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Klobuchar, Coats Urge Support for Investigation into New International Trade Commission Complaint Against China's Illegal Trade Practices

U.S. Steel Corporation's Section 337 complaint against 40 Chinese based steel companies includes allegations of illegal conspiracy to fix prices and control output and export volumes; the theft of trade secrets by industrial espionage; and the circumvention of hard won duties ordered by the International Trade Commission and Department of Commerce by false labeling and transshipment; due to the recent downturn in steel production in the U.S., more than 12,000 hardworking Americans have been laid off

In a letter to U.S. Trade Representative Michael Froman, Klobuchar and Coats called on the Administration to ensure that U.S. Steel is permitted to present its case and prevent unfairly-traded steel imports from further harming American jobs

WASHINGTON, DC—U.S. Senators Amy Klobuchar (D-MN) and Dan Coats (R-IN) today urged the Administration to support full consideration and a robust investigation into a new International Trade Commission (ITC) complaint against China's illegal trade practices. U.S. Steel's Section 337 complaint against 40 Chinese based steel companies includes allegations of illegal conspiracy to fix prices and control output and export volumes; the theft of trade secrets by industrial espionage; and the circumvention of hard won duties ordered by the ITC and Department of Commerce by false labeling and transshipment. Due to the recent downturn in steel production in the U.S., more than 12,000 hardworking Americans have been laid off. In a letter to U.S. Trade Representative Michael Froman, Klobuchar and Coats called on the Administration to ensure that U.S. Steel is permitted to present its case and prevent unfairly-

traded steel imports from further harming American jobs.

“Because of these unfair trade practices, steel producers in countries like China have been able to export steel with prices 20 to 50 percent lower than their competitors, which has disrupted the marketplace and continues to cause significant harm to our domestic steel industry,” the lawmakers wrote. **“The families of those laid off and local impacted communities deserve a transparent adjudicatory process that will unmask illegal trade practices.”**

In addition to Klobuchar and Coats, the bipartisan letter was also signed by Senators Dick Durbin (D-IL), Al Franken (D-MN), Joe Donnelly (D-IN), and Mark Kirk (R-IL).

The full text of the lawmakers’ letter is below:

Dear Ambassador Froman,

We write to request the Commission’s full consideration and a robust investigation into the Section 337 complaint filed by United States Steel Corporation against illegal unfair trade practices and the illegal import of mislabeled steel products in the United States. The U. S. Steel Section 337 complaint seeks redress for theft and other violations of U.S. and international trade laws.

The allegations in the complaint are disturbing: illegal conspiracy to fix prices and control output and export volumes; the theft of trade secrets by industrial espionage; and the circumvention of hard won duties ordered by the International Trade Commission (ITC) and Department of Commerce by false labeling and transshipment. Because of these unfair trade practices, steel producers in countries like China have been able to export steel with prices 20 to 50 percent lower than their competitors, which has disrupted the marketplace and continues to cause significant harm to our domestic steel industry.

The impact of Chinese steel produced with these unfair methods of competition and other illegal practices has profoundly harmful impacts on our national economic health and our nation’s national security interests. Due to the recent downturn in steel production in the U.S., more than 12,000 hardworking Americans have been laid off.

We strongly urge you to ensure that United States Steel Corporation is permitted to present its case and go through the discovery process. The steel producers in our states have expressed grave concerns about the impact of illegal trade practices on our economy and our nation’s interests; they deserve the opportunity to examine respondents under penalty of perjury and compel relevant documents. The families of those laid off and local impacted communities deserve a transparent adjudicatory process that will unmask illegal trade practices.

We commend you and the Administration for your efforts to address the global overcapacity of steel and strongly encourage you to make full use of the enhanced remedies provided to you by

Congress last year to address steel dumping. We look forward to working with you as the Section 337 action moves forward and to prevent unfairly-traded steel imports from further harming American jobs.

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