

Nucor targets 1M tons in annual tube shipments

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NEW YORK — Nucor Corp. is targeting 1 million tons in annual shipments of tubular products, the company's top executive said on April 20.

Already, Charlotte, N.C.-based Nucor has had an "excellent" first quarter for its newly integrated tube facilities, chief executive officer John Ferriola said during an April 20 earnings call.

The newly formed Nucor division has shown strong financial performance and synergy with Nucor's sheet mills, he said.

The tube sites now buy 75 percent to 80 percent of their steel requirements from Nucor. The company will try to grow that to 90 percent, he said.

The hollow structural section (HSS) and electrical conduit sectors are somewhat insulated vs. import competition, compared to pipe and tube more broadly, he noted.

Nucor's value-added products, with quality, reliability and short lead times, look favorable compared to long import lead times that are unsuitable for the construction industry, he said.

These tube mills will also help to absorb Nucor's annual 6 million tons of hot band shipments, crucial for a division where internal shipments to Nucor subsidiaries are lower vs. other Nucor divisions, Ferriola said.

Nucor shipped 223,000 tons of tubular products in the quarter ended April 1, earnings data shows.

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