



STATE OF MINNESOTA

Office of Governor Mark Dayton

116 Veterans Service Building ♦ 20 West 12th Street ♦ Saint Paul, MN 55155

August 1, 2014

Ms. Meredith Broadbent
Chairwoman
United States International Trade Commission
500 East Street Southwest
Washington, DC 20436

Dear Chairwoman Broadbent:

A few weeks ago, the U.S. Department of Commerce determined the Republic of Korea's steel industry is dumping oil country tubular goods (OCTG), steel products used in extraction of oil and natural gas, into U.S. markets at anti-competitive prices. As part of its determination, the Commerce Department imposed tariffs on OCTGs imported from Korea.

As the home to many iron ore mines, the health of the U.S. steel industry is vitally important to Minnesota's Iron Range. Companies on the Range are currently operating at close to full production. However, our future production levels depend on the continued demand for domestic steel products. That demand is now being eroded by the dumping of foreign steel products on the U.S. market at prices below-cost. This puts Minnesota's good-paying mining and steelworker jobs at risk. At a time when both our country's energy sector and the domestic demand for OCTG are growing, it is imperative the U.S. support these industries by ensuring they are not undercut by illegally dumped foreign goods.

The Republic of Korea does not have a domestic market for OCTG. Instead, Korean producers have looked to foreign markets as a way to grow their OCTG production. This illegal trade activity has caused our domestic steel industry considerable harm. U.S. imports of foreign OCTG products have doubled since 2008, and are taking an ever-increasing market share away from American steel producers. In 2013 alone, imports of Korean OCTG steel exceeded 1 million tons and comprised 20 percent of the U.S. OCTG market.

These unfairly traded goods are threatening thousands of jobs across the country, many of which are right here in Minnesota. Mining and steelworker jobs are some of the best paying jobs on the Range. There is no doubt companies on the Range will be unable to maintain or expand their existing operations, pursue new technologies, and create new jobs if they are forced to compete with illegal foreign competition.

I respectfully request the U.S. International Trade Commission recognize the harm OCTG dumping has caused domestic steel production. A halt to any illegal trade practices by the Republic of Korea is crucial to the Iron Range of Minnesota.

Thank you for your concern and attention to this matter.

Sincerely,



Mark Dayton
Governor

cc: Ms. Lisa Barton, Secretary, U.S. International Trade Commission
Mr. William Bishop, Supervisory Hearings and Information Officer,
U.S. International Trade Commission
Ms. Margaret O'Laughlin, Public Affairs Officer, U.S. International Trade Commission
Mr. Joshua Levy, Congressional Relations Officer, U.S. International Trade Commission

Voice: (651) 201-3400 or (800) 657-3717

Fax: (651) 797-1850

Website: <http://mn.gov/governor/>

MN Relay (800) 627-3529

An Equal Opportunity Employer