Spotlight on TimkenSteel

Founded in 1899, The Timken Company is the world’s leading authority on and manufacturer of tapered roller bearings. On June 30, 2014, the Canton, Ohio-based company announced that it had completed an historic spinoff of its steel business, TimkenSteel Corporation, which began trading on the New York Stock Exchange as an independent public company beginning July 1.

In a news release announcing the completion of the separation, Ward J. “Tim” Timken, Jr., chairman, CEO and president of TimkenSteel and former chairman of The Timken Company, refers to the new company as “a 100-year-old start-up.”

“As a 100-year-old start-up, we are excited to write the next chapter of our history,” said Timken. “Our business model makes us unique in the industry. We focus on the most demanding applications because we have the knowledge to tackle those challenges and the operational excellence to deliver tailored solutions.”

TimkenSteel produces customized, high-performance carbon steel, alloy and micro-alloy steel products and services for demanding applications. The company is the leading manufacturer of special bar quality (SBQ) steel, six inches in diameter and greater, and seamless mechanical tubing in North America. The new spinoff operates seven manufacturing plants and four warehouses in six countries worldwide, including the United States, China, Mexico, Poland, Singapore and the United Kingdom. In 2013, the company had about 3,000 employees and posted sales of $1.4 billion.

TimkenSteel is in the midst of completing the last phase of a substantial, multi-year investment program that will enhance the company’s operational performance and customer service capabilities. Among the company’s most recent major capital projects are an intermediate steel tube finishing line and a second induction thermal treatment line at the company’s Gambrinus Steel Plant in Canton, as well as a new vertical continuous caster, an open-die in-line forge press, and a second ladle refining system, all at the Faircrest Steel Plant in Canton.

Together these projects represent more than $300 million in capital investment in Ohio and are helping the company achieve efficiencies and realize new market opportunities. Looking ahead, TimkenSteel’s 2014 second quarter earnings report announced plans for a new $40 million continuous heat-treat facility.
As TimkenSteel embarks on its new journey, the 115-year-old Timken Company will continue to focus on its core bearings business and power transmission products and related services, including gearboxes, chain lubrication systems, transmissions and other related rebuild and maintenance services.

“One of the founding principles of the separation was that we were going to create two competitively positioned, viable businesses going forward,” said Timken. “So pension division, talent division, balance sheet division – it was all going to be equal. As a result, we now have two very well positioned industrial companies and there’s a lot of excitement around both of them.”

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