

**A Look
INSIDE**



**New shipping
and warehouse
facility begins
operation**

See page 8



**Wire Division
sells first Color
Guard to Canada**

See page 4



**"Adopted" cat
is happy at
home in RF
Drawing Room**

On page 6

The Owners Manual

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

February, 1991

Northwestern receives JIS certification

President's Corner

Dear Fellow Employee:

It was with a great amount of pride that we were able to announce receipt of the Japanese Industrial Standards (JIS) certification. Through your committed efforts to quality, we were able to receive the certification in record time from the Ministry of International Trade and Industry's (MITI's) receipt of our application.

The JIS certification brings Northwestern to the quality major leagues. We are now part of a very small elite group of non-Japanese steel companies that hold this prestigious award.

The certification is valuable to us for a number of reasons. First, it allows for substantial participation in the Japanese market for our mill products, including semi-finished steel. Secondly, it gives us a recognized mark of quality excellence in many other markets around the world, including the United States. Thirdly, it provides us with a formalized quality structure from which we will operate. MITI refines its requirements for JIS on an ongoing basis. Additionally, they recertify all recipients on an annual basis. This means that we will be continually provided with leading edge quality technology and will be supported in its implementation.

A very major emphasis of the JIS certification relates to the standardization of our operating processes. We still have a ways to go in that regard. To date we have met MITI requirements for our 14-Inch and 24-Inch mills together with our semi-finished steel products. Our next major area of emphasis



Robert N. Gurnitz

will be our Houston mill's products.

Standardization of our operating processes is an important element of our quality system. Not only do we have to develop such standards, but of equal importance, all of us must be trained and committed to their use.

In addition to our commitment to the use of standard operating processes, we will be providing the training required for additional use of Statistical Process Control (SPC) techniques. This is a very valuable tool that has application across all sectors of our Company, including our administrative, as well as our plant operations.

Quality improvement is a never ending process. We can and will always strive for continuous improvement in all areas of our Company, most notably in the areas of quality, customer service and cost.

I applaud all of you for your fine efforts to date and look forward to being a supportive participant in our continuing successes.

Sincerely,
Robert N. Gurnitz
President and
Chief Executive Officer

World-class quality of NSW recognized

The long hours put in by Northwestern employee/owners getting ready for the January 1991 visit by the JIS inspection team has paid off and our reputation for producing world-class quality products is growing.

It was announced on February 18 that as the result of a comprehensive quality assurance system, Sterling's structural rolled steel products, including angles, beams, channels and flats have received the Japan Industrial Standards (JIS) certification.

This stamp of approval will help us open additional export markets for

Northwestern Steel and Wire Company to become competitive in the global market. I think it shows a bright future for NSW."

Robert N. Gurnitz, Northwestern Steel President and Chief Executive Officer, said the certification acknowledges that Northwestern employee/owners "are among the most skilled and most highly dedicated in the world and reflect the world-class quality of our steel operations."

"We've known for years that our people at Northwestern know how to produce quality steel...and now JIS is another feather in our caps,"



Pictured above are Northwestern representatives with an Agency of Industrial Science and Technology (AIST) official at the presentation of the JIS certification in Tokyo. From left, Noel E. Reed, President of United Steelworkers of America, Local 63; Gerald T. Shinville, General Manager of Quality Assurance; Hiroshi Shima, Director-General of the Standards Department at AIST; Mark Foster, Northwestern attorney; Robert N. Gurnitz, President and CEO; and Charles H. Biermann, Senior Vice President of Sales.

the company and will benefit all employee/owners as we are able to enter the worldwide market with Northwestern products.

John Tomczak, President of United Steelworkers of America, Local 3720, said, "It's a new aspect of our company that we are able to export into the Pacific Rim and a great opportunity for employee/owners of

said Noel Reed, President of United Steelworkers of America, Local 63.

Gurnitz said the certification will open new doors for Northwestern.

"Not only will we be able to sell more product in Japan, but this certification will allow our company to greatly expand exports throughout the world," he said. (See JIS, page seven)

A 'new' Work and Win to be held in 1991



Fred McCloud, Work and Win Committee member (left) is assisted by Bill Warmbier, USWA area supervisor, in the Work and Win vacation prize drawing.

The drawing for eligible participants of the Work and Win program was held on February 1. Out of nearly 1,300 names of employee/owners who had perfect attendance between July 1, 1990 and December 31, 1990, 22 were drawn for awards of additional vacation.

The grand prize of four additional weeks of vacation went to Wayne Russell, 14-Inch Finishing, and a second prize of two weeks of vacation was given to Jack Guerrero, 12-Inch Finishing. Twenty one-week vacations were also awarded, and those winners are listed below.

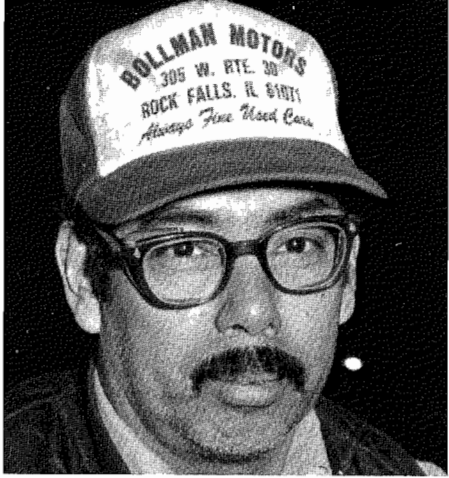
Fred McCloud, Work and Win Committee member, says the program acknowledges some of

those workers who achieve perfect attendance. "This program gives people some recognition. If it's done nothing else, it has given 22 people recognition for coming to work regularly and doing their job," McCloud commented.

Don Nehr Korn, also a Work and Win Committee member, says that while the program did not reduce the overall percentage rate of absenteeism, day-to-day report-offs were reduced during the program by .22%. Because of this element of success in the program, Work and Win II has been approved to run from March 1 through August 31, with several changes to be administered.

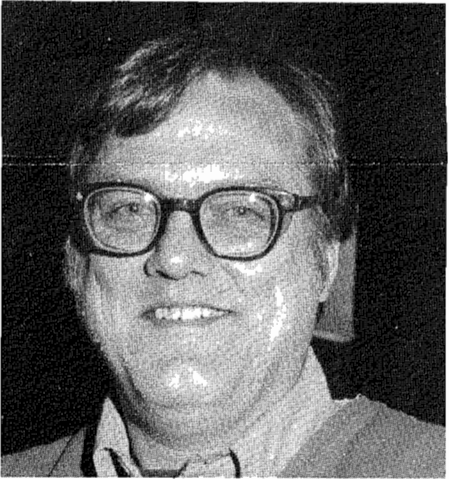
(See WORK AND WIN, page 3)

Viewpoint



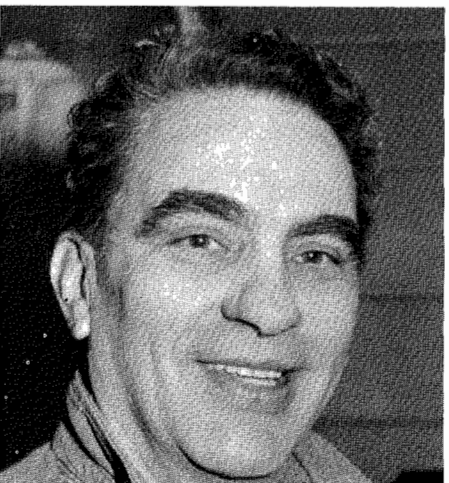
"Have better management of the laborers. The laborers go around doing only what they want. They don't have the foreman tell them, 'Well, we've got to get this done.' We need better management."

