

JournalNews

Both sides mum about four-hour meeting in AK lockout

Analyst sees session as ‘positive sign’

MIDDLETOWN March 31, 2006-- AK Steel’s lockout of its Middletown union goes on, but Thursday’s negotiations appeared to be notable for two reasons.

First, it was the longest bargaining session so far in the lockout, now in its 31st day. A brief statement from AK said the session lasted four hours. Second, it was the sides’ second session in two days, the first time the sides have met that often.

Overall, it was the seventh face-to-face bargaining session of the lockout. An eighth is scheduled for 4 p.m. Tuesday.

Originally, AK negotiators suggested that both sides meet this morning. The fact that they moved (the meeting) up to (Thursday), I regard as a positive sign,” said Charles Bradford, a steel industry analyst with Soleil Securities. “And the fact that it went to four hours is even better.” Neither side said much about the meeting.

“The parties discussed a variety of issues,” AK’s statement said. The company said both sides “agreed to limit their comments concerning today’s meeting to the content of this statement.”

Brian Daley, president of Armco Employees Independent Federation, could not be reached for comment. AK locked out the AEIF’s approximately 2,600 members early March 1, after a day of escorting some workers out of the plant. The union will have a public rally at Curtis Street and Yankee Road at 3 p.m. today.

A veteran AK-watcher, Bradford said he thinks the lockout’s one-month mark may be important. Bradford does not know how much steel is being made at Middletown Works, but he estimates that production is somewhere between half- and full -capacity. AK has refused to discuss production during the lockout. “I would say a month has to be an issue,” Bradford said.

Michael Locker, a steel union consultant and industry analyst with New York’s Locker Associates, agrees that inventory is crucial in this situation. “It’s hard to stock a good-size variety of steel over the long run,” Locker said.

Bradford said he has inquired into whether AK competitors are picking up more business during the lockout. “Nobody says they are,” he said.

Also Thursday, the Ohio Department of Job and Family Services has agreed that locked-out AEIF members are eligible for six months of unemployment benefits.

Said Locker, “That will put more backbone into the union.”

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