

Empire State Development News

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EMPIRE STATE DEVELOPMENT COMMITS \$500,000 GRANT TO CHAUTAUQUA COUNTY BUSINESS

Empire State Development Upstate Chairman Daniel C. Gundersen today announced that a \$500,000 grant from the state's Environmental Investment Program has been committed to Dunkirk Specialty Steel in Western New York. These funds will be used to purchase new machinery and equipment and infrastructure improvements to support a new bar cell manufacturing line and keep 180 jobs in WNY.

"Success of this project will reduce process waste and scrap by 180 tons per year with an estimated annual savings of \$390,250," Chairman Gundersen said. "By doing so, it will also reduce operational costs so the facility can better compete in the global economy. ESD is pleased to help Dunkirk Specialty Steel stay viable and keep jobs in Western New York."

"It is encouraging to know that there are agencies such as the New York Empire State Development and the Chautauqua County Industrial Development Agency that are concerned with job retention and helping employers compete in a global marketplace," said Universal Stainless & Alloy Products, Inc., President and CEO Dennis Oates. "We are very proud of the success of our New York facility and recognize the effort that our employees make to that success. We are very thankful to all of the individuals that help make this grant possible."

Universal Stainless & Alloy Products, Inc. (Parent Company) purchased the Dunkirk Specialty Steel (DSS) facility in Dunkirk in 2002. The facility is a portion of the former Al Tech Specialty Steel facility that is approximately 100 years old.

The DSS facility manufactures and markets semi-finished and finished specialty steel products, including stainless steel, tool steel and certain other alloyed steels, in a wide variety of grades, widths and gauges in response to customer specifications. The company's products, sold to rerollers, forgers, service centers and original equipment manufacturers, are further processed by their customers for use in a variety of industries, including aerospace, power generation, petrochemical and heavy equipment manufacturing. DSS also performs conversion services on materials supplied by customers that lack certain facets of the company's production facilities or that are subject to their own capacity constraints.

DSS approached ESD for assistance in reducing their operating costs so the facility would better compete against foreign competition. As a focus of reducing their operating costs, ESD suggested looking at the inefficient processing equipment and the amount of scrap product and waste generated. DSS quantified the scrap and waste material and identified an underutilized "Bar Cell" at one of their sister plants that would significantly reduce their waste and at the same time would significantly increase productivity, achieving the goal of reducing their operating costs. As a result, DSS will move this Bar Cell manufacturing line from Pennsylvania to the Dunkirk facility.

"We have been working hard to revitalize the Dunkirk-area economy," said NYS Senator Catherine Young, district 57. "Dunkirk Specialty Steel is another success story of growing more manufacturing jobs. It's a real boost to our region. The long-term success of this business has been a priority of mine since I've become involved. Dunkirk Specialty Steel has turned the facility around and this grant will further help them remain economically competitive and retain jobs in the western part of the state."

"This is wonderful news for the City of Dunkirk, Chautauqua County, DSS and the employees of DSS," said Chautauqua County IDA Administrative Director/CEO Bill Daly. "ESD's facilitation of this grant is greatly appreciated. ESD is a great partner in economic development with the County of Chautauqua Industrial Development Agency."

Empire State Development is New York's chief economic development agency, encompassing business, workforce and community development. ESD also oversees the marketing of "I LOVE NY," the State's iconic tourism brand. For more information, visit www.nylovesbiz.com.

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