

**RECORD OF COMMENTS: NATIONAL DEFENSE STOCKPILE MARKET IMPACT COMMITTEE REQUEST FOR REQUEST FOR PUBLIC COMMENTS ON THE POTENTIAL MARKET IMPACT OF PROPOSED STOCKPILE DISPOSALS IN FY 2004 AND FY 2005.**

Published in the Federal Register

[68 FR 59581](#)

(DUE NOVEMBER 17, 2003)

with Correction published in

[68 FR 60444](#)

COMMENT	SOURCE	SIGNER(S) OF LETTER	DATE	NUMBER OF PAGES
1 Note: Business Proprietary Information	Camara Argentino - Paraguaya de Productores de Extracto de Quebracho	Ariel Lopez Mato	Nov. 11, 2003	3
2 Note: Business Proprietary Information	Considar, Inc.	Daniel Marx	Nov. 13, 2003	3
3	<a href="#"><u>Sons of Gwalia, Ltd.</u></a>	David Paull	Nov. 14, 2003	2
4	<a href="#"><u>Embassy of the Argentine Republic</u></a>	Jose Octavio Bordon	Nov. 17, 2003	3
5	<a href="#"><u>Eramet Marietta</u></a>	Nicholas A. Pyle	Nov. 17, 2003	14

Avenue, NW., Washington, DC. 20230, (202) 482-4807.

**SUPPLEMENTARY INFORMATION:** The names, position titles, and type of appointment of the members of the OS/PRB are set forth below by organization:

#### U.S. Department of Commerce

*Office of the Secretary, Performance Review Board Membership*

The following individuals are eligible to serve on the Performance Review Board in accordance with the Senior Executive Service Performance Management System of the Office of the Secretary.

Kathleen J. Taylor  
Linda Moye-Cheatham  
Thomas N. Pyke, Jr.  
Miriam Cohen  
Fred L. Schwien  
David S. Bohigian  
Denise L. Wells  
James L. Taylor

Janet C. Hoffheins,

*Deputy Director, Office for Human Resources Management.*

[FR Doc. 03-26086 Filed 10-15-03; 8:45 am]

BILLING CODE 3510-BS-M

## DEPARTMENT OF COMMERCE

### Bureau of Industry and Security

#### President's Export Council Subcommittee on Export Administration; Notice of Partially Closed Meeting

The President's Export Council Subcommittee on Export Administration (PECSEA) will meet on November 5, 2003, 10 a.m., at the U.S. Department of Commerce, Herbert C. Hoover Building, Room 4832, 14th Street between Pennsylvania and Constitution Avenues, NW., Washington, DC. The PECSEA provides advice on matters pertinent to those portions of the Export Administration Act, as amended, that deal with United States policies of encouraging trade with all countries with which the United States has diplomatic or trading relations and of controlling trade for national security and foreign policy reasons.

#### Public Session

1. Opening remarks by the Chairman.
2. Presentation of papers or comments by the public.
3. Bureau of Industry and Security (BIS) and Export Administration update.
4. Export Enforcement update.

#### Closed Session

5. Discussion of matters properly classified under Executive Order 12958, dealing with the U.S. export control program and strategic criteria related thereto.

A limited number of seats will be available for the public session. Reservations are not accepted. To the extent time permits, members of the public may present oral statements to the PECSEA. Written statements may be submitted at any time before or after the meeting. However, to facilitate distribution of public presentation materials to PECSEA members, the PECSEA suggests that public presentation materials or comments be forwarded before the meeting to the address listed below: Ms. Lee Ann Carpenter, OSIES/EA/BIS MS: 3876, U.S. Department of Commerce, 14th St. & Constitution Ave., NW., Washington, DC 20230.

A Notice of Determination to close meetings, or portions of meetings, of the PECSEA to the public on the basis of 5 U.S.C. 522(c)(1) was approved on October 8, 2003, in accordance with the Federal Advisory Committee Act.

For more information, call Ms. Carpenter on (202) 482-2583.

Dated: October 10, 2003.

**Matthew S. Borman,**

*Deputy Assistant Secretary for Export Administration.*

[FR Doc. 03-26125 Filed 10-15-03; 8:45 am]

BILLING CODE 3510-JT-M

## DEPARTMENT OF COMMERCE

### Bureau of Industry and Security

[Docket No. 030930242-3242-01]

#### National Defense Stockpile Market Impact Committee Request for Public Comments on the Potential Market Impact of Proposed Stockpile Disposals in FY 2004 and FY 2005

**AGENCY:** U.S. Department of Commerce.

**ACTION:** Notice of inquiry.

**SUMMARY:** This notice is to advise the public that the National Defense Stockpile Market Impact Committee (co-chaired by the Departments of Commerce and State) is seeking public comments on the potential market impact of proposed changes in the disposal levels of excess materials under the Fiscal Year 2004 Annual Materials Plan and proposed disposal levels under the Fiscal Year 2005 Annual Materials Plan.

**DATES:** Comments must be received by November 17, 2003.

**ADDRESSES:** Written comments should be sent to Richard V. Meyers, Co-Chair, Stockpile Market Impact Committee, Office of Strategic Industries and Economic Security, Room 3876, Bureau of Industry and Security, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; FAX (202) 482-5650; E-mail: [rmeyers@bis.doc.gov](mailto:rmeyers@bis.doc.gov).

**FOR FURTHER INFORMATION CONTACT:** The co-chairs of the National Defense Stockpile Market Impact Committee. Contact either Richard V. Meyers, Office of Strategic Industries and Economic Security, Bureau of Industry and Security, U.S. Department of Commerce, (202) 482-3634; or James Steele, Office of Bilateral Trade Affairs, Bureau of Economic and Business Affairs, U.S. Department of State, (202) 647-2690.

**SUPPLEMENTARY INFORMATION:** Under the authority of the Strategic and Critical Materials Stock Piling Act of 1979, as amended, (50 U.S.C. 98 *et seq.*), the Department of Defense ("DOD"), as National Defense Stockpile Manager, maintains a stockpile of strategic and critical materials to supply the military, industrial, and essential civilian needs of the United States for national defense. Section 3314 of the Fiscal Year ("FY") 1993 National Defense Authorization Act ("NDAA") (50 U.S.C. 98h-1) formally established a Market Impact Committee ("the Committee") to "advise the National Defense Stockpile Manager on the projected domestic and foreign economic effects of all acquisitions and disposals of materials from the stockpile \* \* \*". The Committee must also balance market impact concerns with the statutory requirement to protect the Government against avoidable loss.

The Committee is comprised of representatives from the Departments of Commerce, State, Agriculture, Defense, Energy, Interior, Treasury, and the Department of Homeland Security, and is co-chaired by the Departments of Commerce and State. The FY 1993 NDAA directs the Committee to "consult from time to time with representatives of producers, processors and consumers of the types of materials stored in the stockpile."

The National Defense Stockpile Administrator is proposing (1) revision of the previously approved FY 2004 Annual Materials Plan ("AMP") quantities for four materials, and (2) the new FY 2005 AMP, as set forth in Attachment 1. The Committee is seeking public comments on the potential market impact of the sale of these materials as proposed in the revision of

the FY 2004 AMP and the FY 2005 AMP.

The AMP quantities are not targets for either sale or disposal. They are only a statement of the proposed maximum disposal quantity of each listed material that may be sold in a particular fiscal year. The quantity of each material that will actually be offered for sale will depend on the market for the material at the time of the offering as well as on the quantity of each material approved for disposal by Congress.

The Committee requests that interested parties provide written comments, supporting data and documentation, and any other relevant information on the potential market impact of the sale of these commodities. Although comments in response to this Notice must be received by November 17, 2003 to ensure full consideration by

the Committee, interested parties are encouraged to submit comments and supporting information at any time thereafter to keep the Committee informed as to the market impact of the sale of these commodities. Public comments are an important element of the Committee's market impact review process.

Public comments received will be made available at the Department of Commerce for public inspection and copying. Anyone submitting business confidential information should clearly identify the business confidential portion of the submission and also provide a non-confidential submission that can be placed in the public file. The Committee will seek to protect such information to the extent permitted by law.

