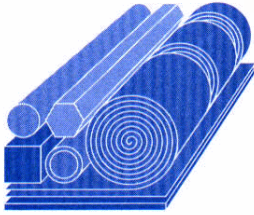


NEWS



SPECIALTY STEEL INDUSTRY OF NORTH AMERICA

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FOR IMMEDIATE RELEASE

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U.S. STAINLESS STEEL IMPORTS RISE

(Washington, DC) (November 6, 2002) -- Despite the announcement earlier this year of President Bush's import relief program, imports of total stainless steel increased 2% in January/August 2002 compared to the same 2001 period, according to the latest data released today by the Specialty Steel Industry of North America (SSINA). (Unless otherwise noted, all comparisons are with the corresponding period in the previous year.)

Stainless steel imports, which initially dropped after the March announcement, have been building since May and rebounded to 49,825 tons in August from April's low of 37,373 tons. By product line, stainless steel plate was the hardest hit with a 39% spike in imports year over year.

According to SSINA Chairman H.L. Kephart, "Stainless plate imports captured 22% of the U.S. market for the cumulative period. On a monthly basis, August imports of stainless steel plate soared to 7,450 tons, the highest level since the year 2000. This is a disturbing statistic and the industry plans to keep a close eye on several countries." Kephart said that among the major sources of foreign stainless steel plate, imports from Belgium, Germany, Brazil and Taiwan increased.

Imports of stainless steel sheet/strip, the industry's largest product line, increased a sharp 10% to 195,900 tons in YTD August 2002. Eight-month import penetration remained at 17%.

Import relief tariffs were assessed on stainless steel long products, i.e., bar, rod and wire. Imports of these products declined in January/August 2002, as follows: Stainless steel bar, 28%; stainless steel rod and wire, 2%. Import penetration, however, remained high at 42% for stainless steel bar and 69% for stainless steel rod.

Total specialty steel imports declined 6% in the eight-month period. These include a 39% drop in electrical steel and 10% decline in alloy tool steel. (See attached chart for more information on U.S. imports, consumption, and market penetration data.)

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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. While shipments of specialty steel account for only 2% of all steel shipped, annual revenues of approximately \$8 billion account for 14% of the total value of all steel shipped.

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

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**U.S. Imports, Consumption and Market Penetration Data 1/
For Specialty Steel Product Lines
2002/2001/2000**

Specialty Steel Product Lines	Imports			U.S. Consumption			Eight Month Import Penetration	
	Month August 2002	YTD August 2002	Increase/Decrease YTD 2002-01	Month August 2002	YTD August 2002	Increase/Decrease YTD 2002-01	YTD August 2002	YTD August 2001
Stainless Sheet/Strip	27,135	195,900	10%	142,422	1,120,493	9%	17%	17%
Stainless Plate	7,450	38,629	39%	23,522	174,704	13%	22%	18%
Stainless Bar	7,520	55,629	-28%	17,455	133,686	-18%	42%	48%
Stainless Rod	5,010	41,018	-2%	7,938	59,406	12%	69%	78%
Stainless Wire 2/	2,711	20,959	-2%	NC	NC	NC	NC	--
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	49,825	352,135	2%	193,192	1,501,029	6%	23%	25%
Alloy Tool Steel 2/	5,710	46,424	-10%	NC	NC	NC	NC	--
Electrical Steel	3,980	47,844	-39%	34,184	285,902	-14%	17%	23%
Total Specialty	59,515	446,403	-6%	230,953	1,817,112	2%	25%	27%

2001 and 2000 statistical data in tons follow:

Specialty Steel Product Lines	Imports		U.S. Consumption		Twelve Month Import Penetration	
	2001	Percent Increase/Decrease	2001	Percent Increase/Decrease	2001	2000
Stainless Sheet/Strip	267,739	-31%	1,550,899	-18%	17%	20%
Stainless Plate	46,170	-30%	230,955	-9%	20%	26%
Stainless Bar	101,236	-19%	222,325	-17%	46%	47%
Stainless Rod	62,149	-24%	78,526	-28%	79%	75%
Stainless Wire 4/	30,617	-1%	59,996	-29%	51%	37%
Total Stainless Steel 3/ (Sheet, Strip, Plate, Bar, Rod & Wire)	507,911	-27%	2,142,700	-18%	24%	27%
Alloy Tool Steel	72,493	-8%	76,403	-33%	95%	69%
Electrical Steel	109,326	-11%	482,889	-15%	23%	22%
Total Specialty	689,730	-23%	2,701,993	-18%	26%	27%

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.

3/ Shipment and consumption data for these categories may be overstated due to the inclusion of shipments from wire redrawers which are already included in shipments/imports of rod; consequently import penetration may be slightly understated.

4/ Shipments of wire estimated.

NC = Not calculable.

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

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