



**WESTFIELD STEEL INC**

Working for your business.

## Does anyone have a magic wand?

By Fritz Prine, CFO, Westfield Steel

There are many signs that our economy is getting stronger. For one, exports by the main manufacturing countries are up sharply over the past three months. U.S. consumer spending is also on the rise. That said, there are two large risks that could affect a mild recovery or even cause a second recession.

The first risk: the U.S. Federal government's recent spending spree has caused our national debt – when adjusted for inflation – to grow higher than it was following World War I or World War II. This means that when our economy does get stronger and we export products, the wealth that we create goes to those who hold our debt (China, among others) rather than going to increase our standard of living. The other side of the China coin is that they need the U.S. consumer market for their products. They hold a lot of our debt, but the U.S. consumer helps drive their economy.

The second risk is the slow bank system failures of the weak European countries known as the PIIGS (Portugal, Ireland, Iceland, Greece and Spain). This would cause stronger

European countries, such as Germany and France, to save them, hurting their economic recovery. Worse yet would be a bailout from the IMF (International Monetary Fund), which gets most of its funds from the U.S. government. That means it comes from our federal income taxes.

In regards to steel, we will be one of the last industries to come out of the recession. The commercial and residential real estate sector is still declining nationally. There is too much supply everywhere. U.S. vacancy rates for office, retail and warehouse space are at their highest in two decades (even higher than the 1991 peak after the California real estate crash). The U.S. Department of Commerce has said that it may see the bottom in June. For manufacturing, the sectors to rebound first are high-tech, bio-tech, power, and telecom. Heavy equipment, auto, and building materials will be the last ones out.

A sign of encouragement: our steel shipments have increased, along with our industry average, for five months in a row. Imports have declined almost

50 percent versus last year for all steel types. Rebar imports are at their lowest since 1995 and China is ramping up energy production and infrastructure projects. That is actually good for us, as they consume more steel internally. What would really help the steel industry in the short term would be to magically change the stimulus expenditures that went to unions and public employee pension funds into expenditures that build large power and transportation infrastructure projects. Does anyone have a magic wand?

What does all of this mean for our company? My thought is to focus on what you can control. The need is there to focus on finding new customers in emerging markets, controlling costs, improving quality, and taking care of your customers.

### Contact Us

530 State Road 32 West  
Westfield, IN 46074  
call | 800.622.4984 fax | 317.896.5343  
westfieldsteel.com

## COMPANY NEWS

### Congratulations, Farmer Family

On April 24, Jamie and Cassie Farmer welcomed a 7 lb, 19.5” son, James Walter Farmer, into the world. The baby boy is healthy and all of Westfield Steel wishes the family many congratulations.



### Company Racing Event

Ever seen a “bomber” car in action?

You could soon. Westfield Steel is planning a company event at the Lincoln Park Speedway on an upcoming Saturday this summer – date and time to be decided. Employees

will be able to enjoy some food and cheer for JR Watkins and Billy Tarrh as they race their “bomber” cars.

Lincoln Park Speedway is near Putnamville on I-70.

### Westfield Steel Hog Roast

Westfield Steel is also planning a hog roast this summer. Jerry Keeney will be the official roaster and a location and date are still to be determined. Stay tuned for more details.

### Benefits Update

Our health savings account provider, Fifth Third Bank, is offering two new options with your account. In addition to a regular savings account, you will be able to invest into mutual funds, bond funds and money market accounts. The second option is online bill payment, a common bank feature with other checking accounts. If you are interested, please check with your supervisor or HR for the information.

### Anti-Smoking Ordinance

Due to Ordinance No. 09-09, which amends Chapter 9 of the Code of Ordinances of the City of Westfield, Ind. and creates the new Article XIII prohibiting smoking in public places, the no-smoking ordinance at Westfield Steel will now be enforced.

Please be respectful of this rule and the health of yourself and your coworkers.

If you would like help quitting smoking, visit your family physician or call the free Indiana Tobacco Quitline at 1-800-QUIT-NOW to speak with a trained Quit Coach.



**1-800-QUIT NOW**  
Indiana's Tobacco Quitline

## EMPLOYEE PROFILE

### Katina Cherry Stresses Customer Service

In today's up-and-down economy, Katina Cherry firmly believes customer service is essential.

A production administrator at Westfield Steel, Cherry is quick to point out what can happen when service is lacking.



