

Testimony of U.S. Representative David Loebsack, Iowa's Second District
Before the U.S. International Trade Commission
On Cut-to-Length Carbon Steel Plate
From China, Russia and Ukraine
Hearing on September 29, 2015
ITC Investigation Nos. 731-TA-753, 754, and 756 (Third Review)

Good morning, Chairwoman Broadbent and members of the Commission.

My name is Dave Loebsack, and I have the pleasure of representing the Second District of Iowa in the US Congress. My district represents a diverse group of communities, ranging from the Quad Cities, which are home to manufacturers, to Iowa City, home of the University of Iowa and to hundreds of rural communities who contribute to the state's agriculture sector.

This morning I appear before you in support of SSAB, formerly known as IPSCO Steel, which is one of the parties in this sunset review. For nearly two decades, SSAB has played an important role in growing the economy in Eastern Iowa. Located along the banks of the Mississippi River, Montpelier was an ideal greenfield site for a steel investment in 1997. The location provided efficient access to raw

materials, reliable transportation of finished products, energy and agriculture customers in the region, and a highly skilled and motivated workforce.

Today, it remains a place where good manufacturing jobs provide workers and their families an opportunity to have a good quality of life, enabling them to send their children to college, contribute to the local economy, and make a difference in their communities. As a producer of cut-to-length steel plate, SSAB's Montpelier plant has over 650 workers making this critical steel product that is used in a variety of applications, including agricultural machinery and equipment, wind towers, and bridges—all products that are widely used in our state and region that are important to revitalizing our state, local, and national economies. This facility in Montpelier is one of the most innovative and efficient in the world. The research and development facility on site has cutting edge testing, simulation, and metallographic equipment -- allowing SSAB to develop new grades of lighter and yet stronger grades of steel for their customers.

However, this is an incredibly unstable and uncertain time for the industry. Unfair trade practices carried out by foreign producers are crippling American manufacturing and threatening the workers' pursuit of the American dream. The parties here today that assemble the domestic industry panel are all dealing with the painful effects of growing levels of undersold imports and reduced demand in the domestic market. These conditions have created less than favorable circumstances, and many in the industry have been forced to reduce their operations and workforce. As we recognize, adjustments in these workers' hours mean lower wages and less money directed into the economy.

I expect that you will hear this morning from SSAB's Vice President and Chief Commercial Officer Jeff Moskaluk that SSAB was looking to expand the Montpelier facility—increasing melting and casting capabilities by 1.2 million tons and creating as many as 200 new jobs. Unfortunately, this project is now on hold. Allowing the return of unfairly traded imports into this weak demand environment will result in

further curtailment of domestic production, injury to the direct and indirect work forces, and pricing and profit pressures that will make it difficult for the industry to continue reinvestment in plants in order to stay competitive in the future.

I understand that subject imports in this investigation continue to threaten the industