

NEWSLETTER

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Joe Penne, Editor

AN INTRODUCTION TO YOUR MUELLER NEWSLETTER

(Decatur) . . . This is the first issue of MUELLER NEWSLETTER--an effort to keep you and your family better informed about Mueller Co., its activities, its operations and developments. The Mueller Newsletter replaces our internal Main Connections, which we believe had become inadequate to do the job for which it was originally designed a number of years ago. We expect to continue to publish the Mueller Record and you will receive a copy as usual.

Many companies today are improving their internal communications programs and are replacing the traditional newspaper, which carried news of births, deaths, weddings, bowling scores and vacations, with a newsletter containing information of broader interest. There is competition for everyone's time today, and the brief, concise items used in newsletters make them easier and quicker to read. The Mueller Newsletter will carry news of service awards, retirements, awards and achievements by employees, reports on the company's status or problems, material on the industries we serve, and other news of general interest. It is being produced internally rather than being dependent on the schedules of local print shops, thus allowing us to publish more timely information and more frequently than was possible with Main Connections. The Mueller Newsletter is an experiment and an effort to improve communications within the company. We hope that we can offer something for everyone in the Mueller Newsletter. If you have any comments, questions, story ideas or a "rumor" you want confirmed or denied, please pass them on to Editor Joe Penne, Decatur.

SAFETY PAYS OFF AT MUELLER, LIMITED

(Sarnia) . . . Accident prevention programs pay off! The folks at Mueller, Limited vouch for that and can prove it. For some time management at Mueller, Limited had been increasingly concerned about the company's accident rate. So, in 1966 new emphasis was placed upon a concentrated safety program. Since line supervisors first had to be made aware of the need for greater efforts, a training course on safety was set up by the men themselves and conducted with help from outside sources. Once the foremen "sold themselves" on the worth of the project, a new plant-wide program was introduced. The Safety Committee was reorganized to include equal representation by union and management and a man from the bargaining unit was elected president.

This committee provides the impetus, ideas and incentives.

General awareness of the program was stimulated by the erection of departmental safety bulletin boards which carry each department's best accident-free period and its running daily score. A department going one year without a lost time accident is presented with a framed certificate and each employee is given a silver dollar. If a department goes three years without a lost time accident, a gift of greater value will be presented. If the plant as a whole operates for a month without an accident, a drawing of \$25.00 will be held with each employee being eligible. For each additional month the plant is accident-free, the monthly prize increases another \$25.00.

Has it paid off? Judge for yourself. In May of 1966, Mueller, Limited stood 93rd out of 98 manufacturing plants employing from 250 to 499 employees. Today it stands 28th out of 84. The accident frequency rate has dropped from 69.94 to 13.77 per million man hours worked. The severity rate has also gone down, dipping from 1308 to 211 hours lost per million man hours worked.

Accident prevention programs are important to every employee, his family and to the company. An accident--even a minor one--can be costly, and the folks at Mueller, Limited are sold on the values of safety programs. WORK SAFELY!

ANNUAL MEETINGS HELD IN MARCH

(Decatur) . . . Mrs. Bessie I. Mueller of Port Huron, Michigan, widow of Ebert B. Mueller, was elected March 12 to the Board of Directors of Mueller Co., at the annual shareholders and board meetings. Ebert Mueller was a member of the company's board from 1959 until his death in December, 1968.

All other company officers and directors were reelected.

Company officers are:

- Albert G. Webber, Jr., Chairman of the Board
- John F. Thurston, President and Chief Executive Officer
- Paul Hickman, Vice President - Manufacturing
- Lyle R. Huff, Vice President and Secretary - Treasurer
- W. R. Leopold, Vice President - Engineering
- William E. Murphy, Vice President - Marketing
- Harlan A. White, Vice President - General Manager (Chattanooga Operations)

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Members of the Board of Directors are:

Albert G. Webber, Jr., Chairman
Frank H. Mueller, Chairman of the Executive Committee
Joe H. Gardner
Robert V. Krikorian
George McAvity
Adolph Mueller II
Mrs. Bessie I. Mueller
E.K. Scheiter
John A. Schluter
Mrs. Lenore Mueller Schmick
Franklin B. Schmick
John F. Thurston

* * *

At Mueller, Limited's annual meeting March 13, C.S. Browett, secretary-treasurer of Mueller, Limited, was elected to the firm's Board of Directors, filling a vacancy on the board created by the death of Ebert Mueller.

All other company officers and directors were reelected.

