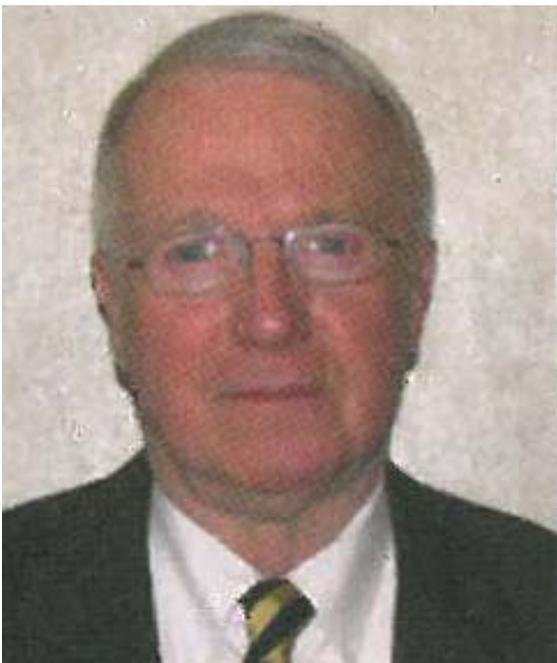




1999 PRESIDENT

MICHAEL D. SULLIVAN • IRON & STEEL SOCIETY



“Information is power” might just be the motto of new ISS President Michael D. Sullivan. He says not only does the Society provide information through its technical meetings, courses and publications, it gives members an opportunity to gauge how well they and their employers are performing in the steel industry.

Currently director of conversion and semifinished sales for Allegheny Ludlum Corporation at its Brackenridge, PA, plant, Mr. Sullivan has spent most of his career on the operating side of the steel industry.

Upon graduating with a bachelor's degree in metallurgical engineering from Lehigh University, Mr. Sullivan began his career with Carpenter Technology Corporation. He worked in various capacities, including as superintendent of melting from 1975 to 1983.

In 1983, Mr. Sullivan served one year as president of Pyromet Services. He then joined Slater Steels Corporation, Fort Wayne, IN, as director of steelmaking. Next he worked at Cytemp Specialty Steel from 1986 to 1993, serving in vice presidential roles for operations and operations planning and engineering. He was vice president and general manager for the Precision Rolled Products and then for the Bar and Shape Products divisions of Cytemp. In 1992,

the company named him vice president – general manager; Ingot and Forge Products and Bar and Shape Products. A year later, he became vice president of operations.

Mr. Sullivan then joined Teledyne Allvac, Latrobe, PA. He was plant manager for four years before being named general superintendent of the plant (now Allvac) in 1997. He transferred to Allegheny Ludlum last year.

Mr. Sullivan is a member of the ISS Executive, Advanced Technology, Continuing Education and University Relations committees, among others. In addition, he is past chairman of the Electric Furnace Division.

I&SM: You often say the Society acts like a thermometer.

SULLIVAN: You have to be able to take your temperature. If you set up a steel plant on an island and you were all by yourself, the first thing you would do is install a phone so you could talk to someone. Your measure of success is gained by comparing yourself with other people. You can't do that if you live in a vacuum.

You would ask, “Is there anybody else out there who does what I'm doing?” Let's get together. Let's form a society and share ideas on how to improve the process. People love to talk about their successes. If we didn't have an Iron & Steel Society, we would invent one.

I&SM: So networking is important?

SULLIVAN: Networking is very important. Communication is a vital way to gather data. That's why I'm keen on the Society and the people you meet. I believe information is power. You have to be able to receive feedback and distill it into meaningful data.

The free exchange of information on a confidential basis is important. There are times when, to use the cliché, “you can't see the forest for the trees.” The Iron & Steel Society affords you the opportunity to meet people who have common interests and share a basic love of the

process they are managing.

I learned a long time ago that my competitors are probably smarter than I am. Every company has its strengths, its weaknesses. Probably the biggest benefit I have gained from the Society is the technical interplay with my peers at various competing companies. That interplay has spurred development within our company – opportunities to discuss process enhancements.

I&SM: So your membership benefits not only you, but your employer?

SULLIVAN: Absolutely. That is one of the key points we need to hammer home this year. There is value for steel industry professionals to belong to the Iron & Steel Society and value their companies.

I&SM: What would you tell someone who is thinking of joining the Society?

SULLIVAN: If you never read the magazine and never go to a meeting, you are investing your money foolishly. The best thing to do is to read the magazine, attend the meetings and meet people. Then try to participate to a degree that would be supported by your company.

I&SM: How do you think today's economic climate is going to impact participation in ISS activities?

SULLIVAN: If management says all travel is suspended except for important business, then the employee clearly needs to convince the supervisor of the benefits of attending ISS events.

When my people ask me if they can attend a conference, I want to know what the perceived benefits are to this company and to the employees. If they do the proper selling job, I'll make my case to my supervisor. I am concerned about value for travel dollar and value for time away from the office.

The ISS goal is to provide quality conferences. I like the idea of having 150 vendors in one place at one time. Instead of wasting your operating time having people call on you at the plant, you can comparison shop in one day. To me,



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economy of time is important.

Also, the ability to take the proceedings home with you is key. You can come back from the conference, hand your supervisor the book or CD and say, "This is what I've learned; this is what others are doing" and so on.

Difficult economic times require prudent decisions about travel. We have to make sure every company understands that these conferences are vital to the success of their people and their companies.

I&SM: What areas will you focus on as president?

SULLIVAN: First and foremost, we need to take what we learned from the 1998 member survey and change the things that need to be changed to enhance member value.

