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PRESS RELEASE

U.S. Welded Stainless Steel Pipe Producers and UnitedSteelworkers Applaud U.S. Department of Commerce Preliminary Determination Finding Chinese Welded Stainless Pipe Imports are Dumped

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Washington, D.C. – Today four U.S. producers, Bristol Metals L.L.C., (Bristol, Tennessee), Felker Brothers Corporation, (Marshfield, Wisconsin and Glasgow, Kentucky), Outokumpu Stainless Pipe Inc., (Wildwood, Florida), Marcegaglia USA, Inc. (Munhall, Pennsylvania), and the United Steelworkers (USW) expressed support for a preliminary determination by the U.S. Department of Commerce (DOC) that Chinese imports of welded austenitic stainless steel pressure pipe were dumped at a margin of 22.03%.

Mike Boling, President of Bristol Metals, L.L.C. said "Over the past decade, the Chinese have massively expanded both their stainless flat rolled and pipe capacity. After 2005, they ramped up exports of that excess capacity at prices well below U.S. market prices."

The products subject to the petition are primarily ASTM A-312 or A-778 specifications using grade 304 or 316 stainless sheet. They are used as a conduit for liquids or gases under high pressure in the chemical, petrochemical, pharmaceutical, food processing, energy, brewery, automotive and paper industries.

Tom Henke, President of Felker Brothers said “We are a family owned business providing good jobs in efficient plants in Central Wisconsin and Kentucky. While demand for these products increased in the past several years because of a stronger economy, we have seen domestic industry shipments fall as imports from China surged into the market.”

Imports from China increased from 13,993 tons in 2005 to 31,766 tons in 2007 with a value of $160 million. They are believed to have taken approximately 30 percent of the U.S. market. The imports have declined in the first half of 2008 after the filing of the antidumping and countervailing duty petitions on January 30, 2008.

David Cornelius, President of Marcegagalia USA said “Chinese pipe producers and importers failed to adjust prices for the big changes in stainless raw material inputs like chrome, nickel and molybdenum. This is clearly unfair trade as the raw steel input costs are essentially world commodity prices and do not vary substantially from country to country.”

The DOC made a preliminary subsidy determination in June 30, 2008 with margins ranging from *de minimus t*o 100%.

Paul Carpenter, Executive Vice President of Outokumpu Stainless Pipe stated “The imposition of these dumping duties will literally level the playing field for our workers and give us a chance to compete with imports from China that are forced to be fairly traded.”

The DOC will make final subsidy and dumping determinations in January 2009 and the ITC is expected to make a final injury determination in February 2009.

Leo W. Gerard, USW President, said: “Today’s determination by the Commerce Department against illegal stainless steel pipe imports from China is good news as a first step in this case to enforce fair trade laws that protect American family supportive jobs. The USW and the companies who employ our members will continue to vigorously battle China's predatory trade practices." The USW represents workers at: Bristol Metals, Marcegaglia and Outokumpu.

Roger B. Schagrin, a Washington, DC trade attorney and principal of Schagrin Associates is counsel to the petitioners. He said "This is my third case on pipe and tube against China in the past year. In 2007, 2.7 million tons of steel pipe and tube entered from China, almost one out of two tons of steel imports from China. We have obtained orders against imports of circular welded steel pipe and light-walled rectangular tubing from China and I remain confident that we will obtain dumping and countervailing duty orders on stainless steel pipe in early 2009. The DOC and ITC are doing their jobs in enforcing the trade laws and American industry and workers are prepared to do their jobs to compete in a global marketplace governed by unfair trade rules."

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