Company Name: TimkenSteel Corporation (TMST)
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<<Unidentified Analyst>>

Our third company today is TimkenSteel. TimkenSteel is a top producer of SBQ special bar quality in North America. The company was spun-off of the Timken Company, ticker TKR in July of 2014. And the company's portfolio includes SBQ bars, seamless mechanical tubing and precision steel components providing highly specialized tailored products utilized in demanding applications. TimkenSteel has an average order size about 25 tons, serves over 600 customers, has an annual melt capacity of over two million ton.

As a pleasure of hosting, Chris Holding, EVP and CFO this morning, Chris Holding is the CFO and EVP of TimkenSteel, responsible for the company's financial planning, management reporting. Mr. Holding previously served as the Senior Vice President of Tax and Treasurer for Timken Company, which he joined in 2004. Mr. Holding's previous roles at the Timken Company included the global business segment controller and global operations controller. Prior to that, he held financial management positions with Arthur Andersen and other privately held companies. And with that, we will kick-off our fireside chat. Thanks for joining with us today, Chris.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Thank you.

<<Unidentified Analyst>>

So I think one of the burning questions in everyone's mind is the billet business. I just wanted to see – can you just discuss maybe the billet business and how you guys think about it through the cycle? How investors should be thinking about it longer term and maybe what changes if you can comment that we might see in 2018 and beyond?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. I think the broader issue is really about trying to take some volatility out of the business. So we continue the search for business that will last over the cycle to be there when some of the oil and gas markets disappear. And we filled in with billet business, but that's not to say that there's

a business – other business that we'd like to have over the cycle. So it's really more of a volatility play to keep utilization through our plans during low periods in the industrial and oil and gas.

<<Unidentified Analyst>>

And that billet is a one-year contract. Correct?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes, renewables. So we're in contract negotiations right now relative to billet's for next year.

<<Unidentified Analyst>>

Okay. And you don't have any obligation to renew any part of the contract. So theoretically, it could go to zero, it could go to – it could go to any sort of a…

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. I know that's correct. We've got total flexibility.

<<Unidentified Analyst>>

Okay. And I guess we've seen a lot of strength on the industrial side, is it a reasonable assumption that potentially part of that billet business could be replaced by some more demand in the better numbers that we're seeing out of Caterpillar and Deere in those types of companies.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

With the capacity additions, we've made in the last five years with the caster, the refinery, et cetera, we think that unless you're at the super peak cycle, we can do both. So we should be able to maintain whatever this base load business turns out to be in this case at the billet and others through the entire cycle. So and that's all due the fact of me, if you think about the billet business of being 200,000 tons that the capacity adds for the caster and refiners about 150,000 tons. So we've got room for both.

<<Unidentified Analyst>>

Got it. Moving on a price hikes, you've announced four price hikes for a mix of SBQ and seamless mechanical tubing this year. First you think them the market strong enough for another

price hike before year end. And how should we think about price hikes relative to kind of your contract coverage moving into next year?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Well a couple of things. You're right. We put a lot of price in the spot market this year. We have in the seamless mechanical tube, we have another price hike scheduled for January 1, $40 a ton and another one in April for another $40 of ton. So yes regarding 2018, we do believe, there's room for a price and we have put it in for the first part of next year. And the only issue to spot this year is probably 15% of our business and 85% of the business is OE and based on spot prices put in the market. We expect higher prices in the OE for next year. And the question is how much? Right and I think by market it will vary.

<<Unidentified Analyst>>

Okay. Any sort of a magnitude of – clearly you don't usually get the full spot increase of – what your hikes are relative to your contracts? And it can be a little bit difficult to try to parse out exactly what percentage that should reset for your – 85% of your order book. So when thinking about what that uplift could be? Any guiding metrics or any percentages that you think are reasonable that you'd be willing to disclose?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Well. I'd say there is a couple things to consider. One typically in automotive side of our business which is call it 45% of the business right now, you don't see the swings. Right, it's less volatile both on the downside and the upside. So you've got to keep in mind, while we're getting plenty of spot you're not likely going to see that in the automotive markets. In the industrial and oil and gas, yes, we had to do pretty well. I suspect because those are more cyclical markets where we had to give more price. We would expect to get price back there, but no, I'm not going to try to provide guidance relative to what it is. Because we're still in the conversations right now and don't really know.

