

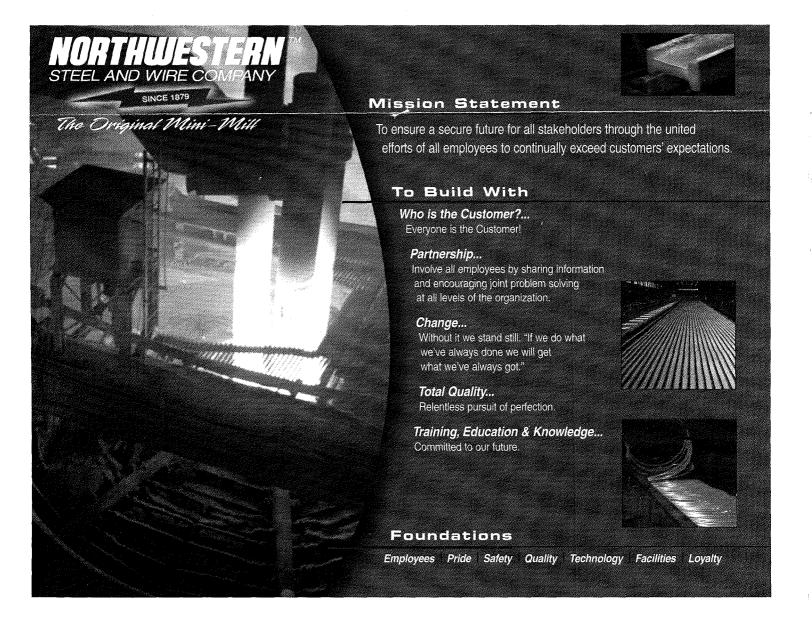
# The Lightning Bolt

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



# In The Spotlight... Northwestern's Mission Statement





# The **President's Corner**

I am certain you have noticed that our Company is fully engaged in changing the way we conduct our business. I want to thank those who have been supportive and involved in the changes. I also want to encourage those who have chosen not to be part of the change process to get on board with us. Let's look at some of the changes that are ongoing:

- **Safety** is becoming our #1 priority. We are making great strides, but we have a long way to go!
- Customer satisfaction teams are focusing on the areas of improvement that we compiled from our Customer Satisfaction Survey.
- **Partnership** teams are uncovering numerous improvements in every department. The demand for teams is at an all time high. The opportunities to make these dramatic improvements are like gold nuggets waiting to be mined!
- STAMP (Strategic Total Asset Maintenance Process) is now being piloted at the 12" Mill. The potential improvements that the STAMP diagnostic work uncovered have tremendous potential to improve safety, productivity, quality and cost.
- Steel markets continue to be strong. Everyone's efforts to stave off the imports have allowed us to rebuild our order book and run our operations at capacity. We will continue to push our trade cases to insure that we hold our market share.
- **Fuchs** was chosen as the supplier for our new furnace. The installation and start up of the furnace will be in December and January.

- 22" Mill was chosen as the name for our new structural mill. The mill project is progressing through the engineering phase. The actual start up date will be dictated by the completion of our financing package.
- **FY 2000 Business Plan** is being communicated throughout the organization. Each of us has a part to play in attaining the Corporate Objectives' targets.
- **Training** is a common theme in most of the above mentioned bullet points. We all will be upgrading our skills to deal with the changes.
- New faces are popping up all over the organization. These people are bringing new skill sets and a high level of technical capability to meld with the existing NWSW talent. I thank you for accepting all of the new faces into the NWSW family.
- Refinancing our Company is now focused on the Emergency Steel Loan Guarantee Bill. We are going to do everything necessary to take full advantage of the provisions in the bill. Once we understand the outcome of the bill for NWSW, we will then enact all aspects of our Strategic Plan.

We can make FY 2000 <u>the</u> transition year for "the Original Mini-Mill." It will require that all of us focus our efforts around the KPI's of each of our areas. Please read the article inside that defines a KPI!

Frederick J. Rocchio, Jr. President and C.E.O.

# Go for the Gold

Ryerson Tull Company, our second largest steel customer, recently rated Northwestern Steel and Wire a Gold Medal Supplier for the first six months of calendar 1999. We must maintain that standard through the end of the year to be named a Gold Medal Supplier for the year.

The "Key Supplier Review" offers ratings on material cost management, contractual support, delivery performance, inventory management, quality performance, customer service, and long term commitment. Northwestern scored 90 out of 100 points, which placed them in the highest possible category rating.

Norb Rojewski, Purchasing Agent at Ryerson, said Gold Medal Ratings are hard to come by. "Out of twelve suppliers in my product group, I only have two Gold Suppliers, and Northwestern is one of them." He added, "Your employees should pat themselves on the back." Mr. Rojewski was particularly pleased with Northwestern's delivery performance and VMI (Vendor Managed Inventory) Program. "Northwestern's VMI Program is the cream of the crop," he said. "We have referred suppliers in other product lines to your Company as an example of what we feel to be one of the best VMI Programs in the industry."

Vendor Managed Inventory was brought on-line with Ryerson in December 1998. The computerized program allows customers to set the limits of their inventory. When a product is near minimum level, the computer system creates a purchase order.

The Ryerson Tull Central Region, the largest of the five regions in terms of our sales, is serviced primarily by Judi Golden, Inside Sales Representative, and Dan Shaffern, Steel Division Field Representative. There are, however, over 50 locations throughout the United States in the Ryerson Tull Corporation. Our entire sales staff, therefore, has

contributed to our customer service efforts toward Ryerson Tull.

In commenting on the achievement, Tom Cooney, General Manager of Sales, commended the direct efforts of Judi Golden and Dan Shaffern, and the indirect efforts of many others involved. "The credit for the rating extends far beyond the Sales Department," he said. "Northwestern has customer service teams involving almost every department in the Company who are currently working on securing a steady rolling cycle, on-time delivery, credits/claims, and market responsiveness. It's a team effort."

Congratulations to Judi, Dan, Sales Management, and all employees for the tremendous effort put forth in servicing Ryerson and all our valued customers. Last year Northwestern missed being named a Gold Medal Supplier by one point. This year, we're off to a good start with an excellent semi-annual review. It's within our reach—let's go for the gold!

# Thomas Murphy Receives ASTM Award of Merit



Thomas Murphy, Quality Manager, received a 1999 American Society for Testing Materials (ASTM) Award of Merit from ASTM Committee A-1 on Steel, Stainless Steel and Related Alloys. The title of Fellow accompanies the award, which is the highest Society award granted to an individual member for distinguished service and outstanding participation in ASTM technical committee activities. Tom was cited for leadership in development and maintenance of product standards for carbon and alloy steel bars. He has been a member of the ASTM and Committee A-1 since 1989. Committee A-1 is one of 130 ASTM technical standardswriting committees. Congratulations to Tom on his achievement.

# Janelle Knutti Tumbles Her Way to South Africa



Eleven-year-old Janelle Knutti is headed for South Africa in September to compete in an International power-tumbling competition.

The Chadwick Junior High School student is the daughter of David and Kalah Knutti of Chadwick. David works in Northwestern's Accounting Department as Accounting Manager.