The records related to this Notice will be made accessible in accordance with the regulations published in Part 4 of Title 15 of the Code of Federal Regulations (15 CFR 4.1, *et seq.*). Specifically, the Bureau of Industry and Security's Freedom of Information Act ("FOIA") reading room is located on its Web page, which can be found at <http://www.bis.doc.gov>, and copies of the public comments received will be maintained at that location (see Freedom of Information Act (FOIA) heading). If requesters cannot access the web site, they may call (202) 482-2165 for assistance.

Dated: October 9, 2003.

**Matthew S. Borman,**

*Acting Assistant Secretary for Industry and Security, Bureau of Industry and Security, Department of Commerce.*

ATTACHMENT 1—PROPOSED REVISION TO FY 2004 ANNUAL MATERIAL PLAN (AMP) AND PROPOSED FY 2005 AMP

Material	Units	Current FY 2004 quantity	Revised FY 2004 quantity	Proposed FY 2005 quantity
Aluminum Oxide, Abrasive	ST	6,000		16,000
Bauxite, Refractory	LCT	143,000		143,000
Beryl Ore	ST	14,000		14,000
Beryllium Metal	ST	40		40
Beryllium Copper Master Alloy	ST	11,200		11,200
Cadmium	LB	1400,000		0
Celestite	SDT	112,794		16,000
Chromite, Chemical	SDT	1100,000		1100,000
Chromite, Refractory	SDT	1100,000		1100,000
Chromium, Ferro	ST	150,000	110,000	110,000
Chromium, Metal	ST	500		500
Cobalt	LB Co	6,000,000		6,000,000
Columbium Concentrates (Minerals)	LB Cb	560,000		560,000
Columbium Metal Ingots	LB Cb	20,000		20,000
Diamond Stone	ct	1600,000		1400,000
Fluorspar, Acid Grade	SDT	112,000		112,000
Fluorspar, Metallurgical Grade	SDT	160,000		160,000
Germanium	KG	8,000		8,000
Graphite	ST	12,000		0
Iodine	LB	1,000,000		1,000,000
Jewel Bearings	PC	182,051,558		182,051,558
Kyanite	SDT	0	50	0
Lead	ST	60,000		160,000
Manganese, Battery Grade Natural	SDT	30,000		30,000
Manganese, Battery Grade Synthetic	SDT	13,011	13,011	
Manganese, Chemical Grade	SDT	40,000		140,000
Manganese, Ferro	ST	50,000		50,000
Manganese, Metal Electrolytic	ST	2,000		12,000
Manganese, Metallurgical Grade	SDT	1250,000		1250,000
Mica (All Types)	LB	15,000,000		11,000,000
Palladium	Tr Oz	13200,000		13100,000
Platinum	Tr Oz	125,000		125,000
Platinum—Iridium	Tr Oz	6,000		6,000
Quartz Crystals	LB	1150,000		125,000
Quinidine	Oz	12,211,122		0
Sebacic Acid	LB	600,000		1600,000
Talc	ST	11,000		11,000
Tantalum Carbide Powder	LB Ta	14,000	14,000	
Tantalum Metal Ingots	LB Ta	140,000		140,000
Tantalum Metal Powder	LB Ta	140,000		140,000
Tantalum Minerals	LB Ta	500,000		1500,000
Tantalum Oxide	LB Ta	20,000		20,000
Thorium Nitrate	LB	127,100,000		127,100,000
Tin	MT	12,000		12,000
Titanium Sponge	ST	7,000		17,000
Tungsten, Ferro	LB W	300,000		300,000

ATTACHMENT 1—PROPOSED REVISION TO FY 2004 ANNUAL MATERIAL PLAN (AMP) AND PROPOSED FY 2005 AMP—  
Continued

Material	Units	Current FY 2004 quantity	Revised FY 2004 quantity	Proposed FY 2005 quantity
Tungsten, Metal Powder .....	LB W .....	300,000		300,000
Tungsten Ores & Concentrates .....	LB W .....	4,000,000		4,000,000
Vegetable Tannin Extract, Chestnut .....	LT .....	0	250	1250
Vegetable Tannin Extract, Quebracho .....	LT .....	50,000		150,000
Vegetable Tannin Extract, Wattle .....	LT .....	0	6,500	16,500
Zinc .....	ST .....	50,000		50,000

**Notes:**<sup>1</sup> Actual quantity will be limited to remaining sales authority or inventory.<sup>2</sup> The radioactive nature of this material may restrict sales or disposal options. Efforts are underway to determine the environmentally and economically feasible disposition of the material.<sup>3</sup> Pending legislative authority.[FR Doc. 03-26106 Filed 10-15-03; 8:45 am]  
BILLING CODE 3510-DR-P**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-570-846]

**Brake Rotors from The People's Republic of China: Notice of Extension of Time Limit for Preliminary Results in Antidumping Duty Administrative and New Shipper Reviews****AGENCY:** Import Administration, International Trade Administration, Department of Commerce.**EFFECTIVE DATE:** October 16, 2003.**FOR FURTHER INFORMATION CONTACT:**

Brian Smith at (202) 482-1766, Sophie Castro at (202) 482-0588, or Margarita Panayi at (202) 482-0049, Office 2, AD/CVD Enforcement Group I, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230.

**SUMMARY:** The Department of Commerce (the Department) is extending the time limit for the preliminary results of the sixth administrative and ninth new shipper reviews of the antidumping duty order on brake rotors from the People's Republic of China (PRC), which cover the period April 1, 2002, through March 31, 2003.**SUPPLEMENTARY INFORMATION:** In accordance with section 751(a)(3)(A) of the Tariff Act of 1930 (the Act), as amended, the Department shall make a preliminary determination in an administrative review of an antidumping duty order within 245 days after the last day of the anniversary month of the date of publication of the order. The Act further provides, however, that the Department may extend that 245-day period to 365 days if it determines it is not practicable to

complete the review within the foregoing time period.

Pursuant to 751(a)(2)(B)(iv) of the Act, the Department shall make a preliminary determination in a new shipper review within 180 days after the date on which the review is initiated. However, if the case is extraordinarily complicated, it may extend the 180 day period for the preliminary results to 300 days.

The Department initiated the sixth administrative review<sup>1</sup> of the antidumping duty order on brake rotors from the PRC (68 FR 27781) on May 21, 2003 and the ninth new shipper review<sup>2</sup> of the antidumping duty order on brake rotors from the PRC (68 FR 33675) on June 5, 2003. Pursuant to section 351.214(j)(3) of its regulations, and with the agreement of Laizhou City Luqi Machinery Co., Ltd. (Luqi) and Qingdao Rotec Autoparts Co., Ltd (Rotec), the Department is conducting these reviews concurrently. The current deadline for the preliminary results in these reviews is December 31, 2003.

The Department finds that it is not practicable to complete the preliminary results in the administrative review within the above specified time limit because we must request additional information and clarifications of submitted data from multiple respondents as well as conduct verifications prior to issuing our preliminary results. In addition, we determine that it would be extraordinarily complicated to complete

<sup>1</sup> The administrative review respondents are China National Machinery Import & Export Company; Laizhou Hongda Auto Replacement Parts, Co. Ltd.; Qingdao Gren Co.; Yantai Winhere Auto Part Manufacturing Co., Ltd.; Longkou Haimeng Machinery Co., Ltd.; Zibo Luzhou Automobile Parts Co., Ltd.; Hongfa Machinery (Dalian) Co., Ltd.; Qingdao Meita Automotive Industry Co., Ltd.; Shandong Laizhou Huanri Group General; Laizhou Auto Brake Equipment Company, Ltd.; and Longkou TLC Machinery Co., Ltd.

<sup>2</sup> The new shipper respondents are Qingdao Rotec Autoparts Co., Ltd. and Laizhou City Luqi Machinery Co., Ltd.

the preliminary results in the new shipper review under the current schedule as we need additional time to conduct verifications and to analyze issues raised in that review.

Therefore, in accordance with sections 751(a)(3)(A) and 751(a)(2)(B)(iv) of the Act, the Department is extending the time for completion of the preliminary results of these reviews until February 2, 2004.

Dated: October 8, 2003.

