

Good afternoon. My name is James Tieken and I am the owner and founder of ICOR International, a small refrigerant company based in Indianapolis, Indiana. ICOR manufactures proprietary and non-proprietary HCFC and HFC refrigerant blends. ICOR is a member of many trade groups including the Alliance for Responsible Atmospheric Policy and HARDI. I would like to share with you a little company history.

I began working in the refrigeration industry in the early 80s as a service technician. In 1988 my wife, Karen and I started a small refrigeration service company called Indianapolis Refrigeration Company. We performed service work in grocery stores and restaurants in central Indiana. I was aware of changes coming to my industry as they pertained to the refrigerants we were using. The main focus at that time was that we were not going to be able to “vent” refrigerants, and that we would have to capture them in a container. This interested me and in 1992 I developed what I called the “Spooter 2”, a hand operated refrigerant recovery device. I patented the device and started selling them in addition to repairing refrigeration equipment. I started developing larger scale refrigeration handling skills when we began our refrigerant reclamation service in 1993. We would pick up used appliances for the city of Indianapolis, remove the refrigerant, and scrap the appliances. This eventually turned into taking refrigerant from other HVACR companies, cleaning it up and reselling it.

Manufacturing refrigerants initially looked like something only the big chemical companies could do, but none of the products they were promoting worked very well. The Montreal Protocol was mandating the end of CFC production and I believed I could solve the other R-12 replacement’s shortcomings, and developed Hot Shot, R-12 replacement. Hot Shot was an immediate hit, and eventually it became the best selling R-12 replacement on the market.

We sold our service business in 1993 and needed a name that was a little more far reaching than Indianapolis Refrigeration Company, so in 1995, ICOR International was born.

Around 2000, we discovered that HCFC refrigerants were also going to be phased out by the USEPA. This included the products we used to make Hot Shot. I went to work formulating a good R-22 replacement, and actually came up with two, NU-22 for air conditioning applications and One Shot for lower temperature applications. I also developed a HFC replacement for Hot Shot, aptly named Hot Shot 2. ICOR sold its last cylinder of original formula Hot Shot in 2014

ICOR is the small company in a room of chemical company giants. In the big refrigerant picture in the United States, our imports don't move the needle. But to my 20 employees and myself your antidumping decision will make a big difference in our lives.

When I started down this path, I believed the saying "build a better mousetrap, and the world will beat a path to your door", but I soon found out, if you build a better refrigerant, DuPont's lawyers beat a path to your door. In 1996, my welcome to the industry was letters from all three companies, at that time DuPont, Allied Signal, and Elf Atochem, predecessors to Chemours, Honeywell, and Arkema, that I needed to cease making Hot Shot because the manufacture and sale of Hot Shot infringed multiple patents owned by them. Of course I was not infringing any patents, but I later found that this was standard operating procedure to scare off anyone that dared step on their turf.

I was summoned to Dupont's headquarters in 1997. I was told that "the industry" had decided that Hot Shot was not part of its plan, and that R-401 a, b, and c were the industry's choice as the preferred R-12 replacements. I was also told I would never be able to source the material I needed to continue making Hot Shot. In no uncertain terms it was explained to me that it would be best if I ceased production of Hot Shot

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Well I was dumb and young. I begged, borrowed, and paid a premium to get raw material, but around 2000, I decided we needed to start looking overseas to procure component materials. It was apparent we could never count on domestic producers as a dependable source of product. I started assembling a fleet of tank containers, and started setting up meetings with Chinese manufacturers. We started buying from the Chinese and never looked back. We still spot buy from domestic producers periodically, but it is apparent that if I kept putting all of our eggs in the domestic producers' basket, It wouldn't take long for us to end up an egg stain on the floor.

This leaves us where we are today. Still the small guy, a lot bigger than we were 20 years ago, but in deep peril if antidumping duties are imposed in this action. Back in February of this year, I sent a request for quote to Honeywell, Chemours, and Arkema for pricing on HFC components and blends. I got nothing firm back from Arkema, and it took Honeywell and Chemours months to get me a price. Chemours even refused to give me pricing until June for R-125 to be delivered in July. No one can run a business when you don't find out what raw material is going to cost until a few days before you get it! Many of ICOR's customers required 90 day notice prior to a price increase.

The prices I received from Chemours and Honeywell were clear signs to me that even today, neither wants my company's business. Chemours price quote for 125 was \$4.20 per pound and Honeywell's was \$3.85. These prices are absurd – just compare them to blend prices – and if these companies are given a monopoly on product sold in the United States, it will take them about five minutes of deliberation to decide to put every small business like ICOR out of business.

Even including potential antidumping duties, both of these prices are substantially higher priced than 125 from China. Honeywell surely knows this because it has been importing hundreds of tons of 125 from China since the beginning of the year. This leads me to believe that Chemours and Honeywell are not giving me a quote for domestic 125. Instead, they are offering me Chinese 125 and their

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quotes include the antidumping duties plus their own markup. I'm not a lawyer, but I can't imagine antidumping laws were meant to protect Chemours' and Honeywell's ability to act as middlemen for imported 125.

I want to speak briefly about the price of 125 as a component relative to blends containing 125. Normally I would expect 125 to be sold as a component for half of what blends are sold for. The only reason I can see that this normal pattern would not hold would be a domestic shortage of 125 similar to what happened in 2009 and lasted until 2011. This would likely cause distortions that may skew 125 prices for a couple of years. I believe, and have read in industry publications, that we are heading into another shortage of 125. But under normal market conditions, the price of 125 will be quite different than that of blends containing 125.

I hope the commission will, as I do, see through the chemical giants smoke and mirrors and reach a negative injury determination for 125. That would keep my company in business and allow 20 of my friends to keep their jobs. Doing so will not cost a single job at Chemours or Honeywell.

Thank you