David states Janelle has been tumbling since she was five years old, and has tumbled competitively since 1996 when she joined J&J Trampoline and Tumbling in Pecatonica, Illinois. Her coach, Megan Gearhart, was appointed a U.S. Team Coach for the upcoming World Age Group Championship in South Africa.

Janelle tumbled her way through two USA Team Trials before winning the spot to compete Internationally. In May she attended competitions in Ogden, Utah, and one month later she competed

in Knoxville, Tennessee. The combined scores from the two events were tallied and the top four finishers won the right to attend the World Age Group Championship in South Africa, currently the highest level of competition for eleven-year-olds.

Janelle says she's excited about the upcoming competition, which has been a long time goal for her. Her mother and her coach will attend the competition with her, along with two of her friends who won the right to compete in the thirteen-year-old age division – Mallorie James of Winnebago and Meghan Owens of Pecatonica, both coached by Megan Gearhart.

Coach Gearhart is very pleased with Janelle's accomplishments. She feels Janelle has one of the most consistent work ethics in the club. "She sets her goals and then works at it bit by bit," Coach Gearhart said. "For her age, she's able to stay very focused – she definitely has a lot of potential." Coach Gearhart feels Janelle's tumbling style with allow her to do well in the junior and senior level competitions when she's old enough. Currently, the World Championship is the highest level for seventeen-year-olds on up. But Coach Gearhart is hopeful that power tumbling will be a part of the Olympics in the year 2004 or 2008.

Janelle's long time goal will soon be a reality. After September, Janelle said she'll have a new goal, and that is to someday compete in the Olympics. Congratulations to Janelle, her parents and her coach on such a tremendous accomplishment!

# Annual Dinner for NWSW Employees and Retirees Slated for September 24

All Northwestern Steel and Wire Company retirees, active employees, and their spouses are invited to attend the 15<sup>th</sup> annual dinner and reunion on Friday, September 24, 1999, at the Latin American Social Center, 3614 East Lincolnway, Sterling.

Following a 5:00 p.m. social hour, the Latin American Ladies Auxilliary will present their excellent home-cooked buffet. Dinner will be served promptly at 6:00 p.m. Don't miss this opportunity to renew old acquaintances and enjoy a great buffet dinner.

Tickets are \$9.00 per person in advance and \$12.00 at the door. Advance tickets are recommended and can be purchased from the following people:

Amy Johannsen (Steelworkers Union Hall)
Karen Freres (Administrative Office)
Charlie Pratt
Dick Williams
Jim Clark

625-3465
625-2500, ext. 2275
622-0529
626-6107
626-2320

····· Mark your calendars now!

## **Dan Potts Returns**

Dan Potts has rejoined Northwestern as Director of Inventory Control & Handling and Structural Shipping. In that capacity he is responsible for PCIC (Production Control, Inventory Control), 14 Inch and 24 Inch Shipping, and Mobile Equipment.

Dan left Northwestern in November 1998 to work for Dean Foods in Rockford. Prior to that he worked as Northwestern's PCIC and Industrial Engineering Manager.

Dan holds a B.S. degree in Mechanical Engineering from North Carolina State University in Raleigh, North Carolina. He and his wife, Denise, have one child, Britta.

Welcome back, Dan!

# What's the Status?

Over the past two decades, U.S. steel producers and hardworking steelworkers committed to tremendous investments and reorganization sacrifices to remain competitive under new world trade laws, most notably beginning under the Trade Act of 1974. They invested billions of dollars to become competitive, world-class producers of steel.

As a result of global financial chaos, a record level of 41 million tons of both cheap and illegally dumped imported steel flooded the U.S. market in 1998. That represents an 83 percent increase over the 23 million ton average for the previous eight years! This wave of imported steel cut back demand for U.S. steel production, and brought about the devastating loss of more than 10,000 American steel jobs.

The U.S. steel industry is seeking remedy through antidumping and countervailing trade cases. Additionally, the steel industry looks to legislation for support. Following are updates on various legislation bills and trade cases that are specific to Northwestern and the steel industry.

# H.R. 975 – Steel Import Limitation Bill (Quota Bill)

H.R. 975 passed the House on March 17, 1999 by 289 to 141. On June 22, 1999, the Senate voted 42 to 57 against the motion to invoke cloture (a cloture must be supported by 3/5 of those voting) that would allow the Senate to vote on H.R. 975, effectively killing the bill.

S.1254 – The Steel Trade Enforcement Act
This bill instructs the U.S. Trade
Representative to investigate the sources and
causes of global overcapacity and to devise a
strategy addressing overcapacity. It would
give the means to act promptly and effectively
to import surges before domestic producers
suffered injury.

# H.R. 1505 - The Fair Trade Law Enhancement Act

This bill directly addresses anti-dumping and countervailing duty amendments, which should help the steel industry to more effectively respond to steel import surges.

(Neither S. 1254 or H.R. 1505 is expected to pass this Congress)

H.R. 1664 – The Emergency Steel, Oil, and Gas Bill

Senator Robert C. Byrd's Emergency Steel Loan Guarantee Act of 1999 passed the House on August 4, 1999. The Senate had passed the bill on June 18, 1999. It was signed by President Clinton on August 17, 1999. The Emergency Steel Loan Guarantee Program would provide a short-term GATT legal, guaranteed loan program to address the cash flow emergency created by the historic steel import surge. The bill does not set a minimum loan amount, but does stipulate that loans would be guaranteed up to 85 percent of their total. The maximum aggregate amount of a loan guarantee that could be available to a single company would be \$250 million. The guarantees provided to U.S. steel mills would be six years in duration, would require the commitment of collateral, and would require a fee to be paid by the borrower to cover the cost of administering the program. Those wishing to send a thank you note to Senator Byrd of West Virginia for providing his leadership in passing this bill should address their correspondence to:

#### The Honorable Robert C. Byrd United States Senate Senate Hart Building, Room 311 Washington, D.C. 20510

<u>Trade Case Status</u> Wide Flange Beams

Northwestern and other structural steel producers filed trade cases against imports from Korea, Japan, Germany and Spain alleging that the imports are unfairly traded and causing injury to the U.S. industry. The International Trade Commission ruled on August 23, 1999, to proceed with an investigation of South Korea and Japan, and to drop charges against Germany and Spain. The investigation phase will last several months.

#### Rods

This case was filed on December 31, 1998. An injury determination was given by the International Trade Commission in April 1999. The President will make a decision on whether to grant temporary relief for Northwestern and the steel industry on September 25.

# New Appointments

#### **Doug Brotheridge**

Doug Brotheridge has been named Manager of the 24 Inch Mill.

Doug has 27 years of experience at Northwestern, including his most recent position as 12 Inch Mill General Supervisor, Operations. Prior to that he was a 12 Inch Mill Roller.

Doug and his wife, Susan, have been lifelong residents of the Sterling/Rock Falls area and they have three children.

#### **Randy Johnson**

Randy Johnson has been named General Supervisor of Operations, 24 Inch Mill.

Randy has 28 years of experience at Northwestern, including his most recent position as Mill Builder Supervisor. Prior to that he worked as Shift Supervisor in the 24 Inch Mill.

