

BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION

Certain Cold-Rolled Steel Flat Products from Brazil, China, India, Japan, Korea, Russia, and the United Kingdom)))))	Inv. Nos. 701-TA-540-544 and 731-TA-1283-1290 (Final)
---	-----------------------	--

Testimony of Charles Chung, POSCO America

1. Good afternoon. My name is Charles Chung, Manager for POSCO America. I am accompanied by Jung Sik Kim, also from POSCO America.
2. Virtually all of POSCO's exports of Cold Rolled Steel consist of Advanced High Strength Steel (AHSS) for automobile use and Tin Mill Black Plate used to produce Tin Mill products.
3. Before discussing POSCO, let me say something about the Korean steel industry. As recently as 2002, there were 4 major producers in Korea – POSCO, Dongbu, Union, and Hyundai Steel. While Union (now Dongkuk Steel Mill) and Dongbu still produce small amounts of cold rolled, they generally produce for internal consumption to produce Corrosion Resistant Steel. As a result, POSCO and Hyundai Steel are now virtually the only Korean exporters of cold rolled for export to the United States.
4. This consolidation of the Korean cold rolled industry has important implications for the Korean industry and for the United States market. It

means less internal competition between Korean producers for export sales. In fact, there is very little, if any, competition for U.S. customers. Secondly, both Hyundai Steel and POSCO have concentrated their exports primarily on the automotive sector and, in the case of POSCO, tin mill black plate for Ohio Coatings. Imports of these cold rolled steel products are not injuring U.S. producers of cold rolled steel.

5. The witnesses from Ohio Coatings will discuss POSCO's imports of Black Plate and their importance to OCC and the U.S. tin plate industry. The increase in POSCO's exports of cold rolled steel in 2015 was entirely due to exports of tin mill Black Plate to OCC.
6. The remaining imports by POSCO are mostly comprised of cold rolled for use in automobile production. Automobile producers are constantly working to reduce weight in order to comply with auto mileage standards. As a result, the quality standards for cold rolled steel used to produce automobiles are much tighter than the standards for commercial quality.
7. Virtually all automotive quality cold rolled exported by POSCO to the U.S. is AHSS. Virtually all of POSCO's automotive cold rolled goes to Hyundai and Kia. This is high quality cold rolled that is not generally exported by foreign mills focusing on commercial and construction grade cold rolled steel. It is also a higher grade than High Strength Low Alloy.

8. Thank you.