



McWANE 2009



**Growing Ideas.
Building Communities.**



For Generations

WE SUCCEED AS A TEAM

This past December, I wrote a letter to all of our Team Members outlining the company’s financial strength and our ability to weather this economic downturn. I have been using the term “Team Member”—not “employee” or “worker”—because I want to underscore a successful transition in our company’s culture. All of the people



who work in the McWane organization are members of our Team. It does not matter whether the Team Member is paid a salary or by the hour. It does not matter whether he or she is represented by a union or not. It does not matter whether the person has a staff position, a management position or works on a production line. All that matters is that we each recognize and accept the responsibility of working together as members of the McWane Team. Day in and day out we work hard toward our business goals: customer service, environmental stewardship, operating efficiency, energy conservation, safe working conditions. But we’ll only achieve excellence in every aspect of our performance by supporting each other as a Team.

Since my letter to the McWane team, business conditions have worsened, which challenges us all to reduce expenses and control costs while maintaining our effectiveness as a Team. We know we can do this, though, because we already are. For instance, McWane’s corporate Environmental, Health and Safety (EHS) Department is bringing in-house the compliance auditing function, which was previously out-sourced entirely to third party consultants. Last year we successfully conducted internal compliance audits at five divisions, and now we’re extending this pilot program to cover environmental and safety compliance audits at all but a handful of divisions.

There are a number of benefits to using our own EHS experts to do internal audits. First, it allows us to train, grow and retain our own talent within the company and build “human capital.” Second, it enables our people to learn and transfer best practices across the organization. Third, we found the quality and thoroughness of the internal audits conducted during the 2008 pilot to be as good as—and in some instances better than—those conducted by third party consultants. Finally, it allows us to significantly reduce professional fees paid to outside consultants.

We’re also delighted to be starting construction on an environmental project here in Birmingham. Greenwood Park will create an important segment of the Village Creek Linear Park, providing both cleaner water and a recreational facility for our neighbors.

Of course, not every step we take will involve a large-scale initiative or a major shift in business practices. And that’s just fine. I try to keep in mind this brief quote: “It is the greatest of all mistakes to do nothing be-



cause you can only do a little.”

Every Team Member across the company can help by looking for ways to perform his or her job more efficiently and at a lower cost.

In fact, everyone can and must do their part. For example, Dennis Charko, Tom Crawford and the McWane Pipe Team are taking responsibility for the Greenwood Park construction in Birmingham because we can save \$100,000 by not hiring a manager to oversee a contractor. Some folks may say that isn’t a good use of their time. I disagree. Little efforts all across the company that save seemingly small amounts of money will multiply into great savings and future success. If together we examine our 20-plus operations and identify ways to consolidate jobs, bring back in-house some of the work we outsourced during busier times, rebuild equip-

ment rather than replace it, reduce expenses by renegotiating existing supplier arrangements, or further reduce injuries through buddy systems or automated training—and if we assume each initiative can save, say, \$10,000 per year, and we wind up implementing ten such ideas per operation across 20 operations—the cost savings would be a staggering \$2,000,000!

It adds up quickly. But we’ll only come up with these game-changing ideas if Team Members do the work. So as you read this, take out a pencil and paper and make a list of the simplest ways you can achieve these results. Then share them with colleagues or managers so that your ideas can be part of McWane’s bright future.

As always, thank you for your support and hard work.

Sincerely,

G. Ruffner Page, Jr.
President

“Little efforts all across the company ... will multiply into great savings and future success.”



ENVIRONMENTAL EXCELLENCE

WE'RE LEADERS FOR A REASON. MEET HEATHER KLESCH.

"It's about pushing myself to the limit ... and then one step further."
— Heather Klesch

McWane has taken on many bold challenges, but none is more ambitious than our goal to be a leader in environmental protection and worker safety. At the core of this vision is the company's state-of-the-art Environmental, Health & Safety program. But success doesn't come from simply unveiling a new program or setting up new systems. People make the critical difference—expert and talented people like Heather Klesch.

Heather, who works at Clow Water, is the youngest Environmental Manager at any of McWane's foundries, yet she already ranks among the very best.

Perhaps that's because she learned early on that hard work can overcome great odds. Heather was born an only child and raised solely by her mother in Struthers, Ohio, on the southeast side of Youngstown. A very depressed yet diverse area, Struthers has received unwanted attention over the years be-

cause of its high crime rate. Heather rose above these tough surroundings, however, to earn a full academic scholarship to Youngstown State University.

A University Scholar and member of the Honors Program, Heather graduated Magna Cum Laude in four years with a degree in Chemical Engineering—coursework that normally requires five years to complete. While in college she held many internships, such as one with the Northeast District Office of the Ohio EPA where she conducted construction storm water inspections.

Heather was such an exemplary student that she was featured in marketing campaigns for Youngstown State University, including billboards, commercials and publications.

Upon graduating, she worked for two years as a consultant for August Mack Environmental in Dublin, Ohio. She was subsequently hired by Clow Water as the Assistant Environmental Manager in May 2006, and within six months was promoted to Environmental Manager.

In the relatively short time since, Heather has proved to be not only wise beyond her years, but an excellent team builder. Through her single-minded determination to achieve excellence and her openness to learning new things, Heather has earned the respect and admiration of her colleagues. She is not afraid to ask for help when she needs it and is known for taking the initiative.

"Heather has an amazing memory and is a fast learner," says Dennis Zurkowski, the Compliance Group Environmental Director. "She also has a strong work ethic and always responds quickly to requests. The information she provides is concise, complete and accurate."

Jeet Radia, Senior Vice President for Environment, Safety and Human Resources, is equally impressed with Heather's contributions to McWane. "She is a remarkable individual with an intense desire to learn and excel at everything she does," Jeet says. "Heather's mature outlook and her ability to build good relationships with people at all levels have allowed her to progress rapidly in a relatively short time."

Not surprisingly, Heather is environmentally conscious to the core, as evidenced by the Prius hybrid she drives.

And her abilities have been recog-

nized beyond McWane: Heather is a member of the engineering honor society Tau Beta Pi, and has been selected as one of the "Cambridge Who's Who Among American Executives, Professionals and Entrepreneurs."

