



Berry
METAL COMPANY





An Interview With the 2015-2016 AIST President

GEORGE J. KOENIG

IRON & STEEL TECHNOLOGY (I&ST):
Tell us about your background. How did you get involved in the steel industry?

GEORGE KOENIG (GK): I grew up in Philadelphia and went to Drexel University for business management and marketing. At Drexel, I was involved in a co-op program where after the first year of college, you went to school for six months and then worked for six months. One of the companies I worked with was Heraeus Electro-Nite Co. When I finished college, I was offered a job by Electro-Nite in their sales department. I was devastated at first; I had visions of working immediately in management, not just sales. However, the vice president and general manager, Max Kraus, told me, “If you are ever going to run a successful company someday, you need to be a successful salesman first, because you’ll really know what’s going on in the industry you’re dealing with.”

I took the job and started selling to the steel industry, learning the business. I spent 25 years at Electro-Nite, and then in 2000 I joined Berry Metal

Company in Harmony, Pa., USA, as vice president of sales and marketing. I became president of Berry Metal Company in 2006.

I&ST: How did you first become involved with AIST? What professional and personal benefits have you gained from your membership?

GK: Back in the late 1970s, I attended an EAF conference in Chicago hosted by the Iron & Steel Society (ISS). While there, I met Mike Sullivan, who was steelmaking superintendent of Carpenter Technologies. He suggested that I get involved with ISS because it was a great way to meet people, contribute to the industry and, at the same time, keep up with what’s going on in the steelmaking world. “You will have to work and contribute,” he said, “but you’ll never regret it.”

So I joined ISS and right away I was put on the financial committee. I have been serving in some form or function ever since, first with ISS and later when it merged with the Association of Iron and Steel Engineers (AISE) to form AIST.

“If you want to have a position of leadership and make a difference in the industry, having AIST to support your goals, in my mind, is fundamental.”

It has been very rewarding, not only to contribute thoughts and ideas to AIST, but to see those thoughts and ideas turn into reality. AIST has helped me and my company to make better contacts and form relationships. I'm a firm believer in relationships, and AIST has enabled me to form relationships that have turned into friendships. They know they can rely on me, I can rely on them, and it's a benefit for their companies and mine.

***I&ST:* How would you encourage more people to share in the benefits of AIST membership?**

GK: If you're going to just sit back and go through the motions, frankly, your chance of success in this industry is minimized. In today's competitive world, the more you are involved and contributing, the better it will be for you and your company. If you want to have a position of leadership and make a difference in the industry, having AIST to support your goals, in my mind, is fundamental. AIST offers support and knowledge to its members; no matter what area of the industry you are involved with, there is a Technology Committee that can

help you. You're foolish not to take advantage of that opportunity. Like anything else, you are going to have to work and contribute, but you're going to make a lasting impact.

***I&ST:* What do you hope to accomplish as AIST president? What will be your key areas of focus?**

GK: The steel industry is always going through changes, and we have to make sure that AIST is dealing with these changes as an organization devoted to supporting this industry. Having a greater physical presence in the mills is something AIST will be working on, so workers can take advantage of what's available to them. To the rank and file on the mill floor, joining a professional association can seem intimidating. We need to reinforce that AIST is valuable to everyone contributing to the steel industry. One way AIST is planning to do this is the AIST Roadshow. In the coming year, AIST will be traveling to mills across the country and hosting technology presentations and discussions to promote all aspects of AIST to mill workers.



Koenig (right) with Harvey Murray (left), production supervisor, Berry Metal Company.

I also plan to invest AIST's resources in ways that will help our organization and our members. I want AIST to bolster our training curriculum both here in North America and abroad. We need to focus on educational programs that drive more innovation for steel applications in our home market as well as programs such as our International Steel Academy (ISA) that drive membership growth in developing regions including India and Brazil. We have also made major strides with measuring the steel industry's technical performance with the AIST Process Benchmarker® (APB®) initiative. With new companies now participating, including ArcelorMittal, we can set forth on creating legitimate benchmarks for establishing world-class steel manufacturing performance. We need to find new ways of supporting our more than 13,000 members so we can continue to be ahead of the curve.

The industry has an urgent need to develop training and skills for the next generation. I want AIST members to be able to take a course and earn a training certificate demonstrating that knowledge. In the future, I would like to see AIST work with academic institutions to have training



Koenig (center) with Derek Dengel (left), senior mechanical engineer, and Brayton Carner (right), engineering manager, Berry Metal Company, reviewing engineering capabilities, design and analysis.

certifications that are accredited by universities such as the University of Pittsburgh or Carnegie Mellon University; then, when a member completes training from AIST, that achievement will be recognized not only by the steel industry but also by some of the top engineering programs in the country. I think AIST has the capability to train and to educate, and for young workers in their 20s or 30s, the training certificate program could be extremely attractive.