Randy and his wife, Margaret, have been lifelong residents of the Sterling/Rock Falls area and they have two children.

#### **Kenny Trobough**

Kenny Trobough has been appointed Safety Committeeman for the 12 Inch Mill, Support Shops, East Plant, and Scrap Yard.

Some of Kenny's new responsibilities include OSHA compliance, injury investigation, and working with management to develop ways and solutions to reduce and eliminate injuries.

Kenny has 13 years of experience at Northwestern. He and his wife, Cecilia, have three children.

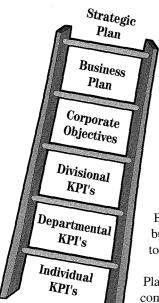
#### **Scott Gillihan**

Scott Gillihan has been appointed Safety Committeeman for the 14 Inch Mill.

Some of Scott's new responsibilities include OSHA compliance, injury investigation, and working with management to develop ways and solutions to reduce and eliminate injuries.

Scott has 12 years of experience at Northwestern. He and his wife, Michelle, have three children.

# The Climb to the Strategic Plan *Understanding the KPI's*



There's a lot of talk these days about KPI's. What are KPI's? What do they mean to the business? To understand KPI's, or Key Performance Indicators, we really need to start with what drives the need for KPI's, and that is the Company's Strategic Plan.

The Strategic Plan, or long term plan, identifies the operational environment and demands of the future and then outlines the steps necessary to meet those demands. For example, in Strategic Planning, the Company might establish whether an expansion plan is timely and appropriate, based on the projections of the near future. Every company has a Strategic Plan, and typically it covers a three to five year period.

Supporting the Strategic Plan is a shorter term plan, the Business Plan. This one year plan includes complete forecasts, budgets, goals and objectives for the business that are designed to meet the goals of the Strategic Plan.

The goals and objectives that come out of the annual Business Plan (Corporate Objectives) are used as guiding principles in setting companywide, divisional, and departmental goals. For Fiscal Year 2000, Northwestern has established five main Corporate Objectives, as outlined below:

When climbing a ladder, you start with the first step. YOU are the first step in our climb to the Strategic Plan.

1. Northwestern's OSHA recordable rate will be in the top 25% of AISI statistics by the end of the fiscal year.

- 2. We will achieve an EBITDA (*Earnings Before Interest, Taxes, Depreciation, and Amortization*) of levels as specified in the Business Plan.
- 3. We will obtain free cash flow levels as specified in the Business Plan.
- 4. We will achieve a customer satisfaction level in the top two positions as measured by our surveys.
- 5. We will achieve a billings level of 1.2 million tons.

To track how well we meet the Objectives, we use Key Performance Indicators. KPI's define the targets that must be attained to achieve the Strategic Plan. But in order for Northwestern to successfully achieve the Strategic Plan targets, there has to be a link for each and every person in the organization back to the Corporative Objectives. KPI's are unique in that they cascade to each level of the organization allowing divisions, departments, and even individuals to define their own KPI's in support of the Corporate Objectives.

The start of a new Fiscal Year began the implementation of a new Business Plan. Various divisions, and departments within those divisions, have established their KPI goals in support of the Plan and they are now being implemented. During the coming months, individual department managers will be setting up informational meetings with their employees to explain their respective KPI's and how they relate to the overall Business Plan. Based on that information, employees are encouraged to set their own individual KPI's. As employees, it's imperative that we prioritize our daily work to focus first and foremost on the responsibilities that contribute the most to the Business and Strategic Plans. A focused organization can achieve tremendous improvements in a short period of time versus an organization that allows everyone to work on what they believe to be the "right things."

Are you making a contribution? The first step in the climb to the Strategic Plan begins with you. If you don't understand your departmental KPI's, please contact your department manager.

# Northwestern's Corporate Objectives

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# **Key Performance Indicators (KPI's)**

(The means to measure progress toward meeting the Corporate Objectives)

- 1) Our OSHA recordable rate will be in the top quartile of AISI company statistics by the end of the fiscal year. (Relative KPI's should positively impact the OSHA Injury Rate and the Lost Work Days Incident Rate.)
- 2) We will achieve an EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) of levels as specified in the Business Plan.
  (Relative KPI's should positively impact EBITDA, revenue and operating cost/ton, and Partnership improvements \$/ton.)
- 3) We will obtain free cash flow levels as specified in the Business Plan.

  (Relative KPI's should positively impact free cash flow, inventory turns, and capital spending.)
- 4) We will achieve a customer satisfaction level of the top two positions as measured by our surveys.

  (Relative KPI's should positively impact Customer Satisfaction Survey Ratings.)
- 5) We will achieve a billings level of 1.2 million tons.
  (Relative KPI's should positively impact billings of market share and capacity utilization.)

## Special Projects

- ♦ Single furnace
- ♦ New structural mill
- ♦ Northwestern Steel and Wire preventive maintenance strategy
   STAMP
- New Computer system and E-Commerce

# Johnson Brings Increased Safety Awareness to the Office

Marianne Johnson recently received the additional responsibilities of Office Safety Coordinator. In this capacity, she will strengthen the Office safety status through increased safety awareness/education. Marianne's new responsibilities compliment the overall Company goal to move into the top 25% for safety performance of similar sized American Iron and Steel Institute (AISI) reporting companies.

Marianne has been with Northwestern for twelve years, working ten of those years in the Safety Department. She has received a variety of training including OSHA training, job safety analysis training, First Aid and CPR, Supervisory Safety Training, and Office Ergonomics.

In her new role, Marianne will educate employees on safety by holding monthly safety meetings throughout the office. She will conduct training on topics such as fire extinguisher use, proper lifting, ergonomics, first aid and CPR, and emergency procedures. She will also act as a resource to office managers and employees on all safety issues.

Beyond the office, Marianne will provide support to all operations by conducting injury analysis for each area to determine trends and track accomplishments on a routine schedule. For example, in a recent departmental injury study she determined that 53% of the injuries for that department occurred on the 7-3 shift, with 31% of those injuries happening during the first hour of work. This determination would prompt the department manager to investigate why a high percentage of accidents occurred between 7:00 – 8:00 a.m., and then take preventative actions.

Marianne encourages all employees to take some initiative in maintaining a concern for safety. Through the combined efforts of all employees, Northwestern should make the goal to be in the top 25% of AISI reporting companies for safety performance.

# Electric Furnace Upgrades Announced

Northwestern recently announced plans to totally revamp its #8 electric arc furnace. The contract for a new AC Energy Optimized Bottom Tap (EOBT) furnace was awarded to Fuchs Systems, Inc. in Salisbury, North Carolina. The project is estimated to cost approximately \$10 million, and the anticipated completion date is December 1999.

The new 415-ton capacity furnace offers the most advanced technologies including energy optimized bottom tapping, oxy fuel burners, a hydraulic tilt platform, and special copper side wall panels. The modernization is expected to increase productivity by approximately 80%, decrease tap-to-tap time by approximately 40%, and provide several other substantial benefits.

Northwestern and Fuchs Systems, Inc. are also working together on future considerations to further enhance and optimize the capabilities of the new EOBT furnace.