When she reflects on her life's journey so far, she doesn't resent the many hurdles she's had to clear. Instead, she's grateful for them. "I have faced much adversity in my personal life, which caused me to grow up quickly," Heather says. "However, through it all, I found willpower and an inner strength that has never failed me. I purposefully volunteer myself for tasks I know I will struggle through. It's not about proving who I am to anybody. It's about pushing myself to the limit and then one step further. It's at that point that I grow personally and professionally."

If you ask Heather what work traits best explain her success, she'll say that a key one is her ability to keep things organized. "If you take a look at my desk it is organized — everything in its place. During one of Jeet Radia's visits he said, 'You must have nothing to do, your desk is too clean.' From then on, I tried to create one 'messy' pile for when Jeet visits."

Heather laughs when she tells that story, but she's totally serious about the benefits of keeping your world in order. "Organizing helps me relax. It gives me a sense of balance and keeps me from feeling chaotic inside. It also helps to prevent procrastination. I work diligently to address items immediately and to keep my to-do list to just a few items. Not only does this keep others from having to wait for me, but I know I won't drop the ball and forget about something."

Another trait she values highly in herself and others is commitment.

"When you're fully committed, you give 110% and set high expectations," she says. "And McWane provides the resources and support at all levels to enable me to be the best I can be." Still, Heather knows there's only so much any one person can accomplish. "It's truly everyone working together that makes something successful. I am thankful to have the people I work with and even more thankful McWane took a chance with me."

Given Heather's drive and ability, McWane is the one that's feeling lucky. ■



Savvy team members saw an industry need.
McWane Poles is ready to fill it.

WHEN VISION MEETS OPPORTUNITY

There's a little secret to what makes McWane Global an innovative operation: we develop businesses that complement our core capabilities and utilize the company's vast capacity. As part of this effort we have formed McWane Poles, a new division of McWane Global that is using our existing plant facilities to bring a groundbreaking product to market.

McWane Poles has begun to manufacture ductile iron utility poles, a revolutionary alternative to wood, steel and concrete distribution poles. Made from recyclable materials, these new poles combine the physical strength of steel and the corrosion resistance of ductile iron. They are strong, lightweight, easily drilled and installed, and have a considerably longer service life than wood poles. They're also more reliable because, unlike wood, the iron is unaffected by rot, insects, freezing weather and woodpeckers. Best of all, these ductile iron poles are much less expensive than ones made of steel or concrete.

This means McWane has come up with a product that has desirable durability at a very desirable price. The result should be great for McWane's bottom line: The transmission and distribution pole business exceeds \$2 billion annually, with distribution poles making up the majority of sales.



What did it take to recognize this tremendous business opportunity and turn it into a promising new venture? Teamwork, which is a hallmark of McWane.

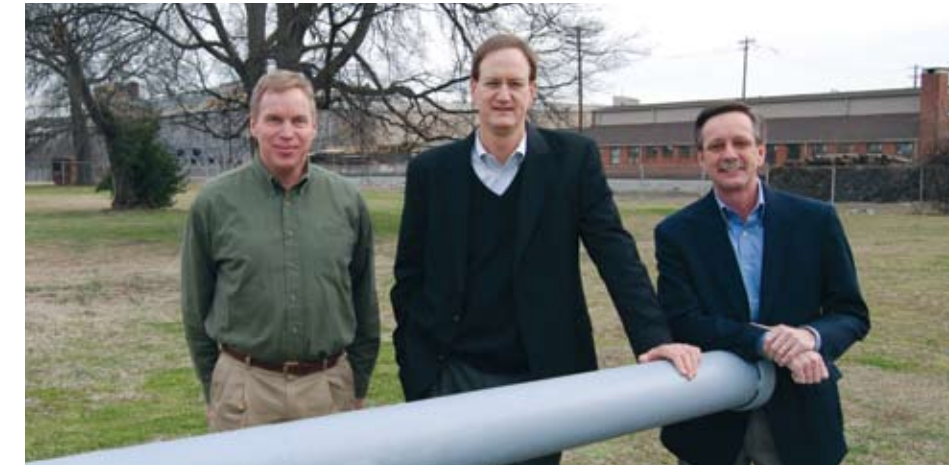
It began with Mike Keel, President of McWane Global, and Larry Whitehead, President of Manchester Tank, who both realized the electrical utility industry has an ongoing need for structures to support transmission lines. Over eighteen months, beginning in 2007, they studied the market and sought feedback from electric utility representatives—all of which helped them quantify the business potential.

It became increasingly clear there was a market for a cost-effective alternative to steel, concrete and wood utility poles. So McWane went the next step by retaining Tim Hardy of Hardy Engineering to assist in product-line design. Still, the concept only

became reality through the efforts of staff at Clow Water Systems. Jeff Otterstedt, Vice President and General Manager at Clow, committed generous time and resources to the project, including making Keith Mallet the go-to guy overseeing the product development. By resolving numerous technical hurdles, Keith and his team enabled McWane to price the poles competitively.

This past August, the ball was passed to Rick Simpson, the former Vice President of Sales & Marketing at Manchester Tank, who was asked to join McWane Poles as Sales Manager. Tasked with taking the product to market and developing a customer base, Rick quickly assembled a network of independent representative agencies in carefully targeted markets.

With representation now in fourteen states, McWane Poles plans to develop these key mar-



From left:
 Dan Copeland,
 Vice President;
 Mike Keel, President;
 Rick Simpson,
 Sales Manager.
Opposite page:
 The Clow Water team
 led by Keith Mallet,
 center.

kets and establish a reputation for quality and reliability before taking ductile iron poles nationwide.

The poles themselves are manufactured at Clow Water Systems in Ohio, where they are constructed with 18' centrifugally cast sections, and then assembled into the finished product. McWane Poles offers Class 1, 2, 3 and 4 poles in lengths of 35', 40', 45' and 50'. With automation and investment, production capacity could exceed 1,000 poles per day, greatly reducing time-to-market for emergencies that increase demand, such as hurricanes or ice storms.

Already the poles are getting a strong reception. In December, eight utility companies in Tennessee received test poles for installation, and the feedback from them has been outstanding. Meanwhile, McWane continues to develop innovations in the design and introduction of the poles. A number of complimentary products are under review and the company has applied for several patents relating to the product and the manufacturing process.

