

NEWS

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FOR IMMEDIATE RELEASE

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MEXICAN PC STRAND PRODUCER CHARGED WITH ATTEMPTING TO CIRCUMVENT ANTIDUMPING ORDER

(Washington DC) (February 6, 2004) – U.S. producers of prestressed concrete steel wire strand today charged that Mexican PC strand producer Cablesa is attempting to circumvent the antidumping duty order issued last week on PC strand imports from Mexico.

The PC Strand Coalition filed a request with the Commerce Department that it initiate an inquiry into Cablesa's alleged activities to evade antidumping duties recently imposed against Cablesa. According to the Coalition, Cablesa is applying an extremely light zinc coating to its PC strand exports so that it can call the product "galvanized" strand and thereby avoid the imposition of antidumping duties.

Today's action to address Cablesa's circumvention activity follows a successful antidumping petition filed against five countries, including Mexico, brought by the Coalition in January 2003. Affirmative findings of dumping and injury were made in the case and an antidumping duty of 77 percent was imposed against Cablesa.

A sample of the purportedly "galvanized" PC strand made by Cablesa was obtained by the Coalition and subjected to testing. According to the Coalition, the testing revealed there was no more than a very light coating of zinc on the PC strand and that the product does not meet galvanized specifications.

According to the Coalition, the reason Cablesa is undertaking this activity is simply to avoid the dumping duties. H. O. Woltz, III, the President of Coalition member Insteel, stated, "It is frustrating to see this type of activity occur following a successful trade case. We intend to vigorously pursue efforts at circumventing this order and will bring to the attention of the U.S. government any attempts to fraudulently enter PC strand."

If the Commerce Department agrees that Cablesa's product is within the scope of the order on PC strand, antidumping duties will be owed on imports from Cablesa.

PC strand is a high strength concrete reinforcement that is used in concrete elements and structures such as parking decks, commercial and institutional construction, slabs on grade,

bridges, and concrete pilings. In 2003, the U.S. market for PC strand was approximately \$200 million.

The PC Strand Coalition filed the unfair trade petition on January 31, 2003. Its members are: American Spring Wire Corp., Bedford Heights, Ohio; Insteel Wire Products Company, Mt. Airy, North Carolina; and Sumiden Wire Products Corp., Stockton, California.

Paul C. Rosenthal and Kathleen W. Cannon, international trade attorneys with the Washington, D.C. law firm Collier Shannon Scott, PLLC, are counsel to the Coalition.

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