

Meetings Yield No Progress

December 19, 2024

Our union had two meetings this week with Mon Valley mayors who requested an opportunity to discuss our lingering concerns with the proposed U.S. Steel-Nippon transaction.

The first took place this Monday, Dec. 16. We had a detailed conversation in which we, along with District 10 Director Bernie Hall, laid out all of the reasons we still believe the deal is not in the best interests of our members.

They then requested that we meet again Wednesday, Dec. 18, this time including the mayor of Gary, Ind., and representatives from Nippon Steel.

Over the course of this meeting, Nippon once again made it clear that it has no intention of meaningfully addressing the problems with the sale: It would not commit its parent company to be the party of the transaction or be signatory to our agreements. It refused to walk back its plans to move production to Big River, and it would not agree to remove its exceptions to its so-called promises.

There was, however, one point of agreement: Nippon was ultimately willing to concede that the \$1 billion it's claimed to have allocated for a new hot strip mill in the Mon Valley is only half the actual cost, once again throwing into question its true commitment to the long-term success of our facilities.

Nippon also clearly communicated how impressed it is with Big River and reiterated its interest in following the U.S. Steel business model. But this model, which includes transferring production over the years from our facilities to Big River, obviously hurts USW members and undercuts our long-term job security. Reducing our nation's melt capacity by transferring production will also weaken our national security and the critical supply chains that depend on the steel we produce.

It became obvious over the course of the meeting that Nippon intends to spend some money in the communities surrounding our facilities if the sale happens, such as funding the construction of community centers. **But it would not commit to keeping production in our current facilities.**

And without our facilities and the good, family-supporting jobs they sustain, our communities will ultimately suffer.

We should also not forget that Nippon has already hurt our jobs and communities with its decades of unfair trade practices. As recently as last month, the Commerce Department issued yet another determination that Nippon is dumping its products into our market. Nippon cannot wipe away the existential threat this poses to our industries with investments or any other kinds of promises.

This deal clearly jeopardizes our long-term future, and we must continue to resist it.

Sincerely,

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Mike Millsap District 7 Director & Chairman of the Negotiating Committee

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