With its strong prospects for success, McWane Poles is positioned to be a major part of McWane's future growth. And that's thanks to some savvy team members who had the vision to take McWane's manufacturing knowledge and expertise into an industry with vast untapped potential. ■





NORWOOD CLEANUP

NEIGHBORS HELPING

NEIGHBORS

When roughly 300 McWane Pipe employees descended on the North Birmingham neighborhood of Norwood, few people were as glad to see them as Reverend George Washington. He'd spent his life helping his neighbors, but today it was his turn to receive help. And he could sorely use the help—his beautiful old Greek Revival home needed a new roof.

Washington was among the sixty people who applied for assistance during McWane Pipe's first annual Neighbors Helping Neighbors Day. Working through the Norwood Neighborhood Association, McWane gave special consideration to families with the biggest problems and fewest resources to solve them. The company's goal was to have the greatest impact possible on the residents' quality of life. So on November 14, 2008, the McWane manufacturing facility shuttered for the day—after all, there were roofs to repair, handicap ramps to build, windows to install and door frames to caulk.

The work crew arrived at Reverend Washington's home to discover the roof problems were worse than they expected. The unscrupulous efforts of shady contractors had resulted in almost catastrophic damage to eaves, soffits, and ceilings in the upstairs bedrooms. As

they assessed the damage, you could see in their faces an understanding of the magnitude of their task. But they quickly dug in and got to work. And by the end of the day, they had managed to repair the home's biggest problems.

"This is great. Anytime you're really helping people, it's great," said Lauro Cowley, who normally works the 18-foot casting crew. Dale Cordar, a Troughman, lamented the fact he couldn't spend even more time helping this family. "This is a good idea. I just wish I had more than one day."

Down the street, Robert Gilmore, president of the neighborhood association, welcomed the team arriving at the aging Norwood Community Center. Appreciation was written all over his face. "We operate independently of the city," he said. "If it's going to get done, we have to figure out how to get it done ourselves." And getting it done was exactly what this crew had in mind. One group, working like a well-oiled machine, replaced the entire drop ceiling, while others repainted. Outside, McWane employees raked leaves and cleaned up the trash. Carol Qualls was with the team cutting ceiling tile. "When this is done and we all see what we've accomplished, we're going to feel really good about it," she said.

A varied crew from McWane Pipe gave Norwood Elementary a make-over, including spreading soft pea gravel across the playground (opposite page).

"It's wonderful being involved with the community. We have to work together. That's the only way." – Andrea Harris, a McWane employee with sons at Norwood Elementary

At Norwood Elementary School, another McWane army cleaned up the playground and spread pea gravel under the play areas. Principal Errol Watts beamed as he watched the buzz of activity. "It's just good to have some good news." Andrea Harris, a McWane employee whose two boys attend the school, was delighted to see all the improvements. "It's wonderful being involved with the community," she said. "We have to work together. That's the only way."

Around the bend, McWane volunteers found themselves helping one of their own. McWane retiree Alton Lee Dates and his wife, Sarah, live in a modest brick ranch right in the heart of Norwood. A team helped them clean out their gutters, caulk their windows, rake leaves and fix smoke alarms. Sarah founded a neighborhood watch effort in Norwood, and she and Alton are very active in the community. "Alton's 79, but he gets up every morning and walks up to the Community Center and unlocks it," she told the work crew. A feisty septuagenarian herself, Sarah's eyes sparkled as she watched the McWane team work around her neighborhood—a neighborhood she clearly loves.

A long workday later, the McWane team had helped dozens of families with their homes. They had cleaned up com-



munity areas, met neighbors, eaten hot-dogs (prepared by the best pipe-makers in Birmingham!), rolled up their sleeves and changed a neighborhood for the better. And they had done it together. Perhaps that was the best part of all. Adrian Readus, a transfer car driver who was working outside the Community Center, put it this way: "This is great. We get to know and do good work with McWane folks we'd never work with otherwise." ■



A WINNER ON ITS MERITS

Tyler Coupling earns a coveted VPP status

Tyler Coupling pulled out all the stops on Oct. 28, 2008. Huge bales of hay were set out along Tyler Avenue, each hoisting a sign proclaiming “VPP MERIT.” The facility itself was decked out with enormous banners, and every visitor walked past a table laden with congratulatory plaques.

The Tyler team had every right to feel good about themselves. It took three years, but last summer the Marshfield, Missouri facility became the fourth of the five facilities in the McWane organization to receive VPP status. In earlier years they’d worked hard to become part of the Missouri Department of Labor’s “Safety and Health Achievement Recognition Program” (SHARP), which recognizes small employers who operate an exemplary safety and health management system. But when the facility was acquired by McWane in 1995, it no longer qualified as a small employer. And that meant Tyler Coupling team had to start from scratch to earn OSHA’s “VPP Merit” status.

“You have joined a distinctive group of facilities that strive to provide excellent safety and health protection,” wrote Edwin G. Foulke, assistant secretary for occupational safety and health, in a letter congratulating Plant Manager Bill Hoffman. “Designation as a Merit VPP participant is testament to the effective safety and health management system that you and your employees have developed and implemented.”

Voluntary Protection Programs promote a culture of safety and health excellence through management commitment, team involvement, worksite analysis and evaluation, and safety



From left: Rick Hutsell, VPP Committee Co-Chairman; Brenda Replogle, VPP Committee Chairman; Tim Washeck, Safety Manager; Bill Hoffman, Plant Manager; Rod Swager, Clow Valve Safety Manager



and health training. In other words, Tyler couldn’t have earned Merit status without every team member being truly committed to each other’s well-being.

“I could not be prouder of these employees,” said Barb Wisniewski, Vice President of Health and Safety for McWane, Inc., during the fall celebration. “They have shown dedication, perseverance, and true commitment to safety with their enthusiasm

and their effective program, and are an inspiration to the other divisions of McWane.”

As part of the festivities, notable guests awarded plaques to the Tyler team, as well as an American flag and a Missouri state flag, both of which had flown over the state Capitol. Chuck Adkins, OSHA’s region VII administrator, presented the VPP Merit flag to the members of the VPP committee and all the team members signed their commitment to safety on a large banner.

