educated individual."

Santos Rodriguez Scrap Baler Operator Plant 1



"Yes, because of advanced technology. It takes more skill to operate today's modern equipment."

Carol Price Administrative Assistant EAP Program



"You have to know more than one job anymore because of job classifications."

Erik Young Laborer Plant 1



"Yes. Because of the technology we use today, it takes more training to understand that technology."

Richard Bennett

Project Engineer Wire Products Division

Swat those flies with pride Largest swatter maker uses NSW steel

Summer is finally here and with summer comes flying insects. But the next time you spy a fly, swat it with pride. Why, you ask? Chances are, your fly swatter handle was made from Northwestern rod.

The Wire and Rod Division is a chief supplier of hot-rolled rod for Laidlaw Corporation's manufacturing plants. Laidlaw, the world's largest manufacturer of fly swatters, produces over 80 million of the items annually. Laidlaw also produces millions of light-weight and heavy-weight garment hangers.

"Laidlaw is one of our largest rod accounts and is a longtime business associate of Northwestern," said Ed Matthews, Product Manager of the Wire and Rod Division. "They initially were a family-owned and operated company which is now employee-owned. Their story is very similar to Northwestern's." NSW supplies hot-rolled rods to Laidlaw from the 12-Inch Mill. Laidlaw usually receives one large, annual order from each of its customers, with the majority of the orders going out in early April. In 1989, Northwestern rod was purchased by Laidlaw for use in three of its manufacturing plants located in Monticello, Wisconsin; Metropolis, Illinois; and Stockton, California. The corporation, which is headquartered in Scottsdale, Arizona, also has manufacturing plants in Toronto, Canada and New



NSW's Wire and Rod Division is a chief supplier of hot-rolled rod for the Laidlaw Corporation, the world's largest manufacturer of fly swatters. They also produce light-weight and heavy-weight garment hangers.

Castle, Delaware.

Some of the major companies that Laidlaw supplies with fly swatters are Walmart, K-Mart, Safeway, Ace Hardware, Winn-Dixie, Ben Franklin and Osco Drugs. In addition, they supply many other smaller companies located across the United States.

Laidlaw's chairman is John S. Mueller, whose family initially owned the company. "The corporation is reputable and very strong," Matthews noted, adding, "We supply the rod which Laidlaw draws to final wire sizes for both fly swatter and garment hanger production. Their final products are then delivered to the big volume retailers and distributors. Laidlaw is the type of company that we like to be affiliated with," he said.

First shipment will soon roll from Houston

Things are taking shape in Houston -- wide-flange beams that is!

Mike Barber, Vice President and General Manager, Northwestern Steel and Wire Company - Houston, reported in early August that quality product was being produced and inventoried, awaiting first shipment shortly after final acceptance testing completion.

Preliminary load tests were performed in June, with the first beam rolling to the cooling bed on June 22nd. Since then, "We've been

Trinity Industries, Inc...will be one of the first rail recipients of NSW-Houston, having placed the first order for 200 tons nearly a year ago.

producing beams on a daily basis," Barber said.

Weekly shipments of steel from the Sterling plant have already been

rolled into four different weight classifications of $14 \ge 10$ -inch wideflange beams and one weight of $14 \ge 8$ -inch beams. What follows will be two more weights of $14 \ge 8$ -inch and then on to the next sizes, including $12 \ge 8$ -inch, 16, 10, 24 and 21-inch beams.

Trinity Industries, Inc., Structural Steel Division, Houston, will be one of the first rail recipients of NSW-Houston, having placed the first order for 200 tons nearly a year ago. The dollar value of that order is expected to be in the vicinity of \$75,000 to \$100,000. O'Neal Steel's service center in Dallas is also expected to receive beams via truck transportation.

Meanwhile, Barber noted all improvements to the former Armco Inc., structural mill were completed except for some electrical work, which GE expected to finish by the end of August. The plant was still operating on one shift, with plans to add a second shift probably sometime in September. The addition of a third shift hinges on the startup date of the Sterling facility's Jumbo Beam Blank

"We have only one job classification which is 'plant technician,' which means the worker can perform both operating and maintenance duties."

Continuous Caster, which will provide larger cast beam blanks for finishing in Houston.

A third shift is anticipated for sometime after the first of the year, at which time the plant expects to have a full complement of 115 production workers and 20 administrators and staff.

On June 18th, NSW-Houston finalized a labor agreement with the United Steelworkers of America, affecting the plant's 65 current production workers, as well as future employees. The agreement spells out standard items such as wage and benefits entitled to workers. But it also has one unusual characteristic.

"There are no scheduling restrictions and no job assignments," Barber explained. "We have only one job classification which is plant technician, which means the worker can perform both operating and maintenance duties, and also gives them (workers) the chance to advance in skills and/or training."

Barber said an "extensive training program" for workers is being implemented at the local college.

The Sterling plant's successful Quality Improvement Program is also being implemented at NSW-Houston. The kickoff meeting was held Aug. 14th, with Larry Miller, QIP/LMPT Manager, presiding. "Our employees are very anxious to begin this program," Barber said.

