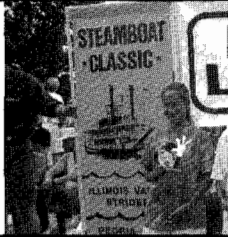


## A Look INSIDE



**Vazquez a  
veteran runner  
at age 13**

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**Bennett  
heading  
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# The Owners Manual

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

July, 1991

## The President's Corner

**Robert N. Gurnitz,  
President &  
Chief Executive Officer**

*The following are excerpts from the speech Robert N. Gurnitz presented at the annual town meeting held at St. Mary's Parish Hall on July 8. Following the speech, Gurnitz opened the floor to NSW employees for their questions and comments.*

We are pleased to be here this afternoon and to have an opportunity to bring you up to date on the state of affairs at Northwestern Steel and Wire Company.

For the first 10 months of our fiscal year, which covers the period from August 1, 1990 to May 31, 1991, our sales were \$402.8 million. On those sales, our operating profit was \$10.3 million. However, after you subtract our interest cost, we lost \$11.5 million, or about \$10 on every ton shipped.

The principal reasons for this poor performance include low selling values and high operating losses at Houston. Year to date our prices are \$16/ton lower than for the same period in Fiscal 1990. Additionally, we have lost over \$18 million in Houston year to date.

We are, however, fighting back in the marketplace in another way. Since the beginning of calendar 1991, we have begun to broaden our sales efforts to the fabricator sector of the market which purchases about 70% of the structural steel. On the 48-Inch Mill, we have increased our fabricator sales from 9% to 23%, and we are receiving about \$13/ton more for the product.

At Houston we need to go well beyond a shipping rate of 23% to fabricators. At that level, we will never achieve our goal of 600,000 tons per year. We will only be able to achieve our goal if we have the flexibility to produce in Houston certain of those sections currently being produced in Sterling. This is because we cannot produce those sections in Sterling on the 2-4 week cycle that many of our potential fabricator customers are demanding. We realize that this is a very sensitive issue, but it's one that we need to sit down and discuss. If Houston is a success, we will all be successful. Together, we must do what it takes to make sure that Houston is successful.

Our wire products are seeing a somewhat more encouraging picture. For the period March to June, sales are roughly equal to last year's, while the average selling prices have risen by almost \$7/ton. This is happening despite a generally soft construction market.

As I mentioned earlier, we have lost over \$18 million in Houston this year. A portion of this loss was

forecast when we put our business plan together last July. Whenever you launch a new plant, you will encounter some losses. These need to be looked at as investments in the future. Unfortunately, our Houston losses have greatly exceeded our plans.

Despite these losses, some good progress has been made in Houston. For example, we have greatly reduced our delay times attributable to roll change, section change, and section adjustment. Also, we have increased our run time tons per hour.



**Robert N. Gurnitz and the Board of Directors addressed employee/owners' questions at the annual town meeting held in July. Approximately 250 employees attended the meeting.**

This is the rate that the mill runs at when we don't have delays. Where we still have a long way to go is in reducing our mechanical and, even more so, our electrical delays.

The good news is that we have a detailed understanding of the problems causing the mechanical and electrical delays. We now have specific programs in place to attack these problems. And, in addition to help from the Sterling personnel, we have the resources of Quad Engineering, ESC, and General Electric working with us. We are clearly not out of the woods yet. But we do look forward to keeping

you apprised of our progress.

Finally, I'd like to discuss with you our discussions with the banks.

We are in very competitive markets. Our two major structural competitors have lower costs than we do. We must reduce our costs. That has nothing to do with the recession we are in. Further, that has nothing to do with our Houston operating problems. It is simply a fact of life of the industry that we are in.

We have told the banks that we will work very hard to reduce our costs so that, long term, we will have a viable business. In addition to our self help programs, we have told the banks that to take us through the recession and Houston start-up problems, we need both additional equity as well as their help in allowing us to defer some

of our loan payments.

What are some of the things that we have done, are doing, or can do, to reduce our costs? Through negotiations with our suppliers, we have reduced our non-scrap costs on an annual basis by over \$3.3 million. And we have extended our supplier payment terms by over 15 days which in effect gives us free use of over \$4 million of our suppliers' money.

In the scrap area, we are purchasing less costly mixes. That saved us \$2/ton in May, \$3/ton in June, and we are forecasting a savings of \$5/ton in July. Considering that we purchase in

excess of 1 million tons per year of scrap, these are big savings.

In the wire products area, the new cleaning house has reduced our cost on the majority of the tonnage produced by \$20 to \$25/ton. Additionally, with the completion of the 73,000 square foot shipping facility, we anticipate that the new material handling systems will allow us to reduce wire products shipping costs by \$10 to \$15/ton.

We have substantially reduced the use of all but essential overtime. We have significantly cut back on travel related costs.

With the help of the bargaining units, we are reviewing many other areas of cost, including health care, for which we spend almost \$18 million per year. In addition to the above, we are looking at ways that will allow us to reduce costs by not replacing a portion of our people as they retire or quit.

We realize that in many cases, this will require work rule changes. Where such changes are required, we will not act unilaterally. We will fully honor all collective bargaining agreements. On the other hand, it is essential that we begin discussions on what has been estimated to be a potential \$10 million per year cost savings.

We believe our bank discussions are going well. The banks are being firm but fair. And they will continue to do so as long as we continue to show progress. We look forward to sharing the results of our progress both with you and the banks.

We have a good company. We have excellent people. Unfortunately, we are going through a recession and a costly plant start-up at the same time.

The good news is that we will be a much stronger company when we exit the recession and Houston is launched. To accomplish this, we must all be pulling in the same direction. We have high confidence that we will emerge as one of the leaders in our industry and we look forward to working with you to accomplish our common objectives.

## Part one of ESOP pay back plan

# Questions accompany pay increase

On August 1, 1991, a 4% increase in the standard hourly rate rolled into the additive became effective. This is the first of two equal percentage increases, with the second going into effect on August 1, 1992. These increases are part of the ESOP Plan to partially restore NSW employees' wages which were reduced on August 16, 1988 to provide working capital and pay down the ESOP loan.

With the onset of this increase, many NSW employees are raising questions about the status of their

share allocations. One question being asked is, "With a smaller pay reduction now, will I get fewer shares allocated to me this year?"

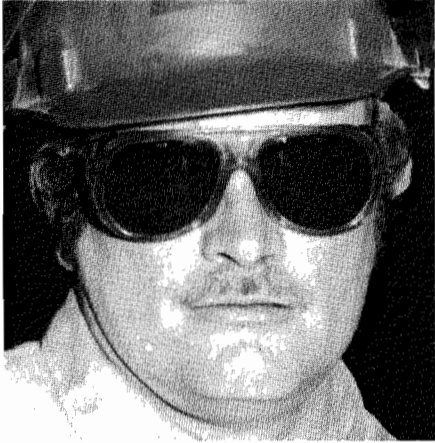
And next year, will I get even fewer shares allocated to me?"

