

Preston Publishing Company

April 12, 2005

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

Re.: Steel Import Monitoring and Analysis System.

Dear Mr. Parkhill:

We commend you and your colleagues for the decision to continue the SIMA system for an additional 4 years beyond its current expiration date. This is a major step toward leveling the competitive playing field for the steel industry. The decision to expand the scope of the system to include all basic steel products is equally important in that it makes the statistics more closely correspond to other important publicly available steel trade data.

Considering your concern on inadvertent disclosure, we have investigated and examined the new system to the 6-digit HTS level. Our investigations revealed that some potential problems exist which would only be solved at the 10-digit level. In order to circumvent these problems we offer the following suggestions for your consideration:

1. The product classifications listed in your Annex II mirror the American Iron & Steel Institute's (AISI) AIS 10 Report. This report is entitled "NET SHIPMENTS OF STEEL MILL PRODUCTS", "ALL GRADES INCLUDING CARBON, ALLOY AND STAINLESS". The AIS 10 Report details the domestic mill shipments per month in net tons and grades. SIMA will complete the gross U. S. market supply data by providing the corresponding import data separated by CARBON, ALLOY and STAINLESS.

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2. In our review of the proposed 6-digit HTS Codes we found instances where there is need for clarification. We have listed these in an Appendage for your consideration. With regard to attachments (d) and (e) the Department should use the 10-digit HTS code to apply the proper grade separation but for disclosure reasons report under the 6-digit HTS code only.
3. In one area product definition has become critical. This area is Standard Pipe covered by HTS codes 7306.30.5025, 7306.30.5028, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085 & 7306.30.5090. The 6-digit HTS code does not define where the pipe is black or galvanized. The import supply for these products rose 39 percent (289,708 tons) from 2003 to 2004. This product category is watched very closely by domestic producers who had to cut production and laid off workers to combat the influx of imports. Product definition by execution i.e. black or galvanized as well as separation by country of origin is critical and would not compromise any proprietary information.
4. Release data in a text format file so it can be easily transferred into Microsoft Excel or other computer programs. We would also recommend that the text file include both the quantity and value of the product. This will eliminate the need to copy 2 separate files. The Foreign Trade Division of the U.S. Census Bureau releases detailed preliminary steel import data in a text format with a consistent structure.

Please contact us if we may assist your implementation of this program and thank you again for your commitment to the SIMA system.

Yours Truly,

Douglass P. Yadon
Chairman

Attachments:

- a) HTS Codes listed in Annex II, but not included in HTS Schedule (2005)
- b) HTS codes not listed in Annex II, but included in HTS Schedule (2005)
- c) HTS codes that cover multiple products
- d) HTS codes that do not define whether the grade is carbon or alloy
- e) HTS codes that do not detail whether the pipe is black or galvanized

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Codes listed in SIMA Annex II not listed in Harmonized Tariff Schedule (2005)

Appendage A

Wire Rods:

7213913000 7213913010 7213913090 7213913091 7213914510 7213914590 7213916010
7213916090 7213990031 7213990038

Structural Shapes:

7216990000

Plates Cut to Length:

7219210050 7219220010 7219220030 7219220060

Plates In Coils:

7219110000 7219120045

Railroad Accessories:

7302200000

Bars Hot Rolled:

7213200000 7214300000 7227200010 7227200020 7227200090 7227200095
7227906051 7227906053 7227906058 7227906059

Line Pipe:

7306101013 7306101014 7306101015 7306101019 7306101053 7306101054 7306101055
7306101059 7306105013 7306105014 7306105015 7306105019 7306105053 7306105054
7306105055 7306105059

Wire Drawn:

7217304510 7217304540 7229200000 7229905015 7229905030 7229905050

Black Plate:

7209182550

Sheets Cold Rolled:

7209160090 7209170090 7209186000

Codes NOT listed in SIMA Annex II appearing in Harmonized Tariff Schedule (2005)