Northwestern is doubling its computing power

A second Unisys System 80, Model 20, is being installed at Northwestern Steel and Wire Company in light of rapid growth and usage of the present two-year old system.

According to Larry See, Manager of Information Services, installation of the second main frame in the response times to our users."

He said that nearly 200 terminals, 90 printers and other equipment are being used throughout the company offices and plants. "Our system is used in all facets of the business -from production and shipping to payroll and accounting -- and many aspects of data collection," he said. "A recent addition to our system was completed when a communication link was established between Sterling and the Houston facility. The network link became operational in May," See explained. The addition in the near future of a Data Collection System and Electronic Data Interchange business practices also made the purchase of the new system necessary.

The DCS system of recording time and attendance of employee/owners will replace manual time clocks, he said.

A recently installed computer application is also evidenced in the Nail Department of the Wire Division where now the computer is used to record production levels and weights as well as determine where to store the materials.

office annex building is in progress.

"In the two years since we purchased the original System 80, terminals, printers and bar code equipment have come on line at a fast pace," See said, noting, "Our system isn't providing adequate



Larry See, Manager of Information Services, said Northwestern's computer system was expanded to establish a communications link between Sterling and Houston.

said.

EDI allows the transmission of business documents between Northwestern and vendors. "We'll be able to electronically place orders with our suppliers and receive orders from our customers," See "Having two systems will greatly enhance our capabilities. If we were to experience a serious hardware problem we would be able to continue operating temporarily using one system," See said.

401(k) plan is on schedule

Dear Hourly Employee/Owners,

Design and installation of a Northwestern 401(k) tax-deferred savings plan for hourly employee/owners is on schedule, and an October 1st startup appears attainable.

Eligible hourly employee/owners who presently save, or who would like to start saving, for the purpose of retirement security will be able to use the convenience of automatic payroll deductions for contributing to their own 401(k) account.

A communications effort aimed at

answering questions and explaining the advantages provided by 401(k) plans will be included with your September 1st paycheck.

All of us hourly employee/owners owe it to ourselves to check into this excellent savings program and learn how we and our families can benefit from what it offers. Plan to attend the communication session for your department, and bring your questions.

Hourly Employee/Owners 401(k) Steering Committee

PEOPLE



Cedric Patterson and his wife, Myrtis, are pictured above at an orientation at their hotel in Honolulu where Cedric won the drawing for a free trip to Pearl Harbor.

80/80 Club winner picks Hawaii Participation pays off for Patterson's promise

Twenty-one years ago, Cedric Patterson promised his wife, Myrtis, a Hawaiian vacation. Thanks to a new QIP/LMPT program at Northwestern, Patterson followed through with his promise without tapping personal savings.

Patterson, Drawing Department Production Scheduling Supervisor, had his name selected in a drawing held in January by the QIP/LMPT 80/80 Club. He took his island trip with his wife this spring and is "ready to go back again next year."

The club, according to QIP/LMPT Manager Larry Miller, awards points to team participants based on attendance at meetings and projects undertaken and accepted by management. The points can be accumulated for cash or for a chance in the trip drawing. Patterson, a member of QIP Team No. 8, notes his attendance at QIP meetings was 100 percent last year. Rather than turning in his 200 points for \$300 in cash, he opted for a chance at the trip.

"I believe there were five names in the pot when the drawing was held. I'm very lucky - and the luck continued when my wife and I got to Hawaii where we won another drawing for a free day trip to Pearl Harbor," Patterson said.

"We spent all of our time on two islands. We got to tour the Dole Pineapple Farm, Pearl Harbor and Diamond Head," Patterson said, adding, "I hope to win the drawing again next year so we can see more of the other Hawaiian islands."

"Hawaii has no pollution. The sky is blue there and so is the ocean," he added.

The 80/80 Club financed not only his trip, travel, lodging and limousine service, but also provided him with \$350 to spend during his extra week of vacation.

"Hawaii is a very expensive place to visit. We found orange juice to cost \$7 a quart and bananas sell for 99 cents a pound," he said. "Bread and pop were also very high so the spending money definitely came in handy," Patterson added.

Patterson and others who have already achieved their 200-point minimum will be eligible for next year's drawing.

Other trip destinations offered include Las Vegas, the Caribbean and Bermuda.

Hendrix earns degree for technical training

Charles David Hendrix used a layoff period to his advantage several years ago when he began technical training in air conditioning and refrigeration at Coyne Institute in Chicago.

This spring, his efforts paid off with the receipt of an Associate Degree in Applied Science from Sauk Valley Community College in air conditioning, refrigeration, heating and solar energy, a Certificate in Electrical Maintenance and successful completion of a technical home study air conditioning course.

"While there is no substitute for experience, I wanted to get an education so that my expertise would be enhanced," Hendrix said of his accomplishments.

Hendrix, who has been with Northwestern Steel and Wire Company the last 17 years, said his educational accomplishments "were a personal goal."

Steve Bell, Hendrix's supervisor, lauded the self-motivated

employee/owner, stating, "I feel

David should be commended for his diligent efforts in furthering his education with the completion of all those courses."

