



## THE UNITED STATES INTERNATIONAL TRADE COMMISSION

In the Matter of: )  
 ) Investigation No.:  
 CERTAIN STEEL WIRE GARMENT ) TA-421-2 (Remedy)  
 HANGERS FROM CHINA )

Wednesday,  
 February 5, 2003

Room No. 101  
 U.S. International  
 Trade Commission  
 500 E Street, S.W.  
 Washington, D.C.

The meeting commenced, pursuant to Notice, at 9:32 a.m., before the Commissioners of the United States International Trade Commission, the Honorable DEANNA TANNER OKUN, Chairman, presiding.

## APPEARANCES:

On behalf of the International Trade Commission:

Commissioners:

DEANNA TANNER OKUN, CHAIRMAN  
 JENNIFER A. HILLMAN, VICE CHAIRMAN  
 LYNN M. BRAGG, COMMISSIONER  
 MARCIA E. MILLER, COMMISSIONER  
 STEPHEN KOPLAN, COMMISSIONER

APPEARANCES: (cont'd.)

Staff:

MARILYN R. ABBOTT, SECRETARY  
WILLIAM R. BISHOP, STAFF ASSISTANT  
DEBRA BAKER, INVESTIGATOR  
HARRY LENCHITZ, INDUSTRY ANALYST  
CHARLES YOST, ACCOUNTANT  
JOHN BENEDETTO, ECONOMIST  
WILLIAM GEARHART, ATTORNEY  
JAMES MCCLURE, SUPERVISORY INVESTIGATOR

I N D E X

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AGENDA FOR FUTURE MEETING: NONE	4
MINUTES: JANUARY 27 AND 28, 2003	4
RATIFICATION LIST: 03-003	4
INV. NO. TA-421-2 (REMEDY) (CERTAIN STEEL WIRE GARMENT HANGERS FROM CHINA) -- BRIEFING AND VOTE	4
OUTSTANDING ACTION JACKETS: NONE	4

P R O C E E D I N G S

(9:32 a.m.)

1  
2  
3 CHAIRMAN OKUN: Good morning. This meeting  
4 of the U.S. International Trade Commission will now  
5 come to order.

6 I understand we have no agenda for future  
7 meetings and no outstanding action jackets to  
8 consider.

9 Is there any objection to approval of the  
10 minutes of January 27 and 28, 2003?

11 (No response.)

12 CHAIRMAN OKUN: Hearing none, they are  
13 approved.

14 Is there objection to approval of  
15 Ratification List 03-003?

16 (No response.)

17 CHAIRMAN OKUN: Hearing none, it is  
18 approved.

19 We will now turn to Investigation No.  
20 TA-421-2 (Remedy), Certain Steel Wire Garment Hangers  
21 From China. Welcome to Mr. McClure and the other  
22 staff who participated in this investigation.

23 Does any Commissioner have questions for the  
24 staff?

25 (No response.)

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1                   CHAIRMAN OKUN: Very well. Madam Secretary,  
2 will you please call the role?

3                   MS. ABBOTT: Commissioner Koplan?

4                   COMMISSIONER KOPLAN: Thank you, Madam  
5 Secretary. On January 27, 2003, the Commission made a  
6 unanimous affirmative determination of market  
7 disruption with respect to certain steel wire garment  
8 hangers from the People's Republic of China.

9                   Pursuant to Section 421(f) of the Trade Act  
10 of 1974, I am now charged with the responsibility of  
11 recommending such action to the President as I deem  
12 necessary to remedy the market disruption. In  
13 accordance with my responsibility, I am recommending  
14 that the President impose a 30 percent ad valorem  
15 tariff on imports of certain steel wire garment  
16 hangers and that such tariff remains in place for  
17 three years.

18                   I note that this is the Commission's second  
19 proceeding under Section 421. In making my proposal,  
20 I have considered such factors as domestic  
21 consumption, domestic and foreign capacity, capacity  
22 utilization, present and projected demand for certain  
23 steel wire garment hangers, substitutability of the  
24 imported and domestic like products, pricing and, in  
25 particular, the material injury to the domestic

1 industry.

2 My proposed remedy is intended to return the  
3 quantity of subject imports to their level in the year  
4 2000. As a result, the market share ratio to apparent  
5 U.S. consumption should also return to about what it  
6 was in 2000. I note that the market share ratio rose  
7 from 5.1 percent in 2000 to 12.9 percent in the first  
8 nine months of 2002. I have selected the year 2000 as  
9 the base year because it preceded the rapid increase  
10 in subject imports.

