



CHAPARRAL STEEL

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September 24, 2004

BY HAND DELIVERY

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

Re: Request for Comments on Steel Import Monitoring and Analysis System

Dear Mr. Parkhill:

On behalf of Chaparral Steel Co. ("Chaparral"), one of the largest suppliers of structural steel in North America, we respectfully submit the following comments in response to the Department of Commerce's ("the Department") request for comments on the continuation of the Steel Import Monitoring and Analysis System ("SIMA"), 69 Fed. Reg. 52,211 (August 25, 2004). Chaparral strongly supports the continuation and expansion of this important program.

Chaparral fully supports the joint industry comments submitted to the Department by the American Iron and Steel Institute, the Steel Manufacturers Association, and other entities ("the domestic industry"). In particular, Chaparral wishes to stress the crucial importance of expanding the SIMA program to cover structural steel beams. Chaparral is one of the largest suppliers of structural steel in North America. Structural, however, are excluded from the current SIMA program, since they were not included in the President's 201 program. However, we have seen sudden import surges of structural steel beams in the past. We need an early warning system to protect against future import surges.

When the original 201 program was terminated, the Administration made clear its intent to maintain and expand the SIMA program. Despite this, Commerce did not begin this rulemaking process for eight months. Further delay, at a time when steel imports are again rising, could endanger the benefits of the original 201 program and leave the industry vulnerable to import surges. In light of this, the Department should act expeditiously to ensure that these enhancements are implemented well before the current SIMA system expires in March 2005.

I would be pleased to meet with Department officials to discuss these comments. We thank you in advance for your consideration of our comments.

Respectfully submitted,

Tommy A. Valenta
President
Chaparral Steel Company