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The Owners Manual

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

October, 1991

Northwestern hosts Globetrotters

Northwestern was the host this fall for the semi-annual meeting of the Globetrotters, a section of the Iron and Steel Society of the American Institute of Mining Engineers (AIME).

Members of the Globetrotters include representatives from nearly every steel company in North America. They are foremen, supervisors, superintendents and managers in the melt shop and rolling divisions of both integrated mills and mini-mills.

In addition, representatives from suppliers to steel mills are also a big part of the Globetrotter organization.

The conference was held in St. Charles, Illinois because there are not sufficient accommodations in the local area for the number of people that attended. About 480 people traveled from all over the country to attend the conference.

Dave DeVries, Manager of NSW's Primary Operations, and Dick Frasor, Manager of the 14-Inch Mill, served as program co-chairmen for their respective divisions. Each was responsible for coordinating a technical program consisting of the presentation of several papers by experts in the steel industry.

While these papers are very informative, many people find the more informal "roundtable" discussions the most valuable part of the conference. At the roundtable

discussions (one held for melt shop personnel and one for rolling personnel) everyone is given the opportunity to ask questions or make comments about operations and suppliers. Suppliers are not included in the roundtable discussions.

Mark Babin, Assistant Manager of Primary Operations, has attended these discussions at past conferences. "Roundtables are well-liked because it's fellow operators. It's another supervisor in another shop, and they understand what your problems are," he commented.

In the rolling division's roundtable discussion, NSW's 14-Inch Mill was well represented by Dick Frasor, Chuck Rhode, General Supervisor of Operations, and John Johnson, Supervisor of Operations. Dick says they asked questions regarding other companies' experience with finishing equipment.

"We asked questions about the new finishing equipment - the automatic pilers that are out there, because someday we'd like to expand and increase our production on the finishing end. Basically, we asked what's good and what's bad out there," Dick said.

Dave DeVries says he received some new information about caster edge problems through his melt shop roundtable discussion. He says

representatives from the large integrated mills provide valuable information to the mini-mills. "A lot of these people are from the integrated mills that have extensive research facilities. They may have 500 or 600 engineers that have been working on these problems for years," he explained.

Besides the information exchanged at the time of the conference, Dave believes another valuable benefit from the Globetrotters is the relationships he develops with operations personnel from other steel companies. "The interaction with other steelmakers and with suppliers is a big benefit to



Several members of the Globetrotters stopped for a breakfast roll and a cup of coffee before they headed out on their tour of Northwestern's Primary Department and 12-Inch Mill.

There is a lot of give and take, though. Dave noted, "They (integrated mills) need mini-mill ideas as well as us needing their technological ideas. It's a trade of information."

Northwestern. I know all these people by name and I can call them up anytime I have a question," he said.

Some people may not understand why Northwestern would want to share information and ideas with its competitors, but Dave explained that there is a broader principle.

"It's the U.S. steel industry against foreign competition," he said.

Northwestern has made the most of its relationships with other steel companies in the past, including last year when the 14-Inch Mill installed a new computer for their reheating furnace. Dick Frasor says that several discussions with people in the Globetrotters prompted their decision on which supplier to choose.

Dick says the supplier they bought the computer from was a young company and NSW would normally have been very skeptical of buying their product, but the company was reassured by acquaintances in the Globetrotters that the product would be good.

Dick says he could not be any happier with the performance of the computer, and he says a lot of the credit goes to the Globetrotters for allowing Northwestern the chance to develop these relationships with other people in the steel industry.

As hosts, Northwestern was responsible for the plant tour (which consisted of the Furnace, Caster and Tundish Repair Departments, as well as the 12-Inch Mill), buses to transport the Globetrotters from St. (See GLOBETROTTERS, page 4)

Meets with union, management and retirees

John Cox visits Northwestern

John Cox, Illinois Representative to the U.S. Congress, visited Northwestern in August to meet with company and union officials on topics of concern to all parties.

Cox began his visit with a tour of the Primary Department and the 14-Inch Mill. Noel Reed, President of Local 63, says Cox and his aides found the workings of the mill quite awesome. "They were really impressed with the sizes of the furnaces and the new caster. In the

14-Inch we took them into the speed pulpit and they saw the computer system working. Overall, they were impressed with the people and how hard they work," Noel commented.

Following the tour, several company and union representatives met with John Cox for lunch. The topic of most discussion was the possibility of a national health care plan. Noel says this was of great interest to everyone because of the

rising costs of health care to companies.

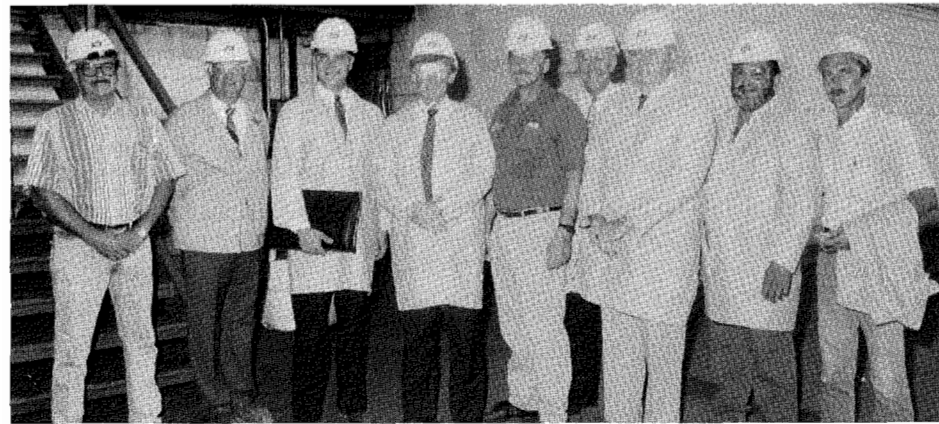
"Since we are part owners in the company, the rising costs are important to us, and the union representatives feel a national health care plan for everyone would help to cut these costs," Noel said.

The rebuilding of the nation's highways and bridges and its funding, as well as environmental issues, were also discussed with Representative Cox.

Union representatives were anxious to discuss the Mexican Free Trade Agreement (FTA) with Cox. The FTA is an agreement the Bush administration is fostering to eventually remove the duty on products moving between the United States and Mexico.

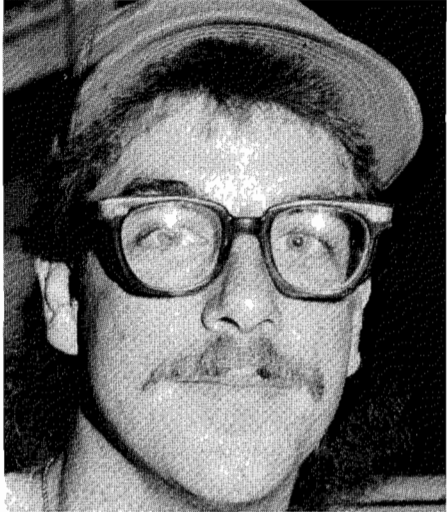
The union feels that an influx of Mexico's products into the U.S. market could hurt Northwestern because Mexico's low labor rates allow the country to produce low cost steel.

