Nucor Creates Job Security Despite Deep Recession

Shannon Spears Harris, Associated Press Writer

HICKMAN, Ark. (AP) — For employees at Nucor-Yamato Steel, there is plenty of incentive to get the job done right.

The majority of their pay comes from production-based bonuses, and even though the recent financial downturn has had a negative effect on the amount of jobs available, Nucor-Yamato is proud of the fact that it has never once laid off an employee because of lack of work.

"Everyone who drives through that gate when they arrive here to work has known that their job is safe, even in this tough economy," said Keith Prevost, controller at Nucor-Yamato in Blytheville. In 2008, the company's production dropped suddenly from nearly 100 percent to 30 percent. But all employees kept their jobs, and are now on track to regain those production bonuses, with the mill running at closer to 70 percent in 2010.

The Nucor Corporation has its roots in the car industry and Ransom E. Olds, who was responsible for Oldsmobiles in the 1930s and 1940s. Through various buyouts and mergers, the company eventually focused on steel production in the mid-1960s, and officially changed its name to Nucor in 1971.

Formed in 1987 from a merger of Nucor Steel with Yamato, a Japanese steel production company, the modern Nucor-Yamato has become both the largest structural steel mill in the Western Hemisphere and part of the largest recycler of any type of product the United States, Nucor Corporation. The company has also become one of the largest employers in Mississippi County, with a team of more than 800 men and women coming to work every day at the mill's Mississippi River-side location.

Known most widely for its production of steel beams — I-Beams, a type of wide-flange beam, Nucor-Yamato also makes H-pile, sheet piling and other special steel shapes — all used in different types of construction. Every product is made exactly to customer order, with very little stock being kept on site.

Making a steel beam that will be used to hold up a bridge or be part of the frame for a school is a process that involves precision-perfect timing, and plenty of scientific knowledge. In fact, Arkansas Northeastern College has teamed up with Nucor-Yamato to offer courses in metallurgy to its employees, scheduled around their rotating shifts.

A typical steel beam produced at Nucor-Yamato is made from nearly 100 percent recycled materials, in the form of scrap steel. Some of this scrap comes from cars,

some from old appliances, demolished buildings and many other sources. The scrap is melted down in an electric arc furnace, a technology which Nucor was one of the first companies to bring into mass steel production. The molten steel, which has by now reached a temperature of about 3,000 degrees, must have alloys added in order to give it the properties needed for each specific order, be cooled to the perfect temperature range for casting, and be poured into molds, which are provided by Steel Related Technologies, also of Blytheville. A rough version of the beam is then reheated, stretched to the perfect shape, and cut to the customer's specifications. Samples of each batch of steel are tested for strength and flexibilty before being prepped for shipping. Completed product is shipped by rail, truck and river barge.

All of the technology and machinery required to complete this intricate process makes Nucor-Yamato the largest user of electricity in Arkansas. The plant has even been asked, on particularly hot days, to temporarily shut down production in order to prevent county-wide power outages.

Nucor-Yamato is the largest supplier of steel beams to the fabricators working on the new Freedom Tower in New York City, the structure being built to replace the Twin Towers that were felled in the terrorist attacks of Sept. 11, 2001. They are also providing sheet piling and H-piling to individual contractors which are helping to rebuild the levees in New Orleans that were lost during Hurricane Katrina. Nucor-Yamato is "really excited to be a part of these projects," said Provost.

Nucor steel can also be seen in use at AutoZone Park in Memphis, the new Busch Stadium in St. Louis, and the new Cowboys Stadium in Dallas, as well as countless schools, churches and hospitals all over North America.