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OPINION

Our Plan to Grow U.S. Steel

We at Nippon Steel will strengthen the company and honor all union contracts.

By Eiji Hashimoto and Takahiro Mori

Nippon Steel's planned acquisition of U.S. Steel has understandably raised questions. We welcome the opportunity to provide more context around our rationale for the purchase and our long-term plans, which are grounded in our belief that U.S. Steel's next chapter will be successful for all parties.

Nippon Steel is a publicly traded company headquartered in Japan with nearly four decades of experience operating in the U.S. We have investments in eight steel companies in the U.S., employing about 4,000 Americans in total. This has deepened our understanding of the U.S. steel industry, and we have a strong track record of building mutual trust with labor groups and the communities where we operate.

We have long admired U.S. Steel. It enjoys strong customer relationships, world-class manufacturing, and, most important, a talented workforce. We are confident that Nippon Steel is the right investor to build on these strengths. Our advanced production technology, along with our research and development, will add significant value.

We will introduce technology to U.S. Steel that allows the company to produce the highest-quality products for automotive, construction and other industries. The new technology will also further the company's competitiveness, the broader American steel industry, and the many industries that rely on it. For example, we run many of the largest blast furnaces in the world and hope to bring fresh investment and innovation to U.S. Steel's blast-furnace facilities. We will also introduce technology to increase efficiency and reduce carbon emissions.

Some things won't change: the "United States Steel" name, the branding and the Pittsburgh headquarters with its 1,000 corporate roles. We also intend to maintain its manufacturing facilities, allowing U.S. Steel products to be mined, melted and made in America.

Nippon Steel understands its responsibilities to U.S. Steel employees. We will honor all collective-bargaining agreements currently in place with the unions; we don't anticipate any job losses as a result of the transaction; and we won't shift existing production or American jobs overseas. The job security of U.S. Steel's unionized workforce will be greater following this transaction, as U.S. Steel will have the added financial strength of a larger organization with more capital.

Our investment reaffirms the strength of the U.S. economy, the value of American employees, and the ability of the U.S. steel industry to compete globally. The U.S. and Japan benefit from an alliance that advances shared values, and our two companies can do the same.

Messrs. Hashimoto and Mori are, respectively, president and executive vice president of Nippon Steel. Both are representative directors of Nippon Steel.