The answer to both questions is no. Although the company will be receiving lesser reductions from employees, the ESOP share allocations will remain consistent. The number of shares allocated to each employee does not depend on the amount of money he or she invests in the ESOP through pay

reduction. Instead, the number of shares allocated to each employee is determined by a proportional distribution of the total payroll.

Shares will be consistently allocated to NSW employee/owners until there are no ESOP shares left to be allocated. Although final allocation numbers for the fiscal year just ended are not complete, it can be reported that when completed, approximately 2,600,000 ESOP shares will have been allocated to date (about 59%), which (See ESOP, page four)

# Viewpoint

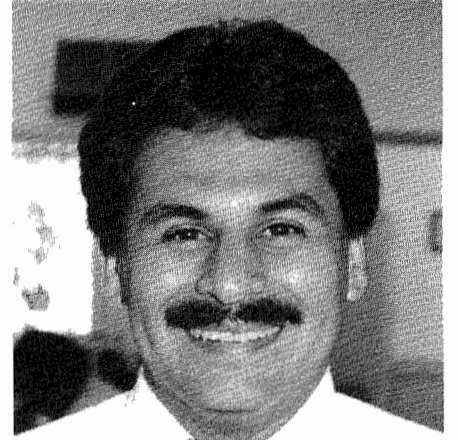


*"For one thing, you could probably let people know when they are. I never know when they have these meetings. They could put something in the mail - make sure everybody gets it."*

**Steve Jackley**  
Stamper  
Caster

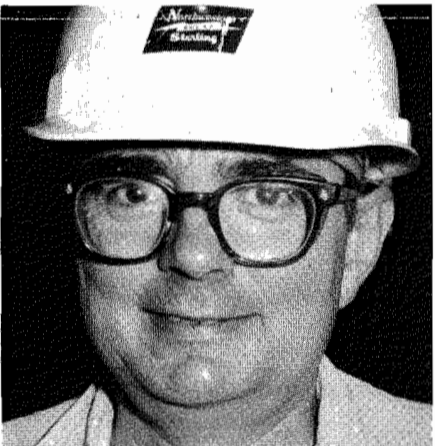
**"Approximately 250 employee/owners attended Northwestern's recent town meeting. How would you suggest we improve participation at such meetings?"**

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.



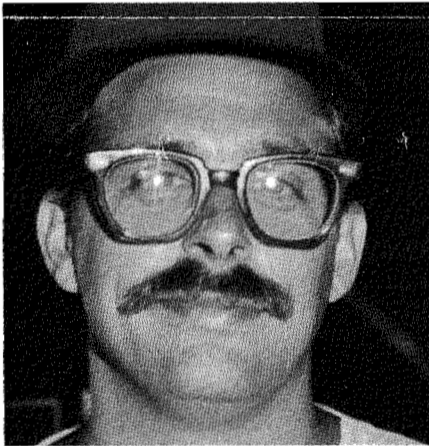
*"One way to improve it is to have some type of moderator, so all questions come in to one particular person - whoever it may be. And that person would ask the questions to Mr. Gurnitz or the board. I think more people would participate if we had some type of an orderly fashion to these meetings."*

**Al Lopez**  
Inside Sales  
Wire Products Division



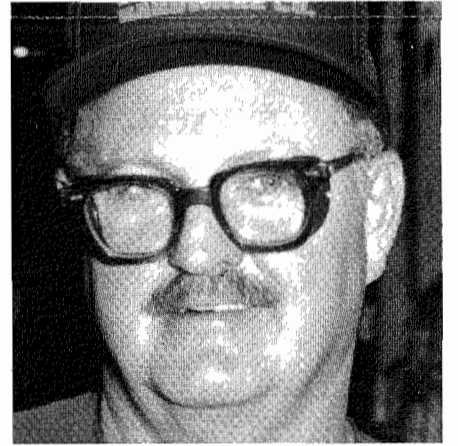
*"They used to have meetings on company time, like at 3:00 or 2:30. So then they could go right after work and get paid for it."*

**Terry Gaskill**  
Bander/Piler  
14-Inch Finishing



*"I think the employee should be encouraged by his Union Steward. Or like me - I wasn't even aware of it. Maybe they should mail the notice about it."*

**Dave Gibbons**  
Roll Thread Operator  
Nail Room



*"I really don't believe we have to have a meeting. I think we ought to just have it on paper, like an office memorandum. I think they're having too many meetings."*

**Sam Johnson**  
Loader/Checker  
Plant 1 Shipping



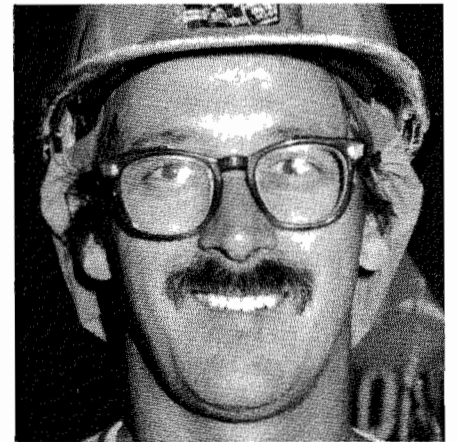
*"Evidently they figure they don't have anything to listen to. They've already heard everything there is to say."*

**Ed Sandoval**  
Welder  
Plant 2



*"Have it publicized a little more. And I'm sure there's lack of interest. If there was more interest they'd get more people."*

**Paul Gilbert**  
Wire Drawer  
Plant 4 Drawing Room



*"I don't know. I couldn't go because I was working. Maybe have two meetings, so guys on shifts can go."*

**Gerald Bailey**  
Loader  
24-Inch Shipping



3,000 tons from 24-Inch also exported

## Second order for Far East leaves Houston ship channel

This article was contributed by Mike Rankin, PC/IC Manager at NSW-Houston.

Here at the 48-Inch Mill, we completed shipping our second "direct" export order for 9,000 tons on Saturday, June 29th. "Direct" exporting means that we feed the ship directly by shipping the beams from the mill directly to the ship to be loaded.

The order was staged from rollings over a two-month period in a dedicated 100,000 square foot lay-down area. The shipment ranged from W10x60 up to W24x162 and was destined for nine customers in Singapore and Malaysia.

It's interesting to note that the entire ship, "Deneb," which was chartered by our customer, Tuteur Associates, Inc. of Houston, was loaded with 15,000 tons of U.S.-produced steel products for shipment to the Pacific Rim.

Houston's contribution of 9,000

tons was loaded a mile from the mill at the deep water dock. Prior to arriving in Houston, the ship stopped in New Orleans to load 3,000 tons of wide flange beams

produced at the 24-Inch Mill.

This portion of the order had been barged down the Mississippi after loading in Camanche, Iowa.

The most important part of an undertaking of this sort is the pre-planning and the cooperation among all the various Northwestern departments and outside organizations involved. Contributors to the success of this shipment included the Primary, PCIC, Sales

and Quality Assurance departments in Sterling.

Here in Houston all departments were part of the effort. Outside organizations included the

International Longshoreman's Association-Local 24, Marias Industries, S&P Trucking, Shippers Stevedoring Company, and Tuteur Associates. The efforts of the aforementioned allowed us to ship 424 truckloads in five days with

each load prestaged and each beam stenciled and color coded.

