

For Immediate Release May 6, 2021

Contact: Maya Bogle, 202-828-1727

maya.bogle@bracewell.com

Hundreds of U.S. Manufacturing Companies Ask President Biden to Terminate Section 232 Steel & Aluminum Tariffs

Washington, D.C. – A group of over 300 businesses manufacturing in the U.S.—from family-owned metalforming shops to nationally branded companies—sent a <u>letter</u> to President Joe Biden today requesting the immediate termination of the Section 232 steel and aluminum tariffs that were initiated three years ago under the Trump administration. Together, the companies represent a broad swath of a U.S. manufacturing sector currently struggling to meet demand and stay competitive due to supply shortages, long lead times, and artificially high prices for their key inputs. The letter was organized by the Coalition of American Metal Manufacturers and Users, the National Foreign Trade Council and other groups representing steel and aluminum-using U.S. companies.

The letter provided an overview of the dire supply situation confronting manufacturers and explained the challenges created by the Section 232 steel and aluminum tariffs.

"It is businesses manufacturing in America such as ours who pay the tariffs on imports, and it is our businesses and employees who suffer when our product cannot compete with overseas manufacturers because the U.S. is an island of high steel and aluminum prices," reads the letter. "On some products, American businesses pay 40 percent more for similar steel compared to their European counterparts — an unsustainable situation for any U.S. employer."

"The vast majority of manufacturers in the U.S., such as ours, use only domestically-produced steel and aluminum, but it is industrial users such as ourselves who face major disruptions to our operations due to the lack of availability of these raw materials. Many of us are accustomed to four to six-week delivery times for common steel products. Now we receive delivery quotes for 16-20 weeks with some products not promised for delivery until 2022," says the letter.

The tariff-driven drag on manufacturing companies across the U.S. threatens to limit their ability to participate in a post-COVID economic revitalization, stifling their prospects for growth and limiting the upside for the families and communities across America that are sustained by the sector.

"Without termination of the tariffs, this situation will worsen if Washington moves forward with an infrastructure bill to invest in America, as these projects will create more strain on domestic steel and aluminum supplies, causing delays in construction and risking manufacturing jobs," wrote the manufacturers.

"Mr. President, we support a strong and thriving steel and aluminum industry, but producers today simply cannot meet demand and the tariffs create a tax that only manufacturers in the U.S. must pay.

While the U.S. Government cannot control the business decisions of a handful of domestic suppliers who dominate the steel and aluminum markets, you have the power to terminate the Section 232 steel and aluminum tariffs imposed on our allies under the auspices of national security concerns."

The letter with a full list of signatories can be found here.

###

The Coalition of American Metal Manufacturers and Users is a broad organization of U.S. businesses and trade associations representing over 30,000 companies and over one million American workers in the manufacturing sector and the downstream supply chains of industries including aerospace, agriculture, automotive, consumer goods, construction, defense, electrical, medical, and recreational, among others. The Coalition was formed to oppose the Section 232 steel and aluminum tariffs which threaten American jobs and global competitiveness. For additional information, visit www.tariffsaretaxes.org and follow the Coalition on Twitter at @atariffsaretaxes.