"The education has helped me in some areas of my job. Several others in my department are working on the home study course on air conditioning so that all of our skills will be upgraded," Hendrix concluded.



David Hendrix

Stauter devotes decade to an educational quest

It took 10 years and a course at a time to achieve a long-sought after college degree for Galvanizing Department General Supervisor John Stauter.

Stauter, who was recently lauded for his accomplishment by fellow employee/owners, obtained a Bachelor of Science degree in Accounting last month from Rockford College.

The 25-year veteran of Northwestern Steel and Wire Company is a "source of pride for the rest of us in the Galvanizing Department," Supervisor Larry Rosenberg said.

Stauter was presented a check by fellow employee/owners Rosenberg, Tom Clementz, Pete Shore, Jack Morgan, Dave Erby, Bob Gholson, Carl Paxton, Don Shehorn and Dick Schuchard to congratulate him and offer their best wishes. "I really have to give John credit. He stuck with it all these years, even with the hour and 15-minute drive each way to Rockford College," Rosenberg said.

Stauter said, "I really don't know what I'm going to do with my degree. I'm glad I did it -- even if it took me 10 years. When I was 17 years old, I was too immature to know what I wanted out of life and didn't have the money to get a college education."

Noted Rosenberg, "John never lost time at work because of his studies. In fact, I think he put in more than his share of time and work at Northwestern."

Stauter was not the only college graduate this spring. His son graduated from the University of lowa and is now pursuing a career in government.

<u>Four</u>

Four receive plant safety awards

Jim Rodriquez, Vernon Fowler,

The four, according to Department

Others, who achieved safety



Eugene Johnson and Vernon Gould, all Straight/Cut Operators in the Drawing Department, were recently recognized for perfect 1989 safety awards. Scheduling Supervisor Cedric Patterson, suffered no injuries in all of last year. They were given company watches for their safety records.



Drawing Department straight/cut employee/owners recently received company watches for scoring perfect safety records in 1989. In the photo above (from left) are Jim Rodriguez, Vernon Fowler and Vernon Gould. A fourth safety award recipient, Eugene Johnson, is absent from the photo. records in 1989 of at least 90 percent, were also given watches, Patterson explained.

They included, from the Bundling Department, Russ Parker, Gene McCarter, Gary Hahn, Carlos Campos and Carl Throop.

From the Die Room, the following received watches: Romero Garcia, Tom Koch, Eugene Bollman and Art Zinke.

Annealing Department member Richard Phillips, also received a watch.

From the Cleaning House, the following received safety award watches: Bob Dir, Danny Phillips, Gerald Grove, Joe Gerdes, Mike Love, David Cummings, Gilbert Phillips and Joe Garcia.

Drawing Department supervisors include Don Bridges, Ted Lightcap, Patterson, Mike Maddox, Roger Port, Bob Gholson and Dave Erby. John Stauter, General Supervisor of the Galvanizing Department, was surprised by fellow employee/owners recently with a cake noting his recent achievement - earning a degree from Rockford College.

Five reach 35-year tenure Employee/owners to mark anniversaries

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

35 Years

Gene Miller, 9/8/55, Plant 2 Welders.

Donald L. Nehrkorn, 9/20/55, Salaried, Nail Department.

Billy M. Young, 9/22/55, Plant 3 Crane Mechanics.

Gordon L. Kendell, 9/29/55, Billet Caster.

Daniel D. Dir, 9/30/55, Wire Mill Electrical.

25 Years Edward R. Osowski, 9/7/65, Trial Crew West. John G. Armstrong, 9/7/65, Descaler.

Carlton H. Fisher, Jr., 9/30/65, Salaried, Data Processing.

20 Years Alan A. Ernst, 9/1/70, Salaried,

Plant 2 Mechanical. Raymond A. Jamieson, 9/2/70,

Rock Falls Electrical. Bruce R. Jackson, 9/4/70, Rock

Fallls Shift Tractor.

Sammy J. Worrell, 9/8/70, Salaried, Rock Falls Mechanical. Bobby J. Robbins, 9/8/70, Rock Falls Shift Tractor.

Michael L. Thomas, 9/8/70, Billet Caster. Sherman A. Guenzler, 9/8/70,

Rock Falls Shift Tractor.

Terry L. Schueler, 9/14/70, Salaried, Credit.

Lyle E. Stern, 9/16/70, Rock Falls Millwrights.

Alan P. George, 9/26/70, Rock Falls Millwrights. James S. Foshee, 9/28/70, Wire

Mill Millwrights. **10 Years**

Raul D. Garza, 9/3/80, 24-Inch

Mill.

5 Years Kathleen A. Renner, 9/3/85, Salaried, Purchasing. David E. Zink, 9/5/85, 24-Inch Mill. Raul P. Rodriguez, 9/5/85, Roll Thread. Sanjuana G. Medina, 9/6/85, Wire Galvanizer. Mark J. Petitgoue, 9/12/85, Salaried, Steel Division Sales.