Jeffrey May,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 03-26210 Filed 10-15-03; 8:45 am]

BILLING CODE 3510-DS-S

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-570-803]

**Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles, From the People's Republic of China: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review****AGENCY:** Import Administration, International Trade Administration, Department of Commerce.**ACTION:** Notice of Extension of Time Limits for Preliminary Results of Antidumping Duty Administrative Review.**EFFECTIVE DATE:** October 16, 2003.**FOR FURTHER INFORMATION CONTACT:**

Mark Manning or Jeff Pedersen, AD/CVD Enforcement, Office 4, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-5253 or (202) 482-2769, respectively.

**SUPPLEMENTARY INFORMATION:**



# Corrections

Federal Register

Vol. 68, No. 204

Wednesday, October 22, 2003

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

Thursday, October 16, 2003, make the following correction:

On page 59582, Attachment 1 should appear as follows:

## DEPARTMENT OF COMMERCE

### Bureau of Industry and Security

[Docket No. 030930242-3242-01]

#### National Defense Stockpile Market Impact Committee Request for Public Comments on the Potential Market Impact of Proposed Stockpile Disposals in FY 2004 and FY 2005

##### Correction

In notice document 03-26106 beginning on page 59581 in the issue of

#### ATTACHMENT 1—PROPOSED REVISION TO FY 2004 ANNUAL MATERIAL PLAN (AMP) AND PROPOSED FY 2005 AMP

Material	Units	Current FY 2004 quantity	Revised FY 2004 quantity	Proposed FY 2005 quantity
Aluminum Oxide, Abrasive	ST	6,000		16,000
Bauxite, Refractory	LCT	143,000		143,000
Beryl Ore	ST	14,000		14,000
Beryllium Metal	ST	40		40
Beryllium Copper Master Alloy	ST	1,200		1,200
Cadmium	LB	1400,000		0
Celestite	SDT	12,794		16,000
Chromite, Chemical	SDT	1100,000		1100,000
Chromite, Refractory	SDT	1100,000		1100,000
Chromium, Ferro	ST	150,000	110,000	110,000
Chromium, Metal	ST	500		500
Cobalt	LB Co	6,000,000		6,000,000
Columbium Concentrates (Minerals)	LB Cb	560,000		560,000
Columbium Metal Ingots	LB Cb	20,000		20,000
Diamond Stone	ct	1600,000		1400,000
Fluorspar, Acid Grade	SDT	12,000		12,000
Fluorspar, Metallurgical Grade	SDT	160,000		160,000
Germanium	KG	8,000		8,000
Graphite	ST	12,000		0
Iodine	LB	1,000,000		1,000,000
Jewel Bearings	PC	182,051,558		182,051,558
Kyanite	SDT	0	50	0
Lead	ST	60,000		160,000
Manganese, Battery Grade Natural	SDT	30,000		30,000
Manganese, Battery Grade Synthetic	SDT	13,011		13,011
Manganese, Chemical Grade	SDT	40,000		140,000
Manganese, Ferro	ST	50,000		50,000
Manganese, Metal Electrolytic	ST	2,000		12,000
Manganese, Metallurgical Grade	SDT	1250,000		1250,000
Mica (All Types)	LB	15,000,000		11,000,000
Palladium	Tr Oz	13200,000		13100,000
Platinum	Tr Oz	125,000		125,000
Platinum-Iridium	Tr Oz	6,000		6,000
Quartz Crystals	LB	1150,000		125,000
Quinidine	Oz	12,211,122		0
Sebacic Acid	LB	600,000		1600,000

ATTACHMENT 1—PROPOSED REVISION TO FY 2004 ANNUAL MATERIAL PLAN (AMP) AND PROPOSED FY 2005 AMP—  
Continued

Material	Units	Current FY 2004 quantity	Revised FY 2004 quantity	Proposed FY 2005 quantity
Talc .....	ST .....	<sup>1</sup> 1,000		<sup>1</sup> 1,000
Tantalum Carbide Powder .....	LB Ta .....	<sup>1</sup> 4,000		<sup>1</sup> 4,000
Tantalum Metal Ingots .....	LB Ta .....	<sup>1</sup> 40,000		<sup>1</sup> 40,000
Tantalum Metal Powder .....	LB Ta .....	<sup>1</sup> 40,000		<sup>1</sup> 40,000
Tantalum Minerals .....	LB Ta .....	500,000		<sup>1</sup> 500,000
Tantalum Oxide .....	LB Ta .....	20,000		20,000 <sup>1</sup>
Thorium Nitrate .....	LB .....	<sup>1,2</sup> 7,100,000		<sup>1,2</sup> 7,100,000
Tin .....	MT .....	12,000		12,000
Titanium Sponge .....	ST .....	7,000		<sup>1</sup> 7,000
Tungsten, Ferro .....	LB W .....	300,000		300,000
Tungsten, Metal Powder .....	LB W .....	300,000		300,000
Tungsten Ores & Concentrates .....	LB W .....	4,000,000		4,000,000
Vegetable Tannin Extract, Chestnut .....	LT .....	0	250	<sup>1</sup> 250
Vegetable Tannin Extract, Quebracho .....	LT .....	50,000		<sup>1</sup> 50,000
Vegetable Tannin Extract, Wattle .....	LT .....	0	6,500	<sup>1</sup> 6,500
Zinc .....	ST .....	50,000		50,000

**Notes:**<sup>1</sup> Actual quantity will be limited to remaining sales authority or inventory.<sup>2</sup> The radioactive nature of this material may restrict sales or disposal options. Efforts are underway to determine the environmentally and economically feasible disposition of the material.<sup>3</sup> Pending legislative authority.

[FR Doc. C3-26106 Filed 10-21-03; 8:45 am]

BILLING CODE 1505-01-D

(3)

Ref: 2745DAP:nk  
14 November 2003

Mr Richard Meyers  
Stockpile Market Impact Committee  
Office of Strategic Industries and Economic Security  
Room 3876, Bureau of Industry & Security  
US Department of Commerce  
14<sup>th</sup> Street, Constitution Avenue NW  
Washington DC, 20230  
USA

**BY EMAIL**  
rmeyers@bis.doc.gov

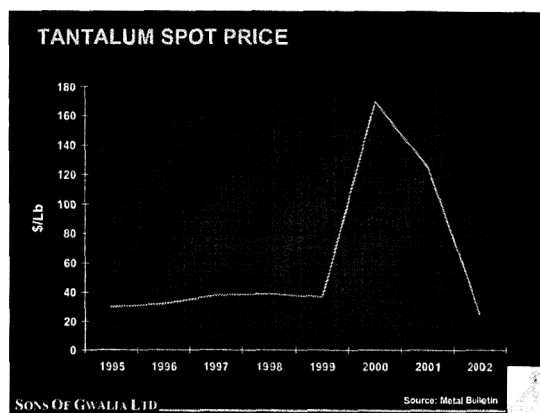
Dear Sir

### DEFENCE LOGISTICS AGENCY – SALE OF TANTALUM CONCENTRATES

It is with some concern that I wish to make a formal submission commenting on the US Government's Defence Logistics Agency's policies with respect to the sale of tantalum concentrates, powder and metal over the last 12 months.

On 10 June 2003, the DLA offered 624,000lbs of Ta<sub>2</sub>O<sub>5</sub> in concentrates, equivalent to approximately 470,000lbs of Ta. To our knowledge, the DLA has never offered a quantity of this nature before in one tender. In addition, on 12 November 2003, the DLA offered a further 237,000lbs of Ta<sub>2</sub>O<sub>5</sub> in concentrates. The combined total of 861,000lbs of Ta<sub>2</sub>O<sub>5</sub> in one year is an extraordinary volume to drop on a depressed raw materials market, particularly in light of the fact that these materials, have been held for a considerable period of time and in light of the balance of the DLA stockpiles, which to my understanding now totals approximately 1.5 million lbs.

The tantalum market is currently emerging from a serious depression induced by a speculative bubble that occurred in calendar 2000. This speculative bubble saw the tantalum price rise per the graph below to around US\$170/lb (as per Metal Bulletin quoted prices).



We, however, understand that spot prices actually rose to significantly higher amounts per lb. Subsequent to 2000, the bubble, which was largely driven on expectations of continually increasing demand driven out of the telecommunications and IT boom, were dashed with the March 2001 NASDAQ crash. Over the last 2 years, speculative inventory positions have been unwound and actual demand off-take has reduced significantly as designers of electronic componentry targeted the removal of tantalum capacitors from designs in electronic devices.