Company officers are:

George McAvity, President and Chief Executive Officer
R. M. Nicolson, Vice President and Director of Marketing
L.M. Coates, Vice President and Director of Manufacturing
C. S. Browett, Secretary-Treasurer

Members of the Board of Directors are:

John F. Thurston, Chairman
Lyle R. Huff
George McAvity
Frank H. Mueller
R. M. Nicolson
A. G. Webber, Jr.
L. Merlin Coates
C. S. Browett

PAYROLL PROCESSING MOVES TO COMPUTER

(Decatur) . . . In less time than it takes for you to say $2 \times 2 = 4$, a computer can run through this calculation a million times--with complete accuracy. A computer is not a "thinking" machine but its speed and accuracy give it almost unlimited capacity to assume many of the tedious, time-consuming chores in business. During March, Mueller Co. began switching a large share of hourly payroll processing in Decatur to its IBM/System 360 computer. A computer can take the number of hours worked, multiply it by the hourly rate, make deductions and calculate taxes for an individual in less than a 100th of a second. In addition to this speed, a computer can store vast amounts of data and make available information that wasn't possible before without hours of work. The control of time keeping and the interpretation of information reported will remain in the hands of clerks and individuals, but the laborious task of figuring rates, hours and jobs can be done, without error, in fractions of seconds by utilizing the speed of the data processing equipment and the millions of bits of information stored in its files.

When we say that a computer doesn't make errors we refer to its internal capacities to make calculations from data given to it. Errors occasionally occur because incorrect material has been given to the equipment or because it was not given proper instructions by the operator. The computer is electronic and mechanical, and depends on correct information and knowledgeable people to make it work right.

Mueller, Limited in Sarnia has been processing its payroll on its computer for a number of years with great success. There were periods of adjustment and some errors before all of the system's "bugs" were worked out. Today, however, it is just another of the many jobs performed by their equipment. The success of the changeover in Decatur and the accuracy of it initially will depend, for the most part, on its acceptance by everyone, and on the care given in reporting needed information.

REVIEW OF 1968 OPERATIONS

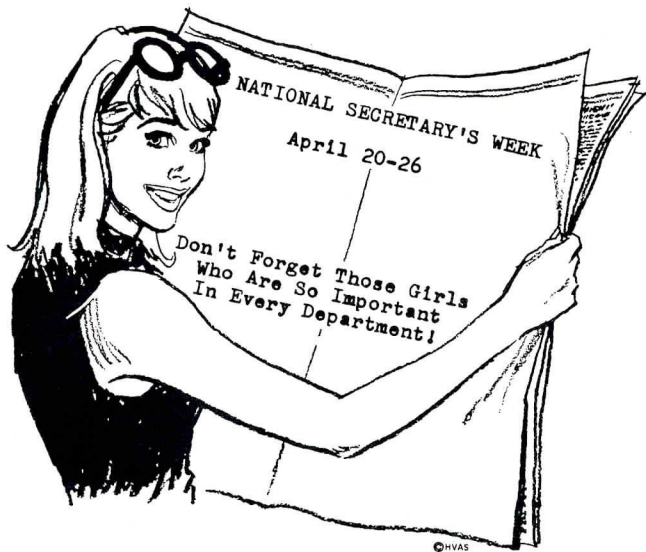
1968 was a fair but still unsatisfactory year for Mueller Co. High start-up expenses at Chattanooga continued to be a heavy drain on profits. In addition, we experienced other large cost increases -- labor, materials and taxes, to name a few -- which could only be partially offset by somewhat higher sales volume and increased prices for our products. We, like other manufacturers whose production levels are closely tied to activity in home construction, have not enjoyed the same prosperity experienced by most industries during the 60s.

The frequently forecasted housing boom hasn't yet occurred. Pressure created by the need for new homes continues to increase, however. We can all hope that the 70s will bring the long awaited breakout.

PRIVATE PENSION PLANS PAID \$5 BILLION IN '68

(Washington) . . . A giant annuity program funded by business and industry paid nearly \$5 billion to about 4,000,000 retired employees in 1968 through pension plans from private sources. The National Chamber of Commerce says that "the whole economy benefited" from about \$114 billion in current assets held in trust for present and future retirees. The National Chamber calls the growth of private pension plans "one of America's most recent success stories." Since the 1940s, the number of privately pensioned retirees has increased 20 fold, while benefits and assets have risen by a factor of 50. It will continue to grow, too, according to predictions which say that in 1981 there will be some 9,000,000 retirees who will be paid \$12 billion annually.

Pensions are a very important part of the Mueller Co. benefits program. The plan is particularly attractive because it is entirely financed by the company without any contribution from employees. Although it costs recipients nothing, it is a very real cost to the company. \$1,000,000 is budgeted for 1969 to go into trust funds to cover future costs of retirement programs for U.S. employees at Mueller. In 1968 about \$500,000 was paid in benefits to more than 250 active retirees or spouses--benefits that make retirement years so much more enjoyable.



