

# NEWS



## **SPECIALTY STEEL INDUSTRY OF NORTH AMERICA**

3050 K Street, NW  
Washington, DC 20007

FOR IMMEDIATE RELEASE

Contact: Meg Mullery 202.342.8439  
[mmullery@colliershannon.com](mailto:mmullery@colliershannon.com)

### **Domestic Demand for Stainless Steel Climbs**

(Washington, D.C.)(May 7, 2004)--Data released today by the Specialty Steel Industry of North America (SSINA) reflect a year-on-year increase in stainless steel consumption in the U.S., and a slight decrease in overall import penetration, with one particular product line showing a significant hike. (All comparisons are with the corresponding period in the previous year unless otherwise noted.)

Stainless steel plate consumption shot up 31% to 47,471 tons in YTD February 2004. The increased consumption offset a 17% rise in imports to 8,941 tons, resulting in a two percentage point drop in import penetration to 19%.

Demand for stainless steel sheet/strip, the industry's dominant product category, also increased a respectable 7% to 281,868 tons. Imports increased 6% to 54,986 tons year on year, capturing 20% U.S. market share.

Stainless steel bar imports, consumption and market penetration declined. Year on year, imports dropped 27% to 9,222 tons; consumption decreased 10% to 28,301 tons; and import penetration declined 7 percentage points to 33%.

Similarly, stainless steel rod imports decreased 20% to 5,231 tons year on year; consumption dropped 10% to 11,255 tons; and two month import penetration was 46%, a six percentage point decline. Stainless steel wire imports increased 6% to 6,181 tons.

Total stainless steel consumption, which comprises the above product lines, rose 7% to 373,428 tons year on year. Two month import penetration dropped one percentage point to 23%.

Alloy tool steel and electrical steel imports declined. Imports of alloy tool steel dropped 12% to 11,549 tons and electrical steel imports saw a 2% decrease to 10,350 tons. (See attached table for further information on U.S. imports, consumption and market penetration data for YTD February 2004, 2003 and 2002).

- more -

SSINA/May 7, 2004/page two

SSINA is a Washington, DC-based trade association representing virtually all continental specialty steel producers. Specialty steels are high technology, high value stainless and other specialty alloy products.

David A. Hartquist, an international trade attorney with the Washington, DC law firm Collier Shannon Scott PLLC, serves as lead counsel to SSINA.

*-end-*

**U.S. Imports, Consumption and Market Penetration Data 1/  
For Specialty Steel Product Lines  
2004/2003/2002**

Specialty Steel Product Lines	Imports			U.S. Consumption			Two Month Import Penetration	
	Month Feb. 2004	YTD Feb. 2004	Increase/Decrease YTD 2004-03	Month Feb. 2004	YTD Feb. 2004	Increase/Decrease YTD 2004-03	YTD Feb. 2004	YTD Feb. 2003
Stainless Sheet/Strip	30,009	54,986	6%	140,688	281,868	7%	20%	20%
Stainless Plate	5,475	8,941	17%	23,342	47,471	31%	19%	21%
Stainless Bar	4,470	9,222	-27%	14,295	28,301	-10%	33%	40%
Stainless Rod	3,298	5,231	-20%	6,335	11,255	-10%	46%	52%
Stainless Wire 2/	3,150	6,181	6%	NC	NC	NC	NC	NC
<b>Total Stainless Steel</b> (Sheet, Strip, Plate, Bar, Rod & Wire)	<b>46,402</b>	<b>84,561</b>	<b>0%</b>	<b>186,957</b>	<b>373,428</b>	<b>7%</b>	<b>23%</b>	<b>24%</b>
Alloy Tool Steel 2/	5,847	11,549	-12%	NC	NC	NC	NC	NC
Electrical Steel	4,954	10,350	-2%	30,044	59,654	-7%	17%	16%
<b>Total Specialty</b>	<b>57,203</b>	<b>106,460</b>	<b>-2%</b>	<b>221,711</b>	<b>441,656</b>	<b>4%</b>	<b>24%</b>	<b>26%</b>

2003 and 2002 statistical data in tons follow:

Specialty Steel Product Lines	Imports		U.S. Consumption		Twelve Month Import Penetration	
	2003	Increase/Decrease 2003 vs. 2002	2003	Increase/Decrease 03 vs. 02	2003	2002
Stainless Sheet/Strip	306,494	3%	1,571,120	-1%	20%	19%
Stainless Plate	51,994	-13%	283,334	13%	18%	24%
Stainless Bar	67,901	-20%	184,529	-8%	37%	42%
Stainless Rod	35,168	-39%	63,217	-30%	56%	65%
Stainless Wire	34,167	4%	NC	NC	NC	NC
<b>Total Stainless Steel</b> (Sheet, Strip, Plate, Bar, Rod & Wire)	<b>495,724</b>	<b>-7%</b>	<b>2,127,194</b>	<b>-1%</b>	<b>23%</b>	<b>25%</b>
Alloy Tool Steel	87,690	14%	NC	NC	NC	NC
Electrical Steel	80,492	14%	387,994	-9%	21%	17%
<b>Total Specialty</b>	<b>663,906</b>	<b>-3%</b>	<b>2,586,937</b>	<b>-2%</b>	<b>26%</b>	<b>26%</b>

**NOTE: Changes in import penetration are percentage point changes.**

1/ Imports adjusted to exclude hot bands imported for re-rolling and reported under shipments.

2/ Shipments of Stainless Wire and Alloy Tool Steel unavailable, hence consumption and import penetration not calculable.

NC = Not calculable.

*Prepared by Georgetown Economic Services for the Specialty Steel Industry of North America*

29-Apr-04