

the Wheelagram



Materials Cleaning Systems Division
Wheelabrator-Frye Inc.

VOL. III NO. 29

AUGUST 3, 1979



J. E. O'Callaghan
President

As we have passed the mid-year point and completed our annual shutdown, a brief report on our year so far and outlook for the balance of the year may be of interest to you.

Overall, the business of MCSD has been strong, particularly with new orders for Wheelabrator equipment. This excellent activity has existed across the board in our markets and applications, with particular strength in automotive, aerospace, and steel foundry segments. Major projects booked include International Harvester-Louisville, Chevrolet-Livonia, Lockheed-Georgia, and American Steel Foundries. As a result, our backlog is the largest in history and presents a favorable work outlook through year-end and into 1980.

As you know, at the beginning of the year we were faced with a large number of special equipment orders, which generated high engineering backlogs. The difficulties were overcome with excellent cooperation and teamwork. Our customer commitments were met and our financial goals achieved. While our situation has improved, we must maintain our flexibility in order to capitalize on existing opportunities and meet customer expectations which will continue to require the cooperation and teamwork of us all.

Our abrasives, repair parts, and Balcrank businesses are all more sensitive to changes in the level of general industrial production. While we have already experienced some signs of softness in these areas in the second quarter, we remain optimistic on maintaining our current level of operation. With the many clouds on the horizon in our national economy, there remain a number of factors in our major market areas strengthening our outlook.

However, current levels of business and backlog cannot allow us to become complacent. The dedication, initiative, and loyalty of us all remain the key to our future well-being. While competitors and general economic conditions may make our jobs more difficult, our future is mostly what we make it. If we join "hands and heads," I'm confident we'll remain equal to the challenges ahead.

Sincerely,

J. E. O'Callaghan
President

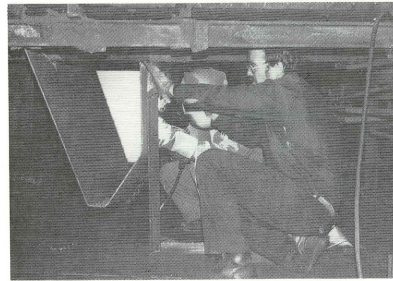
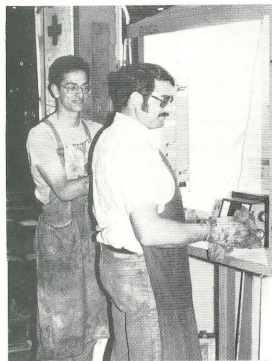
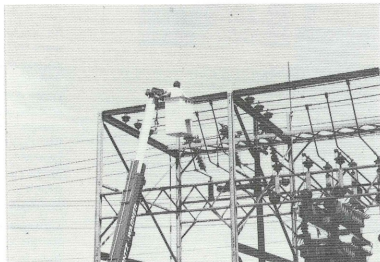
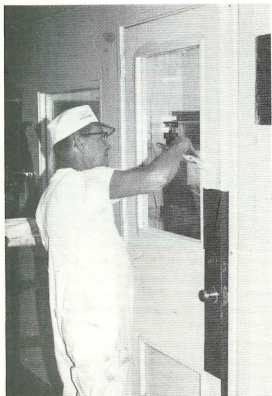
NEW FACES . . . Welcome to: **Rebecca J. Giddens**, Stenographer-Marketing; **Ben F. Stocum**, Turret Lathe-Machine Shop; **Diane M. Price**, Stenographer-Parts Sales; **Barbara L. Kraft**, Draftsman-Engineering; **Frank A. Scrima**, Marketing Development-Marketing; **Vicki L. Stringer**, File Clerk-Purchasing; **Johnson Hsieh**, Warehouseman-Western Region; **Albert C. Petit**, Account Sales Engineer-West Central Region.

