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Dear customer

I am writing to inform you about the restructuring announced today at Corus in South Yorkshire. As we all recognise, industrial markets are facing unprecedented times. Many supply chains are significantly down in end-user demand and destocking amplifies this along the chain. As a primary material supplier, Corus Engineering Steels is experiencing historically low order levels currently, so we have no choice other than to react to this. In order to survive an economic downturn which will now last much longer than originally thought, we are now forced to take further steps to reduce our fixed costs in line with today's market reality.

Unfortunately this means that, amongst other measures, we today proposed a reduction of 810 employees. Clearly our priority is to minimise the impact of this announcement on our customers and employees, but as a major employer and significant player in your supply chain, we also have a responsibility to take the steps necessary to ensure that our business can survive this downturn. I would like to assure you though, that we are configuring our business to be more flexible and agile and we will still offer our existing wide range of high quality engineering steels into your sectors. We are committed to serving the demanding requirements of our customers and we will retain the skills to do this.

Finally I wanted to reaffirm our commitment to you, our customers, without whom we have no business. We thank you for your continued support and we look for ways to help each other through these difficult times.

Yours sincerely

Peter Hogg
General Manager, Speciality Steels

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