

The Lightning Bolt

November/December 1998

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

A Look Inside

End of an Era

Northwestern recently announced the exit from most wire products markets.

See Page 3

United Way Community Kick-Off Successful

Many employees participated in the U.W. Community Kick-Off. Highlights and results are listed inside.

See Pages 8 & 9

Nearly \$1900 Raised for Needy Children

Nearly \$1900 was raised at the annual softball tournament/walkathon to benefit area needy children.

See Pages 6 & 7

NORTHWESTERN ANNOUNCES APPOINTMENT OF NEW CHAIRMAN AND NEW CHIEF EXECUTIVE OFFICER

The Board of Directors of Northwestern Steel and Wire Company recently announced the appointment of Frederick J. Rocchio, Jr. as President and Chief Executive Officer, to replace Thomas A. Gildehaus, who retired as Chairman and Chief Executive Officer on November 9, 1998. Mr. Gildehaus will remain on the Board following his retirement. The Board also announced the election of William F. Andrews, a director since the Company's initial public offering in 1993, as its Chairman. Richard D. Way, the Company's current President, will serve as Executive Vice President-Administration pending his scheduled retirement in 1999.



**William F. Andrews,
Chairman**

Mr. Andrews stated, "Fred Rocchio brings a special set of skills and steel industry experience which will enable the Company to continue the restructuring of its operations which is necessary to meet the needs of its marketplace. With over twenty-five years of experience at Inland Steel, where he was responsible for all integrated steelmaking and hot rolled operations, Fred is highly knowledgeable about all aspects of the steel business. Fred's experience since 1995 at Birmingham Steel Corporation, a leading mini-mill, most recently as Executive Vice President, has further enhanced this knowledge and given him hands-on experience with many of Northwestern's product lines. Having spent his professional life in the steel industry, Fred has the ability to balance the needs of employees with the requirements of a highly competitive marketplace, a capability which the Company will need to be successful in the future."



**Frederick Rocchio,
President & CEO**

Mr. Andrews also stated, "Tom Gildehaus has achieved a remarkable amount over the past eighteen months to reposition the Company to address long-term competitive issues in its marketplace. Under his leadership, the Company was able to exit two operations that were major sources of operating losses, and to reduce its debt

burden by more than \$50 million. Tom has successfully repositioned the Company as a tightly focused producer of structural steel and wire rod and has developed preliminary plans that, if implemented, could ensure the Company's long-term ability to serve its customers on a competitive basis. The Board is grateful to Tom for having accomplished what he set out to do when he joined the Company, and we are pleased that the Company will continue to have the benefit of his counsel as a director of the Company in his retirement."

The Chairman's Office

MOVING FORWARD

As reported elsewhere in this edition of the *Lightning Bolt*, we have made the unhappy decision to close much of our Wire Products Division. This was a difficult step, but one that was necessary for the overall good of the Company. The Company, and the people affected by the closing, need to now move forward.

People who are losing their jobs need to move forward with their lives. Some of you will find jobs elsewhere within Northwestern, or will choose to retire. But some will have to find employment outside the Company, and this can be helped greatly by taking advantage of the support and services offered at our Career Center at 2804 West LeFevre Road in Sterling. We strongly encourage everyone to use the Career Center for career and personal counseling.

The Company also needs to move forward in several ways.

First, by achieving a productive and profitable manufacturers' wire and cut rod operation in Plant 1. This will not be a "slam dunk," but with everyone's cooperation we will be able to retain some jobs in this area and hopefully grow this part of the business to provide a significant impact on the Company's financial results. We can accomplish this through Partnership, working together to achieve common goals.

Second, we need to improve the competitive position of our steel

products operation. This will require all of our resources, efforts and teamwork. If we work together – cooperatively, in true partnership – we can get this done. However, time is running short. Competitors are bringing new, lower cost facilities on stream. There will be at least three, and possibly four, new structural or bar mills installed over the next 3-15 months. Meanwhile, our plans for a new mill are on hold until a satisfactory labor contract is negotiated and agreed on. New equipment by itself will not make us competitive; we also need common-sense changes to our contract to improve efficiency and reduce costs.

Third, we need to weather some rough times in the next 6-9 months as the flood of low-priced imports, and possibly a weakening economy in the U.S., impacts our business by depressing selling prices and reducing our shipments and production levels. After a year of strong financial results, we have now entered a much weaker period, and this will require flexible operations and close control of costs throughout the Company.

To end on a personal note, I, too, will be moving forward into retirement. I want to say thanks to all of you who have provided such strong support to me over the last eighteen months. I also ask you to continue to provide that support to Fred Rocchio as our new President and CEO. From my position on the Board of Directors, I will continue to work with you all for the long-term success and prosperity of Northwestern Steel and Wire Company.

Thomas A. Gildehaus
Director

New Doctor at Family Health Center

Dr. Richard Berglund began practicing at Northwestern's Family Health Center in October. As a family practice physician, Dr. Berglund's past experience involves specialization in pediatrics, gynecology, adult medicine and geriatrics. A Chicago native, Dr. Berglund most recently practiced medicine in Hoffman Estates. He likes the Sterling area for its easy-going pace and the friendliness of the people.

Dr. Berglund earned his bachelor of science degree in chemistry from the University of Illinois at Chicago. While working as a labor assistant, his bosses encouraged him to apply to medical school. He finished his medical education while in the Navy, and graduated from Rush Medical School in Chicago. Originally planning to become a surgeon, Dr. Berglund realized that he liked the socialization of family practice medicine. He completed his residency in family medicine in Chicago and then worked



Dr. Richard Berglund

at Presbyterian St. Luke's as an instructor in medicine, and in their HMO before beginning private practice.

Dr. Berglund is the father of a grown son. He loves gardening, cooking, fishing, and hunting, and hopes to build a home in this area.

Wire Mill Get-Together

When: Saturday, January 9, 1999

Where: Wagon Wheel
1711 West 4th St.
Sterling, IL.

Social Hour: 6:00 p.m. to 7:00 p.m.
Dinner: 7:00 p.m. to 8:00 p.m.
Dance (DJ): 8:00 p.m. to 12 midnight

Price: \$20.00 per couple

Advanced tickets are recommended and can be purchased from Don Olalde (625-1642) or Karen Freres (625-2500, ext. 2275). Prefer ticket purchase on or before December 15th, but will take reservations up to the day of the get-together.

Everyone welcome!

Northwestern Exits Most Wire Products Markets

A pillar of strength for many years, the Wire Division has endured many challenges in its 119-year history. Surviving two major fires, the depression, a disastrous flood, and high interest rates and acceleration of foreign imports in the 1980's, the continued pressure of low cost foreign imports and lower cost domestic producers have now forced the Company to exit the majority of its wire products business by the end of calendar 1998. After months of discussion and analysis, Northwestern's Board made the decision to discontinue permanently the production of agricultural products, nails and lawn and garden products. As a result, approximately 400 of Northwestern's 2,000 employees will be affected through retirement, transfer, layoff or severance.

Approximately 50 employees will continue to produce and market manufacturers' wire and cut rod products as the Company strives to build upon that business. The market for these products is large; and since Northwestern's share is very small, there is much room to grow.

The decision to close part of the Wire Division was a long time in coming. Over sixteen months ago, the Board asked Management to try to develop a plan to stop Wire Division losses that have totaled more than \$16 million over the past three years. The initial step in this process was to conduct, in Partnership with the USWA, a study of the Wire Division and to develop a plan to build a profitable growth track for the Division. A joint Management/Union Task Force, with the aid of Company and Union selected consultants, worked hard and did develop a plan. The team worked many long hours and should feel proud of their efforts.

Implementation of the plan required changes in the labor contract and significant capital investment. It was the Board's judgment that

even if these investments were made, and even if significant changes could be negotiated in our labor agreement, Northwestern would remain the high cost producer of these products and would likely not recover the costs of such investments.

What Happens Now?

Northwestern is doing everything it possibly can to ensure that the estimated 400 affected employees are treated fairly and equitably, including providing severance packages and supplementary early retirement packages to those who meet eligibility requirements.

A Career Center has also been set up at 2804 West LeFevre Road in Sterling to provide all affected employees and their spouses with career counseling, personal assessments and individual counseling. The Center is operated and staffed by Robertson and Lowstuter, a Bettendorf, Iowa outplacement firm. The firm provides senior counselors and support personnel to assist employees in their job search and career assessment for the search that began October 12, 1998, running through December 31, 1998. Services include resume preparation, videotaped interview practice, financial planning and career assessment. Employees and/or family members may contact the Career Center at 535-0697.

