



(Prepared and sent at the request of local industry representatives)

August 13, 2018

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

The undersigned manufacturers are all located in Dickson County, Tennessee and employ well over a thousand hard working Tennesseans. In fact, our companies directly or indirectly employ a majority of the manufacturing-based workers in the county. These employees and our businesses depend on access to competitively priced steel to fabricate our products and compete in a global marketplace. In some cases, we run tool and die shops that not only use specialty tool steels, but supply dies to U.S. manufacturers of steel products whose business we depend upon. Regardless of our operations, we all have one thing in common: the price of steel, even domestically manufactured, is artificially higher than the price paid by our foreign competitors.

We respectfully ask that you rescind the Section 232 tariffs on imported steel and help put our companies back on a level playing field. We cannot compete globally when the cost of our most important input has spiked and delivery times are extended.

Today, our companies are facing a rapid increase in steel costs that threatens our ability to compete. All steel prices, whether produced domestically or imported, are the highest they have been since 2008 and 43% higher than this time last year. Domestic steel prices are 68% higher than the average world export price and 88% higher than steel costs in China. We find it difficult to pass on these cost increases either due to contractual obligations or competitive pressures. Even where we can pass on price increases, we face the clear long-term risk of losing market share to lower priced foreign competition, who do not face government-imposed import restrictions which artificially drive up steel costs. Foreign competitors have strategic material cost advantages and their manufactured products freely flow into the U.S. with little or no tariffs.

All of us source our steel from domestic steel mills and share your interest in maintaining a strong steel industry. Fortunately, the U.S. steel mills are financially quite strong. In 2017, before the tariffs went into effect, the U.S. steel industries had their best financial year since 2008. Moreover, their earnings in 2018 far exceed last year. Unfortunately, companies like ours that consume steel are facing significant headwinds. The 25% tariffs are effective in reducing the flow of raw steel crossing our borders into the U.S., but result in the importation of steel components and finished goods in their stead. This not only will negatively impact our companies, but also U.S. consumers who will be faced with higher prices. Ultimately, the domestic steel mills will feel the consequences as their customer base shrink.

We urge you to consider the unintended consequences of the tariffs. The situation that steel-consuming companies are facing in Dickson County is indicative of hundreds of counties across the U.S. The damage caused by the steel tariffs will manifest itself over time as supply chains realign, and this damage will not be easily undone.

Mr. President, your time and consideration of our request for tariff relief is most appreciated. We know as a successful businessman yourself, you understand our dilemma.

Sincerely,

Mark Burns, President
A-1 Signs
Manufacture and install custom and national signage across the U.S.
43 employees

Steven Rollins, President & CEO
Nashville Wire Products Mfg. Co., LLC
We manufacture wire and steel products, specifically retail displays and store fixtures, component parts for the appliance and lawn & garden and items for the material handling industry.
Approx. 770 employees in middle TN
110 in Dickson Co.

Grant Creasor, Plant Manager
Onward Manufacturing Company
Manufacture of gas grills, steel and aluminum gas grill components, smokers, gas grill accessories
152 employees

Robert Stinson, President
Stinson Steel, LLC
Structural and Heavy Miscellaneous Steel Fabricator and Erector
14 employees

Stuart Speyer, President
Tennsco LLC
Manufacture steel storage and filing systems (cabinets, lockers, bookcases, workbenches, files and various types of steel shelving)
714 Employees

Paul Beaton
General Manager
Truform Manufacturing LLC
Manufacturer of automotive and appliance stampings, modular assemblies and hinge mechanisms
135 employees with current plan to increase to 175 by October

Cc: *The Honorable Wilbur Ross*
The Honorable Lamar Alexander
The Honorable Bob Corker
The Honorable Jim Cooper
The Honorable Marsha Blackburn