

IN Steel Mill Thrives After Bankruptcy

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The Associated Press

PITTSBORO, Ind. (AP) — A central Indiana steel mill that fell into bankruptcy a decade ago before being purchased by Steel Dynamics is thriving and being readied for a \$76 million expansion expected to boost its annual production to nearly 1 million tons of steel.

The electric-powered mill in the Hendricks County town of Pittsboro west of Indianapolis is now one of the largest of its type which now employs about 500 workers, the Indianapolis Star reported Wednesday (<http://indy.st/xlQxJH>).

The mill was designed and built in the late 1990s by Qualitech Steel Corp. to make high-quality bar steel intended for automotive and appliance manufacturing.

But it had barely come online when cheap Chinese exports flooded the world steel market causing steel prices to plunge.

The Pittsboro mill, like nearly a dozen other "minimills," was left in bankruptcy court, putting Indiana's investment of \$40 million in incentives and Hendricks County's \$20 million bond issue at risk if it didn't reopen.

But in 2002 after a legally disputed auction, Fort Wayne-based Steel Dynamics' offer of \$45 million won the court-run bidding against North Carolina's Nucor.

Steel Dynamics invested another \$100 million to redesign, remodel and re-equip the plant to reopen in 2004 and its fortunes have been on rise ever since.

Employment at the mill has increased steadily over the years from 400 to 500 workers. But Steel Dynamics has not said whether its expansion will create next jobs over the next two years. The

The expansion will include adding a second line for rolling out long bars of high-quality steel — the type suitable for machining into parts of cars, engines and other manufacturing.

Companies such as Caterpillar are among the steelmaker's bigger customers.

"This investment will allow us to further expand and diversify our value-added product portfolio," said Mark D. Millett, chief executive officer of Steel Dynamics.

The mill occasionally has turned out other types and qualities of steel, including rebar used as concrete reinforcement in the \$1 billion terminal building and other improvements opened in 2008 at Indianapolis International Airport.

Steel Dynamics said that with the latest addition, its engineered bar products

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division will be among the largest making specialty-bar-quality steel in North America. It also will expand the mill's bar-finishing capability, potentially doubling the amount of finished products that can be inspected.

The current production line rolls out long steel bars in diameters from 1 inch to 9 inches. The new line will focus on 1- to 3-inch-diameter bars favored for use in transportation, energy and automotive applications.

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