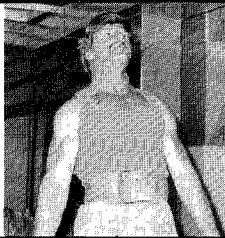


**A Look  
INSIDE**



**Plant 4  
employee  
hits weights**

*See page 4*



**4th Annual  
Catfish  
Tourney  
held**

*See page 8*



**Barrels  
available from  
Waste &  
Reclaimables**

*See page 7*

# The Owners Manual

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

June, 1991

*Sales strategy broadens*

## NSW increases fabricator market penetration

Northwestern is taking aggressive steps to market the products from the Houston 48-Inch Mill. The steel division is balancing its marketing efforts to include more fabricator customers in addition to the already well-established steel service center customer base.

In January of this year, 88% of the 24-Inch Mill products were sold to steel service centers, and nearly 12% were sold to fabricators. Since that time, the steel sales division has emphasized the need to solicit fabricator business.

By April, the fabricator customer base grew to almost 25% for the 24-Inch Mill. The 48-Inch Mill yielded even more impressive results with growth in fabricator customers between January and April jumping from 9% to almost 36% of their total customer base.

The difference between a steel service center and a fabricator is

***The results of this sales effort have included a much broader customer base for the 48-Inch Mill...this helps to steady the average daily order entry as well as aiding in a growth of revenues...***

that service centers buy in bundle quantities of five tons of a size and in stock lengths. They then sell to the end user (often a fabricator) in smaller quantities and cut to length.

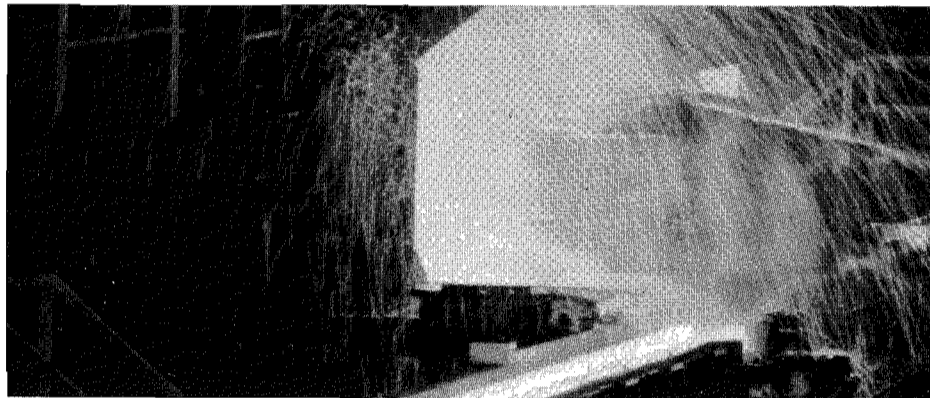
Northwestern is now selling to more fabricators directly for their cut-to-length needs for specific jobs, such as buildings or bridges.

Service centers generally stock

wide-flange beams in lighter foot-weights. It is essential that Northwestern's Houston mill solicit fabricators for the heavier beam business.

Northwestern is also attempting to increase the number of fabricator customers at this time because selling directly to fabricators generally yields higher margins.

According to Vern Johnson,



**The larger beams produced at NSW-Houston sell better to fabricator customers than to Northwestern's already well-established steel service center customers.**

Manager of Fabricator Sales, Northwestern's prices to fabricators have been netting higher margins per ton on the 24 and 48-Inch Mills than sales to steel service centers.

"We further emphasized fabricator sales because of Houston, and because we can get a better return - especially during this depressed pricing market," Johnson commented.

Northwestern's sales department stresses that it will maintain its service center customer base with the same quality, service and attention to detail as in the past.

The results of this sales effort have

included a much broader customer base for the 48-Inch Mill with 247% expansion in new accounts between January and April. This helps to steady the average daily order entry, as well as aiding in a growth of revenues.

To better serve the needs of the fabricator, Northwestern's sales and operations departments have joined efforts to create a rolling schedule

5,000 tons is rolled.

Houston is also now rolling the most popular beam sizes every two to three weeks and the next most popular sections every three to four weeks. The balance of sections are rolled every six weeks, allowing the fabricator customer more

***Service centers generally stock wide-flange beams in lighter foot-weights. It is essential that Northwestern's Houston mill solicit fabricators for the heavier beam business.***

opportunities to get the most needed cut-to-length wide-flange beams.

This type of cycle in the rolling schedule is also conducive to NSW carrying less inventory because there will be fewer tons of the least popular sections produced. For the first nine months of the Houston operation, all sections were rolled for an equal amount of time during a cycle, creating an abundance of inventory of certain sections. The new fast track rolling will change that.

Johnson concluded that the West Coast will be a prime target area for Northwestern's steel sales department now because Houston is the closest producing mill to the West Coast. He added that NSW salesmen have called on that area heavily, and Northwestern has already received new orders from Phoenix, Sacramento, San Francisco, Seattle, and the Orgeon area.

*NSW represented by Beryl Cooke*

## Germans visit U.S. to study women's issues

Sterling and Rock Falls were very honored to host seven special guests in June. Women from Germany

stopped in the Twin Cities during their tour across the United States studying women's issues. The tour

was sponsored by the United States Information Center Agency. While in Sterling-Rock Falls, they focused on volunteer programs, as well as small community life compared to the large metropolitan areas they are also visiting.

Local industry was fortunate to be represented to these guests by Northwestern's Beryl Cooke, Drawing Room Scale House. She explained the function of each of NSW's mills and the company's EAP Program. She says the women from Germany were very impressed with U.S. industries' willingness to help their employees. Beryl also presented literature packets to the women, and Dave Erby, Manager of the Drawing Room, donated NSW caps for the guests.

Carol Diebert, local member of Meridian House International (which hosted the women through their Visitor Program Service), organized the panel of Sterling-Rock Falls

representatives, which included Beryl; Laura Seagren and Mary Michael, teachers; Marion Patterson, a retired farmer; and Doretta Lathrop, a Mormon priest for the Reorganized Church of Latter Day Saints.

The German women greatly admired the volunteer programs in the U.S. "In Germany, volunteer programs are non-existent. We Americans are known world-wide for our quality volunteer programs. That is one of the things that makes our country great. Our guests found it hard to fathom our free hospitality and donation of time on a volunteer basis," Beryl commented.