Demand for tantalum concentrates and powder fell further as it took a considerable amount of time before a backlog of tantalum capacitors, held by distributors and other participants in the supply chain, were liquidated.

In late 2003, it has now become apparent that these stockpiles of tantalum capacitors held throughout the supply chain have been liquidated. However, there continues to be substantial quantities of powder held by tantalum capacitor manufacturers and ore held by the large powder manufacturers. This in turn continues to depress demand for tantalum raw materials in the form of tantalum concentrates. The spot tantalum prices achievable out of Africa for reasonable quality concentrates continues to remain in the US\$20-25/lb region. This continues to be relatively low pricing for tantalum concentrates on a historical basis.

SGW's best estimate for the total tantalum market in calendar 2002 was approximately 3 million lbs Ta. Of that 3 million lbs, SGW produces and sells approximately 1.5 million lbs under long-term fixed price and quantity contracts. These prices are well in excess of current spot prices. In addition to SGW's contribution, there is approximately 1 million lbs provided by way of scrap and recycle, which leaves the balance in the market of around half a million lbs of Ta to be contributed from various other sources. These sources tend to include small unsophisticated operations out of Central Africa, some production out of China and Russia and some production out of South East Asia. In calendar 2003, it is expected that the tantalum market has recovered, but it would only have grown by as much as 10%. SGW continues to deliver, under its long-term contracts, approximately 1.5 to 1.6 million lbs of Ta under these contracts. This leaves just 700,000-800,000lbs to the balance of the world's suppliers. The DLA tenders of 2003 has effectively nearly doubled the non-contracted supply of tantalum raw materials onto a market which is thin, opaque and struggling to recover from two years of significant difficulty.

The DLA's activities are having a material (clearly given the quantum of the impact on the market) detrimental impact on suppliers of tantalum raw materials in what continues to be a difficult market. It makes the environment particularly difficult for SGW and other reputable producers of tantalum concentrates, renegotiating prices for further contract extensions in an environment where the spot price of tantalum is being kept artificially low through the extraordinary scale of releases of product from the DLA.

I would ask you to review the impact of the DLA's activities on the tantalum market and in light of these comments, I would be happy to discuss any of these points with you directly.

Yours sincerely



**DAVID PAULL**

*Executive General Manager  
Business Development & Marketing*

cc: John Spasojevic  
Australian Embassy, Washington, USA

21

EMBASSY OF THE  
ARGENTINE REPUBLIC  
WASHINGTON, D. C.  
AMBASSADOR'S OFFICE

Washington, D.C., November 17 , 2003

Mr. Richard V. Meyers  
Co-Chair, Stockpile Market Impact Committee  
Office of Strategic Industries and Economic Security  
Bureau of Industry and Security  
Room 3876  
US Department of Commerce  
14 th Street and Constitution Av., NW  
Washington DC 20230

**Re: National Defense Stockpile Market Impact Committee request for Public Comments on the Potential Market Impact of Proposed Stockpile Disposals in FY 2004 and 2005 (Federal Register, Vol. 68, No. 200, pages 59581-59583) – Docket No. 030930242-3242-01.**

Dear Mr. Meyers:

On behalf of the Government of the Argentine Republic, I have the pleasure to refer to the Federal Register Notice dated October 9, 2003, requesting public comments on the potential market impact of proposed disposal levels of excess material from the National Defense Stockpile under FY 2004 and 2005, including Vegetable Tannin (Quebracho).

As you are aware, the Argentine quebracho extract industry, though small, remains vital for employment and the regional economic and social stability in the Northeastern Provinces of Argentina -Chaco and Formosa- which rank among the lowest per capita income regions in the country. This industry, which directly employs 1,000 people and indirectly sustains 5,000 to 10,000 people, is the main industrial activity and private source of employment of the Chaco-Formosa region.

The industry and the regional economies concerned are highly vulnerable to international market trends and have undergone a dramatic adjustment to changing patterns in demand in the recent years. Markets for vegetable tanned leather have consistently declined in the recent decades, due to changing consumption patterns (rubber soles vs. leather soles) and the existence of substitute products, either from vegetable or synthetic origin, that makes for a very demanding and competitive market. As a consequence, a significant number of establishments have been forced to close down, and only 3 remain open at the present.

The Argentine Government has repeatedly requested the DNSC and the Market Impact Committee (MIC) to review both the volume and prices of the stockpile releases, in order to avoid their disruptive market impact, in particular in our key international markets. In 2002, the Government of Argentina presented to the MIC an Economic Study commissioned by the Argentine Quebracho Chamber and prepared by the American economist L. Daniel Maxim. This study concludes that sales by DNSC would have severe disruptive effects for the Argentine tannin industry. Moreover, it demonstrates that a severe undue disruption would result in international markets and the very existence of the Argentine companies would be jeopardized.

As both our Government and our industry have expressed on numerous occasions over the last decade, the physical disposal of the obsolete reserves of material held by the DNSC is the only cost-efficient solution for all parties involved.

In 2002 an understanding was reached to provide a framework for a long term solution through the disposal of the bulk of the remaining quebracho extract stock for landfill or alternative uses (incineration or sale to other non-tanning markets).

As part of this understanding, the Argentine Quebracho Chamber purchased 20,000 tons of quebracho from the DNSC in FYs 2002 and 2003. Such decision, while representing an important financial burden for our industry, was deemed essential to its survival and constituted their contribution to a long term solution. As we mentioned above, this was made in the understanding that the DNSC would proceed to bury or otherwise dispose of the remaining stock, without further impact on the international tanning markets.

Furthermore, in October 2003, the Government of Argentina was informed that a contract had been awarded for the burial of 23,000 tons of the DNSC quebracho stock. This constitutes a very welcome development.

Nevertheless, we note with concern that the AMP proposal published in the Federal Register on October 9, 2003, sets a 50,000 ton maximum disposal level for quebracho extract for FY 2004, and that no reference to the disposal method (i.e. landfilling) is contained therein.

In this respect, we would like to reiterate our deep concern regarding the devastating effect that further DNSC quebracho extract sales would have on the Argentine industry and in the regional economies involved. We therefore request that the MIC recommend that the DNSC continue to bury the remaining stock of Quebracho Extract.

The Argentine Government is making great efforts to overcome the critical social and economic situation prevailing in Argentina. The US Administration has played a very supportive role throughout these difficult times, and we are confident that the same cooperative attitude will prevail in this matter.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'José Bordón', with a long horizontal flourish extending to the right.

José Octavio Bordón  
Ambassador





**ERAMET**  
M A R I E T T A

the  
**MANGANESE**  
SOURCE

November 17, 2003

Richard V. Meyers  
Co-Chair  
Stockpile Market Impact Committee  
Office of Strategic Industries and Economic Security  
Room 3876  
Bureau of Industry and Security  
U.S. Department of Commerce  
14<sup>th</sup> Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Re: Comments for the National Defense Stockpile Market Impact Committee  
Public Comments on the Potential Market Impact of Proposed Stockpile Disposals  
in FY 2004 and FY 2005  
Federal Register Notice October 16, 2003

To Richard V. Meyer:

Eramet Marietta Inc. is the sole domestic producer of High Carbon Ferromanganese (HCFeMn) listed in the October 16, 2003 *Federal Register* notice. The company, located in Marietta, Ohio, submits comments to the Market Impact Committee (MIC) and opposes the Department of Defense's proposed changes for FY 2004 and FY 2005. The company objects to the proposed increase of HCFeMn sales from 25,000 to 50,000 tons. Eramet Marietta recommends the Committee retain the entire balance of in-grade HCFeMn in the DNS inventory for the purpose of war mobilization steel making. As a first alternative, Eramet Marietta requests the Committee adopt a position that HCFeMn sales remain at the current maximum level of 25,000 tons per FY. Second, given the company's unique position of being the sole HCFeMn producer in the US, Eramet Marietta requests that the DNS award the company the right of first refusal for any HCFeMn sales made in FY 2004.

There are two reasons for Eramet Marietta's objections to the increase of HCFeMn sales from 25,000 tons to 50,000 tons. First, the proposed sale of HCFeMn stockpiles would disrupt world and domestic manganese markets. The increased supply of HCFeMn would drive down prices and endanger the business operations of Eramet Marietta. Secondly, if the DNS sells an additional 25,000 tons of HCFeMn, potential modernization investment

projects at Eramet Marietta will likely be abandoned. Modernization projects include multi-million dollar equipment upgrades of furnaces and other facilities, which are required to keep the company in business.

