



### REYNOLD C. MACDONALD

is president and chief executive officer of Interlake, Inc. He has served as president, director and member of the executive committee since 1967, when he joined Interlake after serving as vice president of operations and member of the executive committee of Lone Star Steel Co. In April 1969 he became Interlake's chief executive officer, while retaining his position as president. His career in the steel industry began in 1946 with Kaiser Steel Corp., where he served in various operating capacities. He was assistant general superintendent—rolling and finishing operations when he resigned to join Lone Star in 1963. Mr. MacDonald is a past chairman of Los Angeles District Section of AISE. He is a director of the American Iron and Steel Institute, has served on

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### ASSOCIATION OF IRON AND STEEL ENGINEERS

the Committee on Manufacturing Problems, and is currently chairman of the Special Committee on the Environment for the Institute's Communications and national Affairs Coordinating Committee. In addition, he is vice chairman of the Steel Sub-Council for the National Industrial Pollution Control Council. Mr. MacDonald is a member of the Board of Directors for the Chicago Association of Commerce and Industry, Central National Bank of Chicago and United States Auto Club.

#### President's Message 1972

Our industry faces many problems, all of which reflect in its profitability. Steel companies' rates of return on revenues in 1970 averaged 2.7 percent, which was less than the average for all manufacturing. Likewise, steel's income as a percentage of stockholders' equity averaged only 4.0 percent, while the average for all manufacturing corporations was 9.2 percent. In 1970, among 22 manufacturing industry groups, steel ranked the lowest.

Increased productivity, in all its ramifications, is the one key factor which insures our industry's growth, our nation's progress and the success of each company for whom we work.

The best way to achieve greater productivity involves a combination of:

More and better tools.

More education and higher skills.

More efficient production methods.

More efficient use of time and money.

This is where the engineer and operating management comes in. The adhesive that holds technology and profits together is efficiency and productivity. You are the productivity people; therefore, the challenge is yours.

During my year as AISE President, I hope, then, to emphasize this theme—to encourage each member to do the things he knows best. I hope to challenge you to stand in the forefront to defend and improve our economic and free enterprise system:

To work together to improve our technology.

To accelerate our contributions to improving productivity.

To improve the profitability of our industry.

To engineer the kind of society which will serve our industry, our generation and the America of the future.

*Reynold C. MacDonald*  
President, AISE



**YEAR  
PRESIDENT**

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