Appendage B

7216610000

7216690000

7216910010

7216910090

7217901000

7222406000

7228706000

7301201000

7301205000

7302300000

7302909000

Codes that do not define Carbon or Alloy grade

Appendage C

720916

720917

720918

730421

730429

730490

730410

730610

730620

730660

730630

730690

Codes that do not define whether pipe is galvanized or black

Appendage E

7206305025

7306305028

7306305032

7306305040

7306305055

7306305085

7306305090

Codes that cover multiple product groups

Appendage C

6-digit code	Number of product groups	Product Group Name
720610	1	Ingots
720690	1	Ingots
720711	1	Blooms, Billets & Slabs
720712	1	Blooms, Billets & Slabs
720719	1	Blooms, Billets & Slabs
720720	1	Blooms, Billets & Slabs
720810	2	Plates In Coils; Sheets Hot Rolled
720825	1	Plates In Coils
720826	1	Sheets Hot Rolled
720827	1	Sheets Hot Rolled
720836	1	Plates In Coils
720837	1	Sheets Hot Rolled
720838	1	Sheets Hot Rolled
720839	1	Sheets Hot Rolled
720840	2	Plates Cut to Length; Sheets Hot Rolled
720851	1	Plates Cut to Length
720852	1	Plates Cut to Length
720853	1	Sheets Hot Rolled
720854	1	Sheets Hot Rolled
720890	1	Sheets Hot Rolled
720915	1	Sheets Cold Rolled
720916	1	Sheets Cold Rolled
720917	1	Sheets Cold Rolled
720918	2	Sheets Cold Rolled; Black Plate
720925	1	Sheets Cold Rolled
720926	1	Sheets Cold Rolled
720927	1	Sheets Cold Rolled
720928	1	Sheets Cold Rolled

720990	1	Sheets Cold Rolled
721011	1	Tin Plate
721012	1	Tin Plate
721020	1	Sheets & Strip - All Other Metallic Coated
721030	1	Sheets & Strip - Electrolytic Galvanized
721041	1	Sheets & Strip - Hot Dipped Galvanized
721049	1	Sheets & Strip - Hot Dipped Galvanized
721050	1	Tin Free Steel
721061	1	Sheets & Strip - All Other Metallic Coated
721069	1	Sheets & Strip - All Other Metallic Coated
721070	4	Sheets Cold Rolled; Sheets & Strip-Electrolytic Galvanized; Sheets & Strip-Hot Dipped Galvanized; Sheets & Strip-All Other Metallic Coated
721090	2	Plates Cut to Length; Sheets & Strip - All Other Metallic Coated
721113	1	Plates Cut to Length
721114	2	Plates Cut to Length; Plates In Coils
721119	1	Strip Hot Rolled
721123	1	Strip Cold Rolled
721129	1	Strip Cold Rolled
721190	1	Strip Cold Rolled
721210	1	Tin Plate
721220	1	Sheets & Strip - Electrolytic Galvanized
721230	1	Sheets & Strip - Hot Dipped Galvanized
721240	1	Strip Cold Rolled
721250	1	Sheets & Strip - All Other Metallic Coated
721260	1	Sheets & Strip - All Other Metallic Coated
721310	1	Bars Reinforcing
721320	1	Bars Hot Rolled
721391	1	Wire Rods
721399	1	Wire Rods; Bars Hot Rolled
721410	1	Bars Hot Rolled
721420	1	Bars Reinforcing

721430	1	Bars Hot Rolled
721491	1	Bars Hot Rolled
721499	1	Bars Hot Rolled
721510	1	Bars Cold Finished
721550	1	Bars Cold Finished
721590	2	Bars Hot Rolled; Bars Cold Finished
721610	1	Bars Light Shapes
721621		N/A
721622	1	Bars Light Shapes
721631	1	Structural Shapes
721632	1	Structural Shapes
721633	1	Structural Shapes
721640	1	Structural Shapes
721650	1	Structural Shapes
721661		N/A
721669		N/A
721691		N/A
721699	1	Structural Shapes
721710	1	Wire Drawn
721720	1	Wire Drawn
721730	1	Wire Drawn
721790	1	Wire Drawn
721810	1	Ingots
721891	1	Blooms, Slabs & Billets
721899	1	Blooms, Slabs & Billets
721911	1	Plates In Coils
721912	1	Plates In Coils
721913	1	Sheets Hot Rolled
721914	1	Sheets Hot Rolled
721921	1	Plates Cut to Length
721922	1	Plates Cut to Length

