Who guides Northwestern?  
Employee/owners ask about NSW leaders

Following their attendance at the recently held Dollars and Sense seminars, employed and elected outside investors and senior management, representatives of the two outside investor sources each nominated two Class B Directors with the fifth Class B Director nominee being the Chief Executive Officer of the corporation. The tenure of this group continues in effect until the earliest of:

(i) the expiration of the period ending on the date of August, 1, 1993 or first date on which the ESOP does not own at least 15% of all Common Shares; or
(ii) the date on which the Outside Investors, Senior Management and their permitted transferees no longer own at least 25% of all Common Shares; or
(iii) upon written consent of a specified percentage of the Class B shares.

Class B Directors

- Marshall L. Berkman, Ampco-Pittsburgh Corporation, Pittsburgh, PA.
- Edward G. Maris, Northwestern Steel and Wire Company, Sterling, IL.
- Robert M. Withrow, Northwestern Steel and Wire Company, Sterling, IL.

The remaining Directors will be nominated by the Board of Directors and elected by the separate majority vote of Class A shareholders and Class B shareholders, in the following manner:

1. The Board of Directors will assemble a nominating committee comprised of two Class A Directors and two Class B Directors, each designated by a majority of their respective Director groups.
2. The nominating committee will nominate, by a vote of at least 75% of its members, three persons for election as Common Directors.
3. Each Class A shareholder and Class B shareholder, each voting as a class, will elect Common Directors from the nominees, by a separate majority vote.

No Common Directors have been either nominated or elected to the NSW Board of Directors as yet. Any vacancy in the Board of Directors and any directorship to be filled due to an increase in the number of Directors will be filled at an election held at an annual or special meeting of the NSW shareholders. Any vacancy occurring between meetings of shareholders due to an increase in the number of directors or otherwise may be filled by the Board of Directors on the vote of at least a majority of all directors.

Owners Manual

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

May, 1989

First female Security Guard now on duty  
See page 8.

QIP Team suggestions save $160,000.  
See page 5.

NSW Sales staff learn techniques of telephone selling  
See page 7.

The Owners Manual

A NEW ACHIEVEMENT

Diamond-Weld fence rolls into production

A new decorative steel fence is now available from Northwestern Steel and Wire Company, and it is called "Diamond-Weld" because of its attractive diamond pattern, the fence is as beautiful as it is sturdy.

"The fence is perfect for fencing in yards, pet confinement, and other household uses. Diamond-Weld is available in galvanized or green plastic coated finishes and can be purchased in 50-foot rolls of either 36- or 48-inch heights."

The first shipment, to Mazel & Company, Chicago, rolled out of the Plant No. 4 Shipping Department on March 10th. Mike Mullen, Vice President of Operations, Wire Products Division, said production should soon be in high gear.

"The machine came on line late in the season, and so far we have been testing the waters in the market. So far, it is going well. With our product quality, we expect to be in full production next year."

Gordon Rodenson, Manager of Plant No. 4, said all Diamond-Weld production to date has been sold. "We have sold about 1,500 rolls each of the 36- and 48-inch galvanized fence," he said.

Diamond-Weld is expected to be a profitable product in the future, in part because NSW has a big market advantage. "There is only one other manufacturer in the country making this type of product," Mullen said.

Rolls of NSW's Diamond-Weld fence ready for delivery. The decorative steel fence is available in galvanized and green plastic coated finishes.

Primary's capital plan goes forward

Based on a strong Profit Plan performance and the resulting improvement in cash flow, Primary's capital plan for Fiscal 1989 has begun.

The plan calls for the installation of a ladle metallurgy furnace, ladle transfer cars which are capable of holding two ladles over the tundish for both the Bloom and Billet Casters, new low impedance electrode arms for Nos. 6 and 8 furnaces, and a new low impedance delta closure for No. 8 furnace.

$10 million to be spent

The total expenditure in the Primary Department is set at $10 million, to be split over Fiscal Years 1989 and 1990. The Improvements, which are planned to be operational by February, 1990, are projected to reduce NSW's costs by $13 per liquid tonne.

The individual components of the plan are interdependent and specifically tailored to address higher throughput opportunities in the Primary Operation. Specific goals include:

1) Limiting the electric furnaces to the basic melting of scrap, at which they are most efficient, and moving the refining period to the ladle furnace.
"Do you think the QIP and LMPT Programs are effective?"