Steve Parker, President of S&P Trucking, was very impressed with Northwestern's employees'

dedication to get the shipment loaded. "You guys did it all. It ran so smoothly, I had a hard time keeping my drivers awake," Parker noted.

Jerry Hibbeler, 1st Vice President of ILA-Local 24, was also pleased to see the ship leave the dock filled with 15,000 tons of U.S. steel. "We've never had a lot of export steel and my people feel this should be one of our main objectives. It's good for everyone," he commented.

Getting this shipment out quickly was not as easy as it may sound. During the same period of time, we continued to ship our regular truck and rail customers as well as conduct our annual audited inventory.

The smooth operation of this export proves that Northwestern does live up to its "Consider it done" slogan, and it also shows us once again, that teamwork is an invaluable asset.



## NSW employees complete 1½ years of export training

The final export training sessions were held in July after 18 months of difficult work initiating NSW employees into the export business. All agreed, though, that each person involved has come a long way since January 1990 when Northwestern began expanding its efforts into the world market through training

**Steel export sales as of January 1990 stood at \$3.5 million, but during the 18 months of training through funding from the Illinois Department of Commerce and Community Affairs, export sales grew to \$26.7 million.**

sessions funded by the Illinois Department of Commerce and Community Affairs.

The main topics of discussion during the final meetings were the recent export to Singapore and Malaysia involving 9,000 tons of Houston steel and 3,000 tons of 24-Inch Mill products, and various wire products exports.

The wire products that have been sold in the world market include certain plastic-coated lawn and garden fencing products to Japan and Canada, baler wire to Mexico, and an order of nails, welded fabric,

plastic coated fencing products, wire cloth, netting and posts to the Caribbean island of Netherlands-Antilles.

Another new location from where more business will hopefully follow is Saudi Arabia. More than 1,800 tons of bearing piles are on the books to be shipped in August from the 48-Inch Mill. With the massive re-construction projects now underway in the Middle East, Northwestern has its foot in the door to seek more business there.

Gary Winget and Sandy Renner from Fast Track Export Resource Associates conducted the meetings and announced the progress Northwestern has made in the past 18 months. Steel export sales as of January 1990 stood at \$3.5 million, but during the 18 months of training ending June 30, 1991, export sales grew to \$26.7 million.

Prior to the training sessions, the Wire Products Division had not done any exporting, but since January 1990 they have done \$500,000 worth of export business.

Gary and Sandy also were pleased to announce that about 1,100 employees at NSW have gone through some form of export training, in conjunction with the acquisition of the JIS certification.

While there are still several

adjustments Northwestern needs to make in order to be a more efficient world supplier, Gary and Sandy noted that there will be many opportunities for NSW to take advantage of in the near future.

One of the areas where Northwestern might find business possibilities is Eastern Europe. The recent liberation of several of these countries promises a dramatic

growth spurt with many large construction projects getting underway in the next five years.

This area could provide an incredible amount of business for Northwestern. With the experience so many employees have gained in the past 18 months, Northwestern should be able to make a smooth transition into the world market.

## Dick Bennett takes over wire division operations

Effective August 1, 1991, Richard Bennett, Manager of the 12-Inch Mill, assumed the position of General Manager of Wire Products Operations. Dick is taking over the position following the retirement of Don Nehrkorn, Acting General Manager of Wire Products Operations. Don has served NSW for 35 years, and he is wished the best of luck by all at Northwestern.

This General Manager position has undergone a change in the responsibilities involved. Dick will supervise the East Plant, Rock Falls and 12-Inch Mill Operations.



Dick Bennett

Dick has been with Northwestern since June 1985 when he joined the company as Manager of 12-Inch Mill operations.

Dick has more than 20 years of steel mill management experience and is a graduate of Bowling Green State University in Ohio.

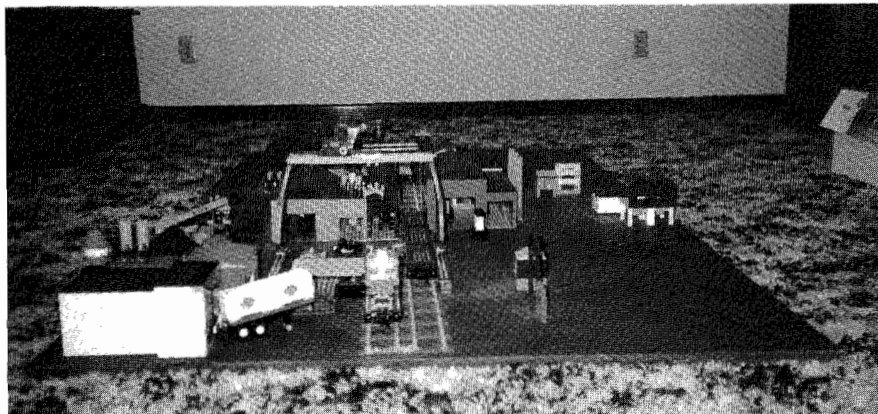
Made from legos

## Boys take pride in NSW model

The Owners Manual has learned that building lego models of Northwestern is more popular than first expected!

Dustin Schuchard (13), grandson of Milton Schuchard (retired from NSW) and nephew of Jim, Larry and Dick Schuchard (Transportation, Plant 2 Electrical and Plant 1 Inspection respectively), and Shawn Williams (15), son of Stanley Williams (chemist), worked on this elaborate model together.

Some of the features of their model include working trains and cranes as well as the Wire Mill, 12-Inch Mill, 46-Inch Mill, Furnace and Caster buildings, 24-Inch Mill, 14-Inch Mill and Scrap Yard. They've also added semi-trucks and trailers at the East Plant Shipping dock and stacked semi-finished steel as finishing touches to the model.



### The Owners Manual

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Story ideas, comments and suggestions are appreciated and may be sent through inter-office mail to:

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# NSW SPORTS

Play ball!!!

## Electroweld team takes NSW championship



Pictured above is the Electroweld No. 1 team who took first place in the tournament. Back row, from left, Andy Trancoso, Shawn Porter (not a team member, but loyal fan), Bruce Terveer, Dan McCallister, Todd Beck, Shawn Wharff, Joe Martinez and Chuck Cain. Front row, from left, Jeff Trancoso, Jason VanMeter, Chris Olds, Larry Dessing and Steve Raab.



Pictured above is the 24-Inch Mill team who took second place in the tournament. Back row, from left, Ron Harrison, Bobby Knox, Randy Johnson, Dennis Stoult, John Howard, Pat Downie and Mike Devine. Front row, from left, Charlie Renner (and his son in front), Jerry Gibson, Wes Crow and Ray Martinez. Absent from the photo are Lonnie Parks and Marty Downie.

have gone so smoothly without them.

*The tournament was a huge success, bringing out more than 500 participants and spectators to take part in 24 games over the two days.*

Concessions were provided once again this year by Twin City

Electroweld No. 1 went undefeated to come out on top in the Second Annual NSW Softball Tournament played the weekend of July 13 and 14 at Centennial Park in Rock Falls. The tournament was a huge success, bringing out more than 500 participants and spectators to take part in 24 games over the two days.

