



June 23, 2017

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

Re: Section 232 of the Trade Expansion Act of 1962 investigation of imports of Aluminum; Comments

Dear Mr. Botwin:

I appreciate the opportunity to submit comments on the above referenced action. Rollprint Packaging Products, Inc. is a flexible packaging manufacturer for the medical device, pharmaceutical, and healthcare industry. Rollprint operates a manufacturing facility outside of Chicago, IL where we employ approximately 160 people. Over 85 percent of our production is for the healthcare industry with the majority of that for products intended to be sterile. If you have been to the hospital, it is very likely that you have encountered products packaged in our materials – absorbable sutures, knee and hip implants, human bone and tissue, and drug delivery systems to name a few examples. We touch well in excess of a billion patients every year. The bottom line is, it is absolutely critical – truly a matter of life and death – that our products meet the quality standards required by our customers and that we provide them a reliable and consistent supply of material.

We use aluminum foil extensively in our manufacturing process to create high-barrier packaging materials that ensure that products packaged in them maintain their efficacy at the time of use. We need the highest quality aluminum foil possible and that comes from China. There are only two domestic sources for converter-grade aluminum foil and they are simply unable to reliably product the quality that we need and cannot manufacture at the wide widths and ultra-thin thickness that we often use. It should also be noted that we export a significant portion of the product that we manufacture.

Quality Issues with Domestic Supply

We have experienced significant quality issues with our domestic aluminum foil sources of supply. By contrast, we have found suppliers in China that consistently provide us with product that meets our high quality standards. The most significant issue that we have from our domestic suppliers is aluminum foil with poor sheet flatness – it is baggy. Sheet flatness is important because when material that is baggy in a lane (envision a trough) goes through a nip point, a wrinkle is created. We can handle a certain amount of bagginess by putting more tension on the web and stretching the rest of the material so that the whole web is taught, essentially pulling the bag out. However, there is a point where so much tension is applied that the material tears or the equipment just is not capable of applying more tension to the web. No customer wants material with wrinkles. However, for a packaging material that is supposed to provide a sterile barrier, a wrinkle that might fall in a sealed area of a package can create a channel that potentially will allow microbes to pass into the package. Unlike food, a sterile medical device doesn't get moldy or develop an off odor. There is nothing to clue the end-user into the fact that the product that is *supposed* to be sterile is, in fact, not sterile. Wrinkles are a reason for recalls.

We have also experienced oxidation in the domestic aluminum foil. This manifests as brown spots on the foil. Ignoring the impact that oxidation might have on the physical properties of the aluminum foil and our ability to bond to it (that's my concern), our customers see this as contamination or foreign material. Keep in mind that our customers are in the highly regulated medical device and pharmaceutical markets and they need to that



they need to document they've tested their products against anything to which they may be exposed in the package. At best oxidation is a reason for our customer to reject our material, at worst it could mean a recall.

Finally, we have experienced tearing in the domestic aluminum foil. When the web rips, it creates significant down time. Not only do we have to re-web the equipment (our equipment is large and this is a time-consuming effort) but adhesive and extrudate that gets on the rollers and the web wraps that often subsequently occur require significant clean-up (several hours) and often permanently damage rollers. The cost of this is not reimbursed by the domestic manufacturers but must be absorbed by us.

Inability to Quickly Change Suppliers

In the highly regulated medical device and pharmaceutical market, changes in suppliers have to be carefully evaluated, not only by us but, by our customers. The process is lengthy, very rarely does it take less than a year and two years or more is quite common. The rigorous testing that must be performed and documented is expensive, often going well into six figures.

Should we ask our customer to go through this process due to rulings that make Chinese aluminum foil either unavailable or very expensive, we are extremely concerned they will take the opportunity to qualify a non-US flexible packaging manufacturer who would be able to procure a more reliable and less expensive source of foil. Because a manufacturing location change is less risky, and therefore faster and less costly, we are exploring expanding our overseas manufacturing. Any Section 232 remedy that includes aluminum foil has the real possibility of costing my U.S. employees their jobs.

No Domestic Sources for certain Thicknesses and Widths

There are no domestic aluminum foil manufacturers that can produce ultra-thin aluminum foil (<0.0003 inches). Regardless of any Section 232 remedy, this aluminum foil will have to continue to be sourced from outside the U.S. In addition, the maximum width of aluminum foil at thickness of less than 0.001" available in the U.S. is fairly narrow. This does not allow us to optimize our wide-web equipment would make Rollprint less competitive than non-U.S. manufacturers who would have access to the wider Chinese aluminum foil.

Limits Ability to Export

A significant portion of the aluminum foil structures that Rollprint manufactures are exported. We can only do this if we are competitive on the global market. Any Section 232 remedy that increases our raw material costs or does not allow us access to the high quality Chinese foil that we need maintain our efficiencies and quality, will negatively affect our exports.

Conclusion

The issues and concerns that we have are not unique to Rollprint. The unintended consequences of including aluminum foil in any Section 232 remedy will be very damaging to the flexible packaging industry and to our customers. We will be unable to compete with manufacturers outside of the U.S., the U.S. aluminum companies will see no benefit, and ultimately it will cost U.S. jobs.

I urge you to carefully and accurately investigate whether or not imports of aluminum have any effect on national security. Aluminum foil imports used by the packaging industry, and without application for national defense, should be excluded from consideration.

Sincerely,

A handwritten signature in black ink that reads "Dhuane Dodrill".

Dhuane Dodrill
President and CEO

Sent via email