In an attempt to explain to the German guests why Americans so freely volunteer their time, the panel from Sterling-Rock Falls said it is essentially a domino effect. A woman may first become involved in her children's programs at school, and from there she will be exposed (See GERMANS, page three)



**The hostesses from Sterling and Rock Falls treated their German guests to a luncheon at Muffins-N-More, which is located at Behrens Flower Shed in Rock Falls.**

# Viewpoint

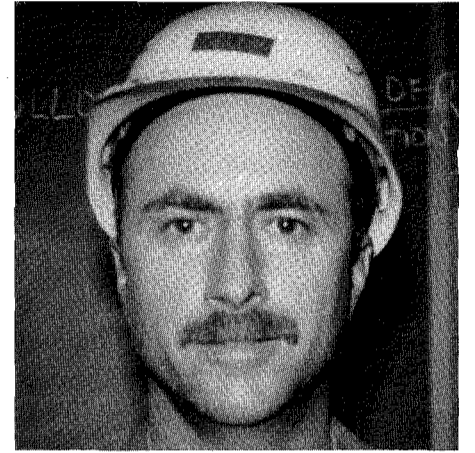


*"I think if people were more open and honest with each other, it would help a whole bunch - everybody trying to help everybody."*

**Joe Lopez**  
Labor Pool  
Wire Galvanizer

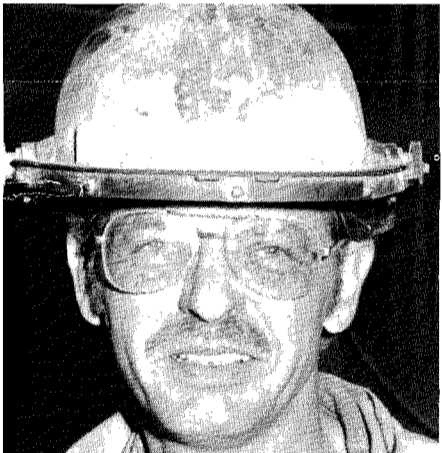
## **"How do you feel the route of communication at NSW can be improved?"**

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.



*"Salary to hourly - have more daily communication with supervisors as to mill status and safety for that day of operation. Can be brief."*

**Ronald Fleming**  
Plant Technician - QA  
Houston



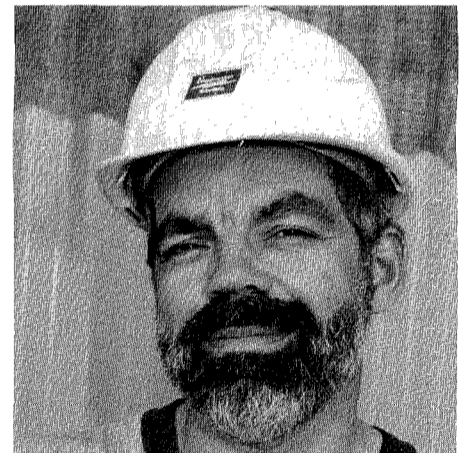
*"The union and the company need to sit down and talk things over a little bit more and figure out the best way - besides just eliminating jobs and cutting wages continuously all the time. There must be something else we can do."*

**Harold Hansen**  
Ladleman  
Furnace Department



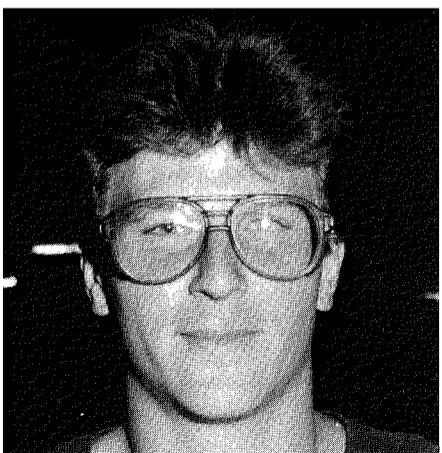
*"I don't know if I could tell you how to improve it, but it seems like from the top management it leaks out to the bottom people before the middle people even hear about it. I hear a lot of stuff that's going to happen or go on from those people. You would think you'd hear it from your boss or higher up first."*

**Wayne Lamb**  
Foreman  
Scrap Yard



*"They just need to listen to what we have to say. It hasn't gotten any better since the ESOP formed. We're a silent majority now. We don't have much of a say-so around here anymore."*

**Harry Vroman**  
Crane Operator  
24-Inch Mill



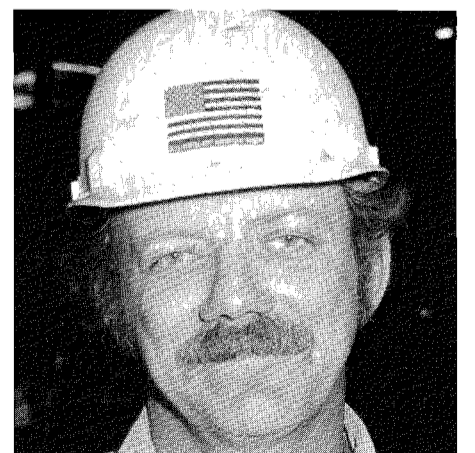
*"I don't think it's that bad here."*

**Miles Gladhill**  
Bundler  
Mat Department



*"It has improved a little bit, but I think it still has a way to go. Flow of information is the biggest problem."*

**Jerry Turner**  
Strand Caster  
Caster



*"More communication between the foreman and the employees."*

**Ernie Berkey**  
Inspector  
12-Inch Mill

## The President's Corner

Robert N. Gurnitz,  
President &  
Chief Executive Officer

Dear Fellow Employee:

While we are making good progress in many areas of our company, we continue to feel the extreme pressures of a marketplace with soft demand and low prices. Additionally, although we have shown good progress in several areas relating to the launch of our Houston facility, we still have a ways to go in order to get our Houston costs more in line with the industry.

One area where we have made excellent progress is in the expansion of our sales base. Our company has traditionally emphasized service centers for the sale of our structural products. While service centers will continue to be an extremely important customer sector to NSW, we have begun to place more emphasis on that 70% of the structural marketplace...the fabricator... that we have not emphasized in the past. By selling directly to fabricators, we not only expand our available market, but we shift our market competition from the

lower cost mini-mills to the less cost effective integrated mills.

How effective has this sales strategy been? Since January 1991, the percentage of business with fabricators has increased from 11.7% to 24.9% on the 24" Mill and from 9.3% to 35.7% on the Houston 48" Mill. In addition to adding much needed volume to our mills, we are also selling product to the fabricators at higher prices as a result of our cut-to-length and order quantity extras. This has amounted to a \$14.41/ton price improvement on the 24" mill and an \$8.09/ton improvement on the 48" mill. This progress was as a result of a joint effort between sales and operations.

Another area where we are making excellent progress is in the reduction of our cost of purchased materials. For example, as a result of joint efforts of purchasing, quality and steelmaking, we have significantly reduced the purchased cost of scrap. We have determined metallurgically that we can use substantially lower cost mixes of scrap than we had been using. We

have set new mix targets and through an excellent team effort have already reduced the cost of scrap through mix improvement by over \$3/ton with a projection of a \$5/ton improvement for July. Considering that we use over one million tons of scrap per year, that is an enormous savings.

Despite our progress in achieving higher selling values to fabricators versus service centers and our progress in cost reduction through better purchase of materials, our margins continue to erode. The major factor there has been falling selling prices of our products. During the month of June, for example, prices on a wide range of our structural products fell by \$23/ton. That will take an enormous effort to recoup. We have no choice. In a commodity market, it is high quality and customer service together with cost competitiveness that count. Missing any of those three ingredients, you don't have a sustainable business.

We expect to be in a down steel economy through at least the end of calendar 1991. We can't afford to overlook any areas for cost improvement. That will not be easy on any of us. We have no choice. We continue to count on all of you for your important and dedicated efforts.

R.N. Gurnitz

## Germans

(continued from page 1)

to new volunteer programs, so the trend continues to grow.

