United States Senate
WASHINGTON, DC 20510

November 25, 2013

The Honorable Penny S. Pritzker
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue, N.W.
Washington, D.C. 20230

Dear Secretary Pritzker:

We are writing to follow up on an issue that continues to be of vital importance to our constituents – namely, the need for continued strong enforcement of the existing antidumping ("AD") and countervailing duty ("CVD") orders on oil country tubular goods ("OCTG") from China. The orders have provided much needed relief to our industry and workers, who were subjected to massive injury from the influx of dumped and subsidized OCTG from China in 2008 and 2009.

We understand that within a few weeks the Department of Commerce intends to issue the final results of a scope inquiry to determine whether minor finishing (such as heat treating) of OCTG from China in third countries is enough to change its "country of origin" for purposes of the AD/CVD orders and to exempt it from trade relief. In May, the Department preliminarily determined that such minor finishing is not enough to change the country of origin of Chinese OCTG. We applaud that ruling and greatly appreciate the hard work and extensive fact-finding and analysis that went into it. While the preliminary scope determination was focused specifically on the finishing of Chinese OCTG in Indonesia, it nevertheless is a critical determination that confirms the original intent of the orders and has broad applicability to all potential third country processing of Chinese-origin OCTG.

As it prepares its final results, we urge the Department to keep in mind the critical importance of this issue for our workers and the U.S. industry as a whole. The U.S. OCTG industry believes that any finding that minor finishing of Chinese OCTG in third countries is enough to alter its country of origin would be unsupported by the evidence and would open a large loophole in the AD and CVD orders and encourage rampant circumvention and evasion. In this regard, we understand that it would be a relatively simple matter for Chinese producers to take advantage of the numerous finishing operations that exist around the world, or to set up new operations to evade the existing trade relief. That outcome would be inconsistent with the purpose and scope of the existing trade orders on China, and would threaten the U.S. OCTG industry and workers with enormous additional harm.

As you know, these orders have been vitally important to the U.S. industry and American steel workers. After being devastated by a massive wave of dumped and subsidized Chinese imports that negatively impacted this market in a matter of months, the U.S. industry is now in a fragile

recovery. Opening a new path to circumvention of the orders would severely threaten that recovery and the relief from unfair trade that our companies and workers fought so hard to achieve.

Accordingly, we urge you to make sure that the Department is interpreting these orders as intended and as needed to ensure that they are effective.

Sincerely,

Sherrod Brown

Rob Portman

Joe Donnelly

Amy Klobuchar

Carl Levin

Al Franken

Jeff Merkley

Richard Shelby

Bob Casey, Jr.

Roy Blunt

Mark Begich

Debbie Stabenow