

May 11, 2016

The Honorable Michael Froman
United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

Dear Ambassador Froman:

The Minnesota Chamber of Commerce supports the Section 337 complaint issued by U.S. Steel Corporation regarding allegations that Chinese steel producers and distributors violated international trade rules by engaging in illegal and unfair methods of competition in the importation and sale of steel products in the United States.

We urge the Administration to consider initiating a full investigation into this matter and provide any relief authorized under Section 377 of the Tariff Act of 1930.

The consequences of the alleged violations—which include illegal conspiracy to fix prices, theft of trade secrets, and the circumvention of trade duties by false labeling—directly impact businesses and individuals in Minnesota and undermine our efforts to create competitive business conditions in the state.

The steel industry is a significant source of employment, wages, and revenue in our state, particularly in Northeastern Minnesota where its mines and taconite processing employed over 4,500 people and provided over \$400 million in wages in 2014. Recent declines in the domestic steel industry have had a severe and detrimental impact on our state's economy. At the peak of this downturn, fully 1,916 miners and steel workers were laid off and forced to file for unemployment benefits. Total wages in this industry declined by over \$300 million between 2014 and 2015. This downturn has rippled outward, negatively affecting whole communities that rely on a stable steel industry and its related support sectors.

It is imperative that you dutifully investigate the allegations filed by U.S. Steel Corporation, thereby enabling all authorized parties to examine respondents under penalty of perjury and seek relevant documents that will determine whether violations to international trade rules took place.

Thank you for your consideration. We commend your diligent and committed efforts to address the global overcapacity of steel and its related trade issues, and we look forward to working with you as this 337 action moves forward.

Sincerely,



Douglas B. Loon
President