

PRESS RELEASE
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FOR IMMEDIATE RELEASE
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ANTIDUMPING PETITION FILED
AGAINST IMPORTS OF STEEL THREADED ROD FROM CHINA

Washington, D.C. — Today, the largest producer of steel threaded rod in the United States – Vulcan Threaded Products Inc. (“Vulcan”) of Pelham, Alabama – filed an antidumping petition urging the U.S. International Trade Commission and the U.S. Department of Commerce to investigate imports of steel threaded rod from the People’s Republic of China.

Imports of threaded rod from China surged by almost 300 percent from 2005 to 2007. At the same time, the prices of imported Chinese products undersold U.S. producers by significant margins, the petition states. Rising volume and unfair prices have enabled Chinese manufacturers to claim nearly two-thirds of the U.S. market – a threefold increase in just three years.

“Imports of steel threaded rod from China were virtually nonexistent several years ago, but now they’re taking the majority of the U.S. market,” said Bill Upton, Vulcan’s President. “We have seen an extraordinary increase in the volume from China at prices which are often less than the cost of our raw materials. Our industry has been devastated, and we need immediate relief.”

Under U.S. antidumping laws, the U.S. Department of Commerce will impose a “dumping” duty to offset unfair pricing of Chinese threaded rod imports in the U.S. market. The estimated dumping margins for imports of threaded rod from China range from 35 to 206 percent, depending on the product, and the average dumping margin is 89 percent.

Steel threaded rod is commonly used in commercial construction to suspend electrical conduit, pipes for plumbing and fire protection, and HVAC duct work. It is also used for hanging suspended ceilings and elevated conveyor belts, bolting pipe joints in the waterworks sector, and installing earthquake- and hurricane-restraint roofing systems.

The International Trade Commission is expected to make a preliminary injury determination by mid-April 2008, and the Department of Commerce should issue a preliminary dumping determination by August 2008. A surge in Chinese imports could result in a finding of “critical circumstances,” leading to duties imposed retroactively to May 2008.

TRADE ACTION FILED ON
IMPORTS OF STEEL THREADED ROD FROM CHINA

ANTIDUMPING PETITION FILED

On March 5, 2008, the domestic threaded rod industry, represented by Vulcan Threaded Products Inc. of Pelham, Alabama, filed an antidumping petition against imports of steel threaded rod from China. The estimated dumping margins for imported Chinese products are in the range of 35 to 206 percent. Margins like these explain how surging Chinese imports have caused serious injury to the U.S. industry.

The imposition of an antidumping order against Chinese threaded rod will enable U.S. manufacturers — and their employees — to recover from the devastating impact of Chinese imports and enable them to compete more effectively in the future.

This trade action will also benefit American workers employed by supplier and distributor companies that depend on the continued operation of a domestic threaded rod industry. These companies include U.S. steel mills and producers of paper, lubricants, and machinery.

THE FACTS:

China accounts for the vast majority of total U.S. imports of steel threaded rod, and Chinese imports surged from an estimated 32.3 million pounds in 2005 to 126.8 million pounds in 2007, an increase of almost 300 percent.

Imported threaded rod from China undersell domestically produced threaded rod by significant margins.

As the result of increasing imports and decreasing prices, Chinese threaded rod has seized almost two-thirds of the U.S. market — a threefold increase in market share in just three years. At the same time, domestic manufacturers have lost one-half of their market share, they have seen their profitability collapse, and American workers have lost their jobs.

The Chinese threaded rod industry is export-driven and continues to expand its already enormous capacity. Public sources identify more than 400 producers in China, including many which boast that their products are mainly exported to the United States and other overseas markets. Allied with these Chinese producers are almost 300 U.S. importers of threaded rod.

Chinese producers and exporters have seized most of the U.S. market despite the investments made by Vulcan to improve its efficiency and cost-effectiveness. Vulcan has invested heavily in equipment and technology to be a low cost producer. However, the onslaught of heavily dumped and unfairly priced imports from China has undermined the efforts of the American industry and their workers to maintain their competitive edge.

The antidumping petition filed today by Vulcan seeks only to insure that the Chinese industry abides by the same international trade rules which govern all players in the global marketplace.