

The background of the cover is a photograph of a steel mill. A large, glowing orange ladle is tilted, pouring molten steel. In the background, a worker wearing a red hard hat and safety gear is visible. The overall color scheme is a gradient from dark purple at the top to teal at the bottom.

Steel Market Update *Yearbook*

2026: Perspectives on the year in steel

Featuring interviews with:

Geoff Gilmore, George Adams, Robert Simon



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For the US industrial sector and OEMs, Mexico is now a critical partner in steel and autos, not an optional add-on.

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EDITORIAL

Welcome!

Welcome to the our second SMU Steel Market Update Yearbook—a new publication from our team created to help you make the most of the 2026 SMU Steel Summit and the year ahead in steel.

Many of you are joining us this week in Georgia for the SMU Steel Summit. It is a chance to reconnect with colleagues from across the supply chain, compare notes on an eventful market, and spend a few days looking beyond the immediate challenges in front of us.

The steel business rarely stands still. Over the past year, tariffs, trade policy, tight supply, changing lead times, and uneven demand have all shaped the conversation. At the same time, investment in manufacturing, infrastructure, data centers, and new technologies continues to create opportunities—and new questions—for producers, service centers, fabricators, recyclers, and their customers.

This Yearbook is designed to bring some of those conversations together. Inside, you will find practical Summit information, perspectives from industry leaders, market analysis, exhibitor spotlights, a map of US sheet and plate mills, and a look at the importance of Mexico to the North American steel value chain.

I am especially pleased with the executive interviews featured in these pages. Geoff Gilmore, president and chief executive officer of Worthington Steel, shares his perspective on leadership and building an organisation prepared for change. George Adams, president and chief executive officer of SA Recycling, discusses the role of recycling and the evol-

ing metals supply chain. You will also hear from leaders including Bruce Margolin of ACE Steel Supply, Kiara Nirghin of Emanate, Nathan Frankel of Linus Analytics, and the team at Felux.

Their stories differ, but a common theme runs through them: long-term success depends on adapting to a market that is becoming more connected, more data-driven, and more demanding. Whether the topic is technology, customer service, scrap visibility, commercial strategy, or workforce development, the best leaders continue to look ahead while staying close to the day-to-day realities of their business.

Many of you know Steel Market Update through our events, but our work extends well beyond the conference calendar. Our team provides news, prices, data, analysis, training, and market intelligence intended to support better-informed decisions across the steel industry. Together with CRU, we are committed to helping you understand both the near-term market and the structural shifts that will shape the years ahead.

If you have a moment during the Summit, please stop by and see us. We would be glad to talk about our news, pricing services, and upcoming events. Or, just as importantly, we would be happy to hear what you are seeing in the market.

Thank you for taking the time to read this Yearbook—and for joining us in Atlanta. All of us at Steel Market Update and CRU truly appreciate your business, your engagement, and the trust you place in our team.

We hope you have a productive and enjoyable Summit. ■



Michael Cowden

Michael Cowden, Editor-in-Chief,
Steel Market Update



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Steel Market Update Steel Summit

CRU

Agenda at a glance

Main timings for each day of SMU Steel Summit 2025, including event opening times and scheduled networking functions. For full session details, including speakers details, please refer to the event website or app.



MONDAY AUGUST 24th

7:30AM – 6:00PM
Registration Open

Sponsored by:



8:00AM – 4:30PM
All-Day Beverages

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9:00AM – 9:30AM
Lobby Stage:
“The Invisible Essential: Why EAF Steelmaking Runs on Graphite Electrodes”

Sponsored by:



9:30AM – 9:45AM
Break

9:45AM – 10:30AM
Pre-Conference Workshop:
Futures Panel

10:30AM – 11:00AM
CRU Price Case Study

11:00AM – 11:45AM
Pre-Conference Workshop:
“Technology That Works: Real-World Digital Transformation in Metals”

Sponsored by:



11:45AM – 1:00PM
Lunch

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1:00PM – 1:15PM
Opening of the Conference:
Welcome to the 16th Annual SMU Steel Summit Conference

1:15PM – 2:20PM
Keynote Presentation:
“How the Future of Automobiles Could Impact the Steel Industry”

2:20PM – 2:40PM
Break

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2:40PM – 3:45PM
The Outlook for Steel into 2027 and Beyond

3:45PM – 4:15PM
Fireside Chat with Steel Dynamics

4:15PM – 4:45PM
Fireside Chat with Worthington Steel

4:45PM – 6:00PM
Networking Reception

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TUESDAY AUGUST 25th

7:30AM – 6:00PM
Registration Open

Sponsored by:



7:30AM – 8:30AM
Continental Breakfast

Sponsored by:



7:30AM – 4:30PM
All-Day Beverages

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8:00AM – 8:30AM
Lobby Stage:
“AI as a Growth Engine:
Powering Steel’s Next Era of Revenue”

Sponsored by:



8:30AM – 9:00AM
Lobby Stage:
“Mergers and Acquisitions”

Sponsored by:



9:00AM – 9:10AM
Opening Comments

9:10AM – 10:10AM
Keynote Economist:
“First Brood”

10:10AM – 10:30AM
Break

Sponsored by:



10:30AM – 11:00AM
Fireside Chat with Ryerson

11:00AM – 12:00PM
Trade in Transition:
Steel, Tariffs and the USMCA

12:00PM – 1:30PM
Lunch

Sponsored by:



1:30PM – 2:00PM
Fireside Chat with Nucor

2:00PM – 3:10PM
Keynote Economist:
ITR

3:10PM – 3:30PM
Break

Sponsored by:



3:30AM – 4:00PM
Fireside Chat with Scout Motors

4:00PM – 4:30PM
Navigating the Future:
A Fireside Chat with Zekelman Industries

4:30PM – 6:00PM
**Networking
Reception**

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4:45PM – 5:00PM
**Nexgen Leadership
Award Presentation**

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- ✓ Stronger margins

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WEDNESDAY AUGUST 26th

7:30AM – 1:00PM
Registration Open

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7:30AM – 8:30AM
Continental Breakfast

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7:30AM – 1:00PM
All-Day Beverages

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8:30AM – 8:35AM
**Opening Comments
and Announcements**

8:35AM – 9:00AM
Focus on Auto
with Cox Automotive

9:00AM – 9:25AM
Focus on Construction
with Dodge Construction Network

9:25AM – 10:30AM
**AI & Technology Update
for the Steel Industry:**
What's Changed — and What It
Means for Your Business

10:30AM – 11:15AM
Service Center Panel

11:15AM – 11:35AM
Break
Sponsored by:


11:35AM – 12:05PM
Fireside Chat with SA Recycling

12:05PM – 12:40PM
Steel Plate and Tube Panel

12:40PM – 12:45PM
Final Thoughts

12:45PM – 14:00PM
Lunch
Sponsored by:




See Full Agenda



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- **Francisco Anthony Martinez**, Global Steel Commodity/ Inbound Manager, **Steel Warehouse Co Inc**



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Insights



Networking



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For more information visit: www.tampasteelconference.com

Steel Market Update Steel Summit

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2026 Layout

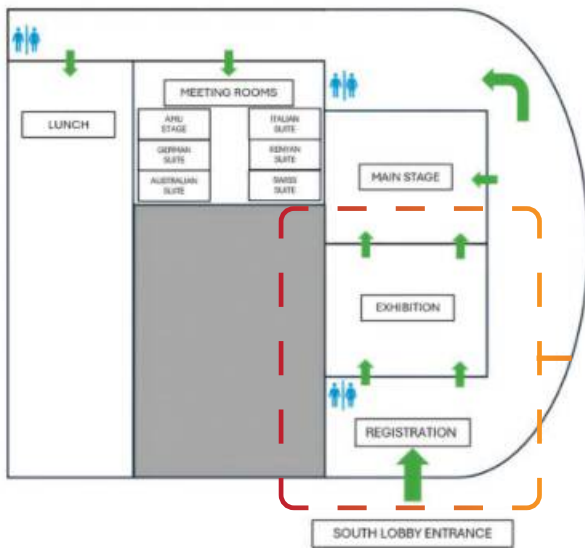
The 2025 Steel Summit Conference will be held at the **Georgia International Convention Center (GICC)**, conveniently located beside the Hartsfield-Jackson Atlanta International Airport.

Exhibition

- | | | |
|------------------------------|---------------------------------|---------------------|
| 1 AWMi | 17 Andes Coil Processors | 35 Stella Source |
| 2 ARKU | 18 Kore Machinery | 37 Cloudforge |
| 3 Fehr Warehouse Solutions | 19 Winfosoft | 38 Eagle Lasers |
| 4 Red Bud Industries | 20 North Carolina Ports | 39 Princeton TMX |
| 5 Red Bud Industries | 21 Fagor Arrasate/ Butech Bliss | 40 Kasto, Inc. |
| 6 Red Bud Industries | 22 Fagor Arrasate/ Butech Bliss | 41 ICE Construction |
| 7 AkzoNobel Coatings | 23 Fagor Arrasate/ Butech Bliss | 42 Piesca |
| 8 The Bradbury Group | 24 Tampa Steel Conference | 43 Braner |
| 9 The Bradbury Group | 25 Taylor Big Red | 44 FIMI Spa |
| 10 Bluescope Coated Products | 27 Teqram B.V. | 45 FIMI Spa |
| 11 Magswitch Technologies | 28 FMA | 46 ICE Construction |
| 12 Andritz Metals USA | 29 Crowe | A SMU & CRU |
| 13 Andritz Metals USA | 30 Crowe | B SMU & CRU |
| 14 Modern Metals | 31 Bayou | |
| 15 Biele Group | 32 Upvantage Strategies | |
| 16 Burghardt + Schmidt (B+S) | 33 Georg | |
| | 34 Linus Analytics | |



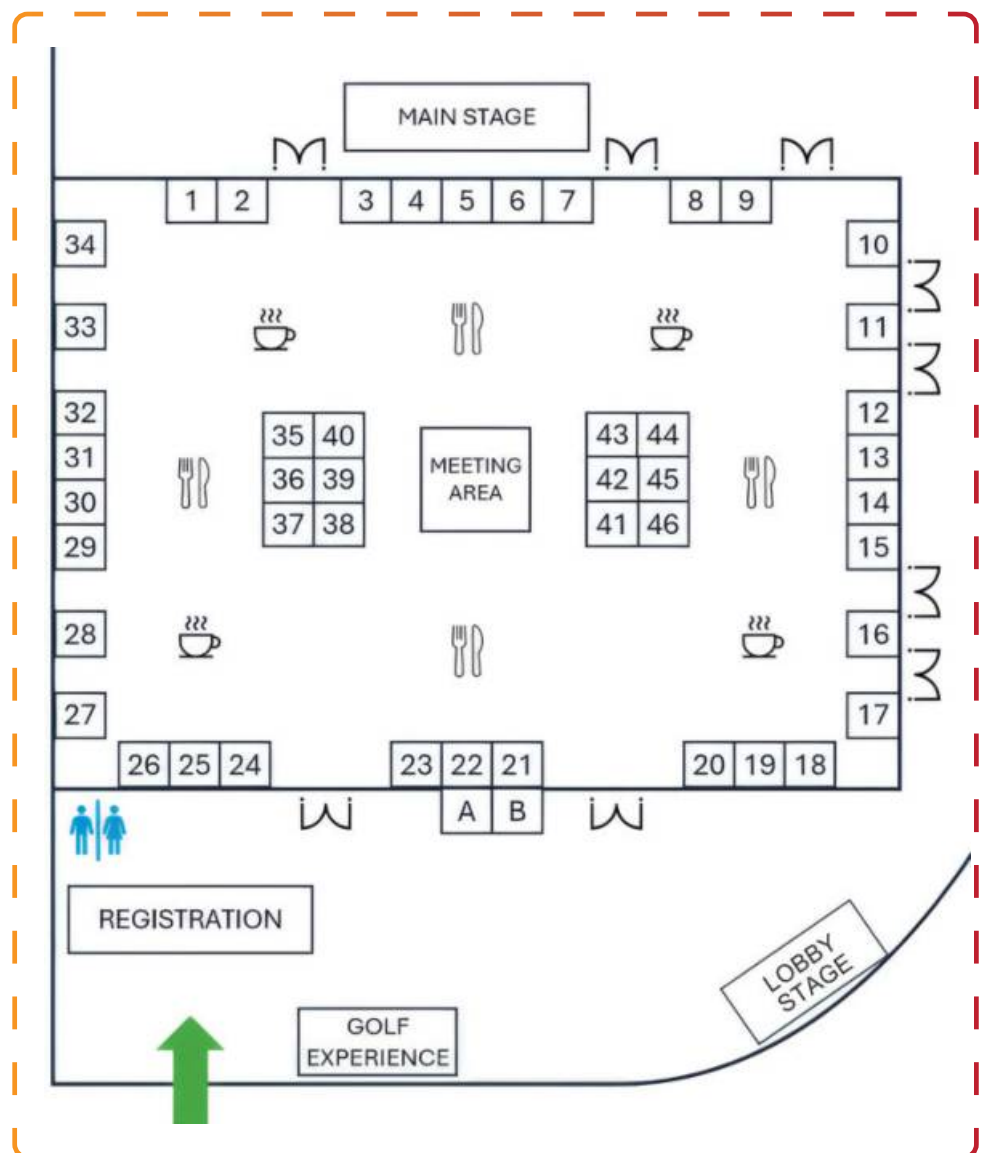
EVENT LAYOUT



Full address:

2000 Convention Center Concourse
College Park, GA 30337

The event registration can be accessed via the **South Lobby Entrance**.



Steel Market Update Steel Summit



Community Spotlights

A selection of highlight exhibition booths and companies attending this year's Summit



Booth 1



Association of
Women in the Metal Industries

Tel: 856 423 3201
Web: awmi.org
Location: Mount Royal, NJ

AWMI is a professional organization, founded in California in 1981, to support and advance the participation of women in the metal industries. With 21 chapters across the US and Canada, there is an opportunity to join us near you! The activities and programs of AWMI are designed to improve members' skills and experience, address the issues facing the industry, and promote members' career development with the ultimate goal of increasing the number of women working in the metal industries. Membership is open to both men and women. To find out more about AWMI, visit awmi.org.



It's an exciting time as we continue to grow our network and create opportunities for women in metals across North America."



Becky Dolan,
International Membership,
AWMI

What are you excited to discuss at SMU Steel Summit this year?

I'm excited to talk about AWMI's continued growth and impact across the metals industry. With 98 corporate members and a growing network of professionals, we're creating meaningful opportunities to network, grow, educate, and mentor while welcoming individuals and companies from across the broader metals community.

Are there any recent developments in your business or product lines that you are looking forward to showcasing?

We're excited to share the continued expansion of AWMI, including the progress of our Georgia Provisional Chapter as it moves toward affiliate chapter status and the launch of our new Arizona Provisional Chapter. It's an exciting time as we continue to grow our network and create opportunities for women in metals across North America.

What one question do you encourage participants to come to your booth to ask?

"What can AWMI do for me and my organization?" We love helping individuals and companies discover how AWMI can support professional development, strengthen industry connections, and provide valuable opportunities for employees at every stage of their careers.

Booth 31

BAYOU
PROCESSING & STORAGE

BDM
COIL COATERS

Tel: 713 450 8401
Web: bayoups.com
Location: Houston, TX

Bayou Processing & Storage and BDM Coil Coaters provide integrated toll processing, warehousing, and logistics services for customers throughout the Gulf Coast and beyond. Bayou offers precision slitting, extensive storage capacity and efficient material handling. Its on-site barge and rail access, along with its proximity to the Port of Houston, support flexible logistics solutions. BDM specializes in toll coating and priming of hot-rolled steel used to manufacture purlins and other metal building components. Together, the companies give customers a single-source partner for managing, processing, and moving customer-owned steel. Bayou Processing & Storage is ISO 9001:2015 certified.



We support our customers' flat-rolled steel supply chains through an integrated combination of logistics, storage, slitting, and coil coating."



Crystal Santos,
Sales Manager,
Bayou Processing & Storage
BDM Coil Coaters

What are you excited to discuss at SMU Steel Summit this year?

I'm excited to discuss how BPS and BDM can support more of our customers' flat-rolled steel supply chains through an integrated combination of logistics, storage, slitting, and HR coil coating for purlin (BDM Coil Coaters).

Are there any recent developments in your business or product lines that you are looking forward to showcasing?

At Bayou, we have added 45,000 square feet of indoor warehouse space and enhanced our barge and rail receiving capacity to support additional storage, logistics, and in-and-out business. At BDM, our new leveler now allows us to correct shape on hot-rolled coils as part of the coating process.

What one question do you encourage participants to come to your booth to ask?

How can BPS and BDM simplify my flat-rolled steel supply chain from inbound transportation and storage through processing and outbound shipment?

Booth 21-23

FAGOR
ARRASATE

BUTECH
BLISS

Butech Bliss and Fagor Arrasate have formed a strategic commercial alliance to deliver one of the most comprehensive portfolios of metal processing equipment and services in the North American market. By combining decades of engineering expertise, technological innovation, and manufacturing excellence, the alliance provides customers with industry-leading solutions for steel producers, aluminum producers, and metal service centers.



We're excited to introduce the strategic alliance between Fagor Arrasate and Butech Bliss."



Jack Buta,
President & CEO,
Butech Bliss

What are you excited to discuss at SMU Steel Summit this year?

We're excited to introduce the strategic alliance between Fagor Arrasate and Butech Bliss and discuss how our combined capabilities deliver a broader portfolio of technologies, stronger local support, and greater value for steel producers and service centers across North America.

Are there any recent developments in your business or product lines that you are looking forward to showcasing?

We look forward to discussing how we can automate historically manual processes and how our engineering teams are combining the best of our respective technologies to deliver seamless, integrated coil processing solutions that improve productivity, quality, and operational efficiency.

What one question do you encourage participants to come to your booth to ask?

"How can the Butech/Fagor alliance help us improve productivity, automate our operations, and maximize our return on investment?"

Booth 44-45



Tel: 00 39 039 92141
Web: fimigroup.it
Location: Lombardy, Italy

FIMIGroup is a leading Italian engineering and manufacturing company specializing in advanced coil processing solutions for the steel and non-ferrous metals industries. With more than 60 years of experience, 1,500+ lines installed worldwide, operations in 80+ countries, and a team of over 230 professionals, FIMIGroup designs, manufactures and commissions complete production lines that help customers improve productivity, quality and operational efficiency. Our portfolio includes: Levelling and Cut-to-Length Lines, Slitting and Trimming Lines, Recoiling and Inspection Lines, Automatic Coil Packaging Systems, Complete Coil Processing Lines, Equipment for the Aluminium Industry, Tube & Pipe Mills, Tube Finishing Lines, Roll Forming and Open Profile Production Lines. From engineering to after-sales support, FIMIGroup delivers complete, tailor-made solutions for modern metal processing.



One of the highlights we'll be discussing is our recently awarded project for the world's largest Heavy Gauge Cut-to-Length Line, designed to process steel coils up to 32 mm (1.25") thick."



Mario Colombo,
Sales Director,
FIMI

What are you excited to discuss at SMU Steel Summit this year?

We're looking forward to discussing how steel producers and service centers can improve productivity, product quality and operational efficiency through advanced coil processing technologies. SMU Steel Summit is a great opportunity to exchange ideas on market trends, modernization projects and the evolving needs of the North American steel industry.

Are there any recent developments in your business or product lines that you are looking forward to showcasing?

