Shake, Battle & Roll

A Recap of the 2025 AIST Town Hall Forum

By Amanda L. Woods

AIST's Town Hall Forum is a unique opportunity for leaders of the global steel industry to come together to discuss the pressing issues of the day, to celebrate wins and to break down challenges.

A year ago, the 2024 Town Hall participants touted their companies' decarbonization projects under the theme of "Sustainable Optimism," for an industry that was "future-focused, cutting-edge, and intent on creating a clean, green digital steel machine and high-tech operation for the mid-21st century," longtime Town Hall Forum moderator Jon Delano recalled.

This year's Town Hall carried the theme "Shake, Battle & Roll," thoughtfully crafted by AIST staff and forum organizers, led by Town Hall chair, George Koenig, representing Hatch. In light of ongoing economic uncertainty both at home and abroad, the theme proved especially relevant. Amid the looming risks of worldwide trade conflict, the discussion focused chiefly on tariffs, trade barriers, production and market segments.

The Forum was held just after U.S. President Donald Trump's 100th day in office, and as Delano reminded the audience, "presidents come and go, but the steel industry has been around since Henry Bessemer developed his revolutionary steelmaking process in 1856, and steel will continue to be critical long after the presidencies of Bush, Obama, Biden and Trump."

The question that dominated the front half of the discussion was: Are tariffs a good idea?

The panelists overwhelmingly say yes.

Nicholas Kohlhas of Cleveland-Cliffs Inc. remarked that not only are tariffs a good thing, but he also believes the 25% tariff on certain products might not be enough.

This sentiment was echoed by Daniel Killeen of U. S. Steel – Gary Works.

"When we think about specific products, is 25% enough? I agree, in some cases yes, in some cases no," Killeen

said. "But it provides us the opportunity to look at markets that have been impacted by tariffs, put together a solid business case moving forward with opportunity to capture those markets and return value to U. S. Steel and return value to this country."

Steel Dynamics Inc.'s Daniel Keown agreed that the new tariffs will be a net benefit for the industry, but rather than a blanket and "haphazard" approach, tariffs should be targeted at countries "offending the supply chain."

Trevor Saunders of DJJ, A Nucor Company, said that from his company's perspective, "a healthy, vibrant steel industry is the end goal," and tariffs are a vehicle to ensure a level playing field, thereby creating a landscape for producers to be confident.

As the only Canadian on the panel, Ron Bedard of ArcelorMittal Dofasco G.P. said, "Consistent with all the answers I've heard so far, our view in Canada and at ArcelorMittal is that we need fair trade — both in the United States and in Canada, we need fair trade. In a perfect world, you wouldn't need government intervention to have fair trade."

For a more global perspective, Benjamin Kowing of Sweden's SSAB was asked about the tariffs potentially addressing the issue of global overcapacity.

"Tariffs are a simple tool to promote domestic manufacturing … but broadly [they're] needed in the context of global overcapacity coming from nonmarket countries. We in North America, and in Europe, we're in market economies. We need to make investments in steel capacities that return value to our shareholders, and we're competing with folks who do not work in that way."

Kowing cited an OECD steel committee report that predicted over 700 million tons of global overcapacity by 2027. "Even the best steelmakers in the world, the most productive mills, cannot stand up to a flood of overcapacity at the global level. Every market-based economy needs to find a way to shield its producers from that global context," he said.

Alluding to Delano's opening remark that the U.S. imported 26 million tons of steel last year, Kowing said, "There's no reason we couldn't have made that steel.

"Nucor has been green before it was cool, since 1960."

Trevor Saunders / DJJ, A Nucor Company

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Ben Kowing / SSAB

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While tariffs were described by the panelists as a mechanism to level the global playing field, they are also a tool to drive innovation and investment.

