Towards Zero Accidents

Towards Zero Accidents is the theme of the upcoming Health and Safety Day 2009. The theme represents a perfect merger of the previous themes “Leading by Example” and “Journey to Zero”. This year’s event will be focusing more on health and sharing of information in the area of best practices.

Health and Safety Day 2009 – ‘Leading the Journey’

Health and Safety Day is one of the most important dates in our Group’s calendar. This year our Health and Safety Day 2009 will take place on April 28. “Our vision in this regard is very simple. We have to become the Safest Steel Company in the world.” Lakshmi N Mittal, Chairman and Chief Executive Officer.

The new April 28 date was chosen to coincide with the International Labour Organisation’s (ILO) World Day for Safety and Health at Work. This underlies the fact that the event will now become more integrated into the ongoing process of social dialogue.

Understanding the ground realities of 2009

The reality of the global economic crisis really started to hit home at the beginning of the third quarter 2008. As the severity of its consequences continue to unfold for countries, sectors and businesses alike, it remains that no-one is spared the negative effects. In the face of this unprecedented situation, our leaders have set out the challenges ahead and the priorities for ArcelorMittal.

“We will all have to draw on our energies for 2009 and deal with the realities on the ground with a realistic and patient attitude,” said Mr. Mittal, our Chairman and CEO, in his letter to all employees following our fourth quarter and full year results 2008.
Dear Colleagues,

This time, let me start with sincere thanks to all of our 1074 women colleagues in our organization for their selfless service and responsible attitude towards occupational safety. Please, consider the small present you received on the occasion of the International Women’s Day a token of appreciation of the high level of your engagement. We realize that it is not easy to cope with your work load and at the same time have to maintain your households. Hats off to all of you! It would be nice to be able to continue on a similarly positive note, but I have to share with you that good news is in short supply these days. Instead, there is overflow of bad news consequent to the global economic crisis.

I am afraid things have become worse since I last wrote to you. now we need to review our business model to ensure our healthy survival. Since the plant continues to run at less than 40 per cent of capacity for a 3rd consecutive month, we have no other choice but to downsize our operation in a manner where we operate minimum assets with maximum utilization instead of running maximum assets with minimum utilization. This temporary change of business model has become and necessary to remain financially safe.

Our plant was designed for a minimum level of operation on 2 blast furnaces and 3 coke-oven batteries. The founders had not envisaged the crisis of this nature, which is not a mistake, because in our lifetime we have never had it like this ever before. Therefore, we have to use our strong engineering skills, which are our greatest strength, in a reverse direction: this we need to focus on downsizing instead of growth. Our colleagues have already been working on the temporary re-structuring package, which, however, will inevitably bring further pain as it will involve the redrawing of our operation for a single blast furnace and two coke-oven batteries.

But do not panic, all decisions are reversible. We will bounce back with our assets once the situation has improved. And now that we are living in difficult times, we need to stick together and change our structure and processes until we see the light at the end of the tunnel.

On a more positive note, I am glad to inform you that despite the tough economic situation, we continue our commitment to our employees. On February 24 we handed over the keys to a state-of-the-art cleaning vehicle worth more than 4 million crowns to the municipalities of Silesian Ostrava and Radovánc – Bartonice. This vehicle has been named MyVal and it will strengthen the cleaning process in our neighbouring districts.

All of you know that now we have a new contract with Eurost, one of the biggest catering service providers in Europe. Eurost won the contract with a superior offer compared to other bids received in the tender. This is a significant change since they have replaced our catering partners with which we were associated for many years. Every change brings some uncertainties in the initial phase and I am aware that some of our colleagues have pointed out certain minor expectations that must be met. Our HR team and TU have been monitoring the transition process very carefully and I am confident we will have an excellent service provider in this critical area of catering.

On March 10 an amendment to the Collective Agreement was signed as per which our TU chairmen and chairwomen agreed to extend the terms of the existing agreement until the end of this year or till such time when we see a positive turnaround of our business results. This agreement highlights the high level of cooperation and partnership approach between the management and the Trade Union. I deeply appreciate this gesture of tolerance and the spirit with which we have agreed to move on and focus our energy on fighting out the crisis period. This is yet another indication of the incredible strength of AMO. This agreement also means a good deal of stability and security for our employees as all the employee benefits are preserved.

