

Building the Future One Project at a Time

Needham & Associates is laying the groundwork for another year of providing informative and useful industry news through our newsletters. For the past 3 years our newsletters have brought attention to news and events that have shaped the Construction & Engineering industry.

By making readers aware of news, from material price fluctuation and regulation changes to landmark building projects and innovative Design/Build methods, we ensure that companies receiving our newsletters are always well educated and up-to-date on the events shaping our business world.

For those of you who have been receiving our newsletters or those new to our mailings, past newsletters are available on our website.

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IMPORTANT INDUSTRY NEWS Steel Prices Surge Upward

Due to a continuing shortage of scrap steel for wide flange beams, steel angles, steel bars, and reinforcing steel, prices have continued to skyrocket. Spot shortages of common rebars have been reported. A number of steel mills have also begun adding surcharges to current published prices.

China's surging demand for scrap steel has been blamed for the shortage of scrap in the United States. Unsorted steel scrap in the Midwest now commands \$200.00 per ton, whereas a year ago the price was set at \$60.00 per ton. Since all construction steel is made in electric furnaces using scrap, all types of construction projects will be affected.

Steel fabricators will have a difficult time holding bids firm for more than a few weeks. Contractors and construction estimators should evaluate any standard unit costs used for budgeting projects and increase them accordingly.

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