PRESS RELEASE

More Wire Rod Workers Laid off As President Considers Import Relief

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Washington, DC—More U.S. steel wire rod workers have been laid off as the industry struggles to survive an increasing tide of low-priced imports. Imports of wire rod through the first ten months of 1999 increased 15% over 1998 levels. The U.S. industry is still waiting for a decision from President Clinton on their petition for import relief filed earlier this year by U.S. producers, the United Steelworkers of America AFL-CIO, and the Independent Steel Workers Alliance. The President's statutory deadline for a decision in the case was September 27, 1999.

Last week, petitioner Co-Steel Raritan laid off approximately 5 percent of its workforce at its wire rod facility in Perth Amboy, New Jersey. This is in addition to an earlier layoff at the plant last December that saw 15 percent of the workforce slashed.

The largest producer of wire rod in North America, GS Industries, Inc., recently reported a net loss of $35.1 million in the first nine months of 1999 compared to a net loss of $10.6 million for the same period of 1998.

"The layoffs in New Jersey on the eve of Thanksgiving are another sign of the terrible conditions the domestic producers are now confronting," said Charles Owen Verrill, Jr., of Wiley, Rein & Fielding, counsel to the petitioners. "Further layoffs in this industry can only be avoided if the President acts quickly to adopt a meaningful Section 201 remedy," Verrill said. "Imports this year are up 15% over 998 levels that the ITC found injurious," Verrill said.

Practice Areas

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"The additional data on industry conditions in 1999 that the President asked the International Trade Commission to collect conclusively demonstrates that the injury suffered in 1997-98 was no fluke. The injury is real and continuing. This industry is deteriorating day-by-day, and steelworkers are losing their jobs during this holiday season. They deserve a decision from the President," he said.