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A. Finkl & Sons Co. Response to Chicago Tribune Articles:

The Chicago Tribune has completely misrepresented the facts concerning the air quality in Chicago in two recently published front page articles. The first article appeared in the September 28, 2008 edition entitled “Chicago’s toxic air” (<http://www.chicagotribune.com/news/local/chi-pollution-risk-29-sep29.0.4323308.story>) and the second appeared in the April 6, 2009 edition entitled “Is your kid’s school near a toxic factory?” (<http://www.chicagotribune.com/news/local/chi-schools-air-06-apr06.0.3292987.story>). I encourage everyone to read both articles along with my October 16, 2008 letter to the editor (<http://www.finkl.com/LetterToTheEditor.aspx>) - the complete version is provided here since the Tribune altered my letter in both the print and online editions of their paper).

Understandably, as a result of the newspaper articles, we have received numerous inquiries from people in our local community and across the city and state and would like to address the concerns. First and foremost, as a company that has operated its business in Chicago since 1879, with a long list of employees who live in the city (including its President and Vice President of Operations who, along with our wives and children, live within a mile of the plant), we have a vested interest in Chicago’s air quality. Indeed, Finkl has a long history of involvement with environmental issues and fully understand our obligations to our employees, our neighbors and our environment. Unfortunately both Tribune articles falsely blame industry, in general, and Finkl, in particular, for poor air quality in Cook County.

We are in full compliance with our environmental permits and the environmental regulations that apply to us. While not perfect, we are continually searching for ways to improve our operations and reduce our emissions, beyond what the regulations require. As many are aware, we are in the process of building a new plant and still determining its best location, either in Chicago, another location in the US or next to our subsidiary in Canada. Wherever the plant is ultimately located it will be built with the most modern equipment, enabling us to apply the best emission control technology of any steel-making plant in the world. While all of this is important background information, we understand it does not directly address the false claims by the Tribune.

The task of addressing the Tribune’s false claims cannot be accomplished with a few sound bites from us. Instead, it is important to actually review the Environmental Protection Agency (“EPA”) data, something the Tribune has chosen not to do. Even more importantly, the purpose and use of the data presented by the EPA must be fully and accurately explained—not misconstrued as it has been by the Tribune’s writers, Michael Hawthorne and Darnell Little.

Let us begin with how the EPA categorizes air emissions contributed by sources based upon the data it collects. The EPA separates the various emission sources into five distinct categories: *Major Sources, Area Sources, Background Sources, Non-road Sources and On-road Sources*. These categories are described as follows:



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Major Sources are defined under the Clean Air Act which requires any company that emits at certain levels report their annual emissions. Finkl is in this category.

Area Sources include facilities that emit below the levels requiring reporting under the Clean Air Act. These include auto-body refinishing paint shops, commercial and hospital sterilizers, dry cleaning facilities, gasoline stations, commercial and industrial boilers, paint stripping operations, waste treatment works, and generators. The Chicago Tribune is in this category.

On-road Sources includes cars, trucks, and buses. Chicago Tribune delivery trucks would be included in this category.

Non-road Sources includes boats, trains, airplanes, construction equipment and lawn mowers.

Background Sources include natural sources and pollution transported from other areas of the country (and the world) by wind.

The EPA's Risk-Screening Environmental Indicators ("RSEI") presents information for **only ONE** of the sources of emissions, *Major Sources*. As clearly stated on the EPA's own website, the RSEI was created as a screening tool to direct regulators to possible areas of additional review and was never designed to provide a prognosis on the condition of the air quality or health risks associated with any one category of sources.

In fact, directly on the EPA website, EPA itself clearly warns how the data **SHOULD NOT BE USED**. The website provides:

"How should RSEI not be used?"

RSEI does not provide a risk assessment so it is inappropriate to use it to:

- **conclude that a particular chemical release is causing harm to a specific population or location;**
- **draw conclusions or make decisions about the risk posed by any particular facility;**
- **draw conclusions about individual risk or generate quantitative risk estimates."**

Source: http://www.epa.gov/oppt/rsei/pubs/using_rsei.html

The Tribune however conveniently and completely ignores the clear warning from the EPA and uses the RSEI data to draw inappropriate conclusions about individual health risks. Further, the Tribune takes data from the RSEI and claims that Chicago has "toxic" air. They further determine from the data that *Major Sources*, i.e. industry, is the cause of the toxic air and, as one of the largest remaining manufacturers in the city, Finkl is public enemy #1.



