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September 7, 2012

CONFIDENTIAL DOCUMENT

BY HAND DELIVERY

David Boyland, CPA
Financial Analysis and Accounting Division
Office of Investigations
U.S. International Trade Commission
500 E Street, S.W.
Washington, DC 20436

**Proprietary Treatment
Requested**

Re: Corrosion-Resistant Carbon Steel Flat Products from Germany and Korea,
Investigation Nos. 701-TA-350 and 731-TA-616 and 618 (Third Review)

Dear Mr. Boyland:

In response to your e-mail dated August 29, we hereby submit the response of United States Steel Corporation ("U. S. Steel") to follow-up questions regarding U.S. Producers' Questionnaire.

As these responses contain confidential business proprietary information of U. S. Steel, we hereby request proprietary treatment for such responses in their entirety.

Respectfully submitted,



Robert E. Lighthizer

James C. Hecht

Stephen P. Vaughn

Counsel for United States Steel Corporation

RESPONSES TO QUESTIONS FROM ITC STAFF

- 1. The company has reported that it does not purchase inputs from related parties which are used in the production of corrosion-resistant steel. To the extent that public information generally indicates that the company owns iron-ore related operations, please explain the basis of the company's response to question III-6 indicating that it does not purchase inputs from related parties. As appropriate, please identify in schedule III-7 all relevant related parties who transfer inputs which are ultimately consumed in the production of corrosion-resistant steel; e.g., as appropriate, iron-ore related operations, as well as other relevant entities. In conjunction with identifying the related party, please identify the corresponding input.**

We understand from this question that the term "related parties" includes wholly-owned subsidiaries, joint ventures, and other U. S. Steel facilities not included in U. S. Steel's flat-rolled segment. By this definition, U. S. Steel's corrosion-resistant steel facilities obtained iron ore, blast furnace coke, and slabs from related parties:

- Internally-produced iron ore pellets consumed in the company's U.S. blast furnaces generally come from two U. S. Steel facilities: Keetac in Keewatin, Minnesota and Minntac in Mount Iron, Minnesota. During the period of review, a small volume (less than 5 percent) of the iron ore pellets consumed in U. S. Steel's domestic blast furnaces came from two joint ventures in which U. S. Steel has a minority interest: the Hibbing Taconite Company in Hibbing, Minnesota and the Tilden Mining Company in Ishpeming, Michigan.
- Internally-produced blast furnace coke consumed in U. S. Steel's domestic facilities generally comes from internal sources: Clairton Plant in Clairton, Pennsylvania; the Gary Works in Gary, Indiana; and the Granite City Works in Granite City, Illinois. During the period of review, roughly five percent of the coke consumed in U. S. Steel's domestic facilities came from U. S. Steel Canada.
- During the period of review, U. S. Steel's Great Lakes Works used a relatively small volume of slabs that were sourced from the Lake Erie Works of U. S. Steel Canada. We estimate that such slabs account for only 3 percent of the relevant corrosion-resistant production.

2. As appropriate, please specify the steps taken to eliminate all relevant intercompany profit from costs reported in table III-10. Please confirm, as appropriate, that all relevant profit has been eliminated from transferred inputs and, as appropriate, specify the amounts actually eliminated in each period.

In the normal course of business, whenever items – such as the inputs described above – are transferred between U. S. Steel facilities located in the United States, those transfers are recorded at cost. Thus, we had to take no steps to eliminate intercompany profits associated with such transfers, which account for the vast majority of transfers at issue.

In the normal course of business, items transferred from U. S. Steel's Canadian facilities to its U. S. facilities carry a market value, and the Canadian operations incur a profit based on selling at a market price. However, as the material from Canada is received by the U.S. facilities, it is written down to, and consumed at, cost. All data provided the ITC reflects the consumption of such materials at cost, and no intercompany profits have been included.

**CORROSION-RESISTANT CARBON STEEL FLAT PRODUCTS FROM
GERMANY AND KOREA**

Inv. Nos. 701-TA-350 and 731-TA-616 and 618 (Third Review)

APO CERTIFICATE OF SERVICE

I hereby certify that the foregoing submission was served on this 7th day of September, 2012, by hand delivery on the following parties listed below:

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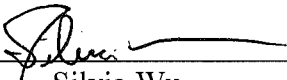
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