

# The Lightning Bolt

A Publication for Employees and Retirees of Northwestern Steel and Wire Company

## Facilities Update

### A Look Inside

#### Year 2000 Jitters

A dedicated MIS Staff puts an end to Year 2000 jitters by addressing possible problems and converting mainframe programs.

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#### NWSW Employees Celebrate Life

More than \$83,000 was raised in a very worthwhile event termed, "A Celebration of Life."

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#### Growing Community Relationships

Learn how Northwestern's involvement in the community touches the lives of many.

See Page 15

### **N**ew Rolling Mill

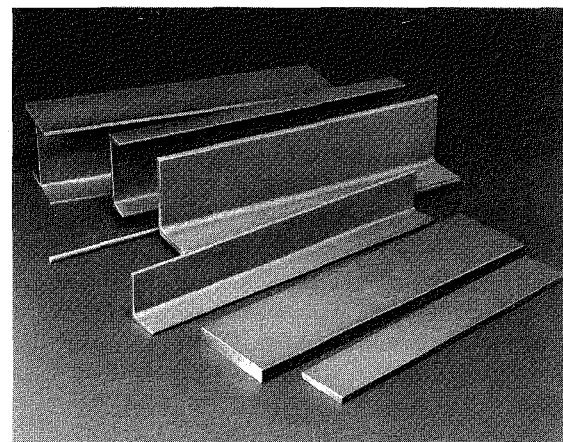
Studies for a new rolling mill in Sterling began about one year ago. In January, Birch Brown, Scott Clark, Art Gillihan and Russ Lovell visited Korea to see one type of mill that is a candidate for installation here.

Currently, the studies are focused on a "combination" mill that can produce all the sections now rolled on the 14" and 24" Mills, and possibly more. This would be done using two side-by-side rolling, cooling, straightening, cutting and stacking lines fed by a common reheat furnace and breakdown mill. Line 1 would produce wide flange and standard beams and large channels. Line 2 would produce flats, angles and small channels. While the exact layout and arrangement of a combination mill designed to meet Northwestern's needs may not exist elsewhere, the concept of combination or dual rolling/finishing lines fed by a common heating/breakdown line has been implemented at many locations. In fact, during the visit to Korea, the NWSW group saw a combination mill that produced wide flange beams, piling and rails on one line and channels, track shoes and bulb angles on another line.

We anticipate the annual capacity of a new mill to be greater than the combined capacity of the 14" and 24" Mills. The investment cost will be over \$125 million. We are currently talking with several suppliers of mill equipment and expect to have the design and cost of our new mill established by late August. As part of the evaluation process, a team composed of NWSW management, USWA officials and a USWA consultant visited Japan and Europe in July to see existing mill installations that use equipment similar to that being considered for Sterling.

### **W**ire Operations

A plan to revitalize our Wire Operations has been developed and proposed by the Management/Union Core Team. This plan includes the investment of over \$6 million in new



equipment and the relocation of existing equipment. Implementation of the plan is on hold pending the successful completion of negotiations with USWA as discussed in the Chairman's Corner.

### **M**elt Shop

During the July 4-13 melt shop shutdown, a new solid dummy bar system was installed on the billet caster. This \$1.5 million project will result in safety, quality and efficiency improvements.

Also, modifications were done to No. 8 EAF's roof and cooling system to permit higher power input. This will shorten heat cycle times, thus increasing the productivity of No. 8 EAF. Other projects planned for fiscal 1999 will ultimately increase the annual capacity of No. 8 EAF to the point where this one furnace can supply all of Northwestern's needs.

Finally, work was started to improve the effectiveness of the melt shop's emission controls. Sheeting was installed between the furnace and ladle aisles, and modifications were made to discharge ducts on the four baghouse fans. Other work will be completed on this project over the next 15 months.

## The Chairman's Office

Tom Gildehaus, Chairman and CEO  
Richard Way, President and COO

Dear Fellow Employees:

Our 1998 fiscal year ended on July 31, 1998. It was a very eventful and successful year, and we collectively accomplished a great deal. We closed the Houston facility and thereby eliminated a long-standing source of losses. Our Partnership Program expanded rapidly, generating meaningful savings and new and better working relationships. A joint Management/Union task force, with the aid of outside consultants, developed a plan to return our Wire Products Operations to profitability, although this plan needs to be implemented. Agreement was reached with the Environmental Protection Agency on a major program to improve our furnace operations. New daily, monthly or annual production and shipment records were established at Hickman, the 14" and 24" Mills and on the bloom caster. A number of new products have been successfully and profitably introduced. A new record was set for outside sales of semi-finished products. A huge step was taken to insure that we will resolve Year 2000 computer issues. New safety records were established, but we still need to do much better. And most importantly, thanks to hard work, smart work, a strong market and good prices, we returned to profitability. This is most important because, at the end of the day, continued profitability is the single most important factor in providing long-term security for our employees and retirees and continuing support from the financial community. Hearty congratulations to all for a good year!

However, we now begin a new year, a year which will bring us challenges such as we've never faced before. Our two principal competitors, Nucor and Chaparral, are building new, modern, highly productive mills which will generate an additional 1.5 million tons of low cost production capacity to our segment of the steel industry. More significantly, a new competitor has emerged, Steel Dynamics Inc. (SDI), located in Butler, Indiana. SDI has begun construction of a new one million ton structural mill in Indiana, literally in our own back yard. These mills will come on stream in 1999 and 2000 and will be the source of even lower cost products than even the

best supplier has today. We face a very real threat!

What are we doing to counter that threat? Well, our Board has authorized us to proceed at full speed to develop our own plans for a new modern mill to be built here in Sterling. A Management/Union task force made highly informative trips to Korea, Italy and Japan to view and understand the latest mill technology. We are dealing with several of the world's largest mill suppliers in discussing the design of a possible new combination mill that would replace the existing 14" and 24" Mills, and provide us with world class, low-cost production facilities. The cost of this new mill will exceed \$125 million.

At the same time, our Board instructed Management to formally ask the USWA to reopen and renegotiate our existing contract (currently to expire in July, 2000). We have asked the Union leadership to reopen our contract and enter into negotiations to change elements of our contract so that we can fully implement the plans for a new mill and restructured Wire Products Operations, and to make other changes so that we can operate more flexibly and efficiently.

A new mill and restructured Wire Products Operations go hand-in-hand with a new contract, especially given the nature of our competition. We simply cannot modernize and upgrade our facilities unless we structure our working relationship and the rules by which we work so that we can operate these facilities as efficiently as our competition. It makes no sense to spend over \$125 million unless we can be cost competitive after the investment.

The USWA has agreed to consider our request for a reopener. At the USWA's request, we have retained two firms, Keilin & Co. and Locker Associates, to advise the Union regarding our strategic plans and to participate in the development of those plans and the subsequent financing and implementation phases. We fully expect the USWA to agree with our request and that negotiations will occur this summer so that we can take our entire plan and the necessary capital requests to our Board in late September.

So, 1999 will be a pivotal year in our Company's long 120-year history. We ask for the support of everyone as we work toward preparing our Company for survival and prosperity in the 21<sup>st</sup> century.

Sincerely,  
Thomas A. Gildehaus  
Chairman and Chief Executive Officer

## New Appointment Kathy Willman

Kathy Willman has been assigned to the position of Associate Buyer in the Purchasing Department. Kathy has been with Northwestern thirteen years and has worked in the Purchasing Department the entire time, most recently as Executive Secretary and Purchasing Assistant.



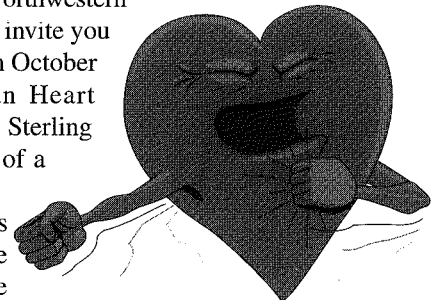
## A Fight Against America's #1 Killer

Heart disease is America's #1 cause of death. Northwestern Steel and Wire Company and area manufacturers invite you to join them in their fight against heart disease on October 11, 1998, by participating in the American Heart Association Heart Walk. The walk begins at the Sterling Municipal Band Shelter and offers your choice of a scenic 1-1/2 mile or 3 mile walk.

The American Heart Association raises funds for heart research and prevention education. We can all benefit from their work. Many are alive today because of medical practices developed by that research.

Won't you please join us in our fight against America's #1 killer? Together, we can make a difference.

For more information or to register, please contact Karen Freres at 815/625-2500, extension 2275 or Terry Giltner at the Family Health Center at 815/626-2170.



## Heads-Up on Y2K

Two little digits threaten to bottleneck the computer age on the eve of the 21<sup>st</sup> Century. But when Saturday, January 1, 2000 dawns, Northwestern Steel and Wire will continue to operate normally, thanks to a dedicated Management Information Systems (MIS) staff and careful planning.