In Sterling and Rock Falls, the visitors were also allowed to go into the homes of local families so they might get a closer look at American family life.

A very impressive list of credentials accompanied the seven German guests. Each has shown leadership skills and it is projected that each will be strong leaders in government. Four of the women are now members of the State Parliament, and the other three hold city government positions including Director of the Office of Women's Affairs and Head of the Equal Opportunities Offices.

The guests from Germany all expressed their appreciation to Sterling and Rock Falls according to Beryl. She says the visitors felt U.S. women were "powerful leaders," and they had learned new ideas about women's roles in society from their American hosts.

"Women world-wide have so much in common in the workplace. It was our pleasure to meet these remarkable women from Germany," Beryl noted.



Jim Gallentine, Northwestern's EAP Manager, recently hosted the bi-monthly meeting of the Illowa chapter of the Employee Assistance Professional Association (EAPA). The group holds a business meeting and luncheon, including an opportunity for the host to give a presentation on his company's EAP. The EAPA represents Employee Assistance Programs from Dubuque, Princeton and the Quad Cities.

# S.T.E.P. Team underestimates project savings

More than two years after they made their presentation, the LMPT S.T.E.P. Team (Security Through Employee Participation) conducted a study to verify the savings they had predicted.

The team was more than pleased with the results of the study, which lasted from late January through April. They found actual savings after implementation to be almost \$46,000 more than what they predicted in 1988.

The S.T.E.P. Team's presentation concentrated on the number 3 mat machine producing an excessive amount of reject panels. To improve the output of cattle and hog panels on this machine, the team suggested the purchase of a bigger and newer shear, the conversion of the flipper/stacker to individual units and a standard quality check of the .246 wire as it was unloaded.

After all recommendations were implemented and in use for about one year, the team's next step was to complete the 60 shift/480 hour study. The three-month long study showed even more improvements in nearly every area covered than the team had expected two years earlier.

During the 60-shift study, the new shear had only five hours downtime, compared to the figure in 1988 of 31 hours downtime. There were 11-1/2 reject panels from the new shear compared to 57 rejects from the old shear. Adding the considerable decreases in downtime and rejects from the flipper/stacker and the wire quality checks, the total percentage decrease was 49% in downtime and 82% in rejects.

Although the cost to implement this project was roughly \$16,000 more than projected, the team still saw total savings of \$164,159 after implementation because of the drastic decrease in downtime and rejects.

The S.T.E.P. Team's facilitator, Merle Heckman, says that he and the team were very pleased with the outcome of this presentation because it is proof that the LMPT/QIP process really works. "It's rewarding for the team to know that this machine performed even better than they said it would at the presentation," Heckman said.

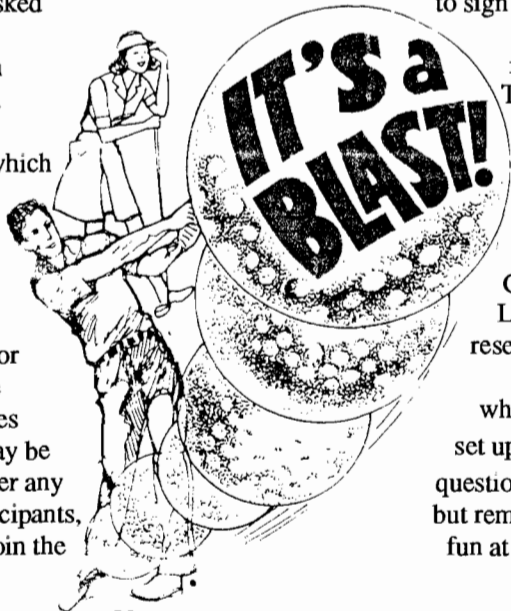
The members of the S.T.E.P. Team are John Sotelo, Don Wypasek, Bruce Jackson, Tom Baker, Ron Bruder, Mel Berogan, Al Castenada, Stan Calsyn, Ed Reglin, Lyle Stern, Ed Culjan, and Lewis Battles.

## Salaried Golf Outing Slated

The 12th Annual Salaried Golf Outing is approaching quickly. The outing will be held on Saturday, August 3rd, at Lakeview Country Club in Sterling. All interested participants are asked to sign up no later than July 15th.

The cost totals \$20, which includes the greens fee and entry fee, a buffet dinner, the awards presentation to which a guest are invited. The cost, which is optional, should be approximately 6 pm and additional \$8 per person. Reservations may be contacted by contacting Country Club at 626-2886 for

Everyone is asked to give earliest possible arrival times register so that tee times may be following people will answer any the outing and sign up participants, to sign up by July 15th to join the Salaried Golf Outing!



includes spouses dinner, begin at Lakeview reservations. their when they set up. The questions on but remember fun at the

Department	Name	Number
Retirees	Harold Parks	625-3014
East Plant	Don LaFavre	Ext. 2759
Wire Office	Denise Frey	Ext. 2424
Sales	Vella Simpson	Ext. 2606
West Plant	Larry Miller	Ext. 2379
Pentagon	Beth Lancaster	Ext. 2475

## The Owners Manual

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Maureen McKenna  
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# Zagas earns accredited purchasing title

The title of Certified Purchasing Manager is not achieved without many hours of education and contribution to the purchasing profession. It is indeed an honor, and Northwestern was very pleased to have its Manager of Energy and Raw Materials, Norb Zagas, earn the C.P.M. status in May.

The National Association of Purchasing Management (NAPM) has set several rigorous requirements to be fulfilled before one may adopt the C.P.M. title. One of the more difficult requirements is passing four separate examinations. The multiple choice exams are only offered twice a year. Norb took his first exam in January 1990 and finished in January 1991.

The exams cover the areas of

purchasing functions, administrative functions, organizational functions (such as forecasts and strategy) and continued education functions. Norb says the tests can be difficult because there are often three correct answers, but you are asked to choose the *best* answer.

Norb also attended many seminars, most lasting one to three days. He says these were part of the continuing education requirement of the NAPM. "The tests are only half of the work you need to get certified; they also want to make sure you are getting a continuous education," Norb commented.

Norb began his education at Western Illinois University in Macomb. After earning his Bachelor's there, he worked his way

through several positions, including production supervisor and master scheduler, before he entered the purchasing field. He now has six years of experience in purchasing and has been with Northwestern as Manager of Energy and Raw Materials for nearly a year.

The NAPM also looks at the level of service volunteered to their organization. Norb held the position of International Chairman for the Chicago chapter of the NAPM before he took over his current position at Northwestern.

