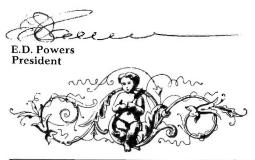




SEASONS GREETINGS

This past year has been a difficult one and I would like to acknowledge the sacrifices and efforts of all our employees which helped bring our Company through these very trying economic times. The prospects for next year appear brighter thanks to an anticipated upturn in housing, one of the Company's main sectors of business.

As we start the New Year I would like to extend to all our employees, their families, and friends, a warm and sincere Christmas and New Year Greetings from the Mueller executive staff. May the spirit of Christmas fill your homes and may each of us experience the peace that is the symbol of the Season.



MUELLER ACQUIRES SUPERIOR STAINLESS

Mueller Co. and Superior Stainless, Inc., Delavan, Wisconsin, have announced that an agreement has been reached for Mueller Co. to acquire Superior. The transaction was completed on December 1, 1982 with Superior becoming a subsidiary of Mueller Co. on that date.

Superior manufactures specialized flow control devices and systems for the dairy, food processing, beverage and pharmaceutical industries. Their products include stainless steel valves, pumps and fittings which are designed to meet the rigid sanitation requirements of these and other process industries. Superior markets its products throughout the U.S. and Canada. Superior will continue manufacturing in Delavan, where the company normally employs approximately 100 people.

According to Edward D. Powers, President of Mueller Co., "This is the third acquisition



Superior-made valves, pump, fittings.



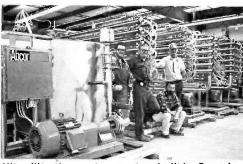
Superior Stainless, Inc. of Delavan, Wisconsin, Mueller Co.'s newest subsidiary.

announced by Mueller Co this year, as part of the company's program fo strengthening its position in emerging markets and tech nologies in flow control and related industries."

"The acquisition o Superior Stainless wil further enhance the com

pany's position in the flow control field," he stated today. Earlier this year, Mueller acquired the Judd Valve Company of Tulsa, Oklahoma and Leopold Company of Zelienople, Pennsyl vania. Both of these also manufacture flow control devices, although for different markets

Henry S. Lauterbach, President of Superior indicated that Superior is pursuing negotia tions because, "We believe it can benefit ou shareholders, employees, customers and the Delavan community. Acquisition by Muelle will provide an opportunity for the rapic growth."



Ultra-filtration system custom built by Superior for Abcor, Inc. which manufactures and supplies membrane modules.

Moore Retires; Ausnehmer Named VP-Operations

Charles W. Moore, Vice President - Manufacturing will retire at the end of 1982 after more than 40 years with the company.

Moore has been Manufacturing Vice President since 1973, when he joined Mueller's corporate staff in Decatur after serving as Assistant Plant Manager at the company's Chattanooga, Tennessee plant for nine years. He first worked for Mueller Co. in the Decatur plant in the early 1940's, and became a Jr. Industrial Engineer at Mueller after military service and graduation from Millikin University in 1948.



Fred Ausnehmer has been named Vice-President - Operations and will assume the functions of the Vice President - Manufacturing as of January 1, 1983. Ausnehmer will relinquish the position of Vice President - Finance, which he has held since 1979, as soon as a replacement is named.

Ausnehmer is a graduate of Colgate University in Hamilton, New York. He came to Mueller from the General Electric Company where he was Manager - Finance of the Food Service Equipment Business Division. He held financial positions with other General Electric Components and was a member of their Corporate Audit Staff.

Canadian Custom Casting

Mueller, Limitee in St-Jerome, Quebec has taken the opportunity made possible by the 24hour a day capacity of a new electric furnace to create some artistic new custom casting products. For the Drolet Company in Quebec, Canada's largest manufacturer of controlled combustion wood stoves, Mueller, Limitée has cast over 10,000 stove doors in the last three months.