Dear friends, times are tough, but it is important to note that we are not the cause of the economic crisis, but a victim of it. Let us hope we will see the bottom soon and let us remain a team. Your assistance and support are important so that we come out of the crisis even stronger and can continue our journey to safe and sustainable steel.

Very best wishes to you and everyone in your families,

Sanjay Samaddar

All women in the mill received a present

Each sixth employee in ArcelorMittal Ostrava, the largest Czech steel making company, is a woman – currently there is more than a thousand women employed in the mill. And they do not occupy only “light” work positions like administration, warehouses or laboratory positions – they are needed even in the most demanding operations. Each women working in ArcelorMittal Ostrava received a small fondue set at the occasion of the International Women’s Day. “We esteem very much the work of our female employees, therefore, all of them will get a present at the occasion of the International Women’s Day as an expression of our gratitude. This is not resembling the celebrations in the past – we are only humbly aware that the way women manage their work duties as well as home duties deserves appreciation,” said Ctirad Lolek, HR director in ArcelorMittal Ostrava.

Validity of the Collective Labor Agreement was prolonged until the end of 2009

More certainty and peace for work. This is how Ctirad Lolek, HR director of the company, evaluated the prolongation of the current Collective Labor Agreement until the end of 2009.

“We are glad that we agreed to the compromise solution with the representatives of the Unions” says Lolek. On behalf of the management of the company the amendment to the Collective Labor Agreement was signed by Sanjay Samaddar, CEO and Chairman of the Board and by Josef Buryan, COO and – Chairman of the Board and on behalf of the Union it was signed by Vítězslav Prak, Chairman of the Union Counsel and by Stanislav Chmelík, Chairman of the Association of the Basic Organizations.

“I do not plan to leave,” said Jarmila Sigutová, a crane operator from the Steel Shop

The people in the Steel Shop, one of the most demanding operations, cannot imagine their work without women. Women work here for example as crane operators. In February, one of them, Jarmila Sigutová, was awarded as the best employee of the month. The woman which drives and masters hundred and twenty tons monster started working in Vikovice and twenty nine years back she moved to our Steel Shop. Since 1984 she has been working as a crane operator. Her shift foreman Roman Pěnčík confirms that she is a reliable employee. “She has never had any collision either with people or with the machines that she operates. She is reliable, she observes the safety instructions and I think that over the time she has been here she has not had any work injury.” Jarmila does not mind working on shifts or weekends. “You will get used to it and at home they have to adjust to it. I cook some meals in advance or we simply eat what we have,” explains the smiling woman. Only that there were times when she wanted to quit this demanding profession. “But then you calm down, take a nap and start again. And I am not a fan of any radical changes.” And this is one of the reasons why in this time she was not even thinking about VRS. “I will admit that I would like to stay here until retirement.”
An award for employees of the Foundry

Six employees of the Foundry who most contributed to casting of almost one hundred and fifty tons mold were awarded by Ctirad Lolek, the HR director of ArcelorMittal Ostrava and by Antonín Smrkta, director of Plant 2. „It was a perfect, fast and high-quality work. I am glad that I can thank you personally” said Ctirad Lolek.

Brief opinions of the awarded employees.

„The results of the survey are good, but we cannot be completely satisfied,” said Ctirad Lolek

Last December there was historically the first employee satisfaction and engagement survey in our company organized by Hewitt Associates. We have asked the HR director Ctirad Lolek to briefly comment on the results of the survey. (An interview about the results of the survey, in what we are better than other companies in the Czech Republic, what we have to improve, what areas we should focus on, how are we going to work with the comments from the employees which were part of the survey).

A successful year 2008. What is awaiting us this year?

How was the year 2008 in the view of the individual plants? The directors which we asked agreed that the first three quarters were very good, and then the situation got worse. And what are the prospects for this year? Nothing optimistic, but we do not give up; we will be focusing on the priorities – this is the message from the plants. Minimill, Power Plant, Service, Maintenance. (Continued from the previous issue).

Let us keep the restriction on smoking!

