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May 31, 2017

VIA ELECTRONIC MAIL TO: Steel232@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 Steel 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 Steel. We are providing these additional public comments and hope that they will be taken into account before any remedy is imposed on steel imports.

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In the production of our products, we use a variety of steel raw materials and steel components, including, forgings, castings and bearings. To manage and minimize the costs of these materials and components, 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 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 steel or steel component we need, imposing trade barriers on imported steel or steel 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 steel and steel components.

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 steel and steel component prices. Such a result could adversely affect Dana if we are unable to recover portions of commodity costs (including costs of steel, other raw materials and steel components) from our customers. The cost of our products may be significantly impacted by changes in steel raw material and steel component prices. An increase in steel commodity prices will have the effect of increasing the price we pay for products such as castings, forgings, bearings and component parts that include steel.

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 steel commodity and

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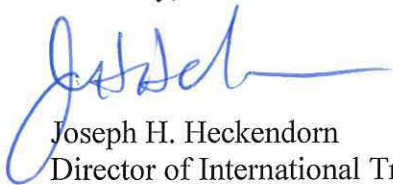
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steel component prices would interfere with our ability to compete against foreign competitors of the products we produce in the United States.

We hope that these comments will be considered before any trade barriers are imposed on steel imports.

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
Director of International Trade