The 24-Inch Mill took second place after they were defeated by Electroweld No. 1 in the championship game. Third place went to 24-Inch Shipping in this double elimination event. First, second and third place teams received trophies and \$300, \$150 and \$75 respectively. A new addition to the tournament this year was a traveling plaque, which



The 24-Inch Shipping team took third place overall. Pictured from left to right, Jesse Lopez, George Gonzalez, Kevin Smoot, Carl Craig, Mel Long, Gerald Bailey, Doug Courter, Pat Balsley, Rich Johnson, Dean Book, Bill Brown, Charlie White and Joe Herrera. On the far right is Don Nehr Korn who handed out trophies to the winning teams. Absent from the team photo are Marty Bollman, Rod Tichler, and John Dick.



Kevin Smoot throws to Dean Book at first (24-Inch Shipping) for the out.

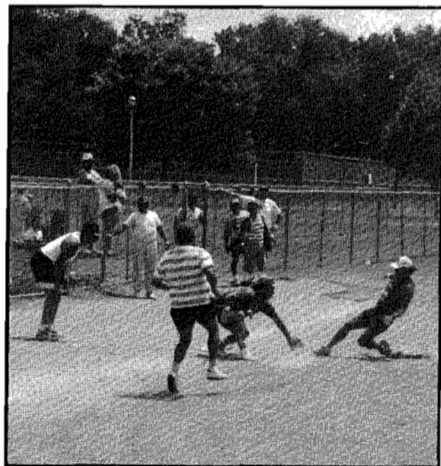
Educational Scholarship, Inc. (TCES). Larry, who is also president of TCES, said he had a lot of help from volunteers at TCES in running the concession stand. "On behalf of TCES, we'd also like to thank the players and fans for letting us be a part of the tournament for the second year in a row," Larry commented.

Larry added that thanks are extended to Local 63 for their donation and the Coloma Park District for their help during the tournament.

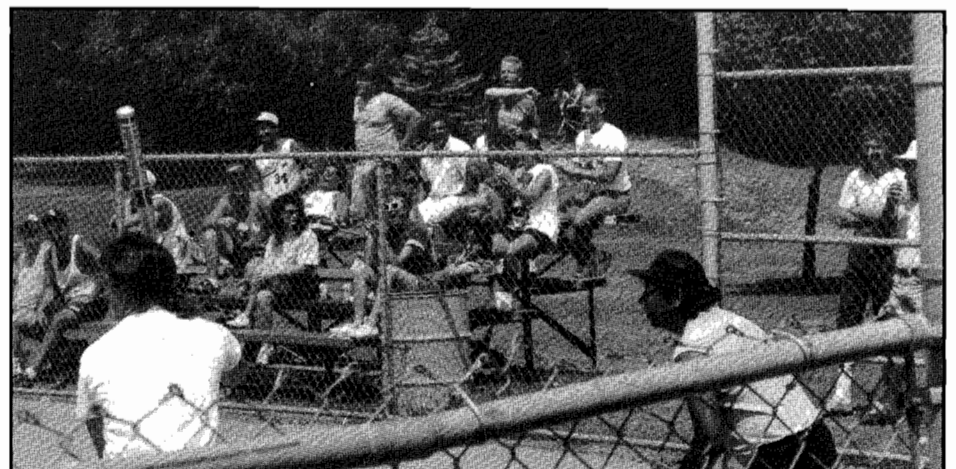
Electroweld No. 1 will keep until next year.

Organizers Larry Rosenberg and Chris Edmondson were very pleased this year with the excellent sportsmanship represented by all 13 teams participating. They were especially impressed with Electroweld No. 3, which was the first team eliminated, but the team members stayed all day Saturday and returned on Sunday to cheer on Electroweld No. 1. Electroweld No. 3 would like to acknowledge Eric "The Whiner" Russell for his contribution to the cheering section.

Three NSW employees, Steve Howard, Bob Lafferty and Denny Fritz, volunteered their services as umpires, and their help was very much appreciated by all involved, since the tournament could never



Ron Melendrez slides into third for the Wire Galvanizer team.



Electroweld No. 3 returned to the stands to cheer on Electroweld No. 1 after they were knocked out of the tournament early on Saturday. Their enthusiasm paid off because Electroweld No. 1 walked away as tournament champions.



OTR Drivers and Die Room met for a match over the busy weekend in which two dozen softball games were played.

## ESOP

(continued from page one) would leave 1,810,000 to allocate in future years. Allocation is expected to be completed during fiscal year ending July 31, 1994, although it may occur sooner.

If you have any questions at all concerning the ESOP, please give one of the ESOP Administrative Committee members a call, or you

may send your question to the Owners Manual staff.

### ESOP Administrative Committee

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



Craig DeWitt organizes event

## Gus Macker 3-on-3 Tournament attracts many participants and volunteers from Northwestern

One summer event held in Sterling is gaining popularity at a quick pace. It's the Amcore/CGH Medical Center Gus Macker Three-on-Three Charity Basketball Tournament, and this year it attracted 713 teams for basketball games on the streets surrounding Sterling High School.

The organizer of the tourney is Craig DeWitt, Supervisor of NSW's Leased Fleet. Craig has been chairman of the organizing committee for all three years Sterling has hosted the Gus Macker tournament. This hectic job includes recruiting volunteers and soliciting sponsorships.

Craig and his committee are also in charge of handling the thousands of dollars which are involved in getting the Gus Macker here and awarding the players and volunteers. The largest expenditures for the organizing committee are for t-shirts (which are given to all players and volunteers) and trophies for first, second and third places, as well as best sportsmanship and "toilet bowl" champions in each division. Teams

who lost their first two games competed in the "toilet bowl."

After all expenses are paid by the organizing committee, the proceeds are donated to charity. This year, the committee chose three different charities. One was the Sterling Schools Foundation, which received \$2,000 from the Gus Macker, as well as matching funds from two private donors. Craig says the money will be used to remodel the Sterling High School science labs.

This charity was chosen by the committee for a very special reason according to Craig. "Sterling High School has been so good to us for letting us use their facilities and grounds. We just wanted to repay them for all they've done for us," Craig commented.

Other charities receiving donations from the Gus Macker this year were Whiteside County Crimestoppers with \$3,500 and McGruff - "Take a bite out of crime" with \$4,500.

This event has seen participation nearly double each year, which Craig says is a normal trend for the

Gus Macker in a city the size of Sterling. With more than 2,800 players involved this year, the number of spectators has also grown considerably. Craig says he estimated crowd size at the tournament between 15,000 and 17,000 people each day during the weekend.

Such a large crowd also means profits for the organizations which were invited to set up concession stands. Craig says the Sterling Athletic and Band Boosters, Rock Falls Athletic Boosters, and Newman Cheerleader Boosters, together profited about \$15,000 from the concession sales.

Northwestern and its employees were very involved with the Gus Macker this year, and Craig says this was greatly appreciated. "The organizing committee sincerely thanks Northwestern Steel and Wire for their support in the tournament. We also deeply appreciate the volunteer and player participation of NSW employees," Craig said.

