

PROMINENT OSHA DESIGNATION

AS MCWANE, INC. CONTINUES to emphasize safety and health, we are striving to participate in the Occupational Safety and Health Administration's Voluntary Protection Program (VPP). The program allows management, labor, and OSHA to establish cooperative relationships at workplaces that have implemented comprehensive safety and health management systems. Approval into VPP is OSHA's official recognition of the outstanding efforts of employers and employees who have achieved exemplary occupational safety and health programs.



The McWane VPP Application Workshop, organized by VPPPA on Nov. 4, 2005, included Sam Fay, Jeff Willman, Melva Luckie Oni, Eric Broughton, Susan Sikes, Bob Sterling, Jessica Allen, Davis Layne, Carol Henson, Barb Wisniewski, Steve Hacker, Pat Tyson, June Brothers, and Rick Thacker.



Employees of Clow Valve gather for the VPP kickoff and sign the VPP banner.

Employees at four McWane facilities — Anaco, Tyler Coupling, Clow Valve and Manchester Tank-Petersburg — are currently working to complete the work necessary to be accepted into the elite program. “The VPP designation is so much more than being able to fly the Star or Merit flag in front of the workplace; something very few work sites in the United States can currently do,” says Barb Wisniewski, McWane’s Assistant Vice President of Health and Safety. “The VPP designation indicates a true commitment from management and employees in working together, with everyone taking personal responsibility for safety and health. VPP designates a caring cultural commitment to going beyond to do the right thing.”

“There are only 1,500 sites in the United States designated as VPP sites, out of a possible 7.2 million work sites that fall under OSHA jurisdiction,” adds Steve Hacker, McWane’s Industrial Hygiene Manager. “So the designation is quite a feather in your cap. There are really only four components to becoming VPP, which are management leadership and employee involvement, work-site analysis, hazard recognition

how the other plants got to where we are trying to get. Hearing what worked for them might work for us as well. It seems we are well on our way with the things we are already doing.”

VPP offers members a variety of benefits:

- higher employee morale
- lower turnover rates
- fewer injuries
- improved public relations
- better cooperation between salary and wage workers
- improved safety performance

Because participation in the VPP program requires a cooperative involvement from both management and labor, “there’s a whole different attitude at VPP facilities,” says Hacker, who has previously helped other facilities achieve the designation. “The employees really have a feeling of ownership and pride in their safer work environment. Unless you’ve experienced it, you really can’t understand how well-accepted the program is among employees.”

“The VPP designation indicates a true commitment from management and employees in working together, with everyone taking personal responsibility for safety and health.” —Barbara Wisniewski

and control, and safety and health training. It sounds simple on the surface but really separates VPP sites as the best of the best when it comes to safety and health programs.”

First, sites that attempt to achieve the VPP designation create a VPP Committee consisting of employees from all levels of the organization. Secondly, committee members receive training in OSHA regulations and watch for ways to make their facilities safer. Each site must also document and organize its health and safety plans and complete an application about its programs. Finally, an OSHA team makes an on-site visit to evaluate the work site, interview employees, study safety and health programs, and ultimately, make the decision of whether the facility is qualified as a VPP site

McWane’s Manchester Tank, Petersburg plant has its on-site OSHA visit scheduled for September, with two other sites following before the end of the year. Anaco will have its site visit in 2007, Hacker says. McWane’s eventual goal is to achieve VPP status at all facilities.

To help its employees with the VPP application process, McWane organized an application workshop last November. With 71 attendees from 20 different McWane facilities, the workshop featured speakers including OSHA representatives, the director of the VPP Participants Association, and a number of representatives from companies that have successfully completed the VPP process. “The speakers were all very informative,” says Bob Shepherd, Machine Operator B at Clow Valve Machine Shop and Joint Safety Committee member. “It was interesting to see

Those McWane facilities undergoing the VPP application process are beginning to experience some of the benefits Hacker describes. For instance, Dennis Tarr, General Foreman of the Iron Foundry at Clow Valve Oskaloosa’s Metal Casting Facility, and Bob Kelly, Supervisor of Iron Grinding at the facility, are meeting regularly with employees to get their input about what could be changed to make their workplace safer, and then working to expedite their ideas. “Employees are seeing improvements on a daily basis and are wanting to be a part of this process,” says Rod Swager, Safety Manager for Clow Valve Oskaloosa.

At Tyler Coupling, the VPP application process has helped “achieve an attitude of awareness, in knowing not only what is safe, but knowing about the safety process,” says Tim Washeck, the facility’s Environmental Safety and Health Manager. “Two of the components that have increased within this facility’s walls during the past year are awareness and involvement. Without those two parameters, we would be nothing more than a run-of-the-mill factory, but we are on top of the world with great employees that are aware and involved.”