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

"I agree with them whole heartedly. I'm a QIP team member. The Company has worked with us very good on our PIC program."

Dave Gray
Checker
East Plant Shipping

"The cost savings on several projects has been very positive. Employee involvement makes for good communication with management."

Karen Galbreath
Purchasing Assistant

"Even though I'm not a member of one, I think they are a good idea. They get people together to solve cost problems - since this Company is both of ours together."

Richard Kradle
Caster Ladleman

"I think they are very good. I type up the presentations for the QIP Teams and I see the cost savings that can be realized through this program. People should care because it is saving us money."

William Yarbrough
Adjuster
Field Fence Department

"Yes they are effective because they take care of safety and watch out for the employees."

Manuel Rodriguez
Mat Department Bundler

"I think they are effective. Everybody still has to work together, though, to be effective."

Beth Lancaster
Executive Secretary
For Steel Division

"I guess they are. I'm not really that familiar with it yet. I guess it is doing us some good. They can express their views from all the departments for changes and everyone can improve things in their department."

Jeff Spotts
Mat Department Bundler

"Yes I do. There is a large untapped source of knowledge on the floor by people who work with the equipment every day. It gives the operators a chance to input their ideas - which gives any person a good feeling towards his or her job."

Ken Burnett
Manager
Services and Engineering
The Production Control/Inventory Control (PCIC) program that began in May, 1985, was nearly two months in the planning stage. Tim Galloway, PCIC General Manager since 1985. The PCIC program is all-encompassing, linking together the Engineering, Sales, Operations, Finance, and Shipping Departments at Northwestern.

Among the approximately forty functions of PCIC are planning and scheduling of production through the furnaces, casters, rolling mills and the Wire Division; inventory control; order tracking, and shipping.

"The program also allows us to show in advance what our inventory is, set limits, control slow-moving items, improve yields, and create reliable schedules," Galloway said.

Operating plans produced

Because Northwestern is always market driven, PCIC translates sales forecasts into operating plans that best utilize the Company's assets.

"We want a repeatable, reliable supplier," Galloway said. "We want our customers to know they can depend on us as a quality supplier."

Today, PCIC translates sales forecasts into a market - resulting in lower costs and higher volumes. For interaction of various departments, Galloway likened PCIC to the game of football. "PCIC is the quarterback, but everybody knows what the play is," Galloway laughed.

Skeptic's wrong: records fall

Although skeptics predicted PCIC would bring record-setting to a halt, Galloway said Northwestern responded otherwise. "We think you break records by scheduling correctly so each person knows his or her job efficiently," he said.

The records have continued to fall despite equipment downtime. In March, for example, we broke records in spite of the fact that the caster was down for five days," Galloway noted.

"Thanks to computer-integrated manufacturing - we have O/Ts on the floor in each of the production areas - we can filter situations as they arise."

Just the facts

Galloway calls the custom-designed system "one of the best in the industry." Decisions such as deadlines and priorities are based on fact, not guesswork.

"Think of the lottery with 54 numbers, the probability of my winning, is a million combinations," Galloway said.

"Then, think of us and all the possible combinations of products, people, grades, and sales. We eliminate the variables to get rid of the guessing."

The PCIC program, which is a refinement of the old "pencil-and-paper" method transferred to a computer program, also helps eliminate unnecessary - and expensive - inventory.

"We used to have three inventories per year, but now we have improved to better than 10 turns per year. We adjust to sales so don't have dollars tied up in slow-moving inventory," Galloway explain.

In short, the PCIC program, together with the expertise of all the Division's employee/owners, helps boost productivity and profitability.

PCIC helps NSW break records

Sauk Valley Community College is one of only 33 colleges and universities nationwide to receive a $1.4 million grant from the U.S. Department of Education, according to Bob Farrell, Assistant Director of Planning and Development.

The award, made under the Title III Challenge Grant Program, is contingent on the collection of "matching" funds from the local community by March 15, 1990; thus, the final amount awarded will equal the amount of dollars collected up to $1.4 million.

Farrell said the funds will be used to "strengthen existing programs, and possibly include provision of scholarships and purchase of equipment. "The problem is, we don't know what things we could never do without outside help," Farrell said.

Endowment fund established

Funds collected will be placed in a special endowment fund, the principal of which must be maintained for 20 years. Annually, it will be able to use 50% of the income from the endowment fund in whatever way the Board of Trustees feels is in the "best pressing need," Farrell explained.