Carlos Campos
Bundler
Plant 1 Bundling



"Well, around here it's a matter of having brooms and stuff. Around here, you look, and we don't have any."

Keith Rahn
Galvanizer Operator
Nail Galvanizing

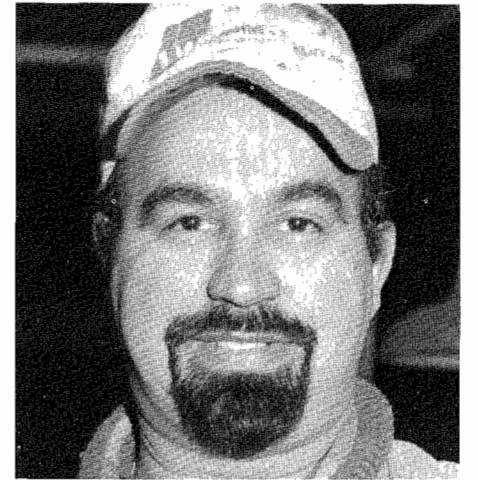


"Well, I can tell you some things that are wrong. For one thing, I see people don't have a conscience about keeping things clean. It's hard to believe that people live at home the way they live here. I think you really need supervisors that will make people that aren't willing to do their job - as far as cleanup - do it."

Robert Rubright
Strand Operator
Caster

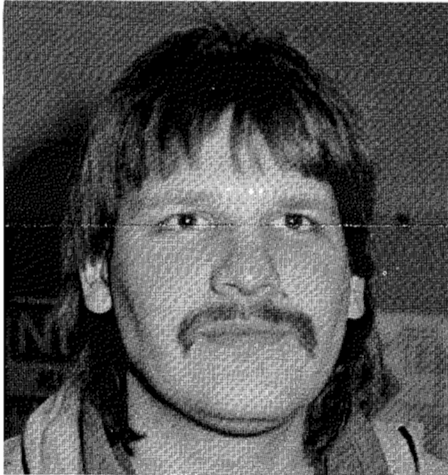
"What do you think we as a company should do to improve Northwestern's overall housekeeping?"

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.



"Work as a team, instead of an individual, with the company backing you up as an employee. People will do a lot more if the company treats us like human beings and not just numbers."

Alberto Castenada
Operator
Rock Falls Mats



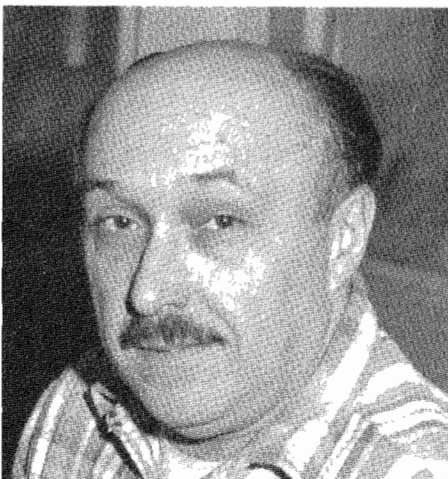
"It's pretty bad down here. People need to pick up after themselves I guess."

Doug Wilkens
Millwright
Plant 2



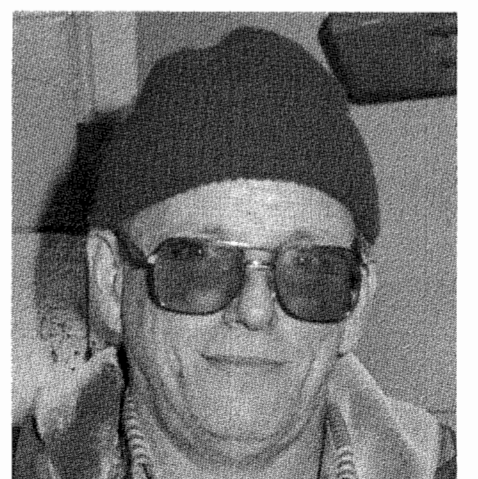
"The people have to know and understand how important housekeeping is and how it can affect the safety of everybody."

John Bonneville
Shipping Department
12-Inch Shipping



"This area here, you've got so much debris, it's almost impossible. Whenever they have tours and things, they have to spend an ungodly amount of money to clean it up and try to make it presentable. It is a steel mill and not a candy factory."

John W. Hall
Ladle Furnace Operator
Furnace Department



"I don't think we do too bad ourselves, with what we do right now in this area. I think we do about as good as can be expected really. Everybody's pitching in trying to keep things cleaned up and hazards down."

David Douglass
Crane Operator
24-Inch Mill Conditioning Yard

Northwestern On The Homefront

Sterling-Rock Falls targeted for article

Time magazine focuses on Northwestern National Guard members serving in Gulf

Rock Falls made national news recently when *Time* magazine visited the community and Northwestern. *Time* reporter, Ann Blackman, was in town to do a story

...many NSW employee/owners (have) relatives serving in the armed forces, and (hopefully) the community remembers to support them as well as the Rock Falls Guard members...

on the families of members of the 1644th Transportation Unit who are now stationed in Saudi Arabia.

Another area she focused on was the businesses in the community that employed these members of the 1644th, and how they coped with the temporary loss of the work force. Don Simpson, Manager of Employment, spoke with Blackman about the ten NSW employee/owners now serving in the Gulf War.

Simpson says he discussed with the reporter the fact that losing these employees meant they had to be replaced through the employment process. He also told her he was very impressed with all the support being given to the National Guard members, not only by their co-workers, but also by the entire community.

Even though the 1644th has left

many family members behind in the Sterling-Rock Falls area, Simpson knows first-hand there is also a great number of families with relatives serving for the Army, Navy, Air Force, or Marines in the Gulf.

Simpson's stepson, Shawn Longacker, is serving in the Navy aboard the U.S.S. Tarawa in the Gulf. The 20-year-old Seaman refuels helicopters and other aircraft.

Simpson says he knows of many other NSW employee/owners with relatives serving in the armed forces, and he hopes the

...she focused on the businesses in the community that employed the members of the 1644th, and how they coped with the temporary loss of the work force...

