



WE CARE.
After all, it's our company.

January 12, 2007

Susan H. Kuhbach
Senior Office Director for Import Administration
U.S. Department of Commerce
Central Records Unit, Room 1870
Pennsylvania Avenue and 14th Street, NW
Washington, DC 20230

Re: Application of the Countervailing Duty Law to Imports from the
PRC

Dear Ms. Kuhbach:

Thank you for the opportunity to submit comments on the application of the countervailing duty law to imports from the People's Republic of China (PRC). I am the President and CEO of Columbia Forest Products, Inc. The largest producer of hardwood panels in the United States.

We fully support the application of the countervailing duty law to imports from the PRC and respectfully request that the U.S. Department of Commerce reverse its policy of not applying the CVD law to non-market economies such as the PRC.

Chinese trade-distorting subsidies that injure U.S. industries should not be beyond the reach of U.S. countervailing duty law, particularly in light of the broad and continuing increase in Chinese imports and the expanding bilateral trade deficit with that country.

We, like all hardwood plywood manufacturing companies, face competition from hardwood plywood imports from the PRC. Our domestic manufacturers welcome the challenge posed by foreign competition, but only if those foreign companies are competing on the same basis as our domestic manufacturers. Although the U.S. Government has been actively engaged with China on these issues, I feel that our company, industry and our government should have the use of every possible tool at our disposal when negotiating with the Chinese. Therefore, I believe it is crucial that the U.S. Government have the *option* of applying countervailing duties, where appropriate, to Chinese imports.

Thank you

Very truly yours,

A handwritten signature in black ink, appearing to read "Harry Demorest", with a long horizontal flourish extending to the right.

Harry L. Demorest

President and Chief Executive Officer
Columbia Forest Products, Inc.

HLD/ja