

October 1, 2003

The Honorable James J. Jochum
Assistant Secretary for Import Administration
U.S. Department of Commerce, Central Records Unit, Room 1870
Pennsylvania Ave & 14th Street, NW
Washington, DC 20230

Attention: Section 201 Duties

Dear Assistant Secretary Jochum:

I am the owner of Riley Creek Lumber Company, located in the panhandle of north Idaho, 60 miles south of the Canadian Border. We have been in the business over 30 years and have one of the most technologically advanced mills in industry.

The prices of our products are dictated directly by the products manufactured by our Canadian counterparts. With the cost structure for their raw material being significantly less than ours, even with the present 27% duty (current CVD and AD duties combined) and low product prices, a Canadian Mill can operate when the US Mills cannot.

In response to your request in the September 9 Federal Register for comments on the appropriateness of deducting section 201 duties and countervailing duties from prices in order to calculate antidumping duties, I believe it is essential that the Department amend its policy immediately to fully address the magnitude of dumping by counting subsidy duties as a cost.

The Department's current policy of not including countervailing duties as a cost when calculating dumping rates does not consider the full scope of the dumping. Duties are imposed in an effort to level the playing field between importers and the domestic industry by offsetting the value of the subsidy - it reflects what their true costs should be in a competitive market, costs that must be recouped in their sales prices if they are not to be considered dumping into the U.S. market.

We strongly favor changing the Department's policy to align it with current policy in both Canada and the European Community. This is the only way to place Canadian mills on a level playing field and to stop their predatory trade practices taking jobs from our country. Although the citizens of the Provinces of Canada own the timber, the wealth from the timber is in the hands of the Sawmill Owners. The system was established to enable investors to build Mills and create jobs.

We are of the view that the enormous problem of unfair Canadian lumber trade will only be solved when the Canadian governments and mills understand very clearly that they must stop their unfair practices or the U.S. government will fully offset the unfair trade.

If President Bush is truly concerned about the loss of manufacturing jobs in the USA, then you must begin with the obvious, please correct this serious problem.

Very truly:

Marc A. Brinkmeyer
Owner/President