ISSN 0276-8275

WTTLonline.com

A Weekly Report for Business Executives on U.S. Trade Policies, Negotiations, Legislation, Trade Laws and Export Controls

Washington Tariff & Trade Letter®

Publisher: Martin Kalin • Editor: Meredith Gilston • Associate Editor: Melissa Apter

Vol. 36, No. 15 **April 11, 2016**

ZTE Admits More Charges Could be Coming

While Chinese telecommunications firm ZTE got a temporary reprieve from the Bureau of Industry and Security (BIS), more charges could be imminent from Justice, Treasury and other departments in "respective investigations of the Company's compliance with U.S. Export Administration Regulations," the firm admitted April 6 in a post on its website.

> "The Investigations are still in progress, and may result in criminal and civil liabilities under U.S. laws. Further, the potential impact of the Investigations and the potential legal liabilities on the results and financial position of the Company and its subsidiaries cannot be fully assessed by the Company at present," ZTE wrote (see **WTTL**, March 28, page 1).

"The Company will continue to actively cooperate with the relevant U.S. government departments to appropriately resolve the matters as soon as practicable. As the final outcome of the above matters are highly uncertain, shareholders and potential investors … are advised to exercise caution in the dealing of shares in the Company," it added.

The day before, ZTE replaced most of its executive leadership, electing Zhao Xianming as chairman and president. "We have been transparent and proactive in addressing any issues, and with the support of different parties, the situation is being resolved," Xianming wrote in a letter to colleagues April 5. "We will be taking extra measures to ensure that legal compliance and anti-corruption processes eliminate any possibility of non-compliance. We will put practical measures in place to rebuild our operational philosophy and turn the challenges into opportunities," he added.

Casino Firm Pays $9 Million to Settle SEC FCPA Charges

Sheldon Adelson's casino chain Las Vegas Sands Corp. (LVSC) agreed April 7 to pay $9 million to settle Securities and Exchange Commission (SEC) charges the firm violated the

WTTL is published weekly 50 times a year except last week in August and December. Subscriptions are $697 a year. Additional users pay only $100 each with full-priced subscription. Site and corporate licenses are also available.
Phone: 301-460-3060 Fax 301-460-3086

Foreign Corrupt Practices Act (FCPA) by failing to properly document more than $62 million in payments to a consultant facilitating business expansion in China and Macao from 2006 through 2011.

"The Consultant claimed to be a former Chinese government official and touted his political connections with Chinese government officials as his principle qualification to provide assistance to LVSC. With the approval of the LVSC President, the Consultant was hired to liaise with governmental bodies, provide advice and assistance with approval processes and to serve as an intermediary or 'beard' to obscure LVSC's role in certain transactions," the SEC order noted.

> These transactions included the purchase of a professional basketball team and the building of a non-gaming resort on Hengqin Island, a new resort district in China, where casino gambling was not permitted. In addition to the civil penalty, the company agreed to retain an independent compliance consultant for two years. LVSC neither admitted nor denied the charges.

"Most of the transfers occurred despite knowledge by senior LVSC management that they could not account for significant funds previously transferred to the consultant in an environment where significant bribery risks were present. This lack of controls impacted other transactions, such as gifts and entertainment for foreign officials, employee and vendor expense reimbursements, and customer comps. The company also kept inaccurate books and records," the SEC charged.

"We are pleased to have the matter resolved. We are committed to having a world class compliance program that builds on the strong policies we already have in place," Adelson, who is chairman and CEO of the company, said in a statement. "While we started corrective action on this particular matter prior to the initiation of the government investigations, we understand that running an industry-leading compliance operation takes time, resources and the full support of senior management," he added.

Appeals Court Sends Fokker Settlement Back to District Judge

In a decision that prosecutors and industry alike could love, a panel of appellate court judges rejected the argument that judges have the authority to withhold approval of a settlement. A trio of D.C. U.S. Court of Appeals judges said such withholding "would amount to a substantial and unwarranted intrusion on the Executive Branch's fundamental prerogatives."