Several reasons prompted Norb into tackling the requirements of the NAPM to earn the C.P.M. title. "Once you've started the education process, especially in the purchasing field, you need to continuously learn



Norb Zagas

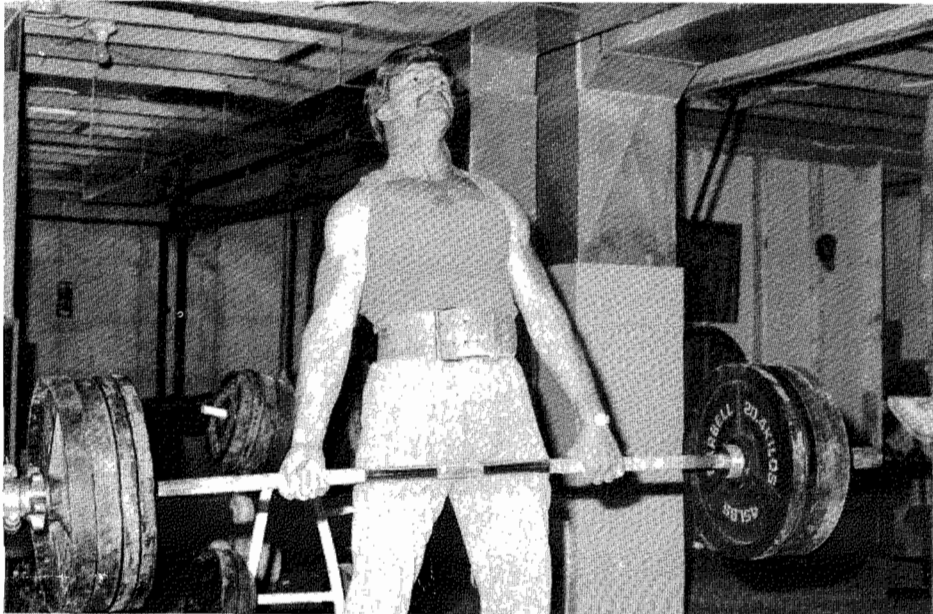
more about it. The C.P.M. title also helps you gain the respect of your colleagues and your suppliers," he noted.

Norb will be required to re-certify with the NAPM every five years in order to keep his C.P.M. title.

# Employee achieves new mark in his weightlifting hobby

The best competitors in the sport of powerlifting aren't always the biggest. Plant 4 Wire Drawer

Herman Warren is living proof, standing only 5'7" and weighing 154 pounds. Warren recently



Herman Warren, Plant 4, recently won three first place awards at the Newmanfest weightlifting competition.

entered the weightlifting competition at Newmanfest and earned three first place awards.

With his best showing to date, Warren took first in the dead lift with 470 pounds, first in the bench press with 315 pounds, and perhaps most impressive, first place for lifting three times his body weight.

Dead lifting triple his weight in competition was a new accomplishment for Warren. He began competing in local weightlifting tournaments about two years ago following a fifteen-year layoff from the sport.

After one competition in Chicago in 1974, Warren stopped training heavily and entering competitions. In 1989, Warren took up powerlifting competitions again, and since then, he has participated in about three to four tournaments each year.

Warren now lifts for two and one-half hours, three or four times each

week. His training consists of bench press, dead lifts, curls, flies, squats and leg press.

Because of rules during competition, Warren says he has performed even better during his training. "In the bench press, you have to hold the weights on your chest until the judge says, 'press.' It's a lot different when you have to hold it on your chest for awhile, because just doing touch and go, I've benched 350 pounds," Warren commented.

One goal Warren has set for himself this year is to dead lift 500 pounds. He feels confident he'll reach it with the help of his weightlifting partner, Lawrence Thompson. "It's a lot easier lifting with my friend because you get more motivated. Otherwise, you would lose your desire." Warren added, "I also thank God for giving me the strength and desire to keep lifting."

# ESOP Convention / Recognizes employee participation as key to successful companies

Three Northwestern employees and the United Steelworkers Local 63 Area Representative attended the 14th Annual ESOP Association Convention held in Washington D.C. in May. ESOP Administrative Committee members Jim Olson and John "Skip" Leach, and ESOP Contact Committee Chairman Don Simpson were on hand for conferences, lectures and round-table discussions with approximately 500 other representatives from ESOPs across the country. Local 63 Area Representative Bill Warmbier also attended the convention.

**"He (Gordon Cain) also emphasized the need for management and employees to work closely together for an identical cause, because if they work against each other, the competition can easily take advantage of their segregation..."**

Don Simpson said there were many informative speakers, including Joseph Blasi, member of the NSW Board of Directors, who has recently published a book which charts the recent growth of employee ownership in publicly traded corporations. Another

speaker with which Simpson was highly impressed was Gordon Cain from Cain & Company.

Cain stressed his opinion that management must share in the responsibilities of an ESOP, whether it be financial hardship or

***The consensus among the ESOP members was that companies which have employees who are heavily involved in the ESOP are more successful.***

prosperous conditions. "He also emphasized the need for management and employees to work closely together for an identical cause, because if they work against each other, the competition can easily take advantage of their segregation," Simpson said.

Simpson and Olson both agreed the topic most often discussed at the convention was funding repurchase liabilities. An ESOP company will not usually be faced with a problem for funding their payouts to retirees until five to seven years after the ESOP is formed. At that time, many ESOPs will suddenly see an extensive drain on their working capital due to a lack of planning for funding repurchase liabilities.

Olson says there are a wide variety of programs designed to give

ESOPs an additional source of cash for repurchase liabilities. One type of program that ESOP companies have adopted is an insurance policy on its employees, but this is a very expensive program to implement. Although the costs are large, Olson says if the company does not look into this type of program soon, they will eventually pay the price. "There have been companies that have had to be put on the market to be sold because of repurchase liabilities," Olson commented. Northwestern's expenses to pay ESOP shares to retirees is already growing, with more than 30 retirees in June, as well as the second half payouts to last year's retirees.



And beginning a program such as this one does not get easier the longer a company waits to implement it according to Olson. "As time goes by, we're going to have more and more heavy months like

June because people will be working longer, and so when they retire they will have more shares."

Another area in which NSW representatives at the convention were very interested was employee participation. The consensus among the ESOP members was that companies which have employees who are heavily involved in the ESOP are more successful.

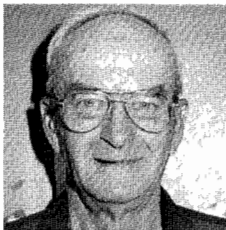
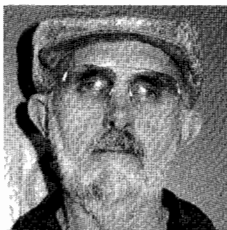



Olson says Northwestern needs to take a more serious approach to employee participation. "We need our employees to have more pride in being an ESOP and to let them be more involved in the company."

Some of the different ways in which other ESOPs are getting their employees involved are to make items with the company logo - such as mugs, watches, or hats - available

***An ESOP company will not usually be faced with a problem for funding their payouts to retirees until five to seven years after the ESOP is formed...***

for sale to any employee at any time. Other companies at the convention have also tried putting flyers in the employees' checks, reminding them that they are important to the company because they are the owners of the company.

# 35 retire with 20-plus years of service to NSW

	<b>Olin Cummings</b> 14-Inch Crane Operator 25 Years		<b>Bill Mathes</b> 14-Inch Shipping 43 Years
	<b>Jose Ramirez</b> Caster 29 Years		<b>Charlie Deyo</b> Plant 4 Millwright 33 Years
			<b>Bill Schrader</b> 12-Inch Mill 28 Years

Northwestern is sad to see many of its longstanding employee/owners begin their retirement effective June 1. *Owner's Manual* wishes them the best of luck during their retirement years.

