SCHNITZER GARY

Form 4

October 28, 2010

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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Check this box

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

(Print or Type Responses)

1(b).

1. Name and Address of Reporting Person * SCHNITZER GARY

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

Symbol

SCHNITZER STEEL INDUSTRIES INC [SCHN]

(Check all applicable)

(Last)

(First)

(Middle)

3. Date of Earliest Transaction

Director X_ Officer (give title below)

X 10% Owner _ Other (specify

3200 NW YEON AVENUE

10/26/2010

Executive VP Business Dev.

4. If Amendment, Date Original

(Month/Day/Year)

Applicable Line)

Filed(Month/Day/Year)

3.

Form filed by One Reporting Person X_ Form filed by More than One Reporting

6. Individual or Joint/Group Filing(Check

Person

PORTLAND, OR 97210

(City) (State) (Zip)

(Street)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3) (Month/Day/Year)

TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

4. Securities

5. Amount of Securities Beneficially Owned Following Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Indirect (I) Ownership (Instr. 4) (Instr. 4)

(A)

Transaction(s)

or (Instr. 3 and 4) Code V Amount (D) Price

Class A Common

Stock

10/26/2010

3,408 Α (1)

\$0 12,883

D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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8. Price of Derivativ Security (Instr. 5)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		ate	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Class B Common Stock	(2)					(2)	(2)	Class A Common Stock	25,333

Reporting Owners

Reporting Owner Name / Address	Relationships					
FB	Director	10% Owner	Officer	Other		
SCHNITZER GARY 3200 NW YEON AVENUE PORTLAND, OR 97210		X	Executive VP Business Dev.			
WILDER SANDRA 3200 NW YEON AVENUE PORTLAND, OR 97210		X				
Cianaturas						

Signatures

Richard C. Josephson, Attorney-In-Fact

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares are issuable as a result of satisfaction of performance goals for fiscal years 2008-2010 under a performance share award. Compensation committee certification of the award payout level occurred on the transaction date.
- (2) Class B Common Stock is immediately convertible on a one-for-one basis into Class A Common Stock and has no expiration date.
- (3) Voting trust certificates or shares, as the case may be, are held by Gary A. Schnitzer and Deborah Novack, Trustees, Gary A. Schnitzer Family Trust dated May 15, 1991.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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