The Center is open from 8:00 a.m. until 5:00 p.m., Monday through Friday, through December 31, 1998, to aid employees in their career transition. In addition to a resource library and computerized research assistance, employees have access to computers, phones, a copy machine and a fax machine.

As we face the future of Northwestern together, we need to continue to look for ways we can work together to ensure Northwestern's long term success.

EAP OFFERS ASSISTANCE

The Employee Assistance Program is available to all employees and their families for a variety of services. The EAP offers services for:

Family Counseling

**Marriage
Counseling**

Depression

Anxiety

**Substance Abuse
Treatment**

DUI Evaluations

DUI Risk Education

Parenting Education

Financial Counseling

Legal Matters

**Job Performance
Issues**

Psychological Testing

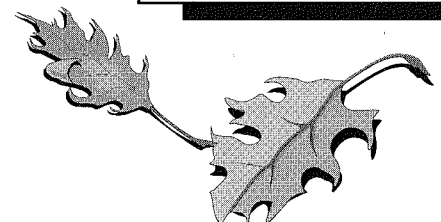
**Psychiatric
Evaluations**

Hickman Plant Injury Free

Congratulations to the 35 employees of Northwestern's Hickman, Kentucky plant who went one year without losing any work time due to injuries. Charyl Craddock, Hickman's Quality Assurance Supervisor and Safety Coordinator, cites the conscientious effort of the employees for the positive results.

Since the plant began operating in November, 1995, there has been only one lost time injury. The Hickman plant has monthly safety meetings and a plant Safety Committee, whose members work hard to keep on top of safety issues. At each plant safety meeting, the supervisor of each shift serves as the facilitator.

Each employee at the Hickman facility is responsible for reporting any safety violation to either Charyl or their supervisor.



Senior Mill Builder Sports TNT

Terry Hohn is a senior mill builder at Northwestern Steel and Wire Company and half of the successful drag racing team, TNT. Those initials stand for Terry and his son, Todd, who race a 1969 Camaro at various racetracks throughout the Midwest. Racing almost every weekend from May through October, the two run a series of point races at various tracks. The accumulation of points determines their rank compared to other racers.

The Hohn family has a long tradition of racing. Terry's wife, Marilyn, said her husband began drag racing in 1961-62 while living in South Dakota. In 1969, when they moved to Illinois, Terry began his employment at Northwestern and, of course, continued to race. Todd recalls going to the track every weekend, and says it just seemed natural for him to follow in his father's footsteps.

The younger Hohn began racing at 15. He was granted permission only after his parents signed waivers with the tracks releasing him from any liability. Todd didn't even have a driver's license at this time. He was also pit crew for his father and uncle. At age 16, Todd was ready to make his mark in racing. He went to the finals of his very first points race at Cordova Dragway, and although he didn't win, he established a reputation. Todd later ended up winning the ET Finals held in Indianapolis, Indiana to earn his first track championship in his first year of racing.

In 1985-86, the TNT racing team campaigned their car every Saturday and Sunday at Cordova and Byron while finishing in the top ten for points at each track. From 1986 to 1990, Todd attended college and graduated with a bachelor's degree in occupational safety. Today he is a safety engineer for C.N.A. Insurance. When asked about the safety of drag racing and the irony of his career and hobby, Todd said, "There is so much safety equipment (on the race car) that I feel pretty safe. I travel 3,000 to 4,000 miles a month for my company, and I feel safer in my race car."

The confidence which comes from feeling safe in the car paid off. During the 1996 season, the team made two final round appearances. They managed to finish fifth in the season points battle out of nearly 180 competitors who competed throughout the year. They again qualified for the Indianapolis ET Finals, a feat accomplished every year since TNT was formed. In 1997, the team ended up in the top 25 out of 168 competitors who participated in the Sears Craftsman ET Racing Series Season Points Championship at Byron Dragway.

As TNT gains more recognition, the racing operation will continue to be conducted out of Terry's house in Rock Falls. Marilyn predicts that the next generation of Hohns will continue to race. Right now, that distinction falls to Todd's 19-month-old daughter, Taylor.

Gene Baker Joins Ranks of Exclusive Group

James E. "Gene" Baker recently joined the elite few who have 50 or more years of service with Northwestern. He marked



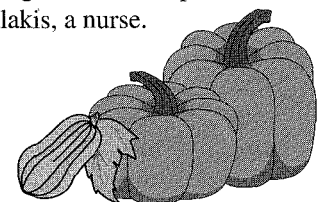
his golden anniversary with the Company on August 14.

This is the second time in 1998 that a Northwestern employee has reached the 50-year mark. On April 30, Jose Olalde, Sr. retired with that designation. Preceding Jose in the salaried ranks were Ray Joyce, 50 years; Earl Shultz, 51 years; Clarence Bauer, 53 years; and W.M. Dillon, 55 years.

Gene began his career at Northwestern on August 14, 1948, working in the Drawing Room where he spent nine years. In 1957, when the 20-Inch Mill was built, he worked there for awhile before transferring to the 14-Inch Mill, where he has since been a rougher. He is also the Recording Secretary and Chairman of the Workman's Compensation Committee for the United Steelworkers of America.

Gene is originally from Arkansas. When he was looking for a job in 1948, he decided to head for Michigan, but since he knew some guys who worked at the Mill, Gene made a stop in Sterling. "They needed help real bad, and I went down to the Employment Office and told them I was looking for a job," he said. "There was no interview in those days; the man I talked to just asked me what I wanted to do."

Gene has served as a Union Officer for 30 years and has never lost an election. He also has served the City of Rock Falls, where he was a three-term alderman, and was then Mayor for one term. Gene has two daughters, Shelia Murphy, a grade school superintendent, and Sharon Halakis, a nurse.



Dr. Salahuddin Celebrates One Year at FHC

Dr. Muhammad Salahuddin recently celebrated his first anniversary at the Family Health Center. The native of Pakistan says he is very happy in Sterling, where the people are courteous and there are no traffic jams.

As a doctor of internal medicine, Dr. Salahuddin says he always wanted to be a physician. He received his education from King Edward Medical College, Lahore, Pakistan, and did his internship at Mayo Hospital in that city. After coming to this country in 1986, Dr. Salahuddin served a residency at Edgewater Medical Center, Chicago, where he was involved in the care of patients at acute, intermediate and general levels. While at Edgewater, he was involved in teaching and the supervision of junior residents. His clinical experience includes serving as staff physician at Wabash Valley Correctional Facility in Carlisle, Indiana. He was also a house staff physician at Thorek Hospital and Medical Center, Chicago, and an attending physician at Oak Forest Hospital, Oak Forest.

Dr. Salahuddin says he loves talking with his patients and treating them. That interaction with people led him to choose internal medicine over surgery as a speciality.

He is a member of the following professional societies: Associate member of the American College of Physicians, Chicago Medical Society, Illinois State Medical Society, and the American Medical Association.

Customer Profile

Highlighting Alro Steel Corporation

A business relationship that began over 40 years ago between Northwestern Steel and Wire Company and Alro Steel Corporation was built over many years of mutual trust and confidence. Today Alro Steel CEO and Chairman of the Board Al Glick refers to Northwestern as "one of his best suppliers."

The Alro Group, headquartered in Jackson, Michigan, celebrated its 50th anniversary on June 1. They operate 38 steel plants in nine states, encompassing a product mix of steel, specialty metals, industrial supplies and plastics. Northwestern is one of Alro's major suppliers in its product range, which includes Northwestern's full range of hot rolled products. Glick estimates that Northwestern supplies fifty percent of Alro's needs in these products.

Alro started doing business with Northwestern in the early 1950's. Glick was only 20 years old at that time. He cites the late James Frasor (then Vice President of Sales for Northwestern) as his mentor, and said it was that relationship that helped build a strong foundation between the two companies. Today, Alro is consistently one of Northwestern's top ten steel division customers in both revenue and tons shipped.

Committed to exceeding the expectations of their customers, Alro looks to their suppliers to provide the very best, both in product and in service. Mike Venie, Vice President of Sales and Marketing, and his steel sales team continue to provide Alro the quality products and service they have come to expect. In providing for their needs, Venie states, "When Alro tells us they need help on delivery or technical support for a customer, we make every effort possible to give them what they need." Referring to Alro as one of the "most progressive, well-managed service centers that he's seen," Venie is confident in Alro's longevity and adds, "that is the type of customer we want to grow our business around, today and in the future."

Northwestern congratulates Alro on 50 years of a history they can be proud of, and wish them continued success in their future.

