

International Trade MVP: Covington's Shara Aranoff

By Alex Lawson

Law360, New York (December 9, 2016, 11:35 AM EST) -- Covington & Burling LLP's decision to hire former U.S. International Trade Commission Chairman Shara M. Aranoff paid considerable dividends over the past year as she played a crucial role in warding off the imposition of hefty tariffs for clients in sectors ranging from shipping to metals, landing her a spot among Law360's International Trade MVPs.

When the firm brought Aranoff aboard in May 2014, it was with the clear intention of using her extensive knowledge of the ITC's inner workings to buttress its extensive trade remedy practice. After a brief period where ethics rules confined the types of cases she could tackle, Aranoff says the move has begun coming to fruition for her and her clients.

"I think the past year has been a crystallization of my transition from the government into the private sector, in that I have been able to take expertise that I have developed in multiple different areas of my government work and pull it all together into a varied international trade practice," Aranoff told Law360.

Her practice has thus far focused on helping respondent-side clients — both foreign producers and their U.S. customers — convince the ITC that the imported merchandise at the center of dumping or subsidy allegations is not harming U.S. manufacturers.

Such was the case in the ITC's investigation of silicomanganese imported from Australia, where Aranoff represented South32, a company spun out of mining giant BHP Billiton Ltd. that housed the country's sole manufacturer of the critical alloy additive used in steel production.

While the U.S. Department of Commerce found that the merchandise was being sold at an unfairly low price, Aranoff and her team were able to secure a negative injury ruling at the ITC, halting the tariffs.

Obtaining such a favorable decision at the ITC is generally difficult anyway, but was especially so in the context of silicomanganese, which had been slapped with tariffs in cases targeting producers in India, Kazakhstan, Venezuela, China and Ukraine over the past several years.



Shara Aranoff
Covington & Burling

"We were up against a big challenge in this case, which was to take an industry with which the ITC was familiar ... and persuade them, as we ultimately did, that the way South32 was operating in the global market was completely different than in these other cases, and that was really an uphill battle," Aranoff said.

Another case involving duties on Chinese containers used for road and railway shipping brought Aranoff's ITC experience to bear in an even more direct way, as the firm constructed a mock ITC injury hearing with Aranoff playing the role of all six commissioners.

While Aranoff and the rest of the Covington team were representing the Union Pacific Railroad Co., which relies on the Chinese imports, the firm also invited witnesses for the litany of parties comprising the respondents' side of the case in an effort to get the witnesses acclimated to the rigors of ITC proceedings.

"When you have that many witnesses you need them comfortable with the setting, and the time limits and the way the questions are going to be asked," she said. "Because I have been in so many of those hearings ... I was really able to help everyone experience the process as they were going to be experiencing it, and that allowed the hearing to go really smoothly and have all those people get their stories in."

The team's rigorous preparation paid off, as the ITC eventually handed down a negative injury determination that staved off countervailing duties that topped out at 28 percent and anti-dumping duties that reached into the triple digits.

Covington has also not been shy about placing Aranoff at the forefront of some the trade bar's most impactful cases. She is currently heading up the defense of China's Baosteel Group in a sweeping Section 337 case brought by U.S. Steel Corp. that seeks to bar Chinese steel imports from entering the market.

That case is still underway, but Aranoff and her team have been hard at work steadily chipping away at U.S. Steel's three-pronged complaint, which alleges antitrust violations, duty evasion and trade secret theft.

"The argument is not that no one could bring an antitrust case or a false designation case under 337, but as these particular cases were alleged in the complaint, they are not warranted as a matter of law," she said.

--Editing by Emily Kokoll.