One item that comes to mind is the fact that 47 percent of our membership is aware of the ISS Foundation. The Foundation has done wonderful things; it's a success story that needs to be told. I want to make sure everyone understands why the Foundation exists, what it's doing today and what the plans are for the future.

Another matter that is key this year is to communicate the success of the Society to our members' companies. I don't really believe most of the senior managers know what ISS is all about.

I&SM: How are you going to accomplish this?

SULLIVAN: I'm a fan of face-to-face contact. When I'm trying to sell a contract or trying to convince someone that support of the Society is essential to the success of their company, I want to do it firsthand. We have a great story to tell. The story provides direct linkage between memberships in the Society, benefits to the member and improved performance of the member within the company.

I&SM: Many organizations are competing for company support. How

does the Society compare with them?

SULLIVAN: Clearly if you're involved in process management, the ISS is the place to be. The process is a fishbone, with all sorts of things hanging on it. There's the support groups that are interested in the process, the accountants, the HR people, the engineers and the maintenance staff. We are the backbone. That's one of the differentiating points between ourselves and others. You literally see the entire process, start to finish, in the Iron & Steel Society.

I&SM: We've talked about some concerns of ISS. What are its strengths?

SULLIVAN: One of our strengths is the membership. We have attracted a great cross-section of people in this process we call steelmaking. When you look back at the pioneers in the industry – they belonged to the Iron & Steel Society. We have attracted the best and the brightest.

I&SM: You have been a member of ISS since its inception. Now that it is celebrating its 25th anniversary, how do you think the Society has changed?

SULLIVAN: The most dramatic change for me has been that I now perceive the Society as being larger than the Local Sections. My initial experience was totally related to the activities of the Eastern Section. Then I was invited to serve on the conference committee with the Electric Furnace Division. Now I was working with people in the electric furnace community. The focus takes on a larger perspective when you start dealing with the whole Iron & Steel Society. It's not just the Electric Furnace Division, but it's the Ironmaking and Steelmaking Divisions, and so on.

Also, the availability of information to members has improved drastically since my first conference, as has the quality of the papers. The number of people attending has increased. Change within the industry is driven by the increased flow of information. It's amazing.

I&SM: You're one of the only ISS

presidents who has spent his entire career in specialty steel. Are your concerns different than those of past presidents?

SULLIVAN: The concerns are the same. My concern is member value and quality of information.

There's a tremendous challenge in the steel industry right now in the production of more sophisticated alloys. We're going through that transition right now in our newly acquired facilities in Houston (PA) [acquired from Bethlehem, following Bethlehem's acquisition of Lukens]. We're moving from a commodity stainless steelmaker to a mill that has to produce very sophisticated materials. That transition is really the transition I see within the industry.

I&SM: What is your view of the focus of current iron and steel research?

SULLIVAN: The research function is really process and product support. It has to provide a perceivable benefit to the mill or the customer, or it is not pursued.

I think there's going to be an upgrade not only in alloy composition, but in the performance requirements of the basic alloy. People want products to last longer. People want materials to perform better in service. They're looking for economies in manufacture. The carbon alloys of today perform better in the manufacturing process than did similar alloys 20 years ago. Quality has improved; the material is cleaner.

I&SM: We have yet to talk about the ISS Strategic Plan. Would you provide a brief update?

SULLIVAN: We refocused the Strategic Plan based on input from the member survey. The plan is now divided into areas for implementation and maintenance, and assigned to the officers of the Society. This means that, from year to year, the president-elect designate will always be responsible for certain issues, and so on. This organization promotes continuity, and it gives people experience leading up to the presidency.



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The core issues of the plan remain the same: membership, member value, quality of information and timeliness. The central issue always has to be the perceived benefit to the member. The key responsibility of every president must be to make sure the members are receiving value and that they perceive value for time and money invested.

I&SM: Are there any services that ISS does not currently offer that it should?

SULLIVAN: The one thing I keep coming back to is education on non-steelmaking issues, whether they be accounting, human resources or union relationships. These things are fairly important, I keep thinking about how we could conduct symposia on these subjects.

Can we offer something else that members can't get anywhere else? I don't know. I didn't receive a resounding message from the member survey that we should have ISS tours to Tahiti or group vacations. Nothing came out of that survey that said there is a serious service we are not providing.

I&SM: What do you think were the highlights of the member survey?

SULLIVAN: One of the highlights of the survey is the general perception of the membership that ISS is doing a good job. It wasn't a surprise to me, but it is nice to know. Our members have very high expectations and they recognize that we're meeting them. If we stumble, they'll be the first ones to jump on us.

I&SM: Not every member will be able to visit Warrendale and see the new headquarters. What were your impressions?

SULLIVAN: I didn't see the building from groundbreaking until you moved in, and the result was beyond my wildest dreams. I saw a professional organization. It's not a collection of furniture; it's a place to do great work. In the old place, it was as though we were rearranging deck chairs on the Titanic. It was too crowded; there was no meeting space.

I&SM: What have you to say about ISS's electronics effort?

SULLIVAN: We will continue to support the information/electronic improvement initiative that was begun last year. We will continue to provide information using the appropriate media to our members. To me, information is power. Our company chairman [Richard Simmons] has said many times that if you give good people timely and accurate information, there is no limit to what they can accomplish. We've got to mimic that. That has to be the hallmark of the Society.

I&SM: Is there a particular message you would like to leave with members?

SULLIVAN: I would tell members that what you put into Society membership should dictate what you receive. If you don't do anything, you're not going to get anything. A lot is offered by the Society, by the members and by the staff, and it's there for the taking. To me, the Society is a tremendous resource. *I&SM*