



## *Pictures From The Union's Hawaiian Christmas Party*



## President's Report

By: Todd Kegley

As we enter a new year we face new aspirations and we are met with new challenges. The imminent acquisition of the TK facility around mid-year will resonate throughout the domestic industry and within our company. The steel industry is one of the most important industries in the world and with that the most competitive. Tied closely to both the automotive and construction industry our success and struggles run parallel to both. As we await the ruling from the Department of Justice on the purchase of TK we should understand the impact it may have.

For those of us who were here when Inland Steel was bought by Lakshmi Mittal in the late 90's we all understood that we entered the global steel industry as major players. There was a certain short term comfort knowing we were now part of a large global company, however there was also an uncertainty about our position within that global strategy. Our other partner NSC was our safety net in many ways that assured us our impact domestically was embedded in the Japanese automakers. The deal for TK is a joint venture with the two largest steel producers in the world. From a domestic company viewpoint this purchase makes sound business sense given the alternative of another player in the North American market.

In 2013 the North American steel demand was approximately 106 million tons. The markets in which we compete is comprised of roughly 32 million tons of automotive, appliance and other customers we supply. The Department of Commerce indicates that there were 3.2 million tons of imports of flat rolled sheet steel of which 1.2 came from Canada and .5 from Mexico leaving approximately 2 million tons of imports outside of North America. Outside of North America our competition for the most part is Korea at 580k tons, Japan at 341k, Germany at 135k, and Brazil at 50k. This leaves 30 million to be produced and sold in North America by a handful of companies.

The converging forces that dictate domestic steel production include customer demand, import pressure, monetary manipulation, dumping, product pricing, CAFÉ standards and energy among other factors. Most analysts are predicting a five year climb in domestic auto production reaching in 2014 and 2015 pre-recession numbers in the range of 16 million units produced. Beyond 2015 a modest 3-4% increase is expected through 2018. That's the good news, the bad news is in high strength steel and aluminum. Ford has recently announced that the Ford F150 will be 600 pounds lighter due to a switch to aluminum for its outer body panels. It is expected that the amount of high strength steel in cars and trucks will increase by 300% in the coming years. In addition, aluminum publications are expecting a 6-7% uptick in production targeted in the auto industry. CAFÉ (Corporate Average Fuel Economy) standards are govern-

# UNION MEETING SUMMARIES

By: Kim Rutkowski

Recording Secretary

## MINUTES OF MEETINGS

The Local Union Meeting was called to order at 4:15pm on **12/12/2013** by Todd Kegley.

### There was a role call of officers

President – **Present** Vice President- **Present**

Recording Secretary – **Present** Financial Secretary – **Present** Treasurer – **Present**

### The minutes of the last meeting were read and

Motion to accept by Floor X

Seconded by Dave Gutelius Passed Motion was passed

### The Recording Secretary read the following correspondence.

No Correspondence

*Any action taken under correspondence will be under new business*

Motion to accept the November Financial Report was accepted by the Floor Second – Russ Wise  
November Treasurer Report will be delayed to January

### President's Report Out

### JAC Report Out

- First time in history that we have a written PIB (Program of Insurance Benefits). They will be distributed today.

- The MH Skill Matrix needs to be rearranged. Crane training needs to be moved out of Level 1 and 1<sup>st</sup> & 2nd assignments moved to Level 3.

- Beginning in January and February, there will be update meetings on the how the TK purchase will affect us.

- Todd gave an update on the Bentley /EAM Training.

- There was much discussion on moving our Union forward with more events from the Solidarity Committee. This is a pre-negotiation year and with TK coming onboard.

The new team members were introduced. They were hired for the 5 new Mechanical Craft Trainee openings.

### Rapid Response Committee

### Safety Committee Report

Jim Pondo discussed the IOSHA coming to the plant after a complaint. They came out for an inspection and a subsequent follow up inspection. At the closing meeting, 3 violations were identified. The final outcome decision will be in 4-6 weeks.

### Training Report

### Civil Rights Committee Report

### International Election

Nate Legard reported the election outcome.

93 votes for Robinson

12 votes for Millsap

Motion was made to approve the final vote. No opposed. Motion passed.

