

Note: The new steel tube factory that V+M Star's parent company is building in Youngstown is a glimpse of the kind of economic benefits that can become even more widespread thanks to the shale gas discoveries announced last week in Eastern Ohio. The jobs to be created in and around the new V&M facility are a strong indication of a brightening horizon that means more economic growth and more opportunity for all Ohioans.

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Left for Extinct, a Steel Plant Rises in Ohio

By Clare Ansberry



YOUNGSTOWN, Ohio—On the edge of the Mahoning River, where once stood dozens of blast furnaces, more than 400 workers are constructing what long has been considered unthinkable: a new \$650 million steel plant.

When complete, it will stand 10 stories tall, occupy one million square feet and make a half million tons of seamless steel tubes used in "fracking" or drilling for natural gas in shale basins.

France's Vallourec & Mannesmann Holdings Inc., one of the world's largest makers of steel tubes for the energy market, has decided to build the plant here next to an existing facility for two main reasons. Youngstown has an experienced steelmaking work force and the city is at the door of the Marcellus Shale, a natural-gas basin beneath New York, Pennsylvania, West Virginia and Ohio.

"We're confident we can get this built and running quickly and when we do, there will be a growing marketplace," says Joel Mastervich, who runs the company's existing Youngstown plant, the V&M Star. The company, a unit of Vallourec SA, also has operations in Houston and other North American cities.

The shale market is partly responsible for expansion at other steelmakers, as well. U.S. Steel Corp. is investing \$95 million to expand and upgrade its plant in Lorain, Ohio, which makes tubular steel. Timken Co. is spending about \$50 million to upgrade its plants in Canton, Ohio.

Story continues here: <http://online.wsj.com/article/SB10001424053111904233404576462562705511704.html>

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