

Mechel OAO
Form 6-K
June 18, 2008

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Report of Foreign Private Issuer

**Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934**

June 17, 2008

Commission File Number: 333-119497

MECHEL OAO

(Translation of registrant's name into English)

Krasnoarmeyskaya 1,

Moscow 125993

Russian Federation

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

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Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Note: Regulation S-T Rule 101(b)(c) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

MECHEL ANNOUNCES THE NEXT PHASE OF TECHNOLOGICAL MODERNIZATION AT ITS VYARTSILYA METAL PRODUCTS PLANT

Vyartsilya, Russia June 17, 2008 Mechel OAO (NYSE: MTL), one of the leading Russian mining and metals companies, announces that its subsidiary, Vyartsilya Metal Products Plant ZAO and German-based company Ernst Koch GmbH have signed an agreement under the terms of which Koch will supply and install a new straight-flow KGT 25/47 type drawing mill for the Vyartsilya Metal Products Plant.

The straight-flow sevenfold drawing mill for low-carbon wire manufacturing of 2.0-7.0 mm in diameter will be making the product in coils of up to 3 tonnes in weight. High productivity of the equipment will be achieved through several technical advantages, such as an intensive refrigerating system and computerization of quality control system. The new mill commissioning would enable the Vyartsilya Metal Products Plant (VMZ) to increase its monthly average output volume by 1.5 thousand tonnes.

The mill startup will allow for increasing the plant's production capacity and product quality as well as improving working conditions for the equipment operators.

Preparation for the installation of the new equipment is being carried out at VMZ. In addition, specialists are being trained to properly operate the mill at Mechel's Beloretsk Metallurgical Plant in Beloretsk, Russia.

In line with the investment program for VMZ, several new nail-making machines were commissioned that enabled the plant to improve its production quality and effectiveness. The mill for uncoiled wire production (a new high margin product, which is being exported by the Mechel's subsidiary) was also modernized.

Completion of the technological modernization program for VMZ will enable the facility to improve the quality of the Plant's production, increase output volume, reduce production costs and provide extra income.

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Mechel is one of the leading Russian companies. Its business includes three segments: mining, steel, and power. Mechel unites producers of coal, iron ore concentrate, nickel, steel, rolled products, hardware, heat and electric power. Mechel products are marketed domestically and internationally.

Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of Mechel, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not intend to update these statements. We refer you to the documents Mechel files from time to time with the U.S. Securities and Exchange Commission, including our Form 20-F. These documents contain and identify important factors, including those contained in the section captioned "Risk Factors" and

Cautionary Note Regarding Forward-Looking Statements" in our Form 20-F, that could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, the achievement of anticipated levels of profitability, growth, cost and synergy of our recent acquisitions, the impact of competitive pricing, the ability to obtain necessary regulatory approvals and licenses, the impact of developments in the Russian economic, political and legal environment, volatility in stock markets or in the price of our shares or ADRs, financial risk management and the impact of general business and global economic conditions.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MECHEL OAO

By: /s/ Igor Zyuzin

Name: Igor Zyuzin

Title: CEO

Date: June 17, 2008