Some of the employees of the company are complaining against not observing act no. 379/2005 on measures aimed at protection against damages caused by tobacco products, alcohol and other addictive drugs provisions that can get a record in the H&S Journal. Many employees do not realize that for breaching legislative

Work Safety

Actions to ovoid risks at the blast furnace area

„These actions consist of covering all rotating parts of belt conveyors,” said Pavel Rapant, safety officer for Blast Furnaces. „The objective is to protect the employees who will come to contact with these facilities during the fulfillment of their work duties,” added Rapant. You can see a sample of such a cover in the photo.

Training for persons in leadership positions in the H&S area

In March we started with the basic training for persons in leadership positions in the H&S area. „This training is designed for new persons in leadership positions who have not received this training yet,” said Petra Jelínková from department B. The training is divided into two days.
The streets of Silesian Ostrava and Radvance and Bartovice will be cleaned by Mýval

The streets of Silesian Ostrava and Radvance and Bartovice will be cleaned by Mýval. Mýval is the name of the new cleaning vehicle for more than four million crowns which was given as a gift to these city districts by ArcelorMittal Ostrava on February 24 in front of the Vrchlického Elementary School in Radvance.

“I am in the intermediate category and I study course six,” said the deputy of the director of the Elementary School in Radvanice. “I appreciate this gift and I appreciate mainly the fact that it is a brand new and highly efficient cleaning vehicle. I believe that in both city districts it will reduce the dust level which is very high due to heavy car traffic,” said Břetislav Blažek, the mayor of Radvance and Bartovice.

“We started with ourselves. Last year we increased the frequency of cleaning in our factory and during the year we managed to collect 1,800 tons of dust which is by one thousand tons more than in 2007. Had we not collected the dust it would be wind-blown to the surroundings. We believe that our cleaning vehicle will help to reduce dust levels also in the surrounding Ostrava districts,” said Sanjay Samaddar, CEO of ArcelorMittal Ostrava and he continued. “Even in the current difficult economic situation the impact on air within the region remains our priority. And for this reason the project aiming at dedusting of the Sinter Plants, worth in total 1.4 billion, continues,” added Sanjay Samaddar.

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“A step in a new direction – new internal newsletter on organizational changes

The management of ArcelorMittal Ostrava announces more carrier shifts that are currently going on as a result of the whole group process of development of managers (GEDP), which supports appreciation of good work results of the individual members of the teams. The management of the company wishes to these employees good luck and success in their new positions.

The most diligent student of English is a steel shop employee

ArcelorMittal Ostrava enables its employees to take language courses. Besides traditional courses it is also possible to learn English by self study with the use of a computer through the Global English program. According to Petra Kalocová from the Education, Development and GEDP department of Mr. Richard Toman, Petr Tvrdek, Jan Staroba and Petr Darda were among the most diligent students in February. The most diligent student was Petr Horký from the Steel Shop, who spent 37 hours in total learning English by self study.

“By no means that will solve everything and you should not think that this is enough to learn English,” said Horký.

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Why the car was named Mýval – explanation, children’s contest, etc.

The best employees of ArcelorMittal Ostrava – February 2009

Four women and ten men, i.e. again a total of fourteen employees of our company can boast since the middle of March that they have been awarded as the best employees of February. The joint meeting was again attended by the representatives of the company management, deputies of plant directors and Trade Union representatives.

“We are meeting with the best of you for the sixth time. I am glad that we have come back to this forgotten tradition and that we can award those who really deserve it,” said Ctirad Mokroš, deputy of the HR director at the meeting.

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Successful audit of the integrated management system

The integrated management system department in ArcelorMittal Frýdek-Místek is headed by Tomáš Tvarůžka. The main focus of the department is ensuring the activities connected with maintenance and development of management systems in the area of environment, quality, safety and management system for ensuring deliveries to downstream chains in the automotive industry. An interview with Tomáš Tvarůžka about the successful audit.

They think also about the children of the employees

In March, the Multiple-Purpose Hall in Frýdek-Místek belonged to the children of the employees of our company. Tomáš Mischinger, the CEO, in cooperation with the hockey club HC Frýdek-Místek prepared for the children a Sunday afternoon full of attraction and entertainment on the ice ring.