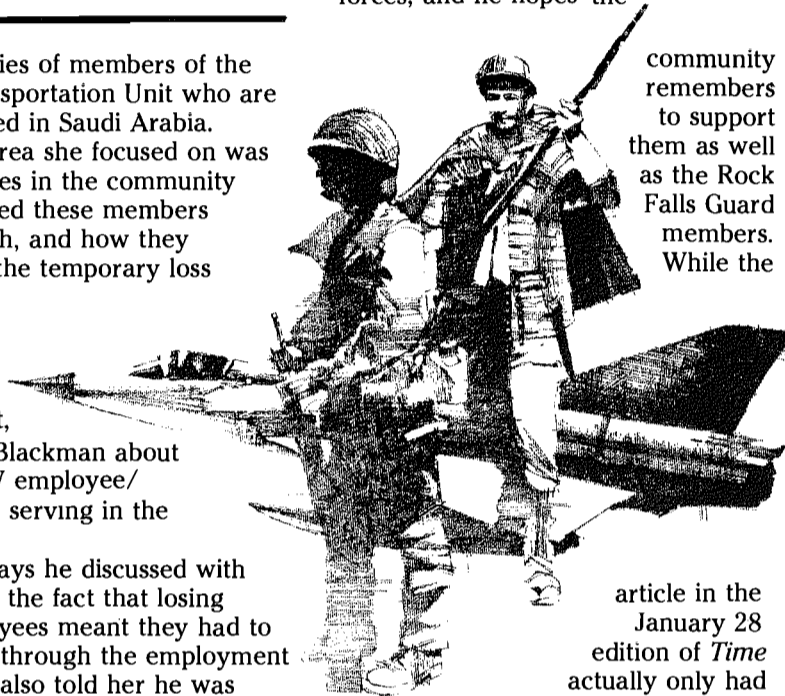
1644th address

Ten NSW employee/owners and several family members and friends of Northwestern employees are now in Saudi Arabia. Those members of the Rock Falls National Guard Transportation Unit No. 1644 were recently moved from Ft. Sheridan to Operation Desert Shield in Saudi Arabia. Anyone wishing to write a member of the 1644th Unit may send their correspondence to the following address:

1644th Transportation Unit
"Name"

6th Trans. BN.
Operation Desert Shield
APO, NY 09623-0006

The Communications Department is sending the *Owner's Manual* each month to the ten employee/owners in the 1644th Unit. They are: Edwin Adami, Labor Pool; Darrel Angier, Galvanizer; Todd Bass, Labor Pool; Santos Chavez, Jr., Galvanizer; Steve Crowe, Labor Pool; Dana P. Johnson, Labor Pool; Thomas L. Jones, Wire Mill Shipping; Maurice Rhodes, 14-Inch Finishing; Nicholas Wade, Labor Pool; Rodney Harrington, Sterling Labor Pool.



community remembers to support them as well as the Rock Falls Guard members. While the

article in the January 28 edition of *Time* actually only had very little written on Rock Falls, Simpson

says Blackman informed him there may be a continuing focus on Rock Falls as the war in the Persian Gulf continues.

CBC covers story on effects of war at home

Barbed wire shipments and 1644th attract Canadian news media coverage

A four-man news team from the Canadian Broadcasting Corporation (CBC) recently visited Northwestern to cover a story on the effects of employees leaving for the Persian Gulf.

The team is with the program, *The Journal*, which is comparable to ABC's *Nightline*. Like *Nightline*, *The Journal* has dedicated their airtime to stories surrounding the Persian Gulf War, and this news team's assignment is to cover the effect of the war on communities across America.

This special series has taken the team - consisting of a producer, reporter, cameraman, and soundman - to New York City, Pittsburgh and Wheeling, West Virginia. They also went to Kent State University in Ohio where four died protesting the Vietnam War more than 20 years ago, and today students are supporting the Gulf War.

They came to Sterling-Rock Falls after their researcher in Toronto pinpointed the community as one being affected by the loss of National Guard members to the Persian Gulf War effort.

Reporter Allen Abel says he focused on two elements in the

Sterling-Rock Falls community. One is that 181 people (members of the 1644th National Guard) have vacated the work force and their families to fight a war, and the other is the irony of the war benefitting the economy - specifically local businesses such as Northwestern.

Abel says *The Journal* wants to portray the real-life effects of war and how distant those effects are from what is seen in movies today. "We want to show that it's not just *Rambo* and *Top Gun*," Abel commented.

The Journal's news team focused

"We want to show that it's not just *Rambo* and *Top Gun*..."

on the Barb Wire Department, which has supplied some of their product for Operation Desert Storm in Saudi Arabia, as well as co-workers of three members of the 1644th who are employed in the East Plant. Abel spoke with Jim Shover and Ed Renner, Galvanizing, and Robin Dibble, Shipping. Their co-workers stationed in Saudi Arabia are Santos Chavez, Jr. and Darrel

Angier, Galvanizing, and Thomas L. Jones, Shipping.

Abel directed several questions to these employee/owners including, "How do you feel about your friends being over there now? What kind of people are in the 1644th? What is it like working without them here now? Why did they join the guard? How did they feel about having to leave?" Jim, Robin, and Ed expressed similar concerns for their friends' safety. They also agreed that the guard members had fears about going, but at the same time, were very proud to serve their country.

Other places and people in the community that *The Journal* news team visited were the support group for the 1644th at the Rock Falls American Legion, the family of one female guard member who left behind her four-month-old baby to go to Saudi Arabia, and two other area businesses contributing their products to the war effort. Roxite Fiberglass Division in Rock Falls is producing armored bullet-proof doors for the war effort, and Metal Spinners Incorporated in Rock Falls is contributing air raid sirens to the Gulf.

Work and Win

(continued from page one)

A new set of rules accompanies Work and Win II, including the separation of day-to-day report-offs from persons off until further notice. The absenteeism percentage will not take into account those off until further notice, and since this was the biggest problem with the first Work and Win, committee members are hopeful the separation will further the program's success.

(a) change in the program is that employee/owners are allowed one absence during the six-month period...

Another change in the program is that employee/owners are allowed one absence during the six-month period. Also, the company will be contributing 30%, rather than 15% of the savings from reduced absenteeism, to the Work and Win pool.

Other eligibility requirements are that the participant must be an active employee as of August 31, 1991, the participant must be scheduled to work at least 20 of the 26 weeks of the program, and the participant is excused, without having to use the one allowed absence, for the following reasons: authorized union business, funeral leave, and jury duty or subpoena.

The prizes to be awarded have also changed from the first Work and Win program. Grand prize is four weeks of vacation and \$1,500 cash. The second prize of two weeks of vacation will remain the same. Third prize will change to 20 winners of \$460 in cash, rather than one week of vacation. All other participants will have a chance to win additional prizes of \$460 cash from any surplus in the Work and Win pool.

Grand prize is four weeks of vacation and \$1,500 cash...and third prize will change to 20 winners of \$460 in cash, rather than one week of vacation.

Members of the Work and Win Committee look forward to all employee/owners participating in Work and Win II. The committee members are Noel Reed, President of USWA Local 63; David Miller, Financial Secretary for USWA Local 63; Russell Lovell, Chairman of Grievance Committee for USWA Local 63; Richard Bennett, Manager of 12-Inch Mill; Donald Nehrkorn, Manager of Nail Room; and Fred McCloud, General Manager of Human Resources.

One Week Vacation Winners

The following people won one additional week of vacation in the Work and Win drawing: John Hall, Plant 2 Welder; Anne Hungerford, Data Processing; Jerry Fry, Plant 2 Welder; Todd Weinrich, Sales-Steel Division; Larry Rosenberg, Caster; Frederick Taft, Electric Furnace; Ray Duncan, 14-Inch Mill; Michael Foley, Sales-Steel Division; L. Scott Gillihan, WM Millwright.

Lawrence Slifer, WM Drawing Die Room; Barry Montague, Jr., Transportation; Thomas Beggerow, Billet Caster; Eugene Jacoby, Safety; Edward Munson, 14-Inch Electrical; Michael Burgess, OTR Driver; Harold Hansen, Billet Caster; Richard Hoff, Plant 2 Millwright; Douglas Riggins, Field Fence; Robert Gholson, WM Drawing; and Dennis Rockwell, 14-Inch Finishing.