During the ceremony, Bill Hoffman congratulated everyone at Tyler Coupling on their success. “Great job on this recognition—but, remember, this will not change the way we operate this facility. This is what we have been doing and what we will do going forward,” he said. “We did not get VPP. We did not achieve VPP. Rather, as our shirts say, we ARE VPP! That’s awesome. You all are awesome!” ■

“Without each of you taking personal responsibility for safety, we could not have made such significant strides.” – **Barb Wisniewski, Vice President of Health and Safety**

Even in an industry where you can never take safety for granted, only 1% of U.S. workplaces earn OSHA’s highest award—a VPP Star. That’s the honor for sites that meet the extraordinary safety and health standards of OSHA’s Voluntary Protection Program. After a two-year process involving every single member of the team, Manchester Tank–Elkhart has earned that prestigious star.

“I haven’t attended many celebrations where the employees were having such fun!” said Lori Torres, the Indiana state labor commissioner, during the celebration in November. Torres and other dignitaries turned out to recognize the roughly 100 team members who participated in nine committees that focused on everything from safety inspections to incident investigations to team training. Thanks to these workers’ efforts to educate and inspire their colleagues, the Elkhart facility experienced far fewer injuries than similar sites over a three-year period—one of the main requirements for earning the star.

“Our employees are the ones who make us successful,” said Jill Drajer, the General Manager of the Elkhart facility. “I am so proud of all of them.”

Safety Engineer Eric Doland served as Master of Ceremonies for the day’s events, which included a slide show featuring photos of the team on the job. Guest speakers included Larry Whitehead, President of Manchester Tank, and Barb Wisniewski, Vice President of Health and Safety for McWane, Inc.

In her speech, Barb praised the hard work and determination of the Manchester Elkhart team. “All of you have helped to shape and achieve the safety vision at McWane,” she said.



**Front row, from left: Jim Phelps, Beth Acosta, Tom Perrin, Bertin Rivera
Back Row: Tom Campbell, Antonio Avariano, Alberto Preciado**

ANOTHER STAR PERFORMER

Manchester Tank–Elkhart earns OSHA’s highest award

“Without each of you taking personal responsibility for safety, we could not have made such significant strides in our safety program. Achieving VPP status is a rigorous but truly satisfying experience for those who are so fortunate to reach this level of excellence.”

In fact, ‘rigorous’ might be a bit of an understatement, since fewer than 2,200 of the country’s 8.5 million employers have qualified for OSHA’s VPP program! That makes it all the more impressive that the Elkhart

facility is the second McWane site to earn an OSHA VPP Star. The Petersburg Manchester Tank facility achieved VPP Star status in December 2007.

On the morning of Elkhart’s party, even the weather seemed to join in the celebration. Early on there were clouds and some light rain, but the sun burst through just as a new VPP flag was raised at the facility’s entrance. That led to a loud cheer from the team—the first of many cheers that day for a job well done. ■



PAINTING TO PERFECTION

It's probably
the best
water-based
paint machine
in the world.
And it's our
brainchild.

In July 2008, McWane Pipe commissioned a new state-of-the-art paint machine and process line—one designed to apply water-based paint to pipes that are 3 to 8 inches in diameter and 16 to 20 feet long. It took more than a year and a half of engineering efforts, but the result is a true breakthrough: painting equipment that can process more than 240 parts per hour.

The advantages to this cutting edge equipment are huge. Solvent-based paint has been completely eliminated, significantly reducing volatile organic compound (VOC) emissions and eliminating major fire risks. The machines incorporate only electrical and pneumatically operated equipment, which means no hydraulics—thereby eliminating potential hazards associated with line leaks. Paint waste is insignificant, greatly reducing the cost for waste disposal. The designs are simple, making maintenance and cleanup a cinch. The pipes now have a superior surface quality. And all these accomplishments have helped create a safer, more comfortable work environment.

Not least among the benefits, of course, is a big increase in our ability to produce high-quality pipe. During the last week of August 2008, McWane engineers began the next phase of the project, including changes to the existing turntable, the addition or relocation of access gates, the addition of splash shields and the relocation of limit switches. Plans still on the drawing board include creating a system to make it easier to add new raw material, implementing the tank farm enclosure, completing all supplemental lockout-tagout and preventative maintenance procedures, and documenting the engineering drawings and manuals.

It's no exaggeration to say that this equipment takes McWane Pipe to a whole new level. In fact, the system is so efficient that McWane attorneys are looking into whether the company can patent any of the processes. The company's pride is evident in a new sign that hangs in the Birmingham headquarters: "WORLD CLASS FACILITIES, WORLD CLASS PEOPLE, WORLD CLASS PIPE." ■

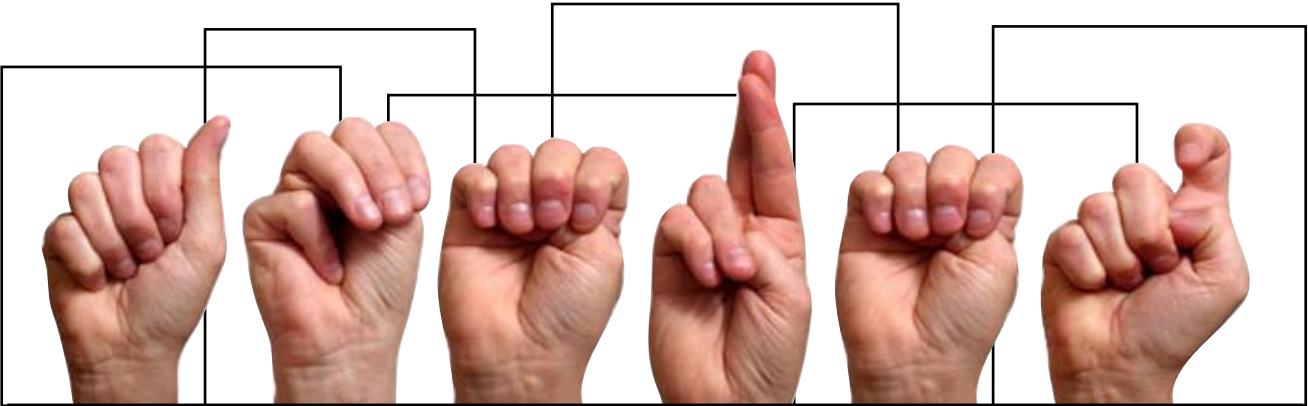


From left to right: Frances Dooley, Don Bills, Carl Dixon, Chuck Harmon, Chris Hyche, Don Butler and Jim Harrington