The Year 2000 Issue (commonly abbreviated Y2K) affects almost every computer-using business worldwide. Basically, computers were designed decades ago to recognize calendar years with two digits instead of four. For example, the year "1998" is stored as "98," which assumes the century digits are "19." That caused no problem for many years. But when the calendar changes to "2000," the ramifications will be enormous. Unless computer programs are adjusted to read a four-digit year, they will provide false information, not work properly or fail altogether. Date-based equations like  $98-97=1$  become  $00-97=-97$ . A sorting program would place Year 2000 transactions out of order, in front of Year 1998, for example.

Larry See and Carl Fisher, MIS Director and Manager, respectively, said they started working last October to address the possible problems and began converting mainframe programs. A schedule was drawn up and the mainframe conversion is near completion. The ultimate goal is to have all Northwestern computers 2000 compliant by June 30, 1999. This is a necessity because fiscal year 2000 begins August 1, 1999, when orders will be taken for the year 2000 and the accounting schedule goes out.

What could happen if the computer systems are not functioning properly on January 1, 2000? Fisher said, "We would likely have trouble entering orders, shipping our products, paying vendors, or writing payroll checks. Many aspects of the plant operations would also be affected."

It is estimated that between \$50 to \$600 billion will be spent by companies to correct the Y2K problem, and that does not include the federal government.

The good news at Northwestern is not only the careful planning, but also the fact that the conversion will come in under budget. It was estimated that it would cost \$1.50 per line of source code, and Northwestern has 2 million lines. Management gives credit to an experienced, hardworking staff for the good

news. "We have a very experienced programming staff, and that is one reason we have been able to cut the time estimate and come in under budget," See said. "Deadlines have been reached because of their knowledge of the existing systems."

In addition to the mainframe computers, other equipment affected at Northwestern includes miscellaneous computer systems (hardware and software) such as EDI (Electronic Data Interchange) and DCR (Data Collection and Retrieval System), shop floor process control equipment, controls and monitoring devices, our phone and audio systems, time clocks and personal computers.

To alleviate customers' concerns about Y2K compliance, management developed a Year 2000 Policy Statement, which is sent to customers upon request. The policy statement has also been placed on Northwestern's Web Site (<http://www.nws.com>), giving an update on our progress.

In the meantime, Northwestern looks to its vendors for the same heads-up on Y2K. Letters and surveys have been sent to vendors. The staff will monitor responses and follow up where no response has been given. An alternate source for suppliers who may not be in compliance will be determined.

Fortunately, January 1, 2000, falls on a Saturday. This will allow a brief chance to resolve any last minute bugs before the start of the first new millenium workweek. But rest assured, as the new millenium draws near, the MIS staff is prepared. And while many wait for the ball to drop at Times Square on December 31, 1999, See, Fisher and their MIS staff plan on celebrating New Year's Eve at Northwestern.

## TICK...TICK...TICK

As the Year 2000 approaches, you can take steps to protect yourself against any last minute surprises.

The Y2K issue affects literally everyone, and we all need to be prepared. It is no less of a threat for financial services companies and banks, whose computers add or subtract calendar dates to calculate everything from mortgage payments to credit card interest. But as the Year 2000 approaches, you can take steps to protect yourself against any last minute surprises.

✓ Ask your banks, credit card companies, investment companies and other financial institutions if they are millenium compliant. If they aren't, you may want to check their plans for becoming so and monitor their progress.

✓ The millenium problem affects personal computers too. While most new computers are millenium compatible, if you're buying a used computer, discuss the Y2K issue and how the issue will be addressed before you make your purchase. If you have a computer at home that is not millenium compatible, contact your servicing agent or distributor.

✓ The Y2K issue may also affect other appliances and home equipment. Anything electric or battery-powered that is date-controlled, date-driven, or date-calculated could be affected by this problem.

## Year 2000 Policy Statement

Northwestern Steel and Wire Company has developed a schedule in which we expect to be fully Year 2000 compliant by June 30, 1999. As with most manufacturing companies, there are many aspects of the Year 2000 challenge that need to be addressed.

### ◆ Business Computer Systems:

All of our in-house business applications programs have been converted. Systems testing of these applications is under way and is scheduled to be completed during the next couple of months.

### ◆ Miscellaneous Computer Systems:

Miscellaneous systems such as EDI, Radio Frequency Hand Held Systems,

AutoFaxing System, etc. are being reviewed and compliance is expected by the target date.

### ◆ Manufacturing Environment:

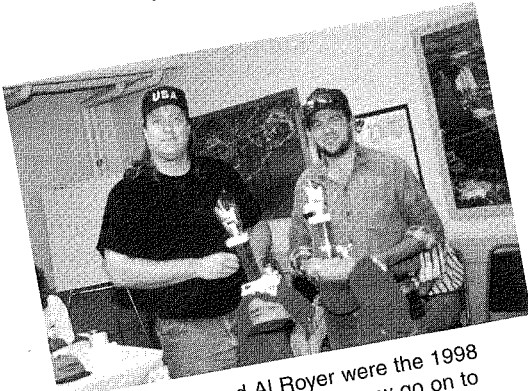
Process equipment within our manufacturing environment is being similarly reviewed and tested. Year 2000 compliance is also expected by June 30, 1999.

### ◆ Supply Chain:

Our suppliers are being surveyed to help assure that there are no Year 2000 issues within our supply chain.

No products produced by Northwestern Steel and Wire Company are date sensitive.

## United Way Community Kick-Off



Dan Loos (left) and Al Royer were the 1998 NWSW chili champions. They now go on to compete in the United Way Chili Cookoff on August 30.



Candra Cook (wife of 24" Mill employee Newell Cook) and granddaughter Abbie anticipate the judges decision. Pictured at far right is Al Royer of the Drawing Room.

### Chili Cook-Off

Northwestern hosted its 2<sup>nd</sup> annual chili cook-off on Tuesday, July 28. A panel of judges had the pleasure of taste-testing seven tantalizing chili varieties, choosing (2) to advance to the United Way Chili Cook-Off to be held on August 30. A very close race determined Dan Loos of the 24 Inch Mill, and Al Royer of the Drawing Room the winners. They both received a trophy and a Northwestern tee shirt as their prize.

The panel of 10 judges was asked to rate the chili varieties on looks, smell and taste. Judges cleansed their palates with cheese, saltines, green grapes and water between samples of each entry. The judges were Tom Gildehaus, Dan Whichard, Fred Tintori, Connie Helms, Jake Kindred and Sherry Wilkens (all of Northwestern), and Donna Newman (Daily Gazette), Mayor Ted Aggen, and LouAnne and John Gvozdjak (United Way Community Kick-Off Co-Chairs). Each judge and contestant received a Northwestern baseball cap as a token of the Company's appreciation for their participation.

Seven Northwestern chili chefs produced a wide variety of chili concoctions – some with beef, some with chicken, and even a tasty batch that included green beans. No two recipes were alike! One contestant, Newell Cook of the 24 Inch Mill, cooked his chili over an open fire in a big black kettle. His wife, Candra said, "We love to camp – so Newell decided to cook his chili over an open fire." Candra said she had a lot of fun and promised Newell would try again next year.



From left to right, chili judges Fred Tintori, Tom Gildehaus and Donna Newman (Daily Gazette) sample the chili varieties.

Besides Newell, other contestants included Colleen Stauffer and Donna Rompf (both from MIS), Dan Loos and Jessie Prado (both from the 24 Inch Mill), Mike O'Malley (Wire Sales) and Al Royer (Drawing Room). Each brought in a crockpot of chili to be judged, and after the winners were determined, the audience was given the opportunity to sample their varieties. It didn't take long for the chili to disappear!

Both Dan and Al will be competing against local manufacturers (and against each other) in the United Way event. Trophies will be awarded for best overall chili, showmanship and people's choice. Last year, Dan Loos and his team of cooks took all three top prizes. We invite you to come and support both Al and Dan on August 30. Tickets for all the chili you can eat are \$2.00 each and can be purchased by calling Karen Freres at extension 2275. If you love chili – don't miss this event! Special thanks to all judges and contestants, and to Carol Siefken, Co-Organizer and Diane Last, Recorder.



LouAnne and John Gvozdjak, United Way Community Kickoff Co-Chairs (at left) were judges for the NWSW Chili Cook-Off. Russ Siefken, United Way Director, was also present at the event to offer his support.

### 5K Run/Walk

For runners and walkers, the Kickoff offers the Jim Delange 5K Run/Walk. The race begins and ends in Centennial Park in Rock Falls. Registration is from 7:00-7:45 a.m., and the race begins at 8:00 a.m. Age groups are from 0-14, 15-19, 20-24, 25-29, 30-34, 35-39, 40-44, 45-49, 50-54, and 55+. All registered runners and walkers receive an official tee shirt. The Company will pay a portion of the \$15.00 entry fee for all Northwestern participants. Last day to register is August 20. If interested contact Karen Freres at extension 2275.

