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July 13, 2004

VIA ELECTRONIC MAIL

Mr. Daniel O. Hill
Director, Office of Strategic Industries and
Economic Security
Copper Short-Supply Petition
Regulatory Policy Division
Bureau of Industry and Security
U.S. Department of Commerce
14th Street and Constitution Avenue, N.W.
Washington, D.C. 20044

Re: <u>Petition for the Imposition of Monitoring and Controls With Respect to Exports</u> from the United States of Copper Scrap and Copper-Alloy Scrap

Dear Mr. Hill:

On behalf of the co-petitioners, the Copper & Brass Fabricators Council, Inc. ("CBFC"), and its member companies and the Non-Ferrous Founders' Society ("NFFS") and its member companies, we hereby submit for your consideration statements from the following companies in response to certain claims by the Institute of Scrap Recycling Industries, Inc. ("ISRI"), in its submission dated June 7, 2004: Cambridge-Lee Industries; Extruded Metals; Hussey Copper, Ltd.; Mueller Copper Tube Products, Inc.; and Olin Corporation.

Specifically, in its June 7th submission at pages 23-24, ISRI identified by name companies that, according to ISRI, either extended shipping dates due to "excess inventories" or were recently "out of the market" for several weeks this year. ISRI's assertions thereafter were reported on June 10, 2004, at page 5 in <u>American Metal Market</u>. In fact, for the companies for which we have been able to obtain statements, ISRI's charges are inaccurate. These statements are enclosed.

While final comments in this investigation were due by June 7, 2004, co-petitioners respectfully seek leave to submit this letter today in order to set the record straight. ISRI's failure to name the companies until June 7th otherwise will mean that ISRI's claims unfairly will go unanswered and that the record improperly will be skewed.

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Please contact the undersigned with any questions concerning this submission. Thank you for your attention to this matter.

Respectfully submitted,

DAVID A. HARTQUIST JEFFREY S. BECKINGTON JENNIFER E. MCCADNEY

Counsel to Co-Petitioners

Enclosures

ENCLOSURES

STATEMENT OF ROY ALLEN

- 1. My name is Roy Allen, and I am the President of Hussey Copper, Ltd., which is headquartered in Pittsburgh, Pennsylvania. Hussey Copper is a member of the Copper and Brass Fabricators Council, which on April 7, on behalf of its member companies and together with the Non-Ferrous Founders' Society and its member companies, filed a Petition for the Imposition of Monitoring and Short Supply Controls With Respect to Exports from the United States of Copper Scrap and Copper Alloy Scrap pursuant to section 7(c) of the Export Administration Act of 1979.
- 2. On June 7, 2004, the Institute of Scrap Recycling Industries, Inc., ("ISRI") filed a response to this Petition in connection with the short supply proceeding now pending before the U.S. Department of Commerce. In this response, ISRI alleges by name that Hussey Copper was "extending shipping dates" of scrap for "six to eight weeks" due to the existence of "excessive inventories."
- 3. ISRI's June 7 response has supplemented its previous general allegations by specifying companies, the length of the alleged delays, and claiming "excess inventories" as the reason for delays.
- 4. ISRI has failed, however, to submit specific dates relating to specific shipments and companies. Without those facts, ISRI's allegations remain baseless.

- 5. Many factors affect the timeliness of deliveries of scrap supplies in the normal course of business. Among these factors are unexpected and temporary equipment shutdowns. None of which we have experienced to date.
- 6. Recognizing the existence of such factors and despite ISRI's lack of specific information, I can state to the best of my information and belief that at least since January 1, 2004, Hussey Copper has delayed no shipment of scrap for "six to eight weeks" because of an "excess inventory" of scrap on hand, or for any other reason.

Roy Allen

Dated: July 1, 2004

STATEMENT OF THOMAS BAKER

- 1. My name is Thomas Baker, and I am the Vice President of Marketing, Metals Group of Olin Corporation, which is headquartered in East Alton, Illinois. Olin Corporation is a member of the Copper and Brass Fabricators Council, which on April 7, on behalf of its member companies and together with the Non-Ferrous Founders' Society and its member companies, filed a Petition for the Imposition of Monitoring and Short Supply Controls With Respect to Exports from the United States of Copper Scrap and Copper Alloy Scrap pursuant to section 7(c) of the Export Administration Act of 1979.
- 2. On June 7, 2004, the Institute of Scrap Recycling Industries, Inc., ("ISRI") filed a response to this Petition in connection with the short supply proceeding now pending before the U.S. Department of Commerce. In this response, ISRI alleges by name that Olin Brass was "extending shipping dates" of scrap for "six to eight weeks" due to the existence of "excessive inventories."
- 3. ISRI's June 7 response has supplemented its previous general allegations by specifying companies, the length of the alleged delays, and claiming "excess inventories" as the reason for delays.
- 4. ISRI has failed, however, to submit specific dates relating to specific shipments and companies. Without those facts, ISRI's allegations remain baseless.

- 5. Many factors affect the timeliness of deliveries of scrap supplies in the normal course of business. Among these factors are unexpected and temporary equipment shutdowns.
- 6. Recognizing the existence of such factors and despite ISRI's lack of specific information, I can state to the best of my information and belief that at least since January 1, 2004, Olin Corporation has delayed no shipment of scrap for "six to eight weeks" because of an "excess inventory" of scrap on hand, or for any other reason.

Thomas Baker

Dated: July 9, 2004

STATEMENT OF EDWARD KERINS, JR.