D.C. U.S. District Court Judge Richard Leon had rejected a 2014 settlement with Fokker Services over charges of violating U.S. trade sanctions, which included a deferred prosecution agreement (DPA). While Leon technically disputed the settlement under the Speedy Trial Act, he made no secret of his substantive arguments against the deal. Among the issues the appellate judges raised was the discretion the district court has to approve or disapprove a DPA under the Speedy Trial Act, since the statute provides no conditions

or factors judges must apply in their review of such deals (see **WTTL**, Sept. 14, 2015, page 4). This was the first time a DPA negotiated by the government has been subjected to judicial scrutiny of the prosecution's basic exercise of charging discretion.

"There is no indication that the parties entered into the DPA to evade speedy trial limits rather than to enable Fokker to demonstrate its good conduct and compliance with law. Rather, the district court denied the exclusion of time based on its view that the prosecution should have brought different charges or sought different remedies. In doing so, the court exceeded its authority," wrote presiding Judge Sri Srinivasan, who had been on President Obama's shortlist of Supreme Court nominees.

> "While the exclusion of time is subject to 'the approval of the court,' there is no ground for reading that provision to confer free-ranging authority in district courts to scrutinize the prosecution's discretionary charging decisions," he added. As the case now stands, the district court still needs to enter a decision in line with the circuit court opinion. There is no timetable yet set for any additional proceedings, a source close to the case told WTTL.

The appeals court also rejected the idea that the case needed to be reassigned and sent it back to Judge Leon. "Reassignment is warranted only in the 'exceedingly rare circumstance,' in which the district judge's conduct is 'so extreme as to display clear inability to render fair judgment.' This case does not approach that high bar. Although the district court volunteered opinions about Fokker's conduct on the basis of facts presented during the proceedings, those sorts of 'candid reflections' concerning the judge's assessment of a defendant's conduct 'simply do not establish bias or prejudice,'" Srinivasan wrote.

Singapore Citizen Extradited to Face Export Charges

More than two and a half years after his co-defendants were sentenced to multi-year prison terms, a Singaporean man was extradited from Indonesia to face charges related to the illegal exports of 6,000 radio frequency modules from a Minnesota company through Singapore to Iran, at least 16 of which were later found in unexploded improvised explosive devices (IEDs) in Iraq.

Lim Yong Nam, aka Steven Lim, had been detained in Indonesia since October 2014 in connection with a U.S. request for extradition. He pleaded not guilty in D.C. U.S. District Court April 4 and is in custody awaiting trial.

A superseding indictment against Lim, four other individuals and four companies was unsealed in October 2011, including charges of conspiracy to defraud the U.S., smuggling, illegal export of goods to Iran, illegal export of defense articles from the U.S., false statements and obstruction of justice.

Two of the defendants previously were extradited from Singapore to face additional charges of exporting 55 military antennas from a Massachusetts company to Singapore

and Hong Kong without licenses. They were sentenced in September 2013 in D.C. federal court to multi-year prison terms after pleading guilty (see **WTTL**, Sept. 30, 2013, page 9). Also charged was Hossein Larijani, a citizen and resident of Iran, who is at large. The companies named were Paya Electronics Complex in Iran and three firms in Singapore: Opto Electronics Pte, Ltd., NEL Electronics Pte, Ltd., and Corezing International Pte, Ltd., which also has offices in China.

The two U.S. companies, which appear to be innocent victims in the case, were only identified in the indictment as Company A in Minnesota and Company B in Massachusetts. CBS News reported that it had confirmed that Company A was Digi International in Minnetonka, Minn.

WTO Says 2016 Growth to "Remain Subdued"

For the fifth year in a row, trade growth will fail to crack 3%, the World Trade Organization (WTO) predicted April 7. World merchandise trade volume is expected to grow by 2.8% in 2016, the same as in 2015. Though the WTO expects trade growth of 3.6% in 2017, it is still below the average of 5% since 1990.

> "While the volume of global trade is growing, its value has fallen because of shifting exchange rates and falls in commodity prices. This could undermine fragile economic growth in vulnerable developing countries. There remains as well the threat of creeping protectionism as many governments continue to apply trade restrictions and the stock of these barriers continues to grow," WTO Director-General Roberto Azevedo said in a statement.