Finally, Cox met with both union and salaried pensioners back at the Union Hall. Noel says the pensioners were also interested in discussing a national health care plan, and he felt they were (See COX, page 7)



John Cox, U.S. Representative, toured the mill with the group pictured above. From left, Art Gillihan, Vice President of Local 63; Ken Burnett, Vice President of Steel Operations; Scott Wessels, Sterling aid to John Cox; Representative Cox; Noel Reed, President of Local 63; Charles Biermann, Senior Vice President of Sales; Don Markgraf, Rockford aid to Cox; Joe Martinez, President of Local 3720; and Russ Lovell, Grievance Committee.

Viewpoint

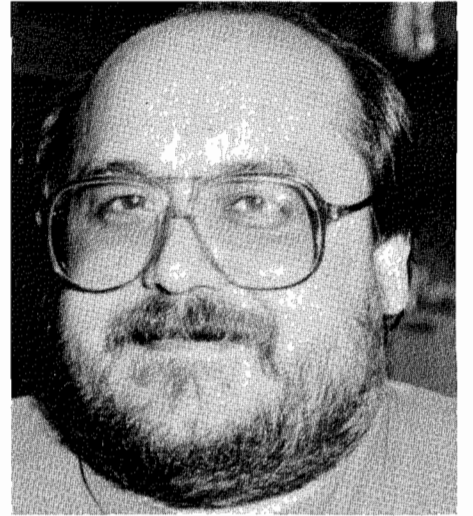


"I believe they need to pursue it, but they need to keep us more informed on what's going on with sales. They had said that there were sales, but I didn't know anything about that until you just mentioned it about the places and how much had been sold."

Gary Bodmer
Laborer
Cleaning House

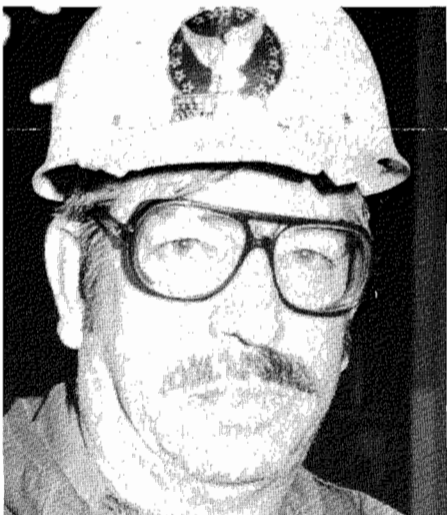
"In the past 18 months our export sales from Sterling and Houston to Canada, Mexico and overseas exceeded \$9 million. What do you think about Northwestern pursuing global sales?"

The NSW employees who give their viewpoint are picked at random. The opinions of the *first eight* people who give spontaneous or impromptu answers are used; we do not look for the "best" eight answers. The responses given are the responses that appear in print. They are not edited or changed.



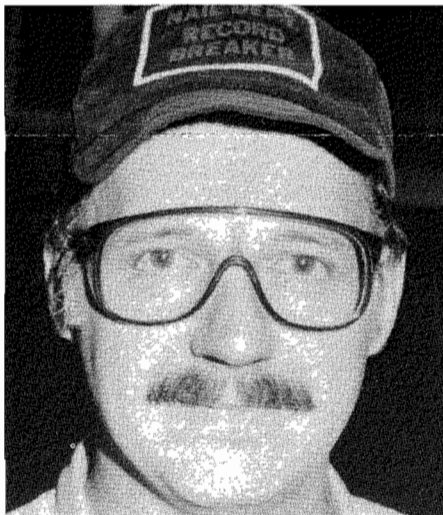
"I think it'll help the company in the long run just as long as we've got the material and the steel to supply everybody."

Richard Jensen
Stocker
West Plant Receiving



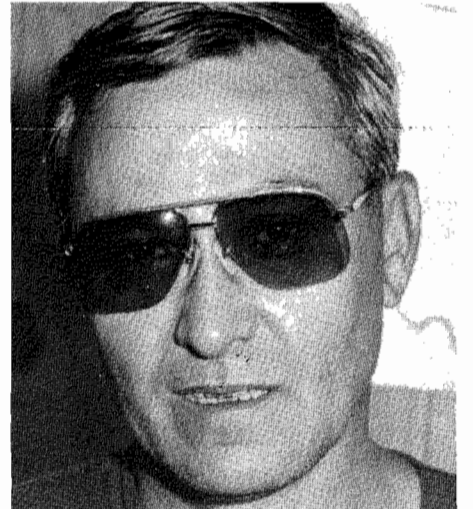
"It's okay. It's good for the company."

Salvador Padilla
Tractor Driver
12-Inch Finishing



"You've got to pursue the market wherever you can."

Jim Meyer
Repairman
Nail Department



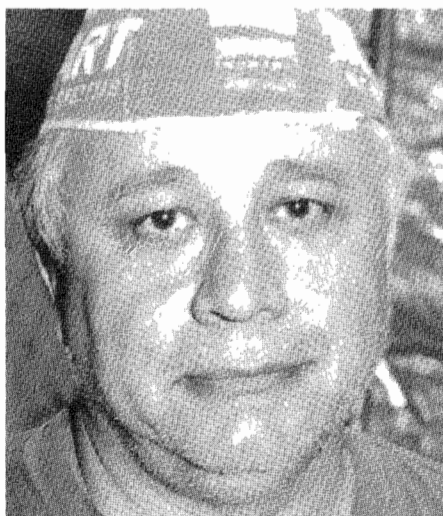
"I think it's great. Anytime you can sell something - go for it."

George Cheshier
Crane Operator
Scrap Yard



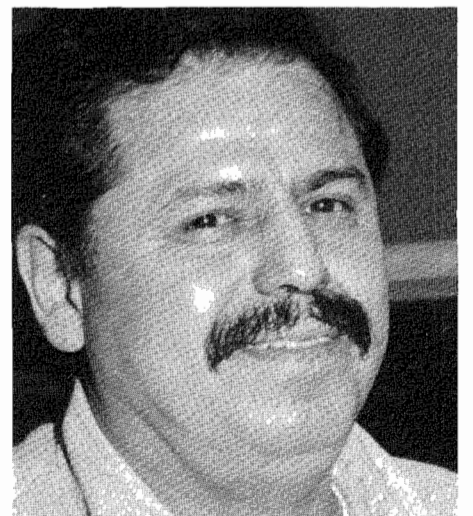
"Northwestern should pursue sales to any non-communist, U.S.-friendly sources."