- 44 years**  
Michael Regalado, Brickmasons.
- 43 Years**  
William Mathes, 14-Inch Shipping.
- 42 Years**  
Harold L. Blackburn, Galvanizer.
- 39 Years**  
Enrique S. Cavazos, Caster.
- 37 Years**  
Bradley J. Ferris, Mobile Cranes.  
Robert E. Linboom, West Plant Pipe Shop.
- 36 Years**  
Joe Billings, Jr., Nail Maintenance.  
George L. McDuffy, Steel Plant Millwright.  
Jim Vest, Wire Mill Electrical.  
James R. White, Electric Furnace Cranes.

## NSW chess tournament underway

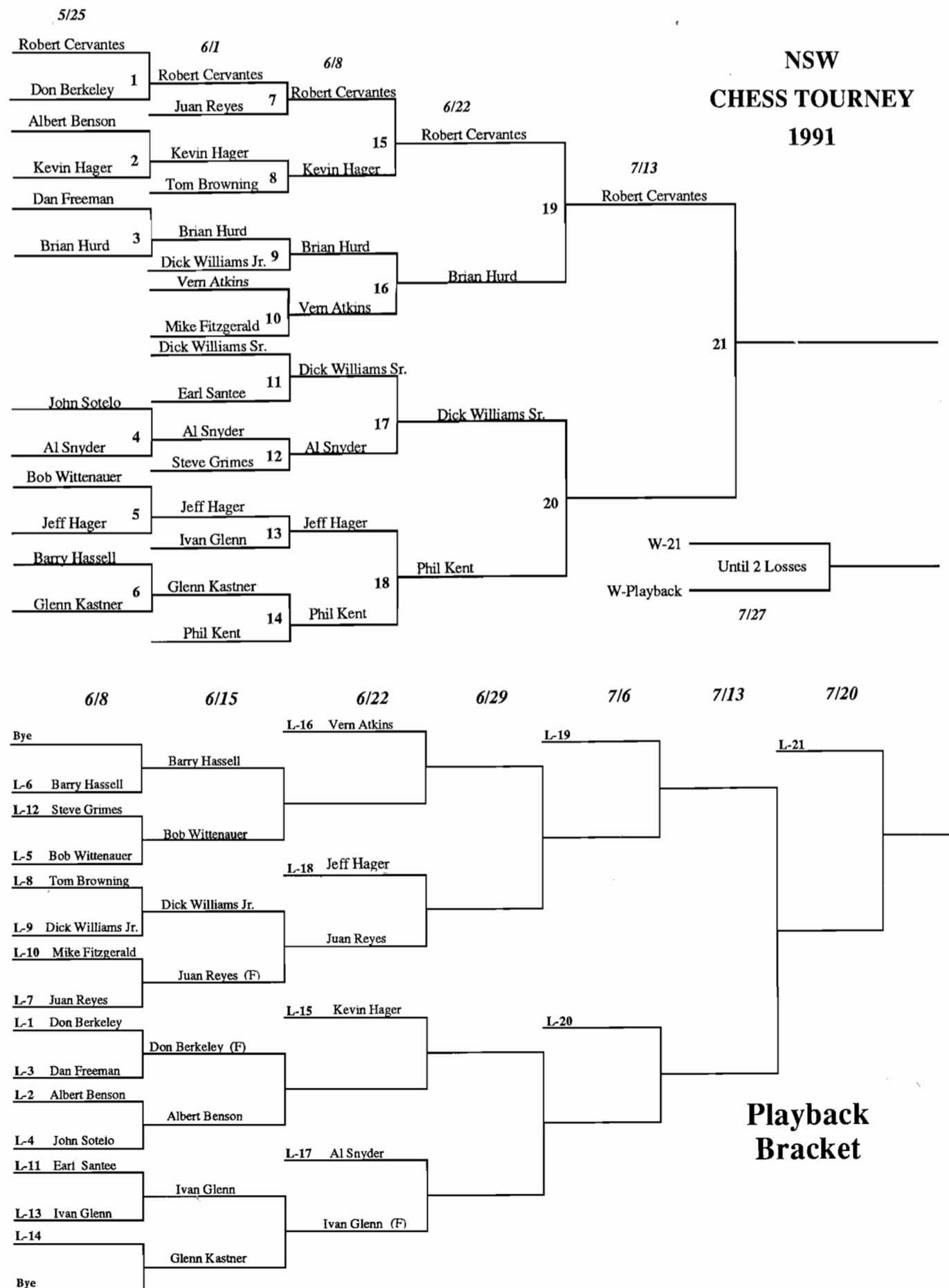
Twenty-two of NSW's chess players have put their egos on the line trying to earn a year's worth of bragging rights as champion chess player of Northwestern Steel and Wire Company. All they have to do is make it through two months of nerve-racking head-to-head play

in Northwestern's First Annual Chess Tournament.

According to Dick Williams, organizer of the event, this tournament is a double elimination affair, and many exciting hard-fought matches are expected. He remarked, "In the end, someone will

be happy; everyone else will be less happy. And that is the game's attraction -- the power to make people happy."

Listed below are the brackets for the chess tournament, with the most current standings as the *Owner's Manual* went to print.



- 35 Years**  
George Bilderback, Caster.  
Walter Lindsley, Electric Furnace Cranes.
- 32 Years**  
Richard Ortiz, 24-Inch Furnace.  
DeLoran L. Williams, 14-Inch Pipe Shop.  
Billy M. Young, 24-Inch Crane Mechanic.
- 33 Years**  
Charles C. Deyo, Plant 4 Millwright.  
Harold Jackley, 14-Inch Electrical.
- 31 Years**  
Frank Norman, Plant 2 Crane Mechanic.  
Harold D. Knapp, Electric Furnace Maintenance.
- 30 Years**  
George DePuy, Plant 2 Electrical.  
Leslie Finkle, Plant 3 Inspection.  
Edward Munson, 14-Inch Electrical.  
Edward Struhs, Plant 2 Electrical.
- 29 Years**  
Jose T. Ramirez, Caster.
- 28 Years**  
Marshall Meier, East Plant Shipping.  
William K. Schrader, 12-Inch Mill.
- 27 Years**  
Vernon R. Smith, West Plant Machine Shop.
- 26 Years**  
Max Andreas, East Plant Shipping.  
Harold Dunn, Plant 2 Welders.
- 25 Years**  
Olin Cummings, 14-Inch Crane Operator.
- 21 Years**  
Hilario Lopez, Galvanizer.

## 10-Inch Mill retirees meet monthly at Hall

Retirees and former employees of the 10-Inch Mill have been gathering once a month for coffee and conversation, and they would like to spread the word for other former 10-Inch Mill employees to join them.

The group meets the second Tuesday of every month at 8:30 am at the Union Hall, located at 502 Woodburn Avenue in Sterling.

In June, 16 people attended, and Clarence Franks, retiree from the 10-Inch Mill, hopes that number will increase in the coming months. Clarence says any questions about the meetings can be directed to the United Steelworkers of America at 625-3465.

## Brickmasons at NSW

## Lining the Ladles

Northwestern brickmasons hold one of the most responsible jobs in the Furnace Department. They are depended upon to line the ladles, furnaces and tundishes properly and repair them as needed.

One brickmason who has been with Northwestern for 25 years is Melvin Wade. Melvin has been a brickmason for 17 years, and he says one reason he chose to switch from his previous job in the Descalers to the Brickmasons was because of a chance to work in several different environments.

"I don't like being confined to a machine all the time. At the Descalers, you were more or less confined to two areas. Here, you can go all over the place," Melvin commented.

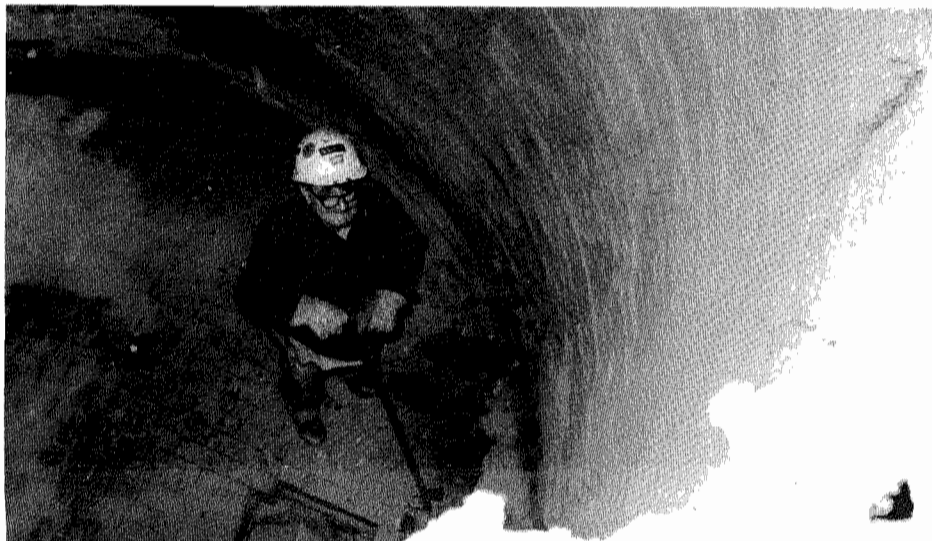
Relining and patching the ladles, furnaces and tundishes can be more complex than most might realize. There are about 15 different sizes and types of bricks which must be

approximately 9,000 bricks. That many bricks take about 32 hours to lay, and Melvin says the brickmasons must always remember that the people in the Caster Department depend on their accuracy.

"We just try to put it in the best we can so that it doesn't go out because we know there are lives that depend on us down there," Melvin said.

The brickmason job also takes its toll on the physical endurance of Melvin and the others in this department. Melvin says one of the hardest parts about his job is laying the floor, because it means spending eight hours either on your knees or bent over. He says going up and down the ladder into the ladles can also be trying - both physically and mentally.

"A lot of new guys are scared to go down into the ladle because it is about 16 feet deep, and when you're



Melvin Wade, brickmason, climbs about sixteen feet down into a ladle to clear out the old brick which he and his co-workers will replace.

zoned in the ladles and furnaces. Zoning means that certain types and sizes of brick will go in certain areas, because there are hot spots and impact zones which require more heat resistant or stronger bricks.

Melvin and the other brickmasons will follow blueprints and diagrams to determine the location of each type and size of brick. Melvin says his years of experience on the job help tremendously because he now has a pretty good idea of the zoning in the ladles and furnaces.

To add to the difficulty of bricklaying a ladle or furnace, one should keep in mind that to reline one of NSW's ladles takes

down there, it's hard to get to safety quickly," he noted.

Once inside the ladle, Melvin says their biggest adversary is often the heat and cold. Especially during a patch job on a ladle when there will be heat left inside.

On the opposite end of the spectrum, the cold can be just as detrimental. "I've been down in a ladle when it's so cold, the mortar will freeze before you can shove the brick in," Melvin said.

Even though this job can be very tough, Melvin says he wouldn't trade it in for any other job here. "I really like this job. When I leave the Brickmasons, I'll be leaving the mill."

## Checking the stats

April, 1991

## PRODUCTION

Department/Mill	Produced (tons)	Performance to Plan
<b>Primary Department</b>		
Raw Steel	139,686	N/A
Billets Cast	59,196	105.9%
Blooms Cast	46,377	104.2%
Jumbo Beams Cast	24,407	71.1%
<b>Wire Division</b>		
Rod/Wire	3,123.9	N/A
Plant 1	7,971.9	95%
Plant 4	6,603.4	96%
48-Inch Mill	16,946	85%
24-Inch Mill	26,183	96%
14-Inch Mill	24,214	112%
12-Inch Mill	28,687	105%
	<b>Shipped (tons)</b>	<b>Plan vs. Actual</b>
Total Rod/Wire	22,592.7	+ 847.7
12-Inch Mill	13,844	+ 844
14-Inch Mill	22,733	- 1,267
24-Inch Mill	27,398	- 3,602
48-Inch Mill	12,071	- 1,929
Semi-Finished	13,971	+ 3,971

## COMPLAINTS

Wire Division Products				
Number Recorded	Reason	By Costs		TOP FOUR COMPLAINTS = 90% OF TOTAL
		\$	%	
71	Order Entry	\$14,677	35.51%	
	Service	12,350	29.88%	
	Customer Error	8,008	19.37%	
	Galv. Coating	2,191	5.30%	

## Steel Division Products

Number Recorded	Reason	By Costs		TOP FOUR COMPLAINTS = 77% OF TOTAL.
		\$	%	
87	Service	\$40,659	32.80%	
	Lap	30,177	24.34%	
	Scale	12,998	10.49%	
	Price	11,926	9.62%	

## ABSENTEES

Normal Work Hours	Total Absence* Hours	% Absence to Normal	% Mar., 1991
425,997	28,504	6.69%	7.07%

\* 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	Rate - April, 1990
23	10.8% Rate is % per 200,000 man hours (100 employees working 1 year)	13.59%

## July company anniversaries

## Several meet benchmarks in their careers

A number of employees will mark anniversaries in their careers with Northwestern in July. The *Owner's Manual* salutes them for their dedicated years of service.

## 30 Years

Robert C. Mundt, 7/11/61, Plant 2 Machine Shop.

## 25 Years

Taylor B. McGinnis, 7/2/66, 20/24-Inch Shipping & Finishing.  
Kenneth L. Shawver, 7/2/66, Furnace Cranes.

Russell J. Burkholder, 7/5/66,

Wire Galvanizer.

Gary E. Schueler, 7/16/66, Plant 3 Inspection.

Merrill F. Howard, 7/17/66, Plant 2 Welders.

Benjiman F. Martin Jr., 7/17/66, Plant 2 Millwrights.

Donald D. Podkulski, 7/17/66, Nails.

William C. Baughman, 7/25/66, Plant 2 Millwrights.

Ivan W. Gramm, 7/25/66, Scrap Yard.

Reynaldo Cavazos, 7/27/66, Wire Galvanizer.

## 20 Years

Terry L. Wike, 7/1/71, Employee Benefits.

Dale D. Workman, 7/5/71, Trucks.  
Thomas A. Baker, 7/15/71,

Electro-Weld.