# Primary Team #12 Looks for Gas Efficiencies on Caster

The Primary Partnership Team #12 recently made a presentation to their Department Board that would result in a projected annual savings of nearly \$91,000 per year calculated on a 3 tundish operation.

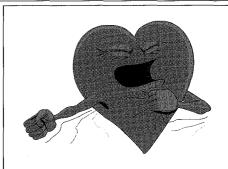
The team's problem statement was, "What is a more efficient way to heat tundishes and mold shrouds to save gas on the Caster?" The goal of the team was to reduce the gas consumption by 40% while pre-heating the tundishes and mold shrouds. The team tried several different types of regulators, preheating devices, burners, and bypasses – Some worked, some did not.

After extensive research, the team made the following recommendations to the Primary Department Board:

- Use a new dual output gas control system to control line pressure.
- Cover the center shroud hole on the tundish while pre-heating.
- Develop a new or updated SOP for preheating.
- Train and educate the tundish pourers and supervisors on preheating mold shrouds and tundishes.
- Design and build a new style mold shroud preheater and replace tundish nozzle burner regulators.

The Primary Department Board approved all recommendations and the implementation process commenced. Completion is targeted for early October.

Team members were Art Bledsoe, Jon Stanley, Perry Ferguson, Dave Fitzpatrick, and Jack Buchanan.



Whiteside County
American Heart Walk
October 10, 1999
Grandon Civic Center
5K & 1 Mile Route
Registration—
11:30 a.m.
Walk—12:30 p.m.
For further
information call:
(815) 625-2500,
ext. 2275

# Let's Talk Environmental

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

One of the most visible aspects of our Company to the public is the landfill located at the far west end of our property near Galt. People traveling along the former Route 2 can easily see this landfill as they drive the Union Pacific railroad overpass. Northwestern employees and members of the general public have often asked about this landfill and what goes into it.

This landfill is for non-hazardous materials only. It has been in existence since about 1980, and it doesn't have (or need) a permit because it is used to dispose of only nonhazardous materials generated on site. This exemption is found in Section 21(d) of the Illinois Environmental Protection Act. These disposed materials are referred to as Special Wastes, since they are made by industry rather than a municipality. Northwestern reports annually to the Illinois Environmental Protection Agency (IEPA) the types and amounts of waste material placed into the landfill. The Company disposes of about 100,000 tons per year in this landfill. Northwestern realizes a tremendous saving by being able to landfill this material on site rather than shipping it to nearby waste landfills. The landfill is large enough to hold non-hazardous wastes for another ten years.

The largest amount of waste going into this landfill is called slag fines. About ten truckloads each day are sent from our on-site slag processor to the landfill. The slag fines are small sand-like materials and refractory chunks resulting from the processing of our slag. As the slag is crushed and separated by size, the larger sizes are sold for use outside of our plant, while the smaller fine material has no local value and is landfilled.

Another waste material that goes to this landfill is mill scale that has not been sold to off-site companies. This material includes dredgings from our 14 Inch and 24 Inch cooling ponds and the flume along the river.

One truckload per day of a waste from the east plant goes into this landfill. This material is dried sludge from processing our acidic wastewater from the galvanizer and cleaning house with lime. Another east plant waste is the sediment from the scale pit at the wastewater treatment plant. This is a very small part of the total waste disposed, usually 30 to 50 truckloads every two years.

It should be apparent that the landfill serves a very important function at Northwestern. A

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supervisor and several hourly operators spend much of their time ensuring that only approved wastes go into the landfill, and these people work hard to keep it looking good. When the landfill is full, it will be covered with soil and grass, and trees will be planted nearby to enhance the view.

# 12 Inch Mill Team Tackles Mangled Coils

The 12 Inch Mill Team #11 made a presentation to their Department Board that estimated a total annual savings of \$160,000.

The Team's Problem Statement was, "The 12 Inch Mill is experiencing excessive yield loss due to mangled coils between the laying head through the downender." The goal of the team was to achieve a .35% yield improvement on the 12 Inch Mill by effecting a 50% reduction in the number of mangled coils and the resulting cut-ups.

The team researched the problem and found that of the total number of rejects, 38.1% were mangled coils (based on 2,777 tons – previous 12 cycles). The team made the following recommendations to correct the problem:

- Better training for finishing hands.
- Better documentation of laying head pipe changes.
- Replace the current nose cone cap with a round cap.
- A warning system for dead hook in the downender.

- A better preventative maintenance system on the finishing end of the mill.
- Installation of roll caps.
- Replace rolls on entry section of conveyer at the laying head.
- Write an SOP for slowing roll line speed as related to problems occurring at the laying head through the downender.
- Improve morale of the workers.
- Institute a better communication plan between operations and maintenance personnel.
- Install a camera for roll line and install a new mirror near the Stelmore and downender.

The total implementation cost was estimated at \$25,000. All ideas were approved by the 12 Inch Mill Department Board and should be complete by the end of the year.

Team members were Larry Bell, Ken Thrower, Tim Whitehouse, Chad Stoudt, Fermin Arocho, and Edward Milligan.



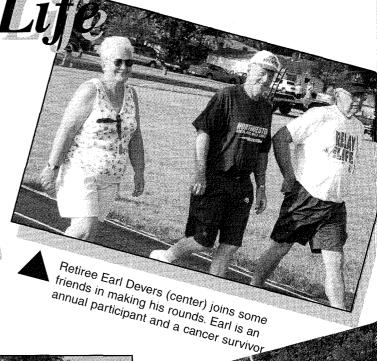


Andra Bielema participated in the MDA (Muscular Dystrophy Association) Lock-up in June. Andra raised \$602.00 for MDA. Participants are "locked up" for one hour to make phone calls to solicit donations. Andra extends a special thank you to all those who made monetary contributions to release her from "jail." Congratulations, Andra, for such a tremendous effort!

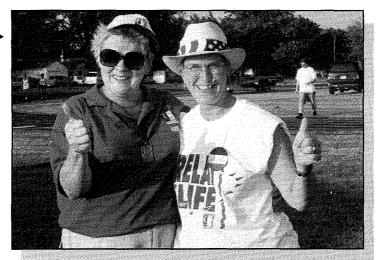




Many participated in the Victory Lap, the first lap of the event walked by cancer survivors.



Faye Wise (on left) and Betty Clementz, Co-Chairs of the 1999 Relay for Life, give a thumb's up for a successful event.





Employees of the Family Health Center join in on the fun. Pictured from left to right are Bill Albright, Kerri Stover, Kathleen Vegter (and her son, Jacob), Karen Garza, and Lori DeGroot.



Pictured from left to right, Debbie Cushman (Revenue & Dispursements), Jan Vaughn (Purchasing) and Dick Vaughn (14" Mill) all walk to help raise money for the fight against cancer.



# Celebration of Life

GHT CANCER Retiree John Ordean (second from left) Walks the Victory Lap as a cancer survivor. John raised nearly \$200.00 for the fight against cancer.

John Ordean (on left) and Phil Droege work on taking down the tent. Many thanks to John, Phil, and others not pictured who helped to raise the tent and take it

down.