All the doors are high quality castings of original hand carved wood sculptures showing French Canadian wood cutters of the last century at work. The sculptures were made for the Mueller doors by artists from St-Jean Port Joli, a renowned Quebec village of wood carvers. The finished castings done by Mueller, Limited are of such fine detail that even the signature of the artist is plainly reproduced.

The foundry at St-Jerome employs about 90 people and was acquired by Mueller, Limited in 1966. It produces iron castings required for Canadian and U.S. Mueller products.

Mueller, Limited at Sarnia, Ontario started operation in 1912. In fact, the Mueller plant is one of Sarnia's oldest industries. Mueller, Limited manufactures gas and water distribution products for the Canadian market. Sarnia is located 65 miles northeast of Detroit on the channel of Lake Huron.

The weight of the doors ranges from thirty to fifty-three pounds, and they are made from the high quality soft iron that is standard at Mueller, Limited. There are four different models this year, and more are planned for the future. The original wood patterns were carved in soft pine by the artists in St-Jean Port Joli, which is about 100 miles east of Quebec City on the St-Lawrence River. Then they were taken to the Mueller. Limited pattern shop in St-Jerome, near Montreal, where they were cast in aluminum to catch each fine detail. The final castings are technically remarkable in that the grinding operations are limited to the removal of the gate, due to the high quality of the Hunter molding complex used.

According to Jean-Claude Ferron, General Manager at Mueller, Limitée, the opportunity to



Mueller Limitée

General Manager

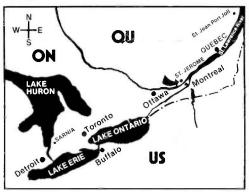
work with the F.X. Drolet's Energy Division on the wood stoves came with the addition of the electric furnace last year. Drolet is a traditional customer of Mueller, Limited. It buys water fittings, valves, and service boxes cast in St-Jerome, as well as a full line of brass products made at Mueller, Limited in Sarnia.

Ferron explains that the people of Quebec are encouraged to install wood stoves by the government. Cash grants are provided to people who supplement their heating systems with stoves that burn wood, a plentiful commodity in Quebec. Ferron says, "There is wood all around us, more wood than you can ever burn. Using it will help make the country independent of imported oil." He sees heating with wood as part of a trend toward old, solid valves in his French-speaking Canadian province.



Stove Door, "Le Godendard" which means cross cut saw

Ferron has taken the St-Jerome foundry business in another direction with the recent production of thousands of tree grates for the city of Montreal, the capital of Quebec. The historic section of the city is being revamped, and trees are being planted on sidewalks and boulevards to beautify the area and reduce the number of automobiles in the heart of town.



Mueller, Limited produces two models of the 400 pound iron tree gates used in the Old Montreal project and in several other municipalities and new shopping centers. Each model comes in a variety of patterns made of corrosion resistant grey iron. The grates fit into frames made of heavy gauge galvanized steel. Making these grates is another project made possible by the expanded capabilities of the foundry since the installation of the electric furnace.



Mueller, Limited tree grate at the entrance to Magill University on Montreal's fashionable Sherbrooke Street.

Decanter Earns Donations



Decanter

A decanter patterned after the Mueller Centurian® Fire Hydrant has helped raise \$325,000 for the International Association of Firefighters Scholarship Fund.

The limited edition decanter, the seventh in a series, is an exact ¼ scale replica of the Mueller Centurion® Fire Hydrant. The Lionstone Co., a subsidiary of Barton Brands Company of Chicago, has sold over 17,000 of the decanters. They contacted Mueller Co. over a year ago about creating the decanter, and ended up using a ¼ size hydrant sales model as the decanter pattern. Mueller's share of the funds raised will be used for college educations of orphans of firefighters who died in the line of duty. The scholarship is offered nationally.

The Mueller hydrant decanters are made of porcelain and contain Kentucky Bourbon manufactured by Barton Brands. The decanters have been sold in liquor stores across the United States for up to \$80 each. Many decanters were purchased for their value as a collector's items. Strictly Personal DECATUR

NEWS ABOUT MUELLER CO. EMPLOYEES AND THEIR FAMILIES

DECEMBER 1982



Coy West receives his Suggestion Award from Charlie Moore.