<<Unidentified Analyst>>

That's fair. So moving on to the energy market – products sold in energy market, I believe got scary kind of the highest EBITDA margin for you guys, it's a definitely a big swing factor for total EBITDA generation. So I just wanted to get a sense of maybe what your customers are telling you about the energy outlook in 2018 – we've seen WTI prices run up to almost $60 here brick house have been pretty steady in the mid to high-900s. So if you can just maybe kind of frame what your customers are telling you on the energy front heading into 2018?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. I think there's probably near term, people can have a little bit better feel about the near term than the long term. But I think the dynamics that impact us obviously oil price, oil rigs, but there's two couple different aspects. One there is the OE side which still is burning inventory versus the distribution side which is very balanced. And that's not only in oil and gas but in industrial also. So that's really important because we don't see all the inventory burnt out through the OE channel.

<<Unidentified Analyst>>

Would you – what feel like we've been burning off inventory for latter part of two years.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

We know quite a bit about how long it’s been. It’s been painful.

<<Unidentified Analyst>>

I mean what inning? I mean are we in the seventh or eighth inning?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. I can probably frame the issue that through 2017 probably at the last three quarters, we have seen some OE orders. So obviously there are some burn off in some of the categories and we would expect that to accelerate – it's tough to tell, I would clearly say, we're past the fifth inning. But how much past it, it's really difficult to tell because it's really by application by OE.

<<Unidentified Analyst>>

Right. But the distribution channel is healthy.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Very much so…

<<Unidentified Analyst>>

So do you think it's possible that in 2018 we could see order rates that hit your books that would indicate a flat kind of inventory level just like ordering what's you meeting without having a burn off or anything else in late 2018?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. I would say it's going to be more like second half of 2018 if that scenario comes about clearly – inventory burn is going on but there's no indication at all that burn off in the first half of 2018.

<<Unidentified Analyst>>

That's fair. And then given the billet business, there's been a definite mix shift – if in the past, we'd said that you'd be at 70%, 75% utilization generating run rate of maybe a $100 million of EBITDA. People would be surprised based on what you've done historically. So when you think about product and end market mix and given the different earnings leverage. How should we be thinking about the next profile heading into 2018?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. So heading into 2018, there is going to be two things. Obviously, we've talked about price in and price will be significant for us moving into 2018. Mix may not be quite a significant as price, but we expect better mix because we would anticipate a little bit better oil and gas environment and we expect a better industrial environment also.

<<Unidentified Analyst>>

Okay. And that's assuming, I guess flat on other parts of the market.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. So what's left is automotive which we anticipate being flattish.

<<Unidentified Analyst>>

And I guess that potential decrease in SAR this year or next year is not very…

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

No, it's not. Because it's relatively flat it's not down very much if you look at the projections and buying large where we play which is a little bit on larger end, how that advance than pretty robust.

<<Unidentified Analyst>>

Okay. And just to kind of refresh my memory. So you sell SBQ parts in automotive, there's usually what – one or two suppliers for the most part?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. They want to have more than one supplier.

<<Unidentified Analyst>>

So two suppliers and that the contracts normally – if normally life a vehicle or five years?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

No. Typically, you see a mix. Sometimes it's one year, many times it's two years. Because if we go downstream to provide parts, we have investments, we were make sure that we have enough run room to justify the investment.

<<Unidentified Analyst>>

So when you see volatility on the automotive set. I'm just trying to get a sense of what drives that given the two suppliers long term contract. So where do you get kind of that push…

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

It's the platform. So as the platforms expire, we have to be on top of getting new platforms and we've done that. We like to think we are improving our market share by gaining attraction in new platforms faster than we have platforms fall off.

<<Unidentified Analyst>>

Got it. Okay. And then your new Quench-and-Temper facility, I think you brought it on last month. I just want to see how that new capacity having 50,000 tons. Correct me if I'm wrong. What kind of demand expectations in the next year, types of products that are filling up facility when you expect to be running fall out? Is there any sort of context there would be helpful?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. So where we are in space, we're ramping up the facility, we had no issues and that's all going well and I suspect we'll still be in rant mode for the first half of 2018. I think the key item relative to Quench-and-Temper is to improve the turnaround time in our product. In the past, when the oil and gas markets ran, we had to outsource some of the Quench-and-Temper because we didn't have the capacity and we lost business because the lead times were too long. So while we improved our capacity it's really more about not losing business because we have the additional capacity.

<<Unidentified Analyst>>

Got it. Moving on to order books, just maybe order books lead times to help with the supply chain. Can you maybe give us a sense – I know we've been running kind of shorter lead times relative to where you guys have been historically, a little bit earlier this year? So maybe you can just give us a quick update on order books for you guys?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. if you look over time, our lead times are pretty much now broad into the point where we're in line with historic, and it depending on products. So obviously, less downstream operations are quicker and the longer downstream items are in line with where we've been historically, again, this quench-and-temper facility will help on lead time.