Driven by a cause, twenty-three Northwestern employees and friends raised nearly \$1,000 for the 1999 Relay for Life, an eight-hour walk sponsored by the American Cancer Society. Ask them why they did and most will tell you they've lost a loved one to cancer. Others were cancer survivors celebrating life.

The event theme, "A Celebration of Life," seemed very appropriate for cancer survivors walking the first lap, the Victory Lap. All cancer survivors received a medallion and a balloon before the lap. At the end of the lap, the balloons were released as a sign of letting go.

• The event was held at the Rock Falls Middle School from 2:00 p.m. until 10:00 p.m. on June 5. Nearly \$66,000 was raised overall for cancer education/awareness. Education programs such as cancer survivorship and awareness, breast cancer awareness, prostate cancer awareness, and antitobacco education will highlight cancer survivorship in our community.

At dusk, the event took a solemn turn. The final lap, the Lap of Silence, was walked in memory of those who lost the battle to cancer. Nothing but complete silence and the sound of footsteps could be heard as participants walked the lap. Lighting the way were hundreds of luminaries lining the track, all purchased in honor of cancer survivors and/or in memory of those who lost the battle to cancer. The sale of luminaries alone raised nearly \$2,000 for the event. Luminaries were sold before and during the event for \$5.00 each. Names of those remembered were written on the front of the bags, and purchasers were allowed to take the bags with them when the event was over. Those who purchased luminaries were encouraged to stand by them as "J.R." of WSDR Radio read the names for whom the luminaries burned. The evening ended with an inspirational address by Monsignor Bales.

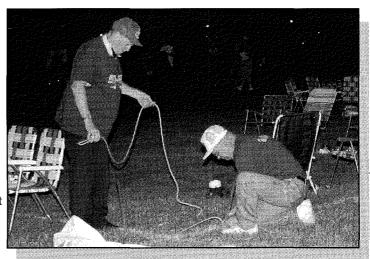
Those participating for Northwestern were Anne Hungerford, Phil Droege, David Burnett, Karen Freres, Laura Duncan, John Ordean, Earl Devers, Steve Bierman, Kathleen Vegter, Jacob Vegter, Annette Hall, Ashley Hall, Bill Albright, Kerri Stover, Lori Degroot, Karen Garza, Jesse Lopez, Yrniro Munoz, Kay Razo, Debbie Cushman, Jan Vaughn, Dick Vaughn, and Ed Handel.

Co-Chairpersons were Betty Clementz, wife of retiree Tom Clementz, and Faye Wise, wife of retiree Clifton Wise. Russ Siefken, husband of employee Carol Siefken, co-chaired Publicity, and employee Karen Freres co-chaired Sponsorship. Many other employees participated through their monetary contributions.

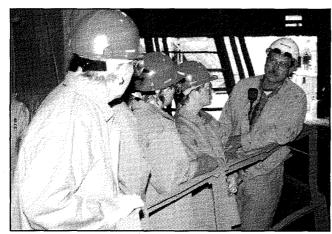
Northwestern was a Gold Sponsor of the event, and also provided tee shirts, sport bottles, food and beverages to its participating employees. In addition, a \$500.00 Company match was paid to the American Cancer Society as a result of employee participation. The Relay for Life is a qualifying event in the NWSW Recognition Program for Community Event Participation which states the Company will match combined employee pledges in events where pledges are taken up to \$500.00.

Next year's Relay will be an overnight event beginning at 8:00 p.m. on June 10 and ending at 6:00 a.m. on June 11. Bring your tents, portable fire pits, lots of marshmallows, and of course, your family!





# Partnering with the Schools



Dan Willman, Melter Supervisor (far right), answers questions posed by middle school teachers during a tour as part of a Career Awareness Activity.

Northwestern Steel and Wire Company participated in a Career Awareness Activity on Tuesday, June 29, 1999, chartered by the Whiteside County Schools Regional Office of Education. The school system established tours followed by discussion with area industry, service, and retail businesses for middle school teachers. In an effort to create an awareness in middle school teachers of the types of employment opportunities available as well as how these skills could be integrated into the core curriculum, several teachers and the Assistant Regional Superintendent of Schools toured Northwestern's facilities and met with Paulette Mueller, Manager of Training & Development.

The focus of the activity was threefold: to establish communications between the school system, industry, and business; to help students realize employment opportunities in Whiteside County; and to assist both teachers and students in recognizing that there are universal skills that all employees need and use.

The discussions highlighted the importance of the existing skill requirements while emphasizing the need for the educational community to embrace and teach students the technological and

communication skills that are making advances at Northwestern as well as in other manufacturing communities. Familiarization with personal computers (PC's), fiber optics, employing standard operating procedures (SOP's), and the ability to communicate processes, procedures, and ideas to a diverse population are deemed critical. When the educational community and businesses meet to share ideas and progress, both leave with a better understanding of the others needs. This process leads to a richer/better/healthier, more informed and educated work force for the future.

Attendance from Whiteside County Schools included the Assistant Regional Superintendent of Schools, Lorna Engwall; middle school teachers Traci Weeks, Will Meuer, and Linda Ebbens; in addition to the Administrative Assistant and coordinator of the activity, Betty Clementz. After a guided tour of the 14 Inch Mill, 24 Inch Mill, and the Primary Department, the group returned to the office for a questions and answer period with Fred Rocchio, Northwestern's President and CEO.

In addition to the teachers viewing how a steel mill operates and the skill level required to keep it running on a day-to-day basis, they took back to the classroom some valuable information. In a follow-up summary of <u>all</u> the businesses visited by these and other middle school teachers, the subsequent synopsis was provided:

- Core curriculum skills of reading, writing, and math are still relevant. However,
- The ability to adapt to new procedures, technology, and training will be necessary.
- Employees with a broad educational background and demonstrating the willingness to develop themselves professionally as a company changes, will transition easier to company changes.
- Middle schools should begin integrating some basic interview skills into their curriculum as well as addressing protocol regarding proper conduct in the workplace.
- Technological changes are imminent and as companies make these advances, the educational system needs to ensure that students (our future workforce) possess and understand these systems as well.
- As one enters the workforce, their education does not stop, but continues to grow. Employees must embrace provided training to stay current with workplace advances, but also take responsibility onto themselves to realize changes on a global scale.
- Social skills are also an important aspect of one's job. Respect, verbal & non-verbal communication, honesty, integrity, and responsibility are characteristics that are crucial to workplace success.

The Career Awareness Activity was a great building block for future endeavors between Northwestern Steel and Wire Company and the educational community. We thank all who took an active part in the process as well as all of those who worked behind the scenes to make this a rewarding experience.

# **Northwestern Record Breaker**

Old Record:

January 1998

26299 tons

January 17

New Record:

April 1999

30576 tons

May 1999

Newest Record: 30620 tons

This is an excellent effort by all people in the 12 Inch Finishing/Shipping Department. Congratulations to everyone!

12 Inch Finishing/Shipping

# New Employees



# **Christopher Fiora**

Christopher Fiora has joined Northwestern as General Manager of Primary. In that capacity, Chris will be responsible for all aspects of the Primary Department.