Greg Williams and Corey Butler

NO BARRIERS TO SUCCESS



**At Amerex,
deaf workers
get equal
respect
—and
opportunity**

It started small. Jay Thomas showed up at Amerex in the mid 1980s—a deaf man looking for a job—and human resources manager Sam Wester admits he was a little worried about how it would work out. “We put Jay in the department of our best supervisor, the power extinguisher line,” Sam says. “He picked up the job very quickly, and the supervisor was able to work with him. Jay’s been here for 20 years now.” He was just the first among many. Over the past 20 years, Amerex has found places for a steady stream of deaf workers. In doing so, the company has shattered long-held myths about hiring deaf or hard-of-hearing workers: the fear that the cost of accommodating deaf employees would be exorbitant and that communication and coordination with deaf workers would be too difficult. In fact, the cost is usually minimal

and, thanks to modern technology, communication between employers and deaf team members is easier than ever. And with relay services like Sidekick, even the telephone is no longer a barrier. Amerex has gone a big step further by hiring retired schoolteachers to teach reading, writing and math, and always making sure the deaf team members have an interpreter. “That’s a rarity,” says Wanda Cobb, a sign language specialist with the Alabama Department of Rehabilitation Services who interprets during staff meetings and orientations for new employees. “The language barrier disappears here at Amerex because everyone pretty much respects everyone else—and if they don’t, someone is going to call them on it.” That base of respect means the deaf workers feel every bit as valued as their hearing coworkers. “Everyone, even those hearing impaired,

are given an opportunity for advancement at Amerex,” says Bobby Holliday, a welder in the Wheel Weld Shop. Like most of the other nine deaf workers at Amerex, Bobby uses American Sign Language, which is a visual language—almost like drawing pictures in the air. It’s more expressive than English, which can create some odd moments for both deaf and hearing workers. “Once I was telling a story to some of my deaf friends here, and all the hearing people stopped to look at us. They were like, ‘Bobby, are you okay?’ I must have been hitting the table, or making noises with my throat. Somebody was probably swinging their hands in the air, like they were applauding. We’re very animated in the deaf culture.” John Hollier, also a welder, has worked at the facility for four years. “I am very interested in what I do at Amerex,” he says. “The one thing I feel is a real challenge for the hearing impaired is our inability to do certain things like hear a squeaky belt. On the other hand, we have an advantage over hearing employees because we use our other senses more. We can smell a burning belt probably before a hearing employee can.” One of the interesting things that’s developed over the years is that the workers have found ways to look out for one another. If a deaf worker drops a quarter on the way to the Coke machine, a hearing colleague will tap them on the shoulder because they know their friend didn’t hear the coin drop. A number of the hearing workers and supervisors have learned American Sign Language, and even more have learned to fingerspell the alphabet. Although most hearing people sign at a snail’s pace, the deaf workers are thrilled they’re trying at all. “The tables are turned sometimes with hearing people,” Holliday says. “Because I’m going to be patient with them like I’d like people to be with me. We’re all human—we’re all the same.”



And even those who don’t sign find ways to communicate. In the Powder Extinguisher Express, Tanja Fulton says she and her hearing co-workers have created “home signs”—made-up words that symbolize things they do on the job every day, like a gesture that makes you envision a fire extinguisher shell. “And for labels,” she says, “we just make the action of slapping a label on the shell.” Sure, there’s an official ASL sign for “fire extinguisher” and “label,” but these home-made words work just as well. Home is actually a word that comes up a lot when chatting with the deaf team members at Amerex. For most of them, it’s the first time they’ve had the chance to work with so many other people who are deaf. And all of them say their colleagues go out of their way to make them feel like part of the team. “It’s a little different here,” Bobby Holliday says. “I’m the same as everybody else at Amerex. From the first few years after I started working here, I have felt like this is my second home—it’s my second family.” ■

**Front row, from left: Jean Stallworth, Tanja Fulton and Beverly Chambers
Back row: John Hollier, Earl Holloway, Bobby Holliday, Shane Rich and Jay Thomas**

They all say their colleagues go out of their way to make them feel like part of the team.

LEADERSHIP LARRY'S WAY

Manchester Tank's new president knows how to survive and thrive

Last year saw a changing of the guard at Manchester Tank & Equipment Company, as Larry Whitehead was named the new President. Everything about his background made it clear Larry was the right person to steer Manchester Tank through challenging times.

A graduate of Phillips High School in Birmingham, Alabama, Larry worked two jobs while earning his Bachelor's degree in Business from Jacksonville State University. Before joining the McWane family, he was the founder and President of Blazer Fabricating Company and the President of Southern Monopole & Utilities Company.

To McWane's benefit, Larry has spent much of his career helping to turn around troubled businesses. Often that required him to take over day-to-day management of many company functions in order to nurse them back to health. Only then could he put a team in place to continue the long-term management of the operation.

That's just the sort of leadership experience Manchester needs, and Larry's impact is already felt. This past year, in an effort to remain competitive in the sagging economy, Larry streamlined Manchester's organizational structure and took steps to align production volume with customer demand.

Moving forward, he hopes to seize opportunities that are emerging on the propane side of Manchester Tank's business. Currently volatile and fragmented, the propane storage market is seeing some consolidation as larger players acquire smaller ones. This environment could make 2009 a year of growth for Manchester, even as the facility works hard to maintain ex-



isting business. According to Larry, the key will be to continue to nurture strong, close relationships with customers in order to preserve market share.

It should be easier for Manchester to maintain its large market share in the air products and fire suppressant side of its business, since there are fewer competitors there. Even so, under Larry's leadership, Manchester is committed to overcoming efficiency challenges and improving margins. All indications are that demand in this sector will stay strong in 2009 and business will be solid.

When asked about the outlook for Manchester Tank, Larry pointed out the only sure route to success. "Manchester Tank's future looks stable because we have talented people producing quality products at reasonable prices—always a powerful combination," he said. "With all of that being said, we must continue to price our products in a manner that will enable us to have quality at the top of the list, and profit on the bottom line." ■

"Employees stay at AB&I for a long time.

That tells you it's a good place to be." – Zeydi Gutierrez, HR Manager at AB&I

WHERE ZEYDI BELONGS

Spend a few minutes with Zeydi Gutierrez, the HR Manager at AB&I, and you notice two things: She's always smiling, and her energy is practically contagious. Maybe that's because Zeydi, more than most people, appreciates what it means to feel totally at home.

