

**BEFORE THE  
UNITED STATES INTERNATIONAL TRADE COMMISSION**

In The Matter Of :

Certain Seamless Carbon and Alloy Steel  
Standard, Line, Pressure Pipe From The  
People's Republic of China

Investigation Nos.  
701-TA-469 and 731-TA-1168 (Final)

**Testimony of Tang Chang Hua**

Good afternoon. My name is Tang Chang Hua. I am the Overseas Manager for Hengyang Steel Tube Group International Trading Company, which is related to Hengyang Valin Steel Tube Company. I am in charge of selling to the North American and South American markets. I have been in this position for about 4 years. Before that, I was in charge of the Southeast Asian market. Overall, I have worked at Hengyang for about 7 years.

In the U.S., we sell SLP pipe to distributors. Like Baosteel, we sell pipe to the same customers every year, which are U.S. distributors. When demand is high, like it was in 2008, we sold more pipe to the same distributors but not to new customers because we did not have enough production to meet all the new orders.

All of our sales are produced to order. On average, it takes about 4 to 5 months from the time an order is placed until the product is received by the customer. In 2008 when demand was so high, the time was even longer. Because the orders got backed up, it took about 5 to 7 months lead time on average that year.

For Hengyang, the Chinese market represents over 60% of its production on average. We sell to distributors and end users in that market and we usually have long term contracts with

them. The energy requirements of China are growing every year and China's oil and gas companies are starting many new projects in China and elsewhere. As China's economy continues to grow at a very high rate, the Chinese demand for pipe will continue to grow. We also have stable growth in the Middle East, Africa, and Southeast Asian market to which we sell a lot of pipe. These countries also have new oil and gas projects that we supply with pipe. Because Hengyang is at full capacity, we cannot increase sales of pipe in the future.

Hengyang did not increase capacity for SLP during the period of investigation and has operated at full capacity for a long time. We have a new mill that started operations in June of 2009. But that mill is only for pipe above 16 inches in diameter, which is not covered by this case.

Hengyang believes very strongly that the Chinese imports did not cause any injury to the U.S. industry. Hengyang is a responsible company and only met demand that was needed by the market and our existing customers. We do not believe that Chinese imports will cause any harm in the future.

Thank you.