Absolutely. One of the highlights we'll be discussing is our recently awarded project for the world's largest Heavy Gauge Cut-to-Length Line, designed to process steel coils up to 32 mm (1.25") thick. This milestone demonstrates FIMIGroup's ability to deliver cutting-edge solutions for the most demanding applications and reinforces our commitment to innovation in steel coil processing.

What one question do you encourage participants to come to your booth to ask?

"How can I improve the productivity, quality and efficiency of my coil processing operations?"



Tel: 917 580 3096
Web: ferrosource.com
Location: Osceola, AR

For more information, contact:

Kevin Udolph,
Vice President, Commercial & Business Development
Ferrosource Metal Processing
sales@ferrosource.com

Ferrosource Metal Processing (FMP) is building a smarter path from mill to market. Located directly on U.S. Steel's Big River Steel Works campus in Osceola, Arkansas, FMP combines mill-produced steel with value-added processing in one integrated location. Its zero-inbound-freight model helps customers lower total delivered cost, reduce material handling, shorten lead times, and improve supply-chain reliability. With multimodal outbound access by truck, rail, and barge, FMP will serve manufacturers and distributors across the central United States. The facility will process galvanized, Galvalume®, galvanized, pre-painted, and cold-rolled steel for construction, agriculture, HVAC, appliance, metal-building, and other downstream markets throughout North America.

What are you excited to discuss at SMU Steel Summit this year?

We are excited to discuss a simpler, more competitive path from mill to finished product. FMP's location directly on the Big River Steel Works campus enables customers to combine steel supply and value-added processing while avoiding inbound freight to an off-site processor. We look forward to conversations about lowering total delivered cost, reducing material touches, shortening lead times, and building more resilient logistics strategies through truck, rail, and barge access.

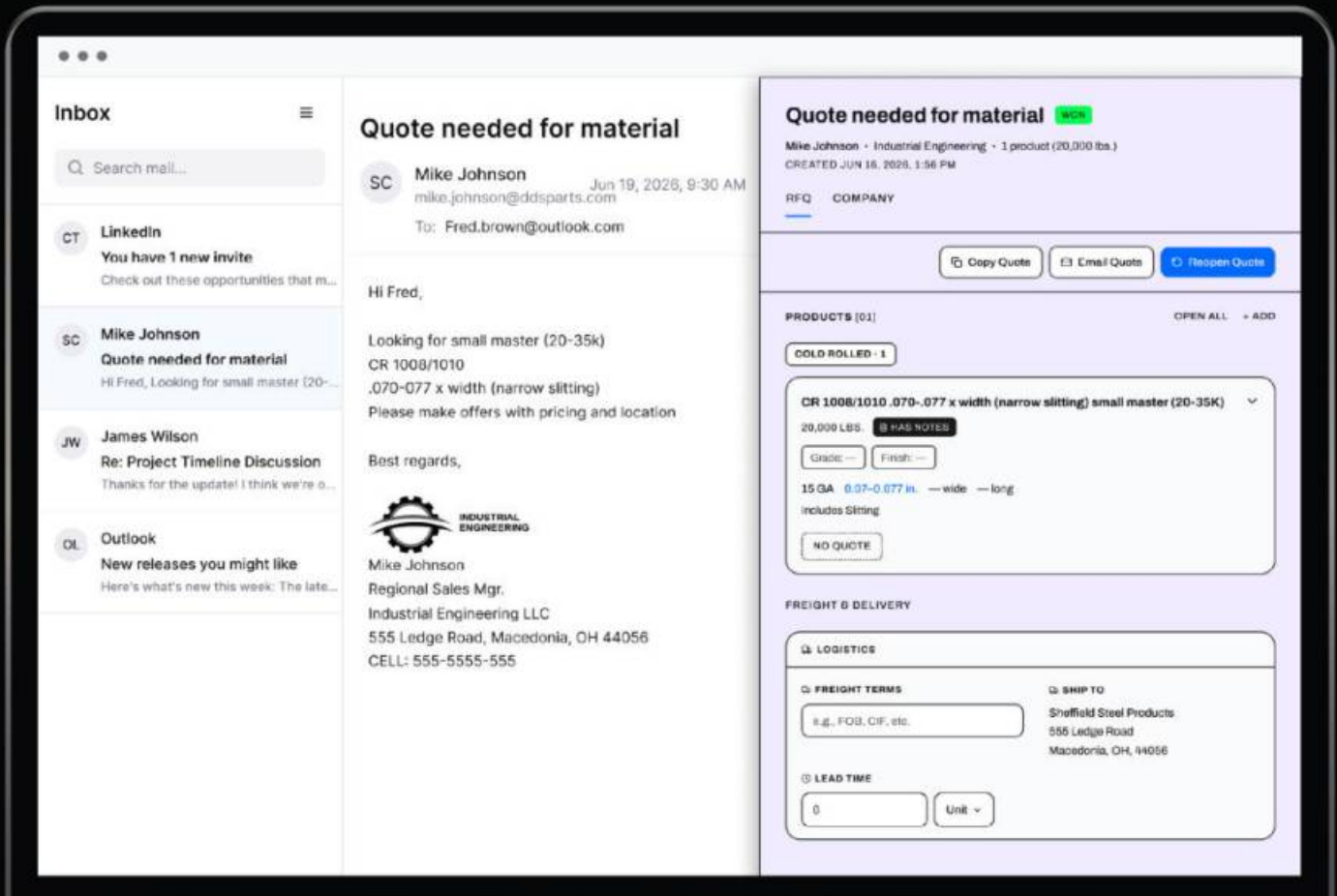
Are there any recent developments in your business or product lines that you are looking forward to showcasing?

We are especially proud to showcase our new state-of-the-art FMP facility in Osceola, Arkansas, scheduled to begin operations in August 2026. The facility will process galvanized, Galvalume®, galvanized, pre-painted, and cold-rolled steel while supporting customers across construction, agriculture, HVAC, appliance, metal-building, and other downstream markets. Its on-campus location and multimodal outbound capabilities create a distinctive platform for speed, flexibility, and supply-chain efficiency.

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FEATURE

Tariffs, tight supply and the new rulebook for US sheet steel

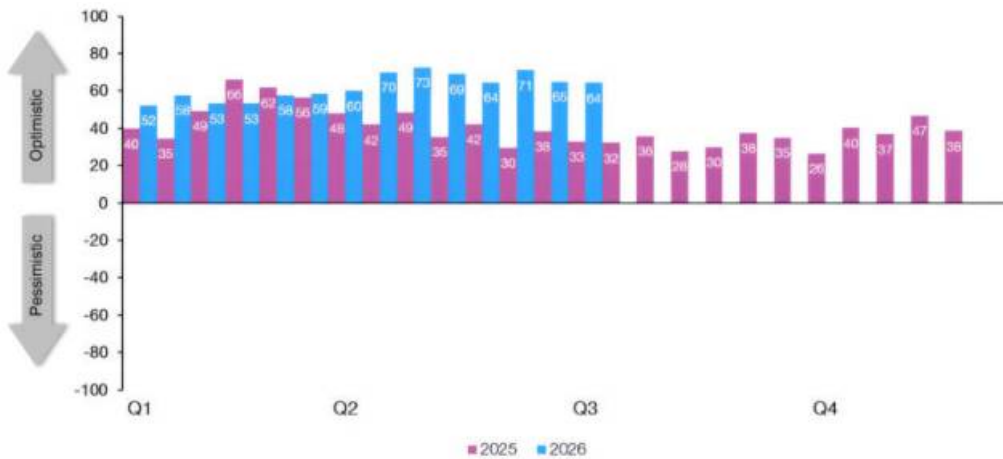
Image: CRU

Written by Natalie Noor-Drugan, Senior Editor, Communities, CRU.

US sheet prices have risen further and stayed higher than many buyers expected, even as new capacity has come on stream. A tighter policy regime, managed supply and selective demand have rewritten how prices are set, who gets material and where margins sit.

Zero pessimism — buyers haven't crossed the line since 2025

SMU Current Buyers' Sentiment Index, weekly, 2025 vs 2026



Data: Steel Market Update Flat Rolled Steel Survey.

A split screen year for US sheet

US sheet has had a very different year than many buyers expected: prices kept rising, imports stayed tight, and hoped-for relief from policy or new capacity did not materialise.

“The US sheet market story is one of supply and transition, as economic demand resets and looks for the next leg higher,” says Josh Spoore, research principal, steel analysis and forecasts at CRU. “On the demand side, we had Covid, demand crashed, then post-Covid demand boomed. You have to reset from that. Now we’re at the point where our economic view is for more consistent growth in 2027 and 2028. Manufacturing has bounced along the bottom for a couple of years, and that’s starting to turn higher. Construction is trying to move up as well, so stronger growth is at our doorstep.”

On supply, he also sees transition rather than a simple shortage. “We’ve had a good amount of new capacity built and started up, and some more to come, but we’ve also seen capacity idled,” he says. “In a market like the US, we’re net importers — we have to have imports, otherwise we can’t satisfy demand. So the price had to jump to significantly higher levels than global prices just to incentivize imports.”

The lag in imports has been critical. Material ordered before tariffs rose continued to arrive, but once that pipeline ran down, the market lost

a meaningful chunk of supply. Spoore notes that light flat-rolled imports in Q4 2025 were down about 4 million metric tons annualised year on year — “about a 7.5% loss of supply” — in a market where domestic mills cannot fully meet demand alone.

Longer mill lead times have reinforced the sense of tightness. Orders that once moved on a three- to five-week domestic cycle now often take seven to eight weeks or more, with some mills booked 10–12 weeks out, much closer to import lead times than buyers were used to.

From the service-centre side, Michael Cowden, editor-in-chief of Steel Market Update, says “it’s been a good year for steel”. “We’ve seen sheet prices going up since October of last year, which is the longest rally we’ve seen for sheet prices since 2021,” he notes. Early in the year, “there was some thought... that the rally was purely supply-driven,” he says, but Section 232 tariffs going to 50% “have limited import competition”, and demand has “surprised to the upside — especially when it comes to less traditional drivers such as the border wall and data centers... and all the infrastructure that supports them.”

That strength shows up in SMU’s sentiment indices. “Current and Future Sentiment are both strongly positive at the moment,” Cowden says. “When sentiment is in the 60s and 70s, buyers are more inclined to place larger orders, build inventory and take on additional price and project risk, because strong sentiment usually reflects confidence in their own demand outlook.”

Even so, the year feels very different depending on where you sit. “Mills and buyers have very different stories,” Spoore says. “Mills are generally pretty happy because they have a significant new barrier to competitive supply... Buyers and users of steel, on the other hand, are very concerned. They can’t get enough supply, and what they can get is at prices they see as excessive versus global levels.” Taken together, the year in review is a split screen: mills see a market finally paying for previous investments, while buyers see one that is expensive, short and still hard to navigate.

When tariffs, not costs, set the sheet price

In Spoore’s view, tariffs rather than costs have been the main driver of the current price cycle. “The most significant driver of prices has been tariffs — the 50% additional tariff on imports,” he says. “The US price for hot-rolled, cold-rolled and galvanized is essentially set as a tariff import. If you raise tariffs, you raise domestic prices, and that has been the biggest issue.”

Demand has still played a role. In 2024–25, construction was not especially strong and manufacturing was weak, with purchasing managers’ indices near or in contraction. “This year we’ve seen manufacturing start to pick up and construction return to some growth, mainly driven by data centers, infrastructure and some border wall projects,” Spoore says. “Those areas have helped support steel demand,” even if more tra-

ditional sectors remain mixed.

Cowden reaches a similar conclusion from the service-center side. He says the strength of underlying demand has become increasingly apparent in customer activity, challenging the early assumption that the rally was driven principally by supply constraints. While higher Section 232 tariffs and lower import volumes have tightened the market, resilient consumption has provided a second pillar of support.

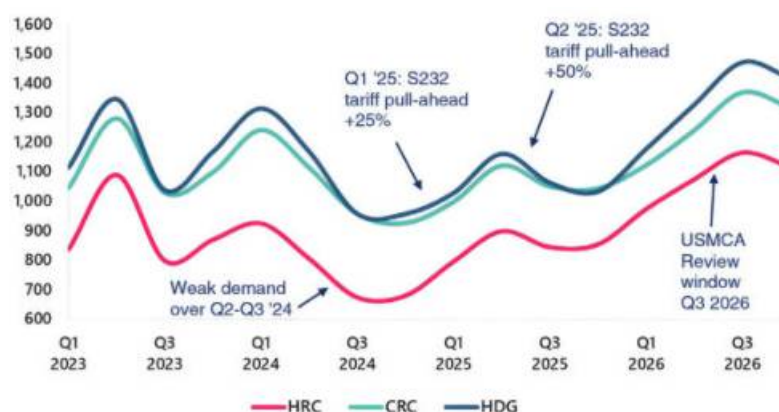
He is blunt about how prices have moved over the last 12 months. “A year ago, prices were in the 800s per ton, and larger spot buys were in the 700s per ton,” Cowden says. “So in some respects the higher prices we’ve seen this year are a reflection of the 50% tariffs flowing through into the market.” At the same time, “we also saw US mills succeed in a sprawling trade petition targeting imports of coated steel sheet from 10 countries,” he notes, which “has also helped to wall off the US market from import competition.”

The shape of this price cycle is different from the boom-and-bust patterns many remember. “Historically, steel prices tend to overshoot on the upside and downside,” Spoore says.

When buyers saw a lack of supply, “they get excited, buy up, hoard, double order, triple order, and back up domestic orders with imports,” only to slam on the brakes later and trigger sharp price collapses. This time, he argues, mills are “aided by tariffs and the lack of imports, but they’re also doing well at walking the price up at a slow pace to get more consistent order volumes throughout the cycle”. “Today, in July,

Every tariff step, a new price floor

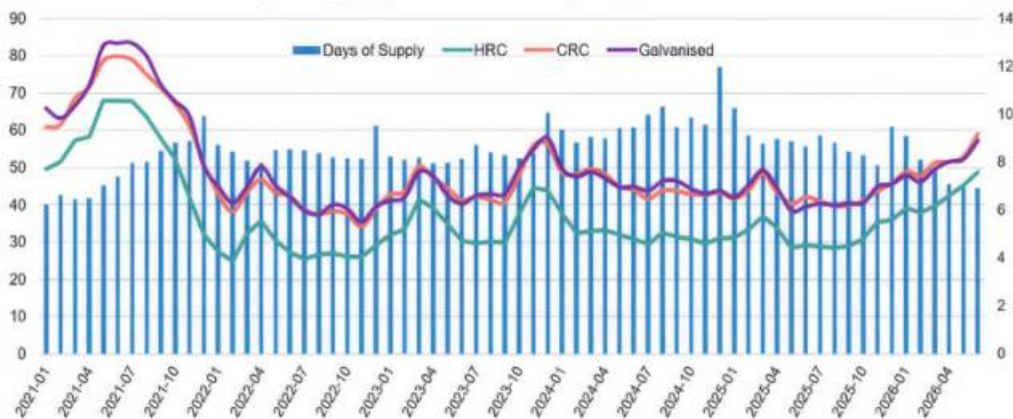
US midwest HRC, CRC and HDG spot prices, USD/st, 2023–2026



Data: CRU Steel Sheet Markets Outlook.

Long lead times, lean shelves — partying like it's 2021

Service-center days of supply (left axis) vs mill lead times in weeks for HRC, CRC and galvanised (right axis), 2021–2026



Data: SMU Service Center Inventories and SMU Flat Rolled Lead times.

we're looking at hot-rolled over 1,100 per ton. In prior cycles, mills might have charged 1,300–1,400 per ton at similar points," potentially trading some peak price for steadier volume and margins.

Looking ahead, Spoore expects prices to "find a peak in the second half of the year" and then ease. "We don't expect prices to fall as fast as in past cycles, because there's risk and limited room to fall below the import parity price," he says. If prices fall too far, "imports won't get ordered again," which would not be sustainable — prices would be pushed higher as the market tightened. For now, he sees mills "planning and bringing capacity up at a measured pace" to maximize profit through the cycle without undermining the import parity structure.

Cowden captures the policy-logistics mismatch that keeps price risk elevated. "Unlike many areas of US policy that are constrained by Congress and the courts, tariffs sit largely within presidential authority," he says. "Tariff changes can move at the speed of social media, whereas steel still moves at the speed of trucks, trains, barges and ships. That mismatch between policy speed and physical logistics adds uncertainty to inventory planning and price expectations." In a tariff-driven market with long lead times and tight inventories, that mismatch keeps US sheet prices higher than many buyers would like.

These price dynamics feed directly into how mills run their assets, plan capacity additions and negotiate contracts.

How mills manage a tight sheet market

US sheet supply has also had a very different year than the headline capacity numbers suggest. Capacity is higher than it was before the pandemic, but outages, idlings and long lead times mean the system still feels tight, even as new, more efficient tons come on stream.

"On the supply side, it's a transition," Spoore says. "We've had a good amount of new capacity built and started up, and some more to come, but we've also seen capacity idled... In that transition, mills have remained limited in what they can provide, and demand isn't being fully satisfied because we're still in the process of returning to imports."

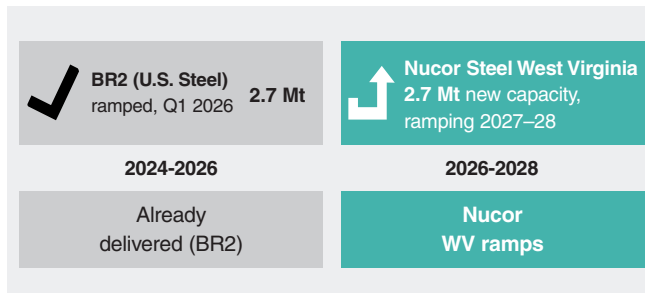
That shapes how mills run existing assets and commission new ones. Spoore notes that Cleveland-Cliffs "has idled a couple of facilities and could potentially restart one". "The capacity exists. If they can see a way to restart without crashing the price, they should do that — it would take market share away from imports," he says, while cautioning that any restart has to avoid adding too many tons too quickly. U.S. Steel also has an idled furnace that could theoretically return, but Spoore doubts it will, given how long it has been down.

New capacity brings its own complications. Nucor's new mill in West Virginia, for example,



The one project that still matters: Nucor West Virginia

Most new sheet capacity is already at full rate; Nucor's West Virginia mill is the key swing factor for 2027–28.



Data: CRU

plans to start by running downstream lines and drawing feed from other Nucor facilities before its own melt shop ramps up. Spoore notes that projects like this can tighten the market temporarily if ramp-up issues or outages elsewhere offset the additional capacity, which is why mills have tried to “bring new capacity on in geographically smart locations” and “at a measured pace”.

Corporate strategy and M&A add another layer. The Nippon Steel–U.S. Steel transaction has highlighted how valuable integrated US sheet assets have become, while Cleveland-Cliffs has used long-term contracts and idled capacity to concentrate volumes and pricing power. Spoore notes that leading mills have been investing “upstream and downstream” to smooth earnings and tightening contract terms so customers must stay within narrower minimum and maximum volumes.

From here, both Spoore and Cowden point to a few key swing factors on supply: USW contracts with Cleveland-Cliffs and U.S. Steel, which

expire on 1 September; the risk that very low import volumes rebound sharply; and the outcome of the USMCA review and any bilateral deals with Canada or Mexico. Taken together, the supply, capacity and M&A story is one of managed tightness: mills are reshaping portfolios and timing new tons carefully, while buyers try to secure enough steel in a market that still trades at a premium to much of the rest of the world.

How that managed tightness meets selective demand is the next part of the story.

Autos, projects and the pockets propping up sheet

Demand has held up better than many expected, but not because every end market is firing at once. The support has come from a handful of sheet intensive sectors: automotive, construction linked products, and project driven areas such as data centers and energy infrastructure.