A Home for the World Series Champions

Jim Naylor, 24 Inch Shipping General Supervisor, and his wife Sue, opened up their home to six adolescents from the West Portage, Michigan Girl's Little League Team in August. Responding to a plea in the local newspaper for team housing, what they thought might be two guests, soon grew to be six. And little did they know their guests would clinch the Little League World Series Championship Title.

The West Portage team was in Rock Falls, Illinois to play in the Senior League's Central Region Championship. They captured that title after beating Ohio, Indiana and Iowa. Capturing the Central Region Championship earned them the right to play in the World Series on West Portage's home field in Kalamazoo, Michigan.

In the World Series competition, the West Portage team beat Hawaii and Canada before playing the Phillipines twice to capture the championship title. The team, made up of 14 girls, beat the Far East team 1-0 in 14 innings to capture the World Series title on August 22. That title game lasted three and a half hours!

The Naylor's grew so fond of the girls that they made the five hour trip to Michigan to lend support and cheer them on. Also making the trip from this area were Scott and Eileen Wolber, who housed four of the girls from the West Portage team.

Jim said when he saw the girls in their first practice at Wallingford Park in Rock Falls, he knew they were really good. "Then when I saw them in their first game, I knew they were the team to beat," he added.

Jim says if the West Portage team plays in Rock Falls again next year, he and his wife won't hesitate a minute to house them. Being a host father reinforced his belief that there are a lot of good young people in the world. Jim encourages others to consider hosting a family next year.



Jim Naylor and his wife, Sue pose with six members of the West Portage Michigan Girl's Little League Team. Jim and Sue were host parents to the girls when they participated in the Central Region Championship in Rock Falls in August. The West Portage team went on to capture the World Series Title beating the Phillipines 1-0 in 14 innings.

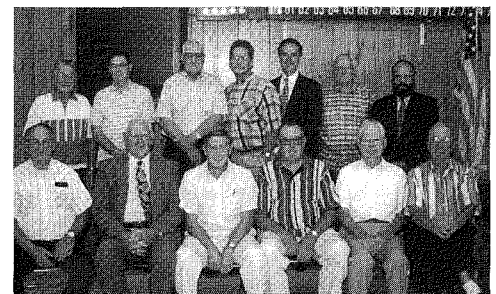
Retiree Dinner Continues To Grow

A new record number was marked at the 14th annual retirement dinner for Northwestern retirees and employees. Up nine from last year, a total of 327 people were in attendance. The dinner was held September 18, 1998, at the Latin American Social Center in Sterling.

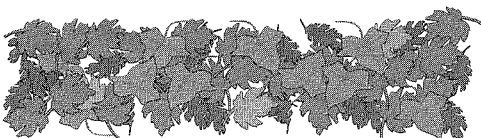
Following the 5:00 p.m. social hour, the Latin American Ladies Auxiliary presented an excellent home-cooked buffet. This year's committee consisted of Dick Williams, Les Arvola, Bill Young, Charlie Pratt, Noel Reed, Bill Miller, Earl Stevens, Gene Miller, Bob Hoster, Nile Hager, Fred Howe, Ralph Alber and Don Wiemken.

Dick Williams has been in charge of organizing the dinner for the past three years. Williams commented about the continual growth of the event and added, "We haven't even begun to tap all our resources." He said the main reason for having the dinner is just to get the people together.

Retirees meet the second Tuesday of every month at the Steelworkers Union Hall. All interested USWA retirees are welcome to attend.



Pictured above are members of the Retiree Dinner Committee. Front row left to right are Gene Miller, Bob Hoster, Nile Hager, Fred Howe, Ralph Alber and Don Wiemken. Back row: Les Arvola, Bill Young, Charlie Pratt, Noel Reed, Dick Williams, Bill Miller and Earl Stevens.



Softball Tournament & Walkathon A Once Again

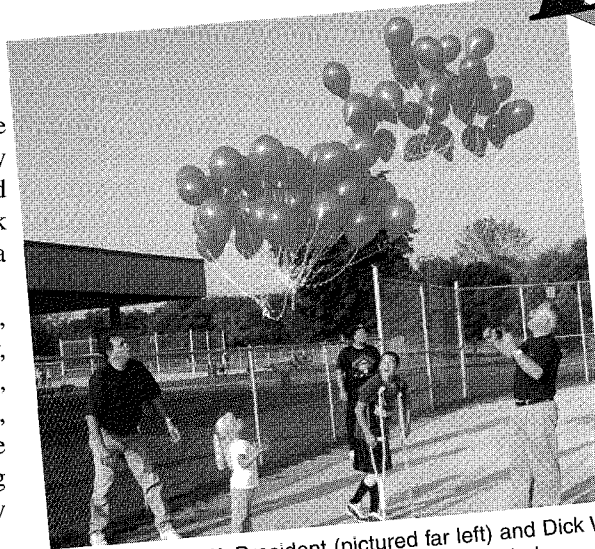
HIT!

Nearly \$1900 was raised this year at the annual Northwestern Steel and Wire Company Walkathon/Softball Tournament that was held September 19 at Centennial Park in Rock Falls, Illinois. All proceeds will benefit area needy children in December.

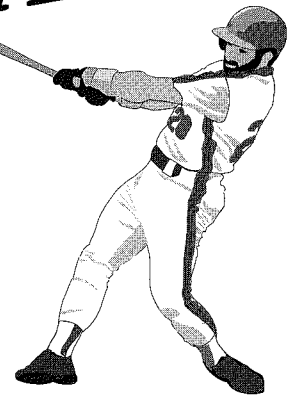
Opening ceremonies on the beautiful, sunny day began at 8:00 a.m., with Dick Way, Executive Vice President-Administration, throwing out the first pitch to Art Gillihan, USWA President. Nearly 100 balloons were released by children as part of the opening ceremonies, and the events immediately followed.

Hot dogs, brats, chips and pop were provided to all participants, compliments of Northwestern. Members of the JAC (Partnership Joint Advisory Committee) took their turns at the grill, while members of the Needy Children's Committee served the food. It was teamwork at its finest!

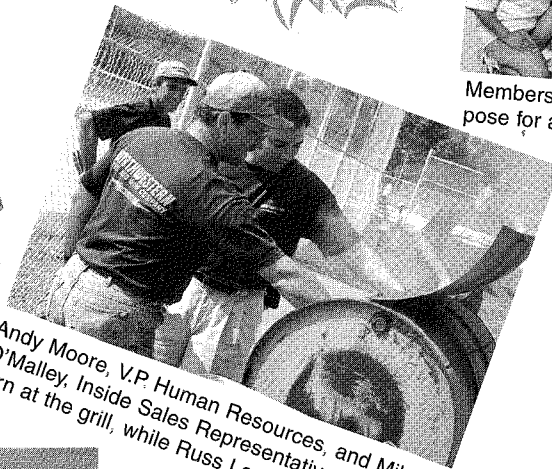
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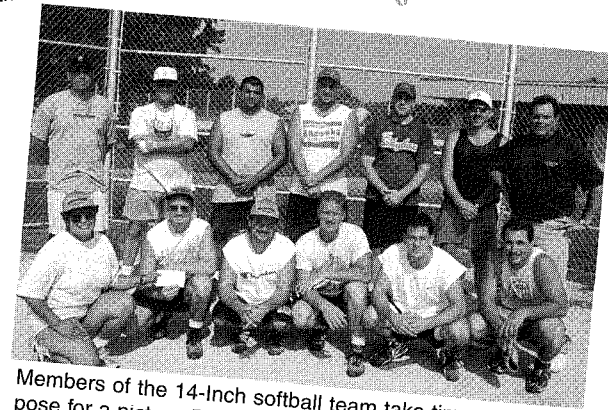
Art Gillihan, USWA President (pictured far left) and Dick Way, Executive V.P.-Administration (pictured far right) help attending children with the release of balloons as part of the opening ceremonies for the softball tournament.



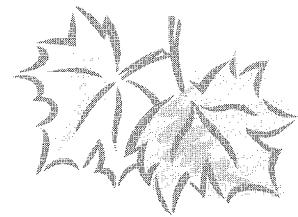
Dan Oberbroeckling and Kim VanWeelden helped raise money for the kids in this year's walkathon.



