

*Testimony of Jean Lee
Before the US International Trade Commission
Large Power Transformers from Korea, Inv. No. 731-TA-1189*

Good afternoon. My name is Jean Lee and I am the General Manager of International Sales and Marketing for HHI. Demand for transformers is growing rapidly in Saudi Arabia and the United Arab Emirates which are two of our primary export markets. Those markets are particularly attractive because there is limited, if any, local production so the purchasers there must rely on imports to meet demand. Those markets are also attractive because it is mostly a package deal, with purchasers buying our switch gear and gas insulated switch gear, along with the transformers.

The testimony provided in the morning, that there were times when US producers failed to bid because they knew manufacturers from Korea would be competing, makes no sense to me. It is impossible to know with any degree of certainty who will be bidding on any given project. Also, it is not expensive to

submit a bid. It does require work, but the people who prepare and submit the bids are HHI full time employees whose job is to prepare bids. So the added cost of preparing one more bid is minor. A more likely reason we would not submit a bid is because we weren't qualified.

Sometime after the Department of Commerce announced the preliminary results of its investigation, a customer informed me that ABB had approached them and stated that because of the duties, Korean producers would no longer be competitive. ABB asked this company if it could bid for a project using its facility in Poland even though the facility was not qualified and its St. Louis facility was. This suggests to me that even if duties are in place, ABB will continue to use its imports to compete against other US producers.

Thank you.