



Omaha Steel eyes building capacity in 2015

It is reported that Omaha Steel Castings is at home on the eastern edge of Wahoo, building up capacity and know-how with its new equipment and processes on the way to full production capacity in 2015.

After a year's delay and an ownership change, the 108-year-old company has vacated its east-central Omaha foundry and moved 35 miles to the west. The land at 46th and Farnam Streets, owned separately, was sold to the University of Nebraska Medical Center.

Equipment from the old location that didn't make the trip was auctioned off or sold for scrap. The new USD 20 million Wahoo facility has mostly new furnaces and other equipment.

Mr. Kevin Brown, who joined the company in June as CEO, said that nearly all of the workers from the Omaha location made the move, some of them commuting as long as 90 minutes each way from western Iowa. Employment totals about 150 and may grow along with the business.

Mr. Brown said that keeping an experienced workforce went smoother than the company expected, given the added driving time for most workers. We did not lose many. Fortunately, we had the skill sets and the tenure that are very important within the foundry business.

He said that the old location had nine different structures and operated as two nearly separate divisions, a specialty castings operation and the main foundry. The single new facility on a 20-acre site opened the way to combining the two businesses.

He added "We worked hard on taking the best practices from both and bringing

them under one company and one business," essentially merging the two separate workforces.

Mr. Brown said "The team here, all the employees, have done a fantastic job working through all of that. It's been a world of change for many people over the last year. They've done a great job of staying together."

Through mid-October, workers became familiar with the new equipment, figuring out temperatures and other factors that are required to build high-quality steel alloy parts.

He said that "We're fully operational," although the plant may not reach full-volume production until mid-2015. The new plant has more capacity than the old, and it takes time to build up new customer relationships and product lines. He added that "We've been retrenching

and concentrating on what we need to do to make sure we take care of our customers. There's a lot of available capacity for us in this new plant, and we'll grow into it."

The company celebrated opening the new plant in October 2013, but most of its work was still being done at the Omaha plant. In the months that followed, added costs put pressure on the owners until the move and the company itself were in jeopardy.

Then in March, Omaha industrialist Allan Lozier agreed to buy the company and take over its debt, providing the financing to complete the move. Lozier's main company, Lozier Corp., manufactures store fixtures and related products in Omaha.

Argentina crude steel output up by 2.9% in Dec'14 – CAA



Local steel chamber CAA said that Argentina's crude steel output rose 2.9% YoY in December to 446,200 tonne. But on a MoM basis, production was down 3.3% from 461,300 tonne in November.

For full-year 2014, the country's crude steel production was 5.49 million

tonne, up 5.8%. Iron ore production in December was 397,500 tonne, down 0.3% YoY but up 3% sequentially. Production for the whole of the year was up 7.7% to 4.43 million tonne.

Cold-rolled flat steel production totaled 114,500 tonne, down 0.4% YoY and 14.3% MoM in December. For the full year, output was down 8.0% to 1.39 million tonne.

Hot-rolled flat steel production in December reached 421,300 tonne, up 3.9% YoY but down 1.1% from November. Production in 2014 was down 3% to 4.99 million tonne.