



**FINKL STEEL**  
SCHMOLZ + BICKENBACH GROUP

**MARK SHIRLEY**  
CHIEF EXECUTIVE OFFICER  
OFFICE (773) 975-2590  
mshirley@finkl.com  
**finkl.com**

May 24, 2017

**PUBLIC VERSION**

**Business Confidential** Information  
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**BY E-MAIL:** [STEEL232@BIS.DOC.GOV](mailto:STEEL232@BIS.DOC.GOV)

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

Re: Section 232 National Security Investigation of Imports of Steel

Dear Mr. Botwin:

On behalf of Finkl Steel (“Finkl”), and in accordance with the Commerce Department’s notice dated April 26, 2017, 82 Fed. Reg. 19,205 (Notice Request for Public Comments), I hereby submit comments in the above-referenced matter.

Finkl is one of the largest forged tool steel producers in the United States, with a steel mill located at 1355 East 93<sup>rd</sup> Street in Chicago, Illinois. Finkl currently employs approximately [ ] people and produces forged tool steels for a variety of industries. In 2014, Finkl completed construction on its new steel mill and relocated from the north side of Chicago to its current location. The new mill was built with more than double the capacity of the old site to serve Finkl’s traditional customers, as well as new customers in additional tool steel markets. Due to the market downturn and unfair competition from foreign imports, however, since 2014 Finkl has lost roughly [ ]% of its sales tonnage and [ ]% of its average sales price. As a result, we have laid off a number of employees and our plant is operating at a fraction of its capacity.

Steel tooling materials produced in the United States are the lifeblood of the US industrial supply chain. Without the production of these materials, the United States risks our competitive and strategic advantage:

- Forged die block tooling materials are necessary components in the production of aerospace parts, bearings, military vehicles, armaments, and numerous other items essential to our national security and defense.
- Forged die block tooling materials make possible the manufacture of strategic materials and parts made from titanium, aluminum, and nickel-based alloys and other materials for various high tech applications.
- Specialty steel materials, such as forged alloy and stainless components of fracking pumps and blow out preventers, are critical components of production equipment for extracting oil and gas on land and sea and thus must continue to be available from US manufacturers if the United States is to be energy independent.
- Large, forged steel mold tools are used extensively in the production of aerospace interiors, automotive and trucking interiors and components, lighting components, and other parts produced from injection molded plastic components; none of these parts could be made if these mold tools were to become unavailable.

Today many finished forged tools and specialty forged products are being supplied by companies especially in Mexico, Italy, France, Austria, China, Brazil, India, Ukraine, Sweden, Slovenia, Czech Republic, Japan, Korea, Russia and United Kingdom. These companies are able to take our business in the United States because of currency advantages, government subsidies, and low costs, especially wages. These imported tools may be cheaper, but the cost of decimating our country's supply chain by allowing tool steel production in the United States to disappear would, in the long run, be far greater. US national security would be jeopardized if the nation were to become dependent on foreign manufacturers for these essential parts and components. Here at

Finkl, we currently have several hundred thousand tons of available capacity for tool and specialty steel forgings at our Chicago mill. We stand ready, willing, and able to supply these forgings to US purchasers if only we are provided a fair playing field on which we do not have to compete with a flood of imported forgings which are leveraging unfair currency advantage and government subsidies.

In addition, with a strong order book Finkl would roughly double the number of high paying jobs at our Chicago mill. US importation of forged steel, tools, molds, and dies allows other countries to export their unemployment to the United States by taking over skilled jobs from our citizens. If steel production in the United States is allowed to wither and die, demand for key jobs in the United States will decline, and ultimately we will find ourselves in a situation where there is no next generation of US design and manufacturing engineers, metallurgists, and tool makers. Imports are thus not only causing substantial current unemployment, but also leading to an increasing shrinkage of specialized skills and productive capacity in the United States that, once lost, may well prove impossible to recreate.

For these reasons, Finkl urges the President to impose tariff or other restrictions on these imported forged steel products. Taking action now is crucial to the future national security of our great nation.

In accordance with 15 C.F.R. § 705.6, Finkl respectfully requests confidential treatment of all bracketed (“[ ]”) information contained in the confidential version of this response. The bracketed information in this response includes proprietary production, sales, and financial data, the disclosure of which would cause substantial commercial harm to the business interests and competitive position of Finkl and which is exempt from disclosure pursuant to 5 USC § 552(b)(4). Finkl is filing today a non-confidential version of this response which can be placed in the public file.

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I hereby certify that the information in this letter is accurate and complete to the best of my knowledge.

Sincerely,

*/s/ Mark Shirley*

Mark Shirley  
Chief Executive Officer