“Having production and maintenance employees work together with site management to improve our safety and health processes is the real benefit of the VPP process,” Wisniewski adds. “The outcome of an improved safety process is just icing on the cake; the implemented culture change to have everyone working together, wanting the best and living that belief on a daily basis, is the real value of the program.”

THE

MCWANE WAY

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. This is a path that will take our company to the highest level of corporate responsibility. This is the McWane Way.

HUMAN RESOURCES SUMMIT FOCUSES ON DIVERSITY, DIALOGUE

McWane's HR Summit was held in Birmingham in March. Michelle Clemon, McWane's Vice President of Human Resources and Community Affairs, developed the summit, which was comprised of HR professionals from all of McWane's U.S. facilities. During the two-day session, the group took part in a role-playing exercise and an open discussion on a variety of topics. Among the topics discussed were ways to promote and sustain diversity in the workplace. HR representatives agreed that the need for diversity was important.

In the end, participants agreed that a diverse workplace is one that encourages and supports respect for all cultures and individuals. "The HR meeting was a terrific opportunity to discuss the long-term and short-term goals in HR, including diversity," said Clemon. "We are committed to diversity not because of legal requirements, but because it's the right thing to do from a business and social responsibility standpoint. Diversity isn't about quotas or affirmative action; it's about understanding, respecting, and valuing the differences amongst us," she added.

HR PERSONNEL SHARE BEST PRACTICE SUGGESTIONS THAT INCLUDED:

- Have management-attended lunch with each employee at least once a year to interact and brainstorm new ideas. (*Amerex*)
- Implement a job candidate profile that results in increased employee retention. (*Clow Valve*)
- Form subcommittees with 80% hourly employees to discuss issues. (*Manchester Tank, Elkhart*)
- Develop a quarterly newsletter (*Tyler Pipe*)
- Implement service awards (*Manchester Tank*)
- Have lunch with new hires; regularly check in with them (*Pacific States*)
- Acknowledge employees with 30 and 40 years of service in a visible manner (*Tyler Pipe*)
- Develop training for front-line superintendents and include hourly employees in that training (*McWane Pipe*)
- Increase orientation from six hours to three days. (*Atlantic States*)
- Provide job rotation of union employees, particularly for jobs with repetitive motion (*Manchester Tank, Crossville*)
- Join Wellness Council of Iowa, lowering insurance costs (*Clow Valve*)
- Develop/implement welding class open to public, taught by experienced employees, providing a preview into the employee pool, and increase in recruitment/retention. (*Manchester Tank & Equipment, Bedford*)



HR Summit attendees: (Counterclockwise from left) **JEANNIE BOWSHOT**, Tyler Pipe Texas; **JANISS BRYANT**, Tyler Pipe Marshfield; **DAVID CUMMINS**, Clow Valve-Oskaloosa; **SARA MCDOWELL**, Clow Valve-Oskaloosa; **JESSIE STONES**, Pacific States; **SAM WESTER**, Amerex; **RAY FREW**, Kennedy Valve; **FAYE PETTIGREW**, Tyler Pipe, Texas.

DIVERSITY PANEL SHARES EXPERIENCE



ROBERT HOLMES, Alabama Power; **YOLANDA SULLIVAN**, Vulcan Materials, and **JANET OLSEN**, formerly with Mercedes-Benz U.S. International, participate on the Diversity Panel.

Where does the successful company of today look for new human resources ideas and beginnings? You might be surprised to find that, as often as not, human resources professionals look to other successful companies.

Such was the case during the company's recent HR Summit, during which McWane, Inc. invited a select and diverse panel to discuss human resources changes in corporate direction.

Robert Holmes, Senior Vice President of Ethics and Business Practices for Alabama Power; Yolanda Sullivan, Corporate Human Resource Manager for Vulcan Materials; and Janet Olson, former General Counsel for Mercedes-Benz U.S. International, joined Clemon and other representatives from McWane, Inc. companies to study and create objectives for human resources changes and goals for the 21st century.

Holmes spoke about the importance of diversity in a thriving business. "The customer

of today is diverse, and our companies should reflect that," Holmes said. "It's a business issue and a journey, not a destination."

Olson cited the Continuous Improvement Team as an example of how the building-by-team concept works best. "We identified what was working and kept those things," said Olson. "It builds trust, which is so important."

Sullivan talked to the group about weaving diversity goals into the company mission statement. "It starts with who you are," she said, adding that strong leadership and communication are also vital. "Hold strong to the principles of diversity, envision the change as a reality, and then walk the steps to success."