SOME FAMILIAR NAMES IN NEW PLACES

(Decatur) . . . In a recent reorganization of the Headquarters Engineering Division, Larry Luckenbill and Bill Hauffe were named section leaders in Research and Development. Both men have other engineers assigned to them and will be responsible for specific projects assigned to their sections. Hauffe and Luckenbill will report to Carl Floren, group project engineer. The change will make for better over-all coordination of research and development activities and more clearly defined work assignments. George R. Lebo, former manager of data processing, has been promoted to the new position of manager of manufacturing requirements and will be responsible for direction of all production scheduling, inventory control procedures and related functions in Decatur. George F. Hrubecy, former assistant manager of data processing, succeeds Lebo as manager of data processing. John Buzan, formerly programmer in data processing, has been promoted to the position of senior programmer. Kenneth Moore, Jr., formerly computer operator, has been promoted to programmer trainee.

(Chattanooga) . . . John Hixon, former Machine Shop foreman, has been promoted to general foreman-Machine Shop, and is responsible for the over-all operation of that department. Dean Andrews has been appointed foreman on the second shift in the Machine Shop.

News Briefs

The Mueller Co. Employees Credit Union in Decatur recently held its annual meeting and elected Charles L. Brown president and Pershing Griffith vice president for 1969. Harold Munsterman was reelected treasurer and R. Dale Streight was retained as secretary. Leon Nelson was elected to the board, succeeding John Dennis who did not seek reelection. Other members of the board are: Delmar Bagenski, Amos Bailey, Eric Blankenburg, Otis Fears, Howard Gleespen, George Paxton, Tony Schultz, Orville

Spencer Jr., Harold Taylor and Cecil Wilson. The organization's annual statement shows assets of \$2,368,890 and more than 1,500 members as it begins its 25th year. * * * Mueller Co. ranked eighth in use of Decatur Memorial Hospital by major employers in 1968 according to a survey just completed. The ranking was figured on the total number of patients served by the hospital. Last year 365 Mueller Co. employees and/or members of their families were patients at Decatur Memorial. Figures from St. Marys Hospital are not yet available. Such statistics point out the value of a good hospitalization insurance program. * * * According to the publication Gas in Canada, housing contracts let in December were up 105% compared with the same month a year earlier. This is welcome news to the citizens of Canada who have been hard pressed for many months because of a housing shortage. In addition, it is important news to Mueller, Limited employees, since the company's business is so closely related to the housing industry. Mueller, Limited not only produces most of the same products that Mueller Co. does for the water and gas industries, but it has a complete line of plumbing goods, making it very dependent upon construction. * * * Four members of Local 838, Allied Industrial Workers, Decatur, have been attending an eight-week course on community service counseling. Among 50 union people attending are: Carl Boline, Joe Fyke, John Niederbrach and Charles Canaday. The program covers services of social and health agencies, both private and public, and instructs the representatives on the ways to refer their members to the proper agencies when a need arises. * * * Findings in favor of the company have been returned by Arbitrator Elmer P. Hilpert in the dispute between Mueller Co. in Decatur and Local 838, Allied Industrial Workers. Agreement to submit the two unresolved grievances to final and binding arbitration ended a two-week strike last October. * * * Martin (Sport) Riewski (Dept. 70, Decatur) recently received recognition at the annual awards and installation dinner of the Decatur Trades & Labor Assembly. Riewski of Local 838, AIW, was recognized for his work with the blood bank program and for his efforts with the AIW's children's Christmas parties. * * * Mueller Co.'s seven district sales managers were in Decatur the first week in March for 2½ days. They were briefed on company operations, products, advertising, new procedures and individual plant operations. A plant managers' meeting, attended by Harlan White from Chattanooga, Eli Lockard from Brea and Merlin Coates from Sarnia, was also held during the same week.

DECATUR SUPERVISORS ATTEND TRAINING COURSE

(Decatur) . . . About 90 supervisors in Decatur are attending a training course prepared by the American Management Association dealing with the development of supervisory skills. Classes of about a dozen men in each group will attend two hour sessions for eight weeks. Some "home work" is also necessary. Charlie Moore, assistant to the vice president-manufacturing, is serving as discussion leader. During recent months, 88 supervisors in Chattanooga and more than 30 at Brea completed the course.