### Volleyball Tournament

Northwestern would like to send 3 volleyball teams to the United Way Kickoff. The round robin tournament will run from 10:00 a.m. until 12 noon on August 30. Following that, the tournament bracket will run from 1:00 p.m. to 3:00 p.m. and will be double elimination. Each team will play at least four matches (co-ed rules apply). Must have 8 players per team. Last day to register is August 17. Contact Karen Freres to sign up.



## Retiree Flying High



Jim Marks, a retiree from Plant 4, loves the thrill of being in the air. He shares this enthusiasm with others as Maintenance Officer and Flight Instructor for M&M Aviation.

Retiring from a lifelong career of hard work brings a sense of satisfaction and some independence. Jim Marks of Rock Falls grasped that independence and jumped right into his lifelong dream.

After retiring in 1985 as an electrician in Plant 4, Jim has continued as the Maintenance

Officer and Flight Instructor in the Twin Cities Air Activities Club (TCAA), working for M&M Aviation. He began as an instructor in 1981. This non-profit flying club is registered with the State of Illinois and based at the Whiteside County Airport. The club has a 1984 Piper Warrior, a four place airplane, and 30 members. Each member owns a share of

the aircraft. Club members from Northwestern are Lloyd Beckman of the furnace department, and retirees (besides Jim) include Richard Hutchison and Otto Dobbeke.

The road to becoming an instructor is full of examinations – oral, written and medical. With the changing regulations, Jim says there is always something new to learn, but he enjoys the challenge and fulfillment. He explained, “As an instructor, seeing a student get his or her license, whether it is private or commercial, gives me a great deal of satisfaction.”

Jim enjoys the responsibilities of being a flight instructor. Just recently, he spent the weekend in Mattoon giving flight instruction for a biennial flight review. Since Federal Aviation Administration regulations are constantly changing, pilots are required to be recertified every two years. His instruction included ground school, which covered any changes in aeronautical maps and regulations, among other things.

Jim became interested in flying while serving on an aircraft carrier in the Navy. When he got out of the service, he took flying lessons and has logged 5,000 hours since 1958. Many hours have been spent in his own Cessna Skylane, which he’s used to fly all over the United States.

The Twin Cities Air Activities Club is accepting new members. Anyone interested in becoming a member may contact Jim Marks at 815/625-6679.

**Fiscal Year End Tidbits**

July 31 marked the end of the fiscal year. We can all say goodbye to a very good year...

- Sales will come in around \$600 million, about a 25 percent increase from last year (excluding Houston).
- Very strong earnings, compared to losing money last year.
- Improved operating results in all our rolling mills.

Although final results won't be published until early September, we know we will like what we see! Congratulations to everyone for making 1998 such a successful year.

**Now, on to 1999!**

## The Lightning Bolt

The *Lightning Bolt* is published as a source of information for employees of Northwestern Steel and Wire Company.

We encourage your comments and suggestions. All comments and suggestions should be directed to the Managing Editor.

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## Big Savings Projected by Primary Team 8

How does \$2.1 million sound? That's the estimated savings derived from a presentation made by the Primary Team #8 where communication and training play an important role in the overall solution, in addition to other cost saving items.

Seven team members set out to reduce overall steelmaking costs by improved handling and utilization of our scrap. Members of the team are Mike Amesquita and Steve Clark (Crane Operators), Lloyd Beckman (Mobile Cranes), John Hall (1<sup>st</sup> Helper), Doug Stern (Remote Engineer), Dick Card (Scrap Inspector), and Phil Droege (Industrial Engineer). They looked at how we handle our scrap from the moment we get it in our scrap yards to the point that it is charged into the electric furnace. They determined that improved communication and training, bucket loading, equipment reliability, and rail handling could result in up to a \$3.5 million per year benefit for Northwestern.

### Communication

Communication was a key item in how they would begin to reduce overall steelmaking costs by improving the scrap handling and utilization process. There are many hands involved in the scrap handling process. The way each person in the process does their job affects others downstream in the operation. The team made sure everyone in the entire scrap handling process understood all processes involved. "We taught ourselves the right way to do things," remarked Doug Stern, team member and Remote Engineer. "Through meetings, we learned each other's jobs, looked at each other's problems, and together shared ideas on how we could make each other's jobs easier and more efficient. Basically, it all boils down to communication and training."

Steve Clark and Mike Amesquita had the opportunity to communicate their concerns with people in management positions that are directly involved in the buying and handling of scrap. Steve remarked, "Being a part of this team gave me an opportunity to sit down and share my thoughts and concerns with people in management, and also hear about the problems they face in getting the correct



Pictured above are members of the Primary Team 8 Partnership team. From left to right are Steve Clark, Lloyd Beckman, Doug Stern, Phil Droege, John Hall and Mike Amesquita

scrap to the Electric Furnace Department on a timely basis. I believe everyone involved now has a better understanding of the problems we all face."

By learning about each other's job processes and sharing ideas, each team member was able to determine what part of their own job process could be altered to increase efficiency down the line. They were able to see how their job performance affected others, and how it affected the overall operation. For example, if cars of scrap are not placed on the tracks in a specific order, the Switchman has to move the cars around to get the correct scrap. In turn, if the Switchman does not place the scrap cars in the proper location in the Scrap Bay, Crane Operators might be required to move their cranes the length of the building to get the proper scrap for the scrap buckets. So if anyone involved in the process doesn't do their job in the most efficient manner, it affects others down the line, and in the end, costs the Company money.

### Training

After learning each other's job processes, the team established Standard Operating Procedures for correct bucket loading procedures, and then set out to train the Scrap Crane Operators in those procedures. Switchmen, Yard Masters, and the Scrap Yard Supervisor were also trained in various areas of the process, including understanding the

different grades of scrap and the importance of correctly positioning the scrap cars in the scrap bay. They were also trained on the Daxus System.

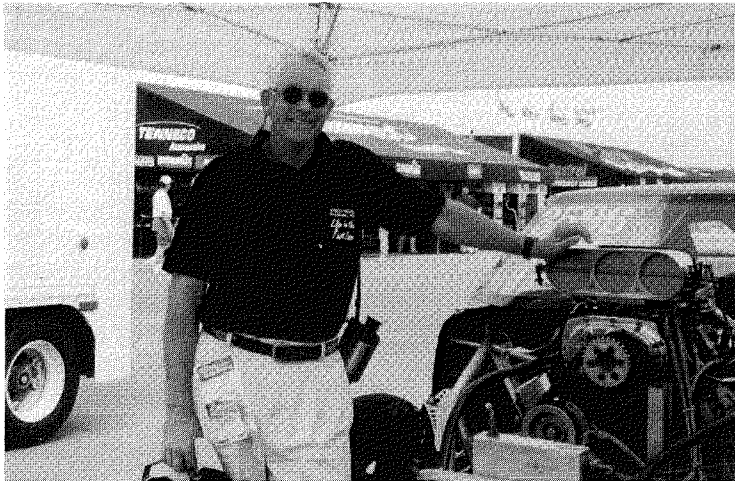
### Daxus System

The Daxus System is a computerized system that monitors scrap location and usage and provides recommendations for correct scrap bucket loading. This system will track scrap cars by type of scrap and where they are located in the plant. It is a very important tool used to get maximum yield and cost efficiency from our scrap, if the system is understood and followed by those involved. Part of the recommendation was to train the people on the capabilities of the Daxus System.

Other items recommended as part of the solution were more track storage and a second scale for weighing railroad cars. They also recommended additional teams be formed to study demurrage and shortage of rail cars. The team has been actively involved in training people and implementing the ideas they've put together.

Partnership is all about teamwork. Teamwork, by definition, implies interdependence. What you do affects others. Some people depend upon you for their effectiveness. We should all try to work efficiently and effectively, not only in the scrap process, but also throughout the Company. Congratulations to Team #8 for a job well done!

## Salesperson Profile - Highlighting Craig Weiss



Craig Weiss

### Raised in the Steel Industry

Craig Weiss, a territorial salesperson for Northwestern Steel and Wire Company, literally grew up in the steel industry. His great-grandfather owned a foundry in Portsmouth, Ohio, and his grandfather founded Weiss Steel Company on the south side of Chicago in 1935, which his father later owned. Weiss Steel, which is now closed, was a long time customer of Northwestern's.

Craig's knowledge of the steel industry and his family's business relationship with Northwestern brought him to our Company in 1970. His grandfather was a friend of Paul Dillon's, and Jim Frasor's brother worked for Craig's father. Frasor, who died in 1978, was Northwestern's Vice President of Sales in the '70's.

A resident of Kirkwood, Missouri, located just outside St. Louis, Craig has worked for Northwestern for 28 years. He worked as an inside sales correspondent before becoming a territorial salesperson in May, 1973. He is currently a territorial salesperson in the Steel Division Sales Department, working with the West Region Team of inside sales representatives. Those sales representatives include Denise Potts, Jo Fisher and Sunday Bryant.