Chris has 18 years of experience in the steel industry. He comes to us most recently from Birmingham Steel, Inc.—Jackson, Mississippi Division, where he was Plant Manager. During his tenure at Birmingham Steel, he also worked as Melt Shop Superintendent at the Memphis plant. He holds an M.B.A. degree in Production/Operations Management from Indiana University, and a B.S. degree in Physics from Ohio State University.

Chris and his wife, Linda, have a daughter, Carissa.



## **Matthew Olson**

Matthew Olson has joined Northwestern as a sales representative for the East Region. Matthew comes to us most recently from JSP Mold in Milledgeville. His prior work experience includes customer relation/intake and various supervisory positions. He is a Mount St. Clare graduate with a B.A. degree in Administration (Specialization: Marketing and Management).

Matthew and his wife, Nancy, reside in Sterling with their three boys—Ryan, McKelvey, and Nathan.



# Wayne Burgard

Wayne Burgard has joined Northwestern as the General Manager of Maintenance. In this capacity, Wayne will be responsible for leading the new Maintenance Improvement Program for Northwestern, with the goal of improving operational reliability while reducing costs.

Wayne is a Purdue University graduate, with extensive manufacturing experience in engineering, construction, maintenance, and operations. Beginning his career as a Field Superintendent in charge of installing manufacturing equipment, Wayne progressed through assignments as Engineering Manager and Division Manager, eventually becoming General Manager of Engineering and Maintenance for a major integrated steel producer. Most recently, Wayne has been Operations Manager for a leading manufacturer of material processing equipment, where he was able to cut lead times and costs by 20% while increasing production and profits and implementing an ISO 9000 quality program.

Wayne and his wife, Elizabeth, have four children, Robyn, Jillian, Ashley, and Eric.



# **Anthony Ortiz**

Anthony Ortiz has joined Northwestern as Rolling Mill Engineer. In this capacity, Tony is responsible for the coordination of technology issues for the Rolling Mills, including the new 22 Inch Mill. All the KPI's that have been approved to measure the Mill's performance will guide Tony's priorities.

Tony comes to us from Birmingham Steel Corporation in Cleveland, Ohio, and previously from Inland Steel Company / Inland Steel Bar Mill in East Chicago, Indiana, where he held various management positions.

Tony and his wife, Barbara, have four children.

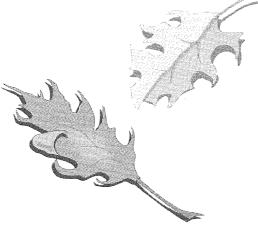


## Marcia Collins-Leonard

Marcia Collins-Leonard recently joined Northwestern as Systems Programmer. She reports directly to Mike Fritz, Supervisor of Technical Support. As Systems Programmer, Marcia will be responsible for the overall systems management of the new IBM Mainframe.

Marcia comes to us most recently from NCH Promotional Services, formerly of Clinton, Iowa. She has a B.S. degree in Computer Science from Marycrest College in Davenport, Iowa.

Marcia and her husband, Pierre, have two children, Booker and Brennan.





Do you know your cholesterol level? High cholesterol is an indicator of high risk for cardiovascular disease and a contributing factor to heart attacks!

Your Family Health Center will again offer free cholesterol testing for Northwestern employees, retirees, and dependants. The tests will be conducted at the Health Center on the following days:

#### CHOLESTEROL SCREENING

Tuesday, September 14 6:00 a.m. to 11:00 a.m. (active employees only)
Wednesday, September 15 7:00 a.m. to 11:00 a.m. (all NWSW beneficiaries)
7:00 a.m. to 11:00 a.m. (all NWSW beneficiaries)

This is a "fasting" blood test. That means no food or drink (except water) for 8 hours prior to your test. You may continue to take any medications as prescribed.

Please call 626-2248 to pre-register for your screening. Walk-ins will be accepted if fasting requirements have been adhered to.

All results will be reviewed by a Family Health Center Physician and individuals with abnormal results will be contacted to make an appointment with their doctor. You will be notified when copies of results will be available at the Health Center. (Please note that spouses may not pick up results without written approval.)

### **FLU SHOTS**

The Family Health Center will provide flu shots at no cost to NWSW beneficiaries. Injections will be given at the Family Health Center on the following days:

Wednesday, October 6 5:00 p.m. to 7:00 p.m.

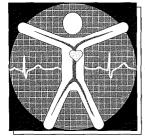
October 7 through October 31

Mondays and Wednesdays
Tuesdays and Thursdays
Tuesdays and Thursdays
To:00 p.m. until 7:00 p.m.
10:00 a.m. until 12 noon

Flu shots will also be given at the following locations:

14 Inch Mill:Monday, October 112:00 p.m. until 4:00 p.m.24 Inch Mill:Wednesday, October 131:30 p.m. until 3:30 p.m.Office Annex Conference Room:Monday, October 1810:30 a.m. until 12:30 p.m.

Note: Only children (18 or younger) who have asthma, are diabetic, have congenital heart disease, or have a seizure disorder should be considered for flu shots. All children must have a signed parental consent.



Check out the Family Health Center website address for up-to-date information on the latest services offered, including upcoming screenings, special x-rays, shots, and physicals.

http://www.nwsw/Facilities/Family\_Health\_Center/family\_health\_center.htm

# NWSW Family Health Center Recognized for Quality Laboratory Services

The NWSW Family Health Center received the highest possible score for Laboratory Accreditation by COLA, a national healthcare accreditation organization. Accreditation is given only to laboratories that apply rigid standards of quality in day-to-day operations, demonstrate continued accuracy in the performance of proficiency testing, and pass a rigorous on-site laboratory survey.

The Family Health Center laboratory has earned this accreditation as a result of a long-term commitment to provide quality service to Northwestern employees, retirees, and dependants. The Center is managed by SwedishAmerican Management Services Organization.

COLA, a nonprofit, physician-directed organization, is approved by the federal government and sponsored by: The American Academy of Family Physicians, The American Medical Association, The American College of Physicians – American Society of Internal Medicine, The College of American Pathologists, and The American Osteopathic Association.

Congratulations to everyone at the Family Health Center!

# Benefits Housekeeping

Whether you're an active employee or a retiree of Northwestern, you more than likely have life insurance through the Company. It is very important that whenever there is a change in your family status, you review the beneficiaries named on your life insurance to determine if you need to make a change. For example, if you have listed your spouse as your beneficiary and he/she unfortunately dies before you, or if you get divorced, you will probably want to change your beneficiary.

Understandably, whenever there is a change in family status, it can be a very difficult time in a person's life. You can, however, save a lot of grief for any surviving family members if you have taken care of your affairs while you are living.

If you are not sure who your beneficiary is on your life insurance through Northwestern, contact the Benefits Department at extension 2353.

# **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.

#### MAY 10 Years

Ruth McBride, 5/19/89, HR Sales,

#### JULY 25 Years

Gale Moore, 7/1/74, Roll Shop. Bruce Stevens, 7/15/74, Security.

#### 15 Years

Estela Highland, 7/16/84, Clerical. Dennis Ortgeisen, 7/30/84, WM Drawing.