She never really knew that in the country of her birth. Throughout her youth, Nicaragua was in the grip of civil war and Zeydi sought to escape the violence by moving to the United States in 1979. "I planned on learning English, then returning home in maybe a year," Zeydi says. "But the war continued in Nicaragua so I enrolled as a foreign student in America." After two more years, she realized she didn't want to go back to Nicaragua at all.

Today, she is married and the mother of two: a 16-year-old son, and a daughter who is "13 going on 20." And if you ask Zeydi, her family doesn't end there. "I like working at AB&I because you have such a sense of belonging," she says. "Employees stay at AB&I for a long time. That tells you it's a good place to be. You become a part of the AB&I family."

It's been nearly 30 years since Zeydi left her homeland to forge a better life in another country. As far as AB&I is concerned, she's wound up exactly where she belongs. ■



CLOW WINS THE ERGO CUP!

It's an
award for
ergonomics
excellence
... and it
belongs to
Clow Valve



When it comes to designing the workplace to minimize fatigue and injury—the science of ergonomics—the federal Occupational Safety and Health Administration sets a high bar for companies. And OSHA did just that at Clow Valve when they sent a team to conduct a benchmarking ergonomic improvements session. The Clow team not only took the challenge to heart, they decided to enter the Ergo Cup® Competition at the Applied Ergonomics Conference in Reno, Nevada. The Ergo Cup gives companies an opportunity to showcase effective ergonomic solutions or education initiatives that they've come up with over the previous 24 months. At last year's conference, 35 companies from all over the world presented their innovations.

The Ergo Cup® presents three awards annually for outstanding solutions through training, engineering and teamwork: Team-Driven Workplace Solutions; Engineering/Ergonomist-Driven Workplace Solutions; and Training and Education Ergonomic Programs. In addition to these, conference attendees choose five recipients of Ergo Excellence awards.

Clow Valve won the Team-Driven Workplace Solutions category. The team competed against The Boeing Company, Bridgestone/Firestone, GE Energy, Honda of America, and Johnston & Johnston Medical of Brazil. Clow was represented by Corey Danner, Hydrant Assembler; Jim Jegerlehner, Ergonomist; Jim Kopaska, Engineer; Dan Krusemark, Hydrant Supervisor; Rod Swager, Safety Manager; and Ryan Waddell, Hydrant Assembler. Their innovation required them to re-think how fire hydrants are

Jim Jegerlehner, left, and Jim Kopaska



assembled. Previously the hydrants—consisting of the nozzle section, pipe and shoe—were assembled in a vertical attitude, causing employees to perform heavy tasks in awkward positions. Over a four-year period, the department experienced 32 injuries, 14 of them serious, resulting in 624 restricted duty days. Clearly a new assembly method was called for, and Clow formed a team in 2006 to investigate alternatives. Their ergonomic solution wound up being a new horizontal assembly process that minimizes most of the job stressors, reduces assembly cycle time and improves product quality.

Not surprisingly, the Clow team is very happy with the new process. And why not, considering the impact of the horizontal assembly: back stressor reduction from 36% to 5%, upper extremity stressor reduction from 26% to 10%, assembly time reduced from .533 man hours per unit to .494 per unit, and no injuries or incidents so far at the new assembly station. That sure sounds worthy of the Ergo Cup® to us! ■

From left: Ryan Waddell, Matt Dykema, Jerry Jones, Tom Giesel, Dan Krusemark, Bob Evans, Jim Kopaska, Rick Bryan, Jim Wakefield, Jim Jegerlehner, Andy Holmberg and Rod Swager.



Ergo Cup Team Members:

Corey Danner, Hydrant Assembler; Jim Jegerlehner, Ergonomist; Jim Kopaska, Engineer; Dan Krusemark, Hydrant Supervisor; Rod Swager, Safety Manager; and Ryan Waddell, Hydrant Assembler.

OUR MATERIALS, ENERGY & FREIGHT SWAT TEAM

This new department helps save money on the front end



In today's highly competitive global market, we have to operate with long-term success in mind. Few of us have experienced a recession like the one we're in right now—a steep downturn that was preceded by the highest costs ever for major commodities like scrap and fuel. As if that weren't challenge enough, McWane competes with foreign manufacturers in a couple of our product lines.

But McWane's toughest competition may very well come from within the company, as we constantly push ourselves to innovate and excel. As part of this effort to improve our production and our market advantage in every possible way, McWane Inc. formed the Supply Chain Department in 2008.

Four individuals make up our new Supply Chain team: Vice President Chris Nichols, Director Billy McMichael, Freight Manager Margaret Tolliver and Project Manager Hamp Tanner. Based in McWane's Birmingham headquarters, the Supply Chain Department helps other divisions of the company by exploring opportunities for cost savings on the supply and freight side.

That's a fresh approach for many facilities. They naturally focus on the production side of their business—tons produced, cost per good ton, scrap rates—to gauge performance and measure how they stack up against competitors. The Supply Chain Department looks at the other side of the equation, helping divisions save on the cost of goods by assisting with major purchases of resources such as scrap, alloys, energy and freight.

The department also provides lead-

ership in managing McWane's freight costs, which is critical even in a period of decreased demand. With the assistance of Joe Compton and David Clinkscales of Freight Management, the Supply Chain Department works to maximize the return on the roughly \$100 million that McWane spends annually on freight—an especially important task given today's rapidly increasing shipping costs. The team's initiatives include communicating best shipping practices and controlling in-bound freight to insure our divisions are better prepared when demand increases.

Among the most overlooked costs of goods is the money spent on energy (most often defined as electricity, natural gas, bulk gases, and water). Typically, manufacturers write off such expenses as the “cost of doing business.” We don't at McWane. With our latest initiative, Energy Awareness and Conservation, these costs are being examined under the proverbial microscope. Although energy conservation has always been a priority at McWane, it rose to the top of the list in 2008 when the company recognized it was sacrificing significant money each year because of that “cost of doing business” mentality. The team implemented a plan to do three things: gather information across the company about how we consume energy, attach measurable values to that information, and relay the best sustainable practices to all the divisions.

Among the many things we learned was that the Tyler Texas plants, having made energy conservation a priority, was achieving impressive savings.

Clockwise from left:
Hamp Tanner, Billy McMichael,
Chris Nichols and Margaret Tolliver.