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From reading the Tribune it is easy for a reader to incorrectly conclude that industry is the largest contributor to air borne health risks. However, despite Tribune claims, the fact is that the *Major Sources* category accounts for only a small percentage of the total health risk. Obviously the EPA understands this, so they use a variety of information sources to capture **ALL EMISSIONS** from **ALL FIVE** categories. Their information is verified through actual data obtained from air monitoring stations, which capture **ALL** sources of emissions.

The Tribune's resourceful reporters should know EPA does not keep this information secret; this information is provided to the public in the National-Scale Air Toxics Assessment ("NATA") database. Since this information is obviously more comprehensive and more appropriate for assessing air quality one would think the Tribune would use this information, but for some reason they did not. Maybe the need for a bankrupt company to sell newspapers through the use of eye-catching headlines supersedes their need to present the truth.

A review of the EPA's most recent NATA study, released in February 2006, provides information on the health risks to individuals from the air quality and presents a completely different picture of the causes. Generally, the NATA database provides estimates of the cancer, respiratory, and neurological health risks associated with pollutants from **ALL** sources (not just industry) and presents the risk estimate per million people.

Contrary to the Tribune's claims, when all sources are included in the assessment, real data shows that industry is only a small contributor to the overall health risks associated with emissions. As we will show, this holds true for the state of Illinois, Cook County and for the area around Finkl's northside plant.

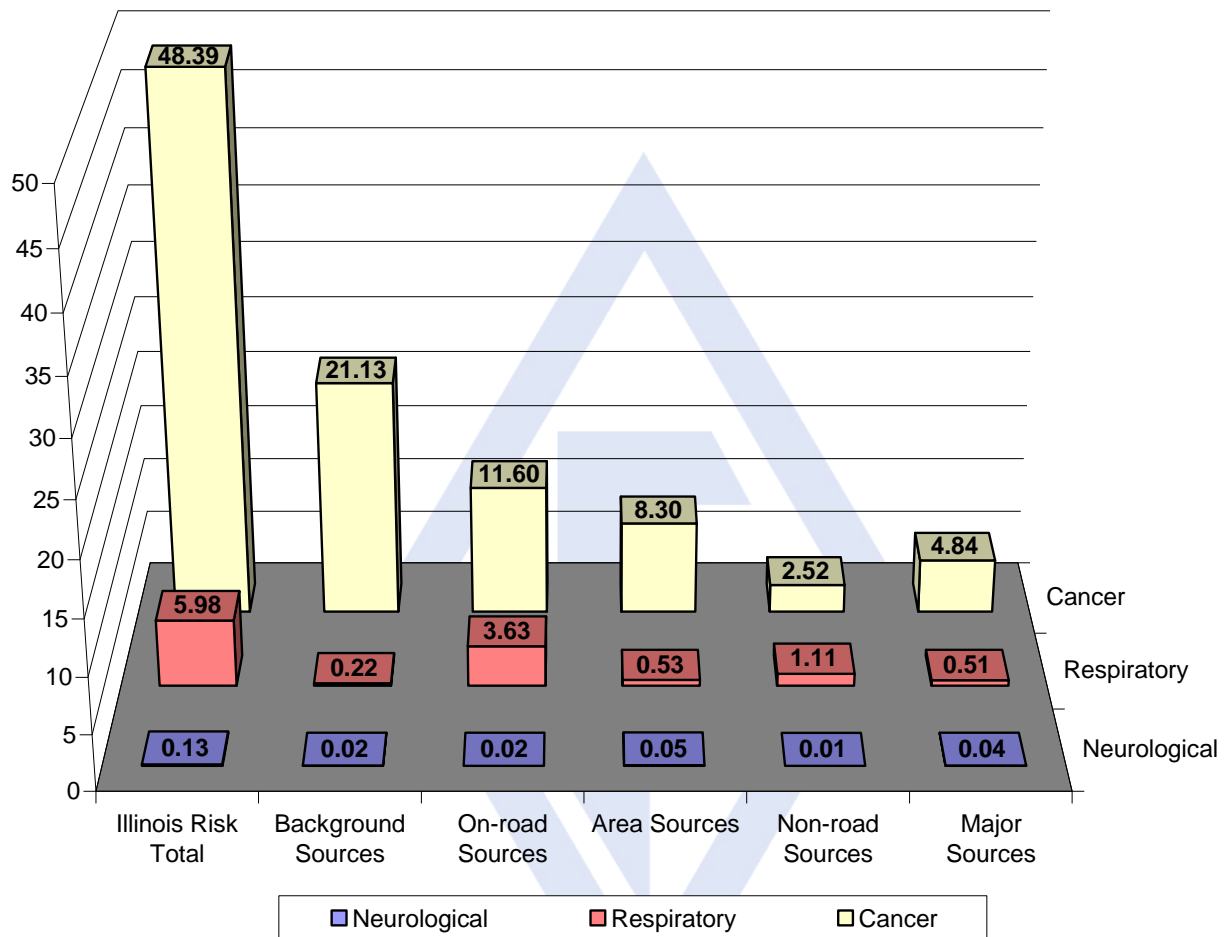
The actual EPA data for the state of Illinois is presented in the chart below showing the average health risks from each source.