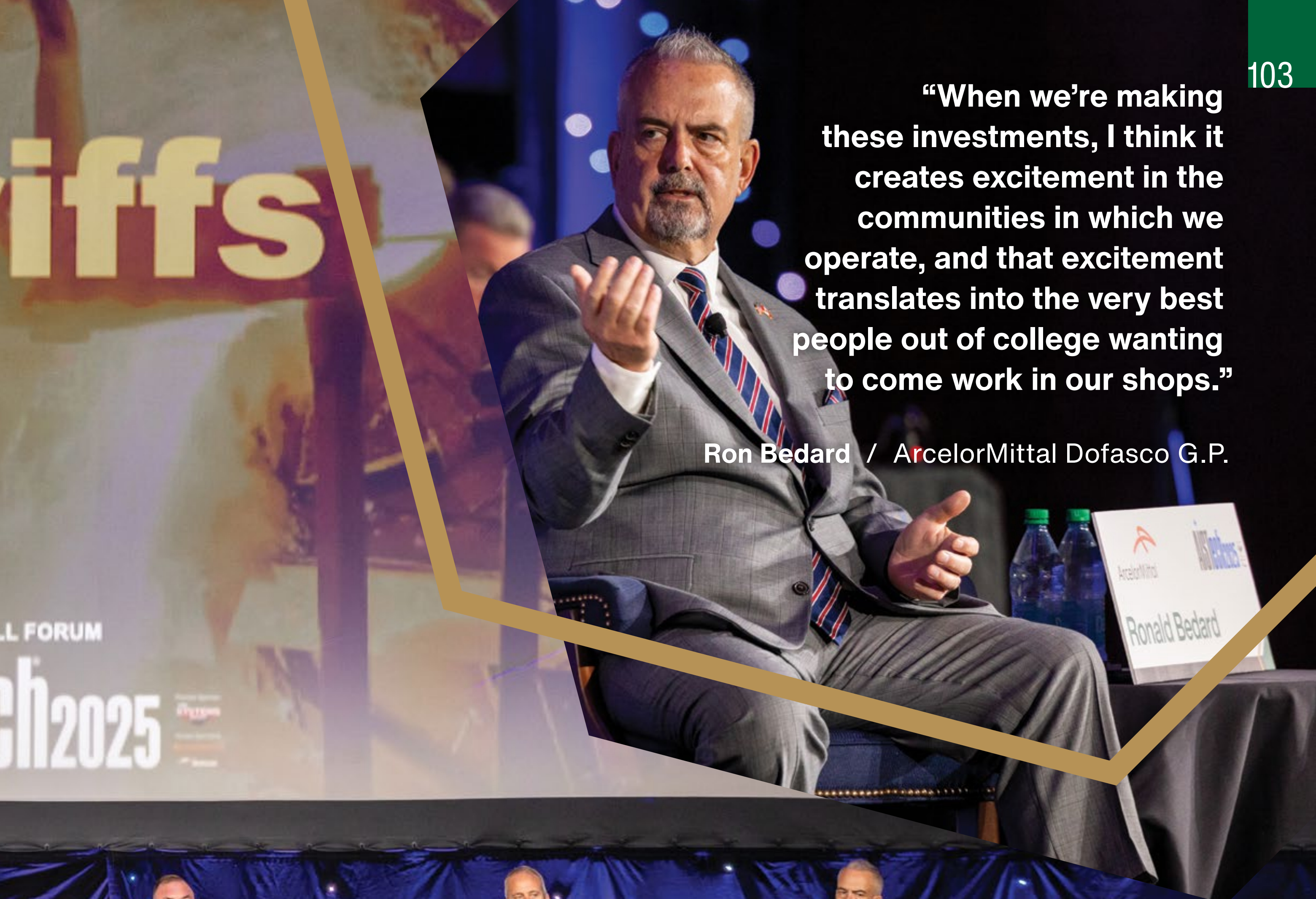
And as part of a long-term plan, SSAB has announced a US$74 million investment in Alabama to grow its quench-and-tempered steel capacity.

Killeen commented that when looking into specific markets, nongrain-oriented steel comes to mind for U. S. Steel, with its expansion into the product at Big River Steel.

“The United States has a great market,” Killeen said. And I think that’s what everybody is very envious about. We have the market, we can capture it, as long as we can compete on an even playing field, as long as that’s what our protectionism, or our tariffs, are doing for us.”

Of course, any discussion of tariffs will point back to the Section 232 tariffs President Donald Trump enacted in 2018.

In support of the Section 232 tariffs, Killeen said, “the government made a stand to protect what we value.” Killeen commented that the new additional tariffs on top of the 232 tariffs provide the industry with increased sustainability moving forward.



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Ron Bedard / ArcelorMittal Dofasco G.P.

The U.S. steel industry boomed with investment following the implementation of the Section 232 tariffs. To wit, Nucor has invested, according to Saunders, US$14 billion in investments plus an additional US$6 billion in acquisitions since then, including its Brandenburg, Ky., USA, plate mill.

SDI's Daniel Keown said, "A new, well-thought-out round of tariffs will drive investment," as he recalled how investments and projects that were on the docket following the 232 tariffs had subsequently stalled out during the COVID pandemic.