"If the customer is not happy they will go someplace else," Cherry said. "We've always strived to achieve the highest level of customer quality and satisfaction. We want to give the customer what they need in the most affordable way and provide quality parts."

Cherry noted that Westfield Steel has always worked hard to make sure the customer's expectations are always met.

"If you really put some effort into your work and make sure the customer is getting exactly what they asked for, you won't have any problems and the customer will keep coming back," Cherry said.

Cherry, a former stay-at-home mom, has now been with Westfield Steel for eight years. As production administrator, she also works on allocations and orders studs.

"The people here are great and the work is challenging," Cherry said. "We always have a lot to do and I'm always busy, which I enjoy. Westfield Steel is important to me because I am a part of a team that works together to get the job done and delivers to the customer in a timely manner."

Cherry added that companies that don't keep up with trends get left behind.

"I think Westfield Steel's website has helped a lot and we have made things easier for our customers," Cherry said. "At the same time we are being current, we are also making sure that we get to know our customers and people have responded to Westfield Steel being a family business. The Prines are great people and have been good leaders."

### Westfield Steel Employee Service Anniversaries:

#### March

Reutman, Jason	10.2 years
McFarland, Steve	9.2 years
Mitchell, Vernalee	2.2 years
Farmer, James A.	2.2 years
Tarrh, Billy	2.2 years
Mason, Nicholas	1 mo
Harville, Jr, David	2 mo
Bess, Steven W.	2 mo

#### April

Franzen, Michael P.	17.1 years
Turner, Donnie W.	10.3 years
Estepp, Greg	6.1 years
Frownfelter, Eric	6.1 years
Greek, Christopher	3.1 years
Plake, Gerald A.	1 mo
Vann, Shawn D.	1 mo
Jarvis, Jeremie B.	1 mo
Gaiser, Stephen A.	1 mo
Carey, Toby L.	1 mo

#### May

Watson, Brent	New hire
Hill, Travis	New hire
Wilson, Brandon James	New hire
Cesaretti, Joseph	New hire
Hoffman, Marianna	19.1 years
Doud, Julie A.	13.0 years
Hargis, Robert	6.0 years
Beer, Vincent	4.1 years
Alexander, Brett	2.0 years

#### June

Prine, Charles F.	33.0 years
Prine, Karyn P.	33.0 years
Powers, James	15.0 years
Keeney, Gerald	13.0 years
Hendricks, Rodger	10.0 years
Young, Victor	8.9 years
Wilson, Clarissa	8.0 years
Hively, Lori	8.0 years
Thompkins, Kelvin	1.9 years
Morton, Gregory	0.9 years

## EMPLOYEE PROFILE

### Paul Edwards Has Played Many Roles at Westfield Steel

During the more than 19 years Paul Edwards has been with Westfield Steel, he has worn many different hats.

He has been inside – as in sales and overseeing special projects – and outside – in the capacity of serving as a maintenance manager and, most recently, as a quality assurance manager.

“Quality Assurance is vitally important today,” Edwards said. “It can be seen in the way businesses compete. And, it can be seen as the end product of the management system... which is customer satisfaction. Most of all, it is a big tool in maintaining our present customers and in attracting new business.”

Edwards has had some major accomplishments in the almost two decades he has been with Westfield Steel.

The four opportunities that really stand out for him are:

- “The achievement of the ISO 9001:2000 (certification) was the accomplishment that stands out the most because it involved participation of every Westfield Steel Employee to achieve,” Edwards said.
- Helping in the re-organization of the Westfield Steel warehouse
- The opportunity to work with many dedicated fellow employees.
- The opportunity to work for dedicated and high quality owners.

Edwards said the steel industry has changed the most through the technology that is used today in warehousing and processing.

“It has also become more competitive,” Edwards said. “So many smaller companies today are being swallowed up by the big conglomerates and stressing personalized service is

the way to stand apart. Fred Prine was always good about making that important.”

Before joining Westfield Steel, Edwards worked as a plant manager at Perry Manufacturing and as a part-owner and plant manager of Industrial Coating Service.



“I’ve had a lot of experience in this industry but I’ve been especially happy at Westfield Steel,” Edwards said.

Even so, Edwards is easing into retirement by cutting his work “week” to three days. The additional time off gives him more time to travel with his wife, Linda, and play golf.

When he was asked for a photo, Edwards joked that it would be tough to get a picture of him taken when he was actually getting some work done.

“Somebody is going to have to be fast to get that picture taken,” Edwards laughed.