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US EPA National-Scale Air Toxics Assessment (NATA) Average Illinois Cancer, Neurological, and Respiratory Risk per Million Estimates All Chemicals



As demonstrated, the overall cancer risk per million people in Illinois from air toxics is 48.39, of which 4.84 (approximately 10%) is attributable to *Major Sources*. *On-road Sources* (cars, trucks and busses) pose a cancer risk that is more than double that of industry.

The overall respiratory risk per million people in Illinois from air toxics is 5.98, of which .51 (approximately 8.5%) is attributable to *Major Sources*. *On-road Sources* (cars, trucks and busses) pose a respiratory risk that is more than 7 times that of industry.

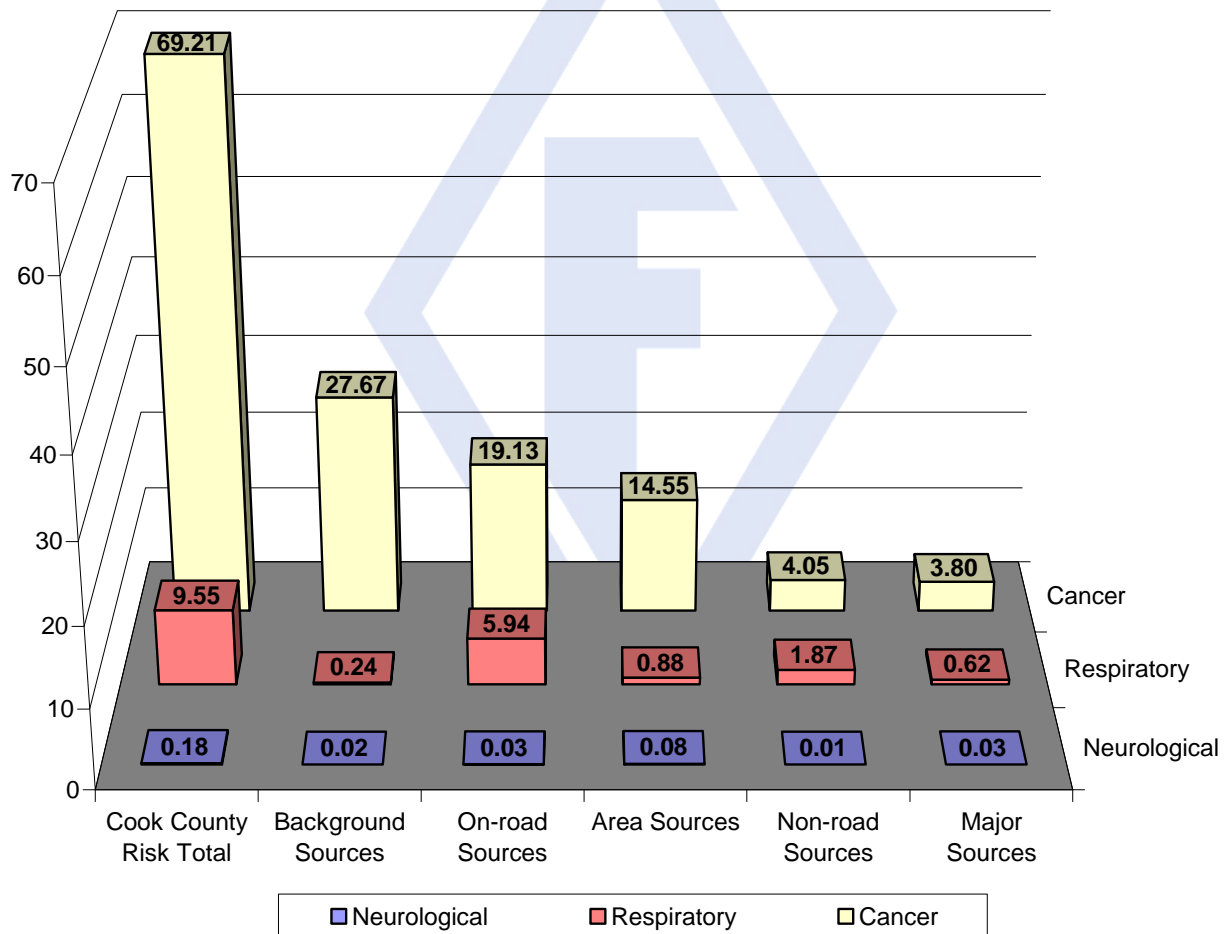


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The overall neurological risk per million people in Illinois from air toxics is .13, of which .04 (approximately 30%) is attributable to *Major Sources*. *Area Sources* pose a slightly higher neurological risk to that of industry.

A further review of the data shows that the average risk in Cook County is higher than the average for the state of Illinois, however, industry's contribution to these risks are lower. Below is the chart for Cook County.

**US EPA National-Scale Air Toxics Assessment (NATA)
Average Cook County Cancer, Neurological, and Respiratory Risk per Million Estimates
All Chemicals**



As demonstrated, the overall cancer risk per million people in Cook County from air toxics is 69.21, of which 3.8 (approximately 5.5%) is attributable to *Major Sources*. *On-road Sources* (cars, trucks and busses) pose a risk that is more than 5 times that of industry.

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The overall respiratory risk per million people in Cook County from air toxics is 9.55, of which .62 (approximately 6.5%) is attributable to *Major Sources*. *On-road Sources* (cars, trucks and busses) pose a risk that is nearly 10 times that of industry.

The overall neurological risk per million people in Cook County from air toxics is .18, of which .03 (approximately 17%) is attributable to *Major Sources*. *On-road Sources* (cars, trucks and busses) pose an equivalent risk to that of industry.