Suggestion Program

The employee suggestion Committee recently announced awards for 4 employees:

-	intry announced an area for tom	proj 000.
	Mike Myers	\$36.25
	Ike Gowan (2 awards)	\$68.00
	James Van Matre	\$32.50
	Coy West \$1	,699.50
	a	

Suggestion boxes can be found throughout Plant #1 and #4. All employees are encouraged to submit their ideas and suggestions to make Mueller Co. a more productive and safe place to work. Thanks again to these employees for their contribution.

00.00	Holidays
0.00000	Day Before Christmas — December 24 Christmas Day — December 27 New Years Eve — December 31 New Years Day — January 3

A Message from the Plant Manager... 1982 REVIEW... ...1983 PREVIEW

Mueller Co.'s 125th year will probably be remembered as one of its most challenging years. 1982 brought record high interest rates along with near record low housing starts, a "double whammy" which has wreaked havoc with our industry and helped throw the Nation into one of the worst economic slumps of this century.

Throughout it all the Decatur Plant, with all its employees working together for a common goal, was able to maintain a fairly stable workforce and continue to do the things that were necessary for a more secure tomorrow. Every department did its share to help us retain the majority of our people while our competitors were suffering massive layoffs. Production and Service departments saw employees picking up the slack left from their laid-off brethren; the Marketing Department landed several export orders that kept us afloat at a time when domestic orders were particularly poor; and our Safety Record was our best ever, achieving every goal set including an over 50% reduction in injuries per manhour.

We also saw the beginning of the end for two of our more pressing problems in 1982. The new ventilation equipment at the Foundries has greatly enhanced the air quality and working conditions, while the Foundry Modernization Program will, upon its completion, place the Decatur Plant in a more competitive position in our industry. It is therefore obvious that the Decatur Plant did a good job during trying times and I commend each of you for bearing

1982 Safety Program Is BIG Success!

In December of 1981 we introduced our new Safety Program which was designed to eliminate hazards and reduce accident rates immediately. The Program was well received



- and achieved the following results:
- Over 200 Safety Work orders completed.
- · 90% reduction in lost days due to accidents.
- 82% reduction in Lost Time accidents.
- 55% reduction in Doctor cases.
- 66% reduction in First Aid cases.
- 77% reduction in Accidents Per Manhour.

Every goal set for Safety was achieved and surpassed. We had more than 100 different prize winners from our Safety Drawings and we are hoping for 200 in 1983! With your continued support and cooperation we can make 1983 truly accident free. your share of the load with pride and perseverance.

And what does 1983 hold in store for the Decatur Plant? While I don't have a crystal bal there are some encouraging signs in the economy, and a few new and updated programs we plan to introduce that should help us make 1983 a year we can all be proud of During the past few months interest rates have fallen and housing starts have increased. If this trend continues through 1983, things will be looking up for the Decatur Plant. We plan or introducing new waste and energy conservation programs in 1983 and we expect to continue our good Safety Record while working or reducing scrap and improving productivity. The Foundry Modernization Program will be in ful swing and we anticipate production start up by early June. As you can see, there will be plenty of new challenges to meet and pas performances to live up to in 1983.

During this Holiday Season I would ask that each of you reflect upon how fortunate we have been in 1982 and that 1983 can be an ever better year if everyone will pull his own weight and do their fair share. The national unemployment rate has hit a post WW II high and for the most part we have escaped this destroyer of dreams. Together we can maintain and improve upon the successes of 1982 and face any challenge presented to us in 1983.

I wish each of you and your family a very joyous and safe Holiday Season.

Gene Hullinger

United Way Campaign Results

Once again the United Way campaign at Mueller Co. was very successful thanks to the hard work and compassion demonstrated by our employees. Even though our employment was down approximately 12%, our total contribution increased by 3.2% over 1981! This is particularly gratifying knowing the demands that United Way and its organizations are facing during these difficult economic times. Our employees' contributions for the 1982 campaign totaled over \$36,000. Special thanks should go to the organizers and solicitors for this years drive as they did an outstanding job. The employees of Mueller Co. can be proud of their support for the United Way of Decatur and Macon County.