Breakfasts honor QIP/LMPT team members with perfect attendance

The annual QIP/LMPT Team Recognition Breakfasts were held on two Saturdays in January at the Brandywine Inn. The breakfasts were held to recognize everyone who participates on the QIP and LMPT teams, with special awards presented to those who had perfect attendance at meetings in 1990. There were 106 QIP and LMPT members who attained 100% attendance last year.

Members who accumulated 200 or more points during the year were eligible to receive an award of \$300 cash or a chance to be included in a drawing for a trip for two. Carlos Chavira, a member of the Plant 2 P.C.I.C. team, was the winner when his name was drawn from 16 names in the trip drawing. He has decided to go to Hawaii for one week. He will also receive an additional week of vacation and \$350 spending money.

This Plant 2 Crane Operator says

the opportunity came, I took it," Chavira commented. He feels the incentives in the QIP Program help members improve their performance. "The people on the teams realize they can get the satisfaction of not only helping the company, but also getting something in return. That's something they can look forward to," he said.

As hosts of the breakfasts, LMPT Steering Committee members and the LMPT Facilitator organized the breakfasts, which featured four speakers at each. Speakers were John Tomczak, President of USWA Local 3720; Noel Reed, President of USWA Local 63; Mike Mullen, Vice President of Wire Division Operations; Robert Gurnitz, President and CEO (with Tom Galanis, Senior Vice President of Operations, substituting for Gurnitz at the second program) and LMPT Steering Committee spokesperson, Merle Heckman. Each man briefly



Tom Galanis (left), Senior Vice President of Operations, congratulates the winner in the 80/80 Club trip drawing, Carlos Chavira, and his wife, Olga.

he chose to be eligible for the drawing rather than take the money because his situation was similar to that of last year's winner, Cedric Patterson.

"Like last year's winner, I had promised my wife I was going to take her to Hawaii one day. When

spoke about the QIP/LMPT program.

LMPT Facilitator Merle Heckman, who was the emcee, feels the event went very well. "Everybody really enjoyed the breakfasts and the programs that followed," Heckman commented.

Color Guard hits Canadian market NSW exports wire products across U.S. Northern border

Northwestern's Wire Products Division began exporting Color Guard to Canada in mid-January, when a Canadian trucking line picked up the first of four truckloads of the product.

Nearly a year ago, Jim Treacy,



The Color Guard being exported to Canada (right) stands two inches higher than the standard size (left) and includes the French translation.

Assistant Sales Manager of the Wire Division Sales Department, received an inquiry from Mike Wigley, General Manager of Trade-Way Sales and Marketing in Concord, Ontario. Extra effort put forth by several departments finally resulted in the \$40,000 sale of Color Guard to the Canadian wholesaler.

Trade-Way had been selling a product similar to NSW's Color Guard when their supplier was bought out by another company. This company began selling directly to Trade-Way's customers, so Wigley sought out another supplier with a similar product.

Treacy says this order differed from an average sale in more ways than one. "The interesting thing about this order is that he wanted something that we had never made before and Canada is a country that we have very little knowledge of or experience with," he explained.

"We just started from nothing and worked it through production and

advertising, and came up with a package that they accepted. And consequently, it developed into some profitable business for us," he concluded.

Wigley, whose company distributes to hardware and home center stores in Ontario, Quebec, and Manitoba, requested that Northwestern make a few changes in the Color Guard he would purchase.

One difference that he asked for was a 16-inch high product, which is two inches taller than the Color Guard NSW normally produces. Tom Baker, General Supervisor of Plant 4, says the people who actually work on the Color Guard machines are the ones who came up with the change-over solution. He says it has turned out to be a fairly simple transition, taking only about two hours to switch from 14-inch to 16-inch and vice-versa.

Another difference in the Color Guard being shipped to Canada is that a portion of the order called for rolls 25 feet long, with the balance in standard 20-foot rolls.

Besides the production differences, the roll signs had to be changed to include both English and French. Along with this language modification is the addition of metric measurements; feet are also expressed in meters and inches in millimeters.

(See EXPORTS, page six)

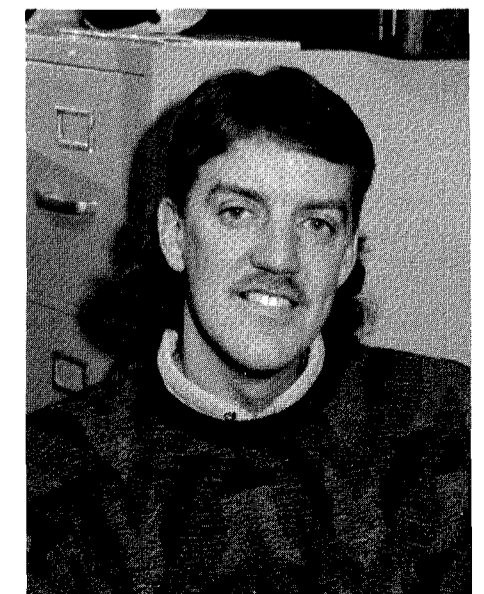
QIP facilitator joins East Plant

Effective January 14, Don Bielema became a QIP Facilitator in the East Plant. Bielema has been employed by Northwestern for nearly 24 years as a draftsman. He worked in the West Plant until 1986, when he began drafting for the East Plant.

Bielema graduated from the Morrison Institute of Technology with an Associate of Science Degree, as well as earning several hours of credit at Sauk Valley Community College.

The position of QIP Facilitator has been of interest to Bielema for some time. "I've been involved in QIP since 1988, and it sounded very interesting because it's something different; I get to meet a lot of people and learn more about the company," Bielema said.

Residing in Sterling, Bielema and his wife Andra (who is employed in Northwestern's Accounting Department) have three children, Andy (22), Cory (19), and Jamie (14).



Don Bielema

QIP TEXAS - Together Everyone Xcellerates After Solutions

Quality Improvement Program is generating enthusiasm in Houston

Nearly 50 employees at NSW-Houston have gone through QIP training in the last five months. The No. 1 Beam Team was formed after the first training session in September 1990 and in November, additional employees were trained to form three more teams: the PASS Team (Problems Are Simply Solved), the Dirty Dozen, and the POWER Team (Positive Outcome With Employee Resources).

The QIP-TEXAS Steering Committee is responsible for the success of these teams, and the members are Rubin Carter, Human Resources Manager; Dick Friel, Operating Manager; Paul Lasco, Plant Technician; Harold Long, Roll Shop Supervisor; Ben Mojica, Plant Technician; and Eric Willingham, Plant Technician.

The problem assigned to the No. 1 Beam Team is to develop a form to be used in operations that will highlight and define the 20% of the

problems that cause 80% of the mill delays. The PASS Team recently began studying the problem of the lack of communication between plant technicians throughout the mill on all shifts concerning repairs and the operation of equipment.

"I think by now it's sinking in that they are going to be involved and...work on the problems...in the operation of the mill."

The Dirty Dozen Team has been assigned the problem of mill breakdowns occurring without predictable frequency at the hot saw. Finally, the POWER Team is tackling the problem of a potential for accidents in the Roll Shop while building rolls.

QIP Manager Larry Miller says he is very pleased with the quick

acceptance the process has had in Houston.

The leader of the Steering Committee, Harold Long, says every Houston employee will attend the training sessions, and future training is tentatively scheduled for March. He says everyone is very excited about the program. "There's a lot of enthusiasm, and the people that haven't been trained yet are asking, 'When are we going to start more training?'" Long said.

