

- 100th Anniversary History Timeline
- Spotlight Project
- K-B History Crossword

A POWERFUL PAST. A BRILLIANT FUTURE.

We have come a long way in the last hundred years. Starting as a two-man shop, James Kelso and Oliver Burnett pulled wire through gas pipes in several restaurants and office buildings in Chicago, converting the lighting from gas to electric. Their pay was \$15 per week, each.

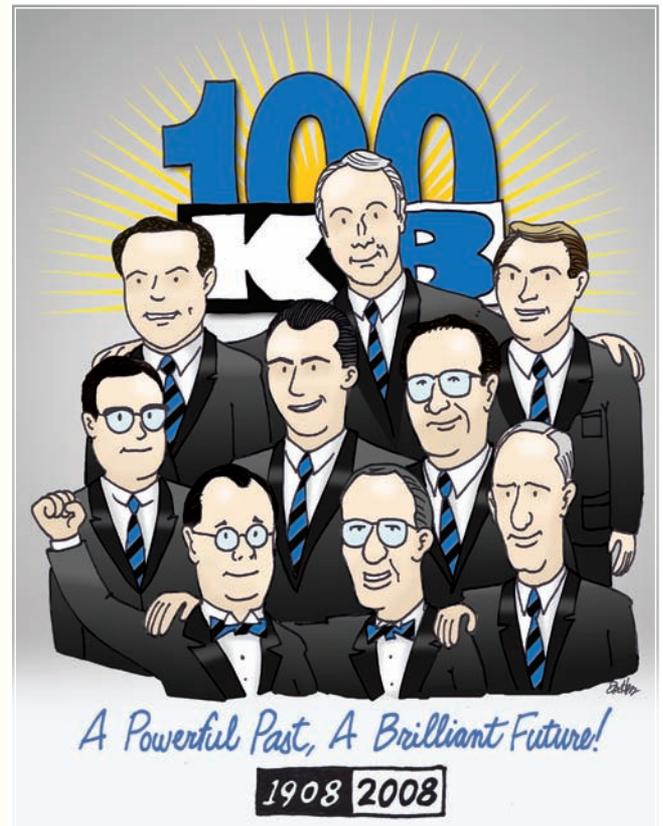
Today we employ over 300 electricians and are known as one of the premier electrical contractors in Northern Illinois. By adapting our markets and skills to match our customers' ever-changing needs and demands, we were able to successfully complete these first hundred years and are well prepared for the next hundred.

One of the major reasons for our success is our philosophy of ownership. In the 1950s, Kelso and Burnett sold their shares to six key employees. This was the beginning of employee ownership. Since then we have continued to sell shares to employees, and we now have 35 individual stockholders. Furthermore, in 1980 K-B started its Employee Stock Ownership Plan (ESOP). This retirement plan is totally funded by Kelso-Burnett, has 65 employee owners and owns 78 percent of the company.

We continue to believe in and support employee ownership. Kelso-Burnett has a reputation for its genuine interest in its employees, a partnership benefiting both the people and the company.

With our form of ownership, market niches, specialized know-how and talented people, we truly have a Brilliant Future!

Jim Kostek, Board Chairman and CEO



Happy 100th Anniversary from your KB Presidents!

Front row, James O. Kelso, Oliver F. Burnett, Oliver F. Burnett Jr.
Middle row, John J. McLaughlin Jr., George M. Bard, Calvin Cooper
Back row, Terry R. Butz, Bradley R. Weir, James R. Kostek





An antique voltmeter, used to measure the electric potential difference between two points in an electric current. This voltmeter was used in the 1930s. Imagine dragging this heavy wooden box around instead of the modern digital version!

WERE YOU AWARE?

Birds can rest on high-power voltage lines without being shocked because they make contact with the circuit at only one point. Both feet are touching the same wire, so they are electrically common.

The first electrical lighting was installed in 1880. Chicago got its first electric lights that same year, both in a store owned by Christian H. Jevne and a grocery store.

The Bureau of Labor Statistics projects a need for 207,000 union and nonunion electricians through 2014.

The watt is the unit of energy used to measure electrical power. “Watt’s up?” is an unfunny electrical pun.

Kelso-Burnett was issued the 15th electrical contracting license in Chicago. Kelso-Burnett owns license #C150 (the city used every tenth number).

KB SPARKS *Congratulations to all Kelso-Burnett team members!*



Cathy Kay & Scott Johnson

Congratulations to Cathy Kay and Scott Johnson for serving as Safety Directors for Kelso-Burnett’s award-winning team. Due to Cathy’s, Scott’s and the entire Kelso team’s dedication and hard work, Kelso-Burnett was awarded the Gold Award for Safety and Performance for 2007 by the Federated Electrical

Contractors (FEC). This award acknowledges superior performance for employee safety, a performance propelled by Cathy and Scott’s expertise in safety standards.