Dennis Belote
Plant Technician
Houston



"If it's going to put money in the working man's pocket - I mean immediately - I'd say yes."

Richard Castro
Ladle Liner
Primary



"Sounds great to me. Anything that we can sell to a customer - as long as they're satisfied."

Louis Guerrero
Billet Console Operator
Caster

Thought Starters

When people are free to do what they please, they usually imitate each other.

* * *

Don't confuse motion with progress.

* * *

Patience is something that you admire in the driver behind you and scorn in the one ahead.

* * *

Setting a good example for your children takes all the fun out of middle age.

* * *

If you don't know what you want to do, what you probably want to do is sleep.

* * *

Failure is a detour, not a dead end street.

* * *

Asking dumb questions is better than making dumb mistakes.

* * *

For every person climbing the ladder of success, there are ten still waiting for the elevator to show up.

* * *

Children seldom misquote you. They repeat what you shouldn't have said, word for word.

Union golf outing tradition begins

Locals 63 and 3720 held their first golf outing at Lakeview Country Club in mid-August. About 80 members and retirees turned out for this new event, and this year's organizers hope the outing will become even bigger and better next year.

The Safety Center donated shirts to the union for prizes, and Lakeview Country Club donated jackets and golf balls to give away in a drawing.

The winners of the shirts were John Bellini, Charlie Aldridge, Roger Johnson, Ron Conklen, Ron Erickson, Terry Smith, Denny Clay, Mike Miller, Jim Shockley, Kevin Hager and Ted Ashley. Jacket winners were Cruz Rivera, Bill Fargher, John Bellini, and Don Kreiser.

The following took home a sleeve of golf balls: Dan Anderson, Al Tschosik, Wayne Lapp, Jack Woosley, Cruz Rivera, Dale

The President's Corner

Robert N. Gurnitz,
President &
Chief Executive Officer

Dear Fellow Employee:

We continue to make good progress in many areas of our Company. In Houston we had a record shipping month during September with shipments exceeding 22,000 tons. We were also able to sustain our improvement in yield and further improve in our run time tons per hour. However, we still have significant opportunity for improvements in the area of electrical and mechanical delays. As we further formalize our preventative maintenance program, we expect to see sizable reductions in those delays.

Our Wire Products Division finished its summer selling season with two excellent months (August and September). This resulted from significantly reduced costs as well as improved selling prices.

These are just two of a number of examples of areas where we are making good progress.

Despite the progress we are making, the Company is still in an overall loss position. This is primarily due to our continuing (but reduced) losses at Houston, and a

generally soft economy which manifests itself in both reduced selling prices and volumes. We are looking forward to more consistency in the market improvements which we have seen sporadically in the last couple of months.

Our banks continue to be very supportive. However, it continues to be very important to conserve cash as we manage through these difficult times. This means a continuing effort to reduce spending in all areas and to exercise very close control over our inventories and capital spending. We thank you for your continuing support.

Robert N. Gurnitz
President
and Chief Executive Officer

NSW retires 6 in September

Six Northwestern employees retired effective September 1st. NSW appreciates their dedication and service to the company for a combined total of 159 years. Congratulations!

39 Years

Eugene Koett, Plant 2 Crane Mechanic.

31 Years

James Fletcher, Plant 2 Mechanic.

30 Years

Leonard Livingston, Plant 2 Welder.

Robert Mundt, West Plant Machine Shop.

24 Years

Richard Barnes, East Plant Shipping.

5 Years

Robert Wilthew, Deferred Vested.

Cohenour, Bob Kennard, Wayne Bailey, Mike Miller, Dan Menchaca, Ron Hulteen, Ken Hait, Doug Todd, Mike Lubbs, Bob Atilano and Norb Padilla.

If anyone is interested in volunteering to help organize next year's golf outing, they can contact Ron Erickson at the Union Hall, Ext. 2420.



Picture above are some Plant 4 retirees that get together once a month for breakfast and are joined on various occasions by other NSW retirees.

Front row, from left, John Blaga, John Cochran, Calvin Schulz, and Bill Boze. Back row, from left, Vernon Gorzny, Homer Miller (Nails) and Bob Llewellyn. The picture was taken by John Ordean (Credit).

The P.A. group meets at the Calico Restaurant on West Route 30 in Rock Falls on the second Wednesday of every month at 9:00 a.m. Bill Boze says the group started meeting about eight years ago and as word got around, a few more of the men began stopping in. The members of the group fluctuate from time to time depending on vacations and matters that have to be attended to on that day. As more people retire, the group hopes they will drop in and join them whenever possible.

The Owners Manual

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Looking towards retirement?

Make the most of your Social Security benefits

January is an important month for future retirees. It may be to your advantage to have your Social Security benefits start in January, even if you don't plan to retire until later in the year. Depending on your earnings, it may be possible for you to continue working and collect benefits. Under current rules of the Social Security retirement earnings test, many people can receive the most benefits possible with an application that is effective in January.

Who is affected?

- Almost everyone who plans to claim retirement benefits after attaining age 62 should contact Social Security in advance to see which month is best to claim benefits.

Who is not affected?

- People who plan to stop work and start drawing Social Security benefits at age 62. They should file an application three months before their birthday.
- People whose annual earnings are too high for them to be eligible to receive any benefits. However, age, earnings, and benefit amount affect what is considered too high. Under the Social Security retirement earnings test for 1991, at age 65 a person with maximum benefits of \$1,022 per month may earn up to \$43,446 and still receive a benefit for one month. If that individual has a spouse who also is eligible for benefits, the figure could be even higher.
- People whose annual earnings are less than the annual exempt amount allowed under the Social Security retirement earnings test. In 1991, the annual exempt amount for persons aged 62-64 is \$7,080; for persons aged 65-69 the amount is \$9,720. Proposed legislation provides for moderate increases in the age 65-69 exempt amount over the next two years above the increases scheduled in current law.



Human Resources Manager appointed at NSW-Houston

NSW-Houston has hired Daniel Whichard as their new Manager of Human Resources. Dan comes to Northwestern with more than 20 years of experience in the Human Resources field and a B.S. degree from Mississippi State University in Industrial Technology.

One reason Dan joined Northwestern was to continue working in the field he enjoys. "I really like the industrial environment, and I was very impressed with what I learned about Northwestern in my research," Dan commented.

While he is very busy right now hiring more plant technicians for the 48-Inch Mill, Dan says he has been warmly welcomed into the company. "I have not been disappointed, and all the people down here have been great," he

Mill exceeds production goals

Houston gets on track in August

The 48-Inch Mill in Houston had a great month in August, setting new records in both production and shipping.

A new monthly production record of 25,682 tons was set, slashing the old mark of 17,877 tons set in January. The last week of August was also a record breaker with 6,078 tons produced, surpassing the

5,805-ton record set only two weeks before.