Clemon closed the roundtable discussion by addressing the value of the previous culture while noting that times have changed. "Inclusion is part of the culture now," she noted.

PROMOTIONS

McWane, Inc. recently announced a reorganization of its Human Resources department that includes promotions for two executives.



Michelle Clemon



Darrell Witt

MICHELLE CLEMON has been promoted to Vice President of Human Resources and Community Affairs. She will report to G. Ruffner Page Jr., President of McWane, Inc. She will be responsible for the company's human resources, media, and community relations activities. Clemon arrived at McWane in 2004 after having served as an Associate at Maynard Cooper & Gale, P.C. in Birmingham, Ala., where she focused on employment and labor issues. She received her Juris Doctorate from Columbia University School of Law and her undergraduate degree from Yale University. She is a member of the Alabama State Bar, American Bar Association and the Birmingham Bar Association. Previously, Clemon served as McWane's Assistant Vice President of Public Affairs.

Also, **DARRELL WITT** has been promoted from his previous position of Corporate Director of Human Resources to Vice President of Human Resources. Among his duties, Witt is responsible for Human Resources policies and programs designed to promote the efficiency of company operations and to ensure compliance with federal and state laws. Witt joined the company in 2004. He will report to Michelle Clemon, Vice President of Human Resources and Community Affairs. He is a graduate of the University of Tennessee.



Dave Paige

McWane, Inc. has recently promoted **DAVE PAIGE** as Director of Information Technology. In this position, Paige is responsible for all IT operations activities. Additionally, he provides IT oversight for other Birmingham-based McWane facilities and plants. Paige joined McWane in 2004, after serving as Senior Project Manager, IT Manager, and Help Desk Manager for Honda Manufacturing in Lincoln, Ala., joining the company in 2001 when the plant opened.

DEAR MCWANE EMPLOYEES:

I want to take a moment and share with you McWane's goal of working together to embrace diversity in our workplace and to explain why this is an important component toward our future success.



The products we make serve a wide and varied public and are used all over the world. It makes sense to embrace the diversity that exists among our workforce while working together toward common goals of productivity, workplace safety, and exceptional environmental compliance at each facility.

Chief among our goals is to reduce turnover, which reduces accidents, improves productivity, and ensures that all employees have the opportunity to earn a good wage in a safe environment.

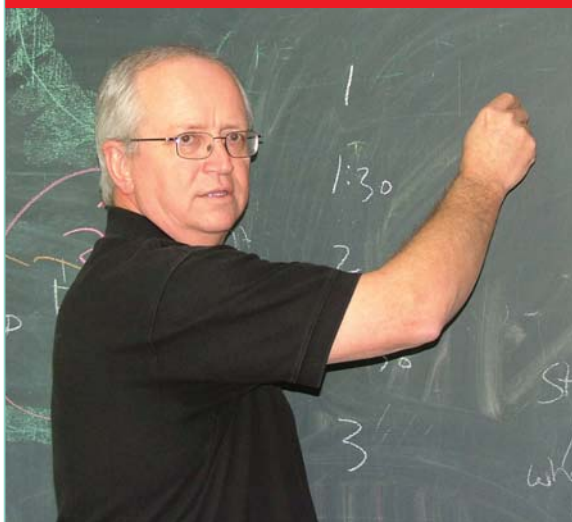
McWane is supporting this initiative in a variety of ways. We are performing HR audits, which will be used to establish baseline performance for each facility. From those, we are working to set measurable goals and assist each facility in attaining those goals.

We also have pledged additional resources, including increased HR personnel, additional funding for positions and programs, and more internal and external experts to assist us in achieving our desired outcomes.

I've tapped Michelle Clemon to lead this effort in her new role as Vice President of Human Resources and Community Affairs, but we can't do this without your help and support. I encourage each and every one of you to join us in our efforts.

G. Ruffner Page Jr.
President

GROUP HUMAN RESOURCE DIRECTORS MEET



McWane's recently formed Group Human Resource Directors (GHRD) participated in a two-day summit held this past June in Birmingham. Members Jack Trimm (Pipe Group), Joe Maziarz (Soil Pipe Group), and Steven King (Valve, Hydrant, and Tank Group) established roles and responsibilities for the group, including sharing and implementing best practices, and explored ways to facilitate increased communication across all business groups.

Jack Trimm, (McWane Cast Iron Pipe) addresses Group Human Resource Directors at their June meeting.

ACCESS LINE

Free • Confidential • Available
24/7 • 1.877.231.0904

Do you have a suggestion, comment, or concern that you'd like to share with McWane senior management about your job, employee safety, or health and environmental programs?

