

**BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION**

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Certain Corrosion-Resistant Steel Products )	Inv. Nos. 701-TA-534-538 and
from China, India, Italy, Korea, and )	731-TA-1274-1278
Taiwan )	(Preliminary)
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**Testimony of Hyun Mi Cho, POSCO**

Members of the Commission Staff:

1. Good afternoon. My name is Hyun Mi Cho and I am the Manager of the International Trade Affairs Group in the Steel Business Strategy Department at POSCO. I have worked for POSCO for three years. POSCO is the largest steel producer in Korea, but is only a limited supplier of CORE to the United States. Virtually all of the CORE that POSCO exports to the United States is automobile grade CORE sold to foreign transplant auto manufacturers. POSCO's subsidiary, POSCO C&C, also exports prepainted galvalume and titanium microalloy steel to the United States.

2. The automotive grade CORE that POSCO exports to the United States is very different from other types of galvanized steel. This product is not used for any other uses, and structural and commercial quality CORE is not used for automobile manufacturing. The physical characteristics and tolerances for automotive steel are different. For most types of structural and commercial CORE,

the most important attribute is strength. For automotive steel, strength is obviously important, but so are surface roughness (for steel used in exterior applications) and ductability (for steel used for stamping internal parts). In addition, automobile producers are constantly working to reduce weight in order comply with auto mileage standards. As a result of these differences, the quality standards for automotive grade CORE is manufactured to much tighter tolerances than the standards for commercial or structural quality.

3. In the case of POSCO, the CORE that it supplies to its U.S. auto manufacturer customers is a specialty product that is not available from domestic CORE producers. The CORE POSCO supplies for exposed parts meets special customer-specific tolerances that exceed those required by most North American auto manufacturers. Similarly, the CORE that POSCO supplies for non-exposed parts is mainly very high tensile strength steel that is being used for specific components. None of this CORE competes directly with domestically produced CORE.

4. POSCO C&C exports prepainted galvalume and titanium microalloy CORE to the United States. Galvalume is used primarily in the construction industry to produce roofing, siding, and panels. There is a shortfall in domestic production of prepainted galvalume. Titanium Microalloy CORE is a specialized product used for exhaust systems in automobiles.

5. Thank you.