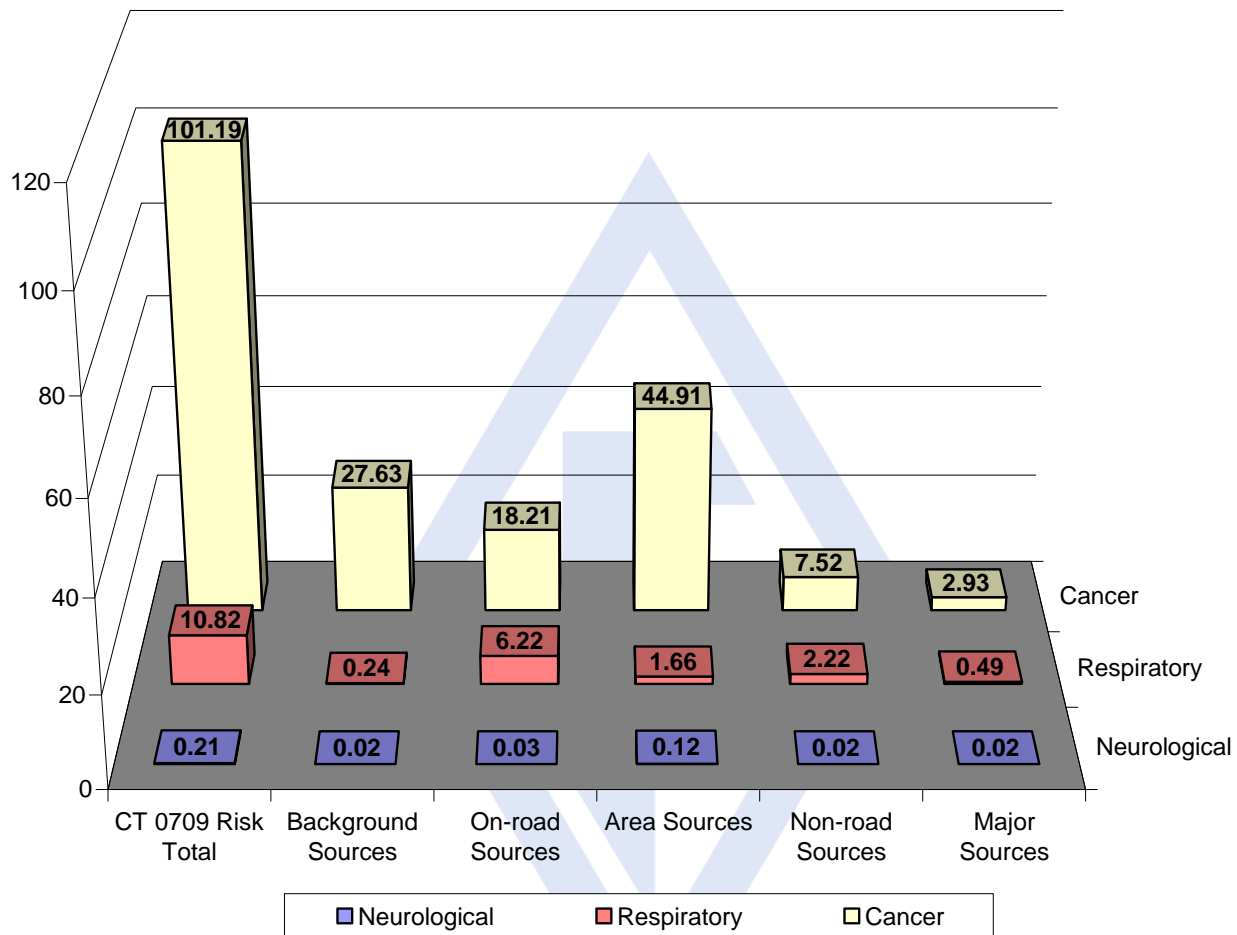
NATA also provides information on each census tract within a state. Given the Tribune's reporting and the title of the most recent article, "*Is your kid's school near a toxic factory?*", the assumption would be that the risks posed by industry would be significantly greater in the area directly around Finkl's north side plant. However, while the average overall risk in the area around Finkl's plant is higher than the average for both Cook County and the state of Illinois, industry's contribution to these risks is lower. Below is the chart for census tract 0709 (Finkl's northside location).





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US EPA National-Scale Air Toxics Assessment (NATA) Average Census Tract 0709 Cancer, Neurological, and Respiratory Risk per Million Estimates - All Chemicals



As demonstrated, the overall cancer risk per million people in CT0709 from air toxics is 101.19, of which 2.93 (approximately 2.9%) is attributable to *Major Sources*. *On-road Sources* (cars, trucks and busses) pose a risk that is more than 6 times that of industry and *Area Sources* pose a risk that is more than 15 times that of industry.

The overall respiratory risk per million people in CT0709 from air toxics is 10.82, of which .49 (approximately 4.5%) is attributable to *Major Sources*. *On-road Sources* (cars, trucks and busses) pose a risk that is more than 12 times that of industry.

The overall neurological risk per million people in CT0709 from air toxics is .21, of which .02 (approximately 9.5%) is attributable to *Major Sources*. *On-road Sources* (cars, trucks and

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busses) pose a risk that is 1.5 times that of industry and *Area Sources* pose a risk that is 6 times that of industry.