11 Finally, if applications are filed I  
12 recommend that the President direct the U.S.  
13 Department of Labor and the U.S. Department of  
14 Commerce to provide expedited consideration of trade  
15 adjustment assistance for firms and/or workers  
16 affected by the subject imports.

17 MS. ABBOTT: Commissioner Bragg?

18 COMMISSIONER BRAGG: Thank you, Madam  
19 Secretary. In this investigation I recommend that a  
20 remedy be imposed in the form of an additional tariff  
21 for a two year period set at 20 percent ad valorem in  
22 year one of the relief period and declining to 15  
23 percent ad valorem in year two of the relief period.

24 Thank you.

25 MS. ABBOTT: Commissioner Okun?

1                   CHAIRMAN OKUN: Having earlier determined  
2                   that certain steel wire garment hangers from the  
3                   People's Republic of China are being imported into the  
4                   United States in such increased quantities or under  
5                   such conditions as to cause market disruption to the  
6                   domestic industry, I must now propose the amount of  
7                   import relief necessary to remedy the market  
8                   disruption.

9                   In this investigation I recommend the  
10                  imposition of an ad valorem tariff for a three year  
11                  period on imports of steel wire garment hangers from  
12                  China. I propose that such imports be subject to an  
13                  additional duty of 25 percent in the first year, 20  
14                  percent in the second year, and 15 percent in the  
15                  third year of relief. A tariff at this level should  
16                  remedy the market disruption caused by the surge in  
17                  imports.

18                  Finally, if applications are filed I  
19                  recommend that the President direct the U.S.  
20                  Department of Commerce and the U.S. Department of  
21                  Labor to provide expedited consideration of trade  
22                  adjustment assistance for firms and/or workers  
23                  affected by the subject imports.

24                  Thank you, Madam Secretary.

25                  MS. ABBOTT: Commissioner Miller?

1                   COMMISSIONER MILLER: I concur with Chairman  
2 Okun.

3                   MS. ABBOTT: Commissioner Hillman?

4                   VICE CHAIRMAN HILLMAN: I concur with  
5 Chairman Okun and Commissioner Miller.

6                   MS. ABBOTT: Madam Chairman, the  
7 Commissioners have announced their proposals and  
8 remedy.

9                   CHAIRMAN OKUN: Thank you, Madam Secretary.  
10                   The Commission is currently scheduled to  
11 transmit its proposals on remedy to the President and  
12 the United States Trade Representative on February 18,  
13 2003.

14                   Thank you again to staff who participated in  
15 this investigation.

16                   Before we adjourn this meeting, I note that  
17 the Commission will next turn to the hearing in  
18 Investigation No. 731-TA-991 (Final), Silicon Metal  
19 From Russia. As I am not participating in that  
20 investigation, Vice Chairman Hillman will chair the  
21 meeting.

22                   Seeing that there is no further business  
23 before the Commission, this meeting is adjourned.

24                   (Whereupon, at 9:37 a.m. the meeting in the  
25 above-entitled matter was concluded.)

**CERTIFICATION OF TRANSCRIPTION**

**TITLE:** Certain Steel Wire Garment Hangers  
**INVESTIGATION NO.:** TA-421-2 (Remedy)  
**HEARING DATE:** February 5, 2003  
**LOCATION:** Washington, D.C.  
**NATURE OF HEARING:** Commission Meeting

I hereby certify that the foregoing/attached transcript is a true, correct and complete record of the above-referenced proceeding(s) of the U.S. International Trade Commission.

**DATE:** February 5, 2003

**SIGNED:** LaShonne Robinson  
Signature of the Contractor or the  
Authorized Contractor's Representative  
1220 L Street, N.W. - Suite 600  
Washington, D.C. 20005

I hereby certify that I am not the Court Reporter and that I have proofread the above-referenced transcript of the proceeding(s) of the U.S. International Trade Commission, against the aforementioned Court Reporter's notes and recordings, for accuracy in transcription in the spelling, hyphenation, punctuation and speaker-identification, and did not make any changes of a substantive nature. The foregoing/attached transcript is a true, correct and complete transcription of the proceeding(s).

**SIGNED:** \_\_\_\_\_  
Signature of Proofreader

I hereby certify that I reported the above-referenced proceeding(s) of the U.S. International Trade Commission and caused to be prepared from my tapes and notes of the proceedings a true, correct and complete verbatim recording of the proceeding(s).

**SIGNED:** Contreica Dawson  
Signature of Court Reporter