Shipments for the month of August reached an all-time high of 22,422 tons, breaking the previous record

they can make to improve the next rolling. The biggest impact the team has made is an increase in yield because it has been taking fewer bars to be in section following a roll



In the photo above, Dick Friel, Production Manager at NSW-Houston (left), and Len Janik, Plant Technician, assigned to sampling (right), are checking a sample of a beam. Performing section checks such as this, is just one example of a number of measures being taken in Houston to improve production numbers.

said.

Dan and his wife, Lynn, have one daughter, Amanda.



Dan Whichard

set in June of this year, 18,129 tons.

Mike Mullen, Vice President and General Manager of the 48-Inch Mill, says there are a number of reasons for the success the mill had in August. An action plan the mill implemented has resulted in a 20% reduction in delays. In addition, Mike says a pass schedule team has greatly improved efficiency in recent weeks.

"One of the best things that we've done was to form a team composed of a couple of the rollers, a few engineers and Dick Friel, Production Manager. They review our rollings as soon as they're completed, and they've had a significant impact on our ability to roll in section," Mike commented.

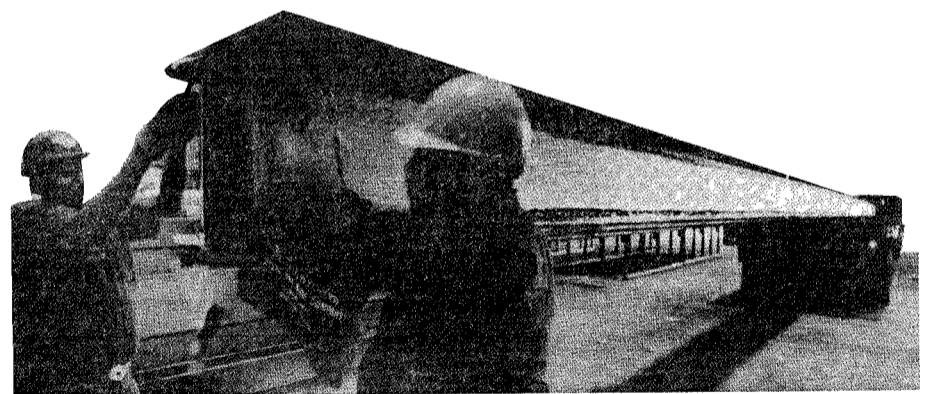
The team reviews yield rollout, the problems and defects incurred during the rolling and what changes

change.

Mike reminds everyone that the dramatic increase in Houston's production numbers did not occur overnight. "What happened in August was based on things that were done the preceding three months; it takes awhile to get it up and running correctly," he said. Additionally, Mike said that the Sterling hourly employees were a great asset during August.

Mike feels that the practice of sending employees from Sterling to Houston and vice-versa has been mutually helpful for both locations. "Everybody from Sterling who comes down here, whether they be hourly or salaried, teaches the people from Houston something. On the other hand, they all go home with something they have learned from Houston," he commented.

Try beaming this one up, Scotty!



The 90-foot beams produced by Houston's 48-Inch Mill that were shown in the last issue of the *Owners Manual* were pretty impressive. But already, Houston has produced six beams even longer. The Houston Port Authority will be incorporating the beams measuring 112' 5", 111' 5" and 111' 10-1/2" into a new loading dock system. The beams were sold for fabrication to North Shore Supply Company, who says it is the first time in years that a domestic steelmaker has been price competitive with Japanese steelmakers.



The good news: The number of people who died as a result of house fires began declining steadily after 1977.

The bad news: The decline has stopped, and may be in the process of reversing.

Ironically, the explanation for both statements is the same: smoke detectors. Brand-new, clean, functional smoke detectors in the first instance. Old, dirty, nonfunctional smoke detectors in the second.

The chances of dying in a home fire are cut in half when there is a *working* smoke detector. Eighty percent of fire deaths occur in homes where there is none.

Just prior to National Fire Prevention Week on Oct. 6-13, experts estimated that half of all the smoke detectors in this country were not working because of old or missing batteries.

That's the situation behind a public service campaign called "Change Your Clock, Change Your Battery," which swings into gear shortly before the end of daylight-saving time each fall. Hundreds of local fire departments and burn centers join in getting the message out: *When you change your clocks on October 27, remember to change the batteries in your smoke*

detectors, too.

Most residential fires take place between 8 p.m. and 8 a.m., while people are sleeping. Most residential fire deaths result not from flames but from inhalation of smoke and poisonous gases, which fail to rouse the average sleeper.

These things are relatively predictable. Fire itself is anything but. A fire may smolder undetected for hours. On the other hand, a free-burning fire can grow to 50 times its original size in just six minutes.

...experts estimate that half of all the smoke detectors in this country are not working because of old or missing batteries...

Each year, there are about 700,000 residential fires; 6,000 people die as a result and 130,000 others are injured, many of them horribly so. If you can buy just a few minutes of time when fire breaks out, your chances of escaping a similar fate soar.

Come October 27, buy yourself those extra few minutes. After all, the government is throwing in a whole hour.

Globetrotters

(continued from page one)

Charles to Sterling for the tour, literature on Northwestern, refreshments and mementos. All accommodations, dinners and social events were handled by the Globetrotters organization.

For the tour, walking areas were roped off with safety tape and about 200 Globetrotter members filed through the plant on their own. Several employees were stationed along the route to answer any

questions.

As program chairmen, Dick Frasier and Dave DeVries did much of the planning, but they also had assistance from several employees at Northwestern. "We had some great cooperation from Noel Gillette in the 12-Inch Mill, Chuck Lancaster and his people in Safety and Leona Richards in Advertising. The Globetrotters complimented us on one of the best organized tours they had ever had," Dick commented.

While valuable information was gained by all Northwestern representatives to the conference, Dave DeVries says NSW also had much more to gain as hosts. "The biggest thing we got out of this meeting was to show the rest of our competition that we are here and we're a good steelmaker," he said.

The Globetrotters' spring meeting will be held in March and hosted by Chaparral Steel in Midlothian, Texas.

Annual tonnage tops 44,000

Galvanizer sets record marks

The Wire Galvanizer in Plant 1 set a new annual production record for Fiscal Year 1991. The department produced 44,155 tons of galvanized wire for the year, which topped the previous record of 41,636 tons set in Fiscal Year 1990.

