

BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION

<hr/>		
Certain Oil Country Tubular Goods from)	Inv. Nos. 701-TA-499-500 and
India, Korea, Philippines, Saudi Arabia)	731-TA-1215-1223
Taiwan, Thailand, Turkey, Ukraine and)	
Vietnam)	
<hr/>		

Testimony of Dong-Heui Pi

1. Good afternoon. My name is Dong Heui Pi, Deputy General Manager of Hyundai HYSCO, one of the leading producers of OCTG in Korea. HYSCO has produced welded OCTG since the late 1980's. In light of the Department of Commerce's stunning reversal of its earlier negative preliminary determination in the OCTG from Korea case through some unprecedented outrageous methodologies, I felt it important for me to come to Washington, DC to speak with you directly.

2. There are five primary producers of welded OCTG in Korea and one new seamless producer. All five welded producers produce a variety of welded pipe and tube, including OCTG, line pipe, and standard pipe. Most of the OCTG is finished in Houston, either with threading and coupling only or with heat treatment to be upgraded to higher grades of OCTG. Korean OCTG is recognized for its quality and reliability, and it is well accepted in the market. But imports from Korea are imports—they are not domestic production, which is important to some US purchasers. And

neither HYSCO nor any other Korean producer has access to premium connections, which are increasingly important in the US market.

3. Imports from Korea are produced to order. The time between order and completion of finished OCTG in Houston is roughly 5-6 months. This is a long lead time, and a lot can happen in that time, including delays in shipping and finishing.

4. The OCTG market has changed with the emergence of “Program Sales.” Korean imports participate in program sales to some extent, unlike most other subject imports. However, domestic suppliers dominate program sales because they are closer to the market with shorter supply chains. Thus, for program sales, welded OCTG from Korea is accepted by many major drilling operators as supplemental supply within their programs. But no OCTG program would rely primarily on imported OCTG because of the risk of the long supply chain.