SERVICE AWARDS For September, October, and November



P. Dean Ater 30 Years



Wendell L. McRoberts 30 Years



Clifford M. Endsley 30 Years



Keith C. Meachum 30 Years



Robert L. Foster 30 Years



Gerald Myers 30 Years



Bob W. Fulk 30 Years



Donald M. Rauch 30 Years

25 YEARS Walter Jenkins LeRoy Lawson Larry Donaldson

20 YEARS Glen Bieber William J. Henneman Walter Morganthaler John K. Rohman Bennett Wilkins Larry L. Hubner Robert C. Oyler



Gerald E. Mahaffey 30 Years



Paul G. Tolbert 30 Years Carl Middleton Robert L. Clark Jacob D. Giles Gerald M. Collins E. Mary Nolen 10 YEARS Lester G. Parker Franklin Fyke Larry E. Dietz Russell Wickline Joseph D. Sisk Eugene F. White

David L. Taylor David W. Salogga

Social Security Taxes - 1983

The wage base for social security will increase to \$35,700 in 1983, (up \$3,300 from the \$32,400 base in 1982). While the social security tax rate of 6.7 percent for employees and employers has not been adjusted for 1983, the wage base increase will result in maximum social security taxes of \$2,391.90 (\$221.10 over 1982).

The maximum amount of earnings permitted without loss of benefits for an eligible person will also be increased. Beneficiaries under age 65 may earn \$4,920 in 1983 (\$4,440 in 1982), and those between 65 and 69 years of age may earn \$6,600 (\$6,000 in 1982), before social security benefits are reduced. Beneficiaries age 70 and over may earn any amount, starting with the month in which they turn 70.

Artist Honored

Two oil paintings by David Kinney, Mueller inventory worker, were selected to be on display as part of the "On My Own Time" art exhibit at Kirkland Fine Arts Center in Decatur during December. The paintings are entitled "Dream Lake" and "The Sunsinger."

RETIREMENTS For September, October, and November



John Drake Sept. '82 — 40 Years +



Raymond Mounts - Sept. '82 40 years +

Robert Elkin · Nov. '82 29 years + (no picture available)

CORRECTION FROM LAST ISSUE



Rex Smith · August '82 46 years



Richard West · June '82 36 years

New Manager for International Sales

Al Van Steenlandt has been named Mueller Co.'s International Marketing Manager. Van Steenlandt is responsible for all marketing, sales, and business efforts in international marketplaces for Mueller Co. Van Steenlandt



Al Van Steenlandt

comes to Mueller Co. from a position as International Sales Manager of the Blackmur Pump Division, Dover Corporation, in Grand Rapids, Michigan. He previously worked for the Clark Equipment Company in Benton Harbor, Michigan in a variety of marketing-related positions in international and domestic divisions. He also worked for six years with the Aeroquip Corporation as an engineer.

A native of Belgium, Van Steenlandt holds a Bachelor of Science in Mechanical Engineering degree equivalent with the HTI Technical Institute in Brussels, Belgium. He studied mechanical engineering for two years at Wayne State University in the United States.

He speaks Dutch, French, German and Italian, in addition to English. His background includes a great deal of experience in European and Far Eastern markets, as well as in the Middle East. He and his Belgian-born wife and their children will relocate from their home in St. Joseph, Michigan to Decatur.

Corporate Credit Head Named

Robert Clark has been named Corporate Credit and Collection Manager. In this capacity, Clark is responsible for accounts receivable and credit for Mueller customers worldwide.

Before joining Mueller, Clark was



Robert Clark

with International Harvester for 13 years, most recently as District Collections Manager based in Peoria, Illinois. He also worked for Michigan National Bank in Lansing, Michigan in their Credit and Home Loan Department.