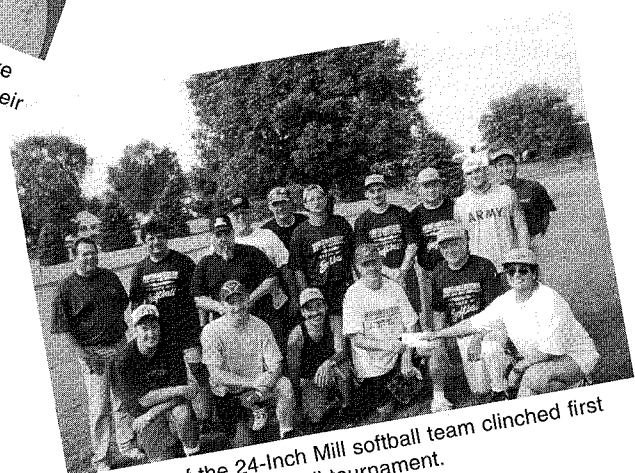
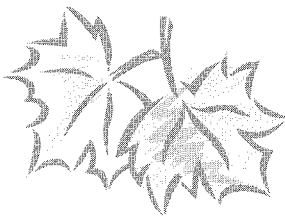
Andy Moore, V.P. Human Resources, and Mike O'Malley, Inside Sales Representative, take their turn at the grill, while Russ Lovell looks on.



Members of the 14-Inch softball team take time out to pose for a picture. The 14-Inch Mill placed second in the tournament.



Pictured above are members of the Drawing Room team who took third place in the annual softball tournament.



Members of the 24-Inch Mill softball team clinched first place in the 1998 softball tournament.

Softball & Walkathon cont. from page 6

Six teams vied for the championship, with each team paying an entry fee of \$100. The annual match-up featured teams from various Northwestern departments matching bats to declare a champion. The 24-Inch Mill placed first winning a total of \$250 and a trophy. Members of the team donated their winnings back to the Needy Children's Fund (thanks guys!). Second place of \$150 and a trophy went to the 14-Inch Mill, while third place of \$100 and a trophy went to the Drawing Room. The 24-Inch Mill was undefeated until the championship game when they lost to the 14-Inch Mill. The 14 and 24-Inch Mills faced each other once again in the double elimination tournament where the 24-Inch Mill emerged victorious.

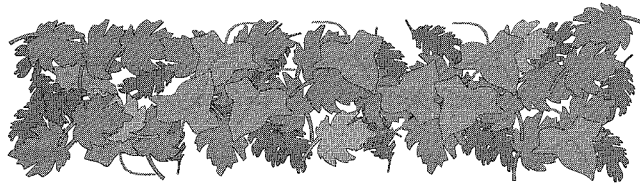
The walkathon was held along the beautiful Hennepin Canal in Rock Falls. Tee shirts were provided to all walkers raising \$50

or more in pledges. The individual raising the most money in the walkathon was Steve Bierman of the 24-Inch Mill. Steve raised \$655 for the needy children! The department raising the most money was the 24-Inch Mill.

Last year, Northwestern employees helped nearly 180 children with gifts of clothes and toys. Each family also received a week's worth of groceries. Other fundraisers contributing to these gifts are the aluminum can collection, poinsettia sales, hanging basket sales, and raffles. New raffles this year were the shot gun/hoyt bow raffle and the beanie baby raffle, both a big success.

Many thanks to all the people who made this event such a huge success. Those people include Dick Way and Art Gillihan, opening ceremony hosts; Paige Alls and Katie Gillmore, for face painting; Paige and Autumn Alls, for making signs, Rex Gaumer,

for his assistance and use of his grill; and to the Needy Children's Committee, who helped organize the function: Jim Boesen, Sunday Bryant, Debbie Decker, Karen Freres, Karen Galbreath, Rhonda Gaumer, Rose Merced, Mike O'Malley, Jessie Prado, Donna Rompf, Carol Siefken and Kim VanWeelden. A thank you is also extended to Chris Edmondson, Dale Haberer and Dan McCallister, softball tourney organizers; and to the following members of the JAC: Andy Moore, Dick Way, Art Gillihan, Russ Lovell, Jim Gallentine, Jim Meyer and Tom Reddington. Special thanks to Northwestern Steel and Wire for donating the food and baseball caps. And finally, a very special thank you to all the participants – those ultimately responsible for raising money for the children.



Problem Solving Team Tackles the Wage Garnishment Process

As problem solving teams continue to gain momentum at Northwestern, Office Team 8 recently investigated the problem of reducing the service cost for wage deduction summons. The team's final recommendation resulted in a 51% savings per fiscal year minimum. Team 8 was comprised of Kelly McDuffy, Schedule Clerk; Marsha Schave, Wire Sales Correspondent; and Merle Heckman, Training Coordinator.

Northwestern's cost of garnishments for the 1997-98 fiscal year was over \$24,000. The team's goal was to reduce the overall cost of

garnishments to the Company, but they also explored the possibility of doing wage garnishments in-house. They met with representatives from other companies to discuss their procedures of handling wage garnishments and the legalities involved in doing them internally. With the possibility of a new computer system coming online in the near future, the decision was made to hold off temporarily on doing wage garnishments in-house.

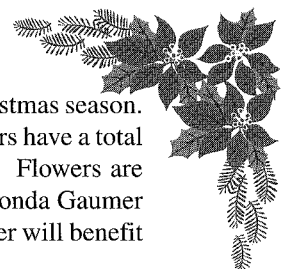
The team obtained quotes from various law firms. After reviewing the quotes, they made a recommendation to utilize the law firm that would result in a 51% savings per fiscal year minimum for the Company. They also suggested the garnishment process be integrated into the new computer system when it comes online in the near future. Garnishees should also be encouraged to utilize the services of the EAP department.

Congratulations to Team 8 for a job well done!



Poinsettia Sales

Members of the NWSW Needy Children's Committee are taking orders for poinsettias for the Christmas season. Flowers come in a 6-1/2 inch foil wrapped pot and come complete with a protective sleeve. The flowers have a total of 6-8 blooms and come in a variety of colors, including white, red, pink, marble and peppermint. Flowers are florist quality and are locally grown - \$11.00 each. Contact Karen Freres (625-2500, ext. 2275), Rhonda Gaumer (ext. 2660) or Carol Siefken (ext. 2235) to place an order, or any member of the Committee. Your order will benefit area needy children this Christmas. Orders must be placed on or before December 1.



Northwestern's Presence felt

Northwestern's presence dominated the field when nearly 70 employees and their families and friends gathered to compete against rival corporations in the 2nd annual United Way Community Kick Off held August 30. All proceeds from the day's 5K run/walk, volleyball tournament and chili cook-off went directly to the Sterling/Rock Falls United Way. The three events brought in \$4,300.

The day began with the Jim DeLange 5K Run/Walk. The course started and ended at Centennial Park in Rock Falls, and included a portion of the Hennepin Canal Trail. There were 94 energetic participants that took part in the race, and nearly 20 of those represented Northwestern. Northwestern participants who received trophies in their age categories were: Mark Murphy (2nd place), David Stickel (3rd place), Doug Gindt (2nd place), Lazaro Sifuentes (3rd place), Rose DeLaFuente (2nd place), Karen Freres (3rd place), Frank Murphy (2nd place), Vicki Velasquez (3rd place), Gary Velasquez (3rd place), and Rich Steder (2nd place).

The rest of the day's events shifted to the Rock Falls Middle School, host grounds for the volleyball tournament and chili cook-off. Walking onto the school grounds, you couldn't help but notice all the teal blue shirts

worn by Northwestern employees as they challenged their rivals.

The volleyball games were a big attraction with a total of twenty-three volleyball teams competing in the round robin tournament. Three teams represented Northwestern, a total of forty employees. "Scratch on the Eight" from Dixon placed first, Frantz-second, and GOC from Lyndon placed third. Coming in fourth was Northwestern's "Office Team A."

Another highlight of the day was the chili cook-off. The event was a representation of local industries that had gathered to enter their best chili recipes for competition. This year Northwestern had two teams entered: Al Royer of the Drawing Room (and his team of Tim Nehr Korn and Al's daughter, Sosha), and Dan Loos of the 24-Inch Mill (and his team of his wife Penny, Jessie Prado and Willie SiFuentes). Al and Dan won the internal chili cook-off held at Northwestern in July after putting their chili recipes against five other contestants. It was all eyes on Northwestern this year when our teams placed first in showmanship with their authentic display that brought you back to the old west. An overland wagon supplied by Joe Velasquez of the 24-Inch Mill brought immediate attention to Northwestern's area. Wagon wheels, saddles,

sterheads and a lasso added a nice touch, while the teams dressed the part with their cowboy hats and boots. Topping it off was an arch of bright yellow balloons with chili peppers, centered right between Northwestern's two tents. The word spread fast that Northwestern had good chili, and it didn't take long for our "cowboys" to run out of the 20 gallons of chili they had prepared for the day. Congratulations to Northwestern's teams for placing first in showmanship with their grandeur western display! The judges' award for best chili went to Wayne Dalton, and people's choice was awarded to Lawrence Brothers.