Ron Bedard reflected on capital investments as a tool to attract younger talent to the steel industry.

"I think young people getting out of college have choices, and when they see investment in our industry and they can see a tremendous future — whether it be in AI or in the shop or professional services — that gives young people a desire to be in our industry. Thirty-five years ago, at my first event, they said we couldn't attract young people — it was going to be the end of the industry because we couldn't attract young people."

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Dan Keown / Steel Dynamics Inc. – Flat Roll Group Columbus Division

“Thirty-five years later, we’re attracting young people at an unprecedented rate that want to come and work in our industry,” Bedard continued. “So, when we’re making these investments, I think it creates excitement in the communities in which we operate, and that excitement translates into the very best people out of college wanting to come work in our shops.”

In attracting new talent, Keown said that SDI “wholeheartedly believes that people want to know they’re going to be safe when they come to work in our industry, so providing that safe workspace is important.”

For Cleveland-Cliffs, Kohlhas said, “We focus a lot on the training we do, and continue to improve that. Offering growth and that potential is big with our young folks. They don’t want to be stuck

in a position for more than a couple years, so you have to keep it fresh and keep them moving along."

For younger generations of potential workers, environmental stewardship is an important value, and one that they expect their employers to share.

At last year's Town Hall, Delano said, the panelists spent a significant amount of time talking about green steel and decarbonization. This year, given President Trump's position on climate change, Delano asked the group is green steel "still full speed ahead?"

The answer was again an overwhelming yes.

Kowing said SSAB's low-emission steel product allows the company to partner with like-minded companies and look into low-CO_2 ways of doing business. The company's North American sites are electric arc furnace (EAF) based, and it is looking to convert its European operations to EAF "pretty rapidly."

At SDI, its customers are driving the company to be "all in" on green steel. "Our customers are demanding that we lower our carbon footprint," Keown said.

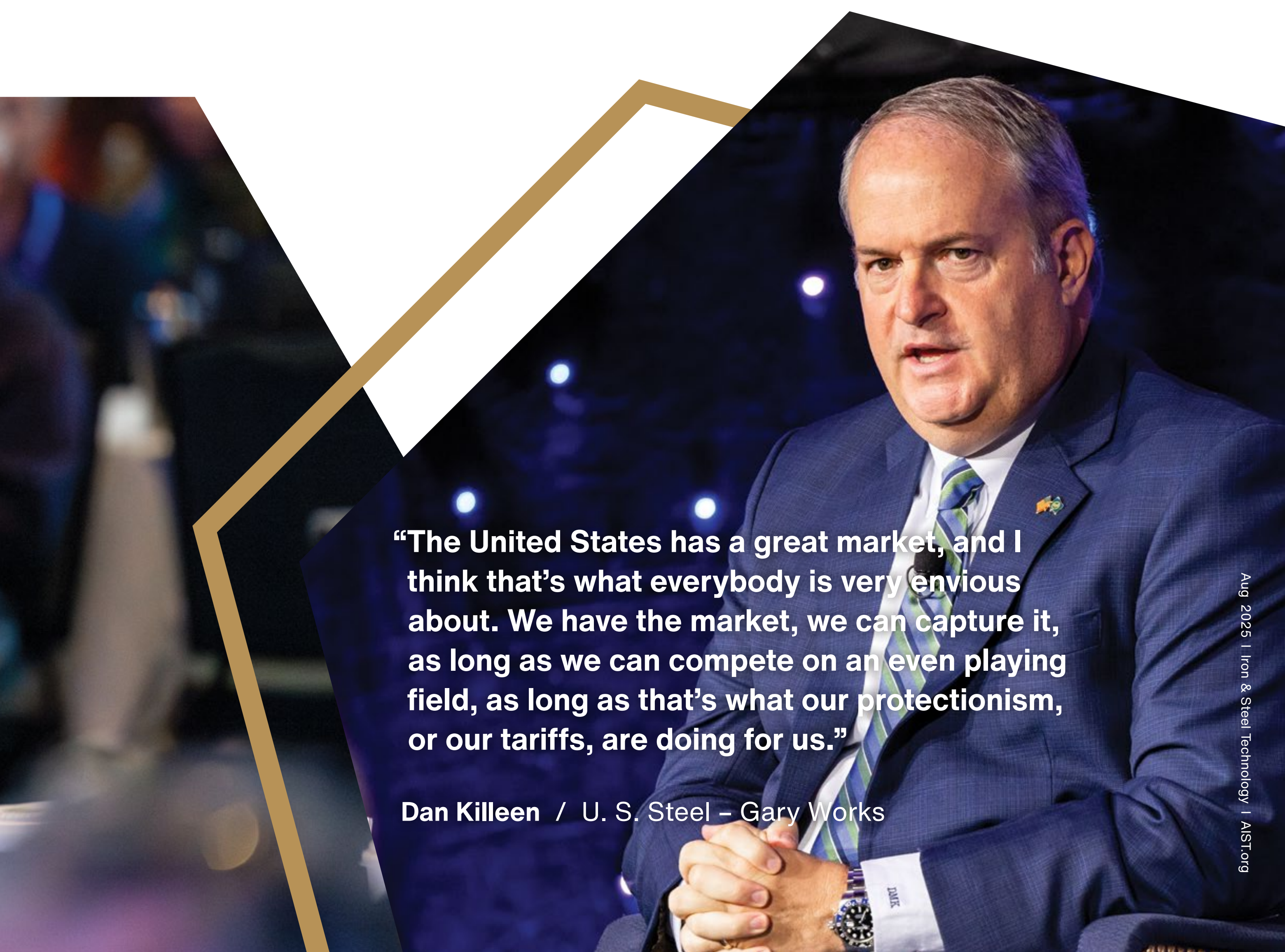
SDI has several projects in place, including its biocarbon plant in Mississippi, which will produce enough biocarbon to replace all the coal at its flat roll and structural and rail operations. The project is expected to reduce SDI's Scope 1 carbon emissions by 35%, Keown said.