Joe M. Martinez, 7/16/71, Electro-Weld.

## 15 Years

Faith M. Dunn, 7/12/76, Audit and Compliance.

James A. Schuchard, 7/15/76, Transportation.

## 10 Years

John J. Bellini, 7/8/81, RF Shipping.

## 5 Years

Leah Ann Stutzke, 6/7/86, Transportation.

Marsha Schave, 7/2/86, Credit.  
William J. Morgan, 7/21/86,

General.

Danial L. Duncan, 7/22/86, Bale Tie.

Jon T. Fischbach, 7/22/86, 24-Inch Mill.

Donald J. Romero, 7/22/86, Wire Galvanizer.

Walter L. Barger, 7/23/86, Nails.  
Craig M. DeWitt, 7/28/86,

Transportation.

# Checking the stats

May, 1991

## PRODUCTION

Department/Mill	Produced (tons)	Performance to Plan
<b>Primary Department</b>		
Raw Steel	141,346	N/A
Billets Cast	55,223	86.3%
Blooms Cast	46,244	106.2%
Jumbo Beams Cast	24,035	68.5%
<b>Wire Division</b>		
Rod/Wire	3,226.2	N/A
Plant 1	9,344.3	100%
Plant 4	7,131.6	109%
48-Inch Mill	12,446	69%
24-Inch Mill	28,590	100%
14-Inch Mill	18,810	99%
12-Inch Mill	28,460	87%
	<b>Shipped (tons)</b>	<b>Plan vs. Actual</b>
Total Rod/Wire	23,149.7	+ 1,864.7
12-Inch Mill	11,626	- 1,374
14-Inch Mill	22,571	+ 2,538
24-Inch Mill	26,074	- 2,643
48-Inch Mill	15,473	- 3,527
Semi-Finished	14,405	+ 4,405

## COMPLAINTS

Wire Division Products			
Number Recorded	Reason	By Costs \$ %	TOP FOUR COMPLAINTS = 79% OF TOTAL
103	Service	\$12,687 34.01%	
	Order Entry	8,080 21.66%	
	Miscellaneous	5,816 15.59%	
	Short	2,975 7.97%	

Steel Division Products			
Number Recorded	Reason	By Costs \$ %	TOP FOUR COMPLAINTS = 89% OF TOTAL
203	Price	\$57,645 39.48%	
	Order Entry	38,309 26.23%	
	Service	23,572 16.14%	
	Caster Crack	9,864 6.75%	

## ABSENTEES

Normal Work Hours	Total Absence* Hours	% Absence to Normal	% Apr., 1991
447,006	28,080	6.28%	6.69%

\* 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 13.87% Rate is % per 200,000 man hours (100 employees working 1 year)	Rate - May, 1990 12.08%
31		

Since late April

# Rock Falls and East Plants slash records

Records continued to fall in late April and during the month of May. *Owner's Manual* salutes the competitiveness of employee/owners at NSW for setting new standards in their departments.

**Electro-Weld Shift Record** **Old Record**  
6x6x10 - 50' remesh (4 hours production)  
April 22, 1991 7,090 feet 3 to 11 shift Tom McCleary Tom Browning Jerry Bradley  
Unknown 5,525 feet Unknown Unknown

**Barb Wire Shift Record** **Old Record**  
2 pt. Maverick  
April 25, 1991 150 spools 6 to 4 shift Tom Biller  
March 27, 1990 144 spools 6 to 4 shift Robert Adams

**Electro-Weld Shift Record** **Old Record**  
6x6x10 - 50' remesh (4 hours production)  
April 25, 1991 10,134 feet 3 to 11 shift Cory Stanfield Ed Tompkins Tom Browning  
April 22, 1991 7,090 feet 3 to 11 shift Tom McCleary Tom Browning Jerry Bradley

**Netting Shift Record** **Old Record**  
24/24 1x20  
April 29, 1991 90 boxes (540 rolls) 3 to 11 shift Eric Hook  
March 5, 1991 88 boxes 7 to 3 shift Ronald Roberts

**Plant 1 Drawing Room Shift Record** **Old Record**  
14 gauge (.078)  
April 29, 1991 19,290 pounds 3 to 11 shift Brian Folkers  
April 6, 1989 18,410 pounds 7 to 3 shift Wally Hay

**Plant 1 Drawing Room Shift Record** **Old Record**  
.300 (Mkt. Wire)  
May 9, 1991 36,280 pounds 7 to 3 shift Paul Brunk  
March 26, 1991 35,540 pounds 3 to 11 shift Gregorio Garcia

**Plant 1 Drawing Room Shift Record** **Old Record**  
.300 (Mkt. Wire)  
May 9, 1991 37,840 pounds 3 to 11 shift Ramon Gonzalez  
May 9, 1991 36,280 pounds 7 to 3 shift Paul Brunk

**Plant 4 Drawing Room Shift Record** **Old Record**  
6 gauge wire  
John Lewis

May 10, 1991 83,665 pounds 11 to 7 shift Herman Warren  
April 8, 1991 78,385 pounds 3 to 11 shift James Byvick

**1 & 5 lb. Packaging Shift Record** **Old Record**  
1 Lb. Nail Boxes  
May 13, 1991 300 master cartons 7 to 3 shift Clyde Long Stanley Loechel Rojerio Cantu Ernest Clapper  
Feb. 6, 1991 294 master cartons 11 to 7 shift Daniel Cox Marty Cooper Richard Slater David Yocum

**Annealers 24-Hour Record** **New Record Established**  
Wire  
May 13, 1991 72.1 tons 24 hours Richard Phillips Alex Barajas

**Field Fence Shift Record** **Old Record**  
47-12-A  
May 14, 1991 90 rolls 7 to 3 shift Curt Dusing  
March 24, 1989 88 rolls 7 to 3 shift Curt Dusing

**Plant 1 Drawing Room Shift Record** **Old Record**  
13-1/2 gauge (.087)  
May 18, 1991 17,110 pounds 11 to 7 shift Mark Nitsch  
April 20, 1991 16,250 pounds 3 to 11 shift Mike Kinnaman

**Netting Shift Record** **Old Record**  
1x20 - 25'  
May 20, 1991 92 boxes 3 to 11 shift Eric Hook  
April 29, 1991 90 boxes 3 to 11 shift Eric Hook

**Netting Shift Record** **Old Record**  
1x20-24"-25'  
May 22, 1991 100 boxes 7 to 3 shift Dale Haberer  
May 20, 1991 92 boxes 3 to 11 shift Eric Hook

**Plant 1 Drawing Room Shift Record** **New Record Established**  
.187 wire  
May 30, 1991 17,920 pounds  
May 30, 1991 Fred Knebel

**Field Fence Shift Record** **Old Record**  
47-12-A  
May 31, 1991 91 rolls 7 to 3 shift John Lewis  
May 14, 1991 90 rolls 7 to 3 shift Curt Dusing

# Waste & Reclaimables offers solvent barrels



Pictured from left are John Blevins, Desi Rodriguez and Kurk Jonaway from NSW's Waste and Reclaimables Department. They are standing in front of several 55-gallon drums which were recently painted and marked for used solvent only. The Waste and Reclaimables Department will deliver barrels to departments who request them, and they will pick up full barrels to have the solvent properly disposed. Any department interested in this new convenience, may call Bob Johnson, Supervisor of Waste and Reclaimables, at Ext. 2471.