CALL THE ACCESS LINE—1.877.231.0904

This is a toll-free line available any time and managed by the McWane corporate office.

- Calls are answered by professionals who will take information about your concern and respect your privacy. Translators are available if English is not your native language.
- Confidentiality is assured, if you do not wish to provide your name.
- All McWane companies have adopted a strict policy prohibiting retribution to callers on the Access Line.

Many issues can and will be resolved at the local plant level when management is made aware of them. Before calling the Access Line, we encourage you to speak first to your supervisor, human resources department, or plant manager to express your concerns.

Your Health + It Matters

During 2006, an estimated 700,000 persons in the United States will have a stroke, approximately 160,000 persons will die from stroke, and 15-30% of stroke survivors will be disabled permanently.

Preventing and controlling stroke risk factors, such as high blood pressure, atherosclerosis, atrial fibrillation, tobacco use, and diabetes, are the most important measures for preventing a stroke.

Recognition of the warning signs of stroke and immediate calls for emergency medical care by bystanders are critical first steps toward obtaining appropriate emergency treatment that might prevent death and disability for persons having a stroke.

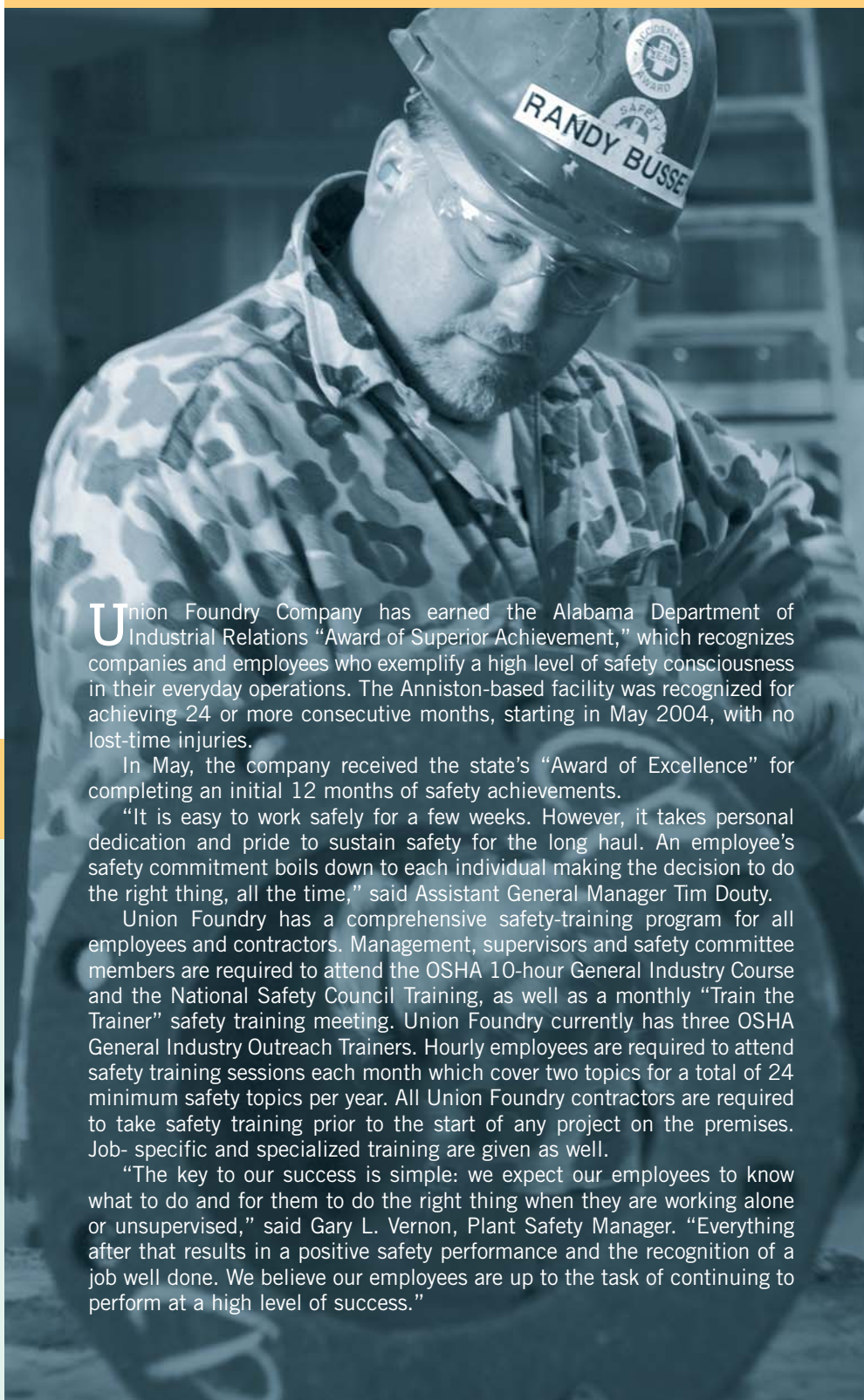
McWane, Inc. has arranged with the Delta States Stroke Consortium (DSSC) to provide stroke magnets to each facility for the first 50 employees who request one.