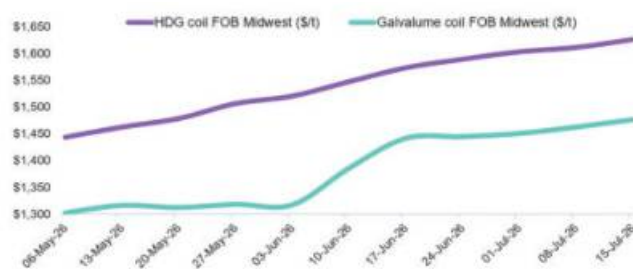
“The automotive sector is a critical market for the US steel industry,” says David Leah, Senior Automotive Analyst, CRU. It accounts for a significant share of flat-rolled demand, and while the material mix has evolved, “steel remains the material of choice for most vehicles... it will continue to be a backbone material for automotive, even as aluminum gains share in certain applications.”

Model mix matters too. “The US has a higher share of SUVs and pickups than many other markets, and the trend over time has been towards larger vehicles,” Leah says. “By definition, those vehicles are heavier and require more material... When you look at SUVs and pickups overall, there is generally more material per unit,” particularly for body-on-frame pickups where frames are essentially all steel.

“Substitution is a hot topic, but in practice it’s more constrained than headlines sometimes suggest,” Leah says. The Novelis hot-mill fire and strong aluminum prices have “raised questions about whether OEMs will switch back to steel in certain applications,” and there have already been some examples, but “changing materials isn’t straightforward... we see substi-

Taking the stairs, not the elevator

US midwest HDG and Galvalume, FOB mill, USD/st, weekly May–Jul 2026



Data: CRU Steel Sheet Products Monitor.

tution as a medium- to long-term risk and opportunity rather than a rapid swing.”

The recent production and sales pattern has also been unusual. Leah notes that North American vehicle production fell last year even as sales grew, helped by pre-buying ahead of tariff changes and the removal of some EV tax credits. His base case for 2026 is low single digit production growth, which is “supportive for steel demand,” particularly when combined with a gradual trend toward localization and regionalisation as tariffs and rules of origin encourage OEMs to increase North American content over time.

Construction presents a different picture. It is less about one big macro upswing than about specific sectors and applications holding firm, such as roofing and building products where Galvalume plays a distinct role. “For years, market participants have been asking for a data-driven way to follow the US Galvalume market,” says Estelle Tran, Senior Analyst, Ferrous Value Chain, CRU.

There are “important differences” between the Galvalume and hot-dipped galvanised (HDG) markets, she notes, as HDG has automotive, HVAC and other applications. “While HDG is a close proxy for Galvalume,” Tran says, “we are now offering something better.” CRU started publishing weekly US Galvalume prices dating back to May 2026. “What we’re seeing is that Galvalume is following the broader sheet steel uptrend, but in a different way — instead of racing higher, it’s taking the stairs up,” she says. A key reason is the prevalence of monthly pricing in this segment.

Supply constraints still matter here as well. Only a limited number of US mills can produce Galvalume, and an outage has exposed how tight the market can become, with imports providing some relief at the cost of long lead times and added tariffs and duties. “We’re speaking in mid-July, and we’re already hearing about imports being offered for November delivery,” Tran says. “On the face of it, that feels far off. But when domestic mill lead times are stretching into September or even October, November imports do not look that distant by comparison.”

Taken together, the demand story is supportive but selective: autos remain a backbone market for sheet, while construction-linked products

Steel still wins the body shop

Material intensity in BIW and closures by OEM, North America, 2025, kg



Data: SMU Service Center Inventories and SMU Flat Rolled Lead times.

such as Galvalume show that building demand is still there in important niches. Neither sector points to a runaway boom, but both help explain why demand has been resilient enough to keep the sheet market tighter than many buyers expected.

Trade rules the ton: policy at the heart of US sheet

Trade and policy have always mattered for US sheet; over the last two years they have become the central story. Tariffs, trade cases and rules of origin have reshaped who supplies the marginal ton, how prices are set, and how much risk buyers carry when they look offshore.

Section 232 stands out. In March 2025, Trump standardized 25% tariffs across the board. Then in June 2025, he raised them to 50%. He also applied the tariffs to key allies, such as Canada and Mexico, who previously been exempt. And he removed well-established quota systems from major offshore steel suppliers such as South Korea and Brazil. They too became subject to the broad-based 50% Section 232 tariff. “Because 25% was not enough to block lower priced suppliers entirely, Trump subsequently announced 50% tariffs,” Cowden notes.

The full impact took time to work through because previously ordered material continued to arrive, but by late 2025 and early 2026

imports had “dropped sharply, to the lowest levels in many years for some products”. That collapse in imports helped tighten supply, lengthen lead times and support higher prices.

The policy environment has also confounded expectations about relief. “Maybe you remember TACO from last year — Trump Always Chickens Out,” Cowden says. “But we’ve seen no TACO when it comes to steel tariffs.” Many had expected tariffs on Canada or Mexico to be eased ahead of or as part of USMCA renegotiations. We saw that happen in 2019 ahead of the original USMCA going into place in 2020. But “as it stands, we’ve passed a July 1 deadline with no new USMCA agreement,” Cowden said. “Talks are at least scheduled between the US and Mexico. None are scheduled between the US and Canada.”

Policy interacts closely with regional rules as well as with the practical decisions OEMs and their suppliers make about where to invest and source. The United States-Mexico-Canada Agreement encourages automakers and other manufacturers to meet specific North American content thresholds, and Leah says those rules, together with tariffs, are nudging OEMs to localize more of their production and sourcing over time. Spoore sees USMCA as “the big one” in terms of trade risk: “Any package or bilateral agreement that lowers or removes steel tariffs would have the biggest potential impact on the sheet market,” he says.

For construction-linked products, the tension between domestic supply and imports is visible in Galvalume. A small domestic producer base,

long-dated imports and significant added costs from tariffs and trade remedies mean that policy decisions quickly translate into availability and price changes for roofing and building users.

On the raw-material side, pig iron shows a similar interaction between trade and costs. Thais Terzian, Principal Analyst, Crude Steel and Metallics, CRU, notes that the war in Ukraine reduced ore-based metallics supply from Ukraine and Russia, pushing Brazil to the fore as the largest exporter of pig iron. “Today there is competition between the US and Europe for Brazilian pig iron, which is why pig iron has been priced at a larger premium over scrap and why we expect that premium to persist,” she says. Even so, she does not see pig iron availability as the main constraint on finished-steel output today; tariffs and trade barriers remain the bigger constraint on US sheet supply.

Put simply, policy now shapes far more than just headline prices: it influences who moves which tons where, how mills and buyers plan investments, and even how raw-material costs feed through to the market. It all reinforces Cowden’s point that “tariffs can change at the speed of social media, whereas steel still moves at the speed of trucks, trains, barges and ships,” leaving buyers to manage a market where policy can change in an instant but physical supply takes much longer to catch up.

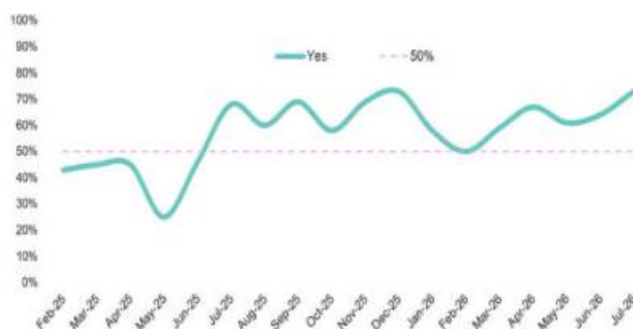
Metallics set the floor, tariffs set the ceiling

If policy has been the main driver of US sheet prices, costs have played a more subtle but important role. Metallics and scrap still matter — they set the floor under domestic prices — but they have not been the primary force behind today’s high levels; instead, they have shaped how comfortable mill margins are and how those margins might evolve over time.

“Metallics prices dropped in 2024, in line with the overall weakness of the global steel market,” says Thais Terzian, Principal Analyst, Crude Steel and Metallics, CRU. “In the US specifically, sharp corrections in both hot-rolled coil and rebar prices, together with falling margins, kept metallics prices under pressure.” In 2025, she notes, “we saw an uptick in US scrap prices,”

Scrap finds its balance while sheet stays tight

SMU ferrous scrap survey – share answering ‘yes’ to ‘Is supply and demand balanced?’



Data: SMU Ferrous scrap survey



SMU Steel Summit 2025

supported by renewed Section 232 tariffs that raised US steel price levels and incentivised domestic production. As steelmakers ramped up, both scrap demand and prices moved higher, and “that history has largely repeated so far in 2026,” she says.

Crucially, “the increases in metallics prices have been fully passed on to steel prices,” Terzian emphasises. “In other words, there has been no margin squeeze for steelmakers associated with higher metallics costs.” That aligns her with Spoore’s view that tariffs, not input costs, are doing most of the work on today’s sheet price level. “Metallics, combined with other costs, can be thought of as the floor under domestic prices in the US,” she says. “But I agree with Josh Spoore that current steel prices reflect more the tariffs and their impact on the cost of imports, which are the marginal tons serving the US market... The US sheet price today is not really a cost-plus-margin price — it’s effectively set on an import cost-plus-tariff basis.”

On scrap, Terzian notes that there can be short-term tight patches — for example, “harsh weather in late January and February” this year reduced collection — but that the market has quickly moved back into balance. “Right now, we actually see more supply than demand on the scrap side,” she says, a pattern that matches Cowden’s observation that prime scrap prices used for sheet has been “essentially flat” even as finished steel prices have rallied, allowing margins at EAF mills to expand.

Ore based metallics tell a different story. “The war in Ukraine reduced supply from Ukraine and Russia, and Brazil has become the largest exporter of pig iron,” Terzian says. “Today there is some competition between the US and Europe for Brazilian pig iron, which is one of the rea-

sons why pig iron has been priced at a larger premium over scrap and why we expect that premium to persist.” More recently, proposed Section 301 tariffs on Brazilian goods raised the prospect of an extra 25% duty on pig iron, but the final July decision carved pig iron out of that list after industry groups argued it was critical to US steelmaking and supply chains. That exemption has helped stabilize feedstock pricing for mills even as pig iron continues to trade at a premium over scrap. Even so, she does not see pig iron as the main constraint on US finished-steel output. Instead, she argues that policy and trade are having the greater effect: tariffs make imports both more expensive and more difficult to source, tightening the US sheet market.

Looking beyond the immediate cycle, Terzian expects metallics costs to do more of the work. “We do expect metallics prices to increase over the medium to long term,” she says. Several new electric-arc furnace projects in the US towards the end of the decade will raise demand for ore-based metallics, while supply growth is more limited, pointing to a tighter metallics market and higher metallics prices over time. At the same time, CRU “is not forecasting average sheet prices to move significantly higher than the levels we see today... There may be seasonal peaks or short-term spikes, but not a continuous upward trend from here,” she notes.

That combination implies a gradual narrowing of today’s very wide spreads. “Producers’ margins should narrow as metallics costs climb,” Terzian says. “It’s important to stress that this doesn’t mean negative margins or even particularly low margins in the US — they are starting from a very comfortable position. But it does mean margins should be lower than the exceptionally high levels we’re observing now, and that change will be driven more by metallics gradually catching

up than by tariffs suddenly disappearing.” For buyers, tools like **CRU’s Metallica Price Index** can help by showing how metallica prices have moved relative to sheet prices and highlighting when spreads are widening or narrowing.

What to watch as the rulebook keeps shifting

By the time delegates gather in Atlanta, the market might already look different from the one described here. In a tariff-driven, policy-heavy sheet market, the framework can shift faster than mills, buyers or analysts can update their spreadsheets, which makes a clear sense of what to watch more valuable than any single price forecast.

Policy sits at the top of the list. The ongoing review of the United States-Mexico-Canada Agreement will shape how rules of origin and regional content thresholds evolve, and any change there — or in newer actions such as Brazil-related Section 301 tariffs — could alter the balance between US, Canadian and Mexican sheet supply. So could fresh trade actions or adjustments to Section 232, whether that means higher tariffs, new exemptions or a different approach to managing imports from key partners. “USMCA is the big one,” Spoores says. “Any package or bilateral agreement that lowers or removes steel tariffs would have the biggest potential impact on the sheet market.”

The second set of risks is on the raw-material and cost side. Metallica prices have so far been fully passed through into sheet prices, leaving mill margins very comfortable, but Terzian’s base case is for metallica to rise into roughly stable sheet prices over time, compressing spreads from today’s unusually wide levels. If sheet prices drift sideways while metallica rise, margins will normalise — still healthy, but less extraordinary than in this tariff-driven phase.

The third is behaviour. Inventories, lead times and import decisions will determine how much of any policy or cost shock actually flows through into day to day pricing. “Service center sheet inventories stood at 44.5 days of supply in June — the most up-to-date figures available when this article went to press. That is quite low by recent historical standards,” Cowden says.

Meanwhile, average lead times for hot-rolled coil are about seven and a half weeks, and some mills are significantly further out. “Whenever lead times exceed days of supply, you have a situation where buyers know they need specific items but can’t necessarily obtain them before they run out,” he notes. “We’ve described this as steel markets partying like it’s 2021,” because June’s days of supply reading was the lowest since April 2021, when we saw snapback in demand following the early days of the pandemic.” He adds that several other indicators tracked by SMU also show parallels with 2021. In short, buyers are again trying to balance lean inventories with long lead times and high prices.

For many service centers, that will mean building a bit more supply diversity into contracts, using imports as a tactical tool rather than a permanent fix, and thinking harder about how much inventory “too lean” really is in a more volatile world. In that environment, the buyers who do best will be those who treat tariffs, trade cases, metallica and inventories as a single, connected system rather than four separate problems — and who use the conference itself as a chance to stress test their views with the analysts and peers quoted in this feature. ■



Michael Cowden
Editor in Chief,
Steel Market Update



Josh Spoores
Research Principal, Steel,
CRU



Thais Terzian
*Principal Analyst, Crude Steel
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David Leah
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*Senior Analyst, Ferrous Value
Chain,*
CRU

The logo consists of the letters 'CRU' in a bold, white, sans-serif font, enclosed within a white square border with rounded corners.

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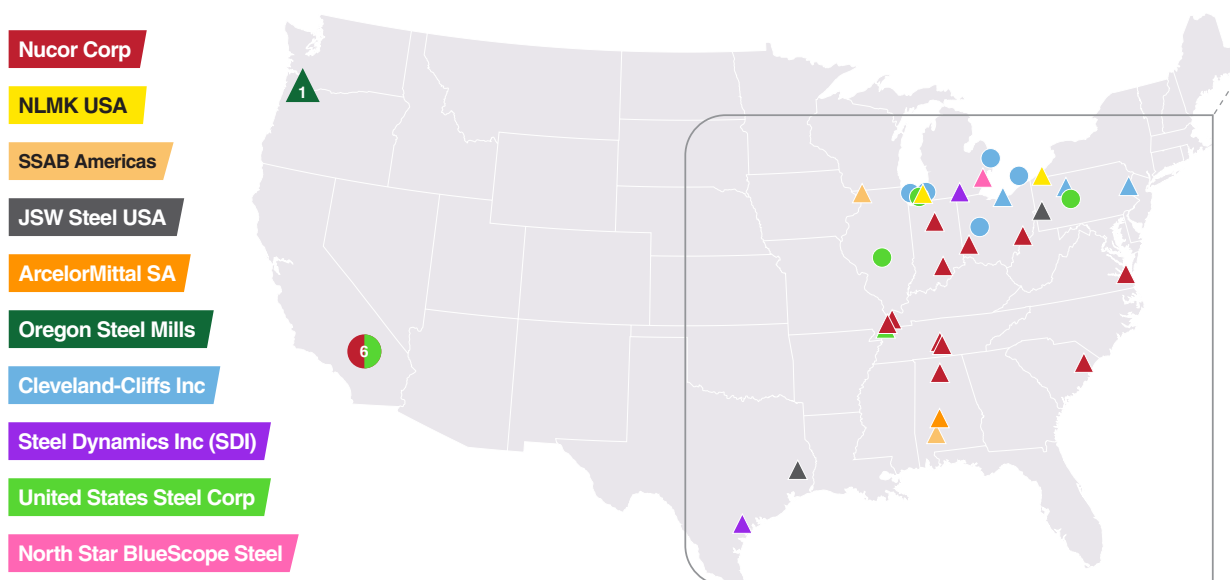


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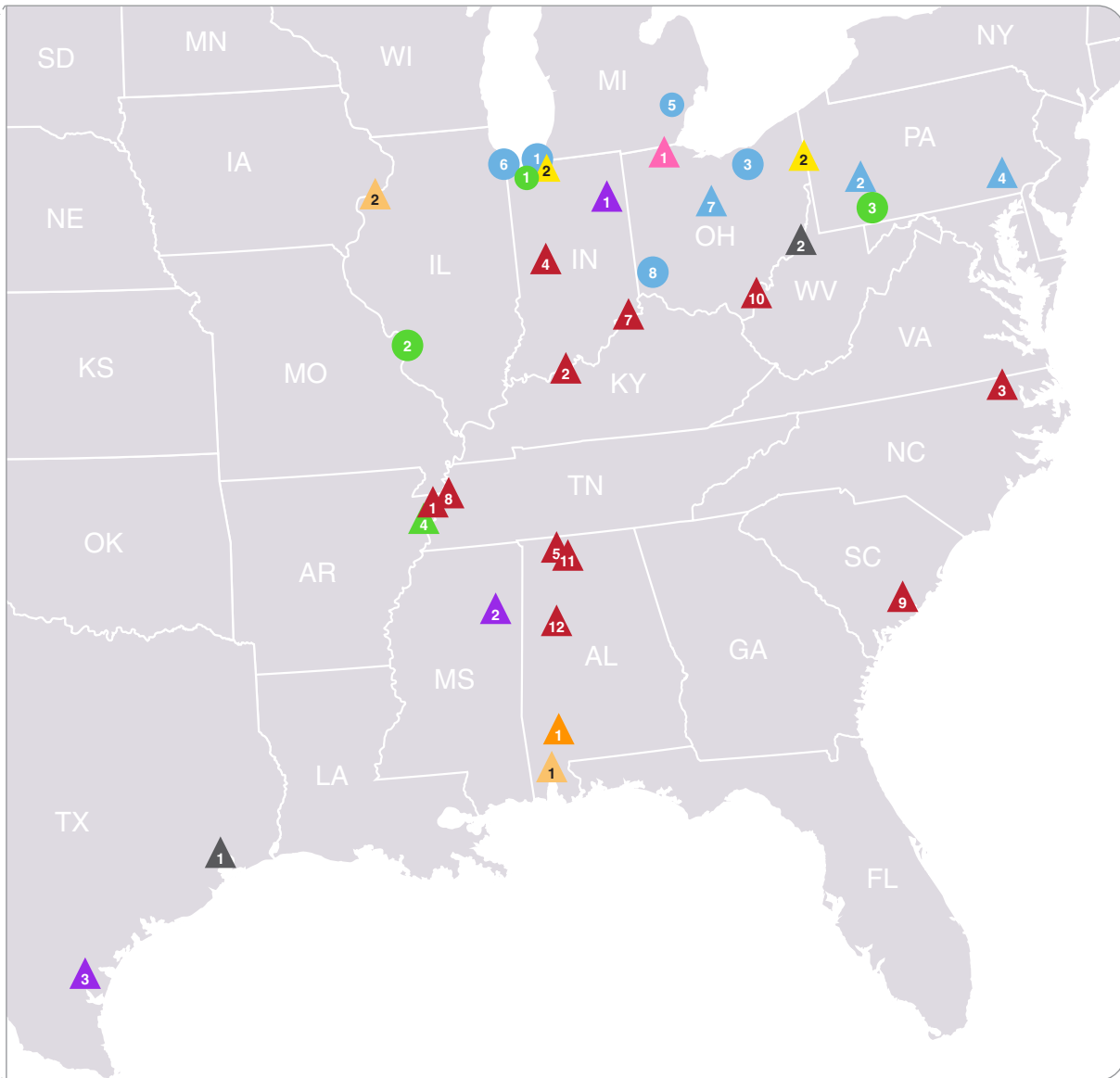
US Steel Sheet and Plate Mills

by *Sofia D'Olivo*, Editorial Executive, Communities, CRU.