Although traveling for business isn't always easy, Craig takes it all in stride. Traveling two to three days a week, 70% of the year's trips are made by air and 30% by car. He logged 75,000 air miles last year. Occasionally he has to travel on weekends for seminars and conventions. Despite his constant need to travel, he loves his career.

Craig has a wide region to cover. His geographic sales region includes Missouri, Kansas, Oklahoma, Arkansas, western Kentucky, and western Tennessee. In this region, he deals primarily with steel service centers, steel fabricators, and original equipment manufacturers. Craig estimates nearly 75% of Northwestern's tonnage comes from sales to steel service centers.

During his tenure at Northwestern, Craig has experienced many business changes over the years. "Business has changed to the extent that we do a lot more business with fewer accounts. Twenty-five years ago, you might have 65 to 70 accounts; today it's no more than 10 major accounts. We don't have to prospect as much as we used to because business is more fine-tuned. The business approach has matured, and we don't have to go hither and yon," he explained. Craig also

noted the Company is doing more work with fewer people. When Craig started, Northwestern had at least eight or nine outside salespeople; today there are five salaried positions.

Advances in communications are a significant change that has had a tremendous impact on his workload. Information from the Company's mainframe computer is readily available on his laptop computer. He used to rely on the mail and special delivery for necessary information, now it's right at his fingertips. He also sees the cellular phone as a great business convenience. The salesperson is now able to conduct business between sales visits. This is important given the larger territory sizes they have today.

Another noticeable change mentioned by Craig is the growing number of women in management and sales positions. This is true in large corporations and private distribution companies.

Craig comes back to Sterling three or four times a year. He views these visits as a chance to recharge his battery and visit with the employees he talks with on a daily basis. "It's important for me to know the people who ship the steel, and talk to them personally," he stated.

Craig doesn't just travel on business. In his spare time, Craig and his wife, Anne, enjoy traveling around the globe. Ironically, his wife owns a travel company. Craig and his wife have two daughters, ages 24 and 29, both with master's degrees.

Craig enjoys golfing, but his most exciting hobby is racing. He races professionally in the world's fastest street car competitions around the country during the summer months. In this type of racing, speeds of up to 200 miles per hour are reached. These events can be seen at tracks such as the U.S. 66 Dragway in Joliet, Illinois and on ESPN.

# Work Safe Recognition Program

Congratulations to the following employees who were winners in the Work Safe Recognition Drawing. We commend everyone who came to work every day, worked safely and therefore qualified for the program.

## MAY

Drawing Room: Allen Harden  
Ronald Ruble  
Sherry Wilkens  
Carlos Lemus

Galvanizer/Agri: Ronald Troxell  
Ray Hutchison  
Robert Jones  
Charles Forren

Nail Room: William Blevins  
Joe Olalde  
Vernon Tichler  
Randy Partridge

Pt. 1 Shipping: Virgil Taylor  
Angel Montanez  
Paul Cheshire, Jr.  
Marvin Miller

Pt. 1 Maintenance: Donald Podkulski  
Randy Scott  
Terry Partington  
George Stange

Plant 4: Larey Blumhoff  
Leroy Holloway  
William Erickson  
Larry Knutson

Primary: Lazaro Contreras  
James Halsne  
Jim Werland  
Harold Crandall  
Juan Valdivia  
Ramon Guerrero  
Louis Guerrero  
Roger Kulas  
John Reifsteck  
Stanley Loechel  
Adalberto Roman  
Gerald Bailey  
Philip Kent  
Tim Kophamer  
Donald Topp  
Joseph Van Loos  
Guadalupe Miniel  
Robert Jacobs  
Ray Pope  
David Billings

Support Shops: Charles Manon  
Raymond Espinoza  
Lawrence Hahn  
Donald Hunter  
William McConnell  
Brett Wilder  
Robert Walker  
Raymond Wisneski

12 Inch Mill: Steven White  
Mike Consuelos

14 Inch Mill: John Johnson  
Steve Young  
William Flynn  
Ray Pitts  
Marvin Speers

24 Inch Mill: Dan Hermes  
Jerry Schriber  
Ralph Aldrich  
Bill Smith

Scrap/Mobile Eq.: Marvin Nutt  
Mario Segura  
Gary Collin

## JUNE

Drawing Room: Danny Phillips  
Bev Kitsmiller  
Ventura Morales  
Todd Tichler

Galvanizer/Agri: Glenn Landherr  
Randy Jacobs  
Thomas Biller  
Marc Wilson

Nail Room: James Tomasek  
Melvin Johnson  
Robert Gallentine  
Jeff Trancoso

Pt. 1 Shipping: Thomas Staples  
Terry Steder  
Bruce Elder  
Brad St. Clair

Pt. 1 Maintenance: Gary Bauer  
Darrell Anderson  
Steve Knaple  
Ron Hulteen

Plant 4: Richard Devers  
George Carey  
Raymond Jamieson  
Daniel Glick

Primary: Jack Roberts  
Larry Tichler  
Sabino Diaz  
Robert Fielding  
Dennis Skinner  
Cecil Scanlon  
Henry Richmond  
Rodney Gruenwald  
Terry Sturtevant  
Kenneth Shawver  
William Bruns  
Virgle Onnen  
Roland Pineda  
Ricky Stange  
Ruben Alba  
Evelio Pena  
Ray Gonzalez  
James Coers  
Pascual Garcia  
Cecil Ward

Support Shops: William Scott  
Joseph Adami  
Michael Bryan  
Ronald Bruder  
Anthony Fiorini  
Larry Irwin  
Gale Moore  
Joseph Wu

12 Inch Mill: Terry Tichler  
Dewey Pence

14 Inch Mill: Patrick O'Brien  
Paul Blackburn  
Mervin Deets  
Kurk Jonaway  
Ruben Moreno

24 Inch Mill: Corky Goodell  
Leon Creekpaum  
Kevin Hanson  
Bill Smith

Scrap/Mobile Eq.: David Leach  
Donald Zinke  
Rubin Garcia



## Northwestern Employees Celebrate Life

Eleven Northwestern employees raised nearly \$500 for the Relay for Life on June 6 at the Westwood Sports Complex in Sterling. This is the first year that the Company has had participants compete in the event, which is termed, "A Celebration of Life!"

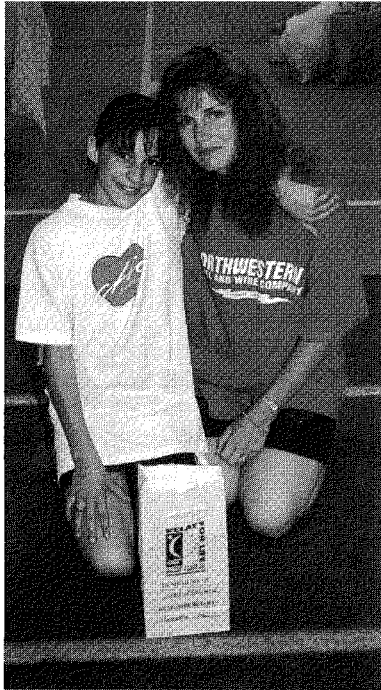
The Relay for Life is a 6-hour walk sponsored by the American Cancer Society. The event concept involves a team of walkers competing against each other to raise the most money for the fight against cancer. Participants sign up to walk a portion of the walk, usually in one-half to one hour increments. Some walkers, however, choose to go longer. Each team is asked to have a representative on the track at all times. Basically, the Relay for Life is a unique and fun way to raise money for the American Cancer Society. Funds raised remain local and will go towards cancer education/awareness. Education programs such as Cancer Survivorship and Awareness, Breast Cancer Awareness, Prostate Cancer Awareness and Anti-Tobacco Education will highlight cancer survivorship in our community.

Sixty-seven teams, with anywhere from eight to twelve members each, participated in the Relay. The total amount raised was over \$83,000, a large increase from last year's \$56,000. In addition, sixty to eighty people volunteered by manning educational booths or by providing food or entertainment. It is estimated that at least 700 people were involved.

Since proceeds go to the American Cancer Society, many people are driven to participate because they know someone who died from cancer or know someone who suffers from the disease. At least five of the walkers from Northwestern had either lost someone to cancer or one of their loved ones has or had cancer.

### Opening Ceremonies

The event opened with the singing of the National Anthem and an opening devotion by Reverend Scott Porter. The opening ceremonies also included a special award given to the longest cancer survivor in attendance, and a Victory Lap – the first lap walked by cancer survivors only. All cancer survivors were recognized with a survivor pin, ribbon and balloon before the first lap. Leroy Janssen, father of Karen Freres of Human Resources, received a dozen roses for being one of the longest cancer survivors in attendance (nearly 30 years). He also led the cancer survivors in their first lap as his daughter pushed him in a wheelchair around the track. Those taking the first lap were given a standing ovation and applause by onlookers surrounding the track. Freres described this as a very emotional moment for both her and her father. "I felt a



Ashley Hall (left) and Annette Hall of the Insurance Department pose by the luminary purchased in memory of Wes Holland, Ashley's grandfather and Annette's father-in-law.

sense of pride being able to help my father around the track, but it was a very emotional moment for us. I remember how my father's illness impacted our family – it was very hard on all of us – mostly my father."