The WTO found that exports from developed economies trailed those of developing countries with developed economies experiencing 2.6% volume growth, while developing economies experienced 3.3% volume growth. However, developed economies' imports grew by 4.5% while developing economies' imports "stagnated" at 0.2%. South America in particular experienced weak import growth in 2015, which the WTO attributed to Brazil's recession. All regions experienced a slowdown in the second quarter of 2015, but rebounded by the end of the year.

Based on consensus estimates of real gross domestic product (GDP) at market exchange rates from economic forecasters, WTO believes world GDP should grow 2.4% in 2016 and 2.7% in 2017. It further predicts that developed countries' export rate will grow at 2.9% and in developing countries by 2.8%. Imports of developed economies will grow 3.3%, compared to a 1.8% increase in developing countries.

Asia is expected to experience the fastest export growth, followed by North America and Europe, while South and Central America will continue to lag behind. WTO expects North America imports to grow by 4.1% in 2016 and Asian and European imports to grow by 3.2%. The trade forecasts "remain tilted down" due to lack of business and consumer confidence in developed economies, it noted.

Industry Finally Sees Clarity in Night-Vision Rules

In comparison to the thousands of pages it had to wade through last year, the Bureau of Industry and Security (BIS) and State's Directorate of Defense Trade Controls (DDTC) should be breathing a sigh of relief that public comments on its most recent proposals night-vision controls under U.S. Munitions List (USML) Category XII and the Commerce Control List (CCL) 600 series barely hit 300 pages.

> As predicted, BIS and DDTC proposed reverting to the old use of "specially designed" to differentiate between military and commercial thermal-imaging products (see **WTTL**, Feb. 22, page 1). While the majority of comments applauded the agencies' efforts in clarifying these controls, a few brought up unresolved issues.

BAE Systems took issue with the requirement of producing documentation as evidence that a specific item was designed for both military and non-military end users. "If a company does not have records or is unable to produce records and the item is sold to a military end user, the item is presumed to be Category XII. This default ITAR jurisdiction would control items not because of any special properties, but because records are not available to substantiate the design intent of the item," it wrote.

Some commenters wanted a more clear definition of military end-user. For example, UTC wondered if the definition of military end-user included border management/security agencies, such as the Department of Homeland Security, Customs and Border Protection (DHS/CBP). "If border management/security agencies are included in this definition it may negatively impact the development of commodities for DHS/CBP and/or international strategic trade and border management/security initiatives between the United States and partner countries," it wrote.

Universities took issue with DDTC's proposal that equipment developed under Department of Defense (DOD) funding would be controlled under Category XII. The proposed rule "introduces a new inclusion criterion that is overly broad and serves to threaten fundamental research and productive partnerships among academia, industry, and government sponsors. In particular, the Second Proposed Amendment to Category XII adds new technologies to the USML in four new paragraphs, not based upon the design or proposed purpose of the article, but upon whether the technology is funded" by DOD, Harvard University wrote to DDTC.

"Many of the technologies described in proposed Category XII are not for military end use and have dual uses in such areas as oceanography, telecommunication, photonics, computer processor-memory interconnects, materials engineering, thermal management, computational ophthalmology, and molecular medical diagnostic tools. The assumption that all technologies funded by DoD are for military use ignores the possibility that a technology funded by DoD could be dual use or even EAR99," it wrote.

And of course, as in past proposals, companies wanted their individual products controlled at the lowest possible levels. Autoliv, which manufactures civil automotive safety systems,

asked BIS to "consider relaxing the current export requirements for civil automotive far infrared components, technology, software, and systems." The most recent proposals, though "much improved" from the first pass, "still limit the advancements of far infrared systems in the civil automotive market in particular by removing the use of License Exception STA for ECCN 6E001 and ECCN 6E002."

Court Says Size Doesn't Matter in Circumvention Ruling

A minor change in the diameter of steel wire rod isn't enough to exclude the product from an antidumping order, the Court of Appeals for the Federal Circuit (CAFC) ruled April 5 in a decision reversing a Court of International Trade (CIT) order and upholding Commerce findings in an anti-circumvention investigation. The CIT had remanded Commerce's initial anti-circumvention ruling for lack of substantial evidence to support the decision, and the department reversed itself under protest.

> At issue was a 2001 order on steel wire rod imported from Mexico. The order covered rod ranging in diameter from 5.5 mm to 19 mm. Deacero S.A.P.I. de C.V. and Deacero USA, Inc. invested in, manufactured and ultimately imported into the U.S. wire rod within a diameter of 4.75 mm, 0.25 mm smaller than the steel wire rod subject to the duty order. Commerce ruled in 2011 that this was a "minor alteration" and the product was thus covered by the order.

"The Trade Court erred in interpreting *Wheatland* to mean that if an article is not expressly included within the literal terms of the scope of the duty order, that article cannot be subject to an anti-circumvention inquiry," wrote Appellate Judge Jimmie Reyna for the three-judge panel. "In *Wheatland*, we held that minor alteration inquiries are inappropriate when the antidumping duty order expressly excludes the allegedly altered product," he added.

"In that case, the final determination of less-than-fair-value sales contained an express exclusion that made clear what merchandise was not covered," he noted. "Unlike *Wheatland*, the duty order at issue contains no explicit exclusion of small-diameter steel wire rod. Although the scope of the duty order sets a cross-sectional range (5.00 mm to 19.00 mm), that cannot be read to expressly exclude for purposes of anti-circumvention inquiries all products outside that range," Reyna wrote in *Deacero v. U.S.*

Justice Launches Pilot Program to Get More FCPA Disclosures

In an effort to get more companies to voluntarily self-disclose conduct potentially violating Foreign Corrupt Practices Act (FCPA), Justice April 5 launched a one-year pilot program in its FCPA unit, increasing mitigation credit for companies that disclose conduct and cooperate with the department. The pilot program "provides guidance to our prosecutors for corporate resolutions in FCPA cases, and … is designed to motivate companies to

voluntarily self-disclose FCPA-related misconduct, fully cooperate with the Fraud Section, and, where appropriate, remediate flaws in their controls and compliance programs," Assistant Attorney General Leslie Caldwell wrote in a blog post.

The pilot further describes what Justice means by "voluntary self-disclosure," "full cooperation" and "remediation," Caldwell noted. The program builds on changes Justice announced in November to the U.S. Attorney's Manual (USAM), its staff guidance on all criminal and civil prosecutions, which emphasized individual accountability (see **WTTL**, Nov. 23, page 9). The pilot applies only to FCPA matters, not to settlements with any other part of Justice or any other agency, she emphasized.

> "If a company chooses not to voluntarily disclose its FCPA misconduct, it may receive limited credit if it later fully cooperates and timely and appropriately remediates – but any such credit will be markedly less than that afforded to companies that do self-disclose wrongdoing. By contrast, when a company not only cooperates and remediates, but also voluntarily self-discloses misconduct, it is eligible for the full range of potential mitigation credit," Caldwell wrote.

Under the pilot, "mitigation credit will be available only if a company meets the mandates set out below, including the disclosure of all relevant facts about the individuals involved in the wrongdoing. Moreover, to be eligible for such credit, even a company that voluntarily self-discloses, fully cooperates, and remediates will be required to disgorge all profits resulting from the FCPA violation," a Justice fact sheet noted.

Under the pilot, in circumstances where no voluntary self-disclosure has been made, the FCPA Unit will accord at most a 25% reduction off the bottom of the Sentencing Guidelines fine range, the fact sheet stated. When a company has voluntarily self-disclosed misconduct and has fully cooperated with Justice, and has timely and appropriately remediated, the company "qualifies for the full range of potential mitigation credit," it continued.

This full credit could entail "up to a 50% reduction off the bottom end of the Sentencing Guidelines fine range, if a fine is sought; and generally should not require appointment of a monitor if a company has, at the time of resolution, implemented an effective compliance program," Justice said.

