

Paul W. Dillon

The steelmaking pioneer spent three-quarters of a century working at and managing family owned Northwestern Steel & Wire, a Midwest metals success story.

Paul W. Dillon was born in a two-story, wood-framed house in Sterling, Ill., in June 1883. He was in the same house when he died in February 1980 at the age of 96. Dillon spent three-quarters of a century working at and managing family owned Northwestern Steel & Wire Co., helping turn the small-town mill into one of the most efficient manufacturers of long steel products in the Midwest.

Dillon, who installed electric-arc furnaces (EFs) at the Sterling mill in 1936, helping to pioneer EF steelmaking in the Midwest, has been named to AMM's Steel Hall of Fame for his lifetime of work in the industry.

Northwestern Steel & Wire got its start in 1879 when Dillon's father, Washington M. Dillon, moved to Rock Falls, Ill., from Ohio. The senior Dillon, whose grandfather and great grandfather built the first iron furnace west of the Allegheny Mountains near Zanesville, Ohio, founded Northwestern Barbed Wire Co., which made a staple item in high demand in the 1880s and 1890s. As settlers pushed west across the plains of North America, they purchased millions of yards of barbed wire to fence in livestock. In the 1890s, the senior Dillon partnered with a Sterling-based steelmaker to produce barbed wire, bale ties, drawn wire and nails, but dissolved the partnership and returned to his original Rock Falls mill shortly after the turn of the 20th Century. The Sterling mill landed in receivership in 1912, but Dillon bought the assets two years later and moved it to Sterling.

Paul Dillon, known as P.W. to most in Sterling and Rock Falls, joined the family business early and was named plant superintendent in 1903. At the time, the mill purchased rod that had been made from another staple of U.S. expansion westward: steel rails. The rails were heated and then rerolled into bar and rod for conversion into end-use products.

Northwestern Barbed Wire, which survived a disastrous fire at its wire mill in the late 1920s and the more calamitous Great Depression, was whipsawed by competitors who melted steel rail and sold rod to the Illinois company. Most of the competitors also made wire, and Dillon—who was elected chairman

of the board after his father died in 1920—realized he could be put out of business unless his company made steel to make its own rod.

But by that time, the administration of President Franklin D. Roosevelt had determined that there was a glut of steelmaking facilities in the United States that was hurting all U.S. steel manufacturers, and the 1935 National Recovery Act banned the installation of new steelmaking facilities.

Dillon noticed that the legislation prohibited blast, open hearth and Bessemer-style furnaces, but said nothing about EFs. He incor-



Photo courtesy of Peter Dillon/The Dillon Foundation

porated a new company—Northwestern Steel & Wire—and began working with William Moore of Pittsburgh-based Lectromelt Corp., an early pioneer in EF steelmaking, and Pittsburgh-based Westinghouse Electric & Manufacturing Co. to design and install two 10-ton EFs at the Sterling mill. In 1936, Dillon proved doubters wrong when Northwestern became the first steel mill in the United States to make carbon steel in an EF.

Those units were so successful that by 1940 Northwestern had installed two 50-ton EFs that helped the company meet the increased demand for steel during World War II. Those two 50-ton units were the beginning of bigger and more powerful furnaces at Sterling. Crews installed two 150-ton furnaces in 1951, and Northwestern later installed 250-ton furnaces and finally 400-ton furnaces. In

the 1970s, the company installed two 46-inch blooming mills, as well as several 14-inch mill rehear furnaces and 14-inch merchant bar mills.

Dillon and his staff—he would be joined by his son and grandson in management of the company—would work closely with Westinghouse and Union Carbide Corp., the supplier of the arcs for the furnaces, in refining the power of electric-arc steelmaking. In later years, Northwestern applied longer arcs, which were thermally and electrically more efficient than shorter arcs.

The generation of steelmakers that created the mini-mill revolution in the 1980s and 1990s went to school on the EF work done by Dillon and his team at Northwestern Steel & Wire. Longtime steel industry executive Clyde Selig, in his book *America's Mini-Mill Industry: A Short History*, described Dillon as a “quiet, understated man outside the mill but a powerhouse within the mill. He was always searching for new, better, faster and bigger mills and furnaces.”

Dillon—who told associates in his later years that there were three Cs he never wanted in his mill: carpet in the office; computers; and continuous casters—went to work most days until well into his 90s. When he could no longer continue to make his inspection rounds on foot, he cruised the mill each day in a black Ford sedan. The year before Dillon died, he helped oversee the conversion of one of the mill's EFs.

His grandson, Peter Dillon, recalled that Dillon stressed a family atmosphere at Northwestern and never had an adversarial relationship with the union locals that represented workers at the mill. “We lived with the people who worked in the mill,” he said. “We went to school with them, we worshipped with them, we coached their kids in youth sports.”

Following Dillon's death, he was succeeded as chairman by his son, Martin, who served 55 years on Northwestern's board of directors, and as president by his grandson, Peter.

Peter Dillon, now 80, said his grandfather was a role model who never took a vacation in all of the years he worked. “That mill was his passion, 24 hours a day, seven days a week,” he said. **BILL BECK**