Many thanks to all United Way Community Kick-Off participants, all the internal chili cook-off contestants, the judges, and those who came to give moral support. Also, special thanks to Joe Velasquez, Don Simpson, Janet Fisher, Becky Schmidt (and St. Mary's School), and Lynn Whichard for their help with props, and to Connie Helms for keeping our participants supplied with fruit and water. Finally, a special thank you to Jessie Prado for his enthusiasm and creative ideas, which have helped Northwestern win showmanship at the United Way Kick-off for two years in a row.

Team Works to Reduce Safety Item Costs in 12-Inch Mill

Recommendations made by Team #6 from the 12-Inch Mill show that a 36-percent savings, or an estimated \$31,000, could be realized if items of comparable quality are purchased from outside suppliers. Their study was based on a 16-month usage period.

Team members Paul Moreno, Ron Hanabarger, Wayne Larson, and Jeff Vincent tackled the problem statement, "How to reduce the cost to the 12-Inch Mill for items purchased from the Safety Store." Their initial goal was to explore all possible cost savings of items purchased from the Safety Store for the 12-Inch Mill, while also maintaining the quality and safety ratings of the items. Assisting the team in their studies as resources were Chuck Lancaster, Bill McCann, Rick Balsley, Gene Jacoby, Ernie Valladares, Terry Winchell, and Kim Wainscott from the Safety Store. The team studied items that included

thermal gloves, dickies, wrist guards, batteries, water cups, face shields, greens, fire equipment, and white suits. Savings can be realized in all of the items studied if the presented recommendations are put into place.

One example of savings would be a change in the thermal gloves presently used in the 12-Inch Mill. Currently, a 22-ounce Kevlar 14-inch thermal glove with a foil metal backing is used at a cost of \$34.50 per pair. The team determined that for the application in the 12-Inch Mill, the foil metal backing is not necessary. A replacement pair of Kevlar gloves without the foil metal backing would cost \$19.96, a savings of \$14.54 per pair. If you applied this savings toward the 16-month period that was studied, the 1,600 pairs used for that period would have resulted in a savings of nearly \$23,000.

Another example of savings would be to change from the present white suits used plant wide to a white suit of thinner material. With an estimated 7,100 white suits used plant wide over a 16-month period, the change would result in a \$3,100 savings.

Savings overall for all items studied would result in a 36% savings or approximately \$31,000. A fine job by Team #6 in achieving their goal!

Most everyone at Northwestern understands there are many problems currently facing our Company. Partnership offers the opportunity to be a part of the solutions to those problems. If you would like to be involved in Partnership, contact someone on your Department Board, Rich Nolan at extension 2868, or Ken Ronzone at extension 2867.

in the United Way Kick-Off



Pictured above are some of the employees that participated in the Jim DeLange 5K Race. Front row, left to right: David Stickel, Mark Murphy, Rose DeLaFuente, Lazaro SiFuentes and Rich Steder. Middle row: Vicki Velasquez, Gary Velasquez, Paul DeLaFuente, Dave Fredericks and Randy Conkling. Back row: Susan Helms, Ellen Bennett, Doug Gindt, Karen Freres and Frank Murphy.



Volleyball Team A: Pictured left to right in front row are Lori Carbaugh, Tammy Borum, Tammy Armstrong, Renae Ellis and Teri McCormick. Back row: Rich Mocklin, Tim Pashon, Dave Knutti, Gerry Hunsberger, Jim Hall, Todd O'Brien, Andy Moore, and Dan Potts.



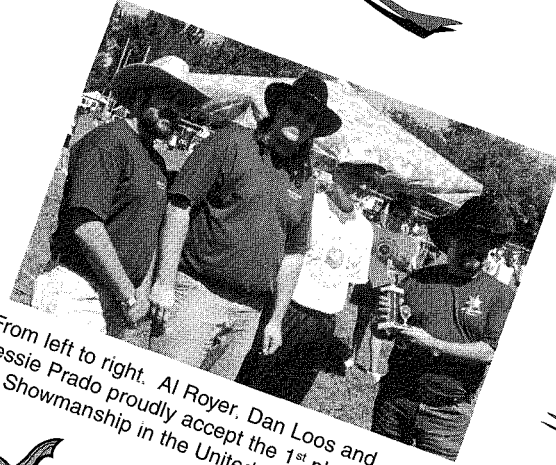
Volley Team C: Pictured left to right in front row are Jennifer Ferris, Mary Steagall, Debbie Decker, Sue Renner, Diana Sisson and Silvia Harrison. Back row: Brad Ferris, Pete Razo, Ron Harrison, Doug Sisson, Charles Renner, Gerald Steagall and Charles Rumpfelt.



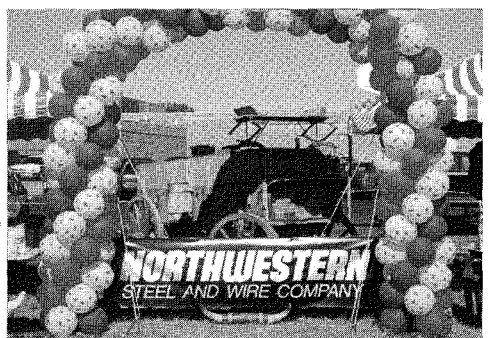
Volley Team B: Pictured left to right in front row are Julie Montanez, Annette Hall, Suzanne Edwards and Terry Wike. Back row: Denny Fritz, Don Shehorn, Tom Reddington, Larry Irwin, Norb Zagas, Tony Clark and Mike Mason.



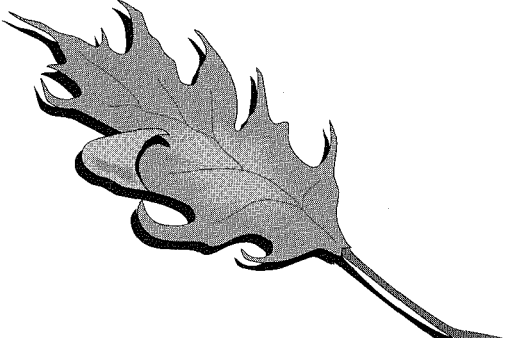
Rich Steder (race #1172) and Doug Gindt (race #1164) were among a few Northwestern participants that represented Northwestern in the Jim DeLange 5K Run/Walk.



From left to right, Al Royer, Dan Loos and Jessie Prado proudly accept the 1st place trophy for Showmanship in the United Way Chili Cook-off.



An overland wagon supplied by Joe Velasquez of the 24-Inch Mill, and steerhorns supplied by Don Simpson of Sales, added a nice touch to Northwestern's western display.



Retirements

The following employees have announced their retirements. The *Lightning Bolt* congratulates those employees listed below for their years of service to the Company.

AUGUST

Arthur Cardwell, Drawing Room, 21 years.
Richard Malston, 24-Inch Shipping, 29 years.
Phillip Smith, Caster, 30 years.
Alberto Castaneda, Mats, 30 years.
Charles Briggs, RF Shift Tractor, 30 years.
Robert Delgado, Crane Mechanics, 31 years.
Richard Decker, 24-Inch Inspection, 33 years.
Ralph Phillips, Scrap Yard Mobile Cranes,
34 years.
Byron Grassnickle, Mobile Equipment,
35 years.
Alex Rios, 24-Inch Maintenance, 35 years.
John Henson, Providing Clerk, 36 years.

SEPTEMBER

Jim Hale, Print Services, 30 years.

OCTOBER

John Stiles, Trucks, 21 years
Dale Turney, 14-Inch Finishing, 26 years.
James Larson, Electric Furnace, 29 years.
Ronald Shafer, Caster, 33 years.
Richard McCoy, 12-Inch Maintenance,
35 years.
James Nelson, Carpenter Shop, 36 years.

NOVEMBER

Lowell Kepner, Electric Furnace, 32 years.
Larry Mewhirter, Scrap Yard, 33 years.
David DeVries, Electric Furnace, 35 years.

