

Congress of the United States
Washington, DC 20515

June 12, 2023

David S. Johanson
Chairman
U.S. International Trade Commission
500 E St. SW
Washington, D.C. 20436

Marisa Lago
Under Secretary of Commerce for International Trade
U.S. Department of Commerce, International Trade Administration
1401 Constitution Ave. NW
Washington, D.C. 20230

Dear Chairman Johanson and Under Secretary Lago:

We are writing regarding the ongoing antidumping duty investigations into tin mill products from eight countries. The International Trade Commission's and Department of Commerce's rigorous analysis of the facts presented is critical to ensuring a level playing field for all domestic manufacturers and American workers, and to protecting domestic supply chains that are essential to national security and consumers' health and well-being.

We support strong and fair enforcement of U.S. trade remedy laws. We believe that the antidumping investigation brought forth by Cleveland Cliffs, Inc. of tin mill products present unique challenges for the Commerce Department and the U.S. economy. The downstream impact on can manufacturers, who rely on tin mill products to make billions of steel cans annually, threatens to cause significant price increases and possible job losses. The alleged antidumping margins average 132% and tariffs at those levels would dramatically increase the cost of tinplate used for canned packaging, including food cans, aerosol cans, jar lids, and other components that utilize tin mill steel.

If imposed, tariffs would lead to additional costs on domestic manufacturers and consumers at a time of already high inflation and grocery prices. Food prices already sit at some of their highest levels in history due to record inflation. For households with children, the problem is especially acute¹. When food prices increase, canned food items become a crucial low-cost option for American families. Canned good cost increases would particularly impact vulnerable populations, food banks, and consumers who rely on government nutrition and feeding assistance programs such as SNAP and WIC.

Beyond increasing consumer costs – and more pertinent to Commerce's task – the imposition of antidumping duties on tin mill products will have an adverse effect on domestic can manufacturing and will adversely impact the operations of U.S. can manufacturers on which the domestic steel industry relies.

¹ In 2020, the pandemic caused the share of families with children experiencing food insecurity to double from 14% to 28%.
<https://www.hsph.harvard.edu/news/hsph-in-the-news/childrens-food-insecurity-increasing-during-covid-19-pandemic/>

Domestic tin mill steel producers are producing approximately 50% of U.S. demand. Our constituents inform us that certain types and widths of steel required by U.S. can manufacturers, included 2-piece can steel, are not available in sufficient commercial quantities from domestic suppliers. Some challenges experienced by the domestic can industry likely can be attributed to supply chain shifts by domestic steel manufacturers to other sectors within the industry.

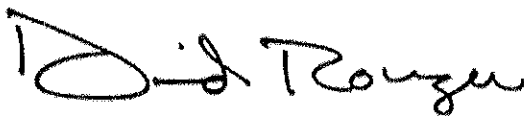
To meet demand, can manufacturers and their customers, including America's food, beverage, household goods, and personal care product manufacturers, have procured imported tin mill products from allied countries. Supplies from countries like Canada, the Netherlands, Germany, and the United Kingdom have helped maintain quality and ensure supply chain continuity. Can manufacturers require specific standards to ensure that tin mill steel for food cans is made to meet quality specifications to preserve brand reputation, food safety, and shelf stability. Our understanding is that certain types of steel required within the can industry (drawn-and-ironed and certain steels for 2-piece and EZ Open cans), currently are only sourced through imports. If the proposed tariffs were imposed, the domestic industry would be at a competitive disadvantage to foreign competitors.

There is also a concern from downstream domestic manufacturing industries that the duties could lead to a rise in imported cans and drastic job losses within the industry here at home. Imports of empty cans and canned food products have already increased due to inflation, supply chain disruptions, and shutdowns during the pandemic. Increased imports of cans threaten both the U.S. steel industry, domestic can manufacturers, and domestic food, beverage, household goods, and personal care product manufacturers. Significantly higher duties as requested in the antidumping investigations also may encourage imports of these products, as well as a diminished reliance on U.S. agriculture products within these finished goods.

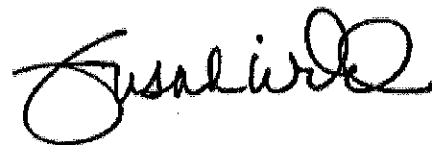
We strongly believe the U.S. steel industry and its downstream partners must be protected from unfair trade practices, especially from countries like China. However, Chinese imports account for less than 10% of imported tin mill steel. More than 90% of tin mill steel imports come from allied countries, including European partners. And considering how implementing these antidumping duties would allow foreign canned goods producers to infiltrate U.S. markets, Chinese tin mill steel producers would be only slightly harmed by the duties while Chinese canned goods producers would benefit greatly (at the expense of U.S. producers).

In facing these challenges and administering our trade remedy laws, Commerce should carefully consider the quantities and types of tin mill steel that are made in the United States. We know your investigations will be thorough and protect the viability of all domestic manufacturers. We are confident your findings will recognize the complexity and importance of the U.S. market for tin mill steel products as well as demonstrate Commerce's commitment to strengthening supply chains and ensuring the availability, affordability, and accessibility of canned products for U.S. consumers.

Sincerely,



David Rouzer
Member of Congress



Susan Wild
Member of Congress



Andy Harris, M.D.
Member of Congress



James P. McGovern
Member of Congress



David G. Valadao
Member of Congress



Mark DeSaulnier
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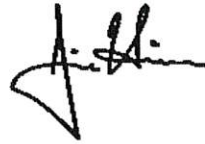


Pat Fallon
Member of Congress

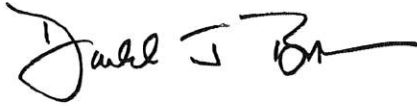
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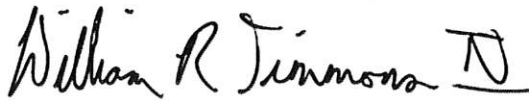
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