106 pounds of fish caught at Prophetstown

# Catfish Tournney brings out Local 3720 for fun, prizes



Pictured above are the top four teams in the fishing tournament. From left, Danny Ivey and Tim Stickel, Mike Johannsen and Morgan McConnell, John Buckley and Mike Andrews, and Rick Spotts and Dave Duncan.

Local 3720 held their Fourth Annual Catfish Tournament at the Prophetstown State Park in May. The event attracted 56 participants for five hours of fishing on the Rock River and a fish fry and picnic for all Local 3720 members, retirees and their families.

This year's committee of John Souser, John Thayer and Steve Raab organized the day's events. They awarded more than 70 door prizes as well as money prizes for first, second and third place.

First place this year went to Danny Ivey and Tim Stickel who caught 14 pounds, nine ounces of catfish. Danny and Tim each won a \$50 logo jacket from the Safety Store and \$72.50.

Mike Johannsen and Morgan McConnell took second place with 10 pounds, 10 ounces. Mike and Morgan were each awarded \$52.50 for second place.

There was a tie for third place with the team of John Buckley and Mike Andrews and the team of Rick Spotts and Dave Duncan both bringing nine pounds, nine ounces of catfish to the weigh-in. Because Buckley and Andrews had more fish, they drew the third place prize money of \$29.

A new homemade rod, made by John Souser, was awarded to Mike Johannsen for the biggest fish, which weighed four pounds, six ounces.

Thayer says the anglers brought in twenty more pounds of fish than last year for a total of 106 pounds, three ounces. The total number of fish caught amounted to more than 75.

The door prizes given away ranged from \$5 gift certificates for fast-food restaurants such as Hardee's and McDonald's, to a \$100 lamp. Thayer and Souser said it was well worth everyone's time to at least enter the tournament because

they got back their \$5 entry fee in door prizes. They also said the prizes were very much appreciated by everyone in the tournament.

"Everyone in Local 3720, especially those who fished the tournament, were very thankful to all the local businesses that donated prizes for the tournament," Thayer said.

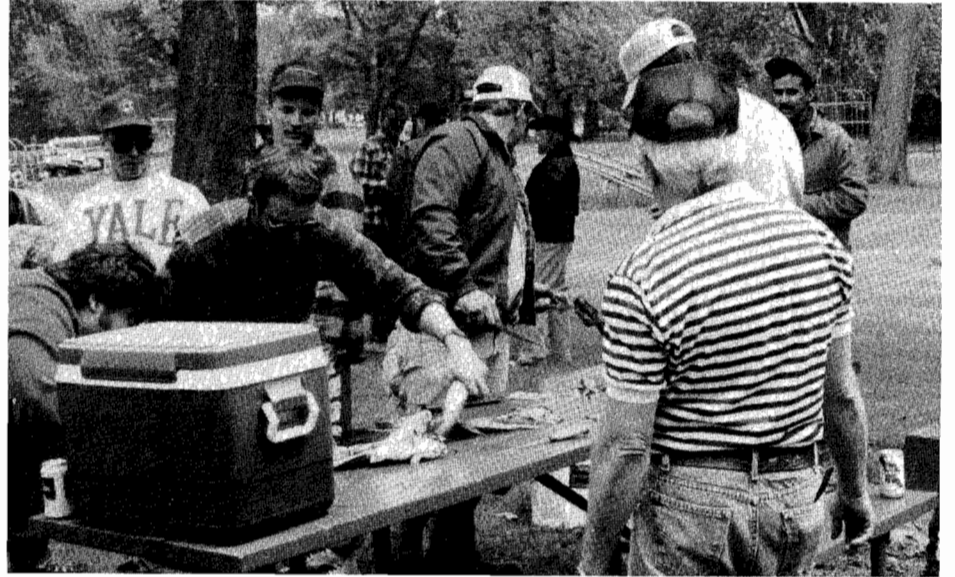
The fish fry which followed the tournament brought out more than 100 Local 3720 members and their families. Everyone enjoyed a potluck lunch as well as fresh catfish.

Thayer and Souser were very pleased with the tournament overall.

"This was the best tournament that we've ever had as far as people coming to it and the picnic and organization; you couldn't ask for anything better," Souser commented.

This year's tournament was held in memory of Duane Reeher, who passed away in April. Duane was in Maintenance Construction at Plant 4. Thayer and Souser said that from now on, Local 3720's tournament will be named the Duane Reeher Catfish Tournament.

The committee elected to organize next year's tournament consists of Duane Cardwell, Larry Dessing, Jeff Richards and Tony Davis.



More than 100 Local 3720 members and their families enjoyed a fish fry and picnic following the recent fishing tournament.

## Finishing Aisle improves tonnage

# Northwestern has "The Loop" up and running in Houston

The following article was contributed by Randy M. Johnson, 24-Inch Mill Supervisor, who has been working in Houston for several weeks as a consultant.

In coming to Houston as a consultant from NSW's Sterling plant, I was told that traveling the city was relatively easy if you followed the "Loops" (of which there are several).

**An 8-hour record of 1,092.3 tons was established, breaking the old mark by nearly 300 tons. This is an average of nearly 140 tons per hour, and nearly 155 tons per hour running time...**

Now Northwestern's Houston plant has developed its own - the 48-Inch Loop. This handle has been attached to the expanded Finishing Aisle.

After several meetings of brainstorming, along with input from the Plant Technicians on the floor, the Finishing Aisle was put into place.

Running "The Loop" enables this mill to perform many tasks: (1) multi-cutting at the hot saw, minimizing the number of cuts being made; (2) maximizing the cooling space and cooling time on the hot bed; (3) increasing the working time in the straightener to achieve a more

quality product; (4) and giving the mill a chance to do on-line reshearing and rerunning of material, eliminating reprocessing.

After a few weeks of trial runs, "The Loop," in its current stage, took off with a BANG at 7:00 am Tuesday, June 11. An 8-hour record of 1,092.3 tons was established, breaking the old mark by nearly 300 tons. This is an average of nearly 140 tons per hour, and nearly 155 tons per hour running time. What makes this even more remarkable, was the fact that all reprocessing was done on-line, and the final result was a 90% yield.

### WAY TO GO GUYS!

We have more work to do, but if this is any indication of what is ahead, then the sky is the limit.

**After several meetings of brainstorming, along with input from the Plant Technicians on the floor, the Finishing Aisle was put into place...**

I would personally like to thank everyone involved for their hard work, effort, and dedication to this cause.



## 48-Inch Mill sets new shift, daily and weekly marks

### Production:

Shift -	7-3, 6/11/91 1,092 tons
Day -	6/11/91 1,634 tons
Week -	6/9/91-6/15/91 5,657 tons
Month -	January 1991 17,877 tons

### Shipments:

Day -	6/3/91 1,936 tons
Week -	5/12/91-5/18/91 6,367 tons
Month -	February 1991 15,986 tons

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

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

ROCK FALLS  
61071

IL