Checking the stats

June, 1990

PRODUCTION

Department/Mill	Produced (tons)	Performance to Plan
Primary Department Raw Steel Billets Cast Blooms Cast	148,965 53,325 64,833	78.6% 76.3% 104.4%
Wire Division Rod/Wire Plant 1 Plant 4 24-Inch Mill 14-Inch Mill	2,711.4 8,617.1 6,260.0 33,036 27,338	N/A 100% 90% 106% 110%
<u>12-Inch Mill</u>	32,960	97%
	Shipped (tons)	Plan vs. Actual
Total Rod/Wire 12-Inch Mill 14-Inch Mill 24-Inch Mill Semi-Finished	21,166 9,008 27,638 43,096	- 1,934 - 992 - 362 +* 9,708

COMPLAINTS

Wire Division Products			
Reason	By Co \$	osts %	TOP FOUR
Service Rust Misc. Shortages	\$8,734 8,209 4,519 3,979	30.7% 28.8% 15.9% 14.0%	COMPLAINTS = 89.4% OF TOTAL
Steel Division Products			
Reason	By Co	osts %	TOP FOUR
	Wire I Reason Service Rust Misc. Shortages Steel Div Reason	Wire Division PrReasonBy CoService\$8,734Rust8,209Misc.4,519Shortages3,979Steel Division ProcReasonBy Co\$	Wire Division Products Reason By Costs \$ % Service \$8,734 30.7% Rust 8,209 28.8% Misc. 4,519 15.9% Shortages 3,979 14.0% By Costs Reason By Costs \$ %

NSW export partnership noted in newspaper response letter

One aspect of launching a successful export program is, of course, promotion. And what better way to introduce product, and corporate objectives, than through the media.

In response to an article entitled, "Steelmakers' Foreign Push Hurt by Decline in Exports," published in a recent issue of The New York Times, NSW's unique Illinois-Texas export "partnership" has been brought to the attention of one of this nation's leading and most influential newspapers.

Sandra L. Renner and W. Garv Winget of Export Resource Associates Inc., whose services were obtained to help with NSW's export training program, sent a letter to Jonathan P. Hicks, author of the above mentioned article, explaining the company's export plans.

In his article, Hicks stated steel exports are declining this year due to fluctuating currency rates, heavy international price competition, increase in demand from the auto industry and limited production capacity.

"Many economists and steel analysts said the decline was disappointing because exports had been expected to be a growing source of additional business for the steel industry," he wrote. "They were also disappointed that American steel companies in general had failed to establish sales and marketing networks overseas,

despite a weakened dollar and increased demand that had made American-made steel more attractive to overseas buyers over the last two years."

Hicks explained that, "For most of the 1980s, American steel companies essentially ignored the export market while they sought to preserve their domestic business."

In response, Renner and Winget wrote, "We thought it was appropriate to introduce you to a rather unique steel company. Northwestern Steel and Wire Company has made a commitment to exporting and is in the process of implementing a long-term strategy that will make it a major U.S. exporter of wide-flange steel beams. Unlike other U.S. steel companies, Northwestern is entering export markets with the intention of being a dependable, long-term supplier to foreign customers.

Renner and Winget pointed out three aspects of NSW's export story which are especially interesting. First the purchase and renovation of the former Armco rolling mill in Houston; second, the State of Illinois' launching of an experimental targeted export job training program; and third, the states of Illinois and Texas engaging in what is becoming a "partnership" for economic development, with the steel being produced in Illinois and shipped to Texas for rolling.

Bucket Brigade aided Lyons

In your corner

Dear, Employee/Owners.

A bucket brigade was held on Monday, July 30, for Robert Lyons, a Plant Two Crane Mechanic who was terminally ill with cancer and passed away recently.

The brigade was organized by the Plant Two Crane Mechanics along with the help of Larry Fredricks and volunteers from the East Plant: thanks also go to Allan George of Plant 4, the Crane Mechanics, and

helpers from Plant 5. The collection was taken at all gates, the Main Office, Office Annex, and Plant 4. A total of \$1,407,45 was collected to aid in paving Mr. Lyon's mounting medical bills.

Thanks to all who manned the buckets and helped make the brigade a success.

> Again, thanks to everyone, The family of Robert Lyons

71 Order Entry \$13,332 31.2% Price Equalization 10,411 24.4% Service 8,420 19.7% Caster Crack 6,923 16.2%	COMPLAINTS =91.5% OF TOTAL.
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ABSENTEES

Normal Work	Total Absence*	% Absence	% May, 1990
402,078	25,928	6.45%	5.61%
* includes off until further notice, i.e. workers compensation, sickness and accident, discipline, etc. and general reporting off.			

Hussungs thank NSW workers

No words can express our gratitude and thanks to the employees of Northwestern Steel and Wire for their generosity in donating money in our time of need. Our special thanks go to the track

repair crew for taking the time to collect the money. We will hold you all in our hearts and minds. Thanks again NSW. You are compassionate people.

William and Corriene Hussung

OSHA RECORDABLE INJURIES

44	Rate	Rate - June 1989
OSHA recordables are	18.57%	
injuries resulting in	Rate is % per	12 28%
time loss, sutures or	200,000 man hours	12.2070
physical therapy needed,	(100 employees	
industrial illness, etc.	working 1 year)	

QIP REPORTS

Time is of the essence during emergencies Team searches for faster rescue methods

A minute is a precious thing to waste when an employee/owner needs immediate medical attention, especially if that employee/owner is injured or becomes ill in a high or remote area of the mill.