While we have presented factual data, in both articles the Tribune uses phrases such as “in its own analysis of the EPA’s data the newspaper found...”. As in my letter to the editor, I again respectfully request that the Tribune provide its “analysis”. Perhaps we can all learn something. What is clear from the data is that cars, trucks and buses pose a significantly greater risk to health than *Major Sources*. And, ironically, in all cases, *Area Sources* (which includes the Chicago Tribune) pose a greater health risk than *Major Sources* (which includes Finkl).

In both articles the Tribune attempts to cheap shot Finkl by implying that our green image is really a facade which allows us to poison the citizens while pretending to be environmentally friendly. Finkl remains proud of the many programs it has undertaken to improve the environment. We were one of the charter members of Clean Air Counts, started in 1999 as a public/private initiative to voluntarily improve air quality in the Chicago metropolitan area. We are especially proud of “Forging a Fresher America”, a program we created in 1989, long before the term “carbon footprint” was in vogue. At its onset, we wanted to offset the carbon dioxide created through the use of fossil fuels in our manufacturing processes which we estimated required the planting of 2 million trees. After reaching our initial goal we extended the program so as to become net oxygen contributors to assist in reducing global warming. As of now **we have planted a total of 6 million trees** in Illinois and Wisconsin. The trees are planted in protected forests and cannot be harvested, even for newspaper production. By the end of the next 5 years, we will have planted a total of 10 million trees. (More information on Finkl’s “Forging a Fresher America” program along with the various environmental awards presented to Finkl can be found at <http://www.finkl.com/Green.aspx#>).

How about some other facts: according to their annual report, the Tribune Company consumed 614,000 metric tons of newsprint in 2007. According to their editor’s department, for the printing of the Chicago Tribune alone they use about 130,000 tons of newsprint, of which they claim on average 40% is recycled. Since it takes approximately 13 trees to make one metric ton of newsprint, assuming the same level of recycled newsprint is used for all of their newspapers, **the Tribune Company cuts down approximately 4.8 million trees per year**. And according to their editor’s department they have no tree planting program.

We have never sought public accolades on any of our various initiatives, but since forced to defend ourselves below is a partial list of some of the environmental and community organizations supported by Finkl. We encourage anyone to contact these organizations directly to draw their own conclusions as to Finkl’s commitment to our community.

Illinois Department of Natural Resources
Wisconsin Department of Natural Resources
After School Matters
Little Sisters of the Poor
Infant Welfare Society

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Greater Chicago Food Depository
Lakeview Pantry
Lakeview Shelter
Olive Branch Mission
Christopher House
Little City Foundation
Lincoln Park Community Art Initiative
Armitage Elevated Station
Mercy Home
Delta Institute
Maryville Academy
Midtown Educational Foundation
Chicago Gateway Green
Friends of the River
Friends of the Park
and numerous public parks and public and private schools

Apparently, in an effort to remain in business, the Tribune has adopted the philosophy of “never let the facts get in the way of a good story”. They should be ashamed of the misinformation they present as “facts”. As I stated in my October 2008 letter to the editor, the Chicago Tribune owes A. Finkl & Sons Co. an apology for irresponsible reporting. In addition, they owe the residents of our community and, frankly, the entire state of Illinois an apology for misrepresenting the facts and using scare tactics to try to sell a few “newspapers”.

Finkl shares the natural concern for Chicago’s air quality and welcomes the EPA’s monitoring at various city schools, including St. Josaphat’s, located a few blocks from our plant. We stand ready to assist the federal and state environmental regulators in any way we can. Obviously it is in everyone’s best interest to work together to continue to make improvements to our air quality, especially where our children attend school and our families live and work. However, it is in no one’s best interest to only focus on minor causes of the problem (industry) while blatantly ignoring more significant causes of the problem (cars, trucks and buses).

While we have never claimed to be perfect, Finkl is a responsible member of the community. And we remain committed to continue to challenge our company to find ways to improve our facility and our operations for the betterment of our employees, our community and our environment.

Joe Curci
President
A. Finkl & Sons Co.