

September 23, 2004

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

Re: Steel Import Monitoring and Analysis System

Dear Mr. Parkhill:

In response to the August 25th request by the Department of Commerce, I am writing here in support of an extended Steel Import Monitoring and Analysis system that is both enhanced to include all steel products and made permanent.

My company, Hug Industries, Inc., is located in St. Peters, Mo.. We currently operate with 3 people, but once employed 7 before the industry downtrend. We have been in business for over 32 years selling products to the steel industry as a manufacturer's rep and distributor. 2001 and 2002 were disasters and due to the President's policies we have rebounded, but there are still many problems ahead if our government does not take the initiative to continue to preserve and protect our industry from unfair competition. My company depends on a strong and healthy domestic steel industry to prosper. I supported President Bush's decision to impose the Steel 201 program that enabled the steel industry to recover from the flood of imports that led to numerous bankruptcies. American steelmakers have made great strides to enhance their competitiveness through consolidation and restructuring. We must continue to take steps to ensure that this recovery is not set back by a renewed surge in imports. Establishing an effective and permanent import monitoring system that covers all basic steel products is a key step in achieving that result.

The President has recognized that this program is critical to give the government and industry participants access to timely and accurate data on steel imports. I urge the Administration to act quickly so that the new program is established before March 2005. Getting a new program up and running at the earliest possible date should be a top priority.

The Administration's endorsement of this program last December was right on the mark. I urge you to follow through on this commitment to a strong and effective steel import monitoring system.

Thank you for the opportunity to comment on this important program.

Sincerely,

HUG INDUSTRIES, INC.

Douglas A. Hug
President