



# ST. LOUIS COLD DRAWN

## Calendar

## STLCD Joins the Nucor Team

October 9  
Columbus Day

October 19  
Diwali

October 31  
Halloween

### Birthdays

October 4  
Andrew Brockmeyer

October 15  
Xinyi Xu

October 24  
Jing Chen

October 28  
Sreten Vasiljevic

October 30  
Joshua Chambers

Last month, we were proud to announce that St. Louis Cold Drawn is now a member of the Nucor family. Nucor Corporation, with a team comprising more than 20,000 people, is one of the largest steel companies in the world and among the most successful. This success is built on Nucor's firm commitment to taking care of its customers and its employees. Nucor's goal is, "Take Care of Our Customers." Its mission statement explains, "We are accomplishing this by being the safest, highest quality, lowest cost, most productive and most profitable steel and steel products company in the world. We are committed to doing this while being cultural and environmental stewards in our communities where we live and work. We are succeeding by working together."

Working together is at the core of Nucor's approach to business. Nucor's missions states that taking care of customers means "all of our customers: our employees, our shareholders and the people who purchase and use our products." Nucor is committed to supporting not just those who buy from the company but also those who work for the company. A brief look at Nucor's business practices over the past ten years shows just how strong this commitment is.

The Great Recession of 2008 hit nearly every sector of the American economy, including steel. Between 2007 and 2009, steel production in America decreased by 35%. One large steel company furloughed 20% of its workforce in 2009 – more than 10,000 employees. Nucor, like other businesses, saw its profits take a hit. But it did not lay off a single employee. It actively developed strategies to continue supporting all teammates through this difficult financial time. CEO Dan DiMicco took an 80% decrease in his salary from 2007 to 2009. At other Fortune 500 companies in 2009, total executive compensation decreased by only 8%. But at Nucor, the top five executives had their pay decreased by more than 40%. These pay cuts were one way that Nucor made it possible to avoid layoffs. When its steel production dropped dramatically, Nucor put people to work elsewhere, having them fix machinery, rewrite safety procedures, install new gutters, mow the lawns, paint buildings, even clean the bathrooms – whatever it took to keep people on payroll.

2008 was not the first time that Nucor pursued this type of strategy. The early 1980s were also a tough time for the steel industry. Workforce numbers fell by half within a single generation. Still, Nucor did not lay off



## Quiz Question

In what year did St. Louis Cold Drawn buy the Danieli 20 Ton?

Submit your answer, with your name, to the box in the break room, by Oct 25. Winners will receive a gift card.

Congrats to Mike Tobin for answering last month's quiz question! Thanks to Eric Zernikow for his assistance.

any employees. Mills reduced to four-day or three-day schedules and workers' wages were cut; but so too were executive salaries. Ken Iverson, who was appointed president of Nucor in 1965, had his salary cut by 75% from 1981 to 1982. This move made him the lowest-paid executive of a Fortune 500 company – but it also went to the heart of his and Nucor's philosophy.

In his book *Plain Talk: Lessons from a Business Maverick*, Iverson described the concept of "painsharing": the idea that all employees, whatever their status, take part in company downturns. If profits decrease, salaries do too – but the number of employees does not. Everyone loses a little so that no one has to lose everything. Iverson wrote that "[managers have] joined with our employees to pursue a goal we can all believe in: long-term survival. We run Nucor first and foremost to ensure that, a decade or two from now, there will still be a place for our children and grandchildren to work without being laid off. That is our highest cause." In 1982 and 2008, Nucor showed its real commitment to this goal.

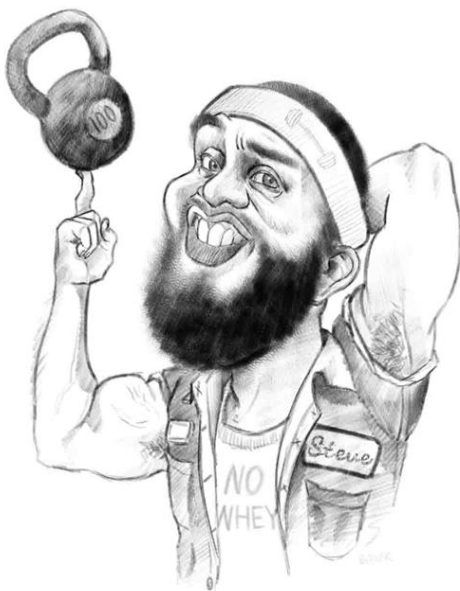
In 2009 then-COO and current CEO John Ferriola received hundreds of emails and cards from employees thanking him and Dan DiMicco for the sacrifices they made that allowed employees to retain their jobs. And the commitment didn't stop with keeping people at work. In spite of record losses, Nucor paid out \$40 million in bonuses in 2009 – but not to executives. Across Nucor's nearly twenty-four divisions, employees received bonuses of \$2,000 as a demonstration of Nucor's continued loyalty, through good times and bad.

Ken Iverson wrote that "authority comes from the employees." Nucor is committed to earning that authority by its unwavering support and respect for its team members. St. Louis Cold Drawn applauds that commitment and looks forward to our future together.

Sources: Nucor.com; Tim Worstall, "If the U.S. Industry Employs 150,000 People Then How Can Imports Threaten 500,000 Jobs?" *Forbes*; Louis Uchitelle, "Steel Industry, in Slump, Looks to Federal Stimulus," *The New York Times*; "CEO Pay - Biggest Decreases in Pay," *Bloomberg Businessweek*; Alexis Leonidis, Jessica Silver-Greenberg, and Tara Kalwarski, "CEO Pay Drops, but...Cash Is King," *Bloomberg Businessweek*; "Nucor CEO Dan DiMicco sees sharp drop in pay," *Charlotte Business Journal*; Nanette Rnes, "Pain, But No Layoffs at Nucor," *Bloomberg Businessweek*; Rick Barrett, "No layoffs at Nucor despite bad economy," *Journal Sentinel*; Ken Iverson, *Plain Talk: Lessons from a Business Maverick*.

## No Hard Work, No Lil' Shirt:

Steve Stanton's Fitness Column



I want to start by saying welcome to our new fitness column. If you're reading this, I'm guessing it means that you're ready this health and fitness journey with me.

When we think about fitness, we usually think about things like working out and lifting weights. But that's only part of it! Eating right and getting rest are other important components of overall health. There's a couple things we can all do every day to improve our habits here. Are you ready?

For a start—I know this sounds crazy—but eat more! Yes, eat more. Don't go crazy and just eat, eat, eat, but stop skipping breakfast. I start my morning off with coffee and a light breakfast of fruit and a protein shake. Mid-morning, have a healthy snack like nuts or a piece of fruit. Eat lunch, but let's pass on the fast food. If you get hungry again before your shift ends, have another light snack. Trust me, you'll work better and feel better.

So here are my challenges to you this month: I challenge you to drink one less soda every day. I challenge you to bring one piece of fruit to work every day. I challenge you to skip Jack in the Box and bring your lunch instead. Think you can do it?

Remember, I'm here for you, so if you have questions, just ask! I'll be back with more tips to let my readers know what I do to keep these guns in tip-top shape.