



# MORE LIES FROM USS AND NIPPON

January 2, 2025

Dear Brothers and Sisters,

In their most recent act of desperation, U.S. Steel (USS) and Nippon are now requiring supervisors to circulate a petition to workers while they're on the job. This document contains more deceitful rhetoric from CEO David Burritt and his cronies in yet another unlawful attempt to undercut our strength as they recklessly pursue their golden parachutes at all costs.

We've heard that they are telling workers that signing the petition is supposedly voluntary, while at the same time making it clear that management is paying attention to those who refuse. We understand that this sort of behavior can be intimidating. That is its purpose. But rest assured, this is nothing more than another in a long line of unlawful acts meant to bully USW members into backing a deal that ultimately compromises their long-term security.

## **DELIBERATE MISREPRESENTATIONS**

What's more, USS's petition deliberately misrepresents the discussions we've had with representatives from Nippon.

USS and Nippon want you to believe that we have not engaged with them: That is a lie. The truth is, we have not let them browbeat us into agreeing with their plans. We met with proponents of the deal, with our local leadership and our members. We consulted with political leaders across the spectrum.

But the bottom line remains: Nippon's plans threaten the long-term security of our facilities. During all of our meetings with Nippon, including those in the past few weeks, we brought our pressing concerns to the table, namely Nippon's stated intention to ultimately transfer production from our facilities to Big River, reducing blast furnace capacity/capability and endangering national security.

In return, we have received nothing but empty, worthless promises.

In the most recent meeting with Nippon, President McCall asked Nippon Steel Vice Chairman Takahiro Mori if he would make a genuine commitment not to transfer production from the Mon Valley to Big River where USS just started up 3 million annual tons of new melt capacity. He refused, directly stating that no, Nippon would not make that commitment. When McCall asked Mori if it was true that Nippon plans to build Big River 3, Mori would not respond!

Nippon claims it will invest \$2.7 billion in our facilities. **But the union has seen the list of investments, and it's clear that this is meant to do nothing more than impress those who may not have a basic understanding of steelmaking. It does not represent a true commitment to our long-term future.** More than half of this money would go toward repair and maintenance, other normal items like purchasing of work rolls, replacing current materials and equipment and shotcrete of blast furnace brick. The rest, identified as "intended investment," would go toward the reline of only one blast furnace (#14 in Gary) between now and 2030.

## **NO TRUE COMMITMENT TO PRODUCTION**

The deadline for government review of the transaction passed, and Nippon and USS were informed – again – that it has serious concerns about the sale's impact on our national security. Now, the companies are again scrambling to save the deal with more empty offers, and the national media is breathlessly reporting what it believes to be important developments.

According to the press, Nippon says it will allow capacity to be monitored, but once again, it fails to commit to maintaining production for the long term or actually strengthening domestic capacity in integrated facilities. Protecting capacity only means moth-balling our equipment, allowing it to rust away to the point that it is no longer feasible to re-start. This is nothing but a "Hail Mary" pass destined to fall to the ground.

The bottom line is Nippon is a serial trade cheater that for decades built its business model on adding to global overcapacity and threatening the U.S. industry. It's had a year to lay out a clear plan for the future based on something other than empty promises, but it can't because its entire goal in this transaction is to carry that model forward by undermining our industry from the inside.

This transaction has been under review for more than a year. Both President Biden and President-elect Trump recognized early on that there are clear and undeniable national security risks. They know, as we do, that allowing Nippon to buy USS will reduce jobs at the current USS plants and endanger our domestic steelmaking capacity. These concerns have now been confirmed by the Committee on Foreign Investment in the United States (CFIUS).

Nippon and USS want you to believe that the sale is good for workers, but this petition is just another distraction to cover up Burritt's plans to cash out his considerable stock holdings and sell us out to a company whose long-term plans include eliminating our jobs.

It's clear they understand that our strength lies in our solidarity – and we'll never let greedy corporations break it.

In Solidarity,



**Mike Millsap**  
District 7 Director &  
Chairman of the Negotiating Committee



**David McCall**  
International  
President