<<Unidentified Analyst>>

Okay. And order books is just as far as the velocity of orders and are we seeing – a market or customer demand that would indicate an increase in the 2018?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

No. We're not seeing any think much different at this point in time than we've seen probably the last, call it three or four months, I mean we are seasonal. So we were always anticipate a pretty strong first quarter and a stronger second quarter and those dynamics left to be in place for 2018.

<<Unidentified Analyst>>

Okay. And then on the utilization front, you guys did dramatically increase utilization this year with the billet contract, there was a bit of dislocation I think on some cost to hiring and that's a

little bit of noise during kind of mid part of the year. I just wanted to see with utilization over 70%, I mean – I'm assuming it's pretty statistical now as far as hiring goes and everything is running kind of clean.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. Exactly, so we've ramped up where operating well and you think about capacity as we recall we have two know facilities one six inches and 101 higher – six to 16 inches, we have more capacity available on the large bar space than we do in the smaller bar space.

<<Unidentified Analyst>>

Okay. And so I mean if we really think about utilization in 2018, based on what we're seeing in the end markets it would seem that we should be maybe flat to higher in 2018.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. We'd think so and a lot of that is going to be depended on the mix, because we clearly have more elbow room in the large bar space and then in the small bar space. But your general conclusions, yes, we would expect a little bit higher demand profile for 2018 and we've seen in 2017.

<<Unidentified Analyst>>

Got it. And I guess when you think about the added space on the Faircrest, the jumbo bloom, how I mean – do you think there's the ability for uplift in margins and margin for ton given that it seems like a lot of the potential for that facility. I mean since you guys constructed it, I don't think you've ever really run it at the point where it really can show what it can do? So maybe if you can talk about what you guys could see there? Or what would need to happen in order for the investment community to really see that come through in your numbers?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Right timing. Couple things, obviously, we need oil and gas and the industrial markets to come back particularly when you think about industrial, you think about large bar space like mining and mining has been stronger, and so that looks to be more of a bright spot in 2018 going forward and oil and gas continues to prove albeit at a pretty slow pace. And it is – you're right because that's where we have the capability, that's where we have the cost advantage. Because the cash there is the most efficient large bar facility in the world and that's what will help mix up

our business. So to your point looking for 2018, where you can see improved mix, it's going to come from a large bar space.

<<Unidentified Analyst>>

And given your previous comments about Faircrest versus Harrison, I would imagine that Faircrest is running under 70% and then here since running north of…

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. Exactly, okay.

<<Unidentified Analyst>>

Harrison running in the 90%, no, I don't think it's high.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Okay. We're trying to get too detailed on the plant by plant, because we do have capabilities to move some product from one to another right.

<<Unidentified Analyst>>

Okay. So switching gears maybe just to kind of imports and intrigue cases. We've seen a pretty aggressive Department of Commerce stuff initiating in some cases on aluminum and rolling out a couple Section 232's and so imports definitely remain a hot topic of debate and I just wanted to give us – if you give us a sense of how you – how you guys are thinking about imports I know that imports have decreased as a percentage of mixer where the level has – when the markets tanked just because there was very real demand. So maybe how that has progressed since then and if you think that trade cases or something that would be applicable to the industries that serve in the products.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. So if you think about and bifurcate our business a little bit, the small bar space is pretty well served with the domestic suppliers. So that's not as big in area where you see imports where were impacted is in the large bar in the seamless mechanical tube, where there's a massive amount of imports. And like you said, when demand goes up the imports come with it. And so that happens just like clockwork. So what we'll see how the administration reacts once they get through the

tax deal, whether they go back and focus on trade deals. And for us where we're really impacted is the large bar in seamless mechanical tubing.

<<Unidentified Analyst>>

Have you guys been in discussions with – I guess Wilbur Ross of the White House about because I feel like earlier in the year there were lot of meetings going on, where a lot of executives of steel companies were being called to the White House. Just wanted to see how the dialogue has been. Since then because it seems like after we missed the June deadline of the Section 232, things have kind of gone a little bit dark.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

I think the line in the stand for the administration was they want to get this tax deal done. And so how they want to talk about much else because the tax deal is key to their agenda and our feeling is through discussions that once the tax deals done in these conversations very well may reignite in.

<<Unidentified Analyst>>

And any views on Section 232 as far as – I know…

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Sure. Speculation on buy part.