Bob Casey

Bob, who was recently hired as a Purchasing Assistant, will be working with the purchasing team at the Rolling Meadows office.



Margi Forss

Margi, wife of our very own Bob Forss, has recently accepted a position as Accounts Receivable Manager or “Cash Expeditor,” as she describes it. She will be working for Corporate out of the Rockford office.

THE PALMER HOUSE HILTON

The historic Palmer House Hilton has been a part of Chicago’s downtown for over a century. It first opened on September 26, 1871, only to burn down in the Great Chicago Fire just 13 days later. The Palmer was immediately rebuilt, and in grand style. It boasted oversized rooms, ornate décor and a barbershop tiled with silver dollars. The second incarnation of the Palmer House was billed as “the world’s only fireproof hotel.”

Between 1923 and 1925, the hotel was rebuilt again. At 25 stories high, it was the largest hotel in the world. In 1945, the hotel was bought by Conrad Hilton and became part of the Hilton chain of hotels.

The Palmer House Hilton is now 135 years old, making it the oldest continuously operational hotel in the world. As it entered the new millennium, it began to show its age and is thus currently undergoing a \$270 million remodel. Kelso-Burnett, led by Project Manager Jason Pore and Project Foreman Bill Nickeas, is handling much of the electrical work for the project. Almost the entire hotel is being redone. The Palmer House will be getting three new kitchens and a new restaurant and lounge—which required electrical work on nine separate floors. All the public spaces are also being renovated, including all the ballrooms, meeting rooms and dining rooms. This part of the project required work on 12 floors of the historic hotel.

The building’s age presented some unique challenges. For example, Kelso-Burnett is performing electrical work on ballroom fixtures deemed “historic”—they are approximately 100 years old. In addition, the hotel has stayed open during the entire remodel. Kelso-Burnett and the other contractors must work without inconveniencing the thousands of guests who stay at the Palmer House Hilton each day.

Kelso started working on the project in December 2006. To date, 18,000 hours have been spent, with 13,000 more expected. All aspects of the project will be complete by July 2008, and the Palmer House Hilton will again be as impressive as it was to travelers in the 19th century.





7 QUESTIONS ABOUT RICHARD E. SCHOUTEN

Each member of the Kelso-Burnett staff is a dedicated and hard-working individual. But what else do you know about us? Below are seven questions we asked Richard Schouten. Richard is a Division Manager, and retired on December 31, 2007.

Richard started his career in the electrical industry in 1961 as an apprentice. After attending college and serving the country in the Navy, he worked as a journeyman, foreman and general foreman, moving into estimating and project management in 1973.

Richard moved to Kelso-Burnett in 1988. “I have enjoyed the openness and willingness to hear everyone’s ideas and comments,” said Richard. “It has been a great place to work. It has been a great and rewarding career in the electrical industry. I owe much to the people who have been willing to share what they know and to those who I hoped not to emulate.”

What one thing do you like most about your job?

The variety of people that I have had the pleasure to work with over the years, both Kelso-Burnett Co. employees and customers.

Describe your typical morning. How do you get to work?

What’s the first thing you do when you arrive? What is your usual work attire?

I arrive at work via an automobile. The first thing I do now is to boot up the computer and check e-mails. My usual work attire is office casual. Meeting days I wear a shirt and tie.

What do you like to do in your free time?

Free time activities include yard and garden work, exercise, bike riding and reading.

What’s your favorite thing to eat for lunch?

My favorite thing for lunch is fresh vegetables.

What three words would others use to describe you?

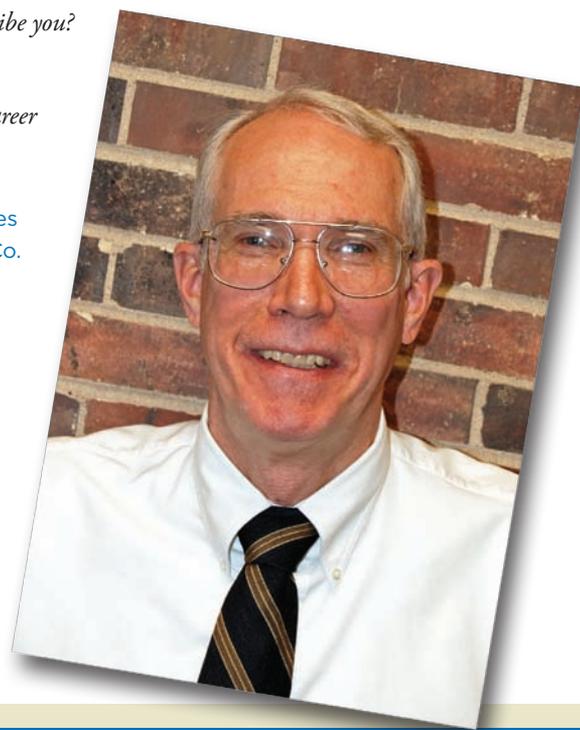
Conscientious, organized and helpful.

