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May 31, 2017

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 Steel Imports request for exclusion of certain steel products

Dear Director Botwin:

Allied Machine & Engineering Corp was established in 1941 by Harold Stokey. In the 1960's Allied introduced a more effective universal-style spade drill, breaking new ground for the industry with patented developments in blade locking and particle metallurgy. In the 1980's, Allied pioneered innovative spade drill geometry and coatings that took hole-making to a level never before seen by the metal cutting industry.

Allied recently expanded its manufacturing, research and development, and engineering facilities in Dover, Ohio. In addition to Dover, it has US manufacturing facilities in Evans, Georgia and Xenia, Ohio as well as application and warehouse support centers in Birmingham, England and New Dehli, India. These facilities exist to increase demand for our US made products. Allied's most recent acquisition of Wohlhaupter GmbH in Frickenhausen, Germany reinforced its commitment to become a global leader in hole making and gives us a greater presence in Europe's largest market. It also increases the demand for our US made products.

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 Steel, we would like to make the following public comments.

Allied Machine & Engineering sources our Powdered Metallurgy steel products [Bohler grade's S693, S393, S393 and S376] [Erasteel grade's ASP 2004, 2015, 2048 and 2052] from foreign sources. The reasons we source these products from these EU sources are their dimensional tolerance allows us to reduce manufacturing costs and their quality (3rd generation powder) increases the performance of our products. Another factor we used in selecting these suppliers was an unreliable supply from domestic mills. Prior to 2009

we purchased all of our steel from Crucible Materials Corporation. Their bankruptcy in 2009 forced us to seek other suppliers. We approached Carpenter Technology Corporation with our business but were concerned that they were not committed to supplying these products and that would put a majority of our business at risk.

In addition to the Powdered Metallurgy steel mentioned above, we also consume S7. This grade of material is not currently manufactured in the US. This material is supplied to us by Peerless Steel and Bohler. Peerless supplies material made at the Gloria mill in Taiwan and Bohler's material comes from their facility in Brazil.

Our current foreign suppliers for Powdered Metallurgy steel are Bohler, a Voestalpine mill based in Austria/Europe, and Erasteel an Eramet Group mill based in Sweden/France. Sourcing from them allows us to maintain our competitiveness thus securing well-paying jobs in the United States.

Should we not be able to source these products from Bohler and Erasteel, we would have to consider moving a significant amount of production offshore, thus reducing our US workforce.

In conclusion, I'm very concerned about this investigation. Having access to those products mentioned above allows my company to compete in the global market place. It is vital for the technical development of my company to have access to the most advanced steel products that fit our purpose. I would prefer to source such products from a US Steel producer, but no US steel producer has offered the quality and the service that we require. For the niche applications that we need, the Bohler and Erasteel product offer us the crucial reliability of supply, quality and service necessary for our company to satisfy our global customers.

Please don't hesitate to contact me, if you need further information.

Sincerely,



Steven R. Stokey
Executive VP/Owner
President of The United States Cutting Tool Institute (USCTI)
Vice Chairman of The Association for Manufacturing Technology (AMT)