Craig says he hopes to have

roughly 1,000 teams participate next year, which is a pretty fair estimate considering the distance many teams traveled to Sterling this year to play. Fifteen different states were represented including New York, Arizona, Georgia and Alabama.

Still having a lot of fun as organizer, Craig says he plans to continue the job next year. As much time as this takes, though, he still will be on the courts - especially after his team took second place in the top men's division this year!



**Martin Hadley, Field Fence** (pictured above), participated in this year's Gus Macker basketball tournament. One of Martin's teammates was another NSW employee, Kenny Harmon, Nail Department. Their team won the "Toilet Bowl" championship on court GG, which was one site of play for 21-22-year-old men.

Junior Olympian joins S.H.S. cross country team

## Jacqui Vazquez 'runs' into new competition

The daughter of one NSW employee/owner is making quick progress in a sport to which she has dedicated her spare time since she was seven years old. She is Jacqui Vazquez, the daughter of Pablo Vazquez, Plant 1 Drawing Room, and cross country running is this 13-year-old's favorite hobby.

Jacqui is following in her father's footsteps - Pablo is an avid cross

country runner. In fact, she says he earned spots in the national level of Junior Olympic competitions for several years. In her last Junior Olympics, she took ninth place in the nation.

The next largest competition Jacqui competed in was the AAU/Carrier Youth Cross Country Championships. Last December, Jacqui took sixth place in the nation in this event. Both of these major

early in the morning to be at the high school at 6 am every weekday morning to run three or four miles for practice.

This kind of discipline can be very difficult for a 13-year-old to maintain, but Jacqui says she keeps herself motivated. "I just say to myself, 'If I want to be a good runner, this is what I have to do. I have to get up and practice,'" she commented. Jacqui added that her father helps her quite a bit by providing a lot of encouragement.

Jacqui says she feels most comfortable running races that are between 400 meters and four to five miles. Her favorite length to run is five kilometers, which is roughly three miles. While long distances scare away many runners, Jacqui says she never hesitated in choosing long distance over short.

"Short distance really didn't interest me much. You get up to the starting line and then you run, and then the race is over right away. I just thought it was boring," Jacqui said.

Jacqui is looking forward to entering the high school cross country meets, and if her early career is any indication, she should do very well for the Sterling High School Cross Country team.

## To Northwestern retirees:

Many current employees have expressed an interest in hearing about the activities of their former co-workers who have retired from Northwestern. The *Owners Manual* would be happy to hear from retirees who would like to pass along information to NSW

## Eight retire on July 1st

Eight Northwestern employee/owners retired effective July 1. The *Owners Manual* extends the following people best wishes upon their retirement.

- 44 Years**  
Joseph W. Ramirez, Brickmasons.
- 40 Years**  
Louis Magana, Brickmasons.
- 31 Years**  
Lowell Drayton, Plant 2 Electrical.
- 30 Years**  
William Boesen, Electric Furnace.
- 28 Years**  
Segundo Chacon, Plant 2 Cranes.
- 24 Years**  
John Schutz, OTR Driver.
- 22 Years**  
John Helt, 12-Inch Finishing.
- 18 Years**  
Ray Jackley, Plant 3 Shipping.



**Jacqui Vazquez, daughter of Pablo Vazquez, Plant 1 Drawing Room, placed second in her age division in Peoria's Steamboat Classic in June. Seated in the center are Pablo and Jacqui. On the far left is Mauricio Gonzalez, who won the men's division and on the far right is his wife, Wanda Panfield, who won the women's division in the Steamboat Classic.**

country runner. In fact, she says he got her started in the sport. "He'd just take me out and run a couple of blocks. And then we found out about the Sterling Track Club, so he signed me up in that," she said.

The Sterling Track Club allowed Jacqui the chance to compete in eight or nine meets each year against other children her age in other towns. By consistently bettering her times and qualifying in the state and regional meets, she

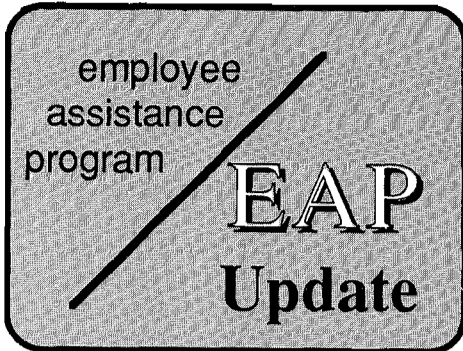
racers were 4,000 meters, or about two-and-one-half miles.

Most recently, Jacqui participated in the Steamboat Classic in Peoria. That race was four miles, and Jacqui placed second in her age category.

Currently, Jacqui's efforts are concentrated on beginning her high school cross country career. She will be a freshman at Sterling High School in the fall, and she is already practicing with the cross country team this summer. Jacqui gets up

## Did you know...

While the origin of the "penny" (d) system of designating nail sizes is shrouded in obscurity, the most plausible theory is that it came about through an effort to indicate the weight of the various sizes of nails then in use. An "eight penny" nail was doubtlessly one of such size that one thousand weighed approximately eight pounds and it was probably first known as an "eight pound" nail and designed as an "8d" nail (the letter "d" being the English symbol for pound). Since the letter "d" is also the symbol for the penny of the English monetary system, it seems quite natural that the two terms came to be used interchangeably, with the result that the "8d" nail gradually came to be known as an eight penny nail.



## Chemical dependency

# An unexpected disease among the elderly

### OLDER ADULTS AND CHEMICAL DEPENDENCY: A GROWING PROBLEM

Heart disease, osteoporosis and Alzheimer's are a few of the diseases we associate with aging. However,

one disease that we don't hear much about is chemical dependency among older adults, and it's a growing problem. Considering that 25 percent of our population will be 60 or older by the year 2030, the expected increase of alcohol and other drug abuse among older people has serious implications for our society.

Late-onset chemical dependency affects approximately one-third of the older chemically dependent population. Factors to recognize involve grief over a loss: the death of a spouse or friend, loss of a job through retirement, loss of one's home through a move to a retirement community or nursing home; or dislocation of the family.

#### COPING WITH LONELINESS:

To ease the pain of these losses, many older people increase their use of alcohol and other numbing substances. That other substance is often a prescription drug, taken for one of the many health problems that come with age.

So many older people are not ready for the loneliness associated with aging. This leads to depression and isolation. Even with no history of chemical abuse, many older people begin to medicate their feelings as well as their illnesses.

Such drug abuse or misuse often falls through the cracks of the health care system. Older people typically see several medical specialists with no one physician keeping track of prescriptions. It is easy to get multiple prescriptions from different doctors.

Older adults also take many over-the-counter drugs, particularly cold and sinus medications and pain pills, including aspirin. They believe that

because it's available without a prescription, it must be safe. But if abused or combined with heavy alcohol consumption, these drugs are dangerous and possibly lethal.

Once older people become dependent, they often don't get the treatment they need to begin recovery. One reason for that is the signs of dependency often go undetected. A younger alcohol abuser may be identified at work, through a drunk driving violation or by a close family member. The older adult is often retired, doesn't drive and may not live with or even close to other family members.