721923	1	Sheets Hot Rolled
721924	1	Sheets Hot Rolled
721931	2	Plates Cut to Length; Plates In Coils
721932	1	Sheets Cold Rolled
721933	1	Sheets Cold Rolled
721934	1	Sheets Cold Rolled
721935	1	Sheets Cold Rolled
721990	1	Sheets Cold Rolled
722011	1	Plates Cut to Length
722012	1	Strip Hot Rolled
722020	1	Strip Cold Rolled
722090	1	Strip Cold Rolled
722100	2	Bars Hot Rolled; Wire Rods
722211	1	Bars Hot Rolled
722219	1	Bars Hot Rolled
722220	1	Bars Cold Finished
722230	1	Bars Cold Finished
722240	2	Structural Shapes; Bars Light Shapes
722300	1	Wire Drawn
722410	2	Ingots; Tool Steel
722490	2	Blooms, Billets & Slabs; Tool Steel
722511	1	Sheets & Strip - Electrical
722519	1	Sheets & Strip - Electrical
722520	1	Tool Steel
722530	3	Tool Steel; Plates in Coils; Sheets Hot Rolled
722540	3	Tool Steel; Plates Cut to Length; Sheets Hot Rolled
722550	3	Tool Steel; Plates Cut to Length; Sheets Cold Rolled
722591	1	Sheets & Strip - Electrolytic Galvanized
722592	1	Sheets & Strip - Hot Dipped Galvanized
722599	1	Sheets Cold Rolled

722611	1	Sheets & Strip - Electrical
722619	1	Sheets & Strip - Electrical
722620	1	Tool Steel
722691	3	Tool Steel; Plates Cut to Length; Strip Hot Rolled
722692	2	Tool Steel; Strip Cold Rolled
722693	1	Sheets & Strip - Electrolytic Galvanized
722694	1	Sheets & Strip - Hot Dipped Galvanized
722699	1	Strip Cold Rolled
722710	1	Tool Steel
722720	1	Bars Hot Rolled
722790	2	Tool Steel; Bars Hot Rolled
722810	1	Tool Steel
722820	2	Bars Hot Rolled; Bars Cold Finished
722830	2	Tool Steel; Bars Hot Rolled
722840	1	Bars Hot Rolled
722850	2	Tool Steel; Bars Cold Finished
722860	3	Tool Steel; Bars Hot Rolled; Bars Cold Finished
722870	2	Structural Shapes; Bars Light Shapes
722880	1	Bars Hot Rolled
722910	1	Tool Steel
722920	1	Wire Drawn
722990	1	Wire Drawn
730110	1	Piling
730120		N/A
730210	2	Rails - Standard; Rails - All Others
730220	1	Railroad Accessories
730230		n/a
730240	1	Railroad Accessories
730290		n/a

730300		n/a
730410	1	Line Pipe
730420	1	OCTG
730421	1	OCTG (Drill Pipe)
730429	1	OCTG
730431	2	Mechanical; Pressure
730439	3	Standard; Mechanical; Pressure
730441	1	Stainless
730449	1	Stainless
730451	2	Mechanical; Pressure
730459	3	Standard; Mechanical; Pressure
730490	2	Mechanical; Structural
730511	1	Line Pipe
730512	1	Line Pipe
730519	1	Line Pipe
730520	1	OCTG
730531	1	Structural
730539	1	Piling
730590	1	Mechanical
730610	1	Line Pipe
730620	1	OCTG
730630	4	Standard; Mechanical; Structural; Pressure
730640	1	Stainless
730650	3	Mechanical; Structural; Pressure
730660	3	Mechanical; Structural; Stainless
730690	1	Mechanical
730711		N/A
730719		N/A
730721		N/A
730722		N/A

730729		N/A
730791		N/A
730792		N/A
730793		N/A
730799		N/A
730810		N/A
730820		N/A
730830		N/A
730840		N/A
730890		N/A
731210	1	Sheets Cold Rolled