

AMERI-FORGE CORPORATION

Your Competitive Edge

*William J. Friel
President*

Public comments of Ameri-Forge Corporation
As to the introduction of the
Markings Harmonization Act of 2002 (HR 4128/S.2235)
107th Congress

Background

The Ameri-Forge Corporation was founded in 1985, employs' over 220 people and is one of the largest closed die flange forging companies in North America.

The primary manufacturing processes at Ameri-Forge are the forging, machining, heat treating and painting of over 150 million pounds per year of carbon steel flanges. All of the material used by Ameri-Forge is purchasing from US Steel Manufacturers.

The material cost of the average flange represents more than 80% of the total cost of a machined/painted flange. The quality and the trace-ability of the material used is the single most important concerned for all flange consumers.

Ameri-Forge believes it is extremely important that flange consumers are fully aware of the country of origin of material used in manufacturing a flange product.

Comments on the "Markings Harmonization Act of 2002"

These comments address the "Markings Harmonization Act of 2002" (H.R. 4128 and S.2235) which was introduced in April 2002 in the House and Senate and is currently pending in the respective Committees in Congress. Ameri-Forge is aware of the importance of the existing markings rules and regulations as prescribed by the U.S. Customs Service. The industry has advocated "strict markings definitions" to ensure that the country of origin along with other entry information is obtained when pipe, tube, flange, and fittings products enter the U.S.

The provisions included in H.R 4128/S.2235 would change the existing markings law as it applies to these products. Specifically, as described in the bill, the ultimate purchaser of flanges or butt welding fittings would be allowed to perform minimal changes to an imported product which would result in the purchaser being able to mark the product as their own, perceived as being U.S. domestically made, instead of marking the product from the original country of origin. As detailed in the bill, many of these changes are minimal at least and would not otherwise represent a substantial transformation to the product under normal Customs application of the law. Thus, the end user of the product would



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not know the actual country of origin of the product and would instead be under the impression that the company selling the finished product had manufactured the fitting or flange, when most of the value, character, and origin of the fitting or flange came from a foreign country.

Ameri-Forge believes that the provisions as outlined in H.R. 4128/S.2235 weakened the existing marking and country of origin requirements in the law. Furthermore, this legislation deviates from the purpose of the labeling and markings rules, which apply to this industry and prevents the end user or customer from knowing the true country of origin of the product. **Ameri-Forge opposes this legislation and would not support this bill to move forward in this session of congress.**

Please call me at 713-393-4300 if you have any questions or need more information. You can also e-mail me at bfriel@ameriforge.com.

Respectfully,

William J. Friel

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