Retirements

The following employees retired during January and February:

Chattanooga

J. P. Ramsey, janitor, 28 years.

Decatur

Randall R. Rawlings, torque adjuster in Dept. 80, 22 years. Robert Pate, ground key packer in Dept. 80, 22 years.

Mueller, Limited

The following have recently retired.

Maurice Bryan, key machine operator, 25 years. Leslie Crooks, polishing and plating room foreman, 44 years. Thomas Geary, toolmaker, 26 years. G. Russell German, shop laborer, 26 years. Philip Hamilton, stock clerk, 45 years. Albert LaBelle, utility man, 16 years. George Maitland, turret lathe operator, 28 years. George Scott, shop laborer, 18 years. Simon Van-Oosterom, shop laborer, 14 years. Frank Sewter, core maker, 26 years. O. Cecil Spears, cost accountant, 43 years. Frank Tithcott, utility man, 27 years. Myrtle Tricker, accounts payable clerk, 20 years. Percy Webb, janitor, 25 years.

Service Awards

The following employees received service awards during February:

Brea

5 Years: Alfred Covarrubias, Austin Langworthy, Harry Buffum, Shirley Gerling.

Decatur

5 Years: Gloria Marques, John T. Flowers, Janet Brumaster, Carl E. Thaxton.

10 Years: Howard E. Mayberry, Thomas C. Gerstner, Violet V. Sargent, Ernest E. Utt, Noah D. Mayberry, J. Douglas Roberts.

15 Years: John W. Niederbrach, Jack P. Parsons.

20 years: Richard D. Kitchen, Dale L. Mathes, Delbert H. Guin.

30 Years: Karl C. Denson

40 Years: Gladys M. Masterson, John C. Willis.

Mueller, Limited

5 Years: William Abrametz.

10 Years: Bernard Velestuk.

15 Years: Louis Boulanger, George McLean.

Chattanooga

5 Years: James Hands, Willie L. Jones, Martin L. Crowder, Jr., James M. Hamby, Warner A. Ricketts, Andrew J. Bullard, Jr.

10 Years: Bobby G. Bailey, M. C. Wise

20 Years: Jesse Lee Graves.

NEWSPAPER CITES EFFORTS TO FIGHT AIR POLLUTION

(Chattanooga) . . . A recent story in the Chattanooga Post is devoted to Mueller Co.'s use of electric induction remelt furnaces and their effectiveness in combating air pollution. In addition to certain economies after the initial costs and greater control of the metal, the electric furnaces eliminate the fly ash and other particulate that is found with the cupola furnaces, according to the story. At the old Chestnut Street plant the open-cupola method was used and coke and other fuels were burned to create heat for the melting process and as a result a great deal of smoke was created. The new furnaces allow better housekeeping, according to the Post story, and eliminate the dirt and ash that accumulated on employee cars, buildings and the neighborhood. The article says that Mueller Co. has been a leader in the use of induction furnaces, mentioning that the company installed one of the first electric furnaces in the brass foundry industry in Decatur about 14 years ago. The story quoted Vice President and General Manager Harlan White as saying, "The plant is more presentable. Our grounds are clean, cars cleaner, and in general the plant area does not look like a foundry." (Due to the nature of many industries in Chattanooga, the city has become very conscious of air pollution and is taking steps to reduce it. Many companies like Mueller are doing their part in this effort.)

MUELLER SHARES IN COST OF EDUCATION PROGRAM

(Decatur) . . . Mueller Co. is one of the eight Decatur industries sharing the cost of establishing educational centers for the University of Illinois' "Multi Media" program. The current study program offers graduate level courses in engineering that local men, including Mueller engineers, could get no other way. "Multi Media" uses one direct telephone line to carry voice transmissions and another to carry visual transmissions, permitting the professor in the classroom at the University of Illinois in Urbana to conduct classes in Decatur. The Decatur education centers will be at the Caterpillar Tractor Co. and at Millikin University in the Mueller Industrial Laboratories building. The Mueller Lab, by the way, was built and equipped many years ago through a contribution by Mueller Co.

DECATUR RETIREES GET TOGETHER

(Decatur) . . . About 1,500 years of service with Mueller Co. were represented by 42 retirees who met March 6 at Ashby's House of Plenty. The get-together was the first move to set-up an informal group which could meet on a regular basis. From the response the first meeting was successful and another session was set for noon April 3. There are no officers and the only requirements to belong are to be retired from Mueller Co. and to come to the meetings when you feel like it. The aims are equally simple--fellowship and a chance to see and talk to many of your old friends. The first meeting consisted of a lot of greetings, talk, and lunch for those who wanted it. No reservations are needed--just come. Among those to contact for further information are: Mac McKinney, Leo Siloski and Russ Armstrong.