### Prizes Awarded

Prizes were awarded to the first, second and third place teams, and top money collector. First place winner was the "FAST (Families are Survivors Too) Team" from Sterling, with nine team members raising \$2,139.95. Second place went to "Community for a Cure" from Morrison, with ten team members raising \$2,648.13. (The first place team raised less than the second place team, but because of fewer members, they were awarded the top ranking.) Third place went to "Christian Soldiers," a Salvation Army Team, with seven team members raising \$1,640.00. Top individual money collector went to Derrick Hand, a cancer survivor, who raised more than \$1,300 single-handedly.

### Luminary Ceremony

Perhaps the highlight of the event was the Luminary Ceremony. Participants and others had the opportunity to purchase luminaries for \$5.00 each before the event and on the day of the event. Luminaries could be purchased in honor of those who have survived cancer, or in memory of those who have lost the battle with



A few of Northwestern's retirees walk to help fight cancer. Pictured left to right are Ollie Schulz, Earl Devers and John Ordean.



Leroy Janssen, father of Karen Freres of Human Resources, was given special recognition for being one of the longest cancer survivors (approximately 30 years) in attendance at the Relay for Life. He received a dozen roses.

cancer. Hundreds of luminaries surrounded the track and were also used to spell out HOPE in the center of the track. Luminaries were lit and the lights were turned off as "J.R." from WSDR Radio read the names of those that the luminaries were dedicated to. Over 467 luminaries were sold.

Annette Hall, Insurance Supervisor and participant, described the event as being "overwhelming and emotional, but very worthwhile." This was her first year to participate. Both Hall and Freres lost their fathers-in-law to cancer recently, and both plan to participate again next year.

Besides Hall and Freres, other participants in the event were Steve Bierman, Jan Vaughn, Bruce Carr, Rose Carr, Laura Duncan, Gene Jacoby, Doug Hanabarger, Debbie Cushman and Terry Giltner of the Family Health Center. Roger Wait served on the On-Site Committee. Co-Chairpersons were Betty Clementz, wife of retiree Tom Clementz, and Faye Wise, wife of retiree Clifton Wise. Russ Siefken, husband of Northwestern employee Carol Siefken, helped with publicity. Many other Northwestern employees participated through their monetary contributions.

Northwestern was a bronze sponsor of the event, and also provided Company tee-shirts, food and beverages to its participating employees.

## Direct Deposit for Salaried Payroll



After thorough testing of the automated systems, direct deposit for salaried payroll employees began July 15. Over 90 percent of the salaried workforce have signed up for this benefit.

If you are a salaried employee who missed the opportunity to sign up under the initial startup date, you can still sign up at any time by filling out the required authorization form. You can get this form from the Payroll Department.

The benefits to salaried employees are many and obvious: No more wasting part of

your lunch hour or evenings waiting in line at the bank; no possibility of losing or having your check stolen; no special trips or special arrangements when you're away from work on payday, or working off-hours. They all mean added convenience and security to you. The new system also offers flexibility. Northwestern elected to allow deposits to two accounts of the employee's choice at the same financial institution.

Before automated deposit, Kari Hansen, Payroll Benefit Analyst, had to physically tear

off each check and mail them to the banks. She sees the new system as not only more reliable, but also as a time saver.

Gerry Hunsberger, Manager of Payroll, said since the automated deposits are now available to salaried employees, it is hoped that the program can eventually be offered to hourly employees. "Right now that is difficult to do because the hourly employees are on the weekly payroll, and this does not allow enough time for preparation of the transmittal file."

## Retirements

Best wishes for a happy retirement to the following employees who recently completed their employment with Northwestern Steel and Wire Company.

### JULY

Louis Guerrero, Primary, 39 years.  
 Jerry Turner, Primary, 39 years.  
 Roger Polzin, Carpenter Shop, 37 years.  
 Heron Salmon, Wire Mill, 35 years.  
 Edward Johnson, Plant 2 Millwrights, 33 years.  
 William Baughman, Plant 2 Mechanical, 31 years.  
 Leonard Lench, Primary, 31 years.  
 Lyle Freas, Trucks, 20 years.  
 Ron Lefelman, Trucks, 22 years.

## Northwestern Record Breakers

Records continue to fall as individuals, departments, and in some cases entire plants combine their efforts to reach these new marks. Congratulations to all these hard working individuals!

**Plant 1** -Drawing Room(29 MacBee)  
 29,830 lbs. -June 4, 1998 (3-11)  
 Eric Sodaro  
**Old Record** -25,400 lbs., March 17, 1997

**Plant 1** -Drawing Room(#41 B.B.)  
 34,220 lbs. -June 22, 1998 (11-7)  
 Ryan Sodaro  
**Old Record** -33,330 lbs., June 23, 1997

**Plant 1** - Cleaning House  
 72 coils, 109.3 tons -June 23, 1998 (all)  
 (24 hour record)  
 Duane Link  
 Thomas Rodriguez  
**Old Record** -71 coils, 106.5 tons  
 September 13, 1995

**Plant 1** -Drawing Room(29 MacBee)  
 40,060 lbs. -July 17, 1998 (3-11)  
 Eric Sodaro  
**Old Record** -39,040 lbs., October 4, 1993

**Plant 1** -Drawing Room(#41 B.B.)  
 33,860 lbs. -July 17, 1998 (7-3)  
 Leo Rodriguez  
**Old Record** -31,910 lbs., May 25, 1998

**Plant 1** -Coiler Dept. (#3 & #4 Machs.)  
 173 coils -July 21, 1998 (7-3)  
 James Garcia  
**Old Record** -166 coils, April 23, 1991

## Retiree/Employee Picnic



Approximately 45 people gathered at Nims Park in Rock Falls for the annual retiree/employee picnic on July 18th. Many thanks to Fred and Pat Howe for organizing the event.

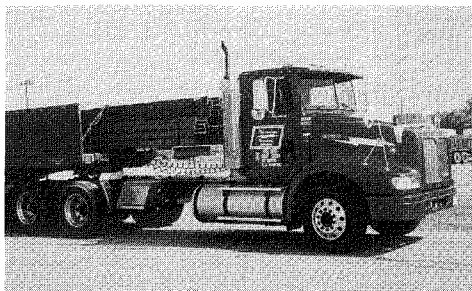
## New Tractors Haul More, Save \$\$

New equipment additions to the leased fleet offer diverse advantages to the department, including reductions in freight costs, reductions in workers' compensation costs, and shipping advantages.

Twelve new over-the-road tractors are reducing the cost of shipping by increasing payload. They are lighter in weight than the old tractors and allow movement of loads up to 51,000 lbs. Dave Hadley, Manager of Distribution, said the new vehicles can haul five lifts instead of four out of the mills, which reduces freight costs by 20 percent. The new tractors also have a very long wheelbase, which allows movement of 60-foot steel to Northwestern's customers.

Also making a premiere in the leased fleet department are the new Ottawa Hostling Tractors that have been leased for the operation. These new tractors are equipped with safety features that are expected to reduce the Company's workers' compensation costs. The new tractors have a high rise cab with a rear door. This allows the driver to stand up and exit the tractor safely. They are also equipped with air conditioning, which will cut down on eye injuries contributed to dust/dirt.

Another new debut is a special trailer that was purchased to move Northwestern's tundishes from the Caster Department to Hammond, Indiana for relining. The new trailer, which requires special permitting, gives the Company the capability to haul wideloads that are overweight, such as a tundish load. This new equipment has already



New over-the road tractors are making their debut at Northwestern. They are lighter in weight and can haul loads up to 51,000 lbs. They also have a very long wheelbase, which allows movement of 60-foot steel to our customers.

reduced the cost of moving the tundishes by 75 percent.

Hadley explained that the new equipment has other advantages. Northwestern currently controls all of the freight moving to Joseph T. Ryerson Steel, Central Steel & Wire Co., and Earle M. Jorgensen, all in Chicago, and Steel Warehouse in Dubuque, Iowa. "We also control the movements from the wire facility in Sterling to Mazel & Co. in Chicago, and Woolf Distributing in Crystal Lake," he said.

The Teamsters have eleven hostlers who are in charge of loading and unloading all the Company trailers (approximately 200 plus per week). They move rolls from the mills to the Roll Shop, move the rod from the 12 Inch Mill to the Wire Mill and Rock Falls, and move all interplant scrap from the mills to the Scrap Yard or furnaces. In addition, they also move heavy machinery in the Primary Division or throughout the mills during construction jobs, etc.