Long attributes everyone's enthusiasm to allowing them to participate in making decisions. "This is a participative-management type employment, and it's new for the people here. I think by now, it's sinking in that they are going to be involved and be able to work on the problems that we have in the operation of the mill," Long explained.

NSW-Houston hopes to have a full-time facilitator on board by March.

Competitive employee/owners rally to break more records

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.

Electro-Weld Shift Record **Old Record**
2x4x14 - 50' Welded Fabric
Dec. 18, 1990 None established
11,502 feet
11 to 7 shift
Darrin Eubanks
Cory Stanfield
Wes Anderson

Poultry Fence Shift Record **Old Record**
2x4 - 48" Horse Fence
Dec. 20, 1990 Unknown
70 rolls est. at 60 rolls
7 to 3 shift Unknown
John Wheat Unknown

Electro-Weld Shift Record **Old Record**
2-1/2x2x16 - 50' Yard Fence
Jan. 8, 1991 March 20, 1990
5,063 feet 5,012 feet
11 to 7 shift 7 to 3 shift
David Clark Richard Spotts

Electro-Weld Shift Record **Old Record**
3x2x16 - 50' Econo-Fence
Jan. 8, 1991 April 14, 1989
5,109 feet 4,901 feet
11 to 7 shift 3 to 11 shift
Jeff Nelson Jeff Nelson

Electro-Weld Shift Record **Old Record**
2x4x14 - 100' Welded Fabric
Jan. 9, 1991 April 13, 1990
12,504 feet 12,003 feet
7 to 3 shift 11 to 7 shift
Darrin Eubanks Darrin Eubanks
Dan Glick Gary Holcomb
Chris Olds Mike Leaf

Electro-Weld Shift Record **Old Record**
3x2x16 - 50' Econo-Fence
Jan. 9, 1991 Jan. 8, 1991
5,614 pounds 5,109 pounds
7 to 3 shift 11 to 7 shift
Nelson Vasquez Jeff Nelson

Poultry Fence Shift Record **Old Record**
2x4 - 60" Horse Fence
Jan. 9, 1991 Unknown
72 rolls est. at 60 rolls
7 to 3 shift Unknown
Everett Yates Unknown

Electro-Weld Shift Record **Old Record**
Galvanized Welded Fabric
Jan. 9, 1991 April 13, 1990
23.2 tons 22.5 tons
7 to 3 shift 7 to 3 shift

Electro-Weld 24-Hour Record **Old Record**
Galvanized Welded Fabric
Jan. 9, 1991 April 13, 1990
65.8 tons 61.3 tons

Electro-Weld Shift Record **Old Record**
2-1/2x2x16 - 50' Yard Fence
Jan. 10, 1991 Jan. 8, 1991
5,223 feet 5,063 feet
7 to 3 shift 11 to 7 shift
John Thayer David Clark

Electro-Weld Shift Record **Old Record**
Garden Fence
Jan. 10, 1991 April 6, 1990
7,551 feet 7,353 feet
11 to 7 shift 7 to 3 shift
Larry Bell Darrin Eubanks
Shawn Wharff Gary Holcomb

Electro-Weld Shift Record **Old Record**
2x4x14 - 100' Welded Fabric
Jan. 11, 1991 Jan. 9, 1991
13,602 feet 12,504 feet
7 to 3 shift 7 to 3 shift
Darrin Eubanks Darrin Eubanks
Dan Glick Dan Glick
Tom McCleary Chris Olds

Electro-Weld Shift Record **Old Record**
2x4x14 - 50' Welded Fabric
Jan. 14, 1991 Dec. 18, 1990
11,900 feet 11,502 feet
3 to 11 shift 11 to 7 shift
Mark Stangeland Darrin Eubanks
Dan Glick Cory Stanfield
Steve Raab Wes Anderson

Electro-Weld Shift Record **Old Record**
2x4x14 - 50' Welded Fabric

Jan. 15, 1991 Jan. 14, 1991
12,750 feet 11,900 feet
7 to 3 shift 3 to 11 shift
Darrin Eubanks Mark Stangeland
Robert Stroud Dan Glick
Larry Dessing Steve Raab

Field Fence Shift Record **Old Record**
47-6-A
Jan. 16, 1991 Oct. 12, 1989
47 rolls 43 rolls
7 to 3 shift Unknown
Curt Dusing Jaime Garcia

Wire Galvanizer 24-Hour Record **Old Record**
16 gauge galvanized wire

Jan. 20, 1991 Dec. 20, 1990
93,920 pounds 91,070 pounds
No. 3 galv. crews No. 3 galv. crews

Drawing Room Shift Record **Old Record**
12-1/2-gauge (.098)
Jan. 21, 1991 Sept. 28, 1988
23,400 pounds 22,660 pounds
7 to 3 shift Unknown
Dennis Ortgiesen Vernon A. Ellis

12-Inch Shipping Monthly Record **Old Record**
January 1991 January 1988
16,128 tons 14,610 tons

Checking the stats

December, 1990

PRODUCTION

Department/Mill	Produced (tons)	Performance to Plan
Primary Department		
Raw Steel	133,849	N/A
Billets Cast	45,080	97.0%
Blooms Cast	53,413	104.7%
Wire Division		
Rod/Wire	1,814.3	N/A
Plant 1	5,083.5	94%
Plant 4	2,145.8	91%
24-Inch Mill	38,113	112%
14-Inch Mill	24,663	102%
12-Inch Mill	19,379	84%
		Shipped (tons)
		Plan vs. Actual
Total Rod/Wire	9,091	- 1,559
12-Inch Mill	9,055	- 945
14-Inch Mill	20,314	- 3,982
24-Inch Mill	34,834	+ 4,021
48-Inch Mill	6,169	- 2,831
Semi-Finished	29,444	+ 4,444

COMPLAINTS

Wire Division Products				
Number Recorded	Reason	By Costs		TOP FOUR COMPLAINTS = 85.69% OF TOTAL
		\$	%	
67	Service	\$9,125	37.88%	
	Order Entry	7,326	30.41%	
	Rust	2,207	9.16%	
	Short	1,986	8.24%	
Steel Division Products				
Number Recorded	Reason	By Costs		TOP FOUR COMPLAINTS = 98.59% OF TOTAL
		\$	%	
91	Order Entry	\$444,173	90.30%	
	Service	21,886	4.45%	
	Price	14,740	3.00%	
	Section	4,123	0.84%	

ABSENTEES

Normal Work Hours	Total Absence* Hours	% Absence to Normal	% Nov., 1990
323,361	27,712	8.57%	7.44%

