



PRESS-REGISTER

ThyssenKrupp melt shop work could begin in August

Sunday, July 19, 2009

By **JEFF AMY**

Business Reporter

CALVERT — ThyssenKrupp AG plans to start pouring the foundation of the stainless steel melt shop next month at its \$4.65 billion complex here, Peter Elliott, who manages construction for the stainless side of the operation, said last week.

The move could go a long way toward dispelling the doubts of some market watchers who have questioned in recent weeks whether the company will ever build that part of the operation, which would melt scrap into 1 million tons a year of stainless steel.

ThyssenKrupp's stainless steel operations will share the Calvert site with a larger carbon steel mill, but the two are separately managed and report to different bosses in Germany.

ThyssenKrupp had earlier said it would postpone startup of the melt shop 15 months, from mid-2010 until late 2011, as part of a company effort to delay 1 billion euros (about \$1.4 billion) of capital spending

Elliott's announcement comes even as ThyssenKrupp's projected losses for the year ended in September may be deepening. Financial Times Deutschland reported last week that company insiders believe the firm could lose more than 1.5 billion euros (\$2.1 billion), before taxes. The company, which earlier warned of losses in the hundreds of millions of euros, refused to confirm the report.

Despite what may be a deepening financial strain, ThyssenKrupp is pushing hard on construction at the Calvert complex, which could eventually employ 2,700 people. The company has hired 177 people in its stainless operation, while the carbon steel unit employs 255, for a total of 432. Stainless hiring remains frozen, while the carbon unit continues to hire.

One focus is the hot strip mill, which will be shared by both stainless and carbon steel operations.

Blue structural steel has been erected for the length of the hot strip mill, which will receive slabs and reheat them for further processing.

Wiring and piping is being installed, as is the beginning of a key piece of equipment for the hot strip mill furnace. Instead of moving steel on rollers or a conveyor, slabs are pushed up and across on a platform called the walking beam.

Some workers are pulling Sunday shifts, said carbon unit spokesman Scott Posey, and the total tally of construction workers has risen to 4,000. That number is expected to keep climbing as the focus of work shifts from foundation work and steel erection to more labor-intensive equipment installation and interior construction.

Work on the site has reached new literal highs and lows. Steel erection is almost done on the tower of the hot dip galvanizing line, where large strips of steel can be rolled up during production.

Workers are also laying rebar at the bottom of the 80-foot scale pit, where flumes of water will strip

corrosion from the hot steel slabs and hold it for treatment and recovery. Because the bottom of the pit is below the water table, the concrete must be anchored to pilings, or it could float upward.

A bulkhead has taken shape at the plant's Tombigbee River terminal, which will allow work without the challenges created by high water earlier this year. Elliott said the stainless division is considering pushing forward on two berths where it will receive scrap metal, work that had earlier been delayed.

Inside the stainless cold rolling mill, foundations are going in around the three rolling machines, one of which will be able to produce 74-inch-wide coils of stainless steel, wider than any current North American mill can make, Elliott said.

The stainless unit plans to begin operating its slitting and cutting lines in January, followed next fall by the 64-inch rolling mill and lines that allow for processing and finishing.

/cut/3/cPhotos by **MIKE KITTRELL**/ Staff PhotographerThe hot dip galvanizing line, left, cold rolling mill, center, and hot strip mill are under construction at the ThyssenKrupp AG site in Calvert on Tuesday. Despite financial stress, ThyssenKrupp is pushing hard on construction at the \$4.65 billion complex.

/cut/3Workers lay rebar in the bottom of the 90-foot-deep scaling pit, where flumes of water will strip corrosion from the hot steel slabs and hold it for treatment and recovery. The concrete must be anchored to pilings because the bottom of the pit is below the water table.

/cut/p16.9/c**MIKE KITTRELL**/ Staff Photographer

©2009 Mobile

© 2009 al.com All Rights Reserved.