

BIG RIVER STEEL SET TO KICK OFF FINISHING OPERATIONS IN MARCH

Michael Cowden | December 29, 2015 | [Link to Article](#)

CHICAGO — Big River Steel LLC plans to fire up some finishing operations at its \$1.3-billion steel mill in March, a company executive said.

But melt shop and hot mill activity has been pushed back until the third quarter of 2016, chief commercial officer Mark Bula told *AMM*. The Osceola, Ark.-based steelmaker initially planned to begin making steel this summer (*amm.com*, Dec. 29, 2014).

According to Bula, no single factor caused the slight delay in cranking up the hot end. “It’s tough to build a \$1.3-billion mill. There are always unforeseen obstacles and hurdles,” he said. Some are as minor as new operating staff wanting to “tweak” equipment or equipment layout, Bula explained. And Big River is willing to make changes if the modification makes financial sense over the long-haul, he added.

“Frankly, the budget is probably more important than the time, given market conditions,” Bula noted.

One thing Big River Steel won’t be doing is second-guessing how to move forward following the sudden death of steel industry veteran and former company chairman and chief executive officer John D. Correnti (*amm.com*, Aug. 15), Bula said.

“There has been no dramatic change in direction or strategy,” he said. “John would have scolded us up one side and down the other if we hesitated. So, if anything, we are doubling down to make sure his legacy is honored.”

To that end, Big River Steel aims to install and run coils through its batch-anneal furnace and skin-pass temper mill before the first quarter is out, Bula said. “We will be processing coils in March, which is pretty exciting because that’s really just around the corner,” he said.

The company is currently in discussions with potential substrate suppliers, although Bula declined to say who they are.

Big River Steel won’t initially be churning out fully processed cold-rolled “to any large

commercial degree,” Bula said, but having equipment installed will allow the company to begin training its first crew.

“It’s not unusual for us to do this. If you’ve got equipment sitting there that’s installed, why would you not begin training your employees?” Bula asked. The former SeverCorr LLC—also built by Correnti and now Steel Dynamics Inc.’s Columbus, Miss., flat-rolled mill (*amm.com*, Aug. 20)—ramped up finishing equipment first, he noted.

Big River Steel currently counts more than 60 employees, but that number will grow as the company holds job fairs and eventually ramps up to four crews working two 12-hour shifts with four days on and four days off, Bula said. A new generation of management is already in place, he said.

“John was a phenomenal construction guy. He built mills. That’s what his specialty was. And his grasp of detail was second to none,” Bula said. “The good news is ... he had already hired a group of guys and said, ‘This is what I want. Go build it.’”

That team includes executives like construction manager Jim Bell, son of John Bell, Correnti’s cousin and a key operator at the former SeverCorr, Bula said. Bell now occupies a Big River Steel board seat vacated by Correnti, he said.

John Bell, executive vice president and manager of operations at the former Severstal Columbus LLC, died in 2011 after a battle with cancer (*amm.com*, Sept. 26, 2011).

“There has been a very tight relationship between construction and operation for John Correnti for years, and he has been grooming what he believed was the next generation of management,” Bula said, noting that he counts himself among that group. “I don’t want to get too sappy, but I owe the guy.”

Big River Steel continues to benefit from the experience of veteran executives such as Richard Painter (*amm.com*, Sept. 23, 2014), who was vice president of construction for the Columbus mill and who remains a consultant to the company, Bula said. It also helps that the Big Rivers’ investors are in it for the long haul, he added.

“The four key groups of investors are in this to build this steel mill and grow it,” Bula said. He declined to say who those key investors are but said all were U.S.-based companies.

A previous Correnti project, Steel Development Co. LCC, ran into controversy because it was backed in part by a Chinese steelmaker (*amm.com*, March 30, 2012).

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