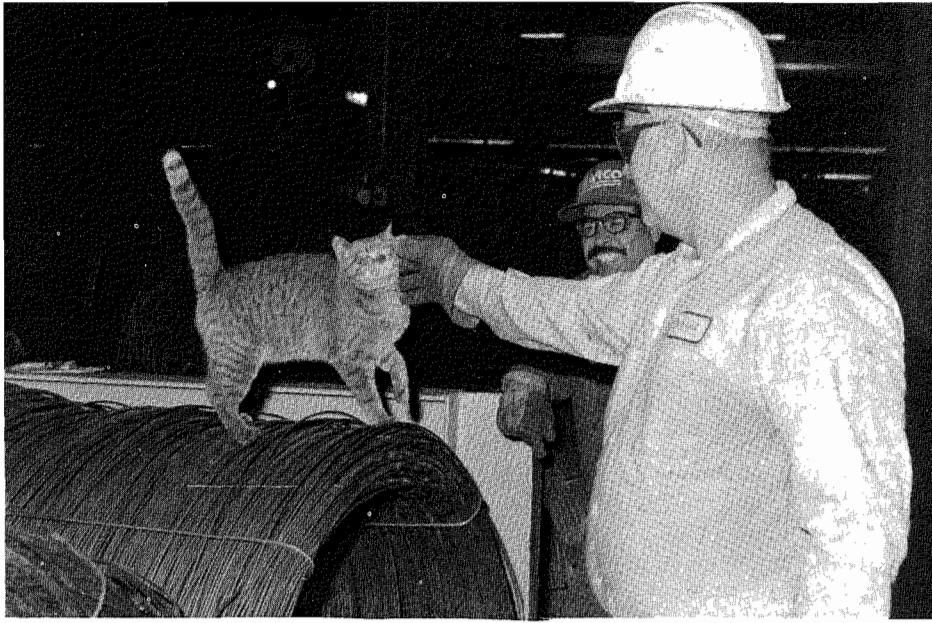
* includes off until further notice, i.e. workers compensation, sickness and accident, discipline, etc. and general reporting off.

OSHA RECORDABLE INJURIES

OSHA recordables are injuries resulting in time loss, sutures or physical therapy needed, industrial illness, etc.	Rate 14.61% Rate is % per 200,000 man hours (100 employees working 1 year)	Rate - Dec., 1989 12.76%
29		



The Electro-Weld Department has been caught up in a frenzy of record breaking. Between January 8 and January 15, nine records were broken, as well as an earlier record set on December 18, 1990. Besides these individual records, on January 9 an eight-hour (7 to 3 shift) tonnage record and a 24-hour tonnage record were both broken. Pictured above are 12 of the 16 men who broke the 10 individual records through January 15. From left, Chris Olds, Larry Dessing, Darrin Eubanks, Shawn Wharff, Mark Stangeland, Dave Clark, Nelson Vasquez, Steve Raab, Larry Bell, Cory Stanfield, Dan Glick, and John Thayer. Missing from the photo are Wes Anderson, Tom McCleary, Jeff Nelson, and Robert Stroud.



"Yeller" gets some attention from Murrell Bass as Jube Manzano looks on in the Rock Falls Drawing Room.

Rock Falls Drawing Room is comfortable home for 'Yeller'

A stray cat has found a lot of love from some of the Plant 4 employee/owners. Born almost a year ago in the Rock Falls plant, the

cat was given the name "Yeller" because of its yellow color.

Rock Falls Inspector Manuel Penaflor says Yeller has adopted the Drawing Room as his home so the men made him a bed out of a pile of scale. Penaflor also says Yeller is a "fat cat" because everyone generously gives him their leftovers.

According to Penaflor, Yeller is well taken care of throughout the year, but for Christmas, he received a special treat. "Everybody loves him, so for Christmas we made sure he had a lot of food and we gave him a red collar," Penaflor said.



Steve Ashford, Rock Falls Electro-Weld, is pictured above with his wife, Kathy, and their "New Year's Baby" son, Justin Robert.

New Year's Baby born to Ashfords

Steve Ashford, employee/owner in the Rock Falls Electro-Weld Department, is the father of the New Year's baby in Dixon. Justin Robert was born to Steve and his wife, Kathy, on January 4, 1991.

Several area businesses donated gifts to Justin Robert and his parents for being the first baby born in 1991 in the Dixon hospital. Among the gifts are a \$50 U.S. Savings Bond from Dixon National Bank and another from First Bank of Dixon, \$25 gift certificate for baby products at Tim and Dave's Jack and Jill Food Center, and a silver fork and spoon from Venier's Jewelers.

Many more gifts were donated by Dixon Food Center, The Food Basket, Dixon Pharmacy, Stork Diaper Service, Grummert's True Value Hardware, Golden Corral, Walgreens, The Pumpkin Patch, as well as several other businesses.

The *Owner's Manual* extends sincere congratulations to Steve, Kathy, and Justin.

Exports

(continued from page 4)

Treacy says these roll sign changes were not too troublesome since they also had to be changed for the Japanese market. The result is a roll sign with a new photo and two variations of descriptive copy: bilingual (with space for either French or Japanese translations) and strictly English.

Once the Color Guard is received by Canadian consumers, Treacy says Northwestern will learn more about the role this market will play in the future... "The service we offer (them) and the quality of the product will determine Northwestern's future in Canada..."

Trade-Way is helping to ease the difficulty in exporting the Color Guard by picking it up here in Sterling, according to Treacy. This way, Northwestern only has to provide the truck driver with a certificate of origin and export documents so the proper tariffs can be paid at the border.

After dealing with Northwestern in the Color Guard line, Trade-Way soon placed an order in another wire products line. Wigley placed an order for 200 rolls of Lawn Guard, and Treacy hopes the product line he purchases from NSW will continue to expand. "As he develops a demand, or as he calls on accounts and shows them the other products that we have, we may have an opportunity to sell him some of our standard lines," Treacy commented.

Once the Color Guard is received

Eagle Award presented

Gallardo's son earns high scouting honor

Matthew Gallardo, son of Mr. and Mrs. Thomas Gallardo, recently was presented with the Eagle Scout Award. Thomas Gallardo is a Plant 2 Electrician at Northwestern. Becoming an Eagle is one of scouting's highest honors and only one-half of one percent of scouts achieve the award.

A Court of Honor held especially for Matthew was the setting for the award presentation. To be eligible, Matthew, who has been a scout with St. Mary's Troop 98, had to earn 21 merit badges and show service and leadership in the troop and community.

The merit badges Matthew has earned include astronomy, Indian

Lore, rowing, and woodcarving. Among his service activities and accomplishments are Red Cross volunteer, Service Project worker, Service Project Coordinator in Scouting, Senior Patrol Leader in Scouting, National Honor Society member and Varsity Letterman.

Besides all these accomplishments, for his Eagle project Matthew organized the collection of walnuts from the grounds of the Dillon Home Museum and subsequently planted 150 walnut trees on the Wildeberg Tree Farm in Mt. Carroll.

The *Owner's Manual* extends congratulations to Matthew for achieving this prestigious award in scouting.



Plant 2 Electrician Thomas Gallardo's son, Matthew, recently received the Eagle Scout Award at a Court of Honor held in his name. Pictured above, from left, Pete Whiting, former scoutmaster; Gene Davis, Scoutmaster for Troop 98; Matthew Gallardo; and Tim Tremain, Eagle Scout.

by Canadian consumers, Treacy says Northwestern will learn more about the role this market will play in the future. He noted, "If it's accepted by the Canadian market, we will probably be selling to Trade-Way Sales on an ongoing basis. The service we offer Mr. Wigley and the quality of the product will determine Northwestern's future in Canada."

Canadian Trade Shows present NSW products

Northwestern is getting additional exposure in Canada through trade shows. One held in early February was the Canadian Hardware Show in Toronto. Outside Wire Division Salesman Ed Sanders displayed



This driver from Trans-Canada trucking lines picked up the first shipment of Color Guard exported across the U.S. northern border.

NSW's products for the various wholesalers and retailers attending the show.

Besides exhibiting Color Guard, which has already penetrated the Canadian market, Sanders highlighted Diamond-Weld and Northwestern's newest wire product, Compost Bin Fence. Immediately following the Canadian Hardware Show was a Farm Equipment Show, which Sanders also attended.

