

OH Union OKs Deal With Manufacturer Timken Co.

The Associated Press

CANTON, Ohio (AP) — Steelworkers have approved a five-year contract that clears the way for a \$225 million plant addition, Ohio's latest manufacturing payoff from expanded shale energy development.

Members of United Steelworkers Local 1123 voted by a nearly 6-1 margin to approve the contract with Timken Co.

The contract covers workers at four Canton-area plants operated by Canton-based Timken, which manufactures industrial bearings and specialty steel products.

Workers in January voted to reject a previous agreement reached by union leaders. Tuesday's vote ensures the expansion at Timken's Faircrest plant.

Joe Hoagland, president of Local 1123, said the new agreement retains a \$5,000 retirement bonus that the rejected version would have eliminated.

The new deal replaces a contract that would have expired in September 2013.

The expanded operation, scheduled to begin production in 2014, would be the second in the region that has benefited from development of shale energy resources.

A new \$650 million Youngstown mill produces seamless steel pipes for drilling in shale formations that have set off a rush to grab leases and secure permits to drill.

The expanded Timken operation, for which the shale development was a factor, won't mean additional jobs but will make the plant more competitive, company spokesman Dan Minnich said Wednesday.

The agreement with the union, which represents about 2,200 hourly workers, provides wage increases totaling about 11 percent, a signing bonus and increases in health care and pension benefits.

"This investment, which is the largest since opening the plant in 1985, builds on those skills to improve our productivity while giving the ability to offer even more to the customers who rely on us for their own success," said Thomas Moline, vice president of steel manufacturing.

David Seguin, who has worked for the company for 37 years, told The (Canton) Repository that he was satisfied with the deal.

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"It's a pretty good deal. They made some pretty good changes" during negotiations after the first proposal was rejected in January, he said. "You're not going to get everything you want."

New equipment will increase the Faircrest operation's shipping capacity by 25 percent.

"We are seeing growing demand for Timken specialty steel to support the most demanding energy and industrial applications," said Salvatore Miraglia Jr., president of Timken's steel business.

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