In February, the Teamsters set a new record of 107 outbound trips, returning with 107 loads of raw materials, supplies and scrap for the Mills. Hadley cites excellent teamwork between the Teamsters and Northwestern for this accomplishment.

## The "Driving Forces" of Northwestern

The following people are an integral part of our Leased Fleet Operation:

David Hadley, Manager of Distribution Services

Lanny Munz, Distribution Coordinator

Sandy Miller, Transportation Analyst

Stephen D. Rourke, Distribution Facilitator

### Drivers/Hostlers

Darrell Workman

Dale D. Workman

Ronald Munz

Dennis Vancil

Rudolph Hahn

Steven Bushman

Harley Bodmer

John Stiles

Ross Feger

Craig Wolfe

Dale Dace

Terry Hockman

Brock Shelley

Terry Cook

Luman Sibley

Kim Bennett

Richard Burkholder

Craig Kilberg

Gary Pistole

Charles Martin

Terry L. Adams

Kenneth Helfrich

Robert Sheridan

Wesley Drehmer

Charles Fowler

Stephen G. Rourke

James Swanson

Richard Link

David Gorzny

Brian Dennison

Lawrence Swords, Jr.

Charles Miller

Kevin Sandrock

### Dispatcher

Steve Harris

### Weighmaster/Dispatcher

Ray Bustos

John Hurley

## Meet Johnna from our Hickman Office

Not many of us have a chance to travel to Hickman, Kentucky, but if we did, we'd be enthusiastically greeted by the Administrative Assistant, Johnna Crittendon. Johnna has been with our Hickman Plant since its inception, and enjoys her many responsibilities. Besides answering the telephone, she calculates payroll hours, figures the incentive bonuses, calculates productions, works with Sales, works in coordination with the Shipping Department, and is considered a "liaison" at the plant. Working from 8 a.m. to 4:30 p.m., she packs a lot of activities into her workday.

Johnna is one of 36 employed at our Hickman facility. Her brother, Kelly Atwill, works as the Daytime Shift Supervisor.



Johnna Crittendon

When Johnna is not at work, she's busy tending to her family's needs. She and her husband, Terry, have two daughters and a son. In her spare time, she enjoys listening to her husband perform with his band.

## Northwestern Employee Anniversaries

Many employees will be celebrating anniversaries with Northwestern. The *Lightning Bolt* congratulates those employees listed below for their years of service to the Company.

### JULY

#### 35 Years

Alexander Rios, 7/15/63, Plant 3 Millwrights.  
Librado Chavez, 7/30/63, Brickmason.

#### 30 Years

James Hoagland, 7/1/68, 12 Inch Mill.

#### 25 Years

Creighton Perry, 7/9/73, Plant 3 Inspection.  
Michael Goessman, 7/9/73, Plant 2 Millwrights.  
Richard Jensen, 7/9/73, Stores.  
Robert Garza, 7/9/73, Plant 2 Pipefitters.  
Michael Bernardin, 7/10/73, Plant 2 Welder.  
Cecil Ward, 7/14/73, Furnace Cranes.  
John Dick, 7/14/73, Plant 3 Pipefitters.  
Lawrence Frederick, 7/14/73, Nails.  
David Spencer, 7/15/73, WM Trial Crew.  
James Shockley, 7/15/73, Plant 2 Millwrights.  
Richard Crawford, 7/15/73, Trial Crew West.  
Robert Beer, 7/15/73, Plant 3 Crane Mechanics.  
Daniel Willman, 7/16/73, Electric Furnaces.  
Bill Mandrell, 7/16/73, Degreaser.  
Joseph Harrison, 7/16/73, 24 Inch Mill.  
Larry Noord, 7/16/73, 24 Inch Shipping.  
Steve Nelson, 7/16/73, 24 Inch Shipping.  
Kenny Tadlock, 7/19/73, 14 Inch Mill.  
Lazaro Contreras, 7/19/73, Billet Caster.  
Lonny O'Bryan, 7/23/73, Mobile Mechanics.  
Ruben Moreno, 7/23/73, Electronics.  
Steven Bohms, 7/24/73, 12 Inch Finishing Bars.  
Terry Partington, 7/24/73, WM Electrical.  
Frank Yaklich, 7/26/73, WM Machine Shop.  
Frank Salomon, 7/30/73, 24 Inch Mill.  
Neil Puels, 7/30/73, Engineers.  
Randy Hammelman, 7/30/73, Furnace Cranes.  
Robert Higley, 7/30/73, 24 Inch Mill.  
Dave Tackett, 7/31/73, 24 Inch Mill.  
Francis Frederick, 7/31/73, Billet Caster.

#### 20 Years

Luman Sibley, 7/10/78, Trucks.

#### 15 Years

Mark Miller, 7/15/83, 24 Inch Mill.

#### 10 Years

Michael O'Malley, 7/11/88, Wire Sales.

### AUGUST

#### 50 Years

James Baker, 8/14/48, 14 Inch Mill.

#### 25 Years

James Hardt, 8/2/73, 14 Inch Shipping.  
Paul Walls, 8/3/73, Nail Galvanizer.  
Ramiro Canas, Jr., 8/3/73, Nail Galvanizer.  
Peter Shore, 8/6/73, Wire Galvanizer.  
Roger Kulas, 8/6/73, Plant 2 Pipefitters.  
Ronald Rogers, 8/6/73, Plant 2 Machine Shop.  
Michael Balsley, 8/10/73, Plant 3 Electrical.  
Mitchell Foreman, 8/13/73, General Millwrights.  
Stanley Frank, 8/13/73, Scrap Yard.  
Thomas Johnson, 8/13/73, Plant 3 Electrical.  
George Brown, 8/15/73, Nail Galvanizer.  
Michael Oltmans, 8/20/73, Billet Caster.  
David Clark, 8/21/73, Plant 5 Millwrights.  
Rudy Attebury, 8/21/73, RF Millwrights.  
Malcolm Conduff, 8/27/73, Plant 2 Mechanical.  
Fermin Arocho, 8/27/73, 12 Inch Finishing Bars.  
David Duncan, 8/31/73, RF Shift Tractor.  
Mark Pyron, 8/31/73, Plastic.

#### 20 Years

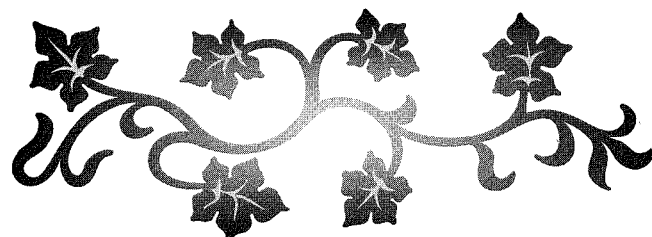
Mark Smith, 8/7/78, Plant 2 Millwrights.  
Michael Hasenyager, 8/7/78, 24 Inch Mill.  
Ray McMillen, Jr., 8/7/78, 14 Inch Finishing.  
Larry Bonnell, 8/16/78, 14 Inch Shipping.  
Michael Vancil, 8/17/78, 24 Inch Mill.  
David Galvan, 8/18/78, 14 Inch Finishing.  
Carlos Lemus, 8/21/78, WM Drawing.  
Thomas Jones, 8/21/78, WM Shipping.  
Mark Clevenger, 8/22/78, Plant 2 Millwrights.  
Larry Schuchard, 8/23/78, Plant 2 Electrical.  
Timothy Potts, 8/24/78, WM Shipping.  
Allen Wagenecht, 8/27/78, 12 Inch Mill.  
Clarence Renner, Jr., 8/27/78, WM Millwrights.  
David Burtlow, 8/27/78, Plant 3 Inspection.  
Dennis Magill, 8/27/78, WM Shipping.  
Fred Aguilar, 8/27/78, 12 Inch Mill.  
James Lawrence, 8/27/78, Guards.  
Robert Pistole, 8/27/78, Scrap Yard.  
Steve Buckman, 8/27/78, Electronics.  
Raymond Wolf, 8/27/78, Field Fence.  
David Gieson, 8/27/78, Plant 2 Electrical.  
James Byvick, 8/29/78, 24 Inch Mill.  
Mark Fowler, 8/29/78, Electro Weld.  
William Reedy, 8/29/78, Security.  
Robert Livingston, 8/29/78, Drawing Room St.  
& Cut.  
Larry Johnson, 8/30/78, Electro Weld.

#### 15 Years

Alfredo Montiel, 8/11/83, 12 Inch Finishing Bars.  
Clarence Fargher III, 8/20/83, Plant 2 Millwrights.

#### 10 Years

Mary Stegmiller, 8/7/88, Medical.