The remaining 50% of annual income must be returned to the fund.

At the end of the 20-year period, the fund is "owned" free and clear by the college. "Over a 20-year period, at current interest rates, we are looking at well over $1 million," Farrell noted.

Outlook is positive

Collection of matching funds is already in high gear, and Farrell said an internal campaign at SVC - the first in the school's history to achieve a 82% "response. The people who work here think this is a good idea," Farrell said.

In addition, a local private foundation has agreed to match all funds collected dollar-for-dollar. It has given a lot of encouragement to us to continue," he said.

Fundraising efforts are coordinated by a seven-member steering committee composed of local business and community leaders from each of the communities served by SVC.

"The idea is to help out the local community - the idea is to help schools in general," Farrell added.

PCIC functions as the "nerve center" of Northwestern's operations, thus, the above organizational chart may be helpful.

### Matching funds needed

SVC wins federal grant

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### Going for the gold

Corporate Olympics set

It's almost time to go for the gold. Gold medals, that is, in the 2nd Annual Corporate Olympics sponsored by the United Way of Sterling and Rock Falls.

The August 6 competition will feature 14 events, including five coed competitions. Most events are divided into male and female divisions.

NSW employee/owners are hoping to improve on last year's showing, which saw more than two dozen NSW PCIC employees compete. The Gold medals, that is, in the 2nd Annual Corporate Olympics, said points were fourth in Division 1 and Ward, Murray, Pace & Johnson won first in Division 2.

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Salesmen of year honored

Mike Foley, Outside Salesman of the Year (center) proudly displays his award at an April presentation at Rock River Country Club. At left is Northwestern President and CEO Robert M. Witthew, while Chuck Biermann, Vice President of Steel Sales, stands at Foley’s left. Accordi
Records spring forth in April

Records continued to fall by the wayside in April as production levels reached all-time highs. In the Electro-Weld Department, Operator Jeff Nelson’s April 14 record of 4,901 feet marked his sixth production record since March 8. In the Baling Wire Department, Operator Michael Cox set his eighth individual record—the most recent on April 11—since January 1 with 130 boxes of 12-gauge wire.

Owners Manual commends these two individuals as well as all Northwestern employee/owners whose efforts have contributed to the Company’s ongoing success.

Electro-Weld Department

Shift Record Old Record
2 x 2 x 12 gauge, 150-ft. rolled welded fabric
April 12, 1989 Dec. 19, 1988
11-7 shift 3,183 feet 3,794 feet Darrell Erickson

2 x 1 x 16 gauge, 100-ft. rolled welded fabric
April 11, 1989 (Two-year high)
3-11 shift 1,006 feet 1,024 feet Mike Fitzgerald (formerly a 2-man operation)

2 x 2 x 16 gauge, 510-ft. tot and lot fabric
April 10, 1989 (Two-year high)
3-11 shift 5,590 feet 5,386 feet Mike Fitzgerald (formerly a 2-man operation)

3 x 2 x 16 gauge, 50-ft. roll Econo-Perf
April 13, 1989 April 5, 1989
3-11 shift 4,800 feet 4,761 feet Jeff Nelson

3 x 2 x 16 gauge, 50-ft. roll Econo-Perf
April 14, 1989 April 13, 1989
3-11 shift 4,901 feet 4,800 feet Jeff Nelson

Galvanized Wire Monthly Record Old Record
March, 1989 August, 1988
436 tons 422 tons
Michael Cox

Baling Wire Shift Record Old Record
12-gauge baling wire
April 11, 1989 Dec. 28, 1988
7-3 shift 128 boxes 126 boxes Mike Fitzgerald

Netting Department record-setting crew includes (l to r) Clarence Hylton, Jr., and Santos Chavez, Truckers; Chris Snodgrass, Reeler; Randy Jacobs, Operator; and Mickey Vasquez, Helper. The group set a new record of 253 cuts or 5.7 tons.

Records and Stats report on hold

Owners Manual is adjusting publication dates in an effort to present more timely information to Northwestern employee/owners. Therefore, the April Stats report is not included in this issue. A full stats report will be published in the June Owners Manual, scheduled for mailing on or before June 15th.
In June, 64 NSW employee/owners will be celebrating up to 40 years with the company, the Center reports. This number boggles these individuals as they reach these important benchmarks in their careers.

40 years

30 years
Robert C. Davis, 6/4/59, 12-Inch Mill Crane Operators.
Raymond Carlson, 6/5/59, Wire Mill Millwright.
Neil E. Morehead, 6/8/59, Brickmasons, Electric Furnace.
Miguel Reyes, 6/11/59, Roll Shop.
Eldon E. Williams, 6/14/59, Plant 2 Electrical.

25 years
Hesiquio Moreno, 6/2/64, Brickmasons.
Arturo A. Castillo, 6/8/64, Scrap Yard.
Lucio Soto, 6/8/64, Billet Caster.
Ruth A. Martin, 6/9/64, Data Processing.
Dale E. Lockner, 6/10/64, General Millwrights.
John J. Suarez, 6/28/64, Roll Shop.
Ralph C. Phillips, 6/28/64, Scrap Yard.

Roland Pineda, 6/28/64, Plant 2 Welders.
Ronald Torstel, 6/30/64, Plant 5 Millwrights.

20 Years
Donna Rompl, 6/1/69, Data Processing.
Lonnee E. Robinett, Jr., 6/2/69, 46-Inch Mill.
Javier Z. Saucedo, 6/3/69, Nail Department.
Max R. Alverez, Jr., 6/3/69, 12-Inch Mill.
William J. Madding, 6/3/69, Billet Caster.
Gerard E. Johnson, Jr., 6/5/69, Plant 5 Inspection.
Marvin B. Hepperl, 6/6/69, Conditioning.
Gaudeshine Min, 6/6/69, 46-Inch Mill.
Lloyd S. Gilbert, 6/8/69, 46-Inch Mill.
James K. Olson, 6/9/69, Rock Falls Millwrights.
Michael C. Dennis, 6/9/69, Electric Furnace.
Steve K. Snitch, 6/9/69, 14-Inch Mill.
Timothy D. Ricketts, 6/10/69, Electric Furnace.
Darrel W. Christian, 6/14/69, Scrap Yard.
Michael A. Preston, 6/23/69, Wire Products Sales Division.

20 Years
Kevin D. VanZuiden, 6/26/69, 46-Inch Mill.
Sandra Kay Miller, 6/23/69, Rate Analyst, Transportation Services.
Angel L. Montanez, 6/30/69, Wire Mill Shipping.
James E. Halune, 6/30/69, Plant 2 Electrical.
Jerald E. Dir, 6/30/69, 46-Inch Mill.
Leopoldo G. Cuevas, 6/30/69, Machine Shop.
Robert C. Cantu, 6/30/69, Plants 1 & 5 Packaging.

15 Years
Daniel F. Dupial, Sr., 6/3/74, 12-Inch Mill.
Evan L. Diederich, 6/3/74, 14-Inch Mill Shipping.
Leland J. Fenney, 6/3/74, Over the Road Truck Driver.
Gary D. Warner, 6/10/74, Roll Shop.
Mark E. Ellis, 6/10/74, 12-Inch Mill.
Denis L. Vancl, 6/12/74, Trucks.
Dale M. Howard, 6/17/74, Plant 2 Machine Shop.
David W. McLaren, 6/17/74, Plant 2 Electric.

10 Years
Daniel I. Mills, 6/1/74, Electric Furnaces.
Anne M. Hungerford, 6/1/74, Data Processing.
Dale E. Lockner, 6/1/74, Roll Shop.

5 Years
Don L. Ziegler, 6/14/74, Nail Department.
Jerald E. Dir, 6/28/74, Philips, 6/17/74, Plant 2 Electrical.

Borrowing by ESOPs’ hit peak
Employee stock ownership plans borrowed a record $6.3 billion in 1986, up from $5.5 billion in 1987 and $1.2 billion in 1986, according to the National Center for Employee Ownership, an Oakland, California-based information and research organization. During 1988, there were about 50 leveraged ESOP transactions of $10 million or more, compared with 25 in 1987. ESOP borrowing in 1987 was concentrated in two transactions of $1.7 billion each — Avis Inc., Garden City, New York, and HealthTrust Inc., Nashville, Tennessee.

In contrast, the largest 1988 transactions were J.C. Penney Co., Inc., Dallas, $700 million; Railton Partnership Co., St. Louis, $500 million; Texaco Inc., White Plains, New York, $500 million; EPIC Healthcare Inc., Irving, Texas, $400 million; and Charter smoke-sucker pipe and the fan on the south wall.