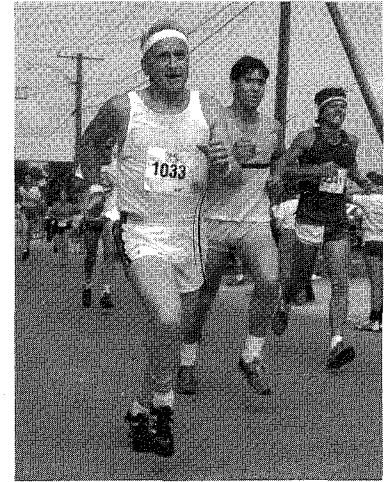
Northwestern Employee Wins Bix Award

Many consider Deno Tulini a fountain of youth. The endurance and stamina required of the 77-year-old Northwestern retiree to run approximately 20 miles a week is an inspiration to us all. Over the years his running honors have mounted, and in July, he added another. On the last Saturday in July, Deno won the 70 and over men's category in the Bix 7, a challenging seven-mile course with several hills. Running amidst the streets of Davenport, Iowa, with a horde of runners, many half his age, Deno took his eighth trophy in his 10 years of competition in this event. He completed the course in 53 minutes and 43 seconds.

While some feel that the infamous Brady Street hill is the most challenging part of the Bix 7 event, Deno views the whole seven miles as a challenge. "It seems to take a long time to get to the halfway mark, but once you get there, it seems you have made it," he said. Making the grade is part of Deno's goal, but he doesn't believe a runner needs to win trophies to be a winner. Just crossing the finish line makes that person a winner.

Tulini began running at age 55, just about the time Americans were learning the importance of aerobic exercise. The former Northwestern employee said he started exercising when he felt like he was gaining weight. Years before he had enjoyed running, so he decided to get up off the couch and give it another try.

Working as a custodian at the Rock Falls branch of Amcore Bank, Tulini has never really retired. He works three hours every morning, Monday through Saturday, and tries to run every other day, unless it is pouring



Deno Tulini

rain or the temperature drops to 20 below zero. Two-thirds of his runs are made at the Rock Falls High School track, and the remainder through the streets of Rock Falls, Illinois. He also participates in various events such as the Brad Onken Memorial Race, the 18-mile Swiss Alpine Marathon, and the 26.2-mile Chicago Marathon.

When he's training for a race, Deno does some long distance running. Getting several good nights of sleep before a race is important also. Listening to his body, he tries not to overdo it when he's sore. His advice to fellow runners is to run on a soft surface in a good pair of shoes, and to set reasonable goals.

Of course Tulini runs to keep himself in shape, but says the best part of running is the people you meet and the friends you make.

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 these hard working individuals!

Plant 1 -Drawing Rm (28 MacBee)
.147 Galv.
47,920 lbs. -July 28, 1998 (3-11)
James Harden
Old Record -47,070 lbs., April 14, 1998

Plant 1 -Drawing Room (41 B.B.)
225 Galv.
33,960 lbs. -July 30, 1998 (3-11)
Ryan Sodaro
Old Record -33,860, July 17, 1998



ATTENTION

Patients of Northwestern Steel and Wire
Family Health Center

NOON WALK-IN CLINIC

- Physicians available for non-scheduled walk-in visits.
- Acute illness or injury ONLY

Call 626-2170 if you have questions

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.

JULY

Drawing Room: Herman Warren
Richard McKee
Jubencio Manzano
Gilbert Phillips

Galvanizer/Agri: Luther Warren
Jeff Tiesman
Marshall Foy
James Garcia

Nail Room: Michael Shook
Phillip Dorsey
Rolando Ducoing
Robert Jones

Plt. 1 Shipping: Gregory Shipman
Frank Lilly
Charles Gilkey
Robert Bopes

Plt. 1 Maintenance: Greg Brooks
Roger Christ
Gerald Foskitt
Mark Druen

Plant 4: Bruce Jackson
Mike Fitzgerald
Larry Johnson
Larey Blumhoff

Primary: Warren Tervelt
Phil Masini
Jesus Moreno
William Grant
Evan Diedrich
Frank Delgado
Donald Kreiser
Richard Finnicum
Robert Kennard
Charles Jennings
Dale Lockner
Rodney Tichler
Larry Hemminger
Ed Spotts
Chad Peppers
Danny Todhunter
Mike Amesquita
Grady Daniels
David Blanton
Dan Miles

Support Shops: Michael McCowan
Charles Davis
Wayne Lapp
Robert Knapp
Thomas Myers
Gail Jellerichs
Robert Walker
Vernon Jaquet

12-Inch Mill: Dick Schuchard
Robert Dickson

14-Inch Mill: Kenny Smith
Bob Carbaugh
Barry Cochran
Anthony Cervantes
Floyd Wellman

24-Inch Mill: Ray Schutt
Gary Spencer
John Gonzalez
Ted Hardt
Abe Estrada
Daniel Herrera
Ed Caudillo
Clay White

Scrap/Mobile Eq.: Elmer Schipper
Ralph Lamb
Richard Phillips

FISCAL 1998

Drawing Room: Ronald Ruble
Wesley Hughes
Steven Grimes
Joe Garcia, Jr.
Randy Jacobs
David Stull
Luther Warren
Ronald Troxell

Nail Room: Louis Ramirez
Mario Montanez
Bernard Donovan
Rogerio Cantu

Plt. 1 Shipping: Angel Montanez
Frank Lilly
Terrence Batten
Loy Clevenger

Plt. 1 Maintenance: Andres Quintana
Todd Beck
Robert Morden
Thomas Hager
Mike Fitzgerald
Gary Bender
Roger Johnson
Daniel Glick

Plant 4: Gary Campbell
Peter Cervantes, Jr.
James Coers
Patrick Cooney
Robert Fielding
Clifford Golden
Saul Gonzalez
Louis Guerrero
John Hall
Randy Hammelman
Robert Kennard
Ralph Leal
Kevin Mullen
Dwight Pearce
Harold Porter

Primary: Gerald Potts
Blaine Riesselman
Richard Snapp
Joseph Swope
Gary Turney

Support Shops: Jerome Bauer
Kenny Trobaugh
Michael Bryan
Ronald Rogers
Roger Pettorini
Charles Manon
Raymond Espinoza
Thomas Myers
Bradley Kruse
Anthony Fiorini
Larry Butts
Larry Irwin
Charles O'Brien
Thomas Duffey
Robert Walker
Ali Barrios
Gale Moore
Raymond Wisneski
Joseph Wu
Brett Wilder
David Bushman
Robert Wolfe
Dennis Alexander
Jack Guerrero
Ronnie Hanabarger
Dexter Manning
Patrick Dorothy
Thomas Wessels
Gene Dalton
Keith Conklin
Dennis Blevins
Jeff Vincent
Richard McCoy
Keith Workman
Lauren McCune
Dennis Huizenga
Irwin Farrington
Wayne Russell

12-Inch Mill: Sherman Guenzler
Ronulfo Leal
Duane Lou
Melvin Reglin
Steve Peska
Gail Nusbaum
Darrell Angier
Kenny Tadlock
Robert Carbaugh
Gordon Spencer
Richard Decker
Ronald Harrison
Larry Retherford

14-Inch Mill: Peter Razo
Byron Grassnickle
Timothy Sheley

24-Inch Mill: Scrap/Mobile Eq.:

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.

SEPTEMBER

35 Years

Harvey Zemke, 9/2/63, 24-Inch Mill.
John Bonnell, 9/2/63, Nails.
Larry Mayberry, 9/2/63, Brickmasons.
Frank Delgado, 9/2/63, Plant 2 Electrical.
Donald Koehn, 9/2/63, Conditioning.

25 Years

William Ackert, 9/3/73, HR Sales.
John Buckley, 9/4/73, 24-Inch Shipping & Finishing.
Wayne Bergstrom, 9/5/73, Electric Furnace.
Jack Morgan, 9/7/73, Wire Mill Shipping.
Thomas Lanphere, 9/7/73, Plant 5 Electrical.
Edwin Queen, 9/10/73, Electric Furnace.
Gail Nusbaum, 9/10/73, Plant 5 Pipefitters.
Joseph Kreps, 9/10/73, Plant 2 Millwrights.
Keith Halverson, 9/10/73, 14-Inch Finishing.
Doyle Fullington, 9/11/73, Electric Furnace.
Roy Falcon, 9/11/73, Plant 2 Pipefitters.
Darrow Turner, 9/13/73, Electro Weld.
Terry Hambley, 9/18/73, Plant 5 Pipefitters.
William Forbes, 9/24/73, Plant 2 Mechanical.
Charles McKenna, 9/25/73, Plant 2 Electrical.
Randy Tompkins, 9/25/73, 14-Inch Finishing.
Dean Reynolds, 9/26/73, Guards.

20 Years

Gregory Shipman, 9/1/78, Wire Mill Shipping.
Herman Warren, 9/1/78, Wire Mill Drawing.
Michael Hughes, 9/10/78, Plant 2 Electrical.
Kenneth Dewey, 9/11/78, 14-Inch Finishing.
Ronald Spencer, 9/26/98, 24-Inch Mill.