Another obstacle is attitude. We've heard the argument that some people are too old for treatment. A good answer to that is the question: "If you found a very old person lying on the floor with a broken leg, would you ask if that person was too old to have it set?"

Others believe chemical use is the older adult's "only pleasure," and that he or she should not be deprived of its comfort. Some family members unwittingly support the abuse, thankful that it keeps the older person quiet and easier to manage.

What little enjoyment anyone experiences from chemical use is by far overshadowed by the mental, physical and emotional damage to them and the people around them. The truth is that chemical dependency among older people leads to great physical and emotional deterioration, depriving them of the chance to enjoy their later years in rational, productive sobriety.

As difficult as it is to identify chemical dependency among older people, it may be even harder to get them to seek help. This involves good communication and overcoming generational barriers. A lot of older adults operate on an earlier set of values that stress stoicism and self-reliance. They don't easily talk about their problems or ask for help. This leaves them with no way to express grief and loss associated with aging. Chemical abuse only makes it worse.

Older adults also tend to feel more shame about their chemical dependency than younger people. Many of them grew up with the idea that alcohol or other drug dependence is a moral weakness instead of a disease that requires treatment. Consider those feelings when approaching an older person about seeking treatment.

Perhaps one of your family members or someone you know in this area has a problem. For help, please call:

**EMPLOYEE ASSISTANCE PROGRAM**  
625-8849, or  
Ext. 2460 or 2489

# EAP Profile

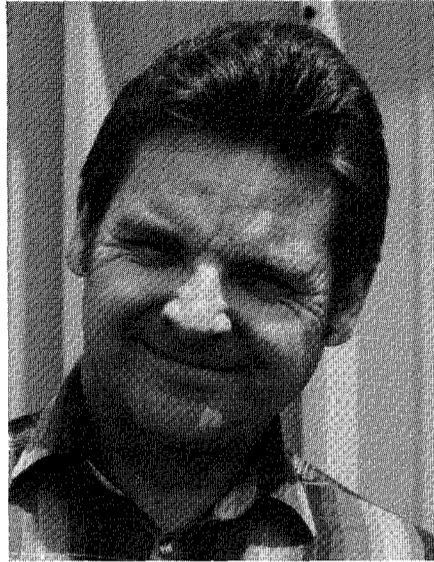
Ron Anderson is an EAP Contact Person for the guards. Ron has been a guard for 11 years and he has been with NSW for 16-1/2 years. He is currently working at the Avenue G gate.

Residing in Sterling, Ron and his wife, Rhonda, have two daughters, Amanda (17) and Roxanne (14).

Ron says his hobbies include casual bicycle riding and fishing.

Seeing the EAP as a company benefit that everyone should take advantage of, Ron decided to become an EAP Contact Person.

"We all travel different roads in our lives. Sometimes that road is bumpy or rough. If I can talk to someone who has been down that rough road, it might help me on my way or vice versa," Ron commented.



Ron Anderson

## Production records at NSW continue to fall

NSW employees are continuing to consistently set new record marks in Wire Mill production. In addition, there was also a new shipping record set in Houston last month. The *Owners Manual* congratulates the following employees for their efforts. Keep up the outstanding work!

Field Fence Shift Record	Old Record
47-6-E	
June 4, 1991	Jan. 12, 1990
66 rolls	65 rolls
7 to 3 shift	7 to 3 shift
John Lewis	Doug Riggins

Field Fence Shift Record	Old Record
47-6-B	
June 10, 1991	March 8, 1991
70 rolls	69 rolls
7 to 3 shift	7 to 3 shift
Curt Dusing	Glenn Landherr

Plant 1 Drawing Room Shift Record	Old Record
.325 wire	
June 11, 1991	Jan. 18, 1991
39,890 pounds	33,900 pounds
7 to 3 shift	7 to 3 shift
Paul Brunk	Filemon Sandoval

Plant 1 Drawing Room Shift Record	Old Record
.250 wire	
June 12, 1991	Jan. 16, 1991
29,740 pounds	27,610 pounds
7 to 3 shift	7 to 3 shift
Paul Brunk	Ramon Gonzalez

Plant 1 Drawing Room Shift Record	Old Record
.256 wire	
June 14, 1991	Jan. 16, 1991
30,450 pounds	28,020 pounds
7 to 3 shift	7 to 3 shift
Paul Brunk	Filemon Sandoval

Plant 1 Drawing Room Shift Record	Old Record
.207 wire	
June 14, 1991	Nov. 30, 1990
21,980 pounds	19,942 pounds
7 to 3 shift	3 to 11 shift
Paul Brunk	Paul Brunk

Plant 1 Drawing Room Shift Record	Old Record
.246 wire	
June 17, 1991	Jan. 9, 1991
35,240 pounds	34,690 pounds
3 to 11 shift	3 to 11 shift
Paul Brunk	Filemon Sandoval

Field Fence Shift Record	Old Record
26-6-C	
June 18, 1991	Unknown
77 rolls	75 rolls
7 to 3 shift	Unknown
Doug Riggins	Unknown

Plant 1 Drawing Room Shift Record	Old Record
.087 wire	
June 19, 1991	May 18, 1991
17,540 pounds	17,110 pounds
7 to 3 shift	3 to 11 shift
Mark Nitsch	Mark Nitsch

Plant 1 Drawing Room Shift Record	New Record Established
.217 wire	
June 19, 1991	
23,930 pounds	
3 to 11 shift	
Paul Brunk	

48-Inch Shipping Monthly Record	Old Record
June 1991	January 1991
18,129 tons	15,986 tons

#### The following support groups' phone numbers are listed for your convenience:

**Alcoholics Anonymous**  
625-5475 - 24 Hr.  
772-4368  
288-1616  
589-3936 (Fulton)

**Alcoholics Anonymous (Spanish)**  
626-1655 After 5:00 PM

**Alanon**  
625-5475 - 24 Hr.  
772-4368  
288-1616

**Narcotics Anonymous**  
964-5959 - 24 Hr.

**Cocaine Anonymous**  
312/202-8898 (Chicago)

**Adult Children of Alcoholics**  
284-1959

**Overeaters Anonymous**  
284-3796  
857-2412

## Dahlquist hospitalized at Hinsdale Hospital

Duane Dahlquist, Plant 1 Shipping, has recently been a patient in the Hinsdale Hospital, as well as CGH Medical Center.

He is now home and would appreciate hearing from his friends

at Northwestern Steel and Wire Company.

*Duane Dahlquist*  
1315 8th Ave.  
Sterling, IL 61081

QIP Team makes several suggestions

# Teamsters present improvements to backhaul costs

After a total of 85 meetings, the Teamsters QIP Team made their first presentation in June on the problem of backhauls not always being cost effective. A backhaul is the return trip an NSW truck makes after it delivers an order. Most often, the driver picks up a load of scrap for the backhaul.

The team found several causes to the problem of backhauls not being cost effective. Among the causes mentioned in the presentation were crisscrossing (in which two trucks were crossing paths to pick up their load of scrap for their backhaul, and if they had switched their destinations they would have saved many miles and much time), drivers

not checking in with the dispatcher after their truck is unloaded to receive further instructions and insufficient lead time for a shipment to be unloaded and then reloaded to have the truck back in time.