List of Mills

*Type	City	Owner	State
▲1	Armored	Nucor Corp	Arkansas
▲2	Brandenburg	Nucor Corp	Kentucky
▲3	Cofield	Nucor Corp	North Carolina
▲4	Crawfordsville	Nucor Corp	Indiana
▲5	Decatur	Nucor Corp	Alabama
●6	Fontana	Nucor Corp / JFE Holdings, Inc.	California
▲7	Ghent	Nucor Corp	Kentucky
▲8	Hickman	Nucor Corp	Arkansas
▲9	Huger	Nucor Corp	South Carolina
▲10	Mason County	Nucor Corp	West Virginia
▲11	Trinity	Nucor Corp	Alabama
▲12	Tuscaloosa	Nucor Corp	Alabama
●1	Burns Harbor	Cleveland-Cliffs Inc	Indiana
●2	Butler	Cleveland-Cliffs Inc	Pennsylvania
●3	Cleveland	Cleveland-Cliffs Inc	Ohio
●4	Coatesville	Cleveland-Cliffs Inc	Pennsylvania
●5	Dearborn	Cleveland-Cliffs Inc	Michigan
●6	Indiana Harbor	Cleveland-Cliffs Inc	Indiana
●7	Mansfield	Cleveland-Cliffs Inc	Ohio
●8	Middletown	Cleveland-Cliffs Inc	Ohio
●1	Gary	United States Steel Corp	Indiana
●2	Granite City	United States Steel Corp	Illinois
●3	Mon Valley	United States Steel Corp	Pennsylvania
●4	Osceola	United States Steel Corp	Arkansas



*Type

▲ EAF: Electric Arc Furnace

● BOF: Basic Oxygen Furnace



Unlock insights that go deeper on US steel mills with CRU Asset Services

List of Mills continued

*Type	City	Owner	State
1	Mobile	SSAB America	Alabama
2	Montpelier	SSAB America	Iowa
1	Butler	Steel Dynamics Inc (SDI)	Indiana
2	Columbus	Steel Dynamics Inc (SDI)	Mississippi
3	Sinton	Steel Dynamics Inc (SDI)	Texas
1	Baytown	JSW Steel USA	Texas
2	Mingo Junction	JSW Steel USA	Ohio
1	Farrel	NLMK USA	Pennsylvania
2	Portage	NLMK USA	Indiana
1	Calvert	ArcelorMittal SA	Alabama
1	Delta	North Star BlueScope Steel	Ohio
1	Portland	Oregon Steel Mills	Oregon

INTERVIEW



Geoff Gilmore

President & CEO

by *Thomas Willatt, Projects Director, Communities, CRU.*

As Worthington Steel moves to integrate Kloeckner after the largest acquisition in company history, CEO Geoff Gilmore says the focus is not simply on getting bigger, but on building a broader, more capable steel processing platform.

In this interview, Gilmore discusses how his path through inside sales, purchasing, operations, transportation, and general management informs his leadership style, how the combined company is positioned to expand its geographic reach and product offering, where it sees the clearest opportunities to capture synergies and working capital, and why consolidation remains central to Worthington Steel's long-term growth strategy.

SMU: You started in inside sales and moved through purchasing, operations, transportation, general management, and then on to CEO. Which parts of that journey show up most directly in how you lead Worthington Steel today?

Geoff: Starting in inside sales was a great introduction to customer relationships and to understanding just how important the customers and

suppliers are. I also had the opportunity to serve as president of the Steel Group, then president of our cylinders business unit, and later COO. It is pretty rare to have that kind of development path and it gave me the chance to move through every key part of the organization.

It turned out to be incredibly valuable because now, as CEO, I have a strong familiarity with how the business works, how each function operates, and how all those functions work together. It also allowed me to build credibility with employees across all of those departments.

With a growth strategy like we have and a robust continuous improvement program, my background really helps. Understanding how people think and how decisions affect them, whether they are on the factory floor or in the corporate office, has helped me gain employees' trust and drive change. It has also helped with collaboration, because I understand firsthand how closely teams need to work together.

SMU: Worthington Steel has just completed the Kloeckner acquisition, the largest deal in your history. How do you want SMU readers to think about this transaction? What

*Worthington Steel
President and CEO
Geoff Gilmore at the
company's first steel
processing facility in
Columbus, Ohio.*



Image: Worthington Steel

changes most about Worthington's role in the North American steel and processing market?

Geoff: This is obviously a big change. It is a large acquisition, and they are similar in size to us, so we are more than doubling the size of our company. The immediate headline is that we are now the number two largest steel processor in North America. That positions us very well to grow with both our customer base and our suppliers, and we have great relationships with both.

What I want readers to take away is that we did not do this simply to get bigger. We did it to get better. A lot of our customers have geographic footprints in the U.S. that are much broader than ours. By pairing our footprint, which is really Midwest-focused, with Kloeckner's stronger presence in the South, we will be able to expand the amount of business and volume we do with several current customers, and vice versa.

On top of that, many customers had hoped we would eventually have a broader product portfolio. They buy aluminum, stainless, fabricated parts, or they are doing fabrication themselves and would like to outsource it. Those were not really areas where we were able to help unless we built them organically. This acquisition gives us a much greater ability to expand our product portfolio to current and potential customers, and

the same is true for Kloeckner's legacy customers.

The feedback from our customer base has been overwhelmingly positive. Just as pleasing has been the outreach from customers that neither we nor Kloeckner currently serve, and the opportunities that could create. Supplier feedback has also been very strong. We want to harmonize the business, and we believe we will come through the integration more financially sound than we already were and able to help our customers in many more ways.

SMU: You've talked about roughly \$150 million in synergies and another \$150 million of working capital opportunities from the deal over the next two years. Where do you see the biggest practical levers for delivering those—geography, end markets, service offering, or processing efficiency?

Geoff: Geography is certainly one of them. As I mentioned, the footprints are highly complementary, and the expanded product portfolio will create much more opportunity to serve current customers with products we have not been able to provide up to this point. There are also a lot of cross-selling opportunities that we have identified, and our customers are excited about them.

On end markets, there will be opportunities as



We are now the number two largest steel processor in North America. That positions us very well to grow with both our customer base and our suppliers."

Steel moves through the galvanizing line at Worthington Steel's Delta, Ohio, facility. The operation produces value-added coated steel for customers across a wide range of industries.



Image: Worthington Steel



Image: Worthington Steel

Left: Sparks fly during a laser cutting operation at a Kloeckner facility. The acquisition significantly expanded Worthington Steel's processing capabilities and geographic footprint across North America.

Right: Geoff Gilmore joins fellow employees in packing meals for Children's Hunger Alliance during Worthington Steel's annual Founder's Day celebration.



Image: Worthington Steel

well. Kloeckner may be stronger in some end markets than we are, and we are certainly stronger in some markets than they are. That creates another entry point for growth.

More specifically, many of the opportunities will come through commercial activity. There will also be opportunities in purchasing and supply chain as we optimize supply chains. There is a broad range of opportunities, and that gives us strong confidence in putting that number out there publicly.

SMU: You've also outlined a plan to cut debt roughly in half over the next two years while integrating Kloeckner. What are the core principles guiding that deleveraging plan, and how do you balance it with the need for investment, especially in areas like electrical

steel and other growth products?

Geoff: When you make an acquisition of this size, you take on debt at levels that are very different from where you were 12 months ago. As a result, there will be a big focus on cost discipline across both Worthington and Kloeckner.

First, we have to get the businesses integrated. Second, while doing that, we have to capture the synergies we have put out publicly and that we feel strongly we can achieve. But we believe we will capture these synergies, significantly increase free cash flow, and manage costs with great discipline. That will allow us to start paying down debt quickly and aggressively.

Fortunately, we have a team that understands the position we are in and why this is such a key



Image: Worthington Steel

A Kloeckner truck is loaded at the company's Louisville, Kentucky, facility. The acquisition expands Worthington Steel's geographic footprint, strengthening its ability to serve customers across North America.

priority. It matters for shareholders because we owe them a credible plan to pay down debt, and then we need to execute it. More importantly, we want to continue to grow as a company. The sooner we can reduce that debt, the sooner we can invest in more organic growth opportunities, whether that is electrical steel or something else, or begin making acquisitions again, whether smaller bolt-on opportunities or larger flat-rolled carbon consolidation opportunities.

SMU: With the SMU Summit coming up, what are you most looking forward to discussing there? Are there particular conversations you hope to have with mills, service centers, or OEMs, or questions you'd most like people to ask about Worthington's next phase with Kloeckner in the group?

Geoff: First of all, I will go on record as saying we are always excited to attend SMU Steel Summit. The attendance and the mix of steel processors, end customers, analysts, and investors make it a place where you can have intelligent conversations with exactly the people you want to meet. It has really emerged as the premier conference. I always look forward to presenting, and we also value the meetings and side conversations we are able to have there.

I am looking forward to questions and discussion around why consolidation continues to be important. That is a drum I have been beating for the last two years, and we are really starting to see it come to fruition. I also expect questions about what growth for Worthington looks

like next with Kloeckner in the fold.

We are excited about the acquisition, and it was a big move for us, but it is only one piece of a much larger vision for growth. We want to continue driving improvements in the business, optimizing and transforming it, while also continuing to acquire companies. That could mean smaller bolt-on acquisitions in stainless, aluminum, or fabrication, or larger acquisitions that are more flat-rolled concentrated.

North America remains the focus, and Mexico is a big part of our strategy as well. We would certainly be an advocate for more consolidation there. ■



We want to continue driving improvements in the business, optimizing and transforming it, while also continuing to acquire companies.”

If you would like to learn more about Worthington Steel, follow this link:



WORTHINGTON STEEL

INTERVIEW



George Adams

President & CEO

by **Thomas Willatt**, Projects Director, Communities, CRU.

George Adams has spent nearly five decades turning a small family yard in Anaheim into one of the largest scrap metal recyclers in the United States, with more than 150 facilities and 6 million tons processed annually. What began with rebuilding a used shredder “out of a field” in 1980 and outmaneuvering entrenched competitors on the streets of Southern California has evolved into a coast to coast network built on disciplined acquisitions, regional density, and a relentless focus on owning supply.

Today, as CEO of SA Recycling, Adams is still guided by the survival mentality of those early days, even as he invests tens of millions of dollars in downstream recovery technology and navigates complex relationships with domestic steel mills and global export markets.

In this conversation, he reflects on how SA grew from one yard to more than 150, why he believes the U.S. is moving toward “scrap neutrality,” how he thinks value and profitability will be shared across the scrap-steel supply chain, and why he remains “overflowing” with optimism about the decade ahead for both recyclers and steelmakers.

SMU: Could you walk us through how SA Recycling grew from a single yard into a business with more than 150 facilities, and what principles shaped that growth along the way?

George: Really, it was just survival. We had a little scrap yard in Anaheim, and my father always wanted to put in a car shredder. We were selling scrap to the local shredders, and he wanted one of our own.

Scott Newell sold us an old junk shredder out of Pennsylvania. I think we paid \$75,000 for it. This was scrap, okay? It had been sitting in a field after they had run it for 20 years and replaced it with a new one. We hauled it to California, put that old shredder back together, and shredded our first car in March of 1980.

The big guys in town who had shredders were bound and determined to put me out of business. They did not like a new guy starting up, and they knew we did not have any money. Any local dealer I went to buy scrap from, they would show up behind me and overpay by \$10. They made it almost impossible for me to buy scrap

Sensor sorting plant to make high-grade aluminum such as vesper in Atlanta, GA



Image: SA Recycling

that way.

Then a friend of mine who did not like those guys, and was selling me scrap, passed away. His wife gave me his business, A-1 Scrap in Tujunga Valley. She sold me that business on a note. I realized the big guys could not take that scrap away from me on the street, because the peddlers and small sellers could not deal with them directly. They needed a local yard with a crane and somebody who could unload them and load a truck.

That is when I realized I could control the scrap coming off the street and they could not touch me. It really was survival. Once you see that, you just keep doing the same thing. I started picking up little yards—wrecking yards we would convert, or small scrap yards I could buy for next to nothing because I did not have any money. Over time, we just kept buying more yards so we could get more scrap.

As a side note, today all those competitors that were in town, I own them all now. Every one of those guys. But once upon a time, they worked really hard to put me out of business. They were following my trucks, calling the police, you name it, they did it.

SMU: How does that survival mentality still shape the way you think about growth and expansion today?

George: If you look at what we do, we focus on going into an area and trying to own as much scrap as we can to feed our operations. I believe there will be a shortage of scrap in the future. Scrap that is easy for me to buy today will become much more difficult to buy, because the steel mills are going to pay whatever price they need and send trucks long distances to pick it up. A steel mill is always going to pay whatever it takes to keep melting steel.

So I work really hard at trying to own as much supply as I can. People say to me, “Why buy that scrap yard? You’re already getting the scrap.” Well, if I own them, nobody can come in and offer them more money. We want to own as much of our supply as we can.

We also try to stay really focused in a region. I am not going to go off to Michigan and open a scrapyard when I have nothing there. We focus on regions where we already have a lot of business — Alabama, Georgia, South Florida, Tennessee, Arizona. There is no scrapyard in those places that I would not try to buy.

SMU: At a national level, how close do you think the U.S. is to becoming scrap neutral, and what would need to happen to move the market closer to that point?

George: I believe we will get there. A lot of people have debated me on that. Right now, we are



I believe there will be a shortage of scrap in the future. Scrap that is easy for me to buy today will become much more difficult to buy.”

Right: George standing with the Executive Director of the Port of Los Angeles, Gene Seroka.

Below: Looking at the shredder feed pile in Anaheim, CA.



Image: SA Recycling



I would love to see a steel mill on every corner, because the more steel mills out there, the less scrap gets exported and the price of scrap goes up.”



Image: SA Recycling

still exporting 10 or 11 million tons a year. If you knock that down to 3 or 4 million tons a year, maybe that is not fully scrap neutral, but that is still a huge difference in the market balance.

As that export imbalance goes down, the price of scrap has to go up. Section 232 tariffs are protecting our steel industry, but 232 only protects the import of new steel. It does not affect the import of scrap into this country, and I do not think it should. I am not advocating for that.

The issue is that we still have to move 9–10 million tons of scrap out of the U.S., mostly into countries that are a lot more tied to China than we are. They cannot put on 232 type protections the way we can. So as long as we have to export that much scrap into those markets, the price of scrap is going to stay relatively depressed.

SMU: When you look at the relationship between ferrous scrap and steel mills, how do you see pricing, value, and profitability being shared across the supply chain going forward?

George: I think it is just capitalism. That is the way it works. Steel mills are making more money than they have ever made, and they are going to keep building more steel mills. I joke all the time that I would love to see a steel mill on every corner, because the more steel mills out there,



George with the SA team when he received the Distinguished Leadership Award at ReMA in 2026.

the less scrap gets exported and the price of scrap goes up.

People say the scrap supply in the U.S. is going to grow. I think the steel mills will outgrow the supply. But it does not matter whether it goes completely neutral. The closer it gets, the more the price of scrap will go up.

That said, higher scrap prices do not necessarily mean higher profits. At the end of the day, it is about margin. If scrap gets really short and steel mills cannot get enough, they are going to send trucks long distances, which goes back to why we keep trying to own our supply. I want to own as much of my supply as possible.

SMU: How important have mill relationships been to SA Recycling's growth, and how do those partnerships change when pricing power shifts from one side of the market to the other?

George: It is a negotiation every single month. At the end of the day, it is a symbiotic relationship. We cannot live without the steel mills, and hopefully they cannot live without us. We are producing 6 million tons of scrap a year, and it has to have a home.

Sometimes, if the river freezes up or there are weather-related issues, we have a little more pricing power. Most of the time, they have more pricing power, and that is okay. I do not hold it against them. Scrap has to flow for a certain price, and there is enough of a competitive market that it is always a negotiation.

SMU: As you look ahead to the SMU Summit, what conversations are you most interested

in having, and what are you especially hoping to learn or hear there?

George: For me, I always like to hear about the new steel mills people are building. A lot of times they announce them there, or they talk about their plans, or other people tell me what is coming. As I joke all the time, I want to see a steel mill on every corner. So I like hearing about the new business being done.

I think the next decade is going to be the greatest decade our country has ever seen for this industry. The reshoring that is being done, the growth that is going to happen in this country, whether it goes Republican or Democrat or whatever happens, there is just too much momentum behind it. In my opinion, there is no place else in the world that is going to do better than the U.S. ■

If you would like to learn more about SA Recycling, follow this link:



INTERVIEW



Felux

Sree
Patlola

Head of Engineering



Casey
Timko

*Head of Business Development
& Finance*

by **Thomas Willatt**, Projects Director, Communities, CRU.

Felux was founded with a simple ambition: bring modern technology to the steel industry. What began in 2019 as a marketplace concept evolved as the team spent more time learning how steel service centers, mills, and OEMs actually buy and sell material. Along the way, Felux discovered that the biggest opportunity was not in trying to replace the transaction itself, but in better capturing and organizing the data behind it.

That shift led the company toward an AI-driven

demand analytics and workflow platform designed specifically for the steel industry. Rather than asking sales teams to abandon the relationship-based processes that already work, Felux aims to operate quietly in the background—reading RFQ traffic, organizing and analyzing requested data and surfacing insights leadership teams can use to make better quoting and purchasing decisions.

For Sree Patlola, Felux's Head of Engineering, and Casey Timko, Senior Accountant, the company's direction reflects years of listening to cus-



tomers and adapting to what the market actually needs. Their message is that steel remains a relationship business, but one where better demand visibility, cleaner data capture, and more precise analytics can help service centers act faster and with more confidence.

SMU: Could you start by telling us how Felux was formed and what problems in steel sales and service centers it was created to fix?

Casey: Felux started in 2019 with a pretty simple idea: bring modern technology to the steel industry. We started with the marketplace. The goal was to open up the market, give service centers access to more inventory, and modernize how things worked.

It turned out that the marketplace idea wasn't a fit for the industry, but it taught us a lot. In the process, we learned how steel service centers buy and sell material, what the day-to-day workflow really looks like, and how RFQs are managed. What we found was that it all really comes down to capturing and making sense of their request and demand data.

As we went through that process, we realized we

could build modern technology for the steel industry around using AI and algorithms and design it in a way that actually helps customers accomplish that goal.

SMU: What were one or two of the biggest lessons Felux learned in its early years working with mills, service centers, and OEMs?

Sree: One of the biggest lessons was just how relationship-driven this industry is. Steel sales run on trust that has been built over years. It is not about a single transaction. That was a major learning moment for us. A salesperson's relationship with a buyer can matter more than price or even lead time. So any platform that tries to insert itself into that relationship creates friction.