Clark is a graduate of Michigan State University with majors in Business Administration and Business Law. He is a native of Greenville, Michigan.

GAS SAFETY WITH MUELLER

The story on page one of the New York Times for September 22, 1951 read like this:

> 30 HOMES WRECKED. **3 KILLED IN BLASTS** Gas Mains Explode for 4 Hours

in Suburb of Rochester-5,000 Persons Routed

ROCHESTER, N.Y., Sept. 21 - A series of gas main explosions, cracking like thunderclaps at minute intervals, demolished thirty homes and damaged fifty others in a forty-block area of suburban Brighton today during a terrifying four-hour period. - ---

Three persons were known to be dead. At least twenty-two were injured. But many of the injuries were minor and did not cause hospitalization. Officials called it a "miracle" that the casualty toll was so low.

The cause of the explosions was believed to be a faulty underground gas regulator that allowed pressure to build up so high in mains honeycombing the area that the mains exploded, ripping up pavement and splintering homes.

An accident like the Rochester explosion was exactly what gas companies have worked to avoid since the beginning of natural gas usage in American homes. Mueller Co. has served the industry as a pioneer in gas distribution safety since the very beginning of the company 125 years ago.

Hieronymus Mueller's development of the famous Mueller pressure chamber drilling and tapping machine, patented in 1872, permitted the gas industry to work on high pressure lines without dangerous blowing of gas or interruption of service. The concept of making safe, gas-tight connections under pressure eventually developed into a full line of Mueller Co. products, machines and methods for the gas industry.

Around the turn of the century, Mueller Co. manufactured small valves for home use of manufactured gas. With the big oil strikes of the 1920's, the company began to develop equipment for the safe distribution of high pressure natural gas. Frank Mueller, grandson of the company founder, pioneered the Mueller gas distribution methods and equipment with West Coast natural gas companies that were bringing the first natural gas service to American homes and factories. His work resulted in the No-Blo® system of line stopping and under-pressure connections that guard against blowing gas.

Over the years, the Mueller No-Blo system became recognized as the industry's preferred method for dealing with gas distribution.

New Officers at Judd

Randy Judd has been named president of Judd Valve Company, Mueller Co.'s subsidiary in Tulsa, and Jack Judd has been elevated from president to chairman of the board in recent actions of the Judd board of directors.

Randy Judd, who has been sales manager and later became vice-president of the company, was one of its founders in 1977. Prior

to the formation of Judd Valve he was an area manager of Cardinal Chemical's oil well stimulation division

Jack Judd, a veteran Tulsa oilman, served in several management positions prior to his formation of Judd Valve. He has been a board member of Jones-Laughlin Steel Company and president of its supply division, group vice president of Tesoro Petroleum Company and chairman of the board of Franklin Supply Company.

Danger with gas use comes from the threat of explosions of escaping gas, like the blasts in Rochester, and from the possibility of asphyxiation by gas fumes. Before the No-Blo safety features, men working on gas lines in ditches were actually belted with ropes so that they could be pulled up and resuscitated if they began to suffocate as they worked.

Today, the No-Blo line includes a variety of fittings and equipment to take care of all sizes of lines, from 34" to 12" in size. The product line includes a full complement of line stopping machines for stopping off mains under pressure, tees, completion machines, tools, accessories, and fittings.

In as far back as the 1930's, Mueller Co. introduced its first lubricated gas stops. Work in this area led to another Mueller pioneering achievement, the 1952 introduction of the LubOseal® "O" Ring, sealed, re-lubricatible Gas Meter Valve. This valve was far easier to turn than previous products, and made it possible for home owners to control their gas lines in emergencies. In the Rochester explosions, for example, two people died in one home where they had tried to turn off the gas and could not.

The O-ring was developed prior to World War II as an aircraft device. Mueller engineering used it to develop the Mueller Iron Body LubOseal Meter Valve, which has a unique sealing surface that can be relubricated by its own lubricating system with the valve assembled. The lubrication system with its grease plug maintains a proper grease film on the seating surfaces, providing easy turning and pressure tightness. Other Mueller improvements include the stop changer, and inner lock tamper proof features.