The team felt the best solution included installation of telephones in the trucks traveling to the Chicago metro area because 69% of backhauls originate there. The telephones would be useful to the dispatcher so he could contact the driver easily to find out when the driver would be ready to pick up his backhaul. Also, the driver should be able to strictly follow the policy of phoning in to receive backhaul orders because he would not have to

take on the difficult task of getting to a phone in the Chicago area with his truck.

Another part of the solution presented by the team was to

**Among the causes (of cost ineffectiveness)...were crisscrossing, drivers not checking in with the dispatcher after their truck is unloaded to receive further instructions and insufficient lead time for a shipment to be unloaded and then reloaded to have the truck back in time.**

provide the dispatcher with a 42" by 58" map of the Chicago metro area. This could be used to show where each driver is so that the dispatcher can quickly determine the most cost effective pick ups for each driver.

The cost of implementation and one year's operation for the phones in six trucks and the map is \$6,041. The team estimated one year's cost to the company for crisscrossing to be \$8,775. By eliminating crisscrossing with the phones and

map in the dispatcher's office, the team expects annual savings to be \$2,734.

Members of the Teamsters QIP Team are Steve Rourke, Jim Eckert, Brock Shelley, Craig Kilberg, Roger Martin, Lyle Fuller, Ivan Spratt and Jerry Cook. The team's facilitator is Dick Card.

Other teams making presentations recently included the 12-Inch Mill Team No. 3 with a solution to the problem of the unsafe method being used to handle roll bearings in the 12-Inch Mill builders area. They proposed rebuilding the hydraulic tables to have a heavier lifting capacity and to include trays to catch excess oil and grease.

The H.O.P.E. LMPT Team made a presentation on the problem of dust and water on tracks one, two, and three at Plant 4. The team suggested a blacktop surface be laid on the tracks as soon as the company finds this a feasible expenditure.

And Office Team No. 1 made a presentation on the travel arrangements at NSW. The team suggested that NSW engage an expert consultant on travel management to increase efficiency.

## Checking the stats June, 1991

### PRODUCTION

Department/Mill	Produced (tons)	Performance to Plan
<b>Primary Department</b>		
Raw Steel	114,266	N/A
Billets Cast	51,818	83.5%
Blooms Cast	39,264	92.2%
Jumbo Beams Cast	11,550	63.5%
<b>Wire Division</b>		
Rod/Wire	2,912.5	N/A
Plant 1	8,958.9	102.0%
Plant 4	5,248.7	84.0%
48-Inch Mill	14,956	70.0%
24-Inch Mill	22,369	111.0%
14-Inch Mill	15,571	100.0%
12-Inch Mill	30,899	90.0%
	<b>Shipped (tons)</b>	<b>Plan vs. Actual</b>
Total Rod/Wire	19,080.7	- 469.3
12-Inch Mill	9,169	- 3,831
14-Inch Mill	16,930	- 5,870
24-Inch Mill	20,731	- 3,049
48-Inch Mill	18,129	+ 1,129
Semi-Finished	16,540	+ 4,540

### COMPLAINTS

Wire Division Products			
Number Recorded	Reason	By Costs \$ %	TOP FOUR COMPLAINTS = 82% OF TOTAL
94	Service	\$11,123 32.71%	
	Order Entry	7,907 23.26%	
	Short	4,729 13.91%	
	Rust	4,224 12.42%	
Steel Division Products			
Number Recorded	Reason	By Costs \$ %	TOP FOUR COMPLAINTS = 66% OF TOTAL
161	Price	\$55,311 34.24%	
	Service	20,873 12.92%	
	Surface	18,242 11.29%	
	Misc.	12,683 7.85%	

### ABSENTEES

Normal Work Hours	Total Absence* Hours	% Absence to Normal	% May, 1991
410,520	27,344	6.66%	6.28%

\* 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 17.54% Rate is % per 200,000 man hours (100 employees working 1 year)	Rate - June, 1990 18.57%
36		

## August Anniversaries

Many Northwestern employee/owners will be celebrating company anniversaries in August. Congratulations to the following people for continuous service and dedication to NSW.

#### 40 Years

Royal D. Gonzales, 8/4/51, General Millwrights.

#### 30 Years

Eugene McCarter, 8/7/61, Bundling.  
Leonard C. Livingston, 8/14/61, Plant 2 Welders.

Jerry L. Bellini, 8/24/61, WM Inspection.

Arnold E. Myers, 8/27/61, Facilitators.

#### 25 Years

Dale E. Nehring, 8/1/66, RF Electrical.

Donald A. Eakle, 8/2/66, Scrap Yard.

John Paul Marshall, 8/2/66, Plant 2 Inspection.

Clarence Hylton, 8/8/66, Nails.  
Joe Ludwig, 8/8/66, Plant 2 Machine Shop.

Clifford R. Powless, 8/8/66, Caster Maintenance.

William W. Storms, 8/8/66, Degreaser.

Roger L. Port, 8/9/66, WM Drawing.

Carl E. McDonald, 8/10/66, Plant 5 Millwrights.

Gregory J. Sheffler, 8/12/66, 24-Inch Mill.

Francisco Delgado Jr., 8/15/66, Billet Yard.

Ruth A. Geiger, 8/15/66, Data Processing.

James Clausen, 8/20/66, WM Drawing.

Cloyd E. Kendell Jr., 8/20/66, Plant 2 Millwrights.

Terry R. Sharp, 8/22/66, Trial Crew West.

Larry M. Knutson, 8/29/66, Electro-Weld.

Edward J. Kolinski, 8/29/66, Sales-Steel Division.

Ellen L. Conner, 8/29/66, Executive Secretary - Administrative Office.

Herbert A. Drane, 8/30/66, 20/24-Inch Shipping and Finishing.  
**5 Years**

Robert E. Gettle, 8/11/86, Trucks.  
James E. Jones, 8/11/86, 12-Inch Mill.

Trent D. Druce, 8/13/86, Nails.  
Marcel B. Hutchison, 8/13/86, Plant 3 Pipefitters.

Terry A. Mendoza, 8/13/86, WM Drawing.

Tracy A. Russell, 8/13/86, WM Drawing.

Senon A. Trevino, 8/13/86, General Millwrights.

Steve C. Porter, 8/14/86, Wire Galvanizer.

Dennis D. Clay, 8/17/86, WM Drawing.

Duane L. Cordes, 8/17/86, Nails.  
James E. Henry II, 8/17/86, PC/IC.

Eddie R. Nusbaum, 8/17/86, Plant 2 Crane Mechanics.

Tim J. Filippi, 8/18/86, WM Millwrights.

David A. Jones Jr., 8/18/86, Nails.  
Tina M. Ortiz, 8/18/86, Wire Galvanizer.

Millard W. Mandrell, 8/19/86, Nails.

Randy H. Morris, 8/19/86, Netting.

Mark D. Nitsch, 8/19/86, WM Drawing.

James D. Parks, 8/19/86, Plant 5 Millwrights.