“The savings to the company can’t be determined,” the report says, “but we do know with the increased health care costs, just one person becoming ill and requiring hospitalization would more than pay for our recommended solution.”

Medical Corp., Macon, Georgia, $375 million.

Nearly 10 million employees covered
There are now more than 9,500 ESOPs’ covering nearly 10 million employees and controlling about $30 billion of assets, the center estimated. “The majority of the assets likely are in leveraged plans because they are so much larger than others,” said Cor- ron Rosen, executive director. Of the total number of ESOPs, between 40% and 50% borrow money at some time; others are funded by direct contributions from the employer.

“Leveraged ESOPs’ growth is attributable to merger and acquisition activities, tax incentives, the secondary market for ESOP loans, and companies’ desire to enhance productivity through employee ownership,” Rosen said.

The center compiles its figures by tracking ESOP transactions of more than $10 million, which account for about 80% of the dollar volume. Dollar totals for smaller transactions are estimated.

Source: Pensions & Investment Age, April 17.
Customer of the month

Big Bear bullish on NSW

Big Bear Farm Store Inc. is bullish on Northwestern Steel and Wire Company.

"We've done business with NSW for over 30 years," said Frank Freund, Big Bear's Director of Marketing. "They've been a solid supplier. On-time delivery has been a major factor. "NSW has not only offered timely delivery, they've also kept us competitive," Freund added.

Freund said Big Bear buys about 2,000 tons of fencing products from NSW each year, including barbed wire, feedlot fence panels, panel and garden fencing, hot and lot fence, welded fabric, fence posts and nails.

NSW is award-winner

Jim Treacy, Assistant Manager of Sales for NSW's Wire Division, pointed out that NSW recently received Big Bear's "Key Vendor" award for supplying the Midwest chain with more than $1 million worth of products in 1988. "NSW is our only fence supplier," Freund said.

Big Bear was founded over 30 years ago in St. Cloud, Minnesota, and still maintains a store and its headquarters in that city of 40,000. About 300 are employed at the company.

Freund described the firm today as a 48-store chain headed by Jerry Hammer, President, servicing rural communities in Minnesota, Iowa, Wisconsin, Missouri and Illinois. Most of the stores are located in county seats. St. Cloud is one of the largest cities Big Bear serves, followed by such cities as Burlington, Mason City and Ames in Iowa and Eau Claire, Wisconsin.

Variety of products sold

Big Bear is a "general retailer," Freund added, selling not only farm supplies and hardware, but also automotive supplies, paint, clothing and household goods. Big Bear maintains distribution centers in Ottumwa, Iowa and St. Cloud, Minnesota. Distribution of NSW products is made from the Big Bear warehouses, as well as by direct shipment from NSW to the various stores.

NSW's Inside Salesmen serving the account are Mike Dunn and Al Lopez, while Duane Goettsch is the territorial salesman calling on the account. Jim Treacy is also in frequent contact with the firm.

Steel Service Center executives meet with NSW management

Andrew Sharkey, President of the Steel Service Center Institute, Cleveland, Ohio, together with executives of six Steel Service Centers located throughout the United States, all members of the SSCI Executive Committee, recently visited Sterling to meet with members of Northwestern's management. The SSCI meets on a regular basis with executives of various steel firms for discussion of subjects of importance to both.

SSCI executives attending the meeting represented two of the three largest Steel Service Centers in the country: John B. Foster, President of Joseph T. Ryerson & Son of Chicago, the largest Steel Service Center in the country, and Jim Wall, President of O'Neal Steel, Birmingham, Alabama, the third largest in the United States.

Other SSCI members at the meeting were: Robert J. Applebaum, Operations Manager of Consumer Steel Products Co., Cleveland, Ohio; Eugene C. Comfort, Vice President and Treasurer of Pacific Metal Co., Portland, Oregon; David N. Deitzer, President of Denman & Davis of Clifton, New Jersey; and James S. Todd, President of the Cincinnati Steel Products Co., Cincinnati, Ohio.