The team did pinpoint three problem areas: no communication from the ground to higher levels in some departments; no way to hook up a piece of emergency equipment; and a difficult access to crane cabs.

"Removing injured people from difficult areas such as cranes, roof tops and runways results in delays in rescue efforts," stated Quality Improvement EST Team No. 1, which began researching the problem after a team member was injured in a high area. "There is no price on a person's life. The most important element is the amount of time saved during an emergency."

The team noted there is sufficient emergency-trained personnel available. The CGH ambulance has four persons on duty at all times, plus others on call, and the city fire department has seven people on duty at all times. NSW's own

emergency teams, with an enrollment of 120-140, are being trained in all areas of emergency procedures.

The company fire truck was found to be well-equipped with rescue equipment, including the Hare basket stretcher. In addition, the team was informed that all emergency procedures are in place, and are being followed when emergency equipment is needed. The proper people are also notified.

The team did, however, pinpoint three problem areas: no communication from the ground to higher levels in some departments; no way to hook up a piece of emergency equipment; and difficult access to crane cabs.

It was decided that by using a choker, emergency personnel would be able to hook up a piece of equipment onto the superstructure of the building if necessary to lower someone down to the ground. The fire

department's 100 ft. aerial ladder truck, which can be set up in ten minutes after arriving on the scene, is also a valuable piece of rescue equipment when dealing with high areas.

The team discussed various crane cabs and felt the one most difficult

to remove a sick or injured person from is O crane in the Furnace Department. Extricating a person from this cab would necessitate the use of a Grove-type crane which is part of the fire department's ladder truck, in conjunction with some type of lifting device to hoist the person through the top of the cab. If no lifting device were available, the person could be pulled from the cab by using a hand-to-hand method, however, there would be the potential for someone else getting injured because of the lack of proper footing.

A minute is a precious thing to waste when an employee/owner needs immediate medical attention, especially if the employee/owner is injured or becomes ill in a high or remote area of the mill.

The best solution, the team feels, is to call in CGH Ambulance and the fire department to assist with removing someone from a high or confined area, and for NSW to purchase two Rescue Positioning Devices.

'This piece of equipment is easily transported, it raises or lowers and

has a safety catch. If the rate of fall is too fast, it will automatically stop itself and then can be reset to start again by the person assisting the sick or injured," the team reported.

"It has a 4:1 ratio, allowing any size person to operate it with little effort. The team feels that two of these devices, with capabilities of reaching 150 ft., would be sufficient.

The team cited 27 incidents since 1981 where this device could have been used in rescue efforts. If purchased, one would be kept on the company fire truck and the other on the Sergeant of the Guard truck. Cost is \$1,630 each.

A second recommendation involves communication between those on the ground and those working in the high areas and a proposal that additional two-way radios be purchased.

Members of EST Team No. 1 are: Charles Hendrix and Ray Espinoza, co-leaders; Dave Hurd and Henry Heckman, co-recorders; Ralph Leal, Roger Polzin, Frank Norman, **Clarence Porter and Eldon** Williams.

The Steering Committee consists of Ken Burnett, Al Ernst, John Smith, Don Morgan, Jim Patterson and Mike St. Pier. Facilitator is Dick Card.

Noise infiltration hinders communications

Aging intercom reduces speed, reliability

With noise levels in the 24-Inch Rolling Mill reaching 119 decibels at times, getting a word in edgewise can be a frustrating and timeconsuming experience.

Noise interference with the aging intercom system, coupled with other persons breaking in when the

"It has been estimated that for every eight hours of intercom system downtime, the 24-Inch Mill loses one hour of production...or \$4,000."

intercom is in use, results in important numbers being misunderstood or not heard at all, reports QIP 24-Inch Mill Team No. 2, which has investigated means of improving communications between the Gauger, Roller and other operators. Much of the problem results from noise feeding into open intercoms, including that of the hot saw, air descalers, cold saw, drag-over noise, roll stand squealing and general mill noise like spindles, spindle carriers, couplings, whistles, fans, etc. Decibel levels range from 93 in the Rougher's shack, without a bar in the mill, to 119 in the Finishing Mill when the whistle is blowing. Ordinary speech measures roughly 60 decibels. Because of the noise, it is imperative that hearing protection be used, which further distorts voices and increases communication problems.

shack, and put in new wire, conduit and station boxes. Total cost of this project, including material and labor, would be \$13,308.

A second alternative would involve combining parts of this solution with a proposal generated by members of Engineering and Support Team No. 2 in April, 1989. This team, in discovering there was no proper documentation of installation and subsequent modifications to the intercom systems of all three rolling mills, created a "map," whereby conduit, wire and junction boxes can be easily traced. Much of the original wiring was found to be in poor shape.

