

PROFILE OF DOFASCO (TEXT ONLY)

FROM: HAMILTON: A NEW CITY FOR THE NEW MILLENNIUM

Dofasco is entering the new millennium with a great deal of optimism and a greater competitive strength than at any time in its history thanks to the innovative approach of producing value added steel products designed to solve the needs of its customers. In the past decade, over \$2 billion has been invested in new technology and facilities in Hamilton, and productivity has increased over 50 per cent. That increase in productivity is double the average for the Canadian manufacturing sector. Fifty per cent of its current products were not even available 10 years ago. After a long hiatus, the company is back into hiring new staff while continuing to emphasize that "Hamilton is home" and has been since 1912.

Dofasco produces high quality flat rolled and tubular steel and is Canada's only producer of tinplate. Its single largest market is the automotive industry but other markets are in construction, energy, manufacturing, pipe and tube, appliance, packaging and steel distribution industries. Towards the end of 1999, Dofasco began producing a new galvanized steel product in Hamilton in partnership with Sollac of France. DoSol Galva combines the knowledge of these two steel companies in a state-of-the-art facility that produces a corrosion resistant hot-dipped galvanized steel. This product is used primarily in exposed auto body panels.

Another innovation recently introduced by Dofasco is manufacturing tubular steel products for use in the hydroforming method producing automobile frames and chassis. A desired shape for tubing can be created by forcing water under very high pressure into them. This new methodology has resulted in a major breakthrough for the automobile industry. One single tube can now replace 15 or more welded parts. This has reduced both the cost of production and the weight of cars while increasing their safety and fuel efficiency. Dofasco scientists are now studying methods for using this technology to create one single car frame.

Another new venture for Dofasco is to share its intellectual discoveries in partnership with other companies. Dofasco has long been recognized as a leader in preventative maintenance practices and has had requests from companies all over the world who want to acquire that system. Dofasco joined with a local maintenance software firm (Ivara) and is working with various manufacturers to implement these Hamilton solutions in plants throughout the world.

In 1999, Ivara received two of the four awards for excellence presented by the Maintenance Management Conference of Canada. The Dofasco methods received an award for the best use of technology in plant maintenance and the award for the best maintenance of a large plant.

The innovations, however, are part of the "Dofasco way." In the 1950s, the company pioneered the use of the basic oxygen furnace which, today, still remains as the common

standard for steelmaking around the world. In 1996, Dofasco fired up an electric arc furnace and slab caster, the first of its kind in North America for any fully integrated steel maker.

Since its beginning, Dofasco has taken its community responsibility very seriously. In 1997, it became the first Canadian company to sign a voluntary Environment Management Agreement with the federal and provincial governments. Dofasco committed itself to exceeding the required improvements in emissions. In the last decade, Dofasco has reduced greenhouse gases by 27%. Benzene emissions are down 50 per cent since 1993 and energy use per ton has dropped by 21 per cent. Since 1995, carbon dioxide emissions have gone down 16 per cent while Canadian industry generated a 16 per cent increase. Electricity consumption has declined by 20 per cent per ton of steel produced.

The firm also plays a leadership role in the Hamilton Industrial Environmental Association – a group that includes most major companies and citizens groups. The organization's purpose is to create an integrated approach to environmental protection. Major improvements have been made to Hamilton Harbour. Dofasco employs an almost totally closed system for its water use. Because of its environmental precautions, Dofasco has won international awards for its efforts.

Dofasco is also a major contributor to the economy of Hamilton and to the revitalization of the city. The company pays over \$30 million in municipal taxes and provides over one half billion dollars in direct wages to its employees. An additional one half billion dollars is spent on goods and services in the community. But this is not all the contribution that Dofasco makes to the well being of Hamilton.

Since 1995, corporate charitable donations have exceeded \$8 million plus the amount that its employees contribute through an employee fund. The company has contributed to capital campaigns of regional hospitals in addition to contributing \$1 million for the purchase of another MRI for the citizens. A considerable amount is also donated to universities.

Dofasco has invested over \$2 million to endow chairs in metallurgical engineering and process automation and information technology at McMaster University. This investment in education helps to develop a knowledge base in Hamilton that can be used to improve upon the local manufacturing processes and to increase business. This also results in the creation of new jobs in Hamilton for the graduates of those programs and helps to keep the talent pool in the city.

The energy, skills and talent of Dofasco staff also contribute to the well being of Hamilton. Employees donate their time and expertise to the boards of institutions like the Art Gallery of Hamilton, the United Way, the Chamber of Commerce, food banks, women's shelters and most other charitable and self help groups. If they aren't on the boards, then Dofasco employees are donating their time to help out with various volunteer functions in those organizations.