<<Unidentified Analyst>>

Fair enough. So as oil and gas has been recovering and industrials has been recovering, what did you guys been seeing on the import front. I mean are we seeing more material filling here…

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. Absolutely, again, it just follows the demand trends when the demand goes up, the import go up with it.

<<Unidentified Analyst>>

Got it. And as far as a large bar, so you said that small bar served mainly by domestics. What are the – who are the major players on the large bar side that that import here and just trying to get a

sense of it, if this would be – these be territories that the new administration would be concerned about?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Well clearly some of it's a lot of information, whether it's Korea or China primarily.

<<Unidentified Analyst>>

And then on the raw materials fronts, so looks like scrap prices, I think they're up today but it looks like they're opposed to move up in December. Maybe can you walk us through kind of your I guess strategy for scrap more broadly, and then maybe it would be safe to assume that surcharge revenue would likely be higher in 2018 versus 2017, given the dynamics that we're seeing. Any thought there could be helpful?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. The pricing in the market really doesn't impact our strategy. Our strategy is to buy a whole bunch of different types of scrap, and part of it is to be cost efficient, and part of it is to be efficient relative to the flow through of the products. So there's a little bit of art science relative to speed and velocity of node. So we have cut over 100 scrap pass to make sure, were as sufficient as possible. So that strategy never changes. We try to buy better than the index and by in large we do. And in terms of outlook – obviously, we don't like to see the scrap price goes down because we get impacted from the timing. But flat markets are fine with us. For us – looking forward it's difficult to outside of a few weeks, which you've commented on, anticipate or predict scrap prices.

<<Unidentified Analyst>>

That's fair.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

But the environment clearly has been positive through all of 2017 and the scrap story for us has been really good.

<<Unidentified Analyst>>

There's been a push from kind of some of the raw material guys that are looking to potentially produce the array in HBI. And there seems to be a push into producing higher quality iron units

in the U.S. Just wanted to see if you guys have a view on that, how you guys think about that it would benefit you'd – just any sort of views are to like, this seems like there's a couple players that have been very serious about bringing that on having AS produce even higher quality products. You guys are already probably the high – one of the highest quality steel products out there. So I don't know if that lends itself to greater competition or just maybe if you could speak to that first?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

I think to the extent that you can buy these units less expensively than scrap and you're in the carbon area, probably makes sense and that's good we try to serve Huawei businesses and in recovery of Huawei from our scrap is an important part of our business model. So for us there's no advantage to go into DRI into the extent that our order book which is inventory of all the way, we don't see it is a big threat to us.

<<Unidentified Analyst>>

Okay. And I guess, you arguably just reduced scrap prices potentially?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Well, we'll see I've probably read many the same articles as you was typical to see what the overall – how the impact DRI will impact pricing, to date with all the DRI investment that's going on the last few years, we haven't seen seemingly any pricing impact in the scrap market.

<<Unidentified Analyst>>

Right. And then zooming out to supply demand just for kind of a SBQ in the conical seamless tubing just domestically there's been a lot of supply that has been built several years ago. I think that supply is kind of still out there. When you think about the market improving, I mean at what point do you see it more of a pricing claim versus volume claim. Just kind of wondering if waiting in the wings, if there's a lot of supply that if markets improve that would hit the market and it kind of keep us from really seeing a true tight?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. If you look at the domestic suppliers. They've all been give or take as best we can tell running at levels similar to us from a not utilization perspective. So we don't think particularly in call it under six inches that there's a whole lot of elbow room in the market, relative to the large bar. Obviously, we've got more large bar capability than the others and I don't think – I think

maybe we've got some competitors it can go up to call it eight or nine inches. But there's not much domestically.

<<Unidentified Analyst>>

And on the small bar side, we have seen some organic investments and increasing capacity over the past few years. Has that impacted you guys, I mean have you seen that in the market has that changed either how you think about your business or how you've been running your business?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. I think it has impacted. Again, it's a supply and demand kind of situation and keep in mind that this investment was needed in the market, because as the mobile market accelerated faster than anyone imagined the last few years, the market was able to supply when in the past they would have been able to – so I think it's been good for the automotive builders to have the domestic supplies that they can rely on. And it seems to be absorbed pretty well and pretty seamlessly.

<<Unidentified Analyst>>

And then for automotive, obviously, we've seen a slight weighting trend, aluminums become – aluminum for vehicles been increasing include you guys don't make any structural products. But are there opportunities on the automotive side, where you guys could gain even greater share or increase shipments from where you are right now based on those trends in the coming years.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. I think we have to see how they develop. For us power density is one of our expertises so to the extent someone is looking for a smaller lighter piece that still has the same strength in terms of characteristics that will be good for us.

