

BUSINESS ADVOCATE

Southwestern Alabama's **Outokumpu** is leading the charge in producing clean stainless steel to meet worldwide demands with sustainable and profitable manufacturing methods.

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OUTOKUMPU TURNS THE CORNER ON SUSTAINABLE AND PROFITABLE STEEL PRODUCTION

While the Birmingham area is widely known for its legacy in the iron and steel industries, some of the world’s most cutting-edge steel work is also occurring in South Alabama.

Outokumpu – headquartered in Helsinki, Finland – acquired ThyssenKrupp Stainless USA’s facility in Calvert, Alabama, in 2012. Located just over 30 miles from Mobile, the Outokumpu facility is adjacent to AM/NS Calvert’s steel processing plant, which also used to be owned by ThyssenKrupp.

Representing a total capacity of 1 million tons melt capacity of stainless steel, the Outokumpu Stainless USA facility in Calvert is recognized as America’s most technically advanced stainless steel mill. The modernized operation offers a comprehensive product portfolio combined with industry-leading technical support and services. The mill is now enhancing ferritic grades to its already well-established portfolio, perfectly suited to American manufacturing.

Outokumpu is a major employer in Southwest Alabama, with about 900 employees working in Calvert.

Tamara Weinert, President of Business Area Americas for



Outokumpu, explained that the company recently ramped up hiring in Calvert due to the strength of the market. In fact, the first quarter of 2021 saw Outokum-

pu’s American operations post its strongest numbers ever.

which was essentially a break-even year. In Q1 of 2021, however, Outokumpu BA Americas turned in record profit.

She said this is the result of several years of homework and finetuning Outokumpu’s

“I THINK CLEAN STEEL HAS A BIG FUTURE IN THE AMERICAS AND IT COULD BE A VERY BIG SUCCESS STORY.”

operations to be as efficient as possible in the marketplace.

“At the same time, the post-COVID demand surge is helping us to have a good utilization of the mill. But a big driver is the protection



which the U.S. market affords against cheap stainless steel and dirty stainless steel, which got imported previously out of Asia, mainly China and Indonesia,” Weinert advised. “And that really has helped us to come to a better level.”

She noted that after almost a decade of losses, Outokumpu is not ready to proclaim mission accomplished after one strong quarter.

“But this level of good demand linked to some level of protection has really helped turn this around,” Weinert added.

A main factor that sets apart the state-of-the-art electric arc furnace Outokumpu operation in Calvert from steel producers in countries like China is the sustainable approach Outokumpu takes. All processes, melting, casting, rolling, annealing and pickling, and finishing at Outokumpu’s Alabama facility are performed in a fully integrated mill. The operation boasts an optimal production flow using the most progressive steel making technologies available, and Outokumpu’s Calvert team was even recognized for its operational



excellence by American Metal Market with its 2018 Steel Excellence Award.

“We very much have on our agenda that we want to be – and are – the leader in producing the cleanest stainless steel worldwide,” Weinert said.

Outokumpu’s focus on minimizing its carbon footprint, being a good steward in communities like Calvert, will be a continued top focus for the company moving forward, Weinert stressed.

“We are very much working daily on that to be customers’ first choice when it comes to sustainable stainless steel,” she remarked. “And I think that is appreciated by customers.”

Not only is stainless steel as a product itself 100% recyclable, but anywhere from 80-95% of the raw materials that go into producing Outokumpu’s product is recycled scrap.

Weinert highlighted that recent months have seen an uptick in discussions around the importance of sustainability in the global steel market, with both suppliers and customers beginning to prioritize

LEFT PAGE

Outokumpu operates the most technically advanced stainless steel mill in America.

THIS PAGE

The finished product aims to be the cleanest in the world and is 100% recyclable.

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Outokumpu’s stainless steel is made mostly from recycled scrap material, which comes into Calvert via barge.



sustainability on a wider scale. Looking ahead, that trend should continue, setting Outokumpu and its Calvert operations up for strong future prospects.

“I think clean steel has a big future in the Americas and it could be a very big success story,” Weinert commented.

Another positive indicator for Outokumpu’s present and future is the historic investment currently underway into deepening and widening the Port of Mobile’s ship channel, among several other transformational projects underway at Alabama’s seaport. Given Calvert’s proximity to the port and the global nature of the steel market, the Port is integral to Outokumpu’s ability to reach customers and suppliers.

Scrap materials come into Calvert via the Port, and the finished product often departs via the Port.

Weinert, a native of Germany who moved to Alabama just recently, also underlined another reason Outokumpu is bullish on being in the Yellowhammer State.

“There is a lot of growth down here in the South,” she commented. “We also see many more investments coming in. Just look at Hyundai, Toyota, Mazda and others – there is money coming in. And this brings the customers closer to us, which is fantastic.”

“But, I think most important, having spoken now to over 200 of

the people who work here in small talks, a lot of people come here because of the quality of life is very good here. So, we have access here (to the Port and customers), and we really have a good selling point to our advantage: people want to come and work for us because we are here in the South close to the coast with a good quality of life. And I myself find it so very friendly. It’s a beautiful countryside; it’s extremely friendly – you make contacts really very easily; the food is very good. Really, there’s nothing to complain about living here. I think it’s a big selling point.” **BA**

The Business Advocate is published by the Business Council of Alabama, a non-partisan, statewide business association representing the interests and concerns of nearly 1 million working Alabamians through its member companies and its partnership with the Chamber of Commerce Association of Alabama. For more information on the Business Council of Alabama please contact us at (800) 665-9647 or visit us online at bcatoday.org.