Firm Receives First BIS License to Export Equipment to Cuba

GulfWise Commerce LLC, a subsidiary of Alabama-based Woerner Companies, received a license March 31 from the Bureau of Industry and Security (BIS) to export agricultural equipment to Cuba, the first such license since BIS eased its restriction on exports to state-run entities. The Rear-load Sprig Harvester, Sprigmaster Broadcast and supporting equipment is valued at $108,184 and will be purchased by the Cuban government-run Tecnotex SA for use at the Indio Hatuey Research Station.

"The issuance of these licenses is a big first step but we are committed to ensure that GulfWise will continue to lead in different aspects of that trade as we explore additional exports to Cuba and continue discussions about importing a variety of products from that country into the U.S.," company partner George Woerner said in a statement April 4.

> The agricultural equipment will be manufactured in Alabama and shipped to Cuba through the port of Mobile, Ala. Negotiations were conducted in late 2015 with an agreement-in-principle reached in Jan. 2016. According to the company, a formal purchase contract is being completed.

Another Alabama-based company, Cleber LLC, received Office of Foreign Assets Control (OFAC) and BIS approval to operate a tractor factory in the Mariel Special Development Zone in Havana (see **WTTL**, Feb. 22, page 3).

Shift in Production May Cause Loss of Standing, CIT Ruling Suggests

A domestic petitioner must produce evidence as to why it still has standing in an antidumping case if it shifts production to a country that is the target of the case, the Court of International Trade (CIT) suggests in an April 5 ruling on an administrative review request. CIT Senior Judge Nicholas Tsoucalas remanded to Commerce its decision to review the order on cased pencils from China to investigate whether review requester Dixon Ticonderoga Company still had standing to seek the review.

Shandong Rongxin Import & Export Co., Ltd., a Chinese pencil producer, challenged the initiation of the review, claiming Dixon was making pencils in China and exporting them to the U.S. and was no longer a domestic manufacturer of the subject product. Commerce rejected the protest, citing a letter from a Dixon executive certifying that it was a domestic manufacture.

Commerce contended that Shandong had failed to cite any evidence that would undermine Dixon's claim that it was a domestic interested party. "The court disagrees. During the review, Shandong provided evidence that Dixon's affiliated Chinese exporter, Beijing Fila Dixon Stationary Company, Ltd., produces Dixon's pencils in China," Tsoucalas wrote (slip op. 16-32). "Commerce failed to adequately address Shandong's argument in the I&D Memo," he added.

The department had claimed its decision was supported by the executive's certification. "Nevertheless, Commerce failed to explain how and why this certification trumps Shandong's argument to the contrary," Tsoucalas ruled.

U.S. Must Amend Multiple Laws for TPP Compliance

No joke: the U.S. Trade Representative's (USTR) office was able to fit the list of needed changes to existing law required to bring the country into compliance with its Trans-

Pacific Partnership (TPP) obligations on one page released April 1. The U.S. must amend three laws to meet its TPP obligations. Most of the changes need to be made to the Tariff Act of 1930 as it pertains to originating goods. For example, Section 592 must be amended to "provide for the imposition of penalties on U.S. producers and exporters that make false certifications that goods qualify as originating goods under the agreement."

> Section 308 of the Trade Agreements Act of 1979 needs amending to permit the president to designate products from TPP countries as eligible for "waiving discriminatory purchasing requirements under [U.S.] government procurement law." The Consolidated Omnibus Reconciliation Act of 1985 needs an amendment to "conform the merchandise processing fee to the requirement that fees or charges on or in connection with importation or exportation not be levied on an ad valorem basis."

But at least one lawmaker opposed to the TPP referred to the list of proposed changes as a "real April Fools' joke." The list "reveals that TPP would undermine our 'Buy American' procurement preferences. We could no longer ensure that our tax dollars going into projects would be reinvested in buying American materials or hiring American firms. We would be required to treat products and firms from TPP nations, including Chinese state-owned firms in Vietnam, the same as U.S. firms when granting U.S. government contracts," Rep. Rosa DeLauro (D-Conn.) said in a statement.

