

1. Management Summary

The European steel industry is the focal point of this paper. This industry is characterised by strong regulation as well as a large surplus capacity. The European Union practises a transparent policy that does not permit either a commodities market insulation or protectionism in the steel sector. The CO₂ emission-trading scheme is a role model on a global level when it comes to the strength of its integrity and form. Energy prices in Europe alone are constructed quite disparately, yet even at their peak are not competitive with nations such as China, USA or Russia. However, the mere consideration of all of these factors does not precipitate improved competitive conditions for the European steel industry, and stipulates that the drawbacks created are to be compensated through different means of compensation. It is at this juncture that the paper is introduced. Theories outlined therein will demonstrate that both competitive conditions and profitability can be improved by initiating consistent supply chain concepts. To this end, steel companies in Europe, USA and China were surveyed on the issue of initiating supply chain management and its accompanying potential for improvement. Response rates yielded a qualitative evaluation of the survey questions. It was clearly indicated that competitive ability and profitability could be improved by initiating supply chain concepts. Nevertheless, individual improvement values tended to appear on the lower ends of the value scale and only contingently

supported findings from other literary works. As a whole, evaluated data thoroughly determined a clear outcome that can greatly benefit the European steel industry. It is imperative to raise this potential, since current and future competition can only be successfully determined alongside the entire supply chain. The second portion of this paper will examine which transitions are imminent for the steel industry over the next 35 years. Key words such as mega-cities, infrastructure, mobility concepts and channels of commerce will become evident, to name only a few. These trends will leave their marks on the European steel industry. It was therefore considered necessary to take these trends into account in order to illustrate their influence on future and prospective markets in the European steel industry. In the next stage, potential services for both markets were determined in order to provide recommendations for action. These were established before and during the acquisition stage as well as during and after their use. As a result the steel industry leads the way as global suppliers of products and services as well as flexible solutions and service providers. The industry's stature is characterised by a sharp increase in digitisation, a full range of consulting services and return of waste products as well as by the motto, "think globally act locally". Europe's steel industry is already in the midst of sweeping changes and its advancements will be even more pronounced in the future. The opportunities for mastering them are already in place, yet the proper conclusions must be drawn beforehand and the course set accordingly.