15 Years

John Messer, 9/15/83, Plant 2 Millwrights.

OCTOBER

30 Years

Gordon Millerschone, 10/7/68, Plant 5 Welders.
Robert Olson, 10/9/68, Plant 2 Laboratory.
Edward Martinez, 10/16/68, Billet Caster.
Richard Dirks, 10/16/68, Plant 2 Millwrights.
Donna Rompf, 10/21/68, Data Processing.
Loy Clevenger, 10/22/68, Wire Mill Shipping.
Thomas Mauldin, 10/29/68, Billet Caster.
Jackie McGhee, 10/30/68, Wire Mill Drawing.

25 Years

Kim Sefton, 10/1/73, Plant 2 Electrical.
Steven Bell, 10/1/73, Plant 2 Electrical.
Charles Hendrix, 10/1/73, Electronics.
William Blair, Jr., 10/1/73, Plant 5 Inspection.
Dennis Speers, 10/3/73, 24-Inch Mill.
Ronald Young, 10/8/73, Plant 2 Electrical.
Robert Wainwright, 10/9/73, Medical.
Ted Holmquist, 10/9/73, RF Shift Tractor.
Howard Hageman, 10/15/73, 14-Inch Finishing.
Joseph Swope, 10/15/73, Plant 2 Machine Shop.
Gale Pence, 10/19/73, Plant 2 Electrical.
Duane Vanderlaan, 10/21/73, Plant 2 Crane Mechanics.
Ricky Smith, 10/23/73, 24-Inch Mill.
Kelly Anderson, 10/30/73, 14-Inch Shipping.

20 Years

Arlyn Schier, 10/16/78, Plant 2 Millwright.
Ronald Harker, 10/23/78, Plant 5 Electrical.

15 Years

Garnett Stevens, Jr., 10/8/83, Wire Galvanizer.

NOVEMBER

30 Years

Fred Tintori, 11/4/68, Human Resources.
Ronulfo Leal, 11/5/68, Plant 5 Millwright.
Philip Schroeder, 11/12/68, Carpenter Shop.
Norman Poston, 11/15/68, Degreaser.
Michael Farmer, 11/18/68, Carpenter Shop.
Stanton Wenger, 11/18/68, Trial Crew West.
William Wyatt, Jr., 11/18/68, 14-Inch Shipping.
Max Knowles, 11/20/68, Electric Furnace.
Elmer Monshower, 11/25/68, Conditioning.
John Burgess, 11/25/68, 14-Inch Mill.
Charles Deets, 11/26/68, Trial Crew West.

25 Years

Gary Velasquez, 11/7/73, Degreaser.
Frederico Guerrero, 11/9/73, 14-Inch Mill.
Jesus Moreno, 11/9/73, Billet Caster.
Larry DeWitte, 11/13/73, Electric Furnace.
Raymond Bustos, 11/13/73, Clerical.
Randy Scott, Sr., 11/14/73, Wire Mill Millwright.

20 Years

Rick Sutton, 11/6/78, Guards.

DECEMBER

20 Years

John Mucci, 12/19/78, Roll Shop.
Esteban Hidalgo, 12/19/78, Plant 5 Inspection.



Happy Thanksgiving

Let's Talk Environmental

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

In 1986, Congress adopted the Emergency Planning Right To Know Act. This legislation had two parts: countrywide planning for chemical emergencies, and disclosure to the public of the emission of certain hazardous chemicals by some industries.

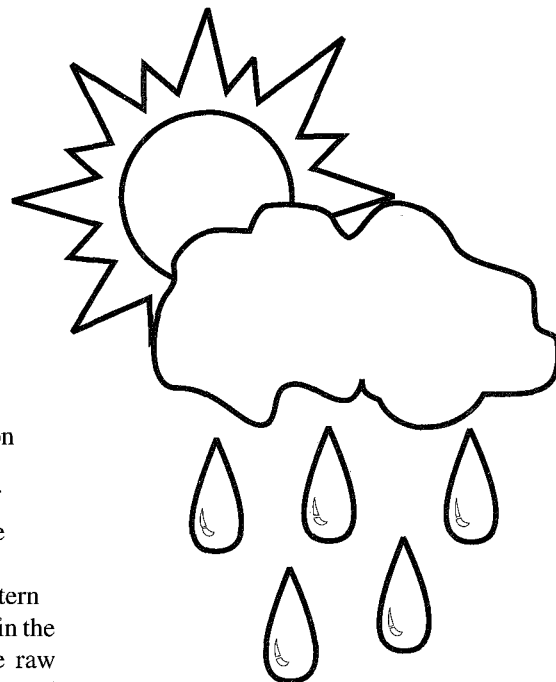
The United States Environmental Protection Agency (USEPA) developed a number of regulations and reporting forms to comply with the reporting requirements of this law. The best known of these is the Toxics Release Inventory (TRI) report submitted by July 1st each year. The information in the TRI is later released to the public by USEPA on both the Internet and in paper form. These release amounts are listed for individual companies and for industrial sectors (like iron and steel). The various toxic chemicals are also listed with the amounts released nation- and statewide.

In 1996, (the most recent year that data is available), NWSW was ranked #1 in Illinois for the amount of toxic material released. This sounds bad, but these numbers are misleading. The term "release" is defined very widely, and includes air and water emissions, and toxic chemicals placed in waste piles and landfills. Approximately 98% of the "releases" reported by Northwestern are metals in properly treated

wastes that go into permitted landfills. If a toxic material is discharged into the air or water, anyone in the path of the release is potentially exposed to the material. However, when a solid toxic material is stabilized and placed in a secure landfill, as is done at Northwestern, even people who live nearby are not exposed to the material. Unfortunately, USEPA does not consider this distinction regarding exposure when they describe industrial releases. USEPA is presently holding public meetings around the nation to hear opinions regarding changes to the TRI reporting. The definition of "release" is also being discussed, and we hope it will be appropriately revised.

The largest TRI items that Northwestern reports are metals, which are impurities in the scrap which Northwestern uses as the raw material for steelmaking. They are captured by the air pollution control system as a dust or sludge, and then stabilized and landfilled.

During the ten years that Northwestern has reported to the TRI, two waste systems have been completely eliminated. These were solvents, one of which was used to clean nails

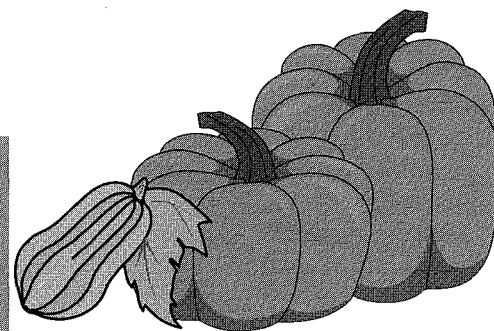


at the Wire Mill, and the other was used in the Plastics Department at the Rock Falls Plant. Both operations have been modified to use more environmentally friendly materials.

Congratulations!

Shane Ferguson, a Finishing Hand in the 24-Inch Mill, won his heat during the Demolition Derby at the Whiteside County Fair held in Morrison, Illinois in August. Driving a 1972 Cadillac belonging to co-worker Steve Rick, Shane received a plaque and \$75 for his efforts.

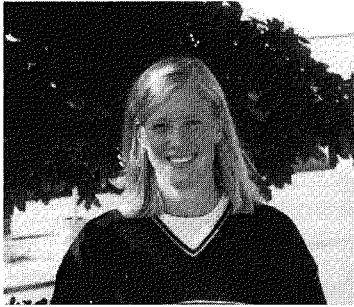
Shane, who resides in Morrison, has been competing in demolition derbies for five years. He has raced in Morrison and at the Bureau County Fair in Princeton. This year's fair competition included 110 cars. Twenty of those were in Shane's heat. Congratulations, Shane!



We'd like to know...

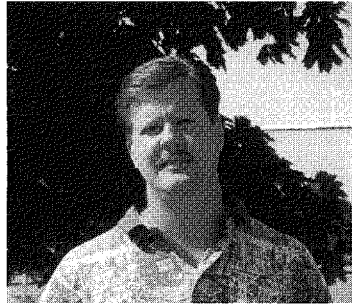
The Company would like to recognize the accomplishments of its employees/retirees. If you or someone you know have been appointed to a committee or board, or if you have recently received an award...We'd like to know! Please contact Karen Freres at 815/625-2500, extension 2275.