ITC to Investigate U.S. Aluminum Industry

Put your feet up and rest awhile. The International Trade Commission (ITC) launched its Section 332 investigation of the U.S. aluminum industry and global aluminum trade April 6, but the final report will be delivered by June 2017, well into the next administration.

Per a request from the House Ways and Means Committee Feb. 24, ITC "will report on factors of competition in major unwrought and wrought (semi-fabricated) aluminum producing and exporting countries...examine industry characteristics, recent trade trends and developments, competitive strengths and weakness, factors driving unwrought-production capacity increases, and government policies that affect aluminum production and exports in these countries," focusing on 2011-2015 (see **WTTL**, Feb. 29, page 7). The commission will hold a public hearing in September.

ITC will also look into the impact of some foreign countries' policies regarding aluminum production, export and domestic pricing, a move the Aluminum Association applauded. "While the demand for aluminum is growing globally, and is particularly strong in North America, the Aluminum Association is concerned about growing overcapacity in China and questionable trading practices. Aluminum producers in the United States have been hurt by these practices, and have urged the U.S. government to investigate these issues," it said in a statement.

Administration Officials, Industry Groups Push for Full Ex-Im Board

With a hard-fought four-year reauthorization in hand, the Export-Import (Ex-Im) Bank still needs one more board member to authorize multimillion-dollar financing deals. At the last annual conference of the Obama administration April 7-8, Ex-Im Bank President and Chairman Fred Hochberg and other speakers urged attendees to go home and get Congress to fill the board to full capacity.

> While the bank has been reauthorized through 2019, Ex-Im's ability to finance large exports and projects will remain stymied because it only has two board members and needs a quorum of at least three members to approve cases valued at more than $10 million (see **WTTL**, Jan. 25, page 10).

"Back in January, President Obama nominated Mark McWatters to join Vice Chair Felton and me so we can once again have a quorum and be fully operational," Hochberg said in his opening remarks April 7. "Our country demands that, our workers demand that," he added. "We simply can't afford to sit on the sidelines. We need every tool at our disposal. But, our national conversation isn't there. And we have to change that," he said.

Other speakers wholeheartedly agreed. "Given the critical role that Ex-Im plays in supporting U.S. exports, getting the Bank fully back in business has been a priority for this Administration. And it should be a priority for the Senate, as well, which is why I urge the Senate to approve a new member to Ex-Im's Board of Directors as soon as possible," Treasury Secretary Jacob Lew said in his prepared remarks.

"When we don't have a fully functioning Ex-Im, it hurts our economy, it hurts our competitiveness and it hurts our workers. We need the Senate Banking Committee to allow a vote to go forward to get the board up and running," Boeing CEO Dennis Muilenburg said in an armchair conversation at the conference. Muilenburg specifically mentioned deals with Ethiopian Airlines that could be lost due to the lack of full financing.

"Manufacturers and other businesses need the Ex-Im Bank supporting U.S. exporters at full capacity. However, without a quorum, the Ex-Im Bank cannot do this, and as a result, many exporters in the United States are stuck in neutral, unable to get their products to customers overseas," National Association of Manufacturers President and CEO Jay Timmons and U.S. Chamber of Commerce President and CEO Thomas J. Donohue said in a joint statement following the conference.

"Right now, our global competitors are supporting their exporters with aggressive export credit financing at a rate of 20 to 1 compared to the United States," they added. "Keeping the Ex-Im Bank operating at only half capacity puts businesses of all sizes at risk of losing projects—and ultimately jobs—to foreign companies with better access to financing," Timmons and Donohue noted.

USTR Highlights Digital Trade in TPP

Deputy U.S. Trade Representative (USTR) Robert Holleyman continued his roadshow April 7, showing off a slick handout dubbed the "Digital Two Dozen" at a discussion on digital trade in the Trans-Pacific Partnership (TPP) before a trade industry audience in Washington.

> The 24 talking points are meant to prove that the USTR negotiated a deal that protects digital innovators, ensures technology choice for the consumer, and addresses privacy concerns, all while maintaining the U.S. push for a "free and open Internet." However, industry concerns over carve-outs from the protections put a damper on the USTR's enthusiasm.