What is your favorite memory from your career at Kelso-Burnett?

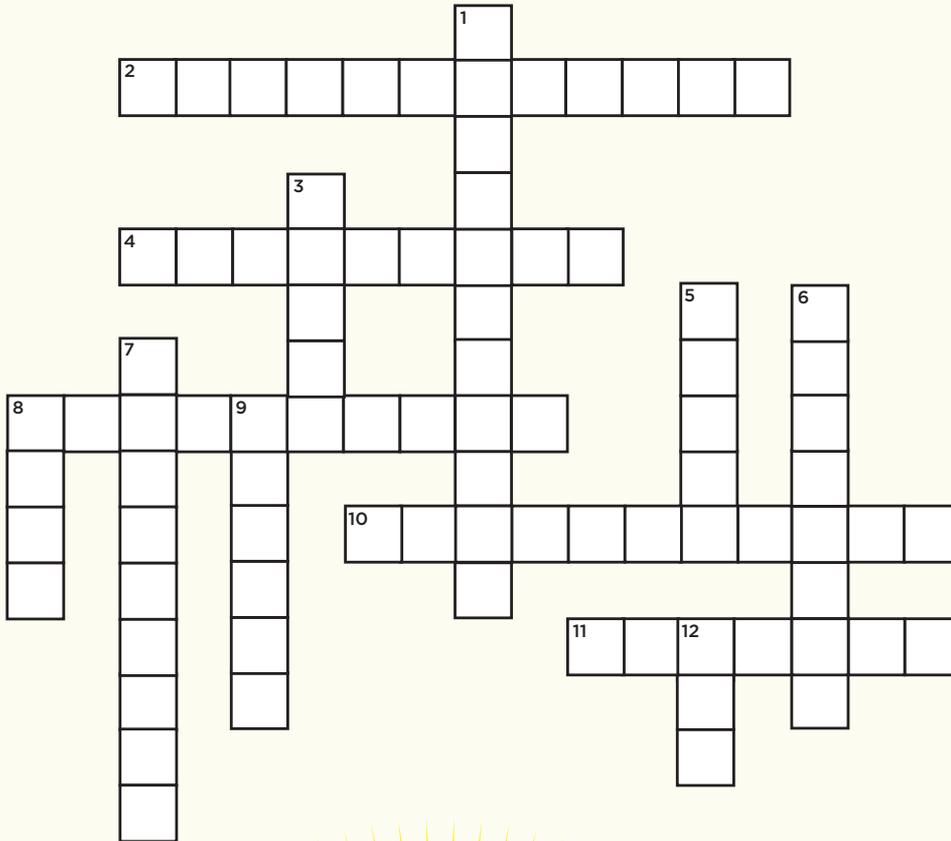
Too many to pick out just one, but in general the comradeship and good times with the people here at Kelso-Burnett Co.

What is your favorite line from a movie?

From the *Treasure of Sierra Madre*, “Badges? We ain’t got no badges! We don’t need no badges. I don’t have to show you any stinkin’ badges!”



KELSO-KROSSWORD



ACROSS

2. Celebrated centenarian.
4. Owners and operators of Kelso-Burnett.
8. Project that ended the Great Depression for Kelso Burnett.
10. Chicago hotel, worked on recently by K-B, incinerated by the Great Chicago Fire only 13 days after its grand opening.
11. The fire alarm and security company acquired by Kelso in 1995.

DOWN

1. Get some great deals here while admiring some great K-B work.
3. First client of Kelso-Burnett.
5. Delicious company whose plant addition K-B worked on.
6. K-B employee who enjoys fresh vegetables for lunch.
7. A powerful past. A _____ future.
8. The fourth president of Kelso-Burnett to become president of the Electrical Contractors Association of Chicago and Cook County.
9. Named the Kelso newsletter in 1974.
12. Home of "Heroes" and "The Office"; Kelso worked on this company's Chicago home.



A Powerful Past. A Brilliant Future!

1908 2008



KELSO-BURNETT CO.

Chicago • Rolling Meadows
Rockford • Zion

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KELSO-BURNETT CO.

Electrical Construction • Voice & Data Communication • Life Safety

We are an employee-owned company that combines advanced technologies with superior workmanship to provide the highest-quality design, construction and project management available in the electrical contracting industry.

Since 1908



The safety department at Kelso-Burnett offers 10 and 30-hour OSHA classes. For more information or to schedule a class, contact Scott Johnson at (847) 483-3826 or Cathy Kay at (847) 483-3827.



NFPA 70E Training

Kelso-Burnett continues to train employees and clients on the NFPA 70E requirements. Only an employee who is certified as an “Electrically Qualified Worker” may approach and work on live systems. He or she must also utilize an Energized Work Permit. Contact Cathy Kay at (847) 483-3827 if you would like to schedule a training session.