The second lesson that followed from that was that the real value has to be captured passively through data without asking the reps to change how they work. We realized the most durable value was not in facilitating the transaction itself, because the steel industry already has that covered. The value we can bring is in mining the data that sits behind the transaction—RFQs in email, product specs, what was quoted, what was not quoted—and then presenting it in a clean demand



Steel sales run on trust that has been built over years. It is not about a single transaction.”



With today's AI capabilities, no one should have to manually enter every RFQ into a CRM. Felux can capture it passively from the inbox with very little added work, very little process change, and no major disruption.

analytics dashboard. That is where the opportunity is.

SMU: Can you share some insight into the decision to move from the marketplace model to an AI-powered operating system for steel service centers?

Sree: For a brief time, Felux also operated as a brokerage, but that is no longer the case. Going through that experience helped us understand how a steel service center actually works and how much signal is sitting in RFQ emails.

And by signal, I mean not just the RFQ itself, but product specs, customer demand, request patterns, whether a salesperson is quoting, why they may not be quoting, and how little of that information was being captured. We saw a real vacuum there. Then, with advances in AI, machine learning, and natural language processing, we became confident that we could build something capable of capturing and presenting that value in a meaningful way for steel sales teams.

With today's AI capabilities, no one should have to manually enter every RFQ into a CRM. Felux can capture it passively from the inbox with very little added work, very little process change, and no major disruption. Leadership can finally see what customers are actually requesting, which products are in demand, and what they may need to stock more of.

And if you take that one step further, service centers can also use that demand signal in discussions with mills. They can show quantified demand from OEMs for a specific product. That can strengthen purchasing conversations upstream as well.

SMU: In practical terms, how does Felux change a salesperson's or sales manager's day? What do they stop doing manually, and what can they see or act on that they could not before?

Casey: We really do not want to disrupt a sales rep's day-to-day workflow. They can keep managing their inbox exactly the way they already do. The change is more about giving the leadership team better visibility and moving information upstream.

What that means in practice is leadership can see a full demand funnel. They can see what reps are quoting, what is being no-quoted, which products

are being missed, and what they may need to purchase more of because they are turning down orders for material they do not have on the floor.

It is about giving sales reps another tool in the toolbox. Giving management better data to make purchasing and sales decisions, all while helping reps stay focused on customer relationships.

SMU: When you explain Felux's AI to customers, how do you describe what it actually does with RFQ emails and sales data? And how do you reassure them that it is there to support relationships rather than replace them?

Sree: Think of Felux as if every salesperson had an admin assistant and an analyst working beside them at all times. Every time an email comes in, that assistant reads it, identifies who sent it, pulls out what is being requested, and organizes it neatly in a CRM-style view.

Then, as the salesperson responds—whether they win the business, continue the discussion, or no-quote because they do not have inventory—the status is updated automatically in the background. The salesperson does not have to stop and enter anything manually.

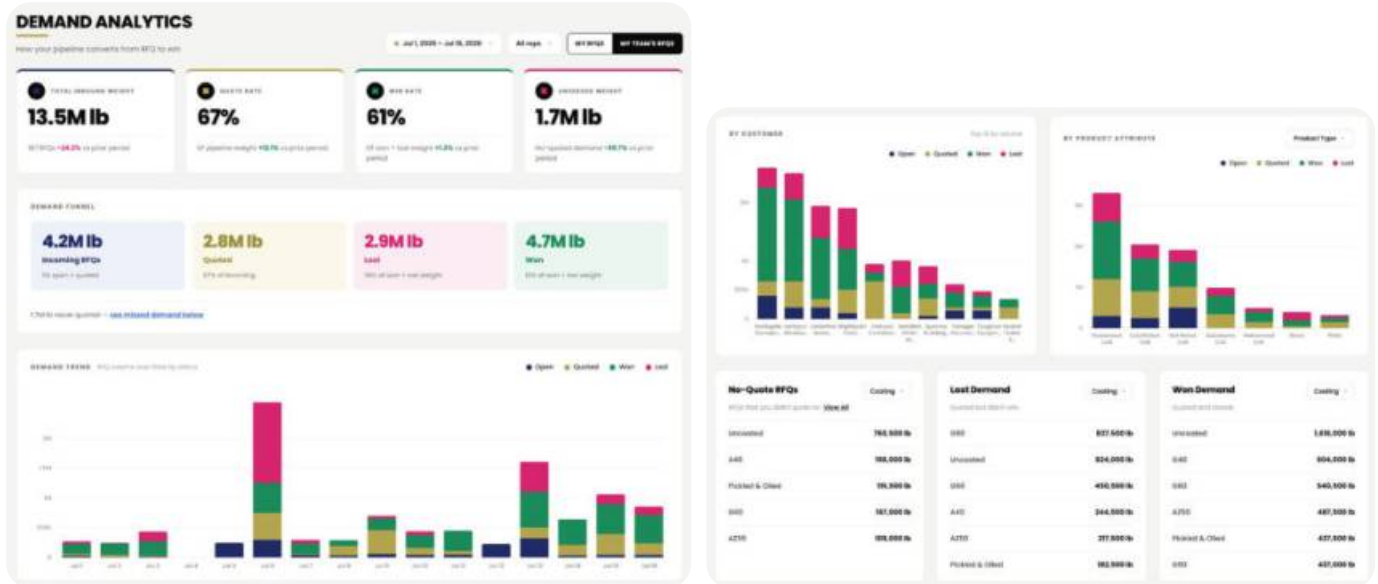
That is the key point: this is not a black box making decisions for you. It is an organizer and an assistant. You can keep using your inbox exactly the way you already do. The system is simply collecting information passively, organizing it, and presenting it back in a way that helps you analyze demand data and manage customer activity more effectively, all while keeping your data protected and within your own organization.

We are not replacing the rep or the relationship. We are supporting it with better visibility.

SMU: Looking ahead, what are the next big priorities for the product and for Felux as a company?

Sree: Our next priorities are always shaped by customers. One of the biggest requests we hear is for more precision. Right now, we can tell a service center that it is missing a lot of demand in a category like galvalume. The next step is to make that much more exact.

What we want is SKU-level analytics. Instead of simply saying you are missing demand in one product group, we want to show the exact gauge,



width, coating, and tonnage that is being missed. That allows purchasing and processing decisions to become much more obvious rather than just directional.

There are also smaller feature requests around smarter inbox tools, such as auto follow-up reminders and better ways to filter signal from noise, so salespeople can focus only on RFQs rather than unrelated emails.

Then there is the bigger integration track. We are very interested in ERP and CRM integrations because leadership increasingly wants a more holistic view. They want to compare what is sitting on the floor with what customers are actually demanding. That is where the product can become even more powerful.

Longer term, we also believe this demand signal can move upstream. Service centers can use actual demand data to support stronger conversations with mills and make purchasing decisions with real numbers behind them.

SMU: As you look ahead to this year's SMU Steel Summit, what conversations are you hoping to have with mills, service centers, and OEMs? And what is one question you would encourage people to ask you at the event?

Casey: We are looking forward to conversations

about how we can help the steel industry more and how we can keep refining the product so it actually makes sales reps' lives easier while giving leadership the data they need to make better buying decisions.

The question we would really encourage people to ask is: what is the hardest part about staying on top of customer demand right now?

We also want to hear where they feel they have strong visibility and where they feel they still have blind spots. That is the kind of conversation that helps us keep building in the right direction. ■

If you would like to learn more about Felux, follow this link:



Felux

INTERVIEW



Bruce Margolin

Chief Operating Officer - EVP

by Natalie Noor-Drugan, Senior Editor, Communities, CRU.

Twenty-one years ago, Ace Steel Supply began in a one-bedroom apartment in Houston, built on little more than grit, conviction and a willingness to bet on service. Today, it is a growing regional steel service center serving customers across the Central and Southern United States, with expanded processing capabilities, a new headquarters, and plans for further growth.

The story, as Bruce Margolin, Chief Operating Officer of Ace Steel Supply, tells it, is not simply that the company has grown. It is how it has grown. “We started with an entrepreneurial spirit, a willingness to take calculated risks, and an unwavering commitment to servicing customers better than anyone else,” Margolin says. “Today, we’re operating from one of Houston’s premier steel service centers, but we’ve never lost that entrepreneurial mindset. We continue to invest ahead of our growth, improve our systems, hire exceptional people, and constantly challenge ourselves to become better, not just bigger.”

That phrase—“better, not just bigger”—sits at the heart of the Ace story. It captures the company’s journey from a founder-led start-up to a more sophisticated service center with deeper operational discipline, but it also points to something more personal: a determination to hold on

to the values that built the business in the first place.

The human story behind Ace Steel

To understand Ace Steel Supply, Margolin repeatedly points back to founder Adam Osborn. Osborn’s story begins far from the world of steel service centers and growth strategies. He grew up on a farm in Missouri, in difficult circum-



Ace Steel Supply founder, Adam Osborn, serving in the US Navy.



Image: Ace Steel Supply

stances, before serving four years in the US Navy and then heading to Houston in search of opportunity. After returning to civilian life, he worked relentlessly—at one point juggling three jobs—and then began learning the steel business from the ground up, first in warehousing and then in sales.

By the time he launched Ace in June 2005, Osborn had already built a reputation for work ethic and commercial instinct. To get the company off the ground, he emptied his retirement accounts and borrowed 450,000 dollars from his grandmother. Six months later, the business had generated around 1.8 million dollars in sales.

For Margolin, however, the most important part of Osborn's legacy is not the risk he took, but the philosophy behind it. "Adam believed in training people and attention to detail," he says. "And he believed relationships were more valuable than transactions themselves. He believed in a consultative sales approach and wasn't afraid to have difficult discussions, make difficult decisions, or invest where others wouldn't if it meant better service for customers." Those beliefs, Margolin says, still shape Ace today.

The same is true of the influence of Barbara Pennington, Osborn's mother, who joined the

business in its earliest days after a career in industrial distribution, including stainless steel. Margolin speaks about her with genuine warmth. "Barbara helped establish a culture of genuinely caring about customers," he says. "Day in and day out, she went out of her way to help her customers. Today, we measure customer service through responsiveness, communication, ownership, and trust. Anyone can process an order. We want customers leaving every interaction believing that Ace truly cared about helping them succeed."

That emphasis on care is not accidental or ornamental. It is part of Ace's inheritance. Pennington's contribution is now recognized through the annual Barbara Pennington Customer Service Award, created to honor an employee who demonstrates exceptional service to internal and external customers alike. The award reflects a larger belief at Ace: customer service is not a department, but a responsibility shared across the company.

There is also a more difficult chapter in Osborn's story that still echoes through the business. He spent eight years battling cancer while continuing to lead and invest in the company's future. Margolin does not speak about that lightly. "Adam demonstrated extraordinary resilience,"



Adam demonstrated extraordinary resilience. He showed everyone that adversity doesn't define you, but more your response does."

Adam and Kara Osborn with his mother, Barbara Pennington, celebrating a milestone at Ace Steel Supply.



Image: Ace Steel Supply

he says. “He showed everyone that adversity doesn’t define you, but more your response does. That experience helped build a culture where we don’t make excuses. We’re fighters. We solve problems. It also reinforced the importance of building something larger than ourselves, a company that continues to grow and serve customers long into the future.”

Preserving the vision

When Margolin joined Ace as Chief Operating Officer in January 2019, he arrived at a pivotal moment. The company was growing, but Osborn also knew it needed stronger systems, more structure and a more scalable operating model if it was going to endure. As his health worsened, that urgency only intensified.

Margolin was brought in to help lead that transition, but what comes through strongly in his account is that he does not present himself as the architect of Ace’s identity. His role, as he frames it, has been to help preserve and strengthen something that was already there.

That mindset can be seen in the company’s language about itself: built on vision, driven by people, defined by continuous improvement. For Margolin, those are not abstract words. “Vision

gives us direction. People make everything happen. Continuous improvement means we are never satisfied with yesterday’s success,” he says. “Every department continually asks the question: how can we do this better tomorrow and in the future? That’s become part of our daily culture here.”

The same conviction comes through when he talks about Ace’s 1ST CREDO: Customer First, Communication, Results, Excellence, Data-Driven, Solutions. He is clearly enthusiastic about it, but not in a rehearsed or corporate way. He speaks like someone who has spent years watching whether values actually survive contact with reality. “This first credo, it’s not something that’s just hanging on a wall,” he says. “It’s really how we make decisions. It’s a culture that we need everyone that is within our walls to believe in and to practice. It’s not just window dressing.”

He then unpacks each element with unmistakable belief. “Customer First reminds us of who we serve. Communication keeps problems from becoming crises. Results emphasize execution, because talk is cheap. It’s the results that matter. Excellence means details matter. Data-driven means facts outweigh opinions. And Solutions reminds us that we don’t simply identify problems, but more, we solve them.”



This first credo, it’s not something that’s just hanging on a wall. It’s really how we make decisions.”



Bruce Margolin with the 2022 and 2025 SMU NexGen Leadership Award recipients: Austin Reynolds and Kimberlie Henry.

That focus on execution is reinforced by the systems Ace has adopted. The company operates under the Entrepreneurial Operating System, or EOS, which provides the structure for weekly leadership meetings, clearer priorities, accountability and problem-solving. “The EOS L10 meetings take place in “The Forge”, where the Leadership Team comes together for ninety minutes every week to work on the business, not just in it”, explains Margolin.

Ace also achieved ISO 9001:2015 certification on Feb.1, 2024, which it sees less as a badge than as an operating discipline around process control, accountability, risk management and continuous improvement. For Margolin, these systems matter because they help turn intention into habit. They give the company a way to preserve entrepreneurial energy without allowing it to drift into inconsistency.

That commitment to people is reflected in the caliber of Ace’s team. Ace has had two SMU NexGen Leadership Award recipients: Austin Reynolds in 2022 and Kimberlie Henry in 2025. These awards, along with Great Place to Work certification, reinforce Margolin’s view that the company is “building leaders and building people, and providing opportunities—not simply managing employees.”

He believes investing in people ultimately creates better service, better innovation and a stronger company.

The Melting Pot

That philosophy is captured in one of Ace’s most distinctive internal symbols: its all-purpose meeting room, known—quite fittingly for a steel business—as the Melting Pot. The name is partly tongue-in-cheek, but the expectations inside are not. On the wall, a bold statement sets the tone: “Excellence isn’t just a skill, it is an attitude. Urgency isn’t optional, it’s essential. The art of execution is our signature. It’s what defines Team ACE.”

All of Ace’s public areas and rooms have names tied to the steel industry, and the Melting Pot is the one that brings everyone together. As Margolin explains, “We chose to name our all-purpose room the Melting Pot because that’s exactly what happens there. Different ideas, different departments, different perspectives come together to assure we’re aligned as a company.” The space doubles as a lunchroom, training venue and the setting for quarterly all-company meetings and holiday celebrations. “In the end, meetings should create clarity, alignment and action, not just simply fill the calendar,” he says.



If we're really going to be service focused, we have to be personalized. We've built our business here from top to bottom as a company of people and a people business."

Boutique service in a commodity industry

Ace describes itself as a boutique service center in a commodity industry, and Margolin is quick to explain what that means. "Steel may be a commodity, but our service is not," he says. "Boutique means personalized attention, responsiveness, flexibility, and genuine relationships. Customers know they'll reach people here who understand their business and take ownership of solving problems.

That is not just a slogan. It is central to how Ace wants to be experienced. In a market where more companies rely on automated systems, outsourced answering services and increasingly impersonal customer interfaces, Margolin's view is firm: "People do business with people. And peo-

ple really do business with people they like."

He becomes particularly animated when describing the frustration customers feel when they cannot get a real person on the line. "Nothing bothers me more than these voice mail or automated attendant mazes. You call a company, press one, press three... and after you go through a maze, eventually it's like no one even answers the phone," he says. "If we're really going to be service focused, we have to be personalized. We've built our business here from top to bottom as a company of people and a people business."

That belief is reflected in specific service commitments. One example is Ace's two-hour will-call protocol, designed for jobbers and other customers who need material quickly and do not want to wait. "If someone calls in an order, if they give us two hours and they show up here after that two-hour period, we will have the order ready for them," Margolin says. "We have been religious about this, and it's helped us develop a certain segment of business."

Customers also benefit from the breadth of Ace's offering. Its product mix includes hot rolled, pickled and oiled, cold rolled, galvanized, galvanized, Galvalume, painted material, Bonderized, Corten, stainless steel, aluminum, prime, excess prime, secondary material, slit coil, sheet, plate, blanks and specialty products. Over time, the business has added its own processing capabilities, transforming itself from a traditional distributor into a full-service steel service center with greater flexibility, quality control and responsiveness.

Margolin sums up the customer proposition simply: "One supplier, one relationship, one solution." He adds that Ace brings consultation, inventory, supply programs, processing and market perspective to that relationship. The objective, in his telling, is not simply to sell steel, but to become a trusted supply chain partner. "We don't want to be the biggest," he adds. "We want to be the company customers trust the most."

Investing ahead of growth

Ace's physical growth over recent years has been substantial. Since 2019, revenue has grown



Image: Ace Steel Supply

significantly. Yet the more revealing story is how deliberately the company has invested ahead of that growth.

In September 2025, Ace relocated into its new Kenswick headquarters and distribution facility, creating the infrastructure needed for further expansion. Its primary slit line became operational in October 2025, and leadership soon committed to a further 30,000-square-foot expansion project, scheduled to begin construction in September 2026. The project is intended to increase coil storage capacity, improve workflow, create efficiencies and leave room for future processing capabilities.

At the same time, the company is preparing to implement INVEX, a next-generation ERP platform, in August 2026. It is also exploring artificial intelligence initiatives designed to improve visibility, decision-making, efficiency and customer responsiveness. Here again, Margolin's thinking is balanced rather than breathless. He is clearly excited by technology, but equally clear about its purpose. "The objective is not to replace people," he says. "The objective is to empower talented professionals with better information, better tools, and better insights."

Technology and systems are only part of how Ace is preparing for what comes next. Ace tracks tariffs, trade laws, supply chain shifts, interest rates, inflation, manufacturing trends and wider economic developments, not just to stay informed but to give customers a clearer view of what may be coming. "Our responsibility extends beyond supplying steel," Margolin says. "We strive to be a trusted business partner capable of providing perspective, market intelligence and practical guidance that helps customers become more successful."

The soul of the business

In May 2022, Ace entered a new chapter when it was acquired by Commercial Steel Products, a subsidiary of Dallas-based family office Gupta Capital. That move brought new resources and strategic support, but the emotional center of the story remains elsewhere. It remains with the founder who took a risk in 2005, the mother who

embedded the discipline of customer care, and the team that now sees itself as responsible for carrying that legacy forward.

That is what gives the company's story its warmth. Ace is not simply presenting itself as a well-run steel business, though it clearly wants to be seen as that. It is also presenting itself as a company shaped by hardship, loyalty, work ethic and the belief that growth only matters if it deepens service rather than dilutes it.

Margolin's enthusiasm makes that message persuasive. He speaks with conviction about systems, service, data, people and performance, while keeping the spotlight firmly on Ace and its team. Again and again, he returns to the team, to the customer, and to the values established before he arrived. That combination of belief and humility may be one reason the story resonates. In today's US steel market, Ace Steel Supply offers a familiar but increasingly difficult proposition: that in a commodity business, what still matters most is not only scale, product range or technology, but trust. And trust, as Margolin sees it, is built in the details—through responsiveness, discipline, communication, ownership, and the willingness to keep getting better.

"We're proud of what has been accomplished," he says. "But make no mistake. The best is yet to come." ■



We don't want to be the biggest. We want to be the company customers trust the most."

