

editor's note



THE MOST FAMOUS AXIOM AMONG JOURNALISTS IS "IF YOUR MOTHER SAYS SHE LOVES YOU, CHECK IT OUT." However, maybe due to shrinking staffs or increased deadline pressures, there seems to be an increasing tendency not to get the whole story—or even to get the story right.

A good example was a recent article in the *Boston Globe* in late June detailing the switch from steel to concrete for a residential tower. The article blamed rising steel costs and contemplated the move to concrete as a trend (despite the fact that, as the article noted, the steel bid was still less than the concrete alternative; note to all aspiring journalists: when cost isn't the deciding factor, look deeper!). If the reporter had delved a little further, he would have discovered the situation on this particular project dealt with specific contractual issues that cannot be generalized to apply to other projects. Of course, there were other errors and misconceptions propagated in the article, but those were more run-of-the-mill myths about such items as floor-to-floor height.

Of course, the *Globe* isn't alone. Even more egregious was the issue of *ENR* that appeared on the same day—but in this case it was more a case of sensationalism run amok.

The headline on the cover screamed: "Costs Climb: Steel prices are rising again along with copper and oil-based products," while the headline on page 66 shouted: "Inflation Maintains Strong Momentum: Steel prices start to pick back up after brief pause in 2005." The data, though, presented a much different story: fabricated steel for buildings increased 0.3% in May (up 4.3% from one year earlier) while aluminum sheet was up 3.6% in May (15.0% from one year earlier), cement was up 0.3% in May (up 14.9% from one year earlier), gypsum products were up 4.7% in May (25.9% from a year earlier), lumber was up 2.7% in May (up 3.4% from a year earlier), and ready-mix concrete was up 0.5% in May (up 13% from a year earlier). Looking at that data, it almost seems the story

should have been that steel is keeping pace with inflation while other building materials are causing construction prices to surge! (Though to be fair, not all the headlines were as misleading; on page 20 a calmer headline reported: "Steel Prices Holding at Higher Levels.")

However, regardless of the misleading headlines, not even all the data presented was correct. The issue reported that warehouse stock of steel is low and is filling up at today's higher prices—in reality, warehouse stock is high. In fact, Michelle Applebaum Research Inc. (a leading steel industry research firm) reports that structural steel inventories were up 1.5% in April and have increased for eight consecutive months. (If anyone's interested in visiting a warehouse and seeing for themselves, let me know. Many of our service center members welcome visitors.)

And equally misleading was a story headlined: "Contractors are Scrambling in a Busy Market with Fabrication Bottlenecks." However, the entire story deals with the heavy industrial and power markets—a point emphasized by a discussion of the logistics involved in shipping fabricated steel overseas and a chart that shows delivery time for alloy and stainless steel rather than the carbon steel used in most structural steel building projects. While most fabricators are busy (what contractors aren't in this booming market?), there is not currently a shortage of fabricator capacity in most areas of the country.

As Paul Harvey would say, "And that's the rest of the story."

SCOTT MELNICK
EDITOR

MSC

MODERN STEEL CONSTRUCTION

Editorial Offices

One E. Wacker Dr., Suite 700
Chicago, IL 60601
312.670.2400 tel
312.670.5403 fax

Editorial Contacts

EDITOR & PUBLISHER
Scott L. Melnick
312.670.8314
melnick@modernsteel.com
MANAGING EDITOR
Keith A. Grubb, P.E., S.E.
312.670.8318
grubb@modernsteel.com
ASSISTANT EDITOR
Kara Luger
312.670.8316
luger@modernsteel.com

AISC Officers

CHAIRMAN
Stephen E. Porter
VICE CHAIRMAN
Rex I. Lewis
TREASURER
John C. Yohe
SECRETARY & GENERAL COUNSEL
David B. Ratterman
PRESIDENT
Roger E. Ferch
VICE PRESIDENT,
FINANCE & TECHNOLOGY
E. Joseph Dietrich
VICE PRESIDENT,
ENGINEERING & RESEARCH
Louis F. Geschwindner, Ph.D., P.E.
VICE PRESIDENT,
COMMUNICATIONS
Scott L. Melnick
VICE PRESIDENT, MARKETING
John P. Cross, P.E.
VICE PRESIDENT,
CERTIFICATION
Roberta L. Marstellar, P.E.

Advertising Contact

Account Manager
Louis Gurthet
231.228.2274 tel
231.228.7759 fax
gurthet@modernsteel.com

For advertising information, contact Louis Gurthet or visit www.modernsteel.com

Address Changes and Subscription Concerns

312.670.5444 tel
312.670.5403 fax
admin@modernsteel.com