### **Eramet Marietta Inc.**

In July 1999, Eramet acquired the manganese business of the Norwegian producer Elkem. The purchase included three industrial plants (Marietta, Ohio and Sauda and Porsgrunn, Norway), which were consolidated to form Eramet Manganese Alliances. Eramet Marietta Inc. is a wholly owned subsidiary of Eramet Manganese Alliances, which is 69.5% owned by Eramet Holding Manganese, a wholly owned subsidiary of Eramet S.A., a public limited company under the laws of France. The company employs approximately 5,800 people internationally with Eramet Marietta Inc. presently employing 439. Eramet Manganese, through its affiliate Comilog S.A., holds mining reserves in the Moanda mine located in Gabon, West Africa with a production capacity of 2.5 million tons per year and reserves in excess of 100 years. The mine source allows the vertical integration necessary to guarantee long term security and competitiveness. Prior to the Eramet acquisition, the Marietta furnaces relied heavily on the DNS as a key supplier of manganese ores. This was done through the FRUP conversion program from 1984 to 1994 and by continued outright purchases of ore during the period 1994 to 2003

Eramet Manganese leads the world in manganese ferro-alloys production with an annual capacity in excess of 1.1 million tons. The company produces and sells the full range of manganese products to the steel industry: Mn Ore, HCFeMn, MCFeMn, LCFeMn, SiMn, LCSI Mn and Nitrided MCFeMn and LCFeMn. In addition to manganese, Eramet produces and sells a variety of manganese compounds: Mn-Al briquettes, EMD, MnO, MnSO<sub>4</sub>, Mn<sub>3</sub>O<sub>4</sub>, MnChloride and other chemical compounds. Non-manganese products from company affiliates include Electrolytic Chrome Metal, LC Ferrochrome, Molybdenum, Vanadium, Carbon Black and Aluminum Hardeners. Eramet Manganese also engages in the recycling of petroleum catalysts, batteries and copper.

Eramet's facilities for producing manganese ferro-alloys are in close proximity to world steel and aluminum markets. Materials are dispatched from eight sites in Europe, America and Asia. These diverse geographical locations ensure prompt distribution worldwide.

### **The Relationship Between DLA Sales and the Decline of HCFeMn Prices.**

The price of HCFeMn is directly related to the output of the steel industry. Due to a slowdown in steel production, prices for HCFeMn were low in the last quarter of 2001 and the first half of 2002. When steel production rose in mid-2002, prices for HCFeMn also rose. However, when DLA stockpile sales began during the last quarter of 2002, the price of HCFeMn decreased (Tables A1, A5 and Graphs A2, A3, A4, A6). The price decline can clearly be seen in Graph A6. Simply, increases in supply, brought about by DLA sales, act to drive down prices for HCFeMn.

In addition, the sale of DLA HCFeMn stocks severely curtails the amount of domestic U.S. sales available to Eramet Marietta. There is an inelastic demand for HCFeMn. When the DLA increases sales it invariably reduces the amount of sales available to Eramet Marietta. For example, in 2001 and 2002 when the DLA did not sell in-grade HCFeMn, Eramet Marietta sales were 55,695 tons and 46,560 tons respectively. However, in 2003, when the DLA sold approximately 23,000 tons of in-grade HCFeMn, Eramet Marietta sales are projected to fall to 26,287 tons. Therefore, due to DLA sales, Eramet's sales in 2003 fell 53% from 2001 levels and 44% from 2002 (Table B).

The amounts set for disposal suggested in the revised AMP for FY 2004 and FY 2005 are excessive. The US market for HCFeMn is approximately 275,000 tons per year. The proposed DLA sale of 50,000 tons therefore equals approximately 20% of the US market. A 20% share is very significant. Eramet Marietta operates on negligible margins and struggles to remain competitive in the domestic and global marketplaces where developing nations can undersell Eramet to a significant degree.

Therefore, the proposed sale of an additional 25,000 tons of HCFeMn will clearly have an extraordinarily negative effect on Eramet Marietta, the nation's only domestic producer of HCFeMn. The proposed sales undermine business operations by simultaneously driving down the price of HCFeMn, while at the same time, significantly reducing the quantity of product the company can sell.

### **Facility Upgrades**

Increased DLA sales lead to a decrease of Eramet Marietta sales. Decreased sales for Eramet Marietta translate into decreased profits. Decreased profits mean that company management must manage the budget to meet company requirements and employee payroll. One significant project about to be undertaken is a vital multimillion-dollar renovation of existing furnaces and other equipment. If HCFeMn prices and sales decrease, management will have to re-examine the negative impact on project Internal Rate of Returns, which could lead to cancellation of several critical investments and ultimate closure of the Marietta facility.

### **Quality Concerns**

Eramet strongly recommends the balance of in-grade material in the DNS inventory never be offered and should be held in inventory indefinitely for war mobilization steel making and to preserve the last U.S. facility capable of smelting manganese ferroalloys. The quality of the DNS material as established in law is stipulated to have a minimum manganese content of 76% but is not to exceed 78%. Current purchase specifications from major steel companies generally mandate a minimum manganese content of 78%. Although the deficiency is slight, it is enough that Eramet Marietta Inc. is concerned the DNS material will lead to significant market discounting and shifting of domestic manganese unit demand away from higher grade products.

### **Congressional Ferroalloy Support**

The Marietta, Ohio operations that produce HCFeMn have completed the transition process from being a defense contractor (1984 to 1994 FRUP) to supplying commercial production. The transition success is demonstrated by the shift to a private sector client base. The success in making the transition at Marietta is in part due to the Defense Logistics Agency (DLA) policy of selling off-grade HCFeMn (manganese content below 76%) to Elkem and successor Eramet Marietta Inc. The disposal policy is stipulated in Public Law 104-106. In entering into the Ferroalloy Upgrade Program (FRUP) following the 232 Trade Investigation determinations in the 1980's that it is in the United States' National Defense interest to maintain a domestic ferroalloy smelting capacity, the company was advised the Stockpile would hold the HCFeMn produced under FRUP indefinitely. Congress continues to strictly limit the quantity and quality nature of HCFeMn material allowed for disposal in favor of preserving that same domestic capacity. The plant's five-year Operating Plan for ownership transition from Elkem to Eramet Marietta was based on disposals of off-grade HCFeMn for remelting through December 2003, and no sales of in-grade HCFeMn from DNS stockpiles. DNS sales of stockpile grade HCFeMn will be disruptive to domestic markets. In two cases, industries have closed after losing Congressional support. It should be noted that the longtime HCFeCr ferroalloy producer MacAlloy, also a participant in the FRUP, closed operations. Second, the commencement of stockpile sales of tungsten concentrates forced the last United States integrated tungsten mine and mill to close operations and auction off the plant and equipment.

The same foreign competition and import sensitivity, which precipitated the 10-year FRUP for ferromanganese, continues to impact the plant's operation. Import penetration for HCFeMn still stands at approximately 80% to 90% of domestic consumption. Eramet Marietta Inc. continuously seeks to lower labor, raw material and electric power costs to meet the foreign competition. The presence of the DNS as another competitor could negate the improvements that have occurred and are being planned at Eramet Marietta that have allowed us to meet the foreign competition since 1994.

Eramet Marietta requests the DNS discontinue sales of in-grade HCFeMn. A viable domestic ferromanganese industry is vital to the United States economic security. Manganese is an essential ingredient in the production of steel. Steel cannot be produced without ferromanganese. The Eramet Marietta Inc. facility is the only operating ferromanganese production plant in the U.S. and Canada. A closure of the Marietta Plant would make the United States steel industry totally dependent on imports to supply this essential and strategic component of steel production. This could be critical during future global shortages and national emergencies. In addition, the United States industrial base would be further weakened and the unique technology and specialized human skills necessary to produce ferromanganese lost forever.