Billy J. Seidel, 8/19/86, Netting.  
Bobby J. Stover, 8/19/86, Nails.

John D. Thomas, 8/19/86, Electro-Weld.

Douglas J. Wilkens, 8/19/86, Plant 2 Millwrights.

Robert J. Carbaugh, 8/24/86, Nails.

Michael C. Watts, 8/24/86, Guards.

Karen S. Galbreath, 8/25/86, Secretary - QIP/LMPT.

Todd W. Weinrich, 8/25/86, Sales - Steel Division.

Pedro Diaz, 8/26/86, 14-Inch Finishing.

Walter W. Long, 8/26/86, WM Shipping.



## Pigeon racing popular around the world

# Obscure hobby enjoyed by many NSW employees

Most people have one or more hobbies to keep their spare time occupied, although some hobbies are more common than others. One hobby that is practiced world-wide and has attracted thousands of participants in the U.S. is actually very obscure to many people.

This hobby is pigeon racing, and several of Northwestern Steel and Wire's employees are active members of the Rock River Valley Pigeon Club. At least eight

*"In pigeon flying, the best thing to do is get around some of the more experienced people that you can talk to and learn a lot from..."*

employees and one retiree from Northwestern race their pigeons from May through October every year.

One NSW employee who recently had great success in a race is George Burks, Track Repair. George entered four of his birds in a 540-mile race and came out with the first, second, and third place finishers.

George explained that pigeon racing begins with the breeding of the birds. A pigeon owner will try to breed the birds he feels will produce a successful racer. A bird begins its training at a very young age.

Training consists of taking the bird first 10, then 15, and finally 25 miles from home. The birds gradually learn to find their way back home from greater distances.

George says no one really knows why a pigeon can find its way home, even at distances as great as 600 miles. "It seems to be just instinct of the birds. They are like people—some are smarter than others," George commented.

The Rock River Valley Pigeon Club enters races all over the

Midwest. The birds are transported to the release point, and when they arrive home, the owner clocks in their times. It is important for the owner to watch for his birds and mark their times right away, because many pigeon races have been decided by a matter of seconds.

Since George's club is combined with another club in the Quad Cities, some pigeons may travel 40 miles less than others to reach their homes. The differences in travel distance are taken into account so the times are fair.

Although the Rock River Valley Pigeon Club has been in existence for about 40 years, George has only been a member for a short time. "I've been doing this for four years

*Pigeon racing became popular following World War II when messenger pigeons were used to deliver information...*

and I'm still learning, but I've been doing real well with my birds," he said.

He added that a large part of his

ready for another race in one or two weeks. Every week is a challenge in flying birds," he said.

Pigeon racing became popular following World War II when

*...no one really knows why a pigeon can find its way home, even at distances as great as 600 miles...*

messenger pigeons were used to deliver information. Since then, the pastime has grown to include more than 11,000 participants in the U.S. in addition to a world-wide following.

The members of the Rock River Valley Pigeon Club hope they can interest others to join their club. They pay \$100 for club dues each year, and every bird they enter in a race costs 35 cents.

Other Northwestern employees that are members of the club are Steve Alexander, Plant 4 Drawing Room; Stan Calsyn, Plant 4 Millwrights; Richard Coffey, Plant 4 Drawing Room; Steve Grobe, Plant 4 Electricians; Bruce Jackson, Plant 4

## Children's Christmas Fund raffle winners

The NSW Children's Christmas Fund sponsored its annual softball game and raffle in June. The game, held at Nick's Tavern Diamond in Rock Falls, featured NSW employees against vendors of Northwestern.

Raffle tickets sold for \$5 each and this year's grand prize winner was

Natalie Gillette of Sterling. Natalie won \$1,000, while \$500 went to Rosemarie Russell of Chicago and Plant 2 General Millwrights won the third place prize of \$250.

Look for more information on this year's softball game and raffle in next month's *Owners Manual*.

## Helps out Ohio customer

# NSW driver commended for putting forth an extra effort

Craig DeWitt, Supervisor of the Leased Fleet, received the following letter in regard to NSW Over-the-Road Driver John Styles, from the manager of a Tractor Supply Company store in Ohio. TSC is one of Northwestern's major agricultural wire products customers.

June 5, 1991

Director of Operation  
Northwestern Steel and Wire  
Sterling, IL

Dear Sir:

I would like to take this time to thank Mr. John Styles (one of your corporate drivers) for his patience and cooperation on a very trying day, May 28, 1991, on which he delivered wire to the TSC store in Mt. Vernon, Ohio.

He went out of his way to assist me personally to expedite my removal of goods, so he might get his load unloaded and be on his way. In addition to having a truckload ahead of him, my forklift went down - not once, but three times, with two blown tires and a broken fan belt - all at different intervals!!

He is a credit to your organization. I am personally in his debt.

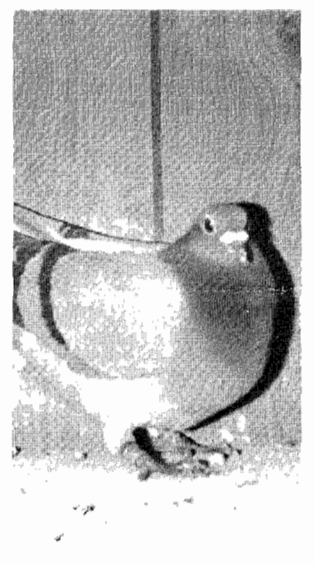
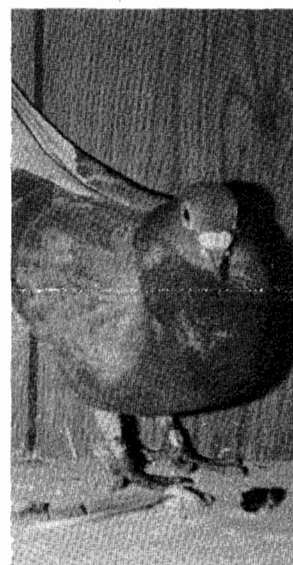
Respectfully,  
Dana C. Gage, Manager

John said that the day he delivered this particular load was out of the ordinary. "Delivering a load usually goes smoothly," he commented. But he added that he didn't feel his actions were extraordinary.

"It was really no big deal, and helping him out beats sitting in the truck all day," John noted. "Besides," he added, "he is our customer."



John Styles



The pigeons pictured above won first, second and third place (from left to right) in a 540-mile pigeon race. George Burks, Track Repair, owns and trains all three birds.

early success is due to his teachers. "In pigeon flying, the best thing to do is get around some of the more experienced people that you can talk to and learn a lot from," George noted.

The hobby of pigeon racing continues to interest George because of the new challenges he faces every week. "A big hurdle is when they come back from a tough race with bad weather, and they're all worn out. Then you have to get them

Tractor Drivers; Roland Lindsey, Plant 4 Machine Shop; John Tomczak, Plant 4 Millwrights; and Norbert Padilla, retiree from the Furnace Department.

Other club members in the community span a wide range of careers, including a veterinarian, a painter, a truck driver, several factory workers, and a farmer. The club now has 25 members, which proves how much interest the hobby has gained in this area.

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

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