
Severstal considering selling of its US units - Report

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Steel Industry Sources told 7 News that Severstal has placed several of its North American companies on the auction block but with no luck. As per report, Ohio Valley plants were placed for auction with Lazard Investment Banking Firm in New York City, but there were no bids placed on the company.

The report added that Ms Betty Kovach Severstal Spokeswoman would neither confirm nor deny the reports. Ms Kovach would only say that the company remains committed to the US market. It will restart its facilities when the market returns for their products.

This news comes the same day that three Ohio Lawmakers call for the company to either sell its plants for resume operation. State Representative Mr John Domenick, Mr D-Belmont and Mr Tom Letson, Mr D Trumble and state Senator Mr Jason Wilson, Mr R-Columbiana sent the request in a letter to Mr Gregory Mason CEO of Severstal.

In the letter, the lawmakers said they recognize the impact of the current economic conditions on the steel industry but also wish to see production resume at the Ohio plants.

The members of the General Assembly said in the letter that “We are disappointed that several Severstal North America facilities in Ohio are standing unused at a time when other companies are expressing interest in utilizing them. Our constituents feel the pain of being laid off from your plants and all concerned would be best served by having these plants operating again and the workers again gainfully employed.”

The letter requests that Severstal either reopen or sell the plants.

The members of the General Assembly said “We would respectfully request you return these plants to active status. If you do not choose that option, then please transfer ownership of these facilities to one of the several groups that is ready and able to utilize the plants and provide work for our citizens.”

Mr Domenick and Letson and Mr Wilson agree that jobs are crucial to Ohio’s economic recovery. “These facilities stand ready to be productive again as do the unemployed workers in the region.”

Severstal facilities are currently idle in Mingo Junction, Martins Ferry, Yorkville and Warren, Ohio. The company has given no public indication when they might be restarted.

(Sourced from www.wtrf.com)

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