If you would like to learn more about Ace Steel Supply, follow this link:



INTERVIEW



Emanate

Kiara Nirghin

Founder & CEO

by **Thomas Willatt**, Projects Director, Communities, CRU.

Kiara Nirghin is Founder and Chief Executive Officer of Emanate, the Silicon Valley-based startup building the first AI revenue engine for industrial materials companies.

As a Stanford AI Lab senior researcher and alum, former Stanford CS instructor, and Stanford Institute for Human-Centered AI advisor, Kiara has pioneered the use of generative AI in the physical economy through award-winning real-world deployments. Kiara is a Google Science Grand Prize winner for seminal research in AI algorithms, a TIME Magazine Most Influential honoree, and named one of the top 100 entrepreneurs in AI.

Emanate is backed by Andreessen Horowitz, M13, and the Carlyle Group, and has been featured in Fortune, Fast Company, and Forbes. The company is on a mission to help the most important industrial materials companies in America experience exponential growth.

SMU: How would you explain in a sentence or two what Emanate does for a steel or industrial materials company today?

Kiara: Emanate builds AI agents that run the

entire commercial side of industrial materials and steel companies. We handle everything coming into a sales inbox, help manage and grow existing accounts, and run outbound to win net-new accounts, all connected to a company's existing systems of record, with or without human supervision. Essentially, the companies we work with are able to grow revenue autonomously without needing a human involved in every step.

SMU: Steel is at the center of the re-industrialization of the US and reshoring efforts. A lot of that focus is on new plants and facilities, but Emanate is focused on the commercial side. Can you say a little about how you see the unsolved problem being how these products actually get sold?

Kiara: What's interesting is that every new factory, every chip fab, and every data center starts as a quote on a desk at a steel company. Before anything gets built, materials have to be specified, priced, quoted, sold, and moved. The commercial layer is really the bloodstream of the entire buildout, and it still runs on spreadsheets, emails, phone calls, and CRMs that are not as up to date as they should be.



Image: CRU

We've dedicated an incredible amount of intelligence and complexity to improving that commercial layer. Almost nobody has really touched the selling side. The making only matters when what gets sold is sold well. That's the unsolved half, and that's the half we build for.

SMU: In that sales process, where do you see the biggest friction in the quote-to-order process, where Emanate is trying to make the biggest impact first?

Kiara: It's really everything from when the quote comes in to how you sustain net-new quotes. A single request means matching specs, grades, checking inventory, and doing multiple checks before a quote actually goes out. Once it does go out, that's revenue coming in the door.

But then, to maintain wallet share and make sure the customer keeps purchasing, you need to continue managing that account at a speed and precision that goes beyond one human. And in the case of larger OEM relationships, this is equally as important. So the biggest friction we see is not just handling inbound quickly and effectively, but maintaining that momentum so you have continued revenue throughout the

sales process after that initial inbound.

SMU: For a steel company you're working with, what does implementation look like in terms of incorporating this technology into their processes and workflows?

Kiara: We are platform-centric, but also forward-deployed, as the best AI companies are right now when they're driving real value. AI is different from SaaS (software as a service). With SaaS, you're buying a product. With AI, you're purchasing outcomes. That's a lot of responsibility, and it's one we take seriously.

That's incredibly unique, but also incredibly exciting to a company, because you can anchor on what the agent can actually do: how many quotes it is processing, how many outbounds it is doing, and what net-new revenue sources it is unlocking and how much time it is giving back to your existing commercial team members. So when we deploy, we focus on integrating, customizing, and tracking ROI for every deployment, with as little friction as possible.

And the results are tangible. On the inbound quote side, anything that used to take two or



The commercial layer is really the bloodstream of the entire buildout, and it still runs on spreadsheets, emails, phone calls, and CRMs that are not as up to date as they should be."



Image: CRU

three weeks, or even multiple days, can now be done in two to three minutes. You're able to cover every single piece of inbound coming in. You're able to reactivate dormant accounts at scale through automated nurturing.

SMU: A lot of readers may be familiar with AI mainly through platforms like ChatGPT or Claude. How would you describe the difference between those horizontal tools and a vertically built platform?

Kiara: That's a great question. ChatGPT and Claude are incredible one-size-fits-all tools. But selling in this industry is not a language problem. It's a knowledge and computation problem.

These products are deeply complex. You have technical specs, grades, processing requirements, and real mathematical decisions around how they're priced, processed, and delivered. A horizontal AI tool can give you a plausible paragraph. It can't tell you what's on your floor, what it costs to process, what to charge with the right margins, which customers are at risk, how to expand those customers, or who sits on the buying committee in a procurement team.

We've spent an incredible amount of time and effort to make sure our agents hold that deep domain knowledge, and they are only getting

better at being the absolute best at this. We build that out for you based on the specifics in your ERP or CRM, and then we do the real computation at the same time. Every decision is connected to your live systems. That combination is why horizontal AI can't replicate what we do.

SMU: Given the speed of innovation within AI, people talk about a kind of great leveling, where other sectors can move as fast as software companies. How do you see that applying to steel service centers versus software companies?

Kiara: It's an incredible point. For decades, a tech company in San Francisco could adopt new technology as fast as it came out, and that became its moat or advantage over, say, a service center in another part of the country. That was the real gap. It wasn't ambition. It was access and engineering capacity.

Frontier AI changes that. We're living in a time where the model today is as bad as it's ever going to get. That's wild, but it's true. The models we're interacting with now are only going to improve over the next month, six weeks, and beyond.

That means if you step up and use this technology now, you can get ahead in a way that has



When you adopt a new tool or technology, you have to focus on growth. Cost-cutting has a floor. Growth doesn't."



Image: Emanate

never really been possible before, and experience this great leveling in a way that is incredibly powerful. This is a once-in-a-lifetime opportunity.

SMU: When you're talking to clients, how do you describe the need to focus on building for growth rather than cost-cutting?

Kiara: I think most leaders in steel companies understand this deeply. When you adopt a new tool or technology, you have to focus on growth. Cost-cutting has a floor. Growth doesn't.

A lot of enterprise AI enters the market framed as doing the same thing more cheaply. That's shrinking ambition. What Emanate does is different. These companies don't have a cost problem; they have a coverage problem.

Re-industrialization is happening. They don't need to cut costs to become more relevant. On the revenue side, they can now cover all inbound demand effectively, maintain existing accounts, and find net-new accounts as quickly as possible. Cost-cutting has a limit. Growth is the real opportunity.

SMU: What are you most looking forward to discussing, or what do you encourage people to come to the summit to ask you about?

Kiara: What I'm most looking forward to discussing is this: if you are a C-suite leader at a steel

company, how do you make your top-performing sales rep equivalent to your entire sales team?

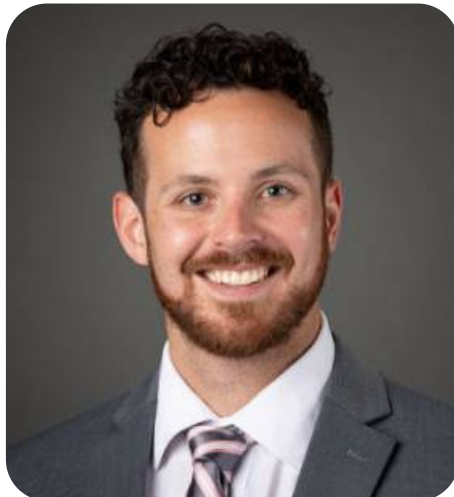
If you want that, then you need to deploy Emanate on your commercial side, because it allows you to replicate your highest performer across the team. It also safeguards your company if those top performers leave, because you've built an institutional commercial layer that keeps growing. That's how we think about it: protecting the company, growing the company, and augmenting the existing team. Essentially, we've built for complex commercial operations, with intelligence complex enough to make them simple, and powerful enough to make them grow.

If you would like to learn more about Emanate, follow this link:



Emanate

INTERVIEW



Taylor St Germain

Economist

by **Thomas Willatt**, Projects Director, Communities, CRU.

Taylor St Germain's path into economics was not a conventional one. He entered college intending to study political science, but a practical push toward a STEM discipline led him instead to mathematics and statistics. That decision gave him the technical foundation for a career in forecasting while still allowing him to engage with the political and economic questions that had interested him from the start. After graduating, he began his career in the semiconductor industry, where he developed an appreciation for volatility, business cycles, and the importance of interpreting data in context.

Over nearly a decade working closely with Alan Beaulieu, St Germain developed a communication style that reflects one of ITR's enduring strengths—making economics understandable and useful to business audiences.

As ITR Economics continues under the umbrella of Crowe, he says the firm has retained its forecasting identity while gaining access to broader resources and deeper data support. For steel executives and manufacturers navigating cost pressures, tariffs, and uneven sector performance, his message remains focused: demand growth is still ahead, but companies will need to plan carefully to protect margins in a higher-cost environment.

SMU: What first drew you to this industry, and how did your early background shape the work you do today?

Taylor: It's actually a funny story. When I went to college, I wanted to study political science because I loved politics. My father, a lifelong engineer, pushed me toward a STEM degree first. So I chose mathematics and statistics because those were natural strengths for me all through school.

Economics was not originally the goal. Like a lot of graduates, I started sending out resumes, and one company told me that if I knew statistics, they could teach me economics. That was really my entry point. What I have enjoyed since then is that economics brings together my interests in math and political science.

I got my start in the semiconductor industry, which is extremely volatile. The highs are high, and the lows are low. That gave me a real understanding of economic and industry cycles, and I think that experience set me up for success with ITR.

SMU: Many SMU Steel Summit attendees have long associated ITR with Alan Beaulieu. You have described him as a mentor



over the last decade. What did you take from working so closely with him?

Taylor: I worked with Alan for almost a decade, and he was my direct mentor. He led ITR's public speaking efforts, so I got to work with him very closely. What always stood out to me was not just his ability to make economics digestible, but his ability to make it enjoyable. He had a sense of humor, and that helped make the material engaging.

His message to me was always that we are there to be entertaining as well as informative. A lot of economists fall short on that because economics can be dry. But the biggest lesson I took from him was not to overreact to single data points, the media, or politics. He taught me how to set aside bias, ignore the broader noise, and let the data do the talking. That is probably the takeaway I value most.

SMU: ITR is known not just for communication but also for its forecasting methodology and long-term accuracy. What is at the core of that approach?

Taylor: A key distinction for ITR is that we are not regression forecasters. We do not create a model, set it, and forget it. We are business

cycle forecasters, and that is what makes us different. We are constantly learning from history, studying the cycles that economies, industries, and businesses have gone through and how they respond to macroeconomic variables.

A good example is the recent situation involving Iran and the United States. We had to update an oil price forecast almost immediately. What we are able to do is go back through history and look at similar shocks and similar events. That gives people confidence, because we can point to historical reference points rather than simply reacting in the moment.

The business cycle theory developed by Alan and Brian Beaulieu is what really makes ITR unique. Our goal is to be a stake in the ground, not a moving target. Accuracy matters, but just as important is how long we can hold a forecast without having to revise it. If we can maintain a high level of accuracy over 12 to 18 months without changing our outlook every quarter, that gives businesses much more confidence in their planning.

SMU: Since becoming part of Crowe, how has ITR changed, and what has stayed the same?

Taylor: Crowe has really allowed ITR to continue



Our goal is to be a stake in the ground, not a moving target. Accuracy matters, but just as important is how long we can hold a forecast without having to revise it."



This is the time to prepare for growth. The challenge is that growth is going to come with a more difficult cost environment.”

Taylor speaking at the 2025 SMU Steel Summit event.



Image: CRU

being itself. We still use the same methodology, we still have the same team of economists, and we still have the same branding. From my perspective, the biggest change is that we now have access to resources we would not otherwise have had.

That includes access to Crowe’s tax and audit teams. Historically, ITR was a forecasting firm, so we did not get too deep into areas like accounting details or tax legislation. Now we are able to connect with those other business units, and that strengthens what we can offer clients. We also have access to more data and more analytical support.

A lot of acquisitions bring major disruption, but in our case, the changes have largely been positive. Crowe has really let us continue to be ourselves while giving us more tools and resources.

SMU: For the North American flat-rolled steel audience, what economic signals matter most right now?

Taylor: When we look at one of the main demand drivers for steel, which is industrial demand in North America, we see conditions staying fairly strong over the next few years. That is going to be a major part of my message at the conference. We expect industrial demand to accelerate in 2026. We see a slower year in 2027, but flat rather than recessionary. Then we expect growth to pick up again in 2028.

For steel clients, that means paying close attention to indicators like the PMI and industrial production. There is a lot to be encouraged by there. At the same time, we are seeing a K-shaped recovery. Once you move below the broad industrial economy and look at specific vertical markets, there are clear differences. Data centers and defense are growing much faster than areas like automotive.

So the message is that we do not have a recession in our forecast for the second half of the decade for the United States, Canada, or North America generally. This is the time to prepare for growth. The challenge is that growth is going to come with a more difficult cost environment. Electricity prices, tariffs, labor costs, and other pricing pressures all matter.

The phrase I will use a lot this year is profitless prosperity. We are not especially worried about

whether sales and revenue will grow. We are more focused on whether companies will be able to expand margins in a higher-cost environment.

SMU: How do you help companies separate short-term disruption from a true turning point in steel demand or pricing?

Taylor: There are a few ways we do that. We forecast commodities over a four-quarter period, and that allows us to dig into whether something is simply a short-term pull-forward due to legislation or geopolitical disruption, or whether it is a more durable shift. The same applies to something like oil.

When we look at policy issues such as tariffs, we also place them in the context of longer-term trends. We have been talking for some time about nationalism as a structural trend. So we can provide a four-quarter commodity forecast to address the immediate impact on steel, but we can also zoom out and show a longer-term inflation outlook.

Historically, tariffs often do not disappear quickly. In many cases, they stay in place. That means companies need to think both tactically and strategically. In my presentation, I will talk about what things look like over the next one, two, and three years, and then what they may look like over a ten-year horizon. That helps separate what is temporary from what may stick for the longer term.

SMU: ITR often talks about the four phases of the business cycle. How can steel companies use that framework in practical terms?

Taylor: Our mantra at ITR is that we always want clients thinking one business cycle ahead. That is why we use the four phases: recovery, accelerating growth, slowing growth, and recession. When I am consulting with clients or speaking from the stage, my goal is to show what those phases look like over the next three years, because different phases require different management decisions.

In 2026, we expect to be in accelerating growth. In 2027, we expect slowing growth. In accelerating growth, the focus is on keeping up with volume, using competitive advantages, and raising prices where possible. In slowing growth, companies need to become a little more defensive

and think about cash as well as whether some of their markets may be headed toward recession.

That is why it is important to think ahead. If we wait until 2027 to prepare for 2027, we are already too late. The point of the framework is to help companies make the right decisions at the right time and stay ahead of competitors.

SMU: As you look ahead to this year's event, what conversations are you most interested in having with participants?

Taylor: For me, the biggest topic is which markets are on the upper end of the K and which are on the lower end. That is a fascinating conversation, because companies are increasingly taking a more tailored approach by leaning further into some industries and stepping back from others.

Another topic I find especially interesting is how much of the growth we are seeing is volume-driven versus price-driven. In a higher-inflation environment, that is a very important distinction. And of course, we have the midterm elections approaching. I am apolitical and will remain apolitical, but there are still trends worth watching as the midterms get closer. That includes pressure on the Federal Reserve around interest rates, as well as the situation involving Iran and how quickly that may be resolved.

Overall, it is a very timely moment to be having these conversations and to be giving an economics presentation at the conference. ■



Our mantra at ITR is that we always want clients thinking one business cycle ahead."

If you would like to learn more about ITR Economics, follow this link:



INTERVIEW



 LINUS

Nathan Frankel

Founder & CEO

by *Thomas Willatt*, Projects Director, Communities, CRU.

Nathan Frankel, chief executive of Linus Analytics, has spent more than 25 years working to make the scrap supply chain more efficient, transparent, and connected. From developing equipment that helped scrap processors access export markets more directly to creating early digital tools for customer visibility, Frankel has focused on reducing the physical and informational barriers that shape scrap trading.

In this interview, he explains why manufacturers—the original source of valuable industrial scrap—have often been left out of the data loop, and how Linus Analytics aims to give manufacturers, dealers, and steel mills a clearer view of what is produced, where it is, and what it is worth.

SMU: Looking back over 25 years in the scrap business, what have been the biggest changes in how scrap is sourced, priced, and managed?

Nathan: If I put my head back in day one, many years ago, scrap was much more of a hand-shake-driven economy. Today, it is much more index-driven.

In the early days, we bought and sold scrap

based on a verbal notion of being competitive and keeping people in line with the market. Over time, particularly in the dealer-mill relationship, benchmarks such as busheling and shred became incredibly important for trading domestic and overseas scrap.

But that formality never really made its way back to the source of the scrap: the manufacturer. There are other sources, of course—retail, demolition, household scrap—but the world I focus on is manufacturing scrap. That is part of the basis for Linus Analytics.

The other major change was recognizing who could compete in moving scrap from the yard to the consuming mill – especially where that mill was overseas. I was buying the same scrap as my competitors, but they had the shipyard and sold directly to a steel mill. I was selling to them because I did not have that shipyard. We were competing for the same raw material, but they were also my gatekeeper to the end customer. I could not win that way.

I had to get integrated with the end user of scrap – wherever in the world they were - rather than rely on whether a mill happened to be within trucking or rail distance. That was hugely impor-



Image: CRU

tant in my thinking.

For the next decade, the big issue is making sure scrap reaches the end consumer through the most efficient possible path. Electric-arc furnaces rely heavily on scrap, and that dependency is only going to grow. Manufacturing scrap is the predictable source: you cannot know exactly when a building will come down or when somebody will get rid of a car, but you can understand what a manufacturer will produce while it is in business.

We have gone from a loose supply-chain system that ultimately got scrap to the mill, but often through inefficient and opaque pathways, to one that needs to become more reliable, transparent, and efficient.

SMU: What did building Advanced Steel Recovery and developing FASTek teach you about where value is created in scrap?

Nathan: When I grew up in scrap, everybody said something along the lines of, “It’s not how you sell it; it’s how you buy it.” People treated it like this mysterious industry where nobody really knew the secret.

But thousands of dealers were buying scrap in a very scrappy way, collecting a valuable product and then selling it to a competitor who had a dock and access to the export market. Since they could not make their money by selling directly to a steel mill, they played speculative games: buying and holding inventory, trying to guess timing, trying to figure out what competitors had in their yards. It was insanity. You were talking about millions of dollars of product mov-

ing through a system like that.

FASTek taught me that buying and selling defines your gross margin, but it is not the whole story. I had to remove a physical constraint. No matter how cheaply I bought scrap, or how valuable it was to a steel mill, there was someone in the middle blocking me from participating in a real commodity market.

FASTek created efficiency by removing that physical constraint. It was a big machine, but in a way it was my attempt to make information flow more efficiently. I could go directly to a steel mill and say, “I’m here to sell you scrap. I’m going to get it to you.” Then I could move material from the way I sourced it into a yard, all the way to the end user, without somebody else making that process less efficient.

SMU: How did customers respond when you introduced online tools and greater transparency into the scrap supply chain?

