



State of New Mexico

Office of the Governor

Bill Richardson
Governor

News Release

**GOVERNOR BILL RICHARDSON AND THREE COLLEAGUES
ASK U.S. COMMERCE SECRETARY FOR
ASSISTANCE ON MEXICAN CEMENT TARIFFS**

For Immediate Release
August 10, 2005

Contact: Pahl Shipley
505-476-2202

SANTA FE-Governors Bill Richardson (New Mexico), Jon Huntsman (Utah), Kenny Guinn (Nevada), and Mike Rounds (South Dakota) have jointly asked U.S. Commerce Secretary for immediate help in attacking the existing tariff order restricting Mexican cement entering the United States.

New Mexico and other states are experiencing cement and concrete shortages affecting both the price and scheduling of important private and public construction projects.

The tariff was instituted in 1990 to prevent dumping inexpensive Mexican cement into the United States market. Since then international and domestic cement markets have changed dramatically, affected by international demand related to Asian construction, tsunami recovery, and unprecedented demand in the United States.

“I appreciate the cooperation of my colleagues in addressing this important economic issue, and I know that Secretary Gutierrez will hear us and do his best to help,” said Governor Richardson. “The construction industry is driving economic growth in our states and across the country, and eliminating this obsolete tariff will protect jobs and show support for American businesses.”

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August 10, 2005

The Honorable Carlos Gutiérrez
Secretary of Commerce
Office of the Secretary
United States Department of Commerce
14th and Constitution Avenue, N.W.
Washington, D.C. 20230

Dear Secretary Gutiérrez:

We are writing to request your help, as quickly as possible, with a situation that threatens to force layoffs, slow economic growth, and pose lasting damage to the construction industry in western states.

As you are no doubt aware, there is a serious shortage of cement in many states across the country. There are various reasons for this shortage, including unprecedented demand for cement in Asia, Europe, and here in the United States. In addition, the antidumping duty order on Mexican cement, implemented more than 15 years ago, is exacerbating the shortage and blocking a possible solution.

The effects of the shortage are rippling through the construction industry. Concrete producers are being forced to reduce their allotments to their customers, meaning the possibility of costly delays or even the cancellation of construction contracts. If this shortage continues, thousands of jobs and millions of dollars in broken contracts will be at risk, and many small construction businesses could be forced out of business. Public projects will increase in cost while failing to meet construction schedules.

Market conditions have changed dramatically since the antidumping order was imposed more than 15 years ago. United States demands have exceeded the industry's capacity for over a decade and companies originally supporting the order have become fully integrated with the Mexican cement industry. We are importing cement from as far as Asia when there is a significant supply right across our Southern border.

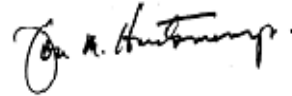
As Governors we are working hard to create jobs for our citizens and grow our economies, and the construction industry is key to our continued success. Therefore, we respectfully request that you take the appropriate steps to resolve U.S.-Mexico cement trade issues in order to provide immediate access to this critical supply of cement. We are hopeful that you will do this before the reconsideration period expires in October.

We stand ready to assist you in any way, and we appreciate your prompt attention to this matter.

Sincerely,



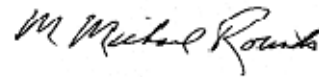
Bill Richardson
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Jon Huntsman
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Kenny Guinn
Governor of Nevada



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