- Stroke is treatable.
- Stroke is a medical emergency.
- Stroke treatment within the first three hours of a stroke is critical to recovery.
- Time Lost is Brain Lost—Call 911 if you think you are having a stroke.



ABOUT DSSC. The Delta States Stroke Consortium is a nonprofit organization funded by a Centers for Disease Control grant. Covering the five southern states that make up American's "Stroke Belt," the DSSC seeks to identify and provide opportunities to reduce the burden of stroke in the Southeastern United States.

UNION FOUNDRY RECEIVES AWARD OF SUPERIOR ACHIEVEMENT FROM ALABAMA DEPARTMENT OF INDUSTRIAL RELATIONS



Union Foundry Company has earned the Alabama Department of Industrial Relations "Award of Superior Achievement," which recognizes companies and employees who exemplify a high level of safety consciousness in their everyday operations. The Anniston-based facility was recognized for achieving 24 or more consecutive months, starting in May 2004, with no lost-time injuries.

In May, the company received the state's "Award of Excellence" for completing an initial 12 months of safety achievements.

"It is easy to work safely for a few weeks. However, it takes personal dedication and pride to sustain safety for the long haul. An employee's safety commitment boils down to each individual making the decision to do the right thing, all the time," said Assistant General Manager Tim Douty.

Union Foundry has a comprehensive safety-training program for all employees and contractors. Management, supervisors and safety committee members are required to attend the OSHA 10-hour General Industry Course and the National Safety Council Training, as well as a monthly "Train the Trainer" safety training meeting. Union Foundry currently has three OSHA General Industry Outreach Trainers. Hourly employees are required to attend safety training sessions each month which cover two topics for a total of 24 minimum safety topics per year. All Union Foundry contractors are required to take safety training prior to the start of any project on the premises. Job-specific and specialized training are given as well.

"The key to our success is simple: we expect our employees to know what to do and for them to do the right thing when they are working alone or unsupervised," said Gary L. Vernon, Plant Safety Manager. "Everything after that results in a positive safety performance and the recognition of a job well done. We believe our employees are up to the task of continuing to perform at a high level of success."

CAPS UPDATE

ATLANTIC STATES CAST IRON PIPE COMPANY CAP members volunteered their time last December to visit with and provide presents and food for "adopted" families in need. The families were identified through local pastors and school officials. The CAP also continues to fund projects supporting revitalization of the local downtown area.

THE MCWANE ADVISORY COUNCIL (MAC) in Anniston, Ala., recently presented funding to the St. Michael's Community Clinic, a free clinic on Anniston's west side, providing medical services for anyone who has no medical insurance. The grant, recommended by the MAC, allows the clinic to increase its hours of service and expand patient services over the next five years.



Anniston MAC members at Clinic presentation.

THE TYLER PIPE CAP recently helped Tyler Pipe celebrate its 70th anniversary during a community celebration. On Saturday, April 1, 2006, the foundry opened its doors to employees, their families, community leaders and others affiliated with the plant to mark Tyler's 70th year of manufacturing soil pipe and utility fittings in Tyler, Texas, as well as the recent completion of several major capital improvements to make its production processes more safe, environmentally sound and productive.

THE CLOW CAP recently toured the Clow Water facility for the first time. Clow continues to educate the CAP on its operations and performance. The CAP has also been discussing economic issues and Coshocton's Strategic Planning Committee. The development of a strategic plan will help facilitate the development of a framework for an economic development recovery effort. The CAP remains engaged in looking at possible ways to assist with economic development programs.

THE MCWANE PIPE CAP is moving forward with two exciting projects, the Integrated Stormwater Treatment and Recreation Project and the Norwood Tree-Planting project. While the Stormwater Treatment and Recreation Project still needs necessary approvals before implementation can begin, the Norwood Tree-Planting project is in full swing and has been a great success. Students, neighbors, McWane Pipe employees and CAP members participated in the tree planting, which improved all three entrances to the Norwood community.