Discussion at the meeting focused on service center/producer relationship, zeroing in on questions such as what does Northwestern consider to be a good order? Executives from Northwestern who participated in the meeting and discussion included Robert M. Willhew, President and CEO; Jerry Shinville, Manager of Quality Assurance; Jim Galloway, Manager PCIC; Ed Maris, Vice President of Finance; Bob Martin, Vice President of Purchasing; Vero Johnson, Manager of Sales, Steel Division; and Chuck Biermann, Vice President of Steel Division Sales. Some of the subjects covered during the luncheon meeting included:

- What products or product mix constitutes a good order from the standpoint of the producer?
- What items and/or order size is ideal for most profitable shipping?
- What is an ideal lead time for order entry?
- How can communications be improved?

Topics also discussed during the meeting were electronic data interchange, service center practices that are in conflict with mill operating profit goals, capital expenditures, and the assessment of current business conditions.

Since over 70% of Northwestern's Steel Division sales are made to Steel Service Centers, these meetings are extremely important, and this particular meeting proved to be a very productive and fruitful session.

Teamsters join QIP/LMPT program

A new QIP team composed of Northwestern Steel and Wire Teamsters and Steelworkers from the Scale House is now being formed, according to QIP/LMPT Management Larry Miller.

At an April 15th Teamster/Management productivity meeting, Teamster representatives unanimously agreed to participate.

The new group marks the first time Teamster members have been involved in the QIP/LMPT program. "It is going to be a new experience for us," Miller said. "They were very enthusiastic about becoming part of the process."

Craig DeWitt, Leased Fleet Supervisor, said about 67 Drivers and Hostlers are members of the Teamsters. A memo was sent April 23 requesting volunteers for the group. "We have already received a few responses," DeWitt said, adding that a minimum of eight is needed to form the group.

A training session will be conducted after the team roster is finalized. Teamster representatives attending the April meeting include Robert Wroton, Johnnie Leonard, Frank Lethmer, R.G. Latrop, and Allen Humphrey, while Assistant Manager of Transportation Services Dave Hadley, Miller, and DeWitt presented information on the QIP process.

Tips from a pro

Phone training seminar

Inside Sales personnel for Northwestern Steel and Wire Company learned tips on making telephone sales from Peg Fisher, followed a special training seminar for NSW.

About 18 employee/owners, including salespeople, management, and sales support staff, attended the one-day, tailor-made session on April 1st.

Fisher, a professor at the University of Wisconsin, Madison, and owner of Peg Fisher and Associates, Inc. specializes in telephone seminars.

Ray Bauer, Assistant Manager of Sales, Steel Division, said the purpose of the seminar was to give Inside Salespeople professional selling skills training and to explore the present NSW telephone selling program.

"The inside selling program involves a lot of customer service," Bauer said.

"The primary purpose of the Inside Salesperson is to get an order, but as a result, the program also zeroes in on how to better service customers and generate more profits," he added.

Topics included preparation for telephone selling, basic etiquette for handling people on the telephone, and steps in the selling process.

The multi-media presentation, which included slides, video, lectures, and participant interaction, also focused on honing selling skills.

The sales personnel were trained to ask probing questions and to remind customers of special NSW features and benefits, while doing business with Northwestern. They also learned ways to deal with objections, handle paperwork, keep customer information records, and initiate and make follow-up sales calls.

"The seminar is one further step to improve the professionalism of the NSW Inside Sales Staff," Bauer said.

He added that the training will continue as the Division utilizes the workbooks each participant in the seminar received.

Steel Division Inside Salesmen listen intently during a telephone selling techniques seminar.
NSW retirees take their turn

Everything and everyone has a season; a time to turn from everyday labors to the golden years of retirement. On May 1, several Northwestern Steel and Wire Company employees took their turns to step away from the Company, retiring after years of dedication to the Company. The Owners Manual congratulates these retirees and wishes them well in their future endeavors.

41 Years Raymond Schutt, Jr., Nail Room, machinist.
25 Years Santos Chavez, Casters.
24 Years Lucio Sotelo, Casters.
23 Years Sherman Frederick, Drawing Room.
19 Years Donald E. Cole, Carpenter Shop.
16 Years William Deter, Galvanizer.

Savings could total $8,000

Rolling mills need new wiring

The intercom systems in the Rolling Mills at Northwestern Steel and Wire Company need to be rewired, according to a Quality Improvement Program recently completed by Engineering Support Team No. 2. The QIP was launched because lack of diagrams for the wiring in the 12-, 14- and 24-inch Mills has caused repair crews to spend an excessive amount of time tracing wiring to repair the system.

