

February 19, 2010
News Release 10-014
Inv. Nos. 701-TA-474 and 731-TA-1176 (P)
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USITC VOTES TO CONTINUE CASES ON DRILL PIPE AND DRILL COLLARS FROM CHINA

The United States International Trade Commission (USITC) today determined that there is a reasonable indication that a U.S. industry is threatened with material injury by reason of imports of drill pipe and drill collars from China that are allegedly subsidized and sold in the United States at less than fair value.

Commissioners Charlotte R. Lane, Irving A. Williamson, and Dean A. Pinkert made affirmative determinations on the basis of threat. Chairman Shara L. Aranoff, Vice Chairman Daniel R. Pearson, and Commissioner Deanna Tanner Okun made negative determinations.

As a result of the Commission's affirmative threat determinations, the U.S. Department of Commerce will continue to conduct its countervailing and antidumping duty investigations on imports of this product from China, with its preliminary countervailing duty determination due on or about March 26, 2010, and its preliminary antidumping duty determination due on or about June 9, 2010.

The Commission's public report *Drill Pipe and Drill Collars from China* (Investigation Nos. 701-TA-474 and 731-TA-1176 (Preliminary), USITC Publication 4127, February 2010) will contain the views of the Commission and information developed during the investigations.

Copies of the report are expected to be available after March 22, 2010, by emailing pubrequest@usitc.gov, calling 202-205-2000, or writing to the Office of the Secretary, 500 E Street SW, Washington, DC 20436. Requests may also be faxed to 202-205-2104.

UNITED STATES INTERNATIONAL TRADE COMMISSION
Office of Industries
Washington, DC 20436

FACTUAL HIGHLIGHTS

Drill Pipe and Drill Collars from China
Investigation Nos. 701-TA-474 and 731-TA-1176 (Preliminary)

Product Description:

These investigations cover finished and unfinished drill pipe and drill collars (circular hollow carbon and alloy steel products used in drilling for oil or gas) whether or not conforming to American Petroleum Institute specifications and without regard to chemical composition, length or outside diameter. The subject merchandise does not include unattached tool joints and unfinished tubes for casing and tubing. The Harmonized Tariff Schedule of the United States (2010) provides for the subject merchandise in subheadings 7304.22.00, 7304.23.30, 7304.23.60 (drill pipes), and 8431.43.80 (parts for boring or sinking machinery covered in HTS 8430.41 and 8430.49.)

Status of Proceedings:

1. Type of investigations: Preliminary antidumping and countervailing duty.
2. Petitioners: Rotary Drilling Tools, Beasley, TX; Texas Steel Conversions, Inc., Houston, TX; TMK IPSCO, Downers Groves, IL; VAM Drilling USA Inc., Houston, TX; and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC, Pittsburgh, PA.
3. Investigation instituted by USITC: December 31, 2009.

4. USITC conference: January 21, 2010.
5. USITC vote: February 19, 2010.
6. USITC notification of Department of Commerce: February 22, 2010.

U.S. Industry:

1. Number of U.S. producers: 9.
2. Location of producers' plants: Alabama, Illinois, Louisiana, Minnesota, Ohio, Pennsylvania, and Texas.
3. Employment of production and related workers in 2008: 1,833.
4. U.S. producers' U.S. shipments of finished drill pipe and drill collars in 2008: 144,141 short tons valued at \$830.7 million.
5. Apparent U.S. consumption of finished drill pipe and drill collars in 2008: 185,561 short tons valued at \$1.0 billion.
6. Ratio of subject imports from China to apparent U.S. consumption in 2008: by quantity, 20.9 percent; by value, 16.6 percent.

U.S. Imports in 2008:

1. Quantity of subject imports from China: (1)
2. Value of subject imports from China: (1)

(1) Withheld to avoid disclosure of business proprietary information.