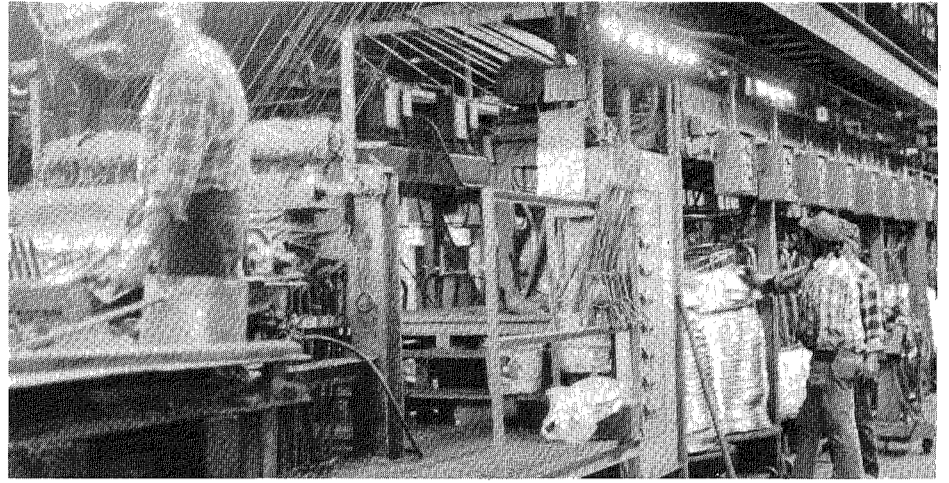
The department did not stop their record setting trends on July 31 though. In the month of August, the No. 3 galvanizer crews continued the streak with two 24-hour records and two weekly records.

On August 7th, No. 3 galvanizer crews broke the old 24-hour record

of 54,060 pounds of 20 gauge wire by producing 58,030 pounds. By the end of that week, they had produced 249,570 pounds of 20 gauge wire, which broke the old six-day record set in March 1990.

No. 3 galvanizer crews continued their hard work the following week on 16 gauge wire. They set a 24-hour record of 109,510 pounds on this gauge, slashing the previous record of 93,920 pounds. And the weekly record for 16 gauge was also established with 457,000 pounds.

The No. 1 galvanizer crews also



The entire Wire Galvanizer Department set a number of new records, including a fiscal year production record. These employees working on the Number One Galvanizer contributed to the department record as well as a 24-hour record during August.

made an extra effort breaking the old 24-hour record on various sizes by 12-1/2 tons. The new mark of 127.2 tons was set by the No. 1 crews on August 16th. The old

record of 114.7 tons had stood since December 1989.

Congratulations to all employees in the Galvanizer Department for a job well done.

Record breakers on a rampage at NSW

New records were not set at a fast pace in July, but the month of August made up for it. The employee/owners finished strong for the summer, setting a number of records in Plants 1 and 4 as well as at Houston.

Plant 1 Drawing Room Shift Record Old Record

17 Ga. (.053)
May 3, 1991
21,150 pounds
7 to 3 shift
Jeff Corwell

Sept. 10, 1989
20,890 pounds
3 to 11 shift
Tim Wallace

Field Fence Shift Record Old Record

47-6-B
July 8, 1991
71 rolls
7 to 3 shift
Curt Dusing

June 10, 1991
70 rolls
7 to 3 shift
Curt Dusing

Plant 1 Drawing Room Shift Record Old Record

.300 (Mkt. Wire)
July 24, 1991
38,820 pounds
7 to 3 shift
Paul Brunk

May 9, 1991
37,840 pounds
3 to 11 shift
Ramon Gonzalez

Netting Shift Record Old Record

24/36-1x20-150'
August 5, 1991
251 cuts
(9.8 tons)
7 to 3 shift
Sam Rodriguez
John Wheat
Dale Haberer
Augusta Arteaga
Bob Linton

July 18, 1990
244 cuts
7 to 3 shift
Everett Yates
John Wheat
Sam Rodriguez
Augusta Arteaga

Plant 1 Drawing Room Shift Record Old Record

.300 Wire

August 8, 1991
40,520 pounds
7 to 3 shift
Paul Brunk

July 24, 1991
38,820 pounds
7 to 3 shift
Paul Brunk

Nails Shift Record Old Record

Packed Boxes
August 8, 1991
1,940 boxes
(48.5 tons)
3 to 11 shift
Dan Nelson
Dick Koenig

Old Record
Unknown
1,850 boxes
Unknown
Unknown

Nails Shift Record Old Record

Packed Boxes
August 8, 1991
3,035 boxes
(75.9 tons)
3 to 11 shift
Bill Mandrell
Bill Storms

Old Record
June 20, 1990
3,030 boxes
11 to 7 shift
Dan Nelson
Bob Lehman

Nails Shift Record New Record Established

Packed Boxes (2 machines)
August 8, 1991
124.4 tons
3 to 11 shift
Dan Nelson
Dick Koenig
Bill Mandrell
Bill Storms

48-Inch Mill Weekly Production Old Record

Week ending 8/10/91
5,805 tons

Old Record
Week ending 6/15/91
5,657 tons

Plant 1 Drawing Room Shift Record New Record Established

.444 Wire

August 13, 1991
15,030 pounds
7 to 3 shift
Mike Kinnaman

Plant 1 Drawing Room Shift Record Old Record

.435 Wire
August 15, 1991
20,890 pounds
7 to 3 shift
Mike Kinnaman

Old Record
Jan. 9, 1991
10,970 pounds
3 to 11 shift
Paul Brunk

Plant 1 Drawing Room Shift Record Old Record

.148 Nor-Twist
August 15, 1991
17,600 pounds
7 to 3 shift
Fred Knebel

Old Record
August 31, 1990
15,700 pounds
7 to 3 shift
Walter Hay

Plant 1 Drawing Room Shift Record Old Record

.225 Galvanized
August 22, 1991
29,520 pounds
7 to 3 shift
Paul Brunk

Old Record
April 3, 1991
29,000 pounds
7 to 3 shift
Filemon Sandoval

Plant 1 Drawing Room Shift Record New Record Established

.495 Wire
August 27, 1991
17,370 pounds
7 to 3 shift
Mike Kinnaman

New Record Established

Electroweld Shift Record Old Record

60" 4x4x14 ga.
August 29, 1991
6,182 feet
7 to 3 shift
Nelson Vasquez

Old Record
Unknown
5,879 feet
Unknown
Unknown

Plant 1 Drawing Room Shift Record Old Record

.207 Wire
August 29, 1991
22,260 pounds
3 to 11 shift
Paul Brunk

Old Record
June 14, 1991
21,980 pounds
7 to 3 shift
Paul Brunk

Plant 1 Drawing Room Shift Record New Record Established

.182 Wire
August 30, 1991
18,660 pounds
3 to 11 shift
Paul Brunk

New Record Established

Plant 1 Drawing Room Shift Record Old Record

.062 Wire
August 30, 1991
12,140 pounds
3 to 11 shift
Felimon Sandoval

Old Record
March 10, 1991
11,870 pounds
7 to 3 shift
Mark Nitsch

Straight & Cut Monthly Record New Record Established

August 1991
790.6 tons
Vernon Gould
James Rodriguez
Eugene Johnson
Vernon Fowler
Bernard Higley, Jr.
Robert Livingston

New Record Established

Plant 1 Shipping Monthly Record Old Record

Straight & Cut
August 1991
784.8 tons

Old Record
April 1990
766.8 tons

Plant 1 Shipping Monthly Record New Record Established

Rods
August 1991
1,060.5 tons

New Record Established



Frank Rausa

Rausa named chairman on committee for state council

Frank Rausa, NSW's Manager of Training and Development, will be more involved with the Illinois Job Training Coordinating Council (IJTCC) in the next two years than he has in his past two and a half years as a member. That is because he was selected to chair the

Coordination Committee for the IJTCC.