# AUGUST 30 Years

Ronald Sharp, 8/9/69, Plant 2 Crane Mechanics. Gordon Fazzi, 8/10/69, Billet Caster. Roy Klapprodt, 8/12/69, Billet Caster. Larry Hammelman, 8/13/69, Plant 5 Millwrights. Felipe Avelar, 8/14/69, Billet Caster. Charles Stanfield, 8/25/69, Furnace Cranes.

#### 25 Years

Eugene Jacoby, 8/1/74, Safety.
Jack Leathers, 8/16/74, Plant 3 Millwrights.
Adalberto Roman, 8/20/74, Furnace Cranes.
Robert McKenna, 8/20/74, Plant 2 Millwrights.
Michael Kitzmiller, 8/21/74, Plant 2
Machine Shop.

#### 15 Years

Sylvia Lane, 8/9/84, WM Millwrights. Jeff Billings, 8/12/84, 14" Shipping. Carl Bushar, 8/16/84, 24" Shipping. Pablo Vazquez, 8/23/84, WM Drawing.

#### 5 Years

Evan Buskohl, 8/1/94, Environmental.

# SEPTEMBER 35 Years

Carl Scott, 9/21/64, Scrap Yard.
Dale Klemesrud, 9/26/64, Plant 2 Millwrights.

#### 30 Years

Earl Giddings, 9/2/69, Carpenter Shop. Robert Fauble, 9/2/69, Electric Furnace. Barry Jacobs, 9/4/69, 14" Mill. Larry Williams, 9/5/69, Plant 5 Welders. Dennis Gipson, 9/7/69, 14" Mill. Arthur Bledsoe, 9/7/69, Billet Caster. Joseph Freedman, 9/8/69, Conditioning. Arlyn Madsen, 9/10/69, WM Machine Shop, Gary Collin, 9/11/69, Trial Crew West. Steven Chapman, 9/11/69, #2 Pipefitter. Fred Murray, 9/13/69, Plant 2 Millwrights. Harold Harrison, 9/13/69, Nails, James Thielen, 9/17/69, Plant 2 Millwrights. Dale Richardson, 9/21/69, Electric Furnace. Gale Turney, 9/21/69, Billet Caster. Robert Wilkey, 9/21/69, 24" Mill. Theodore Ashley, 9/22/69, Plant 3 Pipefitters. Mario Chavira, 9/23/69, Plant 2 Millwrights. Allen Snyder, 9/25/69, 12" Mill.

#### 25 Years

William Stanley, 9/20/74, Carpenter Shop. Jeanette Udell, 9/30/74, Safety & Security.

#### 15 Years

Dan Grater, 9/7/84, Scrap Yard. Richard Walters, 9/22/84, Plant 2 Electrical. Gerald Law, 9/26/84, 14" Mill.

#### 10 Years

James McCue, Jr., 9/4/89, Crane Mechanics. Bernard Goeking, 9/18/89, Electronics. Ivan Schmitt, 9/25/89, Caster.



# Retirements

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

#### **APRIL**

Bill Wagner, Guards, 25 years. Roger Wait, Wire Sales, 29 years. Mike Preston, Wire Sales, 29 years. Robert Tolley, Drawing Room, 30 years.

#### JUNE

George Crabb, Electric Furnace, 31 years. Lyle Eichelberger, Galvanizer, 26 years. John Eirschele, Electric Furnace, 36 years. Richard Floto, Mobile Equipment, 30 years. Arthur Gillihan, Carpenter Shop, 36 years. William Guinn, Scrap Yard, 31 years. Patricia Jones, Audit, 31 years. Carl Lovgren, WM Electrical, 39 years. Douglas Martin, Machine Shop, 37 years. Edward Merema, 24" Shipping, 37 years. James Meyer, Nail Room, 31 years. Michael O'Brien, Scrap Yard, 31 years. Keith Pulford, Scrap Yard, 40 years. Earl Santee, RF Electrical, 29 years. Donald Smoot, 14" Mill, 38 years. H. John Stauter, Galvanizer, 34 years. John Thayer, Electro Weld, 27 years. Kenneth Thrower, Sr., 36 years. Tom Walker, Scrap Yard, 31 years.

#### JULY

John Atilano, Plastics, 24 years. John Bellini, Labor Pool, 20 years. James Boesen, Audit, 40 years. Rojerio Cantu, Nails, 30 years. Ralph Cisketti, Billet Caster, 26 years. Ellen Conner, Administrative, 32 years. Steven Denning, WM Shipping, 21 years. Jerry Dir, Electric Furnace, 30 years. Lawrence Frederick, 24" Shipping, 26 years. Jaime Garcia, Field Fence. 27 years. John Hall, Plant 2 Weld, 30 years. Ray Hutchison, Barb Wire, 27 years. Gerald Johnson, Electric Furnace, 30 years. John Kustes, 14" Mill, 26 years. Marilyn Lowder, Accounting, 41 years. William Madding, Billet Caster, 30 years. Robert Olson, Laboratory, 30 years. Daniel Ramirez, Nail Galvanizer, 26 years. Lonnie Robinett, Billet Caster, 30 years. Rick Stoudt, West Plant Trial Crew, 27 years. John Tomczak, RF Millwright, 28 years. Ronnie Vaughn, Plant 2 Welders, 35 years.

#### AUGUST

Gordon Millerschone, 14" Maint., 30 years. William Manon, RF Electrical, 28 years. Librado Chavez, Brickmason, 36 years. Robert Jones, Nail Packaging, 26 years. Timothy Ricketts, Electric Furnace, 30 years. T. James Mangan, 24" Mill, 31 years.

# Understanding Osteoporosis

## What is Osteoporosis?

Osteoporosis is a preventable condition that causes women's bones to become fragile and overly susceptible to fractures. The amount of bone mass a person develops is greatest, generally, between the ages of 30-35. After this, bone loss begins as a normal part of the aging process. For many women, particularly after menopause, this bone loss can be significant. For these women, their thinning or weakened bones are no longer strong enough to withstand everyday activity and fractures can occur.

# Are You at Risk of Developing Osteoporosis?

Osteoporosis affects about half of all women in the United States over the age of 50. Several factors may increase your risk of developing this condition. Natural menopause and the removal of the ovaries typically reduces the estrogen levels in your system. This hormonal change—can—greatly accelerate bone loss.

Heredity affects the amount of bone mass you have as well as your rate of bone loss as you age. Therefore, if you have a family history of broken bones in older relatives, you might be more at risk. Women who are small-boned or very slender start with less bone mass. They can afford to lose even less before osteoporosis occurs. Women of Asian or Northern European descent are also more at risk.

# Are There Risk Factors I Can Control?

Yes. By eliminating those risk factors that are within your control, you can either prevent osteoporosis or live with it safely. Inactivity promotes bone loss. Exercise and physical activity can help

build and maintain strong bones as well as prevent injury.

Calcium is an essential mineral for maintaining healthy, strong bones. If you are not consuming enough calcium, your body will break down bone

body will break down bone cells to get the calcium it needs.

The best source of calcium is food, but if you can't get enough calcium from your diet, you may need to take calcium supplements. However, too much can be harmful. Salt and excess protein in your diet may

increase the loss of calcium in urine. In addition, fiber may reduce calcium absorption. Your doctor or healthcare provider can help you determine if you need

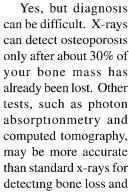
> to take calcium supplements and recommend the most appropriate one for you.

