

February 27, 2018

The President
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

As representatives of thousands of businesses across the United States, we are concerned with the recently released reports by the Department of Commerce entitled “The Effects of Imports of Steel on the National Security” and “The Effects of Imports of Aluminum on the National Security” (collectively, the Reports).

After reviewing the Reports, our industries are worried that all of the remedies recommended are overly-broad and will have severe detrimental impact on downstream users of steel and aluminum. We understand your goal of supporting these two important sectors of our domestic manufacturing base. However, it is our belief that global tariffs and quotas on imports of these products will injure the purchasers of these products and will lead to the loss of thousands of American jobs. Trade restrictions of this nature and magnitude will therefore lead to more downstream steel and aluminum-containing products being imported into the U.S. Historical and current data shows that the remedies prescribed in the Reports will significantly raise input costs for industries that use these products. Further, as steel and aluminum costs continue to rise and availability decreases, it will impede the ability of downstream manufacturers and the suppliers and retailers reliant upon them to reinvest in innovation and their workforce. Finally, actions of this type will inevitably result in trade retaliation by our trading partners, and such retaliation will likely target U.S. exports abroad, including manufacturers, agricultural and commodity exporters and even our services industries.

Thank you for your efforts to support manufacturing in America. The U.S. economy is starting to see the benefits of the Administration’s tax reform and regulatory agenda. However, we believe that all options provided in the Reports will significantly curtail job growth for downstream users, which are cumulatively far larger in terms of employment than steel and aluminum. Such trade measures

will serve as a drag on overall U.S. economic growth and far outweigh any benefit to steel and aluminum producers. We urge you instead to look for better solutions to legitimate concerns about global trade in these products that will benefit both producers and users.

Sincerely,

Air-Conditioning, Heating, and Refrigeration Institute
Alliance of Automobile Manufacturers
American Chemistry Council
American Petroleum Institute
American Soybean Association
American Supply Association
Association of Equipment Manufacturers
Association of Global Automakers
Can Manufacturers Institute
Grocery Manufacturers Association
Industrial Fasteners Institute
Midwest Food Processors Association
Motor & Equipment Manufacturers Association
National Council of Farmer Cooperatives
National Electrical Manufacturers Association
National Foreign Trade Council
National Pork Producers Council
National Tooling and Machining Association
Outdoor Power Equipment Institute, Inc.
Pet Food Institute
Precision Machined Products Association
Precision Metalforming Association
Shelf-Stable Food Processors Association
Truck & Engine Manufacturers Association
U.S. Wheat Associates

Cc.

The Honorable Robert Lighthizer, United States Trade Representative
The Honorable Wilbur Ross, The Secretary of the Department of Commerce of the
United States The Honorable Gary Cohn, Director of the National Economic
Council