



**VAUGHN
MANUFACTURING**

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May 31, 2017

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

via e-mail: Steel232@bis.doc.gov

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

Dear Mr. Botwin:

On behalf of Vaughn Manufacturing in Nashville and our 60 employees, thank you for the opportunity to provide our input on the impact of steel imports on national security. As a manufacturer of metal stamping dies, fairly priced and regularly available steel is essential to our existence and supporting the jobs we provide in Tennessee. I ask that any unilateral action taken as a result of the 232 investigation not result in tariffs or other import quotas that artificially increase the price and reduce the availability of our most important raw material.

Since 1930, Vaughn Manufacturing has produced dies for machines that make parts for the automotive, truck, appliance, and heating/air conditioning industries, among others. Without a robust U.S. tool and die industry, we cannot self sustain our military's needs, a fact well known since World War II when companies like ours continued supplying the U.S. Armed Forces and our Allies. Any application of tariffs or restriction of imports that reduces supply will result in more dies made in China and elsewhere being imported into the U.S.

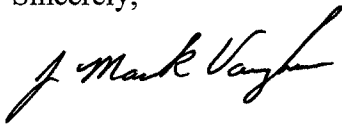
In November 2016, I testified before the U.S. International Trade Commission on anti-dumping and countervailing duties on imports of cut to length plate steel. For thirty-five years, the U.S. Government exempted tool steel from duties imposed on cut to length plate. Unfortunately, the Department of Commerce has now reversed more three decades of policy and is imposing duties upwards of 200% on imports of the only type of raw material companies like ours can use to make tooling and dies. The result is simply to shift injury from one industry, steel producers, to another, steel consumers, as we will now see an increase in imports of dies made with foreign produced steel entering the U.S. duty free.

Should the administration move forward with applying tariffs or imposing quotas, on behalf of the jobs we provide and the millions of steel consuming employees like them nation-wide, we ask that you exclude steel used in manufacturing tools and dies such as cut to length plate. While manufacturers will still face more than 200% duties due to the recent ITC decision, an exclusion will not cause further harm to manufacturers in Tennessee and around the country.

Having served as Chairman of the National Tooling and Machining Association, with 1,400 U.S. manufacturing members, I know our company is not alone in expressing our concern about the current tool and die steel situation and even more so about the potential to apply tariffs and import quotas. I ask that the administration not restrict the most important input for thousands of tool and die businesses that supply our nation's defense and drive the American economy.

I look forward to answering any questions you may have and appreciate the opportunity to submit our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Vaughn". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Mark Vaughn
President