New Employees



Stephanie Brodbeck

Stephanie Brodbeck has joined Northwestern as a salaried sales representative in the Southeast. Stephanie will work out of her home in Atlanta, Georgia, and will cover a territory from Mississippi to the East Coast, and from North Carolina to Florida. Prior to coming to Northwestern, Stephanie had been inside and outside sales representative for J.M. Tull Metals Company.



Daniel Shaffern

Daniel Shaffern has joined Northwestern as Northwestern's Chicago based Midwest sales representative, covering the states of Illinois, Indiana, Michigan and Western Ohio. Dan comes to us most recently from Austeel Lemont where he worked as an outside sales representative. Prior to that he held inside and outside sales positions with Joseph T. Ryerson & Son.

Dan and his wife, Kim, currently reside in Plainfield, Illinois and are the proud parents of newborn twins, Kyle and Mikayla.



Darline Ross-Pitchford

Darline Ross-Pitchford has joined Northwestern as a credit analyst in the Credit Department. She worked in that capacity as a temporary before being hired full-time. She reports directly to Terry Schueler, Credit Manager.

As a native of Huntington, West Virginia, Darline worked in the printing industry for 18 years. Her most recent employment was in outside sales, where she worked in Chicago and the suburbs for 10 years. Now a resident of Rock Falls, Darline and her 12-year-old daughter, Jackie, are enjoying the area. Darline enjoys spending time with her daughter, and being involved in various activities.



SIGNIFICANT DECREASE IN INJURIES LOGGED

Several departments at Northwestern Steel and Wire Company have experienced significant decreases in injuries during the past fiscal year. Bill McCann, Manager of Safety, reports the decreases in almost every department.

Most notable was the reduction by the Wire Shipping Department, which saw its OSHA recordables drop by 98 percent. This was followed by the Support Shops, which reduced lost time injuries by 63 percent; the Distribution Department, a reduction of total injuries by 42 percent and OSHA recordable injuries by 60 percent; the Scrap Yard, a reduction of total injuries by 46 percent; the Primary Department, a reduction of total injuries by 33 percent; the 24-Inch Mill, a reduction of lost time injuries by 47 percent; the 12-Inch Mill, a reduction of lost time injuries by 25 percent; and the 14-Inch Mill, a reduction of total injuries by 27 percent and

lost time injuries by 28 percent.

According to McCann, there are three levels of injuries, and each is classified by the type of treatment received. A minor injury is one that requires first aid. A recordable injury would not require that a person miss work, but would require more than first aid treatment, such as a prescription or physical therapy. A lost time injury is defined as one in which the employee would actually lose an entire day or more of work.

Although the numbers are significant and injuries are down, McCann concedes that not all the goals established for the year were met. "We did, however, make a positive trend, and we need to use the momentum that we have built for this year to continue for next year," explained McCann.

With Partnership, the Company and Union have been able to come together on many issues that McCann believes affected the way

people think and feel about safety. An increase in safety awareness, training, and a safety recognition program for employees have all worked to decrease injuries. Members of the Union Safety Committee also work to decrease injuries. The Committee meets on a formal basis once a month. Throughout the month, members meet on different issues of safety and have routine conversations concerning safety. McCann meets with the Committee, where each man has an area of responsibility that they cover. Committee members include Russ Francis, Russ Eagan, Sam Foshee, John Gonzalez, Chad Peppers, Sonny Russell, Ron Reppe and Kenny Knox. Reppe was recently named a full-time Safety Representative for the 24-Inch Mill.

With a continuing concentrated effort by all involved, safety goals can be met this fiscal year.

New Appointments

David Knutti

David Knutti has been named Manager of Accounting. In this capacity he is responsible for all accounting and cost functions, and reports to the Corporate Controller. David has been with Northwestern for 12 years. During his tenure with the Company, he has held positions in the credit and accounting area, most recently as Financial Analyst.

Kermit Reins

Kermit Reins has been named Manager of Financial Planning. In this capacity he is responsible for all forecasting, financial planning and financial analysis functions, and reports to the Corporate Controller. Kermit has been with Northwestern for 21 years. During the last few years he has been on temporary assignment in the Special Projects Area with involvement as Target 65 Facilitator and Wire Mill Revitalization Team member. Prior to that time he held numerous positions in the Finance Division, including Financial Analyst and Cost Accountant.

Steven Peska

Steven Peska has been named 14-Inch Mill Foreman, reporting directly to Tom Hanley, General Supervisor of 14-Inch Mill Operations. Prior to that time he was a Shearman at the Finishing End. Steven has been with Northwestern for 24 years.

Hollie Eaglin

Hollie Eaglin has been appointed to the Security Department as Messenger. In this capacity she is responsible for picking up, sorting and distributing both United States Postal and internally generated mail and then delivering such to specific plant locations. Prior to her new assignment Hollie worked in the 24-Inch Mill. She has been with Northwestern for 16 years.

Art Johnson

Art Johnson has been promoted from 12-Inch Mill Maintenance Supervisor to General Supervisor of Electrical Maintenance, 14-Inch Mill. He will report directly to Randy Wolber, 14-Inch Mill Manager. Art has been with Northwestern for 26 years.

Bill Bennett

Bill Bennett has been promoted from 24-Inch Millwright to 14-Inch Maintenance Supervisor. He will report to Bob Eddinger and Art Johnson, General Supervisors of Mechanical and Electrical Maintenance respectively. Bill has been with Northwestern for 11 years.

Ray Duncan

Ray Duncan has been promoted from 14-Inch Mill Foreman to Roller. He will report directly to Tom Hanley, General Supervisor of 14-Inch Mill Operations. Ray has been with Northwestern for 26 years.

Ron Reppe

Ron Reppe has been appointed to the full time position of Safety Representative for the 24-Inch Mill. He will report directly to Tony Clark, 24-Inch Mill Manager. In this capacity his responsibilities will include ensuring Company compliance with all OSHA rules and regulations. Ron has served on the Union Safety Committee for the past two and one-half years. He has been with Northwestern for 20 years.

Partnership Team Explores Prescription Drug Costs

A Partnership team has been established to research the escalating costs of prescription drugs at Northwestern Steel and Wire Company. Northwestern Steel and Wire Walgreen's prescription drug costs for fiscal year 1998 were \$4,000,000, which is a 32% increase from the prior year. In view of these rising costs, we need to educate and inform our employees and retirees of the necessity to bring these costs in line, so that we may all continue to enjoy prescription drug benefits.

Some solutions have been examined, including:

Utilizing a 34-day versus 30-day maintenance drug prescription (this effectively allows the employee to get a full year's supply of maintenance drugs in 11 refills, saving the employee one co-pay and the Company one dispensing fee).

Utilizing generic versus brand-name prescription drugs where possible.

As more potential solutions are explored, the team will continue to inform employees and retirees through the *Lightning Bolt*. Their goal is to work with necessary parties to allow us all to continue receiving prescription drug benefits. Questions can be directed to one of the team members listed below.

Jim Gallentine, EAP
(625-2500, Ext. 2460)

Annette Hall, Benefits
(Ext. 2412)

Diane Last, Industrial Engineering
(Ext. 2210)

Mac McCaffrey, 14-Inch Maintenance
(Ext. 2587)

Tom McCormick, 12-Inch Mill or
Union Hall (Ext. 2420)

Mary Ramos, Family Health Center
(626-2170)

Liz Rosenow, MIS
(Ext. 2257)



Northwestern Apparel Available

Orders are now being taken for Northwestern Apparel at the Monogram Shoppe, 212 E. Third Street in Sterling. All items are complete with Northwestern's logo. Payment required at time of order. Place your orders now for Christmas.

Denim Shirt

100% cotton stonewashed denim. Clean finished placket with 7 wood tone buttons. Button down collar and left chest patch pocket. Two button adjustable cuffs. Northwestern's logo featured in black and red. Price: \$28.75 complete (may be lower, depending on total number of orders placed). Available in Small to XXL (add \$2.00 for XXL).

Tee Shirt

Heavyweight 100% cotton tee. Tee shirt is teal in color with Northwestern's logo screened in gold. Price: \$7.60 complete. Available in Small to XXXL (add \$2.00 for XXL, \$4.00 for XXXL).

Sweatshirt

Heavyweight 50/50 blend Jersey sweatshirt with set in sleeves. Gray in color with Northwestern's logo featured in black and red. Ribbed collar, cuff and waistband with Lycra so it won't stretch out of shape. Price: \$20.00 complete (may be lower depending on total number of orders placed). Available in Small to XXXL (add \$2.00 for XXL, \$4.00 for XXXL).



Rebecca Dickey, Merle Heckman, and Diane Last model the new Northwestern apparel available at the Monogram Shoppe in Sterling.

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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