Background to US Steel (from Wikipedia)

Key Facts

- The **United States Steel Corporation** (NYSE: X), more commonly known as **U.S. Steel**, is an American integrated steel producer with production operations in the United States, Canada, and Central Europe.
- In 2001 it was still the largest domestically owned integrated steel producer in the United States, although it produced only slightly more steel than it did in 1902, after significant downsizing in the 1980s.

- J. P. Morgan and attorney Elbert H. Gary founded U.S. Steel on March 2, 1901 (incorporated on February 25) by combining Andrew Carnegie's Carnegie Steel Company with Gary's Federal Steel Company and William Henry "Judge" Moore's National Steel Company for $492 million ($14.16 billion today).

- At one time, U.S. Steel was the largest steel producer and largest corporation in the world.

- It was capitalized at $1.4 billion ($40.30 billion today), making it the world's first billion-dollar corporation.

- In 1907 US Steel bought its largest competitor, the Tennessee Coal, Iron and Railroad Company, which was headquartered in Birmingham, Alabama. Tennessee Coal was replaced in the Dow Jones Industrial Average by the General Electric Company.

- The federal government attempted to use federal antitrust laws to break up U.S. Steel in 1911, but that effort ultimately failed. In its first full year of operation, U.S. Steel made 67 percent of all the steel produced in the United States.

- The Corporation, as it was known on Wall Street, was distinguished by its size, rather than for its efficiency or creativeness during its heyday. In 1901, it controlled two-thirds of steel production and, through its Pittsburgh Steamship Company, developed the largest commercial fleet on the Great Lakes.

- Because of heavy debts taken on at the company's formation—Carnegie insisted on being paid in gold bonds for his stake—and fears of antitrust litigation, U.S. Steel moved cautiously.