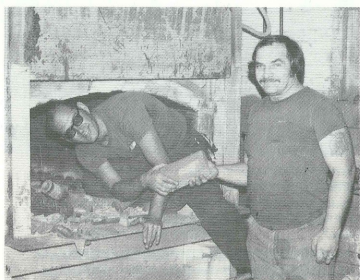
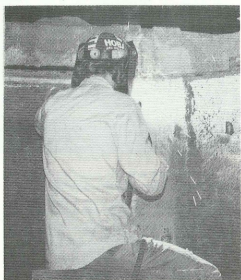
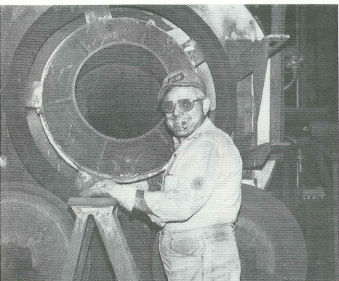
CONGRATULATIONS to **Anne Claeys**, Senior Purchasing Clerk-Purchasing, who celebrates 15 years of company service today.

NOW IS THE TIME . . . Take advantage of our Tuition Reimbursement Program — earn while you learn! Information is now available on courses of study being offered this Fall by I.U.S.B. Check with Personnel.

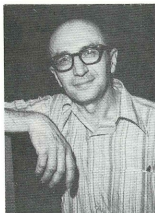
ON CAMERA ... During plant shutdown, while many of our employees were, hopefully, enjoying their rest and relaxation, our Maintenance Department was busily attending to shutdown projects which ranged from cleaning and checking machines and equipment,

repairing arc furnaces, painting, and, in general, conducting a plant housecleaning. Marketing Services Paul Noeth and his camera offers the following testimony to the industriousness of our Maintenance Department.





PRIOR TO SHUTDOWN, the gang in Stores gathered to wish BERNARD A. TRYTKO (photo l) and JOSEPH F. RUNNELLS (photo r) well on the occasion of their retirements from Wheelabrator. Joe, General Order Filler-Checker, has 15 years of company service and Ben, General Order Filler, has 14 years of service. To Ben and Joe, our best wishes for long happy retirements!



WHEELABRATOR IS JOINING industry and business across the nation in complying with the U.S. Department of Energy's "Emergency Building Temperature Restrictions."

We are presently reviewing our systems and will implement control procedures which will comply with the Regulation.

In brief — the plan requires **minimum** air conditioning settings at 78°F and **maximum** heat settings of 65°F.

Details to comply with the new federal regulation are being determined and will be announced in the near future.

WE'RE HAVING A PICNIC . . . Tickets are now on sale for the Wheelabrator Athletic Association's annually-sponsored company picnic. Saturday, August 18, is the date. Wander Conservation Club, Mishawaka, the place. Festivities will begin at Noon. See your area AA rep for your tickets — only \$2 per family.

A NEW DEAL . . . Our Athletic Association is now offering, in addition to Plitt theater tickets, General Cinema discount tickets at \$2.25 each. These theaters are located at the recently opened University Park Mall.

RECORD LEVELS . . . Sales and net income for Wheelabrator-Frye reached record levels in the first six months of 1979. Sales were \$456,138,000, an increase of

23% from sales of \$369,630,000 in the first half of 1978. January-June income was \$18,973,000, up 18% from net income of \$16,127,000 for the same period last year. Second quarter sales were \$237,788,000, an increase of 21% from sales of \$195,721,000 in the corresponding period of 1978. Net income was \$10,467,000, an increase of 14% from net income of \$9,211,000 in the second quarter of last year.

Results of the second quarter and the first six months include the operations of Neptune International Corporation, which merged into Wheelabrator-Frye on January 4, 1979 in an exchange of common stock. Sales and net income of the first half of 1978 have been restated to reflect the merger.

According to Michael Dingman, Chairman of the Board, "the company's strong first half was paced by the continued excellent market performances of our engineered systems and components and our engineering and erection services."

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