

CANADA BORDER SERVICES AGENCY

**The Dumping and Subsidizing of
Cold-Rolled Steel in Coils and Strip
Originating in or Exported From
the People's Republic of China, the Republic of Korea
and the Socialist Republic of Vietnam**

**Public
Statement of Evidence of
Laura Devoni of Essar Steel Algoma Inc.**

April 5, 2018

**CONLIN BEDARD LLP
220 Laurier Ave West, Suite 700
Ottawa ON K1P 5Z9**

Benjamin P. Bedard/ Linden Dales

**Counsel to Essar Steel Algoma Inc.
Telephone: (613) 782-5777
Facsimile: (613) 249-7226**

CANADA BORDER SERVICES AGENCY

*The Dumping and Subsidizing of
Cold-Rolled Steel in Coils and Strip
Originating in or Exported From
the People's Republic of China, the Republic of Korea
and the Socialist Republic of Vietnam*

**Public
Statement of Evidence of
Laura Devoni**

I. Introduction

1. My name is Laura Devoni. I am the Manager of Trade and Economics for Essar Steel Algoma Inc. (“**Algoma**”). I graduated from Michigan Technological University in 2004 with a Master of Science degree. I have been employed by Essar Algoma since 2004. My responsibilities include the monitoring of domestic and international market dynamics and pricing.
2. Algoma supports the complaint being filed by ArcelorMittal Dofasco concerning the dumping and subsidization of non-automotive cold-rolled steel sheet (“**CRS**”) originating in or exported from China, Vietnam and South Korea (the “**Subject Goods**”).
3. Algoma has been producing CRS at its facility in Sault Ste. Marie, Ontario since its cold mill was built in 1954. Algoma produces CRS in thicknesses from 0.457 mm to 3.61 mm widths up to 1854 mm for service centre and end user customers.
4. Algoma’s financial and operational results for CRS are available at Confidential Attachment 55 of the Complaint. Algoma’s performance on sales of CRS was [

]. These market dynamics acted as a [

]. However, Algoma’s financial performance on

CRS [] in the third and fourth quarters of 2017, with [

]. Algoma's performance is expected to [] in 2018 as a result of anticipated market conditions, and particularly the anticipated continued large volumes of low-priced imports from the Subject Countries.

5. I have also attached Import Activity Reports ("IARs") documenting competition with Subject Goods from each of the Subject Countries in the Canadian market.
6. For example, Confidential Attachments 1 through 3 document competition with China, Vietnam and South Korea since August 2016. Even with Algoma [] to customers in order to maintain volume, the Subject Goods from China and Vietnam undercut Algoma's [] pricing by \$[]/MT (China) and \$[]/MT (Vietnam).¹ The South Korean material undercut Algoma by approximately \$[]/MT.²
7. Confidential Attachments 4 through 6 document very low-priced Chinese material being offered and sold in Canada for arrival in the third quarter of 2017. Confidential Attachments 4 and 5 show undercutting of \$[]/MT in Quebec and \$[]/MT in Ontario, with Algoma's sales representative noting that [] had participated in the incoming vessel of Chinese CRS.³ Confidential Attachment 6, from November 2017, confirms that this material arrived in Quebec and undercut Algoma's pricing.⁴
8. Confidential Attachment 7 similarly reports on Chinese CRS arriving in late September or early October 2017. This correspondence demonstrates the effect that the Subject Goods

¹ Confidential Attachment 1: Import Activity Report 303: China; Confidential Attachment 3: Import Activity Report 316: Vietnam.

² Confidential Attachment 2: Import Activity Report 307: Vietnam.

³ Confidential Attachment 4: Import Activity Report 317: China; Confidential Attachment 5: Import Activity Report 323: China.

⁴ Confidential Attachment 6: Import Activity Report 331: China.

can have on not only Algoma's prices, but also those of our customers, who must compete in their own market with entities that have purchased the low-priced CRS.⁵

9. Confidential Attachment 8 and 9 demonstrate that this trend has continued into 2018. In January of 2018, Chinese offers for the open of navigation (late March or early April, 2018) were placing pressure on Algoma's pricing to various customers in Ontario.⁶ In February 2018, an Algoma sales representative reported that [], an Ontario customer, continued to push Algoma to move its pricing down to be competitive with Chinese CRS expected to arrive in July 2018.⁷

⁵ Confidential Attachment 7: Commercial Intelligence: Algoma Internal E-mail, September 2017.

⁶ Confidential Attachment 8: Import Activity Report 333: China.

⁷ Confidential Attachment 9: Import Activity Report 339: China.

I, Laura Devoni, Manager – Trade and Economics at Essar Steel Algoma Inc., certify that the information in the Witness Statement is true, accurate and complete.

A handwritten signature in black ink, appearing to read 'LD', is written over a horizontal line.

Laura Devoni

List of Attachments

Attachment #	Description
Confidential Attachment 1	Import Activity Report 303: China
Confidential Attachment 2	Import Activity Report 307: South Korea
Confidential Attachment 3	Import Activity Report 316: Vietnam
Confidential Attachment 4	Import Activity Report 317: China
Confidential Attachment 5	Import Activity Report 323: China
Confidential Attachment 6	Import Activity Report 331: China
Confidential Attachment 7	Commercial Intelligence: Algoma Internal E-mail, September 2017
Confidential Attachment 8	Import Activity Report 333: China
Confidential Attachment 9	Import Activity Report 339: China

The Dumping and Subsidization of
Cold-Rolled Steel in Coils and Strip

PUBLIC COMPLAINT

Public Version of
Confidential Attachments 1 to 9
to the Witness Statement of
Laura Devoni

*Confidential Attachments 1 to 9 are
documents containing sensitive
commercial information, the public
disclosure of which could cause
commercial harm to the interests of Essar
Steel Algoma Inc.*