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May 10, 2005

Mr. Kelly Parkhill  
Director for Industry Support and Analysis  
Import Administration  
Room 3713  
U.S. Department of Commerce  
14th Street and Constitution Ave., NW  
Washington, DC 20230

**RE: Ispat Inland's Comments on Steel Import Monitoring and Analysis System**

Dear Mr. Parkhill:

Ispat Inland Inc. and its affiliates ("Ispat Inland") welcome the Department of Commerce's interim final rule, published in the Federal Register March 11, 2005, that extends and expands the Steel Import Monitoring and Analysis ("SIMA") system. The SIMA system serves as an invaluable information resource on steel imports and their potential impact on the domestic steel industry, steel consumers and the public sector. While we heartily support the SIMA system's continuation, we offer the following recommendations on how its effectiveness as a resource can be further improved.

**Reporting of Aggregate Data**

Under 19 C.F.R. § 360.104 of the interim final rule, not only should the monthly aggregate data of import quantities and average unit values be reported in metric tons, but the data should also be reported in short tons, a more common measurement unit for the domestic industry. In addition, plans to present a range of historical data for comparison purposes should be expanded to include the establishment of a historical data base that more comprehensively compiles this information. This type of data base will allow the trading community to prepare more accurate and complete historical comparisons. Commerce should work closely with the trading community in creating this data base to ensure its maximum utility.

To improve the accuracy of this reported data, product information should be reported at the 10-digit Harmonized Tariff Schedule (HTS) level rather than the interim final rule's suggested 6-digit HTS level. Significant details concerning a product's features and use are often revealed at the 7- through 10-digit levels; the 6-digit HTS level for the myriad of steel products is often too vague to be of reliable use for tracking purposes. Concerns over the

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possible release of proprietary information through the use of the 10-digit HTS level are unfounded; methodologies exist that allow the publication of the statistics by product, consuming industry and state of destination without revealing sensitive data. The American Iron and Steel Institute, for example, employs such a reporting system. When its system compiles information for a particular data category that is populated by fewer than three suppliers, the data is not released and the category is marked instead with the letter "D" for Disclosure. This allows relevant data to be released without compromising sensitive information.

**Duration of the SIMA System**

It is Ispat Inland's hope that during the next four years, prior to the SIMA system's scheduled termination in 2009, Commerce will acknowledge the SIMA system's enduring importance and make the system a permanent one.

If additional clarification or more information is needed, please contact me, David M. Schwartz, at the telephone number listed on the first page of this submission, or Jose F. Cisneros, Manager, Trade & Customs Compliance, Law Department, Ispat Inland Inc., at 219-399-2428.

Sincerely,

A handwritten signature in black ink that reads "David M. Schwartz". The signature is written in a cursive style with a long, sweeping tail on the "z".

David M. Schwartz  
*Counsel to Ispat Inland Inc.*