### **Planning for the Future and Conclusion**

A comprehensive strategic plan has been developed for the facility through the year 2008. The plan includes cost improvements, market/sales objectives, capital expenditures, new

product development and other elements necessary to maintain a successful operation in the commercial market. A key component of the success of Eramet Marietta's strategic plan is the cooperation of the DNS in managing the stockpiled HCFeMn to not allow a dramatic impact on the supply and price of manganese alloys. Eramet Marietta Inc. appreciates the Market Impact Committee's support of its transition from being a defense contractor to a commercially viable producer, while still maintaining a core segment of the nation's vital industrial base. We need continued assurance that the DNS sales will not dramatically disrupt our ability to supply manganese alloys to the North American market. We need this assurance for the future viability of the Marietta Plant.

In conclusion, Eramet Marietta Inc. has demonstrated its concerns with the quantities of HCFeMn disposals and how this will serve to undermine current operations and proposed plant maintenance. We request the DNS's 25,000 ton increase proposed in the revised FY 2004 AMP and FY 2005 AMP for HCFeMn disposals be denied and sales of all stockpile grade HCFeMn be suspended indefinitely.

Sincerely

A handwritten signature in black ink, appearing to read "Nicholas A. Pyle". The signature is fluid and cursive, with a large initial "N" and "P".

Nicholas A. Pyle, Government Relations

Eramet Marietta, Inc.

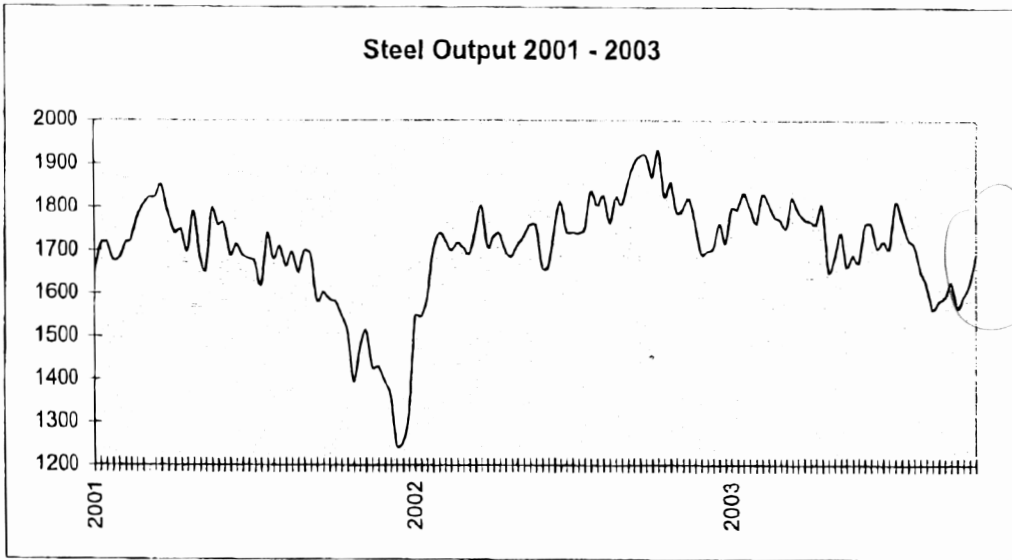
TABLE A1

		STEEL OUTPUT		
	Week	NT	Weekly Production in MT	Capacity Utilization
2001	Week 1	1,813	1645	72.4%
	Week 2	1,889	1714	76.8%
	Week 3	1,894	1718	77.0%
	Week 4	1,849	1677	75.0%
	Week 5	1,852	1680	75.1%
	Week 6	1,894	1718	76.8%
	Week 7	1,899	1723	77.0%
	Week 8	1,953	1772	79.2%
	Week 9	1,989	1804	80.6%
	Week 10	2,009	1823	81.4%
	Week 11	2,011	1824	81.5%
	Week 12	2,040	1851	82.7%
	Week 13	1,968	1785	79.8%
	Week 14	1,919	1741	78.5%
	Week 15	1,926	1747	78.8%
	Week 16	1,871	1697	76.5%
	Week 17	1,973	1790	80.0%
	Week 18	1,859	1686	76.0%
	Week 19	1,822	1653	74.5%
	Week 20	1,979	1795	80.9%
	Week 21	1,939	1759	79.3%
	Week 22	1,942	1762	79.4%
	Week 23	1,863	1690	76.2%
	Week 24	1,890	1715	77.3%
	Week 25	1,862	1689	76.1%
	Week 26	1,853	1681	75.8%
	Week 27	1,843	1672	77.0%
	Week 28	1,784	1618	74.5%
	Week 29	1,917	1739	80.1%
	Week 30	1,851	1679	77.3%
	Week 31	1,885	1710	78.7%
	Week 32	1,833	1663	76.6%
	Week 33	1,871	1697	78.1%
	Week 34	1,817	1648	75.9%
	Week 35	1,873	1699	78.2%
	Week 36	1,865	1692	77.9%
	Week 37	1,746	1584	72.9%
	Week 38	1,767	1603	73.8%
	Week 39	1,748	1586	73.0%
	Week 40	1,742	1580	73.5%
	Week 41	1,707	1549	72.2%
	Week 42	1,666	1511	70.4%
	Week 43	1,537	1394	65.0%
	Week 44	1,625	1474	68.7%
	Week 45	1,668	1513	72.6%
	Week 46	1,573	1427	68.5%
	Week 47	1,576	1430	68.7%
	Week 48	1,538	1395	67.1%
	Week 49	1,501	1362	65.5%
	Week 50	1,370	1243	59.8%
	Week 51	1,381	1253	60.2%
	Week 52	1,460	1325	63.7%
2002	Week 1	1,704	1546	73.6%
	Week 2	1,703	1545	73.3%
	Week 3	1,748	1586	75.2%
	Week 4	1,873	1699	75.2%
	Week 5	1,917	1739	89.1%
	Week 6	1,902	1725	88.4%
	Week 7	1,874	1700	87.1%
	Week 8	1,894	1718	88.1%
	Week 9	1,881	1706	87.5%
	Week 10	1,866	1693	86.8%
	Week 11	1,927	1748	89.6%
	Week 12	1,989	1804	92.5%

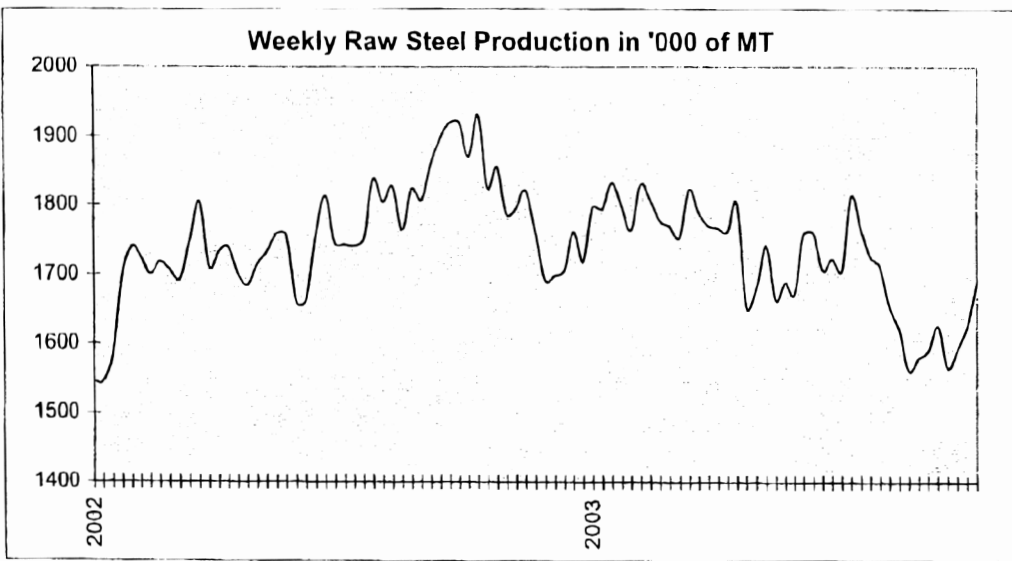
Week 13	1885	1710	87.6%
Week 14	1908	1731	89.7%
Week 15	1916	1738	90.3%
Week 16	1874	1700	88.3%
Week 17	1857	1685	87.5%
Week 18	1890	1715	89.1%
Week 19	1909	1732	89.9%
Week 20	1939	1759	91.4%
Week 21	1937	1757	91.3%
Week 22	1829	1659	86.2%
Week 23	1831	1661	86.3%
Week 24	1934	1755	91.1%
Week 25	1998	1813	94.1%
Week 26	1922	1744	90.6%
Week 27	1920	1742	87.3%
Week 28	1918	1740	86.6%
Week 29	1928	1749	87.1%
Week 30	2026	1838	91.5%
Week 31	1988	1804	89.8%
Week 32	2014	1827	91.0%
Week 33	1944	1764	87.8%
Week 34	2010	1823	90.8%
Week 35	1991	1806	89.9%
Week 36	2048	1858	92.5%
Week 37	2092	1898	94.5%
Week 38	2116	1920	95.6%
Week 39	2116	1920	95.6%
Week 40	2060	1869	92.3%
Week 41	2129	1931	95.0%
Week 42	2012	1825	89.8%
Week 43	2046	1856	91.3%
Week 44	1969	1786	87.9%
Week 45	1979	1795	88.3%
Week 46	2007	1821	89.6%
Week 47	1941	1761	86.6%
Week 48	1864	1691	83.2%
Week 49	1872	1698	83.5%
Week 50	1880	1706	83.5%
Week 51	1942	1762	86.7%
Week 52	1894	1718	84.5%
2003 Week 1	1980	1796	88.4%
Week 2	1978	1794	84.6%
Week 3	2021	1833	86.4%
Week 4	1982	1798	84.8%
Week 5	1944	1764	83.1%
Week 6	2018	1831	86.3%
Week 7	1992	1807	85.1%
Week 8	1959	1777	83.7%
Week 9	1951	1770	83.3%
Week 10	1932	1753	82.5%
Week 11	2009	1823	85.8%
Week 12	1972	1789	84.2%
Week 13	1952	1771	83.4%
Week 14	1948	1767	83.2%
Week 15	1942	1762	82.9%
Week 16	1987	1803	84.9%
Week 17	1822	1653	77.8%
Week 18	1853	1681	80.3%
Week 19	1919	1741	83.1%
Week 20	1833	1663	79.4%
Week 21	1861	1688	80.6%
Week 22	1843	1672	79.8%
Week 23	1938	1758	83.9%
Week 24	1941	1761	84.1%
Week 25	1881	1706	81.5%
Week 26	1899	1723	82.2%
Week 27	1880	1706	80.5%
Week 28	1998	1813	86.5%



