

# UNIVERSAL STEEL PRODUCTS, INC.

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***VIA ELECTRONIC MAIL—***  
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Mr. Brad Botwin  
Director, Industrial Studies,  
Office of Technology Evaluation  
Bureau of Industry and Security  
U.S. Department of Commerce  
1401 Constitution Avenue NW., Room 1093  
Washington, D.C. 20230

**Re: Section 232 National Security Investigation of Imports of Steel**

Universal Steel Products, Inc. (USP), located in Alpine, New Jersey, submits these written comments for consideration by the Secretary of Commerce.

Steel imports do not threaten our nation's security. Steel demand for defense purposes is very small compared to commercial production; domestic mills can easily meet defense needs.

During the most recent two years, most American steel mills have been profitable and none are in danger of shutting down. Many flat rolled mills are expanding their operations, including in the coated lines that are the bulk of our business. SDI recently completed a new galvalume and paint line in Columbus, Mississippi. Nucor just announced the commissioning of a new galvanizing line in Kentucky. Steel production for defense of the United States is in no danger.

USP is an American steel distributor that sells primarily thin-gauge galvalume in thickness from .013" to .019" to the construction industry, mainly for roll forming roofing and siding. This product is not a threat to national security as it is not used for weapons of any kind. Restricting imports of these products would seriously harm the economy since there are only a few American producers and there is not nearly enough domestic production capacity to satisfy domestic demand.

I believe American mills do not really want to offer thin galvalume to most users at a competitive price for two reasons: (1) they are interested in maximizing their tons of production per hour; and (2) many are only interested in supporting the 3 or 4 largest customers in any industry, leaving the rest of the market to alternative distribution channels (service centers and wholesale distributors).

Further, USP believes that restricting imports of galvalume could destroy both our business and our customers' businesses, many of whom could not compete with their larger competitors without access to steel at competitive prices.

The future of our business depends on access to imported steel, because domestic supply is not a viable option. As long as domestic suppliers are not interested in our market segment, the market must remain open. Steel imports do not threaten national security and no relief is appropriate under section 232. However, should the Department recommend any import restrictions as a result of this investigation, we strongly advise that galvalume be completely excluded from any import relief.

Sincerely,

Curtis Scott  
Universal Steel Products, Inc.