- 1. My name is Edward Kerins, Jr., and I am the Vice President of Sales and Distribution for Cambridge-Lee Industries, which is located in Reading, Pennsylvania. Cambridge-Lee is a member of the Copper and Brass Fabricators Council, which on April 7, on behalf of its member companies and together with the Non-Ferrous Founders' Society and its member companies, filed a Petition for the Imposition of Monitoring and Short Supply Controls With Respect to Exports from the United States of Copper Scrap and Copper Alloy Scrap pursuant to section 7(c) of the Export Administration Act of 1979.
- 2. On June 7, 2004, the Institute of Scrap Recycling Industries, Inc., ("ISRI") filed a response to this Petition in connection with the short supply proceeding now pending before the U.S. Department of Commerce. In this response, ISRI alleges by name that Cambridge-Lee's Reading Tube division was "extending shipping dates" of scrap supplies for "six to eight weeks" due to the existence of "excess inventories."
- 3. ISRI's June 7 response has supplemented its previous general allegations by specifying companies, the length of the alleged delays, and claiming "excess inventories" as the reason for delays.
- 4. ISRI has failed, however, to submit specific dates relating to specific shipments and companies. Without those facts, ISRI's allegations remain baseless.

5. Many factors affect the timeliness of deliveries of scrap supplies in the normal

course of business. Among these factors are unexpected and temporary equipment shutdowns.

6. For example, this past April Cambridge-Lee had to shut down one of its two

furnaces at its Reading facility for regular maintenance. Because this furnace was the one that

used copper-based scrap, we may have delayed some deliveries of scrap anywhere from six to

eight weeks from the original scheduled delivery. Importantly, these delays were not due to

excessive inventories, but rather to prevent an inventory build-up during our extended furnace

shut down.

7. Recognizing the existence of such factors and despite ISRI's lack of specific

information, I can state to the best of my information and belief that at least since January 1.

2004, Cambridge-Lee has delayed no shipment of scrap for "six to eight weeks" because of an

"excess inventory" of scrap on hand.

Dated: July 12, 2004

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STATEMENT OF WILLIAM H. HENSLEY

- 1. My name is William H. Hensley, and I am the Vice President Legal for Mueller Copper Tube Products, Inc. ("Mueller"), a subsidiary of Mueller Industries, Inc. Mueller Industries, Inc. is a member of the Copper and Brass Fabricators Council, which on April 7, on behalf of its member companies and together with the Non-Ferrous Founders' Society and its member companies, filed a Petition for the Imposition of Monitoring and Short Supply Controls With Respect to Exports from the United States of Copper Scrap and Copper Alloy Scrap pursuant to section 7(c) of the Export Administration Act of 1979.
- 2. On June 7, 2004, the Institute of Scrap Recycling Industries, Inc., ("ISRI") filed a response to this Petition in connection with the short supply proceeding now pending before the U.S. Department of Commerce. In this response, ISRI alleges by name that Mueller's Wynne, Arkansas operation was "extending shipping dates" of scrap supplies for "six to eight weeks" due to the existence of "excess inventories."
- 3. ISRI's June 7 response has supplemented its previous general allegations by specifying companies, the length of the alleged delays, and claiming "excess inventories" as the reason for delays.
- 4. ISRI has failed, however, to submit specific dates relating to specific shipments and companies. Without those facts, ISRI's allegations remain baseless.

5. Many factors affect the timeliness of deliveries of scrap supplies in the normal

course of business. Among these factors are unexpected and temporary equipment shutdowns.

6. Recognizing the existence of such factors and despite ISRI's lack of specific

information, I can state to the best of my information and belief that at least since January 1,

2004, Mueller has delayed no shipment of scrap for "six to eight weeks" because of an "excess

inventory" of scrap on hand, or for any other reason.

William H. Hensley
William H. Hensley

Dated: July 1, 2004

STATEMENT OF GEORGE DYKHUIZEN

- 1. My name is George Dykhuizen, and I am the President of Extruded Metals, which is located in Belding, Michigan. Extruded Metals is a member of the Copper and Brass Fabricators Council, which on April 7, on behalf of its member companies and together with the Non-Ferrous Founders' Society and its member companies, filed a Petition for the Imposition of Monitoring and Short Supply Controls With Respect to Exports from the United States of Copper Scrap and Copper Alloy Scrap pursuant to section 7(c) of the Export Administration Act of 1979.
- 2. On June 7, 2004, the Institute of Scrap Recycling Industries, Inc., ("ISRI") filed a response to this Petition in connection with the short supply proceeding now pending before the U.S. Department of Commerce. In this response, ISRI alleges by name that Extruded Metals was "out of the market for nearly three weeks recently." ISRI also alleges that several other companies were "extending shipping dates" of scrap for "six to eight weeks" due to the existence of "excessive inventories."
- 3. ISRI's June 7 response has supplemented its previous general allegations by specifying companies, the length of the alleged delays, and claiming "excess inventories" as the reason for delays.
- 4. ISRI has failed, however, to submit specific dates relating to specific shipments and companies. Without those facts, ISRI's allegations remain baseless.

5. Many factors affect the timeliness of deliveries of scrap supplies in the normal course of business. Among these factors are unexpected and temporary equipment shutdowns.

6. Recognizing the existence of such factors and despite ISRI's lack of specific information, I can state to the best of my information and belief that at least since January 1, 2004, Extruded Metals has delayed no shipment of scrap for "six to eight weeks" because of an "excess inventory" of scrap on hand, or for any other reason. Moreover, the volume of scrap received by Extruded Metals exceeded the previous year in four of the first five months in 2004. That being said, inventory is well below the previous year and certainly not in an "excess" condition. Allegations to the contrary are not valid. In fact we have continually been forced to expedite shipments of scrap to avoid production shortages. The statement that Extruded Metals suspended shipments of scrap for a nearly three weeks is not true.

Dated: 1, 2004