

STEEL

News & Views

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"Innovators in steel and wood components"

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Tariffs End, Who Won?

On December 4, 2003, the Bush administration moved to lift the tariffs that were imposed on some imported steel products almost two years earlier.

The administration had enacted the tariff, ranging from 8% to 30% on ten categories of steel products, due to illegal dumping of steel by foreign producers.

The reaction to the tariffs was predictable. Foreign producers cried foul and production of domestically produced goods increased. Prices also increased on many domestic items.

Originally scheduled to be in effect for five years, the tariffs were enacted to "help give America's steel industry and its workers the chance to adapt to the large influx of foreign steel."

Since the tariffs were enacted, they had been the source of heated debate. In July 2003 the World Trade Organization (WTO) formally ruled that the tariffs violated global trading regulations. The rancor continued to the boiling point when the European Union threatened sanctions of over two billion dollars of selected U. S. products. China and other Asian countries also threatened similar measures.

The net effect of the tariffs has yet to be seen. The length of their implementation may have allowed for steel producers to implement changes to increase competitiveness or maximize their profits. If the later is the case pre-existing problems are bound to resurface.

Steel Prices Are Off and Running

All major domestic steel producers announced across the board surcharges of up to \$40 per ton effective with all January 2004 shipments. The surcharges are expected to continue indefinitely and will be evaluated monthly. Additionally, a price increase of \$40 to \$60 per ton for galvanized steel has been announced effective April 1. The announcement by the domestic mills cited increasing raw material costs as well as scrap and freight increases as the reasons for the increase.

Mini-mill steel producers had earlier announced surcharges. Rising costs of scrap steel and energy were given as the cause.

These surcharges have been implemented despite long-term contracts that had been signed between producers and their customers.

Since the December 4, 2003, elimination of steel tariffs, prices have increased due to several reasons:

- A recovering domestic economy and resulting strong demand for steel.



Light Gauge Steel Engineers Association

- Reduced production capacity due to consolidation over the past few years.
- Large demand for steel by China.
- A weaker dollar makes imported steel more expensive and exported steel cheaper abroad.

Steel prices have increased \$80 to \$135 per ton since September 2003.

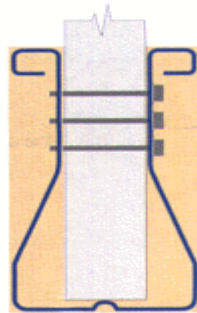
Keep Up With the Price Increases

Awards for commercial construction contracts tend to move at a slow pace. The result is a lag in the award of bids to subcontractors. Due to the series of recent price increases, any bids for cold-formed steel trusses over 30 days old need to be updated.

Please contact our sales department at Cascade Mfg Co to have your bid updated. The toll free number is 800/942-4685.

New Literature Available

Alpine TrusSteel clearly is the preferred proprietary shape of contractors. The unique symmetrical shape results in a finished product that not only is safer to handle but also takes less bracing to install. Large span trusses made from TrusSteel have great in-plane and out-of-plane handling characteristics. That makes for fast installation too.



Channel Section Detail

New literature is available showing spans for roof and floor applications having 2' and 4' on-center spacing. Call today for your free copy.

Photo Gallery

A recovering economy is seeing an increase in many areas of the commercial construction industry. The non-combustible and design versatility features of cold-formed steel trusses make their use a good choice for many projects.



The office for Regency Development built recently in the Des Moines, Iowa area was a natural choice for non-combustible cold-formed steel trusses.



Retail shopping centers such as this Walgreen's Pharmacy built in the Madison, Wisconsin area continue to utilize cold-formed steel trusses.

We welcome your comments and suggestions. Please send them to:

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