

**In the Matter of USITC Corrosion-Resistant Steel Products from China,
India, Italy, Korea, and Taiwan
Inv. Nos 701-TA-534-538 and 731-TA-1274-1278**

Testimony of Congressman Patrick Tiberi, 12th District of Ohio

Before the U.S. International Trade Commission

May 26, 2016

Chairwoman Broadbent and members of the Commission, it's an honor to appear before you today. Today's proceedings are critical to my home state of Ohio, the U.S. steel industry, and the overall U.S. economy.

Over the years, the volume and complexity of trade and challenges such as combating evasion of antidumping and countervailing duties and protecting U.S. intellectual property rights have grown. Meanwhile, we are facing increasing competition around the world and it is critical to keep the flow of trade moving efficiently.

Last year, as part of the Trade Preferences Extension Act of 2015, Congress acted to clarify the material injury standard. I strongly supported this effort, and it was originally included in the Customs Authorization bill, which I authored. There are two specific provisions in the Act that I want to highlight for the Commission's consideration. First, we made clear that the Commission may not determine that there is no material injury or threat of material injury to a domestic industry merely because that industry is profitable or because the performance of that industry has recently improved. Even when a domestic industry earns a profit, that profitability may still be suppressed by the harmful impact of unfair trade. This new provision makes clear that domestic producers do not have to wait until they lose money to seek trade relief.

Second, we made clear that the Commission should evaluate all relevant economic factors which have a bearing on the state of the U.S. industry. The new law directs the ITC to consider a greater number of injury factors, including gross profits, net profits, ability to service debt, productivity, return on investments, and capacity utilization. In some cases, unfair trade may drive down an industry's operating income. Yet in other cases, while the industry's operating income may remain stable, certain aspects of its performance – such as its net income or its ability to pay its debt – may suffer. The Commission should be sensitive to the effects of unfair trade wherever they are found, and Congress wanted to clarify the law on that point.

Both these provisions are designed to strengthen the U.S. government's enforcement and administration of U.S. trade laws. Congress has given this body the great responsibility to enforce our antidumping and countervailing duty laws in a manner that will lead to better and fairer market competition throughout this country. In fulfilling that responsibility, I ask you to pay close attention to our recent clarification of the injury standard, and to ensure that our laws are strictly enforced. In order for our domestic steel industry to compete in the global

marketplace, we must ensure our foreign competitors play by the same rules and I urge this commission to use these new rules to ensure the integrity of the global trading system.

Chairwoman Broadbent and members of the Commission, I thank you for considering my views on this matter.