"If we follow the 'map' of the intercom system created by the electronics team, we can replace old wiring and install our new syster the same time," the mill team reports. "The cost is lower and in so doing, the 24-Inch Mill will have a much more reliable system.' Much of the cost analysis would

the present system has successfully trimmed annual downtime (on the intercom system) to an estimated 16 hours per year," team members noted. "It has been estimated that for every eight hours of intercom system downtime, the 24-Inch Mill loses one hour of production. If our solution successfully cuts the downtime by 50%, to eight hours per year estimated, it would save NSW one hour of lost production or \$4,000."

In addition, "Any bar that is thrown out of the mill, or run as a reject because a section is bad, costs the mill approximately \$180 per ton. A speedier, more reliable intercom system could save several bars per year from being rejected. This would reduce costs and increase the overall yield for the 24-Inch Mill."

Members of the team are: Michael Amesquita, Steven Bierman, Gilbert Quick, Mark Martin, William Anderson, John Howard, Rick Smith and Joe Wittenauer. The Steering Committee consists of Jerry Hartman, Jim Mangan, Dean Dace, Gary Rosenow and Bob Aldridge. Facilitator is Dennis Stoudt.

More records broken by NSW's personnel

The team believes the best solution is to enclose the Gauger and Assistant Roller's shacks, insulate these along with the Rougher's

Because of the noise, it is imperative that hearing protection be used, which further distorts voices and increases communication problems.

remain the same as the original proposal, with the exception of cuts in both labor and materials for renovating the wiring. Total cost of this proposal is \$11,482. Tangible benefits of implementation will include improvements in both speed and reliability of the mill. "The 'map' of

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

Owners Manual salutes the ongoing accomplishments of NSW's employee/owners.

Drawing Dept. Shift Record	Old Record
20-gauge wire	
June 24, 1990	Mar., 15 1990
9,450 pounds	8,860 pounds
3 to 11 shift	Unknown
Manuel Atilano	R. Pope

Drawing Dept. Shift Record	Old Record
.16 galvanized 11	-gauge wire
July 6, 1990	May 11, 1990
32,970 pounds	31,250 pounds

11 to 7 shift Jerry Fullmer 3 to 11 shift Jerry Fullmer

Mar. 2, 1990

240 cuts

7 to 3 shift

Everett Yates

Sam Rodriguez

Randy Morris

Larry Sutton

John Wheat

Netting Dept. Shift Record

Old Record 48 1x20 150-50

July 17, 1990 244 cuts 7 to 3 shift **Everett Yates** John Wheat Sam Rodriguez **Randy Morris** Agustin Arteaga

Drawing Dept. Shift Record

.148 galvanized

July 18, 1990 36,600 pounds 7 to 3 shift Jerry Fullmer

Old Record

March 11, 1990 33,210 pounds 3 to 11 shift Mike Kinnaman

Personnel receive credit 14-Inch Mill sets performance records

The 14-Inch Mill experienced such a record performance the first half of calendar year 1990 that even Manager Dick Frasor admitted he was surprised.

"I have been associated with rolling mills for 33 years and this is the best continuous performance l have seen," he said.

The performance streak began in January and continued through the end of June. As a result, Frasor noted, incentives were up 12% to 17%, yields were at a record high of near 91%, production rose nine tons per hour and costs were cut by about \$11 per ton. In addition, three production records were set, and the mill's OSHA recordable injury rate dropped 51%.

"Normally, a rolling mill will have a few good months, then something goes wrong and you have a bad month or two. Then the cycle will repeat itself," Frasor explained. "In December of 1989, the weather was so cold we could not keep our equipment running and we had a bad month. But after that, our employee/owners did a great job."

He attributed the mill's success to a variety of factors, including the



Dick Frasor, Manager of the 14-Inch Mill, credits workers in his department for having such an outstanding record performance for the first half of 1990.

fact there were no major breakdowns, the reheat furnace was trouble-free and the ASEA speed control was almost flawless. Also factoring in were discontinuance of special tolerance flat orders and introduction of change-over incentive rates.

But Frasor credits workers for pulling it all together. "Most of all, it's just been a super performance by 14-Inch Mill personnel. If we can keep the equipment running without excessive maintenance costs, these guys can produce with the best," he said. "We have an attitude change going on in both union and management employees, and it really seems to be working. We haven't reached 'utopia' yet, but there is a definite improvement."

A progressive QIP effort is also helping to enhance 14-Inch Mill teamwork. Backed by "great union support," there are currently three mill teams and one shipping team. The mill teams, Frasor reported, are so large that plans are in the making to split them up and make a fourth team. Other employee/owners have indicated their desire to join teams as well.

Many viable ideas have been generated by the teams, with some proposals implemented even before presentations were made. The steering committee, Frasor pointed out, "does its best to support the teams and implement their solutions."

All in all, Frasor said, "the good things that are happening at the 14-Inch Mill appear to be the results of people working together, which in turn promotes a better attitude in most of us. We don't always agree with each other, but we try to do all we can for our people without

"I have been associated with rolling mills for 33 years and this is the best continuous performance I have seen."

infringing on our responsibility to NSW, which is to operate as profitably as possible, and follow company rules."