<<Unidentified Analyst>>

Got it. And then the market has been really dead lately that you guys used to have – I guess some of your most profitable products was kind of the offshore oil and gas market especially in the Gulf of Mexico. I think there's some – I think some nickel alloys that you guys were making that dramatically lowered. The performance is relative to stainless but much, much cheaper what would we have this – I mean, maybe you could give us a sense of how if you're serving that market at all right now. And what we might have to see whether it's the oil price, the Brent crude price. What we have to see in order to kind of get some of that high margin business back?

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

So we serve the market there's just no market. Well in the reasons for one that's another channel where they have plenty of inventory, number one to the – if you look at the low risk environment with shale in most of wells in the U.S. or shale and it's a lot lower risk than drilling thousands and thousands of feet in the Gulf of Mexico. We don't see that coming back in the short run particularly for us in particular with inventory in the channel. So we don't for sure for 2018, we don't see that in our windscreen. After that obviously it's tough to tell at the right price, what happens I mean they'll go drill very quickly to try to get involved but these investments deepwater are made years in advance. And so when there are dynamics in play where people think that they can see out a period of time that's going to be an environment where they start to drill more in the Gulf of Mexico.

<<Unidentified Analyst>>

And the inventory channel that you were talking about – I mean has that been pretty much stagnant or…

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. Sure. It just because no one want to take the risk at low prices – first of all there's no payback at the low price. And then every if the price goes up a little bit the risk reward versus shale just isn't there, right.

<<Unidentified Analyst>>

And then just commenting, I'm not sure how much you want to comment. But the vault lead on your stock relative to oil prices. You guys get whipped around pretty heavily after your last earnings call pretty dramatic move lower. Do you – how are you guys thinking about volatile in stock relative to kind of what's been happening? I mean do you think that the energy price moves that you guys are tied to or reflective of what's going on or you think there at times there can be huge disconnects between what's happening with your stock and what's actually happening with the fundamentals.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. I mean if you look over time and our stock is very much correlated to oil price. And so that's the challenge for the management leadership team, what you're going to do about that because you can't continue to be have your stock correlated to something like oil and gas prices

because it's going to move all around the place like it has, unless it’s why we're looking for base business to carry us over the cycle. So when you cycle down there's no question that your earnings go down our issue is we want to raise the bottom up as much as we can, because that's kind of the key to take some of the noise out of the shares.

<<Unidentified Analyst>>

And in the previous up cycle, I want to say you guys have been just north of kind of a $200 million EBITDA number. Given the way the business is structured right now, if energy was to come back and I guess shipments were to stay and the other shipments that you have on where to stay the same. Is there any reason that we wouldn't be able to achieve that level of earnings power, again? I mean if anything's changed structural that would not be the case.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. I think we have to see what the pricing in the market will bear. Obviously, imports have a big factor there. So we'll see it, we can get some trade relief that will be positive. I think we've taken our cost profile down. We've got more capability. We think we will have more philosophy so we can serve it better. So you put all those things and we feel pretty good about having margins that kind of approach and/or exceed 2014 levels because of the investment we have made.

<<Unidentified Analyst>>

Okay. And if they were to approach or exceed 2014 levels would that make the assumption that maybe the jumbo bloom is running it like – 80…

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Yes. It's going to be a pretty high percentage, right to get to those levels.

<<Unidentified Analyst>>

Okay, great. We just have like one or two minutes left. I figured I just open it up to a question on the floor. If anybody has a question for Chris, if you were swayed to the mic that would be fantastic.

Q&A

<Q>: Just to touch on a little bit regarding the HBI plan that cliff is proposing into twiddle. What demand is that replacing do you think the demand is there domestically? And then the schemes of things are they too early right on time, too late like, some thoughts around?

<A – Christopher J. Holding>: DRI plan.

<Q>: Yes. DRI.

<A – Christopher J. Holding>: Yes. I have to tell you I'm not at all familiar with what their investment prerogative is there. I just don't follow the DRI. Because it's not all that relevant us, I apologize for that.

<Q>: Any other questions from the floor.

<Q>: [Question Inaudible] key just remind us how big is the domestic market up for the large bar and approximate percentage of imports in that market?

<A – Christopher J. Holding>: I'd say probably the large bar is somewhere between 1 million and 1.5 million tons. And import is at least half of that market.

<<Unidentified Analyst>>

Any other questions? All right. on behalf of Cowen like to TimkenSteel and Chris Holding for joining us today.

<<Christopher J. Holding, Executive Vice President & Chief Financial Officer>>

Thank you.