### Women of Steel Committee Report

- Doll House Raffle ends on December 18<sup>th</sup>, with the drawing at noon.

- The Annual WOS Meeting was held on 12/5/13, with guest speaker Markaya McDaniels, the District 7 WOS Coordinator. There has been an increase in women getting involved in union training and conferences with the goal to strengthen our union.

Libbi reported out on the AFL-CIO Conference

### Old Business

None

### New Business

The Executive Board made motion to purchase the AMA with the Company sharing the expense. Motion accepted by the Floor, Seconded Jim Jong-kind.

The Executive Board made a motion to keep the Solidarity Committee budget the same amount. Motion accepted by the Floor, Seconded by Bob Mazer.

The Executive Board made a motion to keep the WOS budget the same amount. Motion accepted by the Floor, Seconded by Tony Novello.

The Executive Board made a motion for Charitable Contribution's budget to be \$3000. Motion accepted by the Floor, Seconded by Kasey Masepohl.

A motion was made to adjourn meeting. Accepted by the Floor, Seconded by Tony Novello. All in favor No opposed. Motion was passed.

Meeting adjourned.

## MINUTES OF MEETINGS

The Local Union Meeting was called to order at 4:15pm on **1/9/2014** by Todd Kegley.

### There was a role call of officers

President – **Present**, Vice President- **Present**, Recording Secretary – **Present**, Financial Secretary – **Not Present**, Treasurer – **Present**

### The minutes of the last meeting were read and

Motion to accept by Floor X, Seconded by Buril Smith, Passed Motion was passed

### The Recording Secretary read the following correspondence.

No Correspondence

*Any action taken under correspondence will be under new business*

Motion to accept the October Treasurer Report was accepted by the Floor, Second – Dean Dunning

Motion to accept the November Treasurer Report was accepted by the Floor, Second- Rick Burnmeister

### President's Report Out

### JAC Report Out

- Todd thanked everyone who made it to the plant and helped keep the plant running during the bad weather. There will be a new *Inclement Weather Code* on the payroll form to make pay easier.

- Radios Status-We are working with Motorola on the issues. There may be some training needed as a part of the follow up. There will be a meeting with Motorola and the company and then Motorola will be meeting with the users of the radios to work through issues.

- Chris reviewed the business outlook for 2013. We did pretty well in general. We slipped on safety. 2014 looks solid. IHW is still recovering from the cold spell.

- Todd will be presenting a PowerPoint about the impact of TK's purchase at team meetings.

Todd reported that we must start improving our Skill Matrices and the Craft Assist Program.

### Safety Lead Team

O There is an issue with Security not wanting to transport sick/injured Team Members to healthcare facilities. This is a violation of their contract. Todd will be putting an e-mail out with an interim plan.

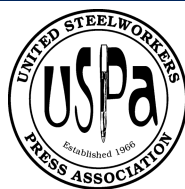
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O I OSHA had received an anonymous complaint on 11/13/13. A follow-up took place on 12/4/13. And the 3 complaints were reduced to 1.

There is a Fatality prevention Audit in September 2014. It will be a 3-4 day audit. Safety Councils will be asking for volunteers to help with the audit.

#### **Rapid Response Committee**

Buril urged TMs to view videos on the USW home page on current issues. He will be sending out a postcard with information on investing in Americas' infrastructure. The Union has a Facebook page where Buril will be posting information as he receives it.

#### **Safety Committee Report**

##### **Training Report**

The new ICD Learning Center will have an Open House on Friday, January 17, 2014, 8am-5pm. There will be Vendors, food, giveaways, and drawings.

#### **Civil Rights Committee Report**

##### **Women of Steel Committee Report**

The Doll House raffle raised \$1381. Thank you to everyone that bought tickets and/or donated money.

##### **Old Business**

The application process may open up the first quarter. An e-mail will be sent out with more information.

##### **New Business**

We need to get a couple of quotes for insulating the Union Hall.

A motion was made to adjourn meeting. Accepted by the Floor, Seconded by Jim Pondo. All in favor No opposed. Motion was passed.

Meeting adjourned.

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*Prez* Continued from Page 1

ment mandated fuel economy standards that vehicle manufacturers must comply with by the year 2025. The average fuel economy must be 54.5 miles per gallon and for the first time trucks are now included in the standard. This means more aluminum and plastic and less steel.