***I&ST:* What challenges do you foresee facing the industry and/or AIST over the next several years?**

GK: I see three major challenges to the steel industry today, which are both immediate and long-term. First and foremost, we need to address unfairly traded steel imports. If the steel industry is going to grow and be able to support itself financially, it will need the volume to support the infrastructure that currently exists. The influx of today's imports are putting a dent in the industry's ability to operate profitably. Two new mills are expected to come on-line later next year in the U.S.: Big River Steel in Osceola, Ark., and U. S. Steel's new EAF in Fairfield,

Ala. Steel Dynamic Inc.'s Flat Roll Group, Columbus Division in Columbus, Miss., is also a relatively new mill. So we will have three new, modern mills producing a combined 7.2 million tons of steel, but what will happen to the older mills incapable of producing at the same level? Several steel plants were idled in the last year, and we need to anticipate changes based on the future supply and demand in the marketplace. We need to work hard so that we have domestic mills, not imports, to satisfy the needs of the market.

Second, we need to address the long-term need for personnel. In many of the mills, we're seeing a "changing of the guard" from the older generation to the new. We need to make sure the industry's mills have access to skilled and experienced personnel.

Third, steel companies need to be profitable in order to reinvest in the mills that currently exist. If we don't reinvest, these mills will become antiquated and unsustainable. What can we do to prevent the closure of older mills? We need to find a way for our industry to become healthy in the long term. This is directly related to AIST's Process Benchmarker initiative. The only way for the industry to know that

“Communicating and promoting our programs is paramount. We need to let younger people know that the steel industry can give them space to learn, to grow and to build a solid career.”

it's heading in the right direction is to benchmark its performance – against itself and against other industries. One of the biggest obstacles in the APB system is companies' lack of confidence in their own performance. However, when a company like ArcelorMittal, the largest steel producer in the world with a wealth of internal data at its disposal, becomes involved with APB, that's a wake-up call to the whole industry. It doesn't matter if you are producing 100 million tons of steel or 1 million tons of steel; if you're looking only in your own backyard, you don't know how well you're actually doing, comparatively. The APB can help companies track their own health and the health of the industry as a whole.

I&ST: What can the industry do to promote market growth for new steel applications?

GK: AIST has always encouraged research and innovation within the industry. In fact, last year we established the T.C. Graham Fund for Innovation in Steel Application as a means to encourage new advancements in steelmaking. Beyond our own

efforts, however, producers are making great strides in creating new markets and uses for steel. U. S. Steel and Carpenter Technologies are working together to develop higher-strength steels, and U. S. Steel in particular is bringing on more top academic and research talent to facilitate the introduction of newer and better steels, because they think it will bring them additional value and profits. That forward thinking needs to be pushed and supported. Producers need to look beyond being steel manufacturers to becoming solution providers.

I&ST: How can AIST continue to promote the industry to young people? Do you have any fresh ideas for helping the AIST Foundation foster the next generation of steelworkers?

GK: AIST can show young people that the steel industry has a compelling story to tell; we are interested in visiting more engineering classes and bringing the AIST Roadshow to college campuses. AIST can take on a position of leadership by going to these institutions and explaining what we do, from scholarships to training programs.

“AIST is valuable to everyone contributing to the steel industry.”

Going even further, the AIST Foundation has installed a fund for any Member Chapter to create a K-12 educational program. The Midwest Member Chapter has developed a program to reach out to high school students interested in engineering; we are trying to use that model and expand the program to other Member Chapters. The Foundation also sponsors outreach to high school and middle school students at Materials Camps during the MS&T conferences with our “Steel Rocks” 3D theater.

Communicating and promoting our programs is paramount. We need to let younger people know that the steel industry can give them space to learn, to grow and to build a solid career. In simple terms, we need to whet the appetite of young people.

I&ST: You were instrumental in the formation of the Town Hall Forum, first with ISSTech in 2003 and later with AISTech. Tell us about your vision for the event.

GK: It all started back in 2000–2001. ISS was struggling, companies were going bankrupt, the

industry was hurting, and the question became how we could ensure people would come to ISSTech. I made the suggestion to host a Town Hall where top executives of the steel mills would come together to talk about what was going on, so people could hear first-hand what was happening in the industry. There were about 10 panelists at the first conference at ISSTech 2003, and it was an unbelievable success. On the heels of that positive response, Ron Ashburn and I began to work together to bring the Town Hall Forum over to the new AIST organization.

The capabilities of AIST have allowed the Town Hall Forum to develop into the event it is now. I’m lucky enough to have had the idea, but what it is today I owe entirely to AIST. That’s how things work in this industry; if you have an idea, you work hard to get it off the ground, and if you get the support from an organization like AIST, it can grow into something as big as the Town Hall Forum. But we need to figure out what the next Town Hall-like innovation will be that will move our industry forward.



Koenig (right) speaking at the AISTech 2014 Town Hall Forum in Indianapolis, Ind., USA.



Koenig (right), pictured with Ronald Ashburn (left), AIST executive director, and Daniel DiMicco (center), chairman emeritus, Nucor Corp.

I & ST: Your employees belong to AIST, and your company is also a member of the Steel Manufacturers Association (SMA) and the American Iron and Steel Institute (AISI). Do you perceive areas where the three associations can collaborate?

GK: There should be a concerted effort to evaluate the individual missions of service of these groups, as well as the World Steel Association, to find out how we can become more efficient and better utilize the assets of this industry. It will be a process, and I believe AIST can be a leader in that arena. Though some consolidation has already taken place, there's room for additional consolidation in these organizations. ♦