The IJTCC oversees and coordinates 13 state organizations in providing job training through federal and state funds. A few of these organizations include Job Training Partnership Act (JTPA),

Public Aid and Department of Commerce and Community Affairs (DCCA).

The Coordination Committee which Frank will chair is responsible for the coordination of the 13 state organizations.

Store services grow in number

Safety Center has something for every Northwestern employee

Most NSW employees know that when their work gloves or steel-toed shoes wear out, they can go to the Safety Center to replace them. But many may not realize the wide variety of items the Safety Center has added to its inventory since it started up in November of 1989.

Before Safety Centers, Inc. began

business, Northwestern carried 33 types of safety items. Now the Safety Center handles more than 590 types of safety and convenience items. They carry several different styles of shirts, sweaters, jackets and caps with the NSW logo. Blue jeans, socks, regular and insulated underwear are also in their



Debbie Decker, employee at the Safety Center, repairs a pair of eyeglasses. Northwestern employees can get their prescription eyewear from the Safety Center for a competitive price.

inventory.

Dave Balsley, manager of the store, says he would like to see more NSW employees take advantage of their eyeglasses. Not only do Dave and his assistant, Debbie Decker, take care of prescription safety glasses for employees, but also they sell streetwear eyeglasses to NSW employees, retirees and their dependents.

"We can save Northwestern employees some serious dollars on their prescription eyewear," Dave commented. He says their streetwear glasses cost between \$70 and \$100 per pair, which is \$100 to \$200 less than charged by many optical stores in the area.

Employees can bring the results of their eye exams into the Safety Center, or they may use their exams taken at Northwestern if they are within the past two years. The employees at the Safety Center will

"We can save Northwestern employees some serious dollars on their prescription eyewear..."

fit NSW employees with the frames they choose, and in seven to ten days, employees can have a new pair of eyeglasses at a very competitive price.

Dave keeps a close eye on the prices of all items the Safety Center carries. "We're price competitive with everybody in town. I monitor that all the time. We're equal to or



Besides the safety equipment which NSW employees are required to wear, professional sports t-shirts are a very popular item at the Safety Center.

less than their daily regular prices," Dave explained.

The type of inventory the Safety Center carries is another feature NSW employees can appreciate. "We keep seasonal items year-round when you might not be able to buy them in other stores. For example, long underwear is hard to find in most stores in the summer and people that work in Primary need them," Dave commented.

All items for sale at the Safety Center are made in the U.S.A. and 99% of items for sale are union-made. Currently, Dave is looking toward expanding his inventory with more items carrying the NSW logo. Dave welcomes any suggestions employees have for things they would like to see the Safety Center sell.

employee
assistance
program

EAP
Update

STOP SMOKING PROGRAM at
CGH Medical Center in Sterling
- For more information call
625-0400, Ext. 4460 -
Ask for Helen or Beth

SMOKE-ENDERS at
KSB Hospital in Dixon
- For more information, call
288-5531, Ext. 132 -
Ask for Gayle Boehle

Facts and figures about the hardest habit to kick

Smoking is the single most important preventable cause of death in our society. More than one out of every six deaths in the nation can be directly attributed to smoking.

Among women, smoking accounted for 30,000 deaths in 1965 and 106,000 deaths in 1985 from ten causes: heart disease, stroke, chronic obstructive pulmonary disease and

Cigarette advertising and promotion increased from \$361 million in 1970 to \$2.4 billion in 1986 and to \$3.26 billion in 1988.

cancer of the lung, mouth, esophagus, larynx, pancreas, bladder and kidney. Since 1986, lung cancer has surpassed breast cancer as the leading cause of cancer deaths among women.

Women smokers face special health consequences which are related to pregnancy and the reproductive system. Cigarette smoking is a probable cause of unsuccessful pregnancies and increased infant mortality. Maternal smoking has significant health consequences for the fetus, newborn and growing child. It is associated with oral clefting, Sudden Infant Death Syndrome and lower respiratory tract illness during the first five years of life.

Smoking is also associated with cancer of the uterine cervix, and female smokers who use oral contraceptives are at increased risk of stroke. Risks will continue to be

high, as it is anticipated that a larger proportion of women than men will be smokers by the year 2000.

Cigarette advertising and promotion increased from \$361 million in 1970 to \$2.4 billion in 1986 and to \$3.26 billion in 1988. Cigarettes were the most heavily advertised product in the outdoor media (e.g., billboards), second in magazines and third in newspapers. Women are a particular target of cigarette advertising where the female smoker is portrayed as sophisticated, mature, liberated, successful, healthy, sexy and thin.

If you want to stop smoking, your EAP can help. Call:

**625-8849 or
Ext. 2460, 2489**

EAP Profile

Gary Davis is an EAP Contact Person for the 14-Inch Mill. Gary has been employed by Northwestern since November 1984.

A resident of Sterling, Gary has two sons, Geoff (14) and T.J. (7). In his spare time, Gary enjoys photography and sports.

Gary chose to become an EAP Contact Person because he feels the EAP is a good benefit for Northwestern employees. "Someone took the time to help me when I needed it, and maybe I can return the favor this way," Gary said.

Fall company anniversaries

The Northwestern employees who will be celebrating company anniversaries in October and November are listed below. The *Owners Manual* congratulates these employees on their service and dedication to NSW.

October 45 Years

Everett Yates, 10/15/46, Netting.

30 Years

Douglas E. Martin, 10/23/61,
Plant 2 Machine Shop.

25 Years

John R. Steien, 10/9/66, Plant 5
Electrical.

Johnny L. Manning, 10/17/66,
Plant 5 Electrical.

Larry W. Mewhirter, 10/17/66,
Scrap Yard.

James R. Naughton, 10/17/66,
Electric Furnaces.

Marvin E. Tichler, 10/19/66,
Billet Caster.

Raymond Green, 10/22/66,
Brickmasons.

20 Years

John P. Thayer, 10/14/71,
Electroweld.

Rollie A. Elder, Jr., 10/21/71,
Wire Galvanizer.

Larry L. Retherford, 10/21/71,
24-Inch Mill.

Robert Cervantes, 10/25/71,
14-Inch Finishing.

Peter Cervantes, Jr., 10/26/71,
Plant 2 Millwrights.

