Steel Pipe Makers Hurt by China Imports, U.S. ITC Says

By Mark Drajem
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Makers of steel pipes used in oil refineries and chemical plants are being harmed by imports from China, the U.S. International Trade Commission ruled today, a decision that will mean duties on $182 million of products.

The decision is the last of four that producers such as U.S. Steel Corp. and the U.S. subsidiary of France's Vallourec SA, the world's second-largest maker of steel tubes for oil and gas production, needed to win in order to get dumping and countervailing duties imposed on Chinese exporters.

"Without this decision, the U.S. industry would have completely lost the U.S. market," Roger Schagrin, a lawyer at Schagrin and Associates in Washington, representing the U.S. producers, said in an interview. Even with duties, "it's going to be a slow recovery in demand."

Chinese makers of the steel pipes, used to carry water under high pressure, chemicals, natural gas or steam, will face duties that could total more than 100 percent, according to a decision last month by the U.S. Commerce Department. Chinese producers include Tianjin Pipe Group Corp.

China, which had a $227 billion trade surplus with the U.S. in 2009, has been the subject of more complaints filed over unfair trade than any other nation, according to data compiled by the World Bank.

U.S. Steel, based in Pittsburgh, was joined in the petition seeking duties by the United Steelworkers union.

Tianjin Pipe, based in Tianjin, will face a combined dumping and countervailing duty rate of 62.65 percent. Hengyang Valin Steel Tube Co. and related companies will face a combined duty of 135.68 percent. All companies not singled out for a review must pay a dumping rate of 98.74 percent and a countervailing duty of 33.66 percent, according to the Commerce Department statement last month.

The International Trade Commission doesn't set duties or determine if an imported product is being dumped or subsidized. It decides on whether U.S. makers are being harmed by low-cost imports.

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