# Let's Talk Environmental

(An ongoing section highlighting the Environmental Department and environmental issues)

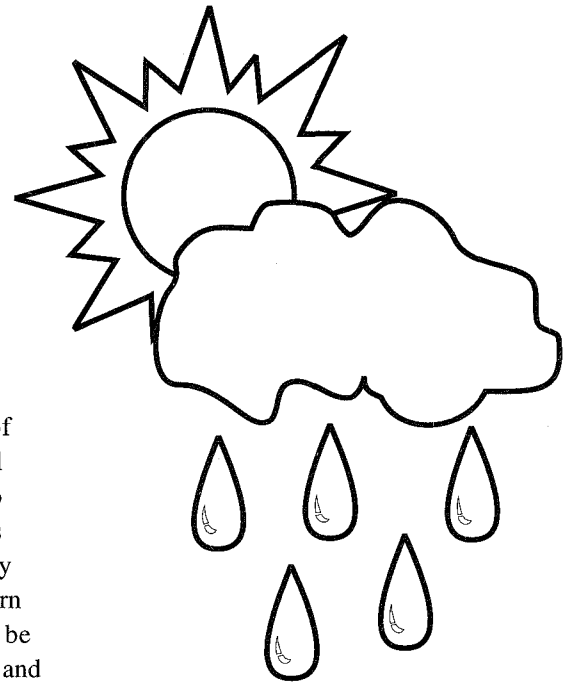
Recently during a routine inspection, an Illinois Environmental Protection Agency (IEPA) air inspector noticed some charred wood in a pile of debris from our melt shop. Although it is not uncommon for pallets or paper to catch on fire when close to hot metal or slag, the inspector expressed a concern about deliberate burning. He reminded us that open burning is not allowed without a permit. Because of his concern about open burning, he told Northwestern that the IEPA would be looking at our plant every time they are in the area to make sure there is no open burning.

Since that inspection, the Environmental Department has been spreading the word to all plants to make sure all our employees are aware of the prohibition against open burning. This includes fires in barrels and within buildings. If you see a debris pile on fire, you should try to put the fire out if it is small, or call the Company fire truck at extension 2222 or the guard sergeant at extension 2295 if you cannot get the fire out, or if it is too large when discovered.

Northwestern is working with the IEPA for an open burning permit, which is required to conduct fire response training on our property. This permit will allow Northwestern to train

our Emergency Organization using on-site controlled fires. We are also studying the advantages of installing an incinerator on site to dispose of materials (like bags, supersacks and wood debris) that we generate in large quantities, but are not hazardous or toxic. This could allow us to handle combustibles in an environmentally friendly way, and would greatly reduce the amount of material sent off-site to municipal landfills. However, permission to construct and operate an incinerator is often very difficult to obtain, and may take a year or more. Even if Northwestern should get an incinerator, it would be permitted for specific materials only, and would not be able to take all types of wastes from the plants. There would also be strict monitoring requirements on the incinerator to make sure that it was not causing air pollution itself.

All of us were last year through the compliance walk-a-thon, put on by employees. Employees also donated 1000 cans to the Needy and. Barrels throughout the in place all year to allow nations. Employees also raise throughout the year through such as raffles, bucket brigades, sales, and hanging plant sales. The generosity of our employees,



pallets in a separate collection area for pick up. Use dumpsters for supersacks, paper bags and cardboard or styrofoam items. Move combustible items away from heat sources. Gallentine, Lori Carbaugh, Teri McCormick, Gerry Hunsberger, Dan Potts, and Denise Potts. This year's event is scheduled for August 30.

There are also those who show their support individually through their involvement in various organizations. Various employees are involved in organizations such as the Optimist Club, the Rotary Club, Kiwanis, the Elks, the Knights of Columbus, and Habitat for Humanity, to name a few. Many are also very active in the schools (including various sports programs) and at local churches.

Northwestern is a proud supporter of the vast community organizations. A friend to the community for over a century, we feel an obligation to do our part, offering support whenever possible. Employees who are members of organizations seeking funds may submit fund requests in writing to the Human Resource Department with full details of the fundraiser.

## Congratulations!

Andy Moore, Vice President of Human Resources, was named to the Board of Directors for the Sterling Chamber of Commerce a total of 176 children.

Andy also serves on the United Way Board, the Northern Center Board, and was recently commended for eight years on the CGH Medical Center Board.

Andy's dedicated service to these organizations represents Northwestern's continued involvement in the community.

Congratulations, Andy, on your recent appointment and for your long standing involvement in the community!

## Community Events

Employees also show their support toward in the community. Money was raised for the American Cancer Society through employee involvement in the "Relay for Life" event that raises money not only for research, but also for educational



## 401(k) Participation Shows Confidence

Salaried and hourly employees of Northwestern are showing their confidence in the 401(k) Plan by investing part of their wages each payday. A total of 491 salaried employees and 2,032 hourly employees participate. These numbers include retirees.

"There has been a tremendous increase in participation and the amount of money participants have chosen to invest," explained Fred Tintori, Northwestern's Benefits Coordinator.

Although the younger employees are still participating on a limited basis, many join in the plan when their financial obligations, such as education, mortgages, etc. lessen. Many employees are using their 401(k) for future educational requirements.

Since the plan became available at Northwestern in May of 1987, for salaried employees and October of 1990, for hourly workers, participants are recognizing the importance of investing money and enjoying its returns for the future.

Unlike some companies, at Northwestern the participant makes all the investment choices. There are eleven to choose from. This allows for good performance and sound diversification. The maximum that hourly employees can invest is 22 percent pretax, and the number for salaried employees is 17 percent. Although there are a number of employees investing the maximum, the average pretax investment is around 8 or 9 percent, according to Tintori.

Within the next two fiscal quarters, employees will be able to learn more about the skills of investing and 401(k's) through educational communications. The Company will be expanding on the statements employees receive each quarter.

Richard Crawford, 7/15/73, Trial Crew west.  
Robert Beer, 7/15/73, Plant 3 Crane Mechanics.  
Daniel Willman, 7/16/73, Electric Furnaces.  
Bill Mandrell, 7/16/73, Degreaser.  
Joseph Harrison, 7/16/73, 24 Inch Mill.  
Larry Noord, 7/16/73, 24 Inch Shipping.  
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Randy Hammelman, 7/30/73, Furnace Cranes.  
Robert Higley, 7/30/73, 24 Inch Mill.  
Dave Tackett, 7/31/73, 24 Inch Mill.  
Francis Frederick, 7/31/73, Billet Caster.

Thomas Johnson, 8/15/73, Plant  
George Brown, 8/15/73, Nail Gal  
Michael Oltmans, 8/20/73, Billet  
David Clark, 8/21/73, Plant 5 Mill  
Rudy Attebury, 8/21/73, RF Millw  
Malcolm Conduff, 8/27/73, Plant  
Fermin Arocho, 8/27/73, 12 Inch F  
David Duncan, 8/31/73, RF Shift  
Mark Pyron, 8/31/73, Plastic.



The following chart depicts 401(k) investment distributions broken down into (3) categories – hourly, salaried and by total investment. This information was released March 31, 1998.

### 401(k) Information as of 3/31/98

#### Salaried Investment Distribution

LaSalle Income Plus	\$ 3,476,666	15.5%
Rembrandt Tax Fixed	\$ 448,700	2.0%
Benham 2010	\$ 401,484	1.8%
Vanguard Wellsley	\$ 1,885,851	8.4%
Vanguard Windsor II	\$ 11,805,842	52.8%
LaSalle S&P 500	\$ 1,113,046	5.0%
Aim Value A	\$ 657,764	2.9%
American Century Ultra	\$ 1,148,510	5.1%
American Century Vista	\$ 294,596	1.3%
Rembrandt Int. Fund	\$ 90,559	0.4%
NWSW Stock	\$ 527,177	2.4%
Loans	\$ 520,053	2.3%
<b>Total</b>	<b>\$ 22,370,246</b>	<b>100.0%</b>

#### Hourly Investment Distribution

LaSalle Income Plus	\$ 6,255,243	11.3%
Rembrandt Tax Fixed	\$ 1,530,444	2.8%
Benham 2010	\$ 1,252,019	2.3%
Vanguard Wellsley	\$ 10,320,910	18.7%
Vanguard Windsor II	\$ 23,315,133	42.2%
LaSalle S&P 500	\$ 1,290,066	2.3%
Aim Value A	\$ 2,357,589	4.3%
American Century Ultra	\$ 3,477,143	6.3%
American Century Vista	\$ 861,481	1.6%
Rembrandt Int. Fund	\$ 239,018	0.4%
NWSW Stock	\$ 1,682,701	3.0%
Loans	\$ 2,656,667	4.8%
<b>Total</b>	<b>\$ 55,238,416</b>	<b>100.0%</b>

#### Total Investment Distribution

LaSalle Income Plus	\$ 9,731,909	12.5%
Rembrandt Tax Fixed	\$ 1,979,144	2.6%
Benham 2010	\$ 1,653,503	2.1%
Vanguard Wellsley	\$ 12,206,761	15.7%
Vanguard Windsor II	\$ 35,120,975	45.3%
LaSalle S&P 500	\$ 2,403,112	3.1%
Aim Value A	\$ 3,015,353	3.9%
American Century Ultra	\$ 4,625,653	6.0%
American Century Vista	\$ 1,156,077	1.5%
Rembrandt Int. Fund	\$ 329,578	0.4%
NWSW Stock	\$ 2,209,878	2.8%
Loans	\$ 3,176,719	4.1%
<b>Total</b>	<b>\$ 77,608,662</b>	<b>100.0%</b>

## We Care About Our Community

As a member of the community for over a century, Northwestern Steel and Wire Company cares about the organizations within the community and extends a helping hand by making donations to a variety of causes, both monetary and through employee involvement. Included are donations to help educate and enlighten young people, and donations to support programs sponsored by the local police and fire departments. Northwestern employees also show compassion toward the needy children of the Sterling/Rock Falls area and surrounding communities through their generosity at Christmas.