15 Years

Sharon L. Wolfe, 10/11/76,
Medical.

10 Years

Randy Cunningham, 10/7/81,
Plant 2 Crane Mechanics.

5 Years

Arthur B. Sandoval, 10/27/86,
Inside Sales-Wire Division.

November 35 Years

Berton W. Hollis, 11/28/56, Plant
3 Millwrights.

30 Years

Merrill V. Johnson, 11/7/61,
Plant 2 Electrical.

Donald G. Morgan, 11/13/61,
Manager - Services and
Engineering.

Alexander L. Delgado,
11/20/61, Brickmasons.

James E. Rosenow, 11/20/61,
Plant 2 Electrical.

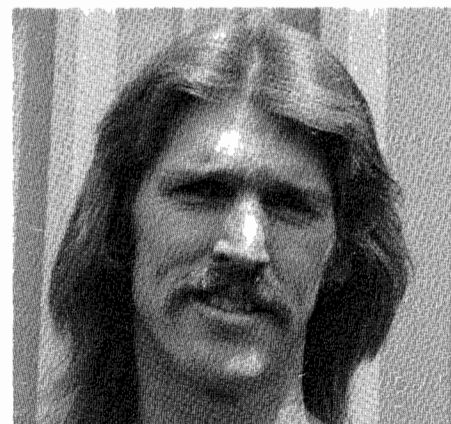
Robert L. Lundquist, 11/21/61,
Trial Crew West.

Gary E. Smith, 11/25/61, 12-Inch
Finishing-Bars.

5 Years

David A. Rippey, 11/16/86, Billet
Caster.

Michael E. Lubbs, 11/24/86,
Electronics.



Gary Davis

Communications among NSW employees addressed by nail team

Quality Nail Team No. 3 made a presentation to the Wire Division Steering Committee on options to improve communications among all employees.

During the presentation, they displayed one of their options. The team showed how a moving message sign can greatly enhance employee communications. The signs are very easy to program, and messages can be displayed in a number of eye-catching forms. The team feels the signs could be used to display up-to-date information on production, schedules, promotions, etc.

Another option presented by the

The team showed how a moving message sign can greatly enhance employee communications.

team was a question and answer drop box, giving employees a chance to submit any questions they might have. The team suggested that the answers be given as quickly as possible for this idea to be effective.

They said the moving message sign would be an ideal way to get the answers out promptly.

One more option presented by Nail Team No. 3 is to have interplant tours for employees. This would give employees a chance to see other departments, and may help employees to care more about the company as a whole, rather than just their own departments.

Members of Quality Nail Team No. 3 are Don Berkeley, Greg Brooks, Mike Capp, Beryl Cooke, Mike Modler, Byron Pope, William Schwab and Randy Witmer. The team's facilitator is Don Bielema.

Cox

(Continued from page 1)

genuinely impressed with Cox.

Noel says Cox's concern with Northwestern was obvious during their discussion. "John listened; he was very interested, and he took a lot of notes about things to get back to us on and things to discuss with other politicians," Noel commented.

Much of the interest Cox and other politicians hold in NSW stems from the company's ESOP. Noel



Ron Stillman, Affiliated Resources, Inc., gave a short demonstration during Quality Nail Team No. 3's presentation. Ron showed how a moving message sign can be a valuable asset to NSW in furthering communications among employees.

explained, "He's interested because the union and the company are trying to work together, instead of as adversaries all the time. We really have the most unique ESOP in the United States. We have our problems sometimes, but we also have things here that no other ESOP has - where the employees really do get part of the company."

Cox and other politicians are anxious to see new ESOPs such as Northwestern's achieve success

because they believe ESOPs will be a popular trend in the future.

Noel feels that Cox's visit to Northwestern was valuable for both the company and union constituents. "It's important to make an impression on the people that represent us because we need them. They need us, but we need them too, and we need their support. I believe things like this help us get their support," Noel said.

Caster team anticipates savings of nearly \$180,000

QIP teams improve shipping, tundishes, and furnaces

12-Inch Mill Team No. 2 has come up with a solution which has virtually stopped complaints from NSW's customers about loose and unstackable coils. The team found that 19 rod and wire customers had complained of loose rod coils upon arrival at destination, while some even threatened to take their business elsewhere if the problem was not resolved. These 19 customers represent nearly \$17 million in annual sales, so the team worked quickly to find a solution that would meet their satisfaction.

The major cause of the coils being loosened during shipment was the method of banding the coils. Tie wires are fastened to the coils while they are still hot, so as the coils cool and shrink, the tie wires loosen. This slight loosening, coupled with vibration during shipment, allows the coils to lose their shape, much like a slinky.

The belly band which was used on some coils did not help to alleviate the problem because it was an 11 gauge wire which often caused the tie wires to break because of the tension put on them. The team switched to a 9 gauge wire hoping it would break less often, but the 9 gauge proved to be difficult to tie around the tie wires. Using 9 gauge became so time consuming it caused delays on the mill.

The team found that using a springy steel type of banding such as the 24-Inch and 14-Inch Mills use eliminates many of the problems caused by banding with a wire. The wider band creates tension on the tie wires, and the banding secured with clips holds the tie wires in place much more securely than a belly wire.

Caster Team No. 1 presented a solution which they hope will create annual net savings of \$179,835. Their solution is to change the design, material and mounting procedure of the tundish plates, resulting in an elimination of cocked nozzles which are often the cause of poor quality, strand loss, aborting of a heat and a total backup of

furnaces.

The tundish plates which the team found necessary to be replaced are on the bottom of the tundishes. The plates serve as "holders" for the nozzles, so the nozzles remain straight.

A cocked nozzle can be the cause of poor quality because it will change the path of the molten steel.



The 12-Inch Mill Team No. 2 found the problem of coils becoming loosened during shipment to be very serious. Many coils shipped by rail ended up in the condition shown in the photo above. The team's solution was to secure the coils with a wider steel band, fastened with a clip (below).



If the steel hits the sides of the mold, rather than passing directly through the mold, a hot spot occurs on the side of the bar, usually resulting in a breakout.

The overall design of the plates which the team implemented involved measures to allow for expansion and contraction from the intense heat so the plates don't

become warped, and an easier way to replace plates so they can be aligned quickly and accurately. To resolve these problems, the team recommended that the plates be bolted rather than welded to the tundish.

The savings the team has estimated are based on fewer lost strands due to cocked nozzles on the billet and bloom caster. Last year, these aborted heats cost the company more than \$185,000. Thus far, the team has found favorable results with the tundishes which have the new plates installed on them. The team will continue to monitor the problem of cocked nozzles and record the number of strands lost due to this cause.

EAF Team No. 3 made a presentation in August on the roof swing mechanism causing delays in the Furnace Department. The team found that roof swing mechanism delays amounted to 56 hours of downtime in six months.

