TESTIMONY OF JON NOLAND
JAPANESE SUNSET HEARING JULY 30, 2019

Good morning. I am Jon Noland, Division Sales Manager for AMERICAN Cast Iron Pipe Company. I have been with the company for over twenty-five years and in my current role since 2003. As Division Sales Manager, I am responsible for our steel pipe division, AMERICAN Steel Pipe.

AMERICAN was founded in Birmingham, Alabama in 1905 and is an employee-owned company. We manufacture a wide variety of metal products, one of which is ERW line pipe ranging from 12” to 24” in diameter for the oil and gas industry. In total, we employ about 2,500 workers across the country. Roughly 150 of those hardworking men and women produce ERW line pipe at our two mills in Birmingham.

AMERICAN is fiercely committed to the well-being of its workforce and ensuring that our employees have a good, stable job to return to day after day. AMERICAN is also committed to innovation and growth. We are here today because revocation of the dumping order on large diameter line pipe from Japan threatens both.

Like other domestic producers here today, our company has lost countless jobs to dumped and subsidized imports. As the Commission correctly found earlier this year, dumped and subsidized imports of large diameter welded pipe from
Canada, China, Greece, India, Korea and Turkey were materially injuring domestic
producers and workers. The Commerce Department imposed duties and we are
starting to do better. However, without the dumping order on Japan in place, we
will be right back where we were less than a year ago, suffering from dumped
foreign imports.

U.S.-produced and Japanese welded large diameter line pipe are highly
interchangeable and compete largely based on price. Before the order was
imposed, we lost significant bids to dumped Japanese welded large diameter line
pipe; we simply couldn’t compete with their unfair prices. This would happen
once again without the order. Dumped Japanese imports would inevitably surge
into the U.S. market, causing domestic production, capacity, and shipments to fall.
We would be forced to reduce shifts and employee headcount, and our capital
expenditures and investments would take a significant hit.

Japanese producers are asking the Commission to take their word for it that
this won’t happen again. You will likely hear that the Japanese produce
specialized product that the domestic industry can’t produce, and that the U.S.
market is no longer a target. You didn’t accept these claims five years ago and you
shouldn’t do so now.

First, Japanese line pipe is not a specialty or niche product. We would
compete head-to-head with dumped Japanese pipe if it was allowed back into the
market. Nor is it the case that Japanese producers have abandoned the U.S. market for good. The only reason that Japanese producers have not shipped here in the past few years is the antidumping order and their main advantage is dumped pricing.

Japanese producers will have every incentive to rush their product back into the United States if given the green light to do so. The United States remains one of the top export markets for Japan because of certain sizes and dimensions that are excluded from the order. This demonstrates that we are still an important market for Japanese producers. The same is true of the countless Section 232 exclusion requests filed by U.S. importers of Japanese welded large diameter line pipe. Simply put, the only thing preventing large volumes of dumped Japanese welded line pipe from coming to the U.S. market is the order.

On behalf of AMERICAN and its employee owners, we ask that you find that you maintain the dumping order on large diameter welded line pipe from Japan. Thank you.