> Women who smoke are more likely to develop osteoporosis than women who don't. Smoking may reduce peak

bone mass, cause early menopause and interfere with hormone replacement therapy. Both alcohol and caffeine interfere with your body's use of calcium.

Heavy drinking, by itself, can cause osteoporosis. In addition, people who drink alcohol in excess often have poor diets and get little exercise. Some drugs may increase the risk of osteoporosis.

# Can Osteoporosis Be Diagnosed?



monitoring treatment.

A physical exam can help determine if you're at risk. Your doctor or healthcare provider will decide if more tests are necessary and can help you plan an effective prevention program.

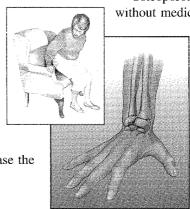
# What are the Warning Signs?

Osteoporosis is difficult to detect without medical tests because most

warning signs don't occur until the disease is quite well-advanced. Some warning signs are loss of height, sharp back pain, fractures (wrist, spine, and hip) and curvature of the upper back. When spinal bones weaken from osteoporosis, the upper back may

curve forward, forming a "dowager's hump". In addition, dental problems can provide warning signs. When bone loss occurs, the jawbone can shrink, causing teeth to loosen and dentures to fit poorly.

The NWSW Family Health Center will be conducting Bone Density Screenings in November. Contact the Center at 815/626-2170 for further information.



#### **Calcium Chart**

Women Recommended Calcium Per Day\*
Between the ages 11-24 1200-1500 mg
Pregnant or breast feeding 1200-1500 mg
Years 25 to menopause 1000 mg
After menopause 1500 mg

\*You may require less calcium if you are on hormone replacement therapy, so be sure to consult your physician.

# FISCAL '99 HIGHLIGHTS



Santa borrows Jessie Prado's truck to deliver food, toys, and clothing to the needy children in December. Northwestern employees helped 74 tamilies last year with a total of 215 children!



Arnie Johnson (Caster Department) rang in the New Year with a brand new grandchild. Matthew David Johnson was the New Year's Baby, born January 1 at 4:39 a.m. to Jeremy and Tracy Johnson.







The Needy Children's Christmas Committee honored County Market employees Lauri Wetzell (Customer Service Manager), Rob Ravel (Store Director), and Ann Pashon (Cashier) for their hard work in selling pre-printed bar scan coupons to benefit the needy children. Approximately \$2200 was raised. Ann was commended for selling over 1,000 coupons herself, raising over \$1,000 for the needy children. Many thanks to Ann, Lauri, Rob, and all County Market employees for their efforts.



The United Steelworkers of America, Local 63 and Northwestern Steel and Wire Company hosted a Stand Up for Steel Rally in February. The Rally was part of a national drive by a coalition of leading domestic steel producers and the USWA to protest illegal dumping of foreign steel.



Fred Rocchio, President and CEO (on left) congratulates Art Gillihan, tormer USWA, Local 63 President on his retirement. Many were on hand to celebrate with Art and wish him well.



Pictured left to right, Marilyn Lowder, Jim Boesen, and Ellen Conner all retired effective July 1. The three dedicated employees had a combined total of 115 years of service! Congratulations and best wishes to you all.



Northwestern's panel of cooks for the 1998 United Way Chili Cook-off. A fun time was had by all!



Andy Moore, Vice President of Human Resources, (on left) and Art Gillihan, former USWA, Local 63 President, cook brats and hot dogs for the employees at the 1998 Softball Tournament to benefit the needy children.

# STAMP Maintenance Improvement Plan

Northwestern Steel and Wire's Maintenance Improvement Plan has received the STAMP of approval from Union and Management. The maintenance initiative, Strategic Total Asset Maintenance Plan, or STAMP, as it will be known, received its name at a joint meeting of Union and Management representatives who were deciding how to solicit candidates to become maintenance planners and maintenance inspectors.

What's the new maintenance improvement plan all about? Well, if you're expecting something really weird and complicated, you'll be disappointed. To the many steel companies around the world that have already implemented a similar program, it seemed just like common sense. In fact, after you see it in place at Northwestern, you'll realize that most of you have been trying to work this way for years.

Let's take an example that everyone can identify with. Would it make sense to wait for your car to break down on the road before you thought about getting a tune-up or an oil change? Of course not! How about driving around without a spare tire? No way! Well, the Strategic Total Asset Maintenance Plan is based upon the same principles.

First, INSPECT – Find out everything you can about how a piece of equipment is running. For a car, you'd check the oil, listen for knocking, or look for tire wear. For a mill, you'd check the oil systems, listen for vibration, or look for wear spots.

Then, PLAN – Figure out what parts, tools, people, information, and procedures you'll need to fix what you found during the inspection, then plan a time to do it.

Then, DO – When the mill is scheduled down for maintenance, line up people to make the necessary adjustments or repairs that were documented during the planning stage.

Then, MEASURE through metrics how well we are performing to the plan. Through metrics we will adjust the performance to meet our goals and KPI's.

Then do Root Cause Failure Analysis using reliability engineering to determine how we can do our job better or use better equipment to prevent future failures.

So if it's so easy, why haven't we done it before? If you're starting with a new mill, it may be easier, but you still have to fight off the tendency to let things go. With our older machinery, we will first have to work through the process of CONDITION ASSESSMENT AND RESTORATION. This is where we compare what we have against what we had when it was new, and then map out a step-bystep plan to get as much fixed as we can within our budget. In some cases, we will prioritize the work, get the parts, and restore the equipment downturn by downturn. The other challenge is getting all the work done that the Inspectors find and the Planners plan.

Where do we start? The first step was to work through Partnership to get agreement that we needed a change, which was done during contract negotiations. Then we brought in some engineers that have helped other companies get started, to give us a jump-start. Together, along with the Partnership Teams that have done such a great job at identifying problem areas and solutions, we're ready to start.

With Union and Management working together through Partnership, we'll restore our facilities to reliable operating conditions once again and then maintain the equipment in a reliable state of operation.

# 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.

Managing Editor Karen Freres, Ext. 2275 e-mail: kfreres@nwsw.com

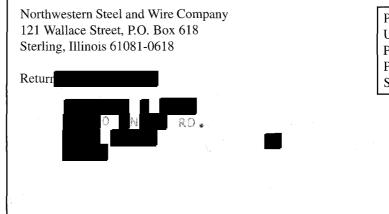
Northwestern Steel and Wire Company 121 Wallace Street P.O. Box 618 Sterling, IL 61081-0618 Phone: (815) 625-2500 http://www.nwsw.com

# 1999-2000 United Steelworkers of America Local 63 Scholarship Winners

Winner
Stacie Long
Kathryn Henkel
Seth Book
Tyler Cooney

Parent/Guardian Melvin Long Thomas Henkel Dean Book Patrick Cooney Department
Plant 2 Cranes
Plant 2 Electronics
Plant 2 Caster
Plant 2 Electrical

# Congratulations to everyone!



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