The team verified several causes of the delay problem, including the pivot bearing on No. 7 and No. 8 furnace being worn out. To change the bearing takes more time and knowledge than may be available, so the team found that to replace it would not be a feasible solution.

The team presented the best solution, which was to install a different style gear box. The team suggested that the new style be implemented on No. 7 furnace because it only has two drive units, while No. 6 and No. 8 have four. With only two units, No. 7 must be completely shut down when one unit needs repairs, and the team found that delay costs on No. 7 were more than 1.5 times greater than on No. 8 and more than three times greater than on No. 6.

The new style of gear box would cost a total of \$49,855 to implement on No. 7 furnace, but the team estimated that if the roof swing mechanism delays were reduced by 50%, the company would save \$52,026 each year.

Seven employees move into new management positions

Seven Northwestern employees hold new positions effective September 1st.

In the 12-Inch Mill, as a result of the promotion of Dick Bennett to General Manager of Operations - Rod and Wire Division, **Noel Gillette** has been appointed Manager of the 12-Inch Mill. Noel's most recent position at NSW was General Supervisor of Electrical Maintenance. He has been an employee of Northwestern for 30 years.

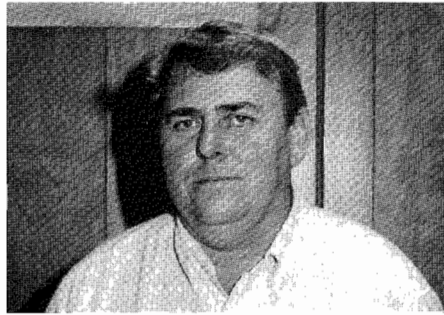
Taking Noel's place as General Supervisor of Electrical Maintenance is **Kim Sefton** who previously held

the position of Supervisor of Maintenance in the 12-Inch. Kim has been with the company for almost 18 years.

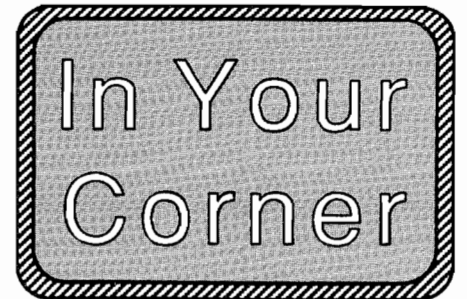
In the West Plant, **David DeVries** has filled the position of Manager of the Primary Department. Dave has been with NSW for 28 years, and he has most recently held the position of Assistant Manager of the Casting Department.

Mark Babin and **Dan Willman** were each named Assistant Manager of Primary Operations, and appointed to their previous positions are **Gary Hinrichs** and **Bob Winn**.

Gary takes over as General Supervisor of EAF Operations, while Bob steps into the position of General Supervisor of Pit Operations.



Dave DeVries



Thanks to our many friends and co-workers for the constant support, thoughtful comments and prayers that were offered to us during and following our grandson's heart surgery. We are happy to report that three-month-old Dustin is now at home and doing fine.

Larry and Daphne Miller and Dale and Judy Laws

Checking the stats August, 1991

PRODUCTION

Department/Mill	Produced (tons)	Performance to Plan
Primary Department		
Raw Steel	149,130	N/A
Billets Cast	55,959	95.1%
Blooms Cast	45,968	101.8%
Jumbo Beams Cast	31,982	92.8%
Wire Division		
Rod/Wire	3,720.5	N/A
Plant 1	9,187.5	108%
Plant 4	5,965.8	118%
<u>48-Inch Mill</u>	25,682	122%
<u>24-Inch Mill</u>	23,290	89%
<u>14-Inch Mill</u>	17,888	108%
<u>12-Inch Mill</u>	35,177	100%
	Shipped (tons)	Plan vs. Actual
Total Rod/Wire	21,688.3	+ 2,948.3
12-Inch Mill	12,791	- 209
14-Inch Mill	21,355	+ 2,155
24-Inch Mill	26,911	- 589
48-Inch Mill	22,422	+ 4,922
Semi-Finished	14,596	+ 2,596

COMPLAINTS

Wire Division Products			
Number Recorded	Reason	By Costs \$ %	TOP FOUR COMPLAINTS = 78% OF TOTAL
107	Service	\$16,263 36.02%	
	Customer Error	8,157 18.07%	
	Order Entry	5,496 12.17%	
	Short	5,279 11.69%	
Steel Division Products			
Number Recorded	Reason	By Costs \$ %	TOP FOUR COMPLAINTS = 85% OF TOTAL
69	Price	\$63,108 41.08%	
	Lap	29,298 19.07%	
	Miscellaneous	21,605 14.06%	
	Customer Error	16,634 10.83%	

ABSENTEES

Normal Work Hours	Total Absence* Hours	% Absence to Normal	% July, 1991
437,461	30,336	6.93%	7.13%

* 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 15.54% Rate is % per 200,000 man hours (100 employees working 1 year)	Rate - August, 1990 14.05%
34		

ESOP Week recognized by more than 11,000 companies

ESOP Employee Ownership Week was celebrated across the country from September 30 through October 6. Northwestern took the opportunity to recognize all the benefits employees are entitled to as owners in the company.

The common sense idea behind ESOPs is that employees with a greater personal stake in their company will work more productively than those who are disinterested. In fact, a survey conducted by the ESOP Association revealed that 66% of executives said that introducing an ESOP either strongly or somewhat improved the motivation and productivity of their employees. Forty-one percent said that it made their company more competitive.

At Northwestern, employee production greatly improved following the formation of the ESOP in 1988. Production records began to be broken at a fast pace, and that pace hasn't slowed yet with a number of production records continuing to be set every month.

Besides improved performance, another advantage of NSW's ESOP is the benefit plan for employees. The money Northwestern retirees receive from the sale of their ESOP shares is a "bonus" to their pensions that

would not otherwise exist.

At NSW, this dispels the myth that an ESOP may not work out well for an average worker since all his retirement funds are in "one basket." In fact, only 8% of ESOPs have been used to replace existing pension plans, while most are established as Northwestern's is - a

chance for a great amount of extra income for retirees in addition to the pension they are entitled to receive. Northwestern is among 11,000 U.S. companies which have established ESOPs, but in some respects it stands out above others. NSW's ESOP is one

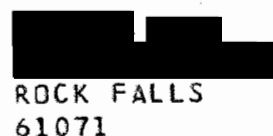
of the best structured ESOPs in the country because of the rare opportunity for employees to be represented by one-half the board members, directly seated by the voice of its employee/owners.

For most of our history, working Americans have owed rather than owned; they have accumulated debts rather than wealth. By giving more employees a chance to own part, or in some cases all, of the company they work for, ESOPs can change this. ESOPs may not make every man a king, but they can make a vital contribution to creating a vibrant - and wealthier - American labor force.



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

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



ROCK FALLS
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