

# HeraldStar<sup>®</sup>

*Herald Star (Steubenville, Ohio)*

## **Vote head, not heart on W-P**

Editorial

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Hostility is what goes on in the Middle East.

It's what happens when couples give one another the cold shoulder.

In the boardroom, though, it's just business.

And that's what must be remembered as the attempt by Esmark to take over Wheeling - Pittsburgh Steel Corp. progresses in the coming weeks.

Esmark has proposed replacing all but the United Steelworkers of America representatives on the Wheeling-Pitt board of directors and having the new slate of directors effect a \$423 million merger of the two steel companies.

The merged firm would still be called Wheeling-Pittsburgh Steel, but it would be focused on steelmaking as a minimill, focused on the electric arc furnace and putting an end to blast furnace iron production as a part of steelmaking in the area.

It would be easy to get emotional about what Esmark's offer means.

Esmark makes no secret that its officials think Wheeling-Pitt leadership has missed the boat, with an underperforming company capable of much more that consistently fails to meet financial expectations while having a number of repairable organizational and operational problems.

As an example, it looks to the long ramp-up for the arc furnace, which was built with federal steel loan guarantees. Privately, there were many who were worried about the performance of the new arc furnace which finally has reached expectations, nearly two years after its startup.

So, there will be those who jump on the bandwagon simply as a chance to tell the boss what they think.

There also will be those who look at the company's performance, thank goodness that

they still have jobs and who are simply tired of change, as frightening as that has been in recent years in the steel industry. There will be those who believe shutting down the blast furnace is wrong, that working with the Brazilians whom Wheeling-Pitt's leadership have been in talks with would be the right thing.

Esmark will issue information in a proxy statement to current Wheeling-Pitt shareholders.

We suggest careful study.

The one thing to keep in mind is that Wheeling-Pitt must have some long-term viability left in it in some form or there wouldn't be Brazilians interested and Americans ready to launch a takeover.

The question is which way is the best way to go?

There will be information to consider, numbers to grind, and cold hard facts to support each side's position.

What it won't be a time for is emotions. It's not about preserving a blast furnace way of life. It's not about showing the boss who's boss.

It's about the continued survival of a steel mill whose workers have fought and scratched and hung on by the skin of their teeth to keep operating through two bankruptcies, strikes and changing economic conditions for decades.

And, though that's an emotional issue in itself, to determine the future will take calculation and analysis.

If Esmark's way is the best or if Wheeling-Pitt's way is the best will be up to the shareholders.

May the side with the most facts win.