### Supporting Area Schools

A long time supporter of the area schools, Company donations to students help a vast array of ages. Sponsorship for the program "Newspapers in Education" helps enlighten students from first grade through high school. And taking part in the "Student of the Month/Year" Program benefits the high schoolers, while other monetary donations have been used to update computer labs in the area elementary schools. Donations to the Whiteside Area Vocational Center helps students throughout the area. The Sterling High School Drama Club received funding for costumes and equipment. And a new auditorium for these presentations will soon be a reality thanks to funds provided to the Sterling Schools Foundation by Northwestern and by other community supporters.

Students have also been aided through donations to the Sterling Area Chamber of Commerce to sponsor the Junior Achievement Program. Dan Potts, Manager of Industrial Engineering and Production Control/Inventory Control, played an active role in the Junior Achievement Program by teaching basic skills to 12 and 13 year old students. Dan spent twelve weeks at Challand Middle School in Sterling this past spring, giving up one lunch hour per week. And yet another way of touching students' lives is through the DARE Program (Drug Awareness Resistance Education), a drug awareness program offered through the Sterling and Rock Falls police departments.

### Supporting Miscellaneous Organizations

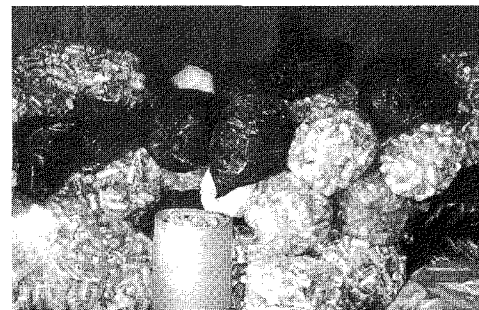
Northwestern reaches out to area organizations also. Benevolence is shown to the Hospice of the Rock River Valley to help fund the "Festival of Trees." This organization aids those who have been diagnosed with a terminal illness and their families. The Sterling Mural Society received support to help fund the beautiful and historic paintings, which adorn many of the facades around the city. Among others that Northwestern has helped include the YMCA, YWCA, Winning Wheels, the American Heart Association, the Whiteside County Senior Center, Veterans of Foreign Wars, the Sterling Optimist Club, March of Dimes, and the Alzheimer's Association of the Rock River Valley, to name a few.

### Reaching Out to the Needy

Northwestern employees are most known for the generosity they extend to the needy. Employees work hard year round on fundraisers to benefit the children. Nearly \$2,000 was raised last year through the Softball Tournament/Walk-a-thon, put on by Northwestern employees. Employees also bring in aluminum cans to donate to the Needy Children's Fund. Barrels throughout the plants stay in place all year to allow continuous donations. Employees also raise money throughout the year through fundraisers such as raffles, bucket brigades, poinsettia sales, and hanging plant sales. Thanks to the generosity of our employees, gifts and groceries were delivered to 57 families with a total of 176 children.

### Participation in Community Events

Employees also show their support toward various events in the community. Money was raised for the American Cancer Society through employee involvement in the "Relay for Life," an event that raises money not only for cancer research, but also for educational purposes.



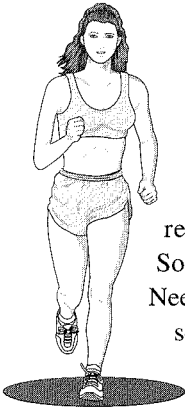
*What a beautiful sight!*

Known for their compassion toward area needy children, Northwestern employees work year-round to raise funds to help the kids. Saving aluminum cans is one successful way they bring money in for the cause.

Many employees are also involved in the United Way Community Kick-Off. This activity replaced the former Corporate Olympics and is a charity event organized by the United Way. Last year, the chili team of Dan Loos and his wife Penny, Jessie Prado and Willie Sifuentes took top honors winning all three trophies in the Chili Cook-Off portion of this event – Best Chili, Showmanship, and the People's Choice Award. Several employees also participated in the 5K Run/Walk, including Doug Gindt of the Caster Department, who placed first in his age division. And a fine team representation was given by Northwestern's volleyball team. Participants included Renae Ellis, Jim Gallentine, Lori Carbaugh, Teri McCormick, Gerry Hunsberger, Dan Potts, and Denise Potts. This year's event is scheduled for August 30.

There are also those who show their support individually through their involvement in various organizations. Various employees are involved in organizations such as the Optimist Club, the Rotary Club, Kiwanis, the Elks, the Knights of Columbus, and Habitat for Humanity, to name a few. Many are also very active in the schools (including various sports programs) and at local churches.

Northwestern is a proud supporter of the vast community organizations. A friend to the community for over a century, we feel an obligation to do our part, offering support whenever possible. Employees who are members of organizations seeking funds may submit fund requests in writing to the Human Resource Department with full details of the fundraiser.



There is still time to register for the Slow Pitch Softball Tournament and the Needy Children's Walk-a-thon scheduled for September 19 at Centennial Park in Rock Falls (the Softball Tournament will also run on Sunday, September 20). Opening ceremonies will begin at 8:00 a.m. on Saturday, and the first game will begin immediately after. The Walk-a-thon will commence at 8:30 a.m.

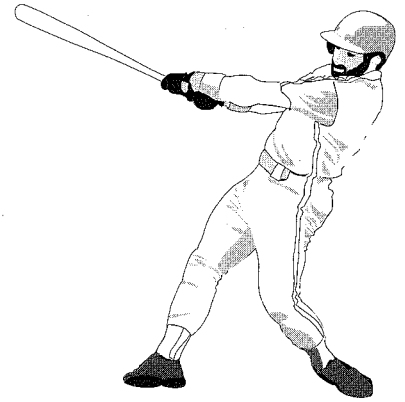
The deadline for rosters in the double elimination tournament is September 9. Those entering must include their name and clock number in the roster. There is a \$100 entry fee per team. Each game will go seven innings. If your department does not have a team, you may play for another team. Each team will be required to provide a walker for the Needy Children's Walk-a-thon. The person does not need to be a Northwestern employee, but can be a family member or friend, as long as they obtain their own sponsors.

First prize for the tournament is \$300 and a trophy, second is \$200 and a trophy, and third is \$100 and a trophy (based on a 10-team entry). There will also be a trophy for the department getting the most donations for the Walk-a-thon.

The walk will begin at 8:30 a.m., with each participant choosing a three or seven mile walk (or set your own). Walkers with \$50 or more in pledges will receive a free tee shirt. Pledge forms can be obtained from any member of the committee: Jim Boesen, Debbie Decker, Chris Edmondson, Karen Freres, Karen Galbreath, Rhonda Gaumer, Dale Haberer, Dan McCallister, Rosie Merced, Mike O'Malley, Donna Rompf, Carol Siefken or Kim VanWeelden.

Those wishing more information may contact Chris Edmondson, 622-5938; Dale Haberer, 336-2320; Dan McCallister, 622-1649; or Karen Freres, 625-2500, extension 2275. Bring the family for a weekend of fun!

## Softball Tournament & Walk-a-thon Slated for September



## Retiree Dinner Slated for September 18

All Northwestern Steel and Wire Company retirees, spouses and interested active employees are invited to attend the 14<sup>th</sup> annual retiree dinner and reunion on Friday, September 18, 1998, at the Latin American Social Center, 3614 East Lincolnway, Sterling.

Following a 5:00 p.m. social hour, the Latin American Ladies Auxiliary will present their excellent home-cooked buffet, which many rate at five stars for variety of choice and quality of preparation. Do not miss this opportunity to renew old acquaintances and enjoy a great buffet dinner.

Advance tickets are recommended and can be purchased from the following:

Sophia Gonzalez (Steelworkers Union Hall)	625-3465
Karen Freres (Human Resource Office)	625-2500, ext. 2275
Ralph Alber	625-5232
Les Arvola	625-2347
Jim Clark	626-2320
Bob Hoster	626-2267
Gene Miller	336-2390
Bill Miller	535-0608
Charlie Pratt	622-0529
Noel Reed	535-0384
Earl Stevens	625-6084
Don Wiemken	625-6437
Dick Williams	626-6107
Bill Young	625-4256

**Mark your calendars now!**

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