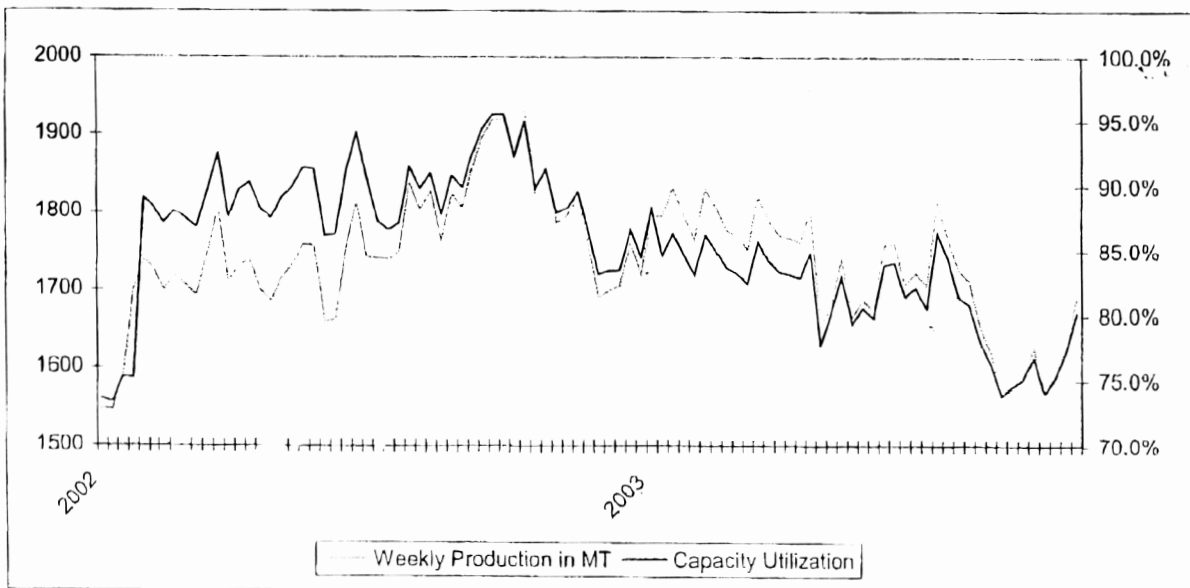
Week 29	1948	1767	84.4%
Week 30	1903	1726	81.5%
Week 31	1887	1712	80.8%
Week 32	1823	1654	78.1%
Week 33	1786	1620	76.3%
Week 34	1723	1563	73.8%
Week 35	1743	1581	74.6%
Week 36	1753	1590	75.1%
Week 37	1793	1627	76.8%
Week 38	1727	1567	74.0%
Week 39	1756	1593	75.2%
Week 40	1792	1626	77.2%
Week 41	1862	1689	80.2%
Week 42		0	
Week 43		0	
Week 44		0	
Week 45		0	
Week 46		0	
Week 47		0	
Week 48		0	
Week 49		0	
Week 50		0	
Week 51		0	
Week 52		0	



GRAPH A2



GRAPH A3



GRAPH A4

## METALS WEEKLY PRICE GRAPH

TABLE A5

10/15/01	\$440.00	\$455.00	\$447.50
10/22/01	\$440.00	\$455.00	\$447.50
10/29/01	\$440.00	\$455.00	\$447.50
11/5/01	\$440.00	\$455.00	\$447.50
11/12/01	\$440.00	\$455.00	\$447.50
11/19/01	\$440.00	\$455.00	\$447.50
11/26/01	\$445.00	\$460.00	\$452.50
12/3/01	\$440.00	\$455.00	\$447.50
12/10/01	\$445.00	\$465.00	\$455.00
12/17/01	\$445.00	\$465.00	\$455.00
12/24/01	\$445.00	\$465.00	\$455.00
12/31/01	\$445.00	\$465.00	\$455.00
1/7/02	\$445.00	\$465.00	\$455.00
1/14/02	\$445.00	\$465.00	\$455.00
1/21/02	\$445.00	\$465.00	\$455.00
1/28/02	\$445.00	\$465.00	\$455.00
2/4/02	\$445.00	\$465.00	\$455.00
2/11/02	\$445.00	\$465.00	\$455.00
2/18/02	\$445.00	\$465.00	\$455.00
2/25/02	\$445.00	\$465.00	\$455.00
3/4/02	\$445.00	\$465.00	\$455.00
3/11/02	\$445.00	\$465.00	\$455.00
3/18/02	\$445.00	\$465.00	\$455.00
3/25/02	\$445.00	\$465.00	\$455.00
4/1/02	\$440.00	\$460.00	\$450.00
4/8/02	\$440.00	\$460.00	\$450.00
4/15/02	\$440.00	\$460.00	\$450.00
4/22/02	\$440.00	\$460.00	\$450.00
4/29/02	\$440.00	\$450.00	\$445.00
5/6/02	\$440.00	\$450.00	\$445.00
5/13/02	\$440.00	\$450.00	\$445.00
5/20/02	\$440.00	\$450.00	\$445.00
5/28/02	\$440.00	\$450.00	\$445.00
6/3/02	\$440.00	\$455.00	\$447.50
6/10/02	\$440.00	\$455.00	\$447.50
6/17/02	\$440.00	\$455.00	\$447.50
6/24/02	\$455.00	\$470.00	\$462.50
7/1/02	\$460.00	\$480.00	\$470.00
7/8/02	\$470.00	\$500.00	\$485.00
7/15/02	\$470.00	\$500.00	\$485.00
7/22/02	\$470.00	\$500.00	\$485.00