The EST also recommended new wiring as damping system, allowing:

The team included co-leaders Cled Yochum and Jack Haft, co-controllers Mike Hughes and Ruben Moreno, and members Dick Williams, Mike Lubba, Bill Scott, Steve Bell, Jerry Bauer and Dan Anderson.

The problems studied by the team included old and bad wiring, obsolete amplifiers, exposed wiring, unmarked junction boxes, too many splices, dead-end wiring and intercom wiring in the same conduit as high-voltage wires.

Pilot study completed

A pilot project was completed at the Company's 24-inch Mill, tracing and documenting the intercom wiring at a cost of about $1,200. The EST recommended similar work be done at the 12- and 14-inch Mills.

The team recommended that time be allocated for replacing the bad wiring at the Mill by electronics people when Mill time permits, the study states.

The study also recommended several improvements to the present intercom wiring system, such as replacing tube-type amplifiers with modern solid-state amplifiers.

The benefits to NSW would include, according to the study, “better communication, less intercom downtime, more reliable and serviceable equipment, resulting in less maintenance costs.”

Downtime reduced

The team could not come up with a firm estimate of the dollar savings to NSW which could be realized, but estimated the improvements would cut in half the 32 hours of downtime per year caused by the intercom wiring problems. Four hours of production is lost each year due to intercom problems, the study noted. Improved implementation of the recommendations would reduce lost production time to two hours annually.

The result could be a savings of about $8,000 per year.

Dollars and Sense Seminar booklet being edited

The day-long Dollars and Sense seminar, during which a substantial number of NSW employee/owners learned about problems that affect the business of the Company, have now been concluded.

However, the booklet originally distributed to employee/owners is now being updated and expanded to include many of the questions asked during the seminars.

As soon as the revised booklet is completed, it will again be distributed to all employee/owners.

Steel users rap extended quota demands

Aging that protecting the steel industry at the expense of the rest of the U.S. economy will make the nation less competitive in world markets, steel-consuming firms have attacked the steelmakers' demand for extended import quotas. "In the 1990s, the U.S. is going to have to compete in world markets. If it is to do so, it cannot have a steel policy that makes U.S. steel users noncompetitive and ignores the needs of the rest of the U.S. economy," declared Paul London, an economist representing the Coalition of American Steel-Using Manufacturers.

Steel import restrictions will result in higher steel prices and reduced U.S. exports of manufactured goods, he added.

Industry and steel labor officials squared off on Capitol Hill against London and other import quota critics in a debate sponsored by the Northeast-Midwest Congressional Coalition.

The current Voluntary Restraint Agreements limiting imports to about 20% of the U.S. market expire later this year. The steel industry and the United Steelworkers Union want the restraints renewed for five years and expanded to cover additional steel-producing nations. Legislation to renew the quotas is pending on Capitol Hill.

NSW Security Guard Delores Estes is Northwestern's first female Security Guard.

A first at NSW Female Security Guard on duty

The job is the same — making rounds and answering report-off phones. The training is also the same, including CPR, first-aid, and fire training.

The uniform, too, is identical, but when Delores Estes began working January 30th, she made NSW history as the first female Security Guard.

Bruce Stevens, Chief Supervisor of Security, admitted a few of the men were skeptical when Estes first donned her uniform and began working. That was quickly overcome, though, as Estes proved she is capable of handling the job.

As soon as Estes started, he has had several inquiries from other women interested in the position, though no full-time jobs are available at present.

Another ESOP in action

Weirton improvements approved

Weirton Steel Corporation employees/owners demonstrated their concern for the future of their plant recently by approving a $650 million capital improvements plan.

The 6,700 members of the Independent Steelworkers Union at Weirton Steel agreed to a reduction in profit-sharing to pay for the renovation, which will give the West Virginia steel mill a "world class" facility capable of competing in the world market far into the future.

The plan approved by the steelworkers will reduce profit-sharing from 50% to 35% of time beginning in 1989.

Like Northwestern Steel and Wire Company, Weirton Steel is operated under an ESOP agreement, making its employees stockholders who have a say in major changes.

Herbert Eliah Chairman and President of the company said the capital improvements plan emphasizes new technology. The continuous slab caster will be renovated for 100% cast capability, and the hot mill will be refurbished.

Furthermore, Weirton Steel plans to consider implementing an underwriting public offering of up to 1.5 million shares of stock, about 23% of the company's common stock, later this year. Employee/owners would have the option of selling their stock if it is offered on the open market.

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