Obama Administration Begins Probe Of Chinese Steel Pipe Imports

By Henry J. Pulizzi Dow Jones Newswires October 7, 2009

WASHINGTON -(Dow Jones)- The Obama administration is investigating imports of steel pipes from China, potentially adding more friction to U.S.-China trade ties.

Announced by the <u>Commerce Department</u> Wednesday, the probe will look into potential antidumping and countervailing duties on Chinese seamless carbon and alloy steel standard, line, and pressure pipe, which typically carries water, steam, natural gas and other things through industrial systems.

The investigation comes at the request of <u>United States Steel Corp</u>. (X), V&M Star LP, TMK IPSCO and the United Steelworkers, who complain that the Chinese pipes are being dumped into the U.S. market.

The U.S. International Trade Commission will make a preliminary injury determination on or around Nov. 2. If it decides the imports are materially hurting - or could hurt - the U.S. industry, the probe will continue, with the Commerce Department scheduled to make a preliminary determination on countervailing duties in December and on anti-dumping duties next February.

According to Commerce, imports of seamless pipe from China rose by nearly 132% by volume from 2006 to 2008 and were valued at \$382 million last year.

The new investigation follows the White House's decision last month to impose duties on tires imported from China, a move that sparked sharp criticism from Beijing and triggered worries of a broader trade battle.

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