

January 23, 2009

Mr. Ronald K. Lorentzen
Acting Assistant Secretary
Import Administration
U.S. Department of Commerce
Central Records Unit Room 1870
14th Street & Pennsylvania Ave., NW
Washington, D.C. 20230

RE: Comments of the Precision Metalforming Association on interim final rule; Withdrawal of the Regulatory Provision Governing Targeted Dumping in Antidumping Duty Investigations; RIN 0625-AA79; 73 FR 74930

Dear Mr. Lorentzen:

On behalf of the Precision Metalforming Association (PMA), our 1,200 member companies and the over half a million employees in the metalworking industry, we respectfully submit these comments for your consideration in response to the Department of Commerce ("Department") Federal Register request for public comment (73 FR 74930; RIN 0625-AA79) on the interim final rule regarding targeted dumping.

PMA believes that especially in these uncertain economic times, businesses foreign and domestic need predictability and transparency in government dumping calculation methodology. As industrial consumers of steel and other metal products, our members, comprised of small and medium-sized manufacturers (SMMs), suffer the most when access and pricing for vital raw materials face discriminatory taxes and market uncertainty. Unfortunately, the Department has proposed to repeal the existing regulations and adopt a case-by-case adjudication process. This will lead to more difficult times for domestic industrial consumers by abruptly raising the cost of raw materials and decreasing the supply of certain steel and other metal products. Furthermore, the repeal of rules and change of policy without notice and opportunity for comment places additional burdens on manufacturers as they face unprecedented uncertainty in this down economy.

While PMA members purchase steel and other materials largely from domestic sources, the metalworking industry relies on a free and transparent global marketplace with adequate supply and globally competitive prices. Dispensing with predictability by revoking the targeted dumping rules will lead to great uncertainty at the worst possible time for importers and decrease the attractiveness of the U.S. as a destination for the critical raw materials manufacturers need to support the defense, automotive, medical, construction and other industries. If the U.S. increasingly becomes isolated from the global supply chain, small middle market manufacturers that form the backbone of the metalforming industry will face further disadvantages against their international competitors.

As seen with the illegal practice of zeroing, withdrawal of regulations will lead to increased cost of manufacturing in America for those who require a certain level of imports for their businesses. Under this rule, the domestic industrial consumer would need to quote a potential customer on a contract with essentially no guidance from the Department as to what tariffs the company may pay on the raw material import, resulting in unknown production costs, potential delays and potential loss of business. For companies such as those in PMA, when steel and metal often comprises 50-70 percent of their production costs, even the slightest fluctuation in raw materials costs and supply can have a devastating impact on the company, its employees and the economy.

While PMA supports the Department's efforts to gain greater understanding of the impacts of targeted and related dumping provisions, our members believe the federal government should take into account the impact these decisions have on domestic industrial consumers. Unfortunately, this has not been done in this case. Consideration of consuming industries will better assist the Department in understanding the effect on the economy and scope of material injury. PMA urges the Department to delay implementation of this rule and provide additional guidance to industries to allow for greater transparency and accurate business planning.

Thank you for your consideration and please do not hesitate to contact us for further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'William E. Gaskin', written in a cursive style.

William E. Gaskin
President