While the industry and government panelists were pleased with USTR's commitment to a "free and open Internet," those in the financial services sector voiced their displeasure that governments can require domestic data storage, while other sectors are protected against such a requirement (aka number 5 of the two dozen: "Companies and digital entrepreneurs relying on cloud computing and delivering Internet-based products and services should not need to build physical infrastructure and expensive data centers in every country they seek to serve.")

Holleyman placed a positive spin on the situation. "For 80-something percent of the U.S. economy, we secured obligation in this area that had never before existed in any trade agreement," he told the audience.

"We are continuing to work within the government with our regulators as we look to future trade agreements… to determine if there is a balance that can be struck that can bring some of those benefits to the remaining 20% of the economy that was not fully addressed in TPP, but to do so in a way that ensures regulators have access to the kind of data and information they need. That process is underway," Holleyman said.

David Ross, a lawyer with Wilmer Cutler, said that the financial services carve-out in TPP gives regulators cover and added he thinks the industry and administration are "working in good faith" to resolve the issue. He expressed hope "to see all sectors treated equally across trade agreements."

Attendees also brought up the perennial question at TPP discussions: whether Congress will ratify the agreement. Holleyman expressed confidence moving forward and was backed up in a later panel by Jake Colvin from the National Foreign Trade Council, who said that it is politicians who are anti-trade, not young entrepreneurs who view themselves as "global from the get-go."

* * * Briefs * * *

TRADE FIGURES: Merchandise exports in February fell 6.1% from year ago to $118.6 billion, lowest level since early 2011, Commerce reported April 5. Services exports gained 0.1% to $59.5

billion from last February. Imports dipped 0.6% from February 2015 to $183.3 billion, as services imports gained 4.4% to $41.8 billion.

CARRIER BAGS: In 6-0 "sunset" votes April 5, ITC said revoking antidumping and countervailing duty orders on polyethylene retail carrier bags from China, Indonesia, Malaysia, Taiwan, Thailand and Vietnam would renew injury to U.S. industry.

STEEL: Commerce placed initial countervailing duties on imports of circular welded carbon-quality steel pipe from Pakistan. Commerce calculated preliminary subsidy rate of 64.81% for respondent International Industries Limited, to be applied to all other Pakistan exporters/ producers, Commerce announced April 4. Petitioners in investigation are Bull Moose Tube Company, EXLTUBE, Wheatland Tube and Western Tube & Conduit. Final determination in investigation is set for August 16.

TPP: United Auto Workers President Dennis Williams published letter to editor in New York Times April 4 calling for rejection of TPP. "Apologists for NAFTA often support the Trans-Pacific Partnership. Yet even TPP advocates project that the manufacturing trade deficit will increase by over $55 billion and produce 121,000 fewer manufacturing jobs by 2030. That's why we should reject the TPP and enact trade policies that raise wages and improve working conditions here and abroad," Williams wrote.

TRADE SECRETS: Senate passed Defend Trade Secrets Act (S. 1890) April 4 in 87-0 vote. Bill amends Economic Espionage Act of 1996 "to create a private civil cause of action for trade secret misappropriation." Statute of limitations is five years from date of discovery of misappropriation. Bill has been sent to House for consideration.

IRAN: Sens. Mark Kirk (R-Ill.) and Marco Rubio (R-Fla.) April 6 introduced Preventing Iran's Access to United States Dollars Act of 2016 (S. 2752), which prohibits president from issuing any license for conducting offshore U.S. dollar clearing system for Iranian transactions or for providing any such system with U.S. dollars. Legislation also imposes secondary sanctions on any financial institution found to be participating in offshore U.S. dollar clearing system involving Iran.

STEEL PLATE: ArcelorMittal USA, Nucor Corporation and SSAB Enterprises filed antidumping and countervailing duty petitions April 8 at ITA and ITC against certain carbon and alloy steel cut-to-length (CTL) plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, South Korea, South Africa, Taiwan and Turkey. CTL plate is used in buildings, bridgework, transmission towers, light poles, equipment for agriculture, construction, mining and heavy transportation, machine parts and tooling, and large diameter pipe.