For U. S. Steel, it's important to reflect on the changes it's made in recent years to address the issue of decarbonization, Killeen said.

"We now have 6 million tons of EAF capacity, which was a tremendous move and shift in that direction," Killeen said. "We think about the BRS (Big River Steel) start-up — first coil, 100% clean energy with the solar partnership that took place down there."

"But then we also think about moving forward. We think about carbon-free, and the ability to take our blast furnace gas, make calcium carbide, capture that blast furnace gas and even lower our traditional footprint for CO_2 on a fully integrated operation."

"It's a good balance, and it certainly has not stopped," Killeen added.



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Dan Killeen / U. S. Steel – Gary Works

L-R: Town Hall Forum moderator Jon Delano, Trevor Saunders, Ben Kowing, Dan Killeen, Nick Kohlhas, Dan Keown, Ron Bedard, Town Hall Forum chair George Koenig and AIST executive director Ron Ashburn.

Nucor also has not stopped its decarbonization projects, according to Saunders.

"Nucor has been green before it was cool, since 1960," he quipped, calling back to the company's beginnings.

"Our ability to sit back as the leader in sustainability and quarterback where we would like to deploy dollars, generate a return, and enhance the value proposition to our customer base who is demanding green steel, we view ourselves to be in really really good shape, and a project we are actively participating in is our CCS project at Nucor Steel Louisiana."

"We believe we are sitting at a point of strength because it's been part of our story for our entire existence," Saunders said.

While some steelmakers are switching from blast furnace (BF)-based operations to EAF-based, including some companies on the panel, Delano asked if there is an ideal mix of BF/EAF operations.

Nicholas Kohlhas of Cleveland-Cliffs highlighted the mix of BF versus EAF steelmaking in comparison to the rest of the world, and said, "Do we need blast furnaces? The answer is yes."

"What the right ratio is depends on what manufacturing is done in your country and how much you need to supply of that. As automotive maybe comes back and onshores more, as that picks up, will there be a need for more blast furnaces? Maybe … I think there's going to be a bit to figure out as things develop and as manufacturing comes back."

Kohlhas continued, "We have a responsibility to push carbon reduction and our environmental performance at Cliffs; we look at our permit as our license to operate. Any violation to that? Shame on us, we've got to do better. We take it very seriously. I think that's why you see Cliffs' blast furnaces operate more efficiently, at least from an emissions standpoint, than the rest of the world.

"And it all ties back to tariffs and the economy, and, like Trevor said up front, a healthy steel industry — because being green or doing projects that will lower carbon are expensive. This is not a cheap industry. We talk about building plants to reduce carbon emissions like Big River. Those are in the billions of dollars. So, you have to have a healthy market, healthy industry and healthy companies that can reinvest in those types of things."

You can watch the entirety of the 2025 AIST Town Hall Forum at youtube.com/aist186. ✦

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Nick Kohlhas / Cleveland-Cliffs Inc.