“The goal of this department is to assist our divisions in bringing those sustainable savings directly to the bottom line.”

—Chris Nichols,
Vice President, Supply
Chain Department

The Supply Chain Department, along with the management team at Tyler, discussed how we could duplicate this success in other facilities by developing resident expertise at each plant. From those conversations and hours of research, the McWane Energy Program emerged. The program's two main goals are tapping the knowledge of employees and sharing sustainable learnings across all of our facilities to find ways to lower energy costs.

While monitoring scrap and freight costs will always be a large part of what the Supply Chain Department does, it will continue to explore untapped ways our company can operate more efficiently. So in a very real sense, the department is a project that's constantly evolving. When asked to describe his team's main mission, Chris Nichols summed it up nicely: “The goal of this department is to assist our divisions in reducing costs and bringing those sustainable savings directly to the bottom job.” That's a clear, concise statement, but it's a complex mission. Fortunately for McWane, the Supply Chain Department is on the case. ■



PARTNERS IN EDUCATION

THEIR SMILES ARE OUR REWARD

After singing
to the
workers,
the children
all screamed
loudly,
“Thank you,
McWane!”

Among the many ways we lend a hand within our communities, none makes us more proud than McWane Pipe’s Partners in Education program.

This past year saw a number of McWane initiatives with neighborhood schools, including a memorable day when company employees rolled up their sleeves and got to work at Norwood Elementary. The occasion was Neighbors Helping Neighbors Day—a plant-wide day of service—and the task at Norwood was to give the school a needed facelift. About 40 employees of McWane Pipe descended on the small school and immediately started sprucing up the buildings and grounds. Two flower beds by the playground were choked with weeds, until the McWane crew removed them all and planted beautiful pansies. The mulch that had once provided a cushioned landing for children on the playground equipment was long gone, so the workers spread soft pea gravel all over the ground. They went on to weather-treat the playground equipment, rake leaves, pressure-wash the front of the school and paint one of the walls in the gymnasium. The result had a wonderful unforeseen effect: Principal Errol Watts said that he started to notice there wasn’t as much trash on the school’s property. Apparently the litterers who used to chuck bottles and fast food wrappings onto the school grounds didn’t want to mess up a place that suddenly looked so nice.



Carver High School was the focus of another 2008 initiative called “Read to Win.” This program, launched by Carver with McWane’s help, is all about getting students of all ages excited about reading. Contests help do the trick, and Read to Win offered prizes in such categories as best theme, best bookmark and best poster. The winning theme was “Readers are Leaders and Leaders are Readers,” and the winning bookmark design featured a crystal ball motif that symbolized “understanding—past, present and future.” Both those students

took home an MP3 player. The designer of the winning poster, which featured the words, “Leaders Read,” was presented with an art set. Runners up also received prizes.

The biggest reward went to McWane, however, in the form of beaming smiles from students at both schools. An especially touching moment came at Norwood Elementary when kids filed out of their classrooms and together sang a song for their visiting workers. After the last note, the throng of children all screamed loudly, “Thank you, McWane!” ■

McWANE SCHOLARSHIP

COUNTING ON COURTNI



Ed Coleman, a Millwright at McWane Cast Iron Pipe Company, has the smile of a proud father these days. And for good reason. His daughter, Courtni, is now a graduate of the University of Montevallo, having earned a BS degree with a major in Elementary Education. McWane is sharing in the Coleman family’s pride, too—after all, Courtni was one of the first recipients of the McWane scholarship, a program that helps fund college for ten children of our employees. First awarded in 2005, the scholarships began as \$1000 gifts to each student, but were increased to \$2000 last year. The recipients are chosen based on qualities and achievements that suggest they have a very bright future—as long as they can pursue their dreams with a college degree.

So far, Courtni has exceeded McWane’s high expectations. She not only graduated in 3 1/2 years from an education program that usually takes 4 1/2 years to complete, but finished with a 3.8 grade point average. Courtni clearly shares her father’s work ethic: she took 19 hours of coursework each semester and went to summer school every year in order to graduate early. On top of this Herculean workload, she served an internship at Montevallo Elementary School during her last semester. Courtni’s plan for now is to teach for awhile in the Birmingham area, but she might return to school eventually to earn a Masters degree.

More than anything, Courtni says, it was the love and support of family that made her achievements possible. But she gives credit to McWane for playing a vital role, too. “The scholarship was a tremendous thing for me,” Courtni says. “It helped pay for my tuition and my books. If I hadn’t had that assistance, I probably would have needed to work longer hours in my jobs outside school. And that probably would have affected my studies and grades.”

Instead, Courtni was able to maintain a stellar grade point average that helped her land a job teaching kindergarten less than two months after graduation. Having launched just the career she wanted, Courtni says, “I will always be very grateful to McWane and the Foundation.” ■

McWane Pipe’s Ed Coleman poses with his daughter, Courtni (above left), on her college graduation day—an event proudly announced in a formal invitation (left).

A strong year of community service

CAPS OFF TO 2008

ATLANTIC STATES

In the five years since its formation, the Atlantic States CAP has been a very active member of the Phillipsburg, New Jersey community, providing a forum for addressing local concerns about plant operations and directing Atlantic States' philanthropic efforts. If anything, 2008 saw even more initiatives than past years. ASCAP continued projects that benefit, among others, Phillipsburg Public Library, Downtown Merchant's Association, United Wesley Methodist Church, Blessed Hope Church, Phillipsburg Senior Center, Phillipsburg Middle School, Garnet Booster Club, Pohatcong Township Historic Preservation Commission and Warren County Foster & Adoptive Services.

Three other projects proved to be among the most gratifying. Through its Scholarship Program, ASCAP honored its two scholarship recipients for 2008-2009, high school seniors Janine Herb and Brian Norrell, at a special awards presentation. The panel also conducted its annual



Holiday Program, donating hats and gloves to local children, food for the tree-lighting ceremony and tickets for families to ride the Polar Express. ASCAP also continued its support of an adopt-a-family program and gave to seven local churches and food banks during the holiday season.