The United Steelworkers is the only industrialized Union fighting against dumping and monetary manipulation. China for example is devaluing its currency by nearly 30% and Korea is using the United States as an overflow market so when their Asian markets tighten they dump steel into our country. Most countries in one way or another manipulate their own currency to their benefit. In the case of China, however, because they have such a huge trade surplus with the U.S., they have much more at stake than most countries. The way they manipulate the currency is by buying up U.S. currency on the open market with Yuan in effect causing inflation to happen within China. Workers are in effect making less and their buying power is decreased. In the last year the U.S. gov-

ernment and organized labor has pushed to stop this practice. What you are seeing is a rising Yuan and a rising middle class. Russia experienced this as well over the last decade.

Dumping occurs when companies have excess goods they need to sell due to market shifts or weak demand in their own region. Companies will sell their goods at prices either below their own market prices or below their costs to produce the products. Korea today is under investigation by the International Trade Commission for dumping of stainless steel pipe into the U.S. Our Union is leading the way in fighting back against this practice. The ITC can impose penalties when it is discovered that this practice is being used.

With the acquisition of TK it is anticipated that Mittal Steel along with the other major players including USX will be able to hold pricing much steadier than in the past. This factor is critical for the steel industry to weather the cyclical nature of the business. At the core of the investigation by the Department of Justice is whether or not Mittal will hold a monopoly and in effect control pricing alone. The ability to control pricing is very effective when times are good, when times are not as good capacity utilization comes into play. Currently in North America the average capacity utilization is at 74%. Large integrated mills need to operate to remain profitable and sustainable. Stabilized pricing also exposes us domestically to increased imports. Currently the North American steel market is one of the most favorable in the world. Companies are looking to the U.S. to sell their steel because of higher prices.

This is a great deal of information to take in, however we must understand our strengths and weaknesses in this global economy. Our competitive advantage here is our work culture and if harnessed properly it will carry us for decades to come. Our work culture can also be our biggest weakness if we allow it to be. In the next months and years we will be undergoing a series of important endeavors to keep us competitive and to keep our work culture robust. We will be analyzing and updating our skills matrix to make sure we are the best trained steelworkers. We will be expanding our training program to give us all the skills to compete with the newer mills and this includes our craft training program. We also need to find ways to make the work culture more effective and less dependent upon management for day to day operations. In the end our biggest strength is our SOLIDARITY for together we can accomplish much more than we can divided. We are a little over a year away from negotiations and the time for unity begins today.

I have asked the Team Reps to schedule some time with each of you so that I can expand on the context of this article. It is important that we understand who our customers are and what expectations we can have for them in the future. We need to understand our competition both inside and outside of our company and country. Collectively we need to develop a strategy to keep us relevant and competitive. We need to keep focused on all of these issues in order to maintain our standard of living, protect our jobs and secure our futures.

#### **I/N SOLIDARITY**

**Todd Kegley**



I want to take a moment and pass along some information about a very bad trade deal that you may never have heard about. The Trans-Pacific partnership (known as TPP) is another bad trade deal, being negotiated quietly behind close doors. Multinational corporations are seeking to create this trade deal for the same reason they pushed NAFTA, and that is PROFIT! This deal, also known as "NAFTA on Steroids", is being put together not by your elected officials, not by members of each countries trade organizations, but by the same greedy corporate-minded individuals that nearly brought this county to its knees with the near economic collapse of '08. The US is working on making a recovery, while other countries are far worse off. Instead of doing something to help with the turn around this deal will only line the pockets of the greedy and further hurt the workers both in this county and those included in this deal. Worst part is all the secrecy. Very little is being let out about the trade deal and what all it entails, but what is known is that every trade deal made since NAFTA has been pro-corporation, pro-greed, anti-worker, anti-safety, and anti-environment. To top it off, they want to "Fast Track" this deal. That is an expedited process in our government that doesn't allow for discussion or amendments, just a straight yes or no vote. So not only is the USW fighting against the trade deal itself, but we are also fighting hard to keep it from every being fast tracked. As more information comes out I will pass it along to you.