Further protection of the natural gas service line has come about in other Mueller Co. developments. The Mueller® Gas-Phuse® Safety Device was designed to protect against the uncontrolled blowing of gas as a result of a rupture or detachment on any part of the service line.

This device is a simple, three-piece assembly consisting of a body, ball and magnet. The magnet holds the ball suspended in the gas stream flowing through the body. When the velocity of the flowing gas exceeds a pre-selected level, the resulting fluid drag on the ball overcomes the magnetic force and moves the ball to a seat in the outlet of the body, effectively stopping excess flow. In the case of a gas service line, a rupture occurring any place between the Gas-Phuse excess flow device (usually located at the service take off) and the home regulator would cause the flow to increase and activate the device to the shut-off position.

Mueller engineers have also introduced the Autoperf® Tee, which surpasses previous service tees with its ability to capture the coupon made by the connection. In the 1980's the 520 and 530 series Mueller All Stainless-Steel Repair Clamps were introduced with a unique design that provides for all stainless

Time to **Apply for** Scholarships

Mueller Co. will again in 1983 award six \$1000 college scholarships among applicants who are sons or daughters of Mueller employees. Five scholarships will be awarded in the U.S. and one in Canada.

In addition, special achievement awards of \$100 will be made to those scholarship recipients who attain grade point averages in the top 10% of their college classes each year.

Applications must be completed and returned to the Decatur Mueller Co. office by March 1, 1983 for the 1983 awards. Forms for application are available from all Mueller personnel offices.

Sons and daughters of all current Mueller full-time U.S. or Canadian employees, except Officers, Plant Managers, and Directors of Sales, may apply provided the parent has completed one year of continuous service as of April 1, 1983. Applicants must be part of the 1983 graduating class of an accredited high school or its equivalent. Winners will be chosen from a merit pool selected according to pre-college test scores.

continued

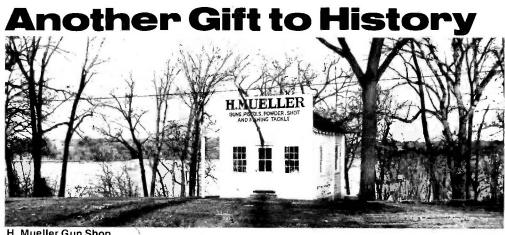
GAS SAFETY WITH MUELLER

steel construction to avoid costly corrosion. In all, Mueller Co. holds over one hundred patents on products for the gas distribution industry.



DECATUR, ILL. 62525

MAIN OFFICE — Decatur, IL (217) 423-4471 CANADA — Mueller, Limited, Sarnia Ontario (519) 344-1195 DISTRICT SALES OFFICES — Attanta, GA (404) 256-2340, Avon, CN (203) 674-0663, Dallas, TX (214) 934-1137, Elgin, IL (312) 931-1970, Irvine, CA (714) 556-2230



H. Mueller Gun Shop

The H. Mueller gun shop on the south shore of Lake Decatur is an exact reproduction of the first shop of Hieronymus Mueller in which he began his business career in Decatur 125 years ago. Mueller Co. has made



a gift of this building to the Macon County Historical Society in Decatur, to become part of the society's historic Prairie Village now under development.

The sign on the building originally read, "H. Mueller, Guns, Pistols, Shot Powder and Fishing Tackle." In that day the gunsmith

business was necessary to every community. The Illinois prairies were in many cases still unbroken and portions of the land were heavily timbered. Many residents depended on their line and rod and their guns and traps for a supply of fresh meat.

Mr. Mueller's manufacturing equipment in the days when he first began business consisted of a simple lathe, drill press, grind stone and forge. Relics such as these and guns handmade and repaired by Hieronymus Mueller have become valuable and are researched and collected all over the country.

The Mueller Co. has been an important contributor to our country's history since these early beginnings, and continues every working day to achieve new manufacturing accomplishments

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