

Congress of the United States
Washington, DC 20515

September 14, 2010

The Honorable Deanna Tanner Okun
Chairman
U.S. International Trade Commission
500 E Street, S.W.
Washington, DC 20436

RE: Certain Seamless Carbon and Alloy Steel Standard,
Line, and Pressure Pipe from China, Inv. Nos. 701-TA-
469 and 731-TA-1168 (Final)

Dear Chairman Okun:

As members of Congress representing Ohio and its many workers who depend on the steel industry, we are writing to urge the Commission to enforce our laws – and to stop unfairly-traded shipments of seamless standard, line and pressure pipe from entering this country without remedy. Given the severe problems facing the U.S. economy in general – and the Ohio economy in particular – it is vital that our workers and businesses have the chance to compete on a level playing field. That can only happen when our laws against foreign dumping and subsidized trade are fully and effectively applied.

Ohio is one of the principal states producing the subject product. United States Steel Corporation produces seamless standard, line, and pressure pipe at its Lorain Tubular Operations in Lorain, Ohio. V & M Star makes the subject product in Youngstown, Ohio. TMK IPSCO – another company that makes a variety of pipe and tube products, including the subject product – recently expanded operations, opening a new pipe processing facility in Brookfield, Ohio in May 2010. In short, the seamless pipe industry is not only critical to the U.S. economy – providing high-value, high-technology products to the energy and other sectors – but is vital to our state's economy and the thousands of workers whose jobs are directly or indirectly at stake.

Our constituents recognize, of course, that every market has its ups and downs. But they do not understand why they should repeatedly be forced to compete in a market distorted by foreign unfair trade practices. No business, no matter how

efficiently or competitively run, can compete against companies propped up by foreign governments and benefiting from an array of market distortions. That is why we have trade laws on the books, and why these rules have been an accepted part of the global trading system since its inception.

To be clear, this case is about one issue – that is, whether imports proven to be unfairly-traded will be allowed to enter this market without remedy. In the context of a continuing and severe manufacturing crisis, a massive trade deficit, and one of the most severe economic downturns in our history, it is simply unimaginable that we would allow proven unfair trade to go unaddressed.

According to the Commission's own data, imports of dumped and subsidized pipe from China rose by almost *132 percent* from 2006 to 2008. The inevitable oversupply resulting from such imports, combined with the effects of the economic downturn, caused demand for American seamless standard and line pipe to collapse. During much of 2009, U. S. Steel's operations in Lorain and V&M Star's operations in Youngstown were forced to largely shut down production and to lay off a large portion of their workforces.

The situation improved only after these cases were filed and unfairly-traded imports from China were stopped. Even in a difficult market, our workers have already seen benefits from the elimination of Chinese dumped and subsidized imports – along with the relief recently provided by this Commission on related pipe products (including oil country tubular goods). Nevertheless, the injury already sustained by our industry was terrible, and the threat from Chinese imports going forward is even greater.

China's pipe industry is by all accounts massive and maintains vast excess capacity. It has increasingly seen other export opportunities vanish with the imposition of trade relief – both in the U.S. and abroad – on this and other products made in the same mills. In the absence of effective relief against unfair trade of the subject merchandise, it is clear that China will have an overwhelming incentive to resume shipments of dumped and subsidized product to this market. The results would be disastrous.

With an overall unemployment rate in Ohio of over 10 percent (and with over 600,000 Ohioans unemployed), we do not have a single job to spare. The idea that we would knowingly sacrifice good, American jobs not to the competitive ups and downs of the market – but rather, to *documented* Chinese unfair trade – is difficult to imagine and impossible to defend.

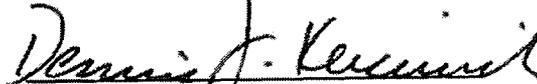
Fortunately, the United States has strong AD/CVD laws designed to prevent precisely the type of harm at issue here. By issuing affirmative determinations, you can preserve market competition in this industry, and prevent the harm that will inevitably result from another surge of unfair trade. We urge you to do so.

Sincerely,


Betty Sutton
Member of Congress


Marcy Kaptur
Member of Congress


Steven LaTourette
Member of Congress

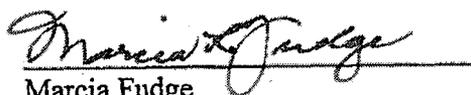

Dennis Kucinich
Member of Congress

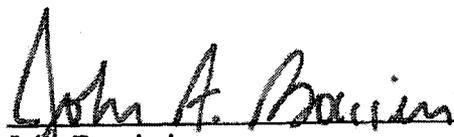

Tim Ryan
Member of Congress


Mike Turner
Member of Congress


Zack Space
Member of Congress


Charlie Wilson
Member of Congress


Marcia Fudge
Member of Congress


John Bocchieri
Member of Congress


Mary Jo Kilroy
Member of Congress