The National Rapid Response Legislative conference, along with the Good Jobs/Green Jobs conference, is coming up in just a few weeks in Washington DC. I'm sure many of the issues that I have been passing along to you through this past year will be discussed and we will be getting more up to date info on pending legislation in DC that we need to take action on. I will be reporting back, on the conference, in the next newsletter.

**In Solidarity,  
Buril W. Smith  
Rapid Response**



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Contributed by: Jim Pondo

## I.O.S.H.A. Visit

On November 19<sup>th</sup> and again on December 4<sup>th</sup> our plant was visited by Indiana Occupational Safety Health Administration enforcement officers. The purpose of the visit was to investigate three complaints that were filed on November 6<sup>th</sup>.

1. Employees are exposed to injury from steel strips as they go through the booth on Tek inspection line and Kote inspection lines #1 & #2.

2. Lockout/Tagout is not being used during set up of Tek and Kote inspection lines.

3. Aerial lifts are not being inspected prior to use.

During an I.O.S.H.A. visit it is required that an employee representative be present at all times, since we are a Union represented facility. That role is mine. The November visit I was on vacation so Safety Lead Team members Greg Lyman and Kevin Shepherd took turns fulfilling this obligation. I was here for the December visit. The purpose of Union representation during an investigation is to keep the company honest about what is said and what evidence is presented to the compliance officers to refute the allegations. I have always taken the position that if an issue is important enough for one of the membership to file a complaint with a government agency, I will do my best to see that the concern is investigated thoroughly. Which means all known evidence will be made available to the officers, not just the evidence that makes the complaint look unjustified. All investigations require interviews with employees without the presence of management. The purpose of these interviews is to get a feel about how safety is practiced in the workplace without the answers being influenced by management. An employee representative can be present during these interviews. The reason to have a representative present is to make sure the questions being asked are not biased towards the company.

At the conclusion of the two days of investigation a closing meeting was held. The officers indicated they were going to make recommendations to their superiors to issue citations for exposure to moving strip on the inspection lines and an omission of training requirement in our written lockout program. Enough evidence was presented to satisfy the officers that per-use inspections are being done on aerial lifts. As of this writing formal citations have yet to be issued. If citations are issued, the company will not

only be subject to fines but must also submit a remediation plan in writing that includes a completion date. Of course they have the option to appeal. The risk for the company at this point is, if anyone gets severely injured or killed in one of these complaint areas there is no limit to the amount of fine that can be imposed as a result of another investigation by I.O.S.H.A. into the incident. Fines could be determined to reoccur daily until the company proves that the issue has been remediated to I.O.S.H.A.'s satisfaction. That is why we are seeing so much activity in these areas prior to issuance of citations.

The company is upset that a team

UNION MEETING  
SECOND THURSDAY  
OF  
EVERY MONTH  
4:15 PM

member has gone outside of our team structure to get an issue resolved. Some team members are upset that their work area will have to be made compliant to the regulations. The exposure to moving strip considered a hazard by I.O.S.H.A. is not new information to the company or the teams. This hazard had been identified by corporate safety over five years ago. Based on the reactions of the team members I have been able to have conversations with, there's little doubt in my mind why someone felt their best course of action was to bring in an outside entity to get the issue resolved. The company is at fault too because they chose to give the issue to the teams with no guidance or resources to resolve it. Small wonder the teams struggled with the issue.

Please take note that we do not have the ability to make team decisions that violate the law. The USW has a long history of fighting to get safety related laws and standards put in place to protect workers from injuries and continues to fight to get us more protections, not less. If an issue that involves government regulation is before the team it must be resolved in a timely fashion. The alternative is outsiders dictating how we conduct our business!

**In Solidarity**

**Jim Pondo, Safety Coordinator**

## I/N GIVES BACK



**Women of Steel's**, Libbi Urban, presents a check for \$1381 to Nancy Owsianowski, Director of Development for *RiverBend Cancer Services*. The money was raised by WOS through raffling 2 doll houses donated by an I/N Team member. Gene Feitz was the 1st place winner, with Dan Shkroba winning the 2<sup>nd</sup> place house. WOS also sponsored an Angel Tree, providing Christmas gifts to local children in need.

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