To date, Northwestern has received a dozen inquiries from British Columbia and Alberta, Canada where the show was first held...

Another type of show Northwestern is participating in is a U.S. Trade Catalog Show. At this show, Northwestern's Wire Products Catalog is displayed in a book along with other U.S. companies' catalogs. If a buyer is interested in Northwestern's products, his name will be forwarded to NSW's Wire Division Sales Department for follow-up.

To date, Northwestern has received a dozen inquiries from British Columbia and Alberta, Canada where the show was first held. There will be three other stops across Canada before this Catalog Show ends in March.

This show is sponsored by the U.S. Foreign Commercial Service/Council of American States in Canada. The organization contacted Frank Rausa, Manager of Training and Development, to offer Northwestern the opportunity to participate.



Merlyn Bruns, Vice President of Human Resources (left), is holding the certificate which was awarded to Northwestern after David DeVries, Assistant Manager of Primary Operations (right), nominated the company.

Certificate honors Northwestern for supporting school board members

Northwestern recently was presented with a certificate from the Illinois Association of School Boards commending the company on its support of employees who serve on school boards.

The recommendation for the certificate came from David DeVries, Assistant Manager of Primary Operations. DeVries has served on the Nelson Elementary School Board for 25 of the 28 years he has been employed by Northwestern.

"My supervisors and Northwestern have always been good about supporting you in any civic activities. This was a good opportunity for our community and myself to say thank you to Northwestern," DeVries commented.

Although all three of DeVries' children are now grown, he says he continues to serve on the board for School District No. 8 to ensure that an educational opportunity exists in Nelson for the future.

Many tally company anniversaries

Several anniversaries will be marked by Northwestern employee/owners in March. Congratulations to those celebrating a benchmark in their careers.

35 Years

Charles W. Ager, 3/20/56, Plant 2 Crane Mechanics.

30 Years

Kenneth D. Nusbaum, 3/14/61, Wire Mill Machine Shop.

Paul F. Seidel, 3/14/61, Plant 1 Pipefitters.

George J. DePuy, 3/20/61, Plant 2 Electrical.

Walter W. Dyche, 3/20/61, Plant 3 Millwrights.

James A. Persico, 3/20/61, Plant 3 Pipefitters.

Jerry D. Reeher, 3/20/61, Wire Mill Electrical.

Arthur R. Zinke, 3/20/61, Die Reaming.

William L. Helms, 3/21/61, Wire Mill Millwrights.

Richard A. Hutchison, 3/21/61, Plant 1 Pipefitters.

Jay S. Francque, 3/27/61, 20-24" Shipping Foreman.

Larry L. Hart, 3/27/61, Electric Furnace.

Edward Tschosik, 3/27/61, Plant 2 Electrical.

Billy R. Gaither, 3/29/61, Trial Crew West.

Raymond F. Bass, 3/30/61,

Carpenter Shop.

Paul Fritz, 3/30/61, 20-24"

Shipping and Finishing.

25 Years

Peter L. Barajas, 3/7/66, Billet Caster.

Walter W. Wagner, 3/7/66, Billet Caster.

Roger E. Johnson, 3/11/66, Rock Falls Shift Tractor.

Edgar M. Weakley, 3/11/66, Conditioning.

Richard J. Irion, 3/13/66, Wire Mill Shipping.

Robert L. Jones, 3/13/66, Scrap Yard Foreman.

Jose A. Garcia, 3/14/66, Brickmasons.

Arthur A. Johnson, Jr., 3/23/66, Trucks.

Wayne A. Jones, 3/23/66, Billet Caster.

Lewis Frieberg, 3/26/66, Wire Mill Millwrights.

Richard S. Hardy, 3/26/66, Plant 2 Millwrights.

Gerald K. Anderson, 3/28/66, Roll Shop.

Darrell Workman, 3/28/66, Trucks.

William Yarbrough, Jr., 3/29/66, Netting.

Samuel L. Dean, 3/30/66, Mobile Mechanics.

Melvin G. Wade, 3/31/66, Brickmasons.

20 Years

Robert E. Collinson, 3/1/71, Nails.

Douglas L. Kested, 3/3/71, Wire Mill Drawing.

William J. Manon, 3/5/71, Rock Falls Electrical.

John R. Sotelo, 3/6/71, Plant 2 Electrical.

Richard J. Coffey, 3/11/71, Rock Falls Drawing.

Janet D. Vaughn, 3/15/71, Administrative Supervisor of Purchasing.

Mike J. Fitzgerald, 3/17/71, Rock Falls Electro-Weld.

Marjorie J. Bushman, 3/18/71, Medical Nurse.

10 Years

Mary K. McCue, 3/14/81, Supervisor of Employment.

5 Years

Michael S. Murphy, 3/17/86, Inside Sales - Wire Division.

JIS

(continued from page one)

According to Gurnitz, use of the JIS mark on Northwestern products is important because it assures customers of world-class quality.

Andrew Hampton, President of United Plant Guard Workers of America, Local 236, commented, "I feel that the JIS certification will help us tremendously in our exports and will help our employees by making Northwestern a greater company in the future."

Gurnitz traveled to Japan in February to accept formal presentation of the certification from officials of Japan's Ministry of International Trade and Industry (MITI). He was joined by Noel E. Reed, President of United Steelworkers of America, Local 63; Charles H. Biermann, Senior Vice President of Sales; and Gerald T. Shinville, General Manager of Quality Assurance.

"In order to effectively compete internationally, you must meet international standards and JIS is a widely respected industrial standard, recognized throughout the world as a symbol of quality," Gurnitz said.

Donald Simpson, Chairman of the ESOP Salaried Contact Committee, noted, "By being acknowledged as a quality producer of steel, it gives Northwestern a fantastic opportunity to capitalize on this event and be widely recognized as a world-class

Philippines tailor their steel specifications to Japanese standards.

"We are grateful for the JIS certification because it allows us to demonstrate that Northwestern Steel is a world-class steel supplier," Gurnitz said. "We intend to continue to expand our company-wide standardization efforts in order to

"Not only will we be able to sell more product in Japan, but this certification will allow our company to greatly expand exports throughout the world."

produce the finest quality steel for our customers."

Gurnitz said that while the JIS certification applies only to steel produced at Sterling, the company intends to seek certification for the Houston facility later this year.

"Our Houston facility located on the Houston Ship Channel is well situated to serve the steel export market, especially when we achieve JIS recognition for the wide flange beams we are capable of producing in Houston," Biermann said. "The experience and training we gained at Sterling should help us in making the Houston application."

Northwestern Steel began the process for JIS certification in July 1990. All employees who would be



Hiroshi Shima, AIST (left) presents the JIS certification to President and CEO Robert N. Gurnitz as attorney Mark Foster and Quality Assurance General Manager Jerry Shinville (far right) look on.

producer and supplier to not only our existing customers, but to broaden our customer base."

He continued, "I think this gives us as employees and owners of Northwestern Steel and Wire Company an opportunity to improve our value as a company and ourselves as owners."

Northwestern is only the fourth structural steelmaker outside of Japan to earn the right to mark its steel products with the JIS mark.

Significantly, the Northwestern process for certification took only seven months, while a competitor took almost two years to do the same.

"The fact that we were able to earn this certification in only seven months is a testimony to the dedication of our employee/owners," said Shinville.