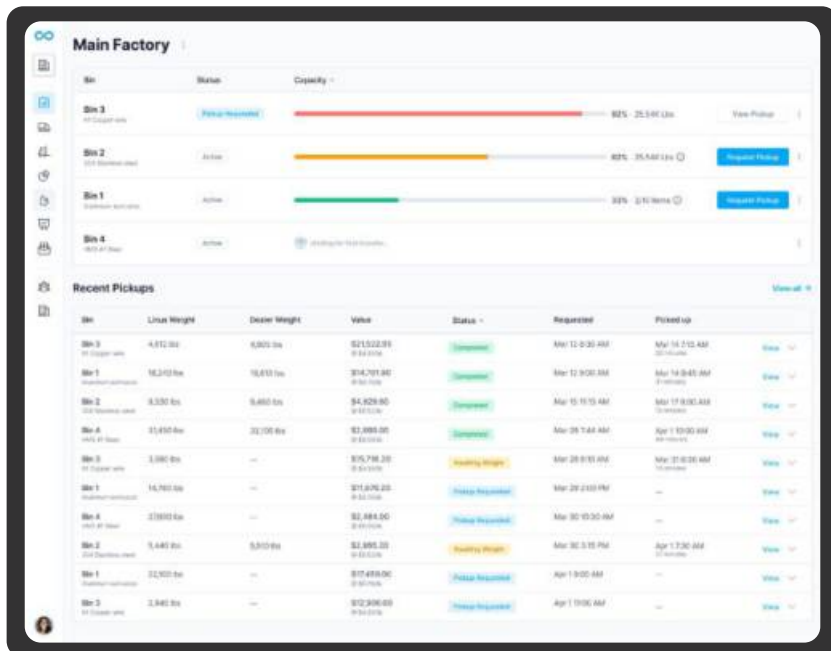
Nathan: I took the data we were creating for ourselves and extended it to the people providing us the metal—our manufacturing clients and demolition contractors. We were probably among the first to create an online system that let customers track the scrap they were selling to us.

It was not sophisticated by today’s standards. It was basically what everybody has now: log into your account and see how much material you shipped. But in the early 2000s, nobody was doing that.

The point was not necessarily to bring the whole



When I grew up in scrap, everybody said something along the lines of, “It’s not how you sell it; it’s how you buy it.” People treated it like this mysterious industry where nobody really knew the secret.”



Linus Analytics frontend, dashboard view.

market directly to the customer. It was to create trust through transparency. Scrap had always been a pretty untransparent business. Manufacturers did not always know what their material was worth or how the final number was reached. The portal gave them a clearer view of what the dealer picked up and helped make the relationship more transparent.

SMU: What problem did you set out to solve by founding Linus Analytics?

Nathan: Linus was completely new for me. It was not FASTek and it was not the dealer/customer portal but I took the lessons from those businesses—data is important, transparency is ultra-important, trust is incredibly important—and asked how we could create something that was scalable and valuable with very little effort required from the customer.

The first thing Linus is designed to solve is the lack of formality at the manufacturing source. The dealer and mill have indexes and benchmarks, but the manufacturer—the party producing the scrap—has largely been left out of that structure.

The mill cannot live without the scrap. The dealer cannot live without it. Yet the manufacturer is often not given the information needed to understand what it produces, how much it produces, or how that becomes revenue.

Manufacturing scrap is one of the few high-value revenue streams that can go straight to the bottom line with essentially no production cost. A manufacturer makes its product, the scrap goes into a bin, somebody takes it away, and a check arrives. But it is often ignored because nobody really knows how the volume, value, or payment was determined.

Linus brings the manufacturer into that conversation.

SMU: How does Linus work in practice for a manufacturer?

Nathan: We use a small, unobtrusive hardware solution that allows the manufacturer to track scrap from the machines that produce it. That gives the company near-real-time data on what each machine is generating.

They can look at it by shift, by line of business, by a group of machines producing one product, or by an individual asset such as a slitter. A slitter might be one part of a larger paint line for a coil coater, or it might be a standalone operation at a service center. The system lets the manufacturer understand that productivity in the right context.

Then we help ensure that scrap is put into the right location to achieve its highest value and that the value is defined by something credible—an index or a supply-and-demand curve influenced by the manufacturer, dealer, and mill.

Today, manufacturers and mills can be remarkably disconnected. The dealer is the connection, and the dealer has an important role: it has trucks, a yard, and the ability to move and prepare material. That role is not going away.

But data can reduce the dealer's influence over how scrap is managed and priced. The dealer should not be the only party with visibility into what is being produced, where it is, and what it is worth.

SMU: What benefits does that data create for manufacturers, dealers, and mills?

Nathan: For manufacturers, the most obvious win is price. Once they know what they are producing, they can have a more informed conversation with the dealer about value. They also get a clearer picture of what each

production line is really generating. Their ERP may tell them the theoretical amount of scrap they should produce, but Linus shows them the actual physical amount. That can be a cultural shift. You have to retrain forklift operators and plant teams to understand that scrap is not trash.

I tell them: think of it as a finished product. A bin might contain \$7,500 worth of scrap. A single load of scrap can be worth more than a shipment of prime product, yet before this kind of visibility, that load could leave the facility with minimal paperwork – if any! – and little understanding of its value.

For dealers, the benefits include better trucking and payload optimization. If you are hauling air, it is expensive. When dealers know what is in every bin and where it is located, they can send trucks where they are needed most.

For mills, the value is better visibility into supply and a more dependable basis for planning consumption. It comes back to the same questions: What is it? Where is it? How much is there?

SMU: How can better data improve price discovery in scrap markets?

Nathan: Scrap is a real commodity, but the pricing can still be wildly inefficient. Mills may announce a price once a month, which is already unusual for a commodity market. Prime scrap might move up \$30 a ton, dealers respond by sending in material, and then the mill realizes it overbought and drops the price or stops buying.

That is a lot of volatility and a lot of wasted money. Maybe the true supply-and-demand signal called for an increase of \$13.22 rather than \$30.

The point is not that every move can be perfectly predicted. The point is that the system should have better information. If manufacturers, dealers, and mills can all see more clearly what is being produced and where it is moving, pricing can become more rational and less driven by guesswork.

SMU: What has been the most immediate impact for manufacturers using Linus?

Nathan: The immediate value is financial transparency. In virtually every case, customers gain

a better understanding of the quantity of scrap they produce and how that relates to the price they receive.

The second value is operational. They can see what their plants are actually doing, not just what they theoretically should be doing. But they have to make the effort to use that information and teach their people to treat scrap as a valuable output rather than something that simply disappears in a bin.

SMU: What would you like to discuss with attendees at the SMU Summit?

Nathan: The question I like to ask is: How do you think about scrap, and why do you not think about it as deeply as you think about your finished product?

I know the usual answer. People do not have the time, they do not think it is worth the effort, or they see it as ancillary to the main business. But if it did not cost anything in time or money to understand scrap more deeply—if it were easy—would they do it? Usually, the answer is yes.

That is the conversation I want to have. Scrap should be treated like a finished product, because it is a valuable product. If we can give manufacturers that visibility without creating more work for them, there is a real opportunity to manage it better, price it better, and create a more efficient supply chain for everyone. ■



If manufacturers, dealers, and mills can all see more clearly what is being produced and where it is moving, pricing can become more rational and less driven by guesswork.”

If you would like to learn more about Linus Analytics, follow this link:



 **LINUS**

INTERVIEW



Robert Simon

CEO

by Natalie Noor-Drugan, Senior Editor, Communities, CRU.

Robert (Rob) Simon, Chief Executive Officer of JSW USA, brings decades of frontline experience in turning around complex steel operations. Since taking the helm of JSW's US business in March 2024, he has overseen significant investments and a cultural reset at the company's Baytown, Texas, plate mill and its Mingo Junction, Ohio, works.

Backed by parent company JSW Steel in India, Simon's goal is not to build the biggest steel producer, but to create a nimble, culture-driven organization that can reliably supply technically demanding plate, hot rolled coil and pipe products to North American customers, regardless of where the market sits in the cycle.

SMU: You've held leadership roles at Oregon Steel Mills, Evraz, Steel Dynamics and Bayou Steel. Which experiences most shape how you lead JSW's US operations today, and what has surprised you most at Baytown and Mingo Junction since March 2024?

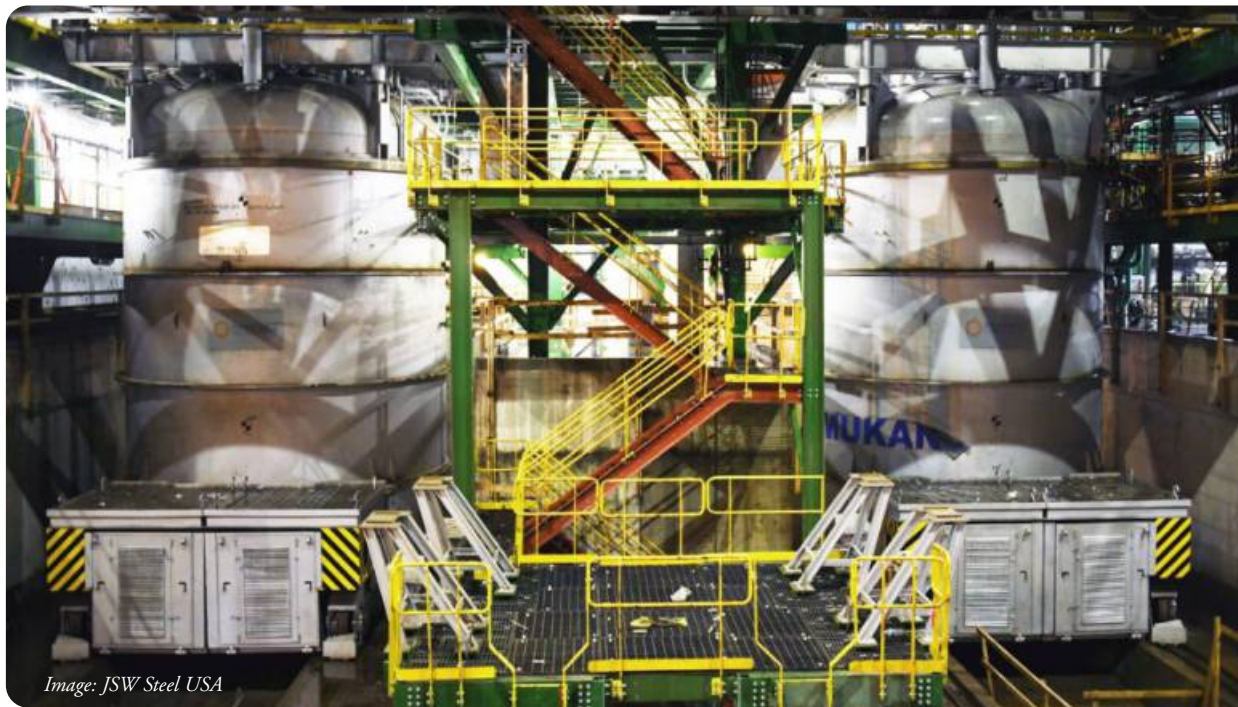
Rob: The common denominator in my views on leadership and company success is culture.

At Rocky Mountain Steel, the business was driving its parent toward bankruptcy. We defined the

culture we wanted and ran the company according to those values. Every employee, including hourly workers on the floor, had to understand and believe in them. Safety and personal success became the drivers of our transformation. In a short period we moved to profit, and within a few years the company was highly profitable and the largest generator of cash for its parent – a true turnaround driven by an engaged workforce.

At Steel Dynamics, the corporation was strong, but one division was struggling, which is almost unheard of there. The culture was successful, but that division was misaligned with it. We realigned the division with Steel Dynamics' core values, and the team made a significant turnaround. The division remains successful today, reinforcing the need to stick with the culture you know is right; when you deviate, things fall apart.

At Bayou Steel, a private-equity firm recruited me to turn around a very old facility. The experience underscored how critical disciplined, long-term capital investment and deep employee engagement are to sustainable success, especially in challenging markets. It also showed how hard it can be to build culture in settings focused on fast turnarounds and quick exits, and reinforced the



*Mingo Junction's
new VTD.*

Image: JSW Steel USA

need to align capital and culture from the outset.

For JSW, the common thread is culture and transformation. Mingo Junction, like Rocky Mountain, was an integrated mill that became a mini-mill, with very old equipment alongside state-of-the-art assets. Mingo was shuttered for years; we had to rebuild the workforce, and the crew has done remarkable work learning to run the mill under challenging conditions.

We've defined the culture and values that underpin how we run the company. Combined with the challenges at Baytown, that's the basis for the success we're beginning to see.

What has surprised me most is the workforce at Mingo. Some mornings it feels like the odds are stacked against you – an old facility with older equipment, while installing and starting up brand new equipment during one of the worst winter storms in over 50 years – yet the team finds a way to win. Their dedication and willingness to do what it takes have been key. Maintaining very old equipment and keeping decades-old cranes running reliably is not easy, especially with a fresh crew, but we're improving every day and, importantly, learning to do it ourselves rather than relying on others.

At the same time, we're learning to operate highly automated, state-of-the-art equipment –

the exact opposite of those cranes. As we learn to run equipment such as the vacuum tank degasser, which is considered the largest in North America, it's exciting to see the crew recognize how their hard work is paying off. Mingo has already made a significant performance turnaround, and we're still at the early stages of operating this new equipment, with more to come.

At Baytown, the biggest surprise has been how much more the workforce had to offer. This operation has been around for a long time, yet in the last couple of years we have set all-time records on conversion costs, yield, quality, production and shipping, while significantly improving safety. Coupled with strong relationships our commercial team has built, that has enabled us to redefine the product mix and offerings we bring to our markets.

SMU: At Baytown, you've announced around \$110 million in plate mill upgrades, including a new leveler and accelerated cooling. In a mill that can produce plate up to 156 inches wide, what new markets or applications are you targeting?

Rob: When JSW acquired Baytown, the mill was importing 100 percent of the slabs it rolled. That didn't fit the company's philosophy. We initially looked at building a melt shop in Baytown,



The answer is the people. Their dedication and willingness to do what it takes to make the place successful have been key."

but that project faced complications that drew us to look at other options.

That's how the Mingo investment was born. The improvements at Baytown complete the story that started with Mingo. Baytown will soon be rolling 100 percent US-melted slabs produced in-house, in Mingo Junction, which is a major milestone for us.

The new equipment allows us to fully exploit the uniqueness of Baytown. We're one of the widest plate mills in the US and will be able to combine that width with the ability to make 6-inch-gauge plate – very heavy plate that not everyone can produce.

These upgrades will allow enhanced and new participation in markets including plate for shipbuilding, bridge building, broader infrastructure, as well as value added API grades that can feed our pipe mill. Historically, we had to rely on external steel for some of those needs. Now we'll be able to complete that supply chain ourselves.

SMU: You've planned a six-week outage at Baytown this August, in a very hot plate and pipe market. How are you working with customers to navigate that outage, and what do you want them to understand about the long-term benefits?

Rob: We seem to have a knack for outage timing. At Mingo, our major outage coincided with

one of the worst winter storms in decades. Now Baytown's outage comes in the middle of one of the hottest plate markets we've seen in some time.

But it reflects our commitment. We're not going to let external circumstances derail the execution of our strategy. Working with customers through this is challenging, but they welcome the investment and have been extremely supportive as we all work to meet the requirements of strong demand.

We're working closely with them to make sure they get the products they need when they need them. Once the new equipment is up and running – and we've allowed for a learning curve – we'll be able to continue meeting our contractual obligations and current demand while also supplying grades Baytown has never offered before.

So yes, it's difficult, but we hope customers see the outage as proof of our long-term commitment to the strategy. We're a small, unique company. Our aim is to be very focused in choosing partners and meeting their needs so effectively that doing business with JSW is easier than with our competition. That wasn't always the case in the past, but it's the vision we're working hard to implement.

SMU: At Mingo Junction, \$145 million of improvements now allow the mill to cast fully degassed 9- and 12-inch slabs, supply-

ACCDQ install site at Baytown.



ing most of Baytown's slab needs and cutting imports. How does this change JSW's position in the North American plate and pipe market?

Rob: The improvements at Mingo are central to our position. They allow us not only to move toward all US-made product rolled into plate, HRC, but also to produce very high-value, high-demand, technically challenging products.

The vacuum tank degasser is key. The ability to cast a 12-inch slab and roll it down to 6-inch plate, rather than starting from 9 inches, gives the steel certain hard to achieve properties. We could not do that before with US-made slabs; now we can.

Those capabilities feed directly into shipbuilding, bridge and infrastructure work, and API grades for our pipe mill. We still have to finish installing the accelerated cooling, and water treatment for that system, as well as the new leveler over the next couple of months, then we focus on a successful and timely start-up.

When that's done, everything we've done in Mingo and Baytown, enables the entire strategy to come together.

SMU: At the Tampa Steel Conference, you described the winter storm that froze Mingo during a planned outage, damaging existing and new equipment. What did that episode teach you about risk management, resilience, and your Ohio team?

Rob: What the team did to thaw the shop and complete the equipment installation is something I've never seen before.

Our main equipment supplier, Primetals, is based in Austria and very familiar with winter. They looked at the frozen plant and said it would take weeks before we could restart. They told us they'd go home and we should call when we were ready.

We told them, "Go ahead and go home, but be ready to come right back." They were home for four days before we called them to return.

The creativity and determination of the Mingo crew was extraordinary. They took a very difficult situation and refused to be defeated. Instead, they got creative about how to succeed and get

the operation running again. It says a lot about our team in Mingo, and it's something the company will always be grateful for.

SMU: JSW's US operations recently moved to a slight EBITDA profit in fiscal Q4, with Baytown's EBITDA rising strongly on higher plate prices while Mingo ramps its upgrades. What are your next steps to lift utilization and earnings as the new equipment beds in?

Rob: I'll avoid specific numbers, but we're encouraged by recent EBITDA trends. Mingo has moved into the black with some consistency, even though we're at an early stage of the learning curve.

We want to accelerate that curve because markets are hot, and we want to benefit from that, but we're committed to doing it safely and correctly. We will not sacrifice safety, or quality, we will not deliver the wrong products to customers.

We expect to build on recent profitability improvements. We've made small but important changes, and the market context is different now. In my opinion, we're not in a two- or three-month up-cycle. Current policy and infrastructure dynamics support a healthy demand outlook.

We believe current US demand trends are improving in a sustainable way. We don't want to make short-term decisions; we want to build for sustainable success. Ultimately, this company should be profitable across the cycle, not just when markets are strong.

We're aiming to be highly competitive, productive and successful at making the product right the first time, and making it distinctive in the market. We want to serve demand that will be there for the long term, not just ride the cycle.

SMU: What are you most looking forward to at SMU Steel Summit, and what question would you most like people to ask you?

Rob: SMU has done a terrific job. Both the Tampa and Atlanta conferences, along with your other communications, have become integral to participating in the US steel market. We appreciate that.

At the Summit we'll see end users, service centers, competitors and non-competitors, financial



Baytown will soon be rolling 100 percent US-melted slabs produced in-house, in Mingo Junction — a major milestone for us."



Image: JSW Steel USA

Mingo Junction's new state of the art 2-strand caster with dynamic soft reduction. Capable of casting 9 inch and 12 inch slabs.

institutions, and current and potential vendors. It's a tremendous networking opportunity.

From a commercial perspective, the wide representation of current and potential customers, Summit is another venue to help us define who our partners are and will be in executing our strategy while uniquely helping them execute theirs. Again, we don't strive to be the biggest; we want to be known to be the company with "the lowest total cost of ownership" in our markets. We've navigated a period of significant change and are now focused on being known for the best product in our markets, and conferences like SMU Steel Summit help us get there.

With financial institutions, it's valuable to discuss what's happening in the market and how it impacts our company as well as continue to build relationships. With other participants in our markets, whether competitors or not, it's good to converse and benchmark on important matters to all of us such as safety.

We don't want to reinvent the wheel on safety. If another company is outperforming us, we'd love to talk to them and learn from them, and I know they'd be willing to help, because we all want a safer industry built on continuous improvement. That's a key area where we welcome open discussion.

