

May 31, 2017

Mr. Brad Botwin  
Director, Industrial Studies  
Office of Technology Evaluation  
Bureau of Industry and Security  
U.S. Department of Commerce

via e-mail: [Steel232@bis.doc.gov](mailto:Steel232@bis.doc.gov)

**RE: Request for Comments on Section 232 National Security Investigation of Imports of Steel**

Dear Mr. Botwin:

On behalf of the North American Die Casting Association (“NADCA” or “Association”), please accept these comments on the Department of Commerce request for input on the Section 232 National Security Investigation of Imports of Steel. On behalf of our members, we ask that you exclude cut to length plate and any other die and tool steel from tariffs or import restrictions imposed resulting from the 232 investigation.

NADCA is the sole trade and technical association of the die casting industry, representing members from over 350 companies located in every geographic region of the United States. Die casters manufacture a wide range of non-ferrous castings, from tank tread components and fighter jet panels to automobile engine and transmission parts to intricate components for computers and medical devices. In the U.S., die casters contribute over \$7 billion to the economy annually and provide over 50,000 jobs directly and indirectly.

Die casting is a versatile process for producing engineered metal parts by forcing molten metal under high pressure into reusable steel molds. These molds, called dies, can be designed to produce complex shapes with a high degree of accuracy and repeatability. Parts can be sharply defined, with smooth or textured surfaces, and are suitable for a wide variety of attractive and serviceable finishes.

NADCA members use a number of metals in the castings process including steel, aluminum, magnesium, zinc, and copper, among others. Thin wall die castings are stronger and lighter than those possible with other casting methods. In addition, because die castings do not consist of separate parts welded or fastened together, the strength is that of the alloy rather than the joining process.

Our members are on the cutting edge of developing the latest technologies for our nation’s defense. For decades, NADCA has partnered with the Departments of Defense and Energy on developing lightweight and high strength metals. Our critical national security work in the past includes funding for research from DoD Defense Logistics Agency R&D, DoD Benet Laboratories, and DoE Vehicle Technologies Office. The commitment of millions of taxpayer dollars by the Defense Department to developing die

casting technologies is testament to the critical nature of our products to the nation's security. At a time of great global uncertainty, the government should not take any action that would jeopardize this key industry and our essential work researching and manufacturing components to meet America's defense and commercial needs.

Among great concern to NADCA members is the potential to apply unilateral tariffs and import quotas on steel. Manufacturers, particularly downstream manufacturers, rely on globally priced and readily available raw materials to compete around the world. Government interference can create instability in the markets leading investors to slow their activity and its economic growth.

Our members import very little of their total raw materials, however, cut to length plate and other die steel remains in short supply domestically forcing U.S. manufacturers to source from overseas. Foreign produced die steel is often more expensive than U.S. made but frequently is of higher quality and, more importantly, is readily available. Few die steel manufacturers exist in the U.S. and those who do, produce too little to meet domestic demand.

Until recently, for thirty-five years the U.S. Government recognized die steel as a distinct product and exempted cut to length plate steel from anti-dumping and countervailing duties. Unfortunately, the U.S. International Trade Commission recently reversed more than three decades of precedent and is now imposing combined duties of over 200% for imports of some die steel. Policymakers in Washington cannot possibly expect NADCA members to compete globally when the government more than doubles the price of a die maker's most critical input!

Unilateral tariffs or import quotas on cut to length plate will add insult to injury at a time when our members can ill afford another setback. On behalf of our 350+ member companies and the 50,000 employees our industry supports, should you take restrictive action on steel imports, we ask that you exclude cut to length plate as a distinct and critical product to national security currently in domestic short supply.

NADCA believes that the markets and not regulators should drive the price and availability of raw materials. Even the slightest changes can disrupt the defense industrial base supply chain and risk our warfighters and interests abroad and at home. Thank you for your consideration and we look forward to working with you to strengthen manufacturing in America.

Sincerely,

A handwritten signature in black ink, reading "Stephen P. Udvardy". The signature is written in a cursive style with a prominent loop at the end of the last name.

Stephen P. Udvardy  
President