



ISPAT INLAND INC.

Lou Schorsch
President & CEO

September 17, 2004

The Honorable Donald L. Evans
Secretary
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, D.C. 20230

Re: Notice of Proposed Rulemaking Regarding the Steel Import Monitoring and Analysis System

Dear Secretary Evans:

I am writing in response to the August 25, 2004 Federal Register Notice of Proposed Rulemaking (69 Fed. Reg. 52,211), seeking suggestions on whether to extend and improve the Steel Import Monitoring and Analysis System ("SIMA").

It is helpful to review events that led to the creation of the Steel Import Monitoring and Analysis System so as to appreciate the importance of its continuation. Foreign subsidies, dumping, and import surges have devastated many steel communities across the nation and since 1998 resulted in the bankruptcy of more than 35 steel companies and the elimination of over 50,000 American steelworker jobs. SIMA was a key component of the administration's response, enabling prompt analysis of accurate data leading to timely corrective action.

On December 4, 2003, President Bush stated that "{t}o keep the positive momentum going, we will continue our steel import licensing and monitoring program so that my Administration can quickly respond to future import surges that could unfairly damage the industry."

On that same day Secretary Evans, you said: "[T]he licensing program we put in place during the safeguard period will be extended. In fact, not only will it be extended for an indefinite period of time, but we'll expand it to include products that are not now included under the licensing program."

Extending and enhancing the program as you have envisioned is critical to ensure that government policy makers have access to the most accurate and timely data possible. This is also vital to all industry participants – helping to ensure that rational expectations can be formed, and that markets function efficiently, in a time of continuing volatility in the industry.

The steel industry is a vital part of the domestic manufacturing sector and our economy as a whole. It provides a stable and dependable source of steel for many vital industries, including shipbuilding, auto manufacturing, national defense, construction, and food storage. The Steel Import Monitoring and Analysis System is proving to be an effective tool for the industry, enabling rapid and appropriate response to changing market conditions while ensuring the detection of possible unfair trading practices or import surges. The steel industry is an anchor for our domestic manufacturing sector and a vibrant, competitive steel industry must be maintained to ensure a thriving manufacturing sector.

I strongly support the continuation and expansion of the Steel Import Monitoring and Analysis System.

Sincerely,

Louis L. Schorsch