Finally, as part of the Ole Towne Festival project, the Town of Phillipsburg—through ASCAP—has partnered with McWane Inc. That link-up has led to a commitment from McWane to spend \$150,000 over the next two years to support improvements to Walters' Park, a 24-acre gift to the community from William

Henry Walters back in 1936. The first phase of park improvements focuses on the band shell: the project will address flooding issues, build a structure for seating, refurbish the band shell itself and add light fixtures and landscaping. The second phase of the park project will expand the current playground and add new equipment there for children of all ages. Once completed, the park's recreational, social and cultural amenities will be a huge boon to local residents as well as to neighboring communities. Atlantic States, ASCAP and McWane are proud to help with a project so important to civic pride.

ANNISTON

Last year was another busy one for the MAC in Anniston, where two McWane plants are located: Tyler/Union Foundry Company and M&H Valve Company. The Anniston McWane Advisory Council (MAC) helped direct funds to two community organizations that completed a lead-based paint abatement project for 11 homes in West Anniston. The MAC also directed funds to Anniston City High School to assist in asbestos removal—part of a remodeling

project in which the high school is converting from open classrooms to more traditional closed classrooms. The school used remaining funds to purchase new science lab equipment and textbooks.

MAC continues to monitor the progress of services at St. Michael's Clinic, which provides free medical services to people without health insurance.

The funds will be used over a five-year period to expand the clinic's

operating hours and enable it to provide more quality medical care to its patients. The project is currently in its second year.

In another project, MAC is taking part in an ongoing dialogue concerning local economic development.

At an October meeting, Sherri Sumners, President of the Calhoun County Chamber of Commerce, led a discussion about the current economic downturn and its impact on jobs and businesses in Anniston.



Tom Crawford, McWane Pipe General Manager (left) and Robert Holmes, MPCAP Chairman

McWANE CAST IRON PIPE

Last year, Dr. Neil Berte resigned as the McWane Cast Iron Pipe CAP (MPCAP) Chair in order to relax and enjoy his retirement years. Tom Crawford and Bonita Flippo presented Dr. Berte with a gift of appreciation for his years of service to MPCAP. Robert Holmes accepted the position as Chair of the panel, and is looking forward to making a difference in the community. MPCAP launched an outstanding community relations project called Neigh-

bors Helping Neighbors (featured in this issue on pages 8 and 9), and the MPCAP looks forward to hosting similar events.

MPCAP also honored students on Rewards Day at Norwood Elementary School. Awards included Perfect Attendance, A-B Honor Roll, Good Conduct and a special McWane Character Award. MPCAP also sponsored a reading initiative for Carver High School called "Readers are Leaders and Leaders are Readers," as well as other contests such as one for bookmark and poster design.



CWCAP members

CLOW WATER

This past year, the Clow Water CAP (CWCAP) made significant donations to many local projects in Coshocton, Ohio. Among the recipients were the Coshocton Chamber of Commerce, Wings Over Coshocton Air Show, United Way of Coshocton

and the Johnston-Humrickhouse Museum. Coincidentally, the donation to the Johnston-Humrickhouse Museum is helping to support an exhibit featuring the carvings of Sam Clow, the former Operations Manager at Clow Water, who retired in 1980 and recently passed away at the age of 88.

KENNEDY VALVE

Kennedy Valve has yet another impressive CAP group. Last year, as in the past, Kennedy Valve team members got involved in numerous community events, including the 4th of July Pride Ride, a motorcycle event that benefits the Marine Corps' "Toys for Tots" campaign, and the World Hunger campaign that raises funds for hunger relief agencies.

TYLER PIPE

The Tyler Pipe CAP (TPCAP) made two major donations last year to important causes in their home community of Tyler, Texas. The first, a \$20,000 gift to the Chamblee Rose Garden for the construction of the McWane Pavilion, was in answer to a request brought by City Manager Mark McDaniel. The second, a donation of a food-delivery truck to PATH (People Attempting To Help), was in response to an appeal from Christina Fulsom, Executive Director of PATH.

PACIFIC STATES

The Pacific States CAP (PSCAP) made an \$8,000 donation to the Provo school system. A donation is made every year to the Provo school system. Pacific States faced many challenges in 2008, the toughest was the explosion that ripped through the casting floor. Thanks to the hard work and commitment of the employees and local companies, Pacific States rebuilt the plant in short order. During this difficult time, Gary Anderson, a County Commissioner and a CAP member, worked with the county fire marshal to get PAC back online quickly and safely. Other CAP members offered assistance, advice, or simply support, which meant so much.



THE HOUSE THAT BILLY BUILT ...

Forty-five years ago, Billy Huddleston thought he'd work for M&H Valve just long enough to play a season with the plant's baseball and basketball squads. He's long since hung up the jerseys, but Billy never left the McWane Team.

Nearly 72, Billy has designed, cut out, fabricated and welded every platform and conveyor throughout the plant.

He's also trained generations of M&H workers, many of them fathers and sons.

"I've seen lots of changes over the years, and the innovations have always made this an exciting place to work," says Billy. "But what I appreciate most is that we've held onto the best of our past—our core values like a commitment to excellence and service. That's what sets this company apart." ■

The McWane Way

At McWane, we believe in doing the right thing even when it is not the easiest or least expensive. We believe in protecting the health and safety of our employees and embracing our duty to be good stewards of our environment. We believe this is a path that will take our company to the highest level of corporate responsibility.



For Generations

DUCTILE IRON PIPE DIVISION

Atlantic States Cast Iron Pipe Company
Canada Pipe Company, LTD
Clow Water Systems
McWane Cast Iron Pipe Company
Pacific States Cast Iron Pipe Company
McWane Coal Company

INTERNATIONAL SALES AND TRADING

McWane Global
McWane Poles
McWane International

WATERWORKS VALVES & FIRE HYDRANTS

American R/D
Clow Canada
Clow Corona
Clow Valve Company
Kennedy Valve
M&H Valve

WATERWORKS FITTINGS

Tyler/Union Foundry Company
Tyler Xianxian

SOIL PIPE, SOIL FITTINGS & Couplings

AB&I Foundry
Anaco
Bibby - Ste - Croix
Founderie Laperle
Tyler Pipe Company
Tyler Coupling
Wade

PROPANE & COMPRESSED AIR TANKS

Manchester Tank & Equipment Company

FIRE EXTINGUISHERS

Amerex
Getz Manufacturing
Janus

McWANE, INC.
P.O BOX 43327
BIRMINGHAM, AL 35243
www.mcwane.com

© 2009 McWANE, INC.
All rights reserved

