



FOSECO, INC.

STEEL MILL PRODUCTS MANUFACTURING DIVISION

MONTHLY REPORT - JULY, 1973

General Notes:

July sales of SMPD products were \$1,028,941, very low, but this was a month with a week of downtime due to labor strike. Sales again were not up to forecast, so there was no need for week-end work in SMPD manufacturing areas.

In total, for all SMPD manufacturing departments, 12,470 total hours were recorded, but 871 hours unfavorable against standard. Standards are still out of line and we must get corrections for true evaluations of all departments.

Absenteeism and labor turnover in July were again high and continue to be a very serious problem.

Departmental Performances:

- A. Department 107 - Multi-piece PROFAX worked a total of 9,015 hours compared with 10,772 in June. Productivity was down due to much experimentation, but demand of sales was not up to forecast either.

Scrap rate was 4.4% compared with 3.5% in June, a 25% increase, all due to experimental asbestos free recipes. All ovens, corrugated machines, three Mark III's and floors in the operating areas are in desperate need of repair and overhaul if we are to continue a high level of production. 560 maintenance work orders were written in Dept. 07 for repair of breakdowns on equipment and machinery. This adds up to better than 600 machine hours lost. The asbestos free program continues, but not without headaches, machine problems, and high green and dry scrap. EP 5297 paper recipe, seems to show some favorable results, better than any up to this time.

- B. Department 108 - One-piece PROFAX continued with a three shift operation with the third shift running one machine only. Absenteeism and labor turnover continue to plague this area more than others, especially at the ovens. Machine downtime and air problems prevented this department from having a better month.

Scrap rate in one-piece was 3.2% compared with 2.3% in July. Sagging and cracked tops due to poor machine condition were responsible for this increase.

- C. Department 114 - Mark IV worked a total of 1,238 hours. Scrap was 6.9%, up from 3.2% in June. Most of our scrap resulted from Great Lakes rings (#144 and #228) and hard rings due to misformulation of slurry.