As for the question I'd most like to be asked, it's about what makes our company unique. We are part of a large Indian conglomerate that chose

to invest in and modernize two US facilities with long histories in their communities. In India, JSW is known for building new mills that outperform their competitors, and doing it very well.

They do this with a strong vision and culture – those foundations enable success. I want to talk about how we're assimilating that in the US. Our goal here is not to replicate the scale of JSW India, but to be unique, visionary, and highly successful. If you couldn't tell, I am passionate about culture, and it is the mechanism we rely on for our success. ■

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FEATURE

Mexico Spotlight: A North American partner under pressure

Image: CRU

*Written by **Sofia D'Olive**, Editorial Executive, Communities, CRU.*

For the US industrial sector and OEMs, Mexico is now a critical partner in steel and autos, not an optional add-on. This feature explores how an EAF-heavy Mexican industry fits into US supply chains at a moment when tariffs and trade rules are in flux.

North America's single continental factory

The North American steel and manufacturing landscape is not comprised of three separate countries, but rather a single, deeply integrated production system. Within this system, Mexico has become an indispensable, if increasingly complex, partner for the United States. Once viewed primarily as a convenient, low-cost source, Mexico has solidified its position as a top three steel supplier to the US, but its true importance lies in a symbiotic co-production relationship that is now facing fundamental tests.

This partnership is being reshaped by a new era of US tariffs, stringent “melt and pour” origin rules, and the failure to secure a long-term extension of the USMCA. For US executives, understanding the dynamics of Mexico’s industry is no longer just a procurement issue; it’s a strategic imperative. As CRU Senior Steel Analyst Diego Giangreco notes, the reimposition of tariffs was a “big shock to the supply chains in the region”, forcing companies to re-evaluate a decades-old playbook. This feature will dissect the critical components of this evolving relationship, from the intricate dance of automotive manufacturing to the core competitiveness of the Mexican steel industry.

US-Mexico steel trade: A two-way dependency

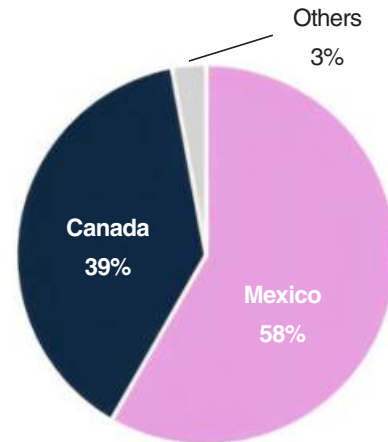
In 2025, the US shipped an estimated 3.3 million tonnes of steel to Mexico, making it the destination for well over half of all US steel exports. In return, Mexico sent more than 2 million tonnes northward, securing its place as a top-three supplier to the US with roughly a 12% share of finished steel imports.

Crucially, this flow is not simply one of Mexican steel flooding the US. Even before the latest tariffs, Mexico was a net importer of finished steel from the US. As Giangreco notes, Mexico “was importing more finished steel from the US than it exported,” particularly in flat products like sheet and plate, underscoring the US’s role as a key supplier to Mexico.

This circular flow is not just about trade; it’s about co-production, particularly visible within

Mexico takes the biggest slice of US steel exports

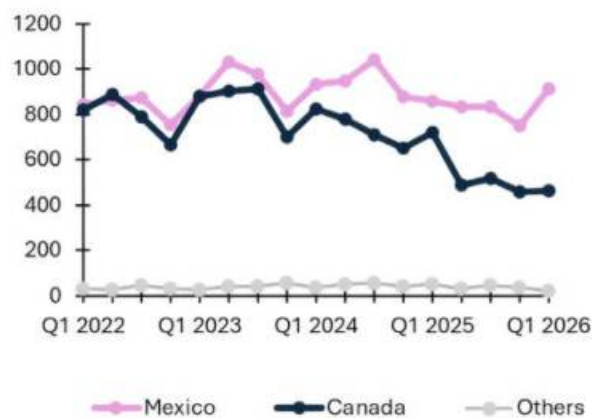
US finished and semifinished steel exports by destination, 2025, 5.6 Mt total



Data: GTT, CRU

Canada slips, Mexico holds the line

US finished and semifinished steel exports by destination, kt, Q1 2022–Q1 2026



Data: GTT, CRU

the automotive sector. CRU Automotive Senior Analyst David Leah describes the relationship as “a very symbiotic” production system, with parts and finished vehicles moving “to and from” both sides of the border rather than discrete national industries. This symbiosis is perfectly illustrated by the flow of steel sheet, a primary input for manufacturing. Over 60% of all US steel sheet exports go to Mexico, where that material is stamped into doors, chassis and other components that end up in vehicles that are often sold back across the border, highlighting how deeply steel and autos are intertwined in this continental factory. This intricate dance of

materials means the two countries do not have separate auto industries, but rather one continental factory floor, a factory that is now facing significant friction.

Tariffs reimposed: shock to a shared factory floor

The reinstatement of Section 232 tariffs on a range of Mexican steel and aluminum products has altered the cost structure for US importers and added friction to this co-production system. At the same time, stricter “melt and pour” documentation requirements demand clear proof that steel originates within the USMCA bloc from initial melting through final form, explicitly aiming to keep Chinese-origin material out of North

American supply chains.

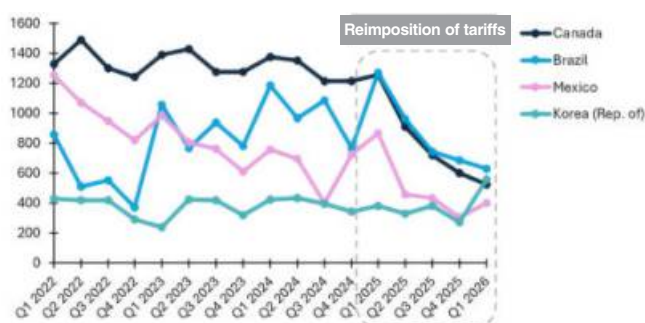
The impact has been tangible. Mexican steel exports to the US have fallen by roughly 20% from 2024 to 2025, as tariffs and compliance costs erode competitiveness. Yet Mexico remains a cornerstone of the US import market, especially for long products and steel containing goods. The key takeaway for US buyers is that while financial and administrative hurdles have increased, their fundamental reliance on Mexican supply persists. As Giangreco puts it, the reimposition of tariffs was “a big shock to the supply chains in the region”, forcing companies to rethink a decades-old playbook built on seamless cross-border flows

The shock is amplified in autos. In 2025, about 2.65 million light vehicles flowed from Mexico to the US, out of total Mexican production of 3.9 million units. This accounts for roughly 70% of Mexico’s light-vehicle production, while only about 127,000 vehicles moved from the US to Mexico. Leah points out that this asymmetry underlines how important the US market is for Mexico, both for vehicles and for parts, and how much more exposed Mexico is to any tightening of US access.

When it comes to demand, US vehicle sales reached around 16.3 million units in 2025. Of that total, roughly 10 million vehicles were produced domestically, leaving about 6.3 million imported. Sales are expected to ease to around 16 million for 2026. Vehicles imported from Mexico account for roughly one-fifth of that 6.3 million, underscoring how deeply the two markets depend on each other.

Mexican tonnes into the US are falling fast

US finished and semifinished steel imports from top four suppliers kt, Q1 2022–Q1 2026



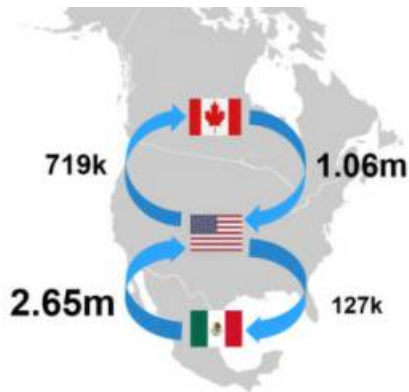
Data: GTT, CRU



Image: CRU

Vehicle trade tilts heavily south to north

Light vehicle trade flows between US, Canada and Mexico, units, 2025



Data: CRU, INEGI, GTT

When it comes to demand, US vehicle sales reached around 16.3 million units in 2025. Of that total, roughly 10 million vehicles were produced domestically, leaving about 6.3 million imported. Sales are expected to ease to around 16 million for 2026. Vehicles imported from Mexico account for roughly one-fifth of that 6.3 million, underscoring how deeply the two markets depend on each other.

For OEMs the impact is direct: rising production costs from tariffs are forcing them to navigate a complex set of trade-offs. For most automakers the response has been pragmatic rather than dramatic. Leah notes that, in the short term, many have chosen to absorb these additional costs for strategic reasons to protect their market share and maintain production continuity. Some manufacturers have reallocated specific models from Mexico to the US to be less exposed, but moving production is far from a simple decision. It involves important trade-offs such as higher labour costs and the expense and disruption of retooling existing plants, Leah explains. To delay passing the full burden directly to car buyers, automakers could potentially use subtle strategies such as tweaking trim content, focusing price increases on premium models, or adjusting financing terms to delay full pass-through to consumers.

However, this is not a sustainable long-term strategy. If the price of materials like steel from Mexico remains high, an eventual increase in vehicle prices for consumers is almost unavoidable. Leah expects vehicle prices to face continued pricing pressure, as OEMs reach the limits of what they can absorb, and as more companies explore shifting selected components to

US production to avoid tariffs on imported parts. Nevertheless, bringing production in-house to the US presents its own significant challenges. This path involves substantial capital costs for building new production lines, contending with higher labor costs, and disrupting well-established production dynamics, making the re-location of production a sacrifice to all. That, in turn, feeds back into steel demand patterns, with potential increases in US sheet consumption and pressures on Mexican mills as automotive output adjusts.

On the steel side, Giangreco characterises the mood between US buyers and Mexican suppliers as a “partnership under pressure.” Businesses that remain competitive under the new tariff regime are still trying to sustain cross border relationships, but “a lot of business that were exporting are no longer competitive,” and the costs and uncertainty introduced by penalties and compliance rules have clearly strained what was once a smoother trade environment.

USMCA enters an era of uncertainty

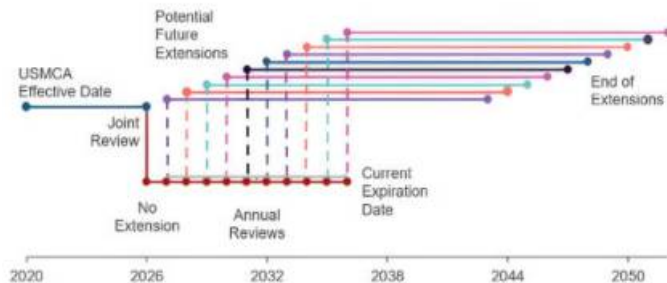
The US-Mexico-Canada Agreement (USMCA), which replaced NAFTA in July 2020, has now reached a critical juncture. Under its unique sunset provision, the three countries were required to hold a joint review at the six-year mark, on 1 July 2026, and decide whether to extend the agreement for another 16 years. Instead, the review ended without agreement, as the United States declined to grant the extension, creating a more volatile outlook for North American trade relations.

For North American steel and automotive supply chains, this outcome introduces a new layer of persistent uncertainty where the threat of significant disruption will loom over every negotiation. CRU's Economist Maria Garcia points out that annual reviews create a rolling negotiation environment in which the threat of tariff changes, stricter rules of origin or new investment screening measures will hang over each year's talks.

The annual review process will prolong regional economic uncertainty while leaving open the possibility of a shift from trilateral cooperation towards bilateral agreements. Negotiations remain ongoing, with each country pursuing

No extension — just a decade of annual reviews

USMCA review path vs the missed 16-year extension, 2020–2050



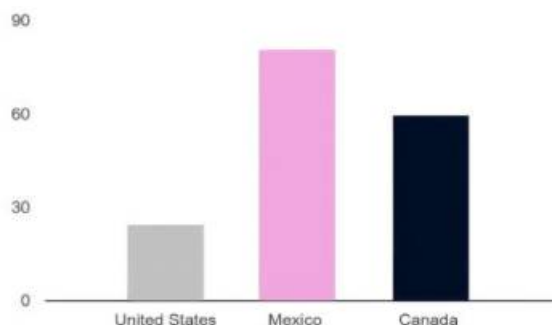
Data: U.S. Congress, CRU

its own objectives. For the US, this is likely to involve securing concessions aimed at reducing trade deficits with Canada and Mexico, potentially through broader or higher tariffs.

This outcome was shaped by divergent national priorities, rooted in vastly different levels of economic exposure. As the chart below illustrates, Mexico's trade-to-GDP ratio is above 80% and Canada's around 60%, meaning their economies are structurally tied to international markets. The US in contrast, with a trade-to-GDP ratio closer to 25%, is far more insulated at the aggregate level.

Mexico and Canada have far more to lose

Trade-to-GDP ratio, exports + imports as % of GDP



Data: CEIC, CRU

North America's uneven economic exposure to trade shaped very different negotiating positions. With less of its GDP tied directly to exports, the US pushed for "significant changes" to USMCA, including stricter rules of origin and tighter investment screening to limit Chinese participation in regional supply chains. Mexico, by contrast,

sought an amicable long-term extension, while Canada aimed for a "do no harm" renewal, both willing to make concessions to protect the stability their far more trade-dependent economies rely on. The failure to bridge these approaches produced the current stalemate and a shift into annual reviews.

That stalemate does not mean the US faces only marginal risk. David Leah argues that a full breakdown of USMCA would be a "lose-lose" outcome, not just for Mexico and Canada but also for US automakers and suppliers, because they depend on Mexican parts and just-in-time, two-way flows of components across the border. He expects "modest declines in Mexican production...this year and next year, as well as vehicle sales across the US," and stresses that "parts move in both directions," creating a dense web of cross-border logistics that would be difficult and costly to replicate under higher barriers or fragmented rules.

For Mexico and Canada, the stakes are existential. Around 80% of Mexico's exports and roughly 40% of its FDI come from the US, with Canada showing a similar pattern, making predictable US market access the bedrock of their economic stability. CRU Senior Consultant Juan Brihet therefore sees Mexico's main challenge as "primarily political," centred on navigating Section 232 and newer Section 301 measures while preserving steel and automotive access. The failure to secure a long-term USMCA extension now locks all three countries into a period of rolling uncertainty: the agreement remains in force and industry takes some comfort that it "wasn't scrapped," as Leah notes, but annual reviews "cause uncertainty" and virtually guarantee that trade policy will stay a recurring source of friction and strategic risk across North America.

Inside Mexico's steel sector

Mexico's steel industry sits in a very different place from the US market it sells into. Rather than relying on blast furnaces, the country's production base is overwhelmingly electric-arc-furnace driven, built around scrap, and integrated into a North American supply chain that runs both ways across the border. That matters because Mexico is not simply exporting steel to the US; it is also importing scrap from the US,

A few hubs, a handful of owners

Mexico's steel mills by location, ownership and effective capacity, Mt



Icon	Mill Name	Owners	Effective Capacity
1*	Monclova	Altos Hornos de México SAB de CV (AHMSA)	1.2
2	Lazaro Cardenas	ArcelorMittal SA	2.5
3	Celaya	Deacero SAPI de CV	1
4	Ramos Arizpe	Deacero SAPI de CV	1.5
5	Saltillo	Deacero SAPI de CV	0.6
6	Sahagun	Gerdau SA	1
7	Tlalnepantla	Gerdau SA	0.15
8	San Luis Potosi (Grupo Acerero)	Grupo Acerero SA de CV	0.65
9	Apizaco	Grupo Simec SAB de CV	0.41
10	Guadalajara	Grupo Simec SAB de CV	0.37
11	Mexicali	Grupo Simec SAB de CV	0.43
12	San Luis Potosi	Grupo Simec SAB de CV	0.58
13	Tutitlan	Grupo Simec SAB de CV	0.5
14	Merida, Yucatan	Láminas y Aceros de Yucatán SA de CV	0.124
15	Orizaba, Veracruz	Talleres y Aceros SA de CV (TYASA)	1.2
16	Veracruz (Tenaris Tamsa)	Tenaris SA	1.2
17	Apodaca	Ternium SA	0.53
18	Guerrero	Ternium SA	0.45
19	Pesqueria, Nuevo Leon (Ternium)	Ternium SA	2.6
20	Puebla	Ternium SA	0.65

Iconography

- EAF/IF
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- * currently closed



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bringing in flat products such as sheet and plate, and sending back finished industrial goods and automotive output that depend on steel on both sides of the border.

The map of Mexico's steel industry tells its own

story: production is clustered in a few northern and central hubs, and the ownership base is dominated by a small number of groups, led by Ternium, Deacero, Gerdau, Grupo Simec, Grupo Acerero and ArcelorMittal México. That concentration reflects an industry built around

regional logistics, scrap availability and industrial demand; and one that has increasingly leaned on EAF technology rather than traditional integrated routes.

This gives Mexico a structural advantage. On emissions, the country is already one of the lowest-carbon large steel producers in the world, with industry estimates placing it at about 0.79 tonnes of CO₂ per tonne of crude steel. CRU's recent study, presented by Senior Consultant Juan Brihet, reinforces this picture: Mexico's steel industry ranks among the lowest-emitting large producers, a profile he describes as a "meaningful competitive advantage" as decarbonisation becomes more central to procurement decisions. This is not yet translating into a clear green premium in the market, but it could become a differentiator as buyers place more weight on emissions, traceability and supply-chain resilience. This advantage is more about positioning, future procurement rules and structural competitiveness than present-day premiums.

However, Mexico still has a product gap. Domestic mills are strongest in longs, while flat products remain underdeveloped relative to demand, leaving the country dependent on imports of sheet and plate from the US. That imbalance is one reason the current wave of investment matters, as Diego Giangreco states, this new capacity is being built to substitute imports and reduce the country's reliance on outside supply. A prime example is Ternium's multi-billion-dollar investment in a new, state-of-the-art slab mill at its Pesquería industrial center. This facility is designed to reduce Mexico's reliance on imported slabs and increase its capacity to produce more sophisticated grades for automotive and industrial use.

But the opportunity is being tested by risk. The biggest short-term challenge, as Giangreco and Brihet both stress, is political: US tariffs, Section 232 and 301-related uncertainty and the broader USMCA review process have already disrupted trade flows, weakened Mexico's exports and widened the price gap between Mexican steel and US domestic prices. At the same time, domestic bottlenecks—scrap availability, power and energy costs, water constraints in some regions and the uneven rollout of regulatory and renewable-energy frameworks—limit how quickly the sector can expand. Brihet points to scrap sourcing and the incentives framework for renewables as key areas where policy support is still lacking, while Giangreco notes that

some mills face very practical issues, such as water availability, that complicate new projects and turn Mexico's steel story into one of promise under pressure.

Mexico's steel industry is closely tied to the US rather than simply competing with it. Its mills use US scrap and imported flat steel, while supplying Mexican automotive and industrial exports that, in turn, support demand in the US. As a relatively scrap-intensive, lower-carbon part of the regional supply chain, Mexico has significant growth potential — but that will depend on aligned trade policy, reliable power and continued industrial investment.

This integration also explains why tariffs and the future direction of USMCA matter so much. Mexico is not a distant, low-cost competitor in the way Asian suppliers are often perceived; it is part of the same North American manufacturing system, with material and products moving across the border in both directions.

The strength of the industry is that Mexico already has one of the cleanest large steelmaking bases in the world, and that gives it a real positioning advantage for future low-carbon procurement rules. The weakness is that the sector still lacks enough domestic flat capacity, faces infrastructure and power constraints, and remains vulnerable to policy shocks and cross-border trade friction. ■



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