Washington, DC 20007

www.cfsbi.com | info@cfsbi.com

September 13, 2017

The Honorable Donald J. Trump President of the United States of America The White House 1600 Pennsylvania Avenue NW Washington, DC 20500

Dear Mr. President:

I am writing to you on behalf of the member companies of the Cold Finished Steel Bar Institute (CFSBI) to encourage early action to impose a remedy under Section 232 of the Trade Expansion Act of 1962 to protect the ability of the American steel industry to supply materials critical to our national defense and infrastructure requirements.

Cold finished steel bar is incorporated into a wide range of consumer, industrial, aerospace and military products. Essentially any product that contains a motor or moving part contains one or more components made from cold finished steel bar. The U.S. cold finished steel bar industry produces high quality products on an efficient and cost-competitive basis, using highly trained workers under environmentally sound conditions. A list of our member companies is attached to this letter. As I noted in my testimony on May 24, 2017 during the public hearing on the Section 232 investigation, our member companies produce materials which are vital to a wide range of defense applications, including attack helicopters, armored vehicles, guns, smart bombs, aircraft, and ammunition as well as materials for critical infrastructure applications such as motor vehicles, bridge parts, oil and gas applications, and wind turbines.

Like much of the steel industry, CFSBI member companies are facing extraordinary challenges from foreign producers. We believe there is widespread dumping in the U.S. market. China and other countries have built substantial excess production capacity, frequently supported by government subsidies. We face competitors which never have to make a profit to survive, thanks to government handouts.

At the same time, the U.S. market for cold finished steel bar has declined precipitously. Within the last 25 years, the demand for cold finished steel bar in the U.S. has gone from about 2.5 million tons per year to about 1 million tons per year today. This reflects the loss of much of our U.S. customer base. It is vital that the domestic producers of cold finished steel bars be healthy, competitive and profitable. Our member companies would be unable to survive and

THE COLD FINISHED STEEL BAR INSTITUTE, NFP

The Honorable Donald J. Trump September 13, 2017 Page Two

produce critical materials essential to the national defense unless the companies are on sound financial footing in their commercial sales.

The bottom line is that we need help, and soon. We respectfully urge that any remedy determined in the Section 232 case apply not only to the cold finished steel bar we produce, but also to downstream component parts made by our customers which are then incorporated into subassemblies, motors, a multitude of industrial and infrastructure applications, and of course, various weapons and defense systems, which are absolutely critical to the protection of our country.

Thank you.

Sincerely,

William Geary

Chairman, Cold Finished Steel Bar Institute

President, Nelsen Steel Company

Enclosure

MEMBERS OF THE

Cold Finished Steel Bar Institute, NFP

September 2017

REGULAR MEMBERS

American Bar Products

East Chicago, IN

Banner Service Corp.

Carol Stream, IL

Charter Wire LLC

(A Subsidiary of Charter Manufacturing Company) Milwaukee, WI

Krueger & Company, Inc.

Elmhurst, IL

Nelsen Steel Company

Franklin Park, IL

Nucor Steel

Nucor Corporation
Observation

Charlotte. NC

• Nucor Cold Finish

Charlotte. NC

• Nucor Public Affairs

Washington, DC

Optima Specialty Steel, Inc.

• Optima Specialty Steel, Inc.

Hammond, IN

Niagara LaSalle Corporation

Hammond, IN

Corey Steel Company

Chicago, IL

Taubensee Steel & Wire Company

Wheeling, IL

Wilton Precision Steel

Wilton, IA

ASSOCIATE MEMBERS

Alton Steel, Inc.

Alton, IL

ArcelorMittal Long Carbon North America

East Chicago, IN

Charter Steel

(A Division of Charter Manufacturing Company) Saukville, WI