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June 23, 2017

**VIA ELECTRONIC MAIL TO: [Aluminum232@bis.doc.gov](mailto:Aluminum232@bis.doc.gov)**

Mr. Brad Botwin  
Director, Industrial Studies  
Office of Technology Evaluation  
Bureau of Industry and Security  
U.S. Department of Commerce  
1401 Constitution Avenue N.W.  
Room 1093  
Washington, DC 20230

Re: Comments on Section 232 Investigation of Aluminum Imports

Dear Director Botwin:

Dana Incorporated (Dana), founded in 1904 and headquartered in Maumee, Ohio, is a global provider of high technology driveline (axles, driveshafts and transmissions), sealing and thermal-management products. Our customer base includes virtually every major vehicle manufacturer in the global light vehicle, medium/heavy vehicle and off-highway markets - as well as customers in industrial and stationary equipment applications. Dana's products have helped to drive history's greatest vehicles - from the Model T and the World War II-era Jeep®, to London taxicabs, 18-wheel rigs, giant earth-moving machines, and every car on the NASCAR® racing circuit. Current major customers include Ford Motor Company, Fiat Chrysler Automobiles, Renault-Nissan Alliance, PACCAR Inc. and General Motors Company.

Dana prides itself in being a world leader in highly engineered solutions for improving the efficiency, performance, and sustainability of powered vehicles and machinery. Dana employs approximately 27,000 people in 34 countries, including the United States. The company reported sales of more than \$5.8 billion in 2016.

Our company is a member of the Motor & Equipment Manufacturers Association and we endorse the comments being filed by MEMA in response to the Department of Commerce, Bureau of Industry and Security's request for public comments on Section 232 National Security Investigation of Imports of Aluminum. We are providing these additional public comments and hope that they will be taken into account before any remedy is imposed on aluminum imports.

In the production of our products, we use a variety of aluminum materials and aluminum components. Some of these aluminum products, including in particular the following product, are very specialized and not available from domestic U.S. manufacturers. For this reason, we request

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that if restrictions are placed on the importation of aluminum, the following product be excluded from the restrictions on aluminum.

<b>Product for exclusion</b>	<b>HTSUS</b>	<b>Description</b>	<b>Current Country Source</b>
Clad Aluminum Brazing Sheet	8311.90.00.00	The merchandise is rolled clad aluminum alloy brazing sheet, with a trade secret nickel alloy electrolytically plated to the surface.	Canada

If Dana is not able to obtain this specialty aluminum product that it needs, we will be unable to produce the downstream products that use this input and consequently may be required to discontinue the business entirely or shift our production of this downstream product to another country to import it. This, of course, could result in a reduction in our labor force associated with this current U.S. production.

Additionally, a significant volume of the raw aluminum used to produce this specialty product is purchased by Dana from domestic U.S. aluminum producers and exported to Canada for production of the specialty aluminum product.

Moreover, to manage and minimize the costs of aluminum materials and components generally, we have been consolidating our supplier base. As a result, we are dependent on single sources of supply for some components of our products. We select our suppliers based on total value (including price, delivery and quality), taking into consideration their production capacities and financial condition, and we expect that they will be able to support our needs. However, there is a considerable risk that trade barriers imposed by this investigation will result in shortages or delays and disruptions in the supply of aluminum components to us or even in the financial collapse of one or more such suppliers.

Although we are generally able to obtain a domestic source of the aluminum or aluminum component we need, imposing trade barriers on imported aluminum or aluminum components would require us to re-orient our source of supply, particularly if we use a single source of supply for a particular component. This would cause significant harm to Dana because the automotive industry requires certification of suppliers, and the process for gaining certification can take as long as 18 months. Obviously, Dana will be significantly handicapped if it must wait up to 18 months to obtain an alternative source of supply for its aluminum and aluminum components.

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If we were to experience a significant or prolonged shortage, delay or disruption of critical components from any of our suppliers, particularly those who are sole sources, and were unable to timely procure the components from U.S. producers, we would be unable to meet our production schedules for some of our key products and to ship such products to our customers in a timely fashion. This would adversely affect our sales, profitability and customer relations and we would suffer operating inefficiencies.

Due to these certification requirements in the auto industry, Dana requests that any measures imposed as a result of this investigation be delayed for 18 months to take into account purchases within the automotive industry.

Trade barriers imposed as a result of this investigation will restrain supply thereby also raising aluminum and aluminum component prices. Such a result could adversely affect Dana if we are unable to recover portions of commodity costs (including costs of aluminum, other raw materials and aluminum components) from our customers. The cost of our products may be significantly impacted by changes in aluminum raw material and aluminum component prices. An increase in aluminum commodity prices will have the effect of increasing the price we pay for component parts that include aluminum.

Within each of our markets, we compete with a variety of independent suppliers and distributors, as well as with the in-house operations of certain OEMs. With a renewed focus on product innovation, we differentiate ourselves through efficiency and performance, reliability, materials and processes, sustainability and product extension. Nevertheless, rising aluminum commodity and aluminum component prices would interfere with our ability to compete against foreign competitors of the products we produce in the United States.

We hope that these comments will be considered before any trade barriers are imposed on aluminum imports and that the above-referenced product will be excluded from such barriers imposed as a result of this investigation.

Please feel free to contact me if you need any additional information or if you have any questions concerning these comments.

Sincerely,  
  
Joseph H. Heckendorn

Joseph H. Heckendorn  
Director of International Trade