7/29/02	\$480.00	\$505.00	\$492.50
8/5/02	\$505.00	\$550.00	\$527.50
8/12/02	\$540.00	\$570.00	\$555.00
8/19/02	\$540.00	\$570.00	\$555.00
8/26/02	\$550.00	\$580.00	\$565.00
9/2/02	\$550.00	\$580.00	\$565.00
9/9/02	\$550.00	\$590.00	\$570.00
9/16/02	\$550.00	\$590.00	\$570.00
9/23/02	\$550.00	\$590.00	\$570.00
9/30/02	\$550.00	\$590.00	\$570.00
10/7/02	\$550.00	\$590.00	\$570.00
10/14/02	\$550.00	\$580.00	\$565.00
10/21/02	\$550.00	\$580.00	\$565.00
10/28/02	\$540.00	\$570.00	\$555.00
11/4/02	\$540.00	\$570.00	\$555.00
11/11/02	\$530.00	\$560.00	\$545.00
11/18/02	\$505.00	\$520.00	\$512.50
11/25/02	\$505.00	\$520.00	\$512.50
12/2/02	\$495.00	\$515.00	\$505.00
12/9/02	\$495.00	\$515.00	\$505.00
12/16/02	\$495.00	\$515.00	\$505.00
12/23/02	\$495.00	\$515.00	\$505.00
12/30/02	\$495.00	\$515.00	\$505.00
1/6/03	\$495.00	\$515.00	\$505.00
1/13/03	\$495.00	\$515.00	\$505.00
1/20/03	\$495.00	\$515.00	\$505.00
1/27/03	\$495.00	\$515.00	\$505.00
2/3/03	\$495.00	\$515.00	\$505.00
2/10/03	\$495.00	\$515.00	\$505.00
2/17/03	\$495.00	\$515.00	\$505.00
2/24/03	\$495.00	\$515.00	\$505.00
3/3/03	\$490.00	\$510.00	\$500.00
3/10/03	\$490.00	\$510.00	\$500.00
3/17/03	\$490.00	\$510.00	\$500.00
3/24/03	\$485.00	\$500.00	\$492.50
3/31/03	\$485.00	\$495.00	\$490.00
4/7/03	\$480.00	\$495.00	\$487.50
4/14/03	\$480.00	\$495.00	\$487.50
4/21/03	\$480.00	\$495.00	\$487.50
4/28/03	\$475.00	\$485.00	\$480.00
5/5/03	\$475.00	\$485.00	\$480.00

5/12/03	\$475.00	\$485.00	\$480.00
5/19/03	\$475.00	\$485.00	\$480.00
5/26/03	\$475.00	\$485.00	\$480.00
6/2/03	\$475.00	\$485.00	\$480.00
6/9/03	\$470.00	\$480.00	\$475.00
6/16/03	\$468.00	\$478.00	\$473.00
6/23/03	\$468.00	\$478.00	\$473.00
6/30/03	\$468.00	\$478.00	\$473.00
7/7/03	\$455.00	\$465.00	\$460.00
7/14/03	\$455.00	\$465.00	\$460.00
7/21/03	\$455.00	\$465.00	\$460.00
7/28/03	\$455.00	\$465.00	\$460.00
8/4/03	\$455.00	\$465.00	\$460.00
8/11/03	\$455.00	\$465.00	\$460.00
8/18/03	\$455.00	\$465.00	\$460.00
8/25/03	\$455.00	\$465.00	\$460.00
9/1/03	\$455.00	\$465.00	\$460.00
9/8/03	\$455.00	\$465.00	\$460.00
9/15/03	\$455.00	\$465.00	\$460.00
9/22/03	\$465.00	\$495.00	\$480.00
9/29/03	\$475.00	\$500.00	\$487.50
10/6/03	\$490.00	\$510.00	\$500.00
10/13/03	\$490.00	\$510.00	\$500.00
10/20/03	\$490.00	\$510.00	\$500.00

GRAPH A6

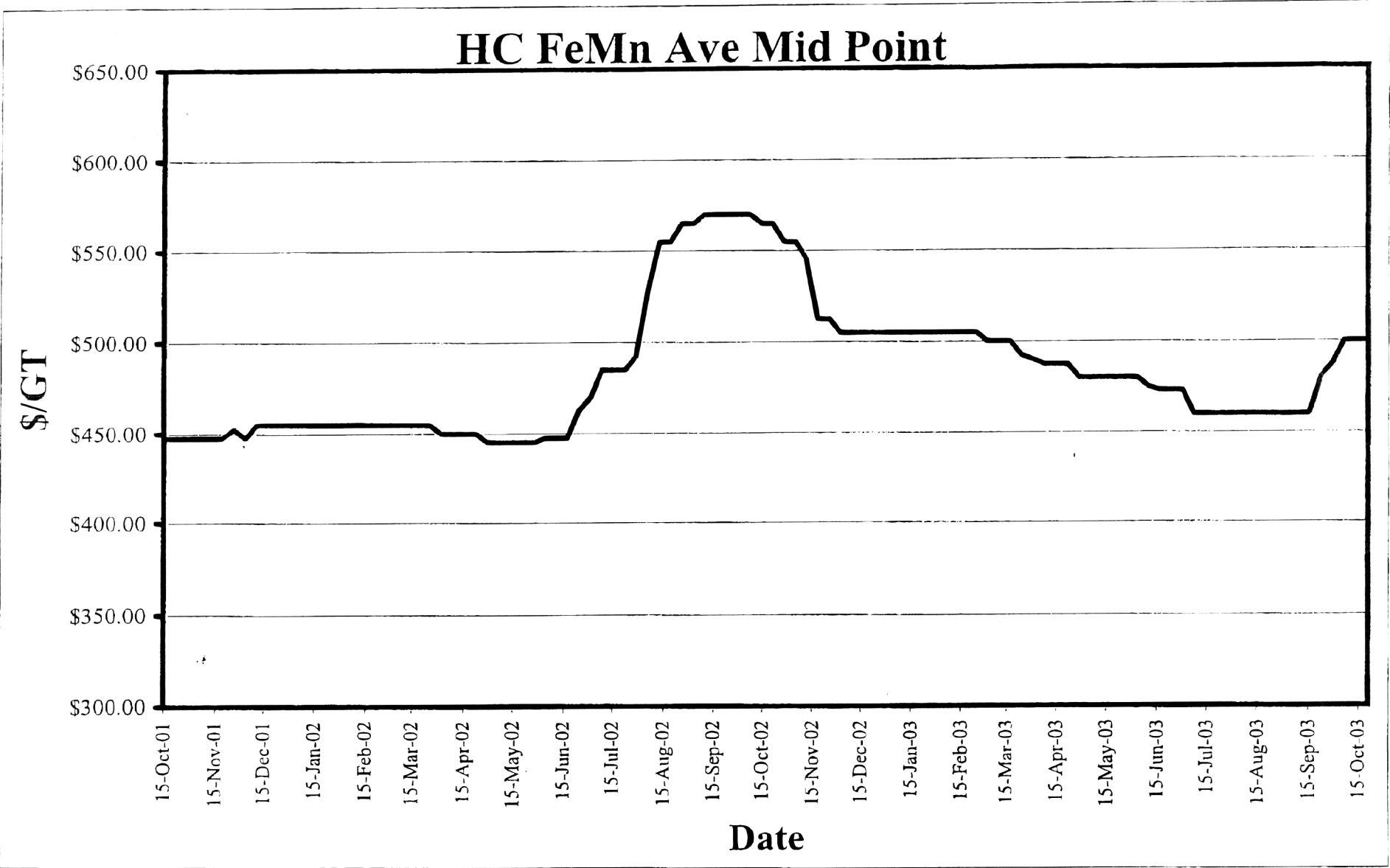


TABLE B

HC FeMn

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003 e</u>
Eramet Marietta Sales	38,900	55,695	46,560	26,287
DLA			0	23,000
Highlanders			5,000	0
<b>US Supply</b>	<b>38,900</b>	<b>55,695</b>	<b>51,560</b>	<b>49,287</b>
<b>US Imports</b>	<b>212,100</b>	<b>179,924</b>	<b>211,717</b>	<b>192,000</b>
<b>US Exports</b>	<b>9,329</b>	<b>11,341</b>	<b>4,433</b>	<b>2,778</b>
<b>US Apparent Consumption</b>	<b>241,671</b>	<b>224,278</b>	<b>258,844</b>	<b>238,509</b>
<b>US Apparent Consumption Net DLA</b>	<b>241,671</b>	<b>224,278</b>	<b>258,844</b>	<b>215,509</b>
Crude Steel Production - IISI	101,803	90,104	92,241	93,639
Unit Consumption	2.37	2.49	2.806170792	2.547111780
Unit Consumption Net DLA	2.373908431	2.489101483	2.806170792	2.301487628

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