

JOHN CORNYN
TEXAS

United States Senate

WASHINGTON, DC 20510-4305

May 27, 2004

Dept. of Commerce
14th and Constitution Ave. N.W.
Room 5421
Washington, DC 20230

My constituent has sent the enclosed communication. A response which addresses his/her concerns would be appreciated.

Please send your response to the following address:

Office of Senator John Cornyn
Occidental Tower
5005 LBJ Freeway, Suite 1150,
Dallas, Texas 75244-6199

ATTN: Leslie Abshire
(972) 392-9293
(972) 239-2110 (Fax)

Enclosure

BEAUMONT IRON & METAL CORPORATION

Wholesale Scrap Processors

Phone (409) 833-8931
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Beaumont, Texas 77704-3427

P.O.Box 3427
3190 Hollywood St

April 21, 2004

The Honorable John Cornyn
Senate Office Building
517 Hart
Washington, DC 20510

MAY 7 11 AM REC'D

RE: Proposed scrap copper and brass export controls

Dear Senator Cornyn:

The attached article is self explanatory as to what is being proposed.

I am a 40 year veteran of the scrap industry and can tell you that there is no shortage of scrap brass and copper in this country. I can also tell you that, without a free and viable export market, many scrap processors, including myself, would not be able to ship our production at any level of reasonable price and, in some cases, could not even sell all our production.

The domestic producers can buy all the scrap copper and brass that they need. All they have to do is pay the fair market value for it. If their finished products cannot compete, they need to make changes or get out of the business-just like I would do or have to do.

This is nothing more than a cry for protection from fair competition (which is wrong).

I, and the scrap industry, need your logical and reasonable voice in this matter (if it reaches Congress)....

Sincerely,



Gaile Henry, Jr.
President

Enclosure

Conserving the future through recycling of secondary materials.

Scrap

Norddeutsche joins the push to curb copper scrap exports

PHILADELPHIA — The collective push in the United States to curb scrap metal exports to the Far East received an international ally this week when the world's largest copper scrap recycler joined the chorus calling for export controls.

Executives from Norddeutsche Affinität AG, Hamburg, Germany, plan to call on European Union leaders during the coming weeks to impose export restrictions on copper scrap and other critical materials, according to a wire service report.

Werner Mamette, Norddeutsche's chief executive officer, was reported to have blamed "ruthless" copper scrap sales to China during the past year for current soaring commodity prices and the scarcity of copper scrap stockpiles throughout Europe.

Eurometalex, a Brussels-based nonferrous metals lobbying group representing various interests throughout Europe, already has met with lawmakers privately and a spokesman for the group said a decision should be reached in a few weeks. Details of those meetings weren't announced, but published reports said copper scrap advocates lobbied for a "temporary measure" to ensure fair access to copper supplies.

The Copper and Brass Fabricators Council, Washington, and the Non-Ferrous Founders' Society, Park Ridge, Ill., filed a similar petition with the U.S. Commerce Department earlier this month. The two trade organizations want the United States—the world's largest generator of copper scrap—to cut exports to 31,000 short tons a month during a 12-month period. U.S. exports of copper and brass scrap have averaged 51,000 tons a month over the past 12 months.

Joseph McCann
 jmcann@amm.com

PC makers compute e-cycling differences

NEW YORK — Several factions among computer manufacturers hope to narrow their differences this week in an effort to guide Congress in dealing with how to recycle electronic scrap.

The Electronic Industries Alliance, a coalition of trade associations based in Arlington, Va., is sponsoring the effort to establish a nationwide recycling program.

If a consensus can be reached and the idea can be sold to state officials and to Congress, computer makers would avoid facing dozens of state-level programs. The hope is to develop a structure that would be federally mandated, in a loose way, but largely self-governing.

Some television manufacturers also are participating. Whether a common structure can be designed for both computers and TV sets is one of the issues facing the negotiators.

The effort dates back to February (AMM, Feb. 17). After weeks of preliminary maneuvers, the players finally have met in the Washington area. How manufacturers might share recycling costs is the key problem. For several of the companies, setting up a collective program is the logical

approach, with costs allocated among manufacturers according to size.

However, some producers already have begun developing their own take-back programs and want to maintain their own independent arrangements. Should the independents be required to help fund a joint program? That question is particularly significant if the joint program takes responsibility for brands that can't be linked to a currently active manufacturer.

Another issue is whether a funding formula should take account of historical sales data. The extreme example is IBM Corp. A payment system based on current hardware sales would require modest payments from IBM. However, the equipment currently being discarded includes a substantial quantity of IBM gear.

When the Electronic Industries Alliance undertook the effort in February, participating companies included Dell Computer Corp., Epson, Hewlett-Packard Co., Panasonic and Sharp Corp.

"Manufacturers will work together to develop a framework for financing (a) nationwide recycling program," the alliance said. If a consensus can be reached, the plan will go to the National Electronics

Product Stewardship Initiative (Nepsi), which for several years has fostered discussions between manufacturers and state officials under the aegis of the U.S. Environmental Protection Agency.

After review and perhaps tinkering at the Nepsi level, the plan then would be forwarded to Congress, according to the February description of the process issued by the Electronic Industries Alliance.

Paul Schaffer
 pschaffer@amm.com

S. Korea boosts '04 can recycling target by 6.3%

TOKYO — South Korea aims to increase the volume of metal cans it recycles this year in response to complaints from domestic

steel producers and consumers about rising prices of steelmaking materials.

But the targeted 6.3-percent improvement will have only a negligible impact at best, given that Korea imports about 9 million tonnes of ferrous scrap a year.

The Korea Metal Can Recycling Association expects to recycle about 170,000 tonnes of metal cans this year, up from 160,000 tonnes last year and 132,000 tonnes in 2002. About 92 percent of the 2004 target will be steel cans;

the remaining 13,500 tonnes will be aluminum cans.

The target was announced by incoming association chairman Yoon Seok-Man, an executive at Posco Ltd. Seoul-based Posco, the largest of the association's 330 members, has been vocal in recent months in announcing plans to help Korean steel consumers and their steel industry suppliers, which have been subject to higher prices caused in part by shortages of steelmaking raw materials.

AMM WEEKLY SCRAP COMPOSITES

Averages calculated each Friday, based on data effective from the previous Friday - Thursday Prices are in U.S. dollars.

NO. 1 HEAVY MELT			
— calculation date —			
	04/18/04 Prior	W/Year Ago	
Chicago	\$228.00	\$230.00	\$105.00
Philadelphia	190.00	190.00	129.00
Pittsburgh	214.00	214.00	124.00
Composite	\$210.67	\$211.33	\$119.67

SHREDDERED CRAP

— calculation date —

	04/18/04 Prior	W/Year Ago	
Birmingham	\$235.00	\$235.00	\$150.00
Chicago	228.00	230.00	135.00
Houston	212.00	232.00	127.00
Philadelphia	210.00	210.00	149.00
Pittsburgh	220.00	220.00	142.00
Composite	\$219.00	\$225.00	\$140.00



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FAX TRANSMISSION

OFFICE OF SENATOR JOHN CORNYN

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Dallas, Texas 75244
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To: *Congressional
Liaison*

Date: *5/27/04*

From: *Jedi Abshier*

Pages to Follow: *3*

Re: *Gail Henry*

COMMENTS:

2005-05-27 15:58 FAX