ArcelorMittal Frýdek-Místek joined the project „Social Wardrobe“

From the beginning until the end of March ArcelorMittal Frýdek-Místek in cooperation with the Frýdek branch of Adra announced a project called „Social Wardrobe“. During this time the employees of the steel company can hand in spare clean clothing or hygienic aids to the collection boxes. The objective is to help needy people through the humanitarian organization ADRA, with whom ArcelorMittal Frýdek-Místek cooperates also on other projects.

Expansion of the seamless tubes product range

ArcelorMittal Ostrava and ArcelorMittal Tubular Products Ostrava respond to the requirements of the customers and together introduce new quality product range of tubes for transport of gas and oil with increased content of hydrogen sulphide. The research team in cooperation with the operation personnel within one year managed to develop and test the production of tubes with increased resistance to sour environment. This demanding product range is produced only by renowned tube producers.

The third communication meeting. Theme: the current economic situation.

It was the third communication meeting since the creation of an independent company which was held in the premises of the Kovák hotel between the management of ArcelorMittal Tubular Products Ostrava and the representatives of the employees. The objective of the meeting was to inform on the standing of the company within the conditions invoked by the global economic crisis, what actions the company undertakes and what is the strategy for survival of the economic crisis.

„First of all we need to have enough money on the bank accounts and avoid job orders which would be loss-making or which would be connected with a risk of non-payment,“ said Otto Mischinger, CEO of ArcelorMittal Tubular Products Ostrava in his opening speech.

A brief look to the history of sales of spirally welded tubes

In the last two years the sales of spirally welded tubes has shown a stable level which is given by the favourable demand for steel products which started going up in 2002. In 2007 we achieved the second best result since 1990. However, since the beginning of this year we have to cope with substantially lower demand. And what is the outlook for this year?
After the close of the communication meeting the CEO, COO and the foreign guests from Luxemburg went for a safety layered audit. When inspecting operation 151 St 4-10 they went also to the carousel furnace charging grate and at that time the employee Karel Juroš was about to cut a bundle of billets. When he saw a group of people moving around the worksite he asked them to step back from the place which was dangerous for them because they were exposed to a possible accident. For his active approach to health & safety Karel Juroš (see the photo) received an award and a small present from the hands of the CEO Otto Mischinger and from the safety officer Miloš Bartusek.

An award for marketing development also to Karviná

At the ceremonial club meeting at the end of 2008, the Ostrava regional club of the Czech Marketing Company for the second time handed over the awards to companies for marketing development in the region. Seven companies received awards in three categories and ArcelorMittal Tubular Products Karviná was one of the awarded companies. ArcelorMittal Tubular Products Karviná received an award for a marketing driven company in which modern marketing has become an integrating part of the management system as well as part of all activities in the company and it effectively contributes to the success and competitive strength of the company.

Ninety kilometers on cross-country skis. Czech Jiří Čech at the famous Swedish race

Everybody knows the famous Vasa Race. It is 90 kilometers on cross-country skis in the beautiful environment. For cross-country skiers it is something like Mount Everest for mountain climbers, like Iron Man for triathlon racers or Grand slam for tennis players. For somebody it can be a life dream or huge challenge. It is the most famous and longest cross-country ski race in the world. The Swedish national holiday which is held the first March Sunday each year has a participation of some 15 thousand racers. This year the racers included Jiří Čech, an employee of ArcelorMittal Ostrava.

Blood donor? Of course - Vlastimil Gába

Vlastimil Gába, a man for everything. Even this could be a characterization of a forty-five-year-old man whom you can meet at the Medium and Fine Sections Mill. But the diligent hard-working man is also most likely a record-man in voluntary blood donation. When the owner of the highest awards received a thank-you certificate from the Red Cross last year on the Saint Nicolas Day he was only smiling. “I even do not remember how many times I donated blood. I stopped counting when I donated blood 275 times,” said the man. Mr. Gába is an employee of the finishing shops at the Medium and Fine Sections Mill and perhaps he does not have a big body but he has a great spirit. He was born with polio, he has scoliosis and impaired work abilities. But you will not notice anything. In the words of his supervising shift foremen he is a man that you can count on. He can do anything and he does not mind doing any type of work. Over the entire period he has been working in the operation, which is for more than 25 years, he was not sick and was not on sickness leave!