Such a "win-win" situation benefits both employee/owners and the company by way of better takehome pay for workers, rising value of ESOP stock and an overall increase in profitability for NSW.

Frasor is cautious, but confident, the mill can keep up the good work. "Right now, it's good for everyone and it feels good, but it won't last forever. Equipment breaks down, orders can drop or the wee-people (gremlins) will attack and we'll have a bad month. Hopefully, it will be only one bad month and we'll be off on another string of great performances!" he said.

NSW seeks 'standards' rating in Japan

Northwestern Steel and Wire Company is making application to be a JIS approved steel plant. JIS (Japan Industrial Standards) approval will facilitate export of structural steel products to Japan and elsewhere.

A JIS rating must be met in order to export products that will be used in public safety construction projects, such as bridges and buildings.

For Jerry Shinville, General Manager, NSW Quality Assurance, obtaining the JIS rating means ensuring first that all facets of the production of structural steel here

"There's no shortcut for Japanese steel companies. They have to go through (getting the JIS rating) too. It's almost like their good housekeeping seal of approval."

conform to strict Japanese standards. it's similar to conforming to our ASTM standards, except in Japan the standards are government-operated, rather than voluntary like here," he said. Shinville traveled to Tokyo in June and met with officials of Japan's Ministry of International Trade and Industry (MITI), the governmental agency designed to regulate domestic industry as well as quality of products coming in from abroad. He returned with a list of in-house standards that, to the average person, is mind-boggling. Among 25 general rules are requirements for management rules, document control, subcontracting, steel sales, steel manufacturing, raw material control, supply receiving inspection, testing, education, equipment management, safety and environmental control procedures.

purchase specifications, and work standards that include shaped steel manufacturing, rail manufacturing process, materials control, scarfing and grinding/polishing procedures, as well as furnace operation, lighting and extinguishing procedures and heat control.

Steel procedural standards involve, among others, extraction, rough rolling, crop shear, finishing, hot saw, cooling floor, band saw, product refining and steel formation correction procedures.

Testing procedures include analysis of carbon, silicon, manganese, phosphorous and sulfur, as well as tensile and bending test methods.

Completing the list are standards for computer work and quality assurance manuals, in addition to equipment checking rules.

Fortunately, NSW's commitment to quality means many of these standards are already in place. "A majority of standards we already conform to," Shinville pointed out, "and anything we need to conform to, we will." The application process is hoped to be completed by September, but is only the first step in gaining the rating. If MITI approves the application, a three-day audit will follow, during which at least two Japanese officials will come to NSW to inspect operations. In the alternative, we may be able to have American inspectors from a MITIauthorized agency inspect NSW. Should they find a flaw, NSW may have the opportunity to right the problem, but more likely will simply be denied the JIS rating. Should the audit prove favorable, NSW would be granted the certificate, allowing the company to place the JIS stamp on its product. The product would hence be recognized as conforming to

Japanese steelmaking standards, thus enhancing its marketability.

"JIS is a standard certificate and has nothing to do with sales," Shinville explained. "A company can sell non-certified steel (to Japan) if someone wanted to buy it. But if given the chance to buy certified or non-certified steel, that buyer would choose the steel which is certified."

It is unknown when NSW could receive the stamp. It could take a couple of months or a couple of years, Shinville noted.

If there is any consolation in having to go through this complicated, time-consuming process, it is in the fact that Japanese steelmakers are not exempt from conforming to the very same standards. "There's no shortcut for Japanese steel companies. They have to go through this too. It's almost like their good housekeeping seal of approval," Shinville noted.

In addition to giving NSW a competitive edge in Japan, JIS certification would open other doors in Pacific rim countries, all of which require certified steel and would accept Japan's stamp as authenticity of quality. capability studies needed for application, of which the paperwork must be written in Japanese. NSW has obtained the services of Mark Foster, an attorney and former U.S. Department of Commerce official with the U.S. Embassy in Japan, to guide the company through the process and translate all the necessary documents. Foster has offices in Japan and Portland, Oregon and has negotiated extensively with Japanese officials on behalf of other American companies.

Meanwhile, Shinville remains upbeat about the company's chances of receiving JIS certification, saying, "We feel we have the finest structural quality, and don't see any reason we cannot justify our system to JIS."

Currently, Chapparal Steel of Midlothian, Texas is the only other U.S. Steel company at this time to have the rating for export of structural steel. Northwestern's application for JIS approval is substantially broader than Chaparral's, however. When obtained, NSW expects that the approval will cover virtually all products made at the 24-Inch Mill in Sterling.

Following this are product, packing, raw material standards,

Right now, however, Shinville is concentrating on completing the



Jerry Shinville, traveled to Tokyo recently to make application for a Japan Industrial Standards (JIS) rating for NSW's structural steel products. He is pictured above with Frank Murphy.

Assistance program off to a good start Employees seek help with varied problems

Although it's too early to gauge individual success rates, NSW's Employee Assistance Program (EAP) is off to a good start.

From the beginning of May through the end of July, 61 persons sought assistance on a variety of problems ranging from drug/chemical dependency to questions concerning the legal system.