In Japan, contractors working on any government project are prohibited from using any steel without the JIS mark. Because of this, many American and European steelmakers have been effectively prevented from selling steel in Japan.

Gurnitz noted that an even bigger market exists in the entire Pacific Rim since countries such as China, Indonesia, Korea, Thailand and the

involved in the certification process were trained under an industrial training grant from the Illinois Department of Commerce and Community Affairs (DCCA). A formal application was submitted in November 1990 and two MITI inspectors conducted the on-site inspection and investigation in January.

The inspection included a detailed examination of Northwestern's manufacturing processes and procedures, including quality assurance systems and vendor quality programs. Management capabilities and ongoing training for employees were also analyzed.

Steven D. McClure, Director of the Illinois Department of Commerce and Community Affairs, said the JIS certification for Northwestern Steel is an example of how DCCA works to help Illinois companies grow.

"Increasing globalization of the world's economy creates many opportunities to expand the market for Illinois-made goods and services," McClure said. "DCCA has been at the forefront of encouraging Illinois companies to develop export markets - markets that can bring new income into Illinois, nurture company growth, and ultimately, create new jobs."



I would like to thank everyone who contributed to the Bucket Brigade collection to assist with expenses after my house burned. I would especially like to thank Jerry Dittmar and Don Olalde for organizing the brigade, as well as everyone in the entire mill for their generosity.

Sincerely,
Paz Martinez
Nail Department

New efficiency creates a potential shipping increase of 15%

East Plant warehouse and shipping facility completed

The new shipping and warehouse facility for Northwestern's Wire Division swung into full operation in mid-February following seven months of construction and preparation. The shipping docks have already been put to use, as well as the area for staging orders. Staged orders have already been put together on pallets and stretch-wrapped.

With the completion of the new warehouse, Plant 1 now has 15 shipping docks. According to Jim

"It might be the most modern warehouse in the business," Jim Bellini commented...

Bellini, General Supervisor of Shipping, one of the biggest advantages of the new docks is that they are all indoors, and the people won't have to load products in the rain or other adverse weather.

The new warehouse facility has

Five retiree in February

Five employee/owners retired effective February 1. The *Owner's Manual* staff extends congratulations to the following people, as well as best wishes for a happy retirement.

31 Years

Robert C. Davis, Electric Furnace Cranes.

Carrol Fanning, West Plant Electrical.

John Hicks, Plant 3 Pipe Shop.

26 Years

John J. Juarez, Roll Shop.

24 Years

Joseph Michlig, Electric Furnace Cranes.

several other advantages, including the racking system. The aisles between racks are only 68 inches wide, and pallets holding 50-pound packaged nails can be stacked seven-high. The racks will hold more than 5,800 pallets because of their efficient layout.

Since the aisles between racks are so narrow, two new forklift tractors were purchased. A groove has been cut into the floor in each aisle, and wire is buried within to electronically guide the tractor. With this system, the tractors will be "wire-guided" inside the aisles rather than manually driven.

The tractors are also specially equipped so that the entire cab will move up with the fork. This makes it much easier for the driver to see the pallet with which he's working.

Keeping a sufficient supply of (products) in the new warehouse, and by properly staging orders, the time to load any order should be cut down to less than an hour.

Bellini says another important advantage of the new facility is that all the products will be housed on one level. In the old building, the various products are all on different floors, and using elevators, it sometimes could take as long as 12 hours to load one truck with different wire products.

Keeping a sufficient supply of nails, barbed wire, field fence, hardware cloth, fence posts, and netting in the new warehouse, and by properly staging orders, the time to load any order should be cut down to less than an hour.

The products in the new racks will be computer-controlled, so that when a product is needed for an order, it can be found quickly, and finding space to put a pallet will also be easily accomplished.

According to Bellini, Northwestern's newest addition was modeled after other companies' shipping and warehouse facilities. "We took some of the people that work in the shipping department to see the warehouses at John Deere, Sears, and several companies in the Chicago area," Bellini explained.

being saved in loading trucks and staging orders, there is a potential volume increase of 15% (25,000 tons) according to Reynolds. This translates into an extra \$4.1 million worth of revenue.

The nails being stored in the two-year-old 50-pound-packing warehouse will be moved into the new warehouse, and those racks will be used for "picking" orders. "Picking" is pulling out the different products which are to be shipped together, so they can be stretch-wrapped and staged.



The staging area provides space near the shipping docks for orders to be staged and ready for shipment.

He says they all decided this system would be the most efficient for Northwestern's needs. "It might be the most modern warehouse in the wire business," he commented.

John Reynolds, Manager of Shipping, says there is the opportunity now for an increased volume of NSW wire products to be shipped out on docks. With time

Bellini says his department is anxious to begin working in the new warehouse. "It's actually a whole new experience for the shipping department. It's like starting up a new factory, because the things that we'll be doing in the new building are completely different from what we've done in the past," Bellini noted.

ESOP corner

Allocating forfeited funds

This month's ESOP topic is forfeited shares. A share forfeiture occurs when a participant has a break in service prior to becoming vested in his or her account balance. For example, a participant who quits before becoming vested loses his or her ESOP shares.

What happens to the forfeited shares? They are first identified as being lost by either represented (unionized) or non-represented participants. Keeping within these groups, forfeited shares are then used to reinstate the forfeitures of re-hired former participants, if any. The remaining shares are allocated among active participants at the year's end.

The following explanation of the above topic is taken from Section 6(b) of the ESOP Plan.

Section 6. Allocations to

Participant's Accounts.

(b) Plan Contributions - All forfeitures incurred under Section 7 - with respect to the plan year shall be allocated once each plan year under this Section 6(b) as of the anniversary date of such plan year to stock accounts and cash accounts (as may be required, respectively) of participants. Forfeitures shall be allocated as of the anniversary date of the plan year in which the participant incurs a break in service which gives rise to the forfeiture.

The Administrative Committee needs to hear from anyone who has a particular subject for future articles. Feel free to contact us with questions or comments at the following numbers:

Jim Olson, 625-3465; Jim Boesen, 625-2500, ext. 2361; John "Skip" Leach, 625-3465; and Malon Wilkus, (301) 951-6122.

Friendships renewed at retiree breakfast

A group of salaried retirees from Northwestern have begun what they hope will become a tradition. In August last year, a small group got together for the first time in as many as four to nine years to renew old acquaintances and have breakfast with Barney Hart, retired from Wire Division Sales, while he was visiting from California.

The group decided to meet again in November and spread the word for other salaried retirees to join

them. The number of retirees grew to 11 for the second group breakfast and all decided they would like to meet on a certain date each month at a specified place.

Plans are now being organized for regular "retiree breakfasts" and any salaried retiree who would like to attend is encouraged to call John Ordean, retired from Credit, at 625-7971 for more information.



371 years of company service are represented by the 11 salaried retirees pictured above gathering for breakfast. Front row, from left, Ken Weissenburger (Transportation), Cal Schulz (Plant 4 Shipping), Bill Cies (Sales - Wire Division), and John Ordean (Credit). Back row, from left, Irvin Burns (Netting and Poultry Fence), Bob Lovell (Purchasing), Larry Mangan (Transportation), Bob Martin (Plant 1 Shipping), Ken Haverland (Plant 1 Shipping), Larry "Butch" Viering (Sales - Wire Division), and Bob Tousley (Sales - Wire Division).

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