



Forging Ahead

Georgia's only steel mill thriving despite era of steel industry crisis

Like the steel-rolling process itself, the domestic steel industry has entered a furnace under the red-hot glow of trade conflicts and Third World imports. But AmeriSteel, owner of Georgia's last remaining steel manufacturing plant, stands poised to emerge into the spray of water that will solidify its position globally.

"My expectation is to be one of the top profitable steel companies in the United States, not only in size and critical mass but also in operating efficiencies," says Phil Casey, president and CEO of

Operating in a fiercely competitive arena where one-third of domestic steel companies went into bankruptcy in the past two years, AmeriSteel is positioned favorably because of two recent transactions: In 1999, AmeriSteel became a subsidiary of Brazil-based Gerdau Group, a 101-year-old company with over \$3 billion in assets; and this year, Gerdau combined its North American steel operations with Canada-based Co-Steel.

The new entity, officially called Gerdau AmeriSteel, is clearly in



Jackie Rohosky with Phil Casey, AmeriSteel president and CEO

The mill produces I-beams, channels, angles and flat stock for such uses as metal buildings, small bridge applications and transmission towers.

But the decision also took on personal significance for Casey. "My family roots are in Adairsville — that's where my father and his family originated," he says. "I'm familiar with the work ethics of the workers in that area, so that gave me a great deal of confidence."

Sharing his philosophy of quality and training, Casey says: "It is not so much quality of the product. It's

quality of the process, which will generate a quality product. The image of the steel industry has developed into a negative, Rust Belt connotation. You have to re-establish professional pride at every worker level, change public perception, and provide training for

the workforce so they can manage high-tech equipment in an old-economy environment."

Encouraged by the mill's progress thus far, Casey detects an air of excitement and optimism among



What is a mini mill?

Whereas an integrated mill uses iron ore, coke and limestone to make steel, a mini mill uses recycled scrap metal as its only raw material. More environmentally friendly, a mini mill produces fewer byproducts and requires less space. It also uses an electric arc furnace — which melts steel by passing a current through it — rather than a blast furnace powered by coal, a nonrenewable resource.

Tampa-based AmeriSteel, which last year bought the failing Birmingham Southeast "mini mill" (see box).

The purchase of the 650,000-sq.-ft. Cartersville mill saved 225 jobs in the Bartow County area. Under the new ownership, the mill has availed itself of Quick Start services for training in industrial safety, hydraulics, pneumatics, blueprint reading, precision math and welding. Quick Start will also provide additional leadership and instructor training programs. North Metro Technical College has already provided an assessment of AmeriSteel's maintenance training needs.

acquisition mode as a function of the consolidation and restructuring of the steel industry. The decision to purchase the Cartersville mill rested primarily on its ability to extend the range of AmeriSteel's product offering.





Partnership and Leadership

By Gretchen Kuglar Corbin



Gretchen Kuglar Corbin,
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When AmeriSteel proposed to purchase the Birmingham Southeast steel mill last year, the company not only committed to investing \$50 million in Georgia, but most importantly it re-created 225 highly skilled jobs that northwest Georgia would lose with the closure of the Cartersville facility.

The most amazing aspect of this decision to acquire the mill was the leap of faith that AmeriSteel and its parent company, Brazil-based Gerdau, were taking at a time when America's steel industry was in decline. The company made the acquisition with the intent of investing in the plant's infrastructure and introducing world-class production standards. Now, the mill's workers are exhibiting enhanced productivity, pride and personal achievement.

As a member of the Georgia Department of Industry, Trade and Tourism, which serves as the state's sales and marketing arm, I am fortunate to witness firsthand the effective collaboration that takes place in bringing a top-notch company like AmeriSteel to Georgia.

For this project, the team effort was superb. Bartow County and Cartersville served at the local level. The Department of Labor found the right workers. The Department of Revenue and the Department of Community Affairs oversaw issuance of corporate income tax credits and low-interest loans for capital expenditures. The Brazilian Consulate General hosted Gerdau officials. The work of the Georgia Allies — a public-private economic development group that funds events like the Red Carpet Tour — enabled us to market to this promising corporation.

And, of course, there was Quick Start.

As AmeriSteel desires to profit, it also desires to partner with its new community and state. Enjoying AmeriSteel's hospitality, many community and state representatives have visited the Cartersville mill — and each time, invariably, North Metro Technical College was training the company's workforce.

It was fitting that Quick Start played such a big part in this project, given the sincere dedication to training espoused by AmeriSteel's leader, Phil Casey. He believes steadfastly in improving the workforce and developing employees, thereby enriching the community itself.

Georgia native, UGA graduate and chairman of the Steel Manufacturer's Association board of directors, Phil Casey is a tremendous addition to the Georgia business community.

The state of Georgia is indeed blessed to have the corporate partnership of AmeriSteel.

employees, who appreciate the extra training even though they'd worked in the mill under the previous ownership.

Casey says he was pleased to discover a like-minded business approach on the part of Quick Start and Georgia as a whole.

"It's not only Quick Start's technical expertise; it's their willingness to get down to the basic level of every employee we have and train them quickly," he says. "The whole business development attitude of the state is world-class, and Quick Start is a major element of that business-friendly culture." 