EAP Manager Jim Gallentine is



Carol Price is one of the people who helps make Northwestern's Emergency Assistance Program the success that it is today.

more than a little pleased with the interest. "The response is better than we could have anticipated. It surpassed all our expectations," he commented. Merlyn Bruns, Vice President, Human Resources, echoed his comments. "It's off to a really good start - it's doing great," he said.

Reluctance on the part of individuals to discuss their

problems has obviously been less a problem than expected. In gauging the success of EAP here, Gallentine has made an interesting observation. "We patterned our program after Alcoa, which started

"we're constantly getting calls from professional and charitable agencies requesting to be on the list."

Meeting with clients and assessing their situations is not the

From the beginning of May through the end of July, 61 persons sought assistance on a variety of problems ranging from drug/chemical dependency to questions concerning the legal system.

its program in 1979. They only had 17 cases that whole first year," he emphasized.

One difference between the two programs, however, is that Alcoa geared its assistance solely toward drug/alcohol dependency. NSW's program is far more "broad based" in nature. Gallentine noted most of the assistance rendered so far has been in the areas of drug/alcohol dependency and psychological /emotional problems. Other than that, there have been a few seeking legal, marriage and other counseling.

The real barometer in measuring how effective EAP is involves case followup -- whether the individual went to his or her appointment with the referred professional and whether the referral assistance is indeed helping that individual out. "The success rate (per individual) is hard to measure at this point," Gallentine noted. "The true gauge will be asking how that individual is doing a year from now."

The EAP Manager is also having little trouble establishing a referral list of professionals and social service agencies: "We're adding to the list every day," he said, adding only thing that keeps Gallentine busy. He spent four days in July attending an EAP workshop at the Hazelden Foundation in Minnesota, one of the first drug treatment centers to open in the U.S.

He and his assistant, Carol Price, have enrolled in psychology courses this fall at Sauk Valley Community College, and have been attending area seminars relating to another major concern associated with dependency problems -- "codependency."

EAP also recently co-sponsored a Sauk Valley College Day during which college officials offered information to individuals about courses.

In addition, Carol Price has been undergoing training in office management and how to make case assessments.

EAP is continuing its promotion of supervisor awareness as well. Plant supervisors are the ones most likely to notice an individual's problem, and progress, after gaining assistance, but often aren't sure what to do with this knowledge. "They (supervisors) have to develop the trust and confidentiality that EAP offers," Gallentine said.



Jim Gallentine is the EAP Manager who has helped 61 workers use the system since its inception in May.

An 'attention-getter' is a better letter

For many, composing an important letter is no labor of love.

"Am I making myself clear?" "Have I left anything out?" "Will anyone even read this?" may be some of the concerns running through any writer's mind. And the more you worry, the harder the task becomes. Sound familiar?

If it does, the following pointers may help you grab the attention of and even impress your superiors, your congressman, or any other person, company or office you must deal with via a written letter.

• Is it going to the right person? Knowing your audience is very important. Not only will it ensure the letter gets to the person who can act on it, but allows you to choose the specific points you should emphasize in order to be persuasive. • Will it hold the recipient's attention? Open your letter with "oomph!" Your first paragraph must grab - and hold - the reader's

It is best to envision a reader that is skeptical. By doing so you will be able to anticipate opposition and have counterarguments ready.

attention. Try highlighting key words or phrases in bold-face type or capital letters.

• Will it get the reader involved? People do things for their reasons, not yours. To win them over, you must explain the benefits your perspective has for the reader. Illustrate your points with concrete examples when possible.

• Does it explain the truth? Don't exaggerate or make claims you cannot prove. Your reader will not want to be misled.

• Am I expecting too much? It is best to envision a reader that is skeptical. By doing so you will be able to anticipate opposition and have counterarguments ready.

• How do my emotions come across? Enthusiasm shows, even in a letter. If you don't really care about the mesage yourself, your reader won't either. Remember, though, that angry words will antagonize the reader and may make your effort a waste of time.

• Have I made myself clear? Keep your letter short and to the point. Ambiguous words and technical jargon get in the way of effective communication. Say exactly what you mean, and don't wander off the subject.

• Will the reader understand the purpose of the letter? Make sure you are clear about what action you want the reader to take. In your final paragraph, tell the reader exactly what you want him or her to do. If there is a certain date or time involved, don't be afraid to mention it.

6 workers bid farewell to Northwestern timeclock

Six NSW employee/owners with an accumulated total of 162 years retired effective August 1, 1990. *Owners Manual* commends these individuals on their longtime dedication to the company and extends best wishes for a happy and productive retirement.

39 Years

Charles Murphy, Salaried, 14-Inch Mill.

32 Years

Dale E. Bopes, Salaried, Plant 4

Shipping.

30 Years Robert Lyons, Plant 2 Crane Mechanic. **28 Years**

Thomas R. Hughes, Plant 2 Electrical.

17 Years Howard Finnicum, Guards. 16 Years Longinos Ambriz, Nail Room. Northwestern Steel and Wire Company 121 Wallace Street Sterling, Illinois 61081 Permit No. 69 Sterling, IL ROCK FALLS IL 61071