

### Cascade Mfg Co Expands Product Line

Cascade Mfg Co has expanded its production operations by adding the assembly of cold-formed steel wall panels. "The use of prefabricated wall components built in a quality controlled setting is a growing option for contractors," states Greg Schares, wall panel division manager for Cascade Mfg Co. He adds, "CFS panels aren't used exclusively in load bearing wall applications. They also are used with great success in tall curtain wall and other non-load bearing installations."

Take into consideration, the following benefits of using cold-formed steel wall panels:

- Cold-formed steel will not warp, twist, bend or decay.
- Better quality control due to fabrication in a controlled environment.



Non-load bearing exterior wall framing



Low rise structure with exterior load bearing wall framing

- Wall panels can be built while concrete is being poured, allowing for faster building erection.
- Fast erection means a quicker payback on investment for the developer.
- Cold-formed steel is non-combustible and has a high recycled content.

Greg has over fifteen years experience in the areas of estimating, design and scheduling. He can be reached at [gpschares@cascade-mfg-co.com](mailto:gpschares@cascade-mfg-co.com).

### Steel Makers Bend, Don't Break As Demand Drives Prices Higher

Source: February 7, 2008 *Investors Business Daily*

Heavy demand in emerging markets, such as China, continues to tighten steel supplies and has pushed up prices for suppliers worldwide.

At this time U.S. steel makers have a benefit of favorable exchange rates, which have tamped down imports and stirred sales overseas.

"High shipping rates and the weak dollar are giving producers here a lot of leverage, particularly in the spot markets," said Bob Richard, senior research analyst at Longbow Research.

Hot-rolled coil sold at \$670 a ton on January 25, according to a recent report from Citigroup. That was up from \$543 during last year's fourth quarter and well above the 2007 peak of \$580.

Cold-rolled coil brought \$750 a ton on January 25 versus \$640 in the fourth quarter of 2007 and \$680 for the 2007 peak. Gains were reported across most product categories.

## No Slowdown Seen

Most analysts see prices remaining strong this year, even amid U.S. recession worries.

“While steel (pricing) would normally be wrecked during a U.S. housing recession, the market is structurally short,” Citigroup analyst John Hill writes. “Many product categories have risen by 30% on a tight supply chain. Imports and service center inventories remain near two-year lows.”

Meanwhile, steel factories are hard at work trying to fill orders.

A recent report from Miller Tabak & Company said steel production hit 2.134 million tons in the week ending February 2. That was the highest since early October. It wasn't far from a peak set in May 2005, which was the highest total since July 2000.

Miller Tabak & Company cited a few reasons for the production increase, including strong global economic activity and “exceptional inventory controls” in the U.S.

“Each of the above factors has strong underpinnings of a secular nature, which means they're likely to hold up well against cyclical pressures,” the report said.

Those factors have helped a handful of steel stocks stay resilient despite volatility in the broader markets.

## Mini Rally

In the U.S., mini-mill operators have led the way. Steel Dynamics rolled to a new stock high in late December before slumping in January.

AK Steel rose 35% during a two week period ending February 1 before falling back. As of this article, shares were up 26% since January 17.

Nucor gained 20% during the same period ending February 1, despite a warning that it might miss first-quarter views.

Steel Dynamics and Nucor are eyeing increased profit growth this year, while AK Steel's earnings are expected to decrease.

Overall, the domestic steel market should maintain its strength in 2008, Hill predicts, “The sense in the industry is that the supply chain will remain tight longer than the economy will remain soft.”

## No Downturn in Nonresidential Construction in 2008

FMI, a management consulting and investment banking firm serving the construction industry, predicts a strong nonresidential market for this year.

The Construction Outlook, a quarterly construction market forecast developed by FMI's Research Services Group, notes that FMI is not yet predicting a national recession or a downturn in nonresidential construction in 2008, though the outlook is tipped slightly downward.

Nonresidential construction was booming in 2007 and will increase again in 2008, although at a slower rate, the report notes. Nonresidential construction will expand at a 5% rate in 2008 and a 4% rate in 2009 as the decline in residential construction begin to lower demand for certain nonresidential segments, the report predicts.

## Reserve a Date

Schedule an informative presentation on cold-formed steel trusses in your office with lunch provided by Cascade Mfg Co.

This popular one-hour presentation qualifies for continuing education credit from AIA/CES. Handout materials, a CD ROM and a reference binder will accompany the presentation.

**Dates for presentations are filling fast! Contact Mike Noonan at 800/942-4685 to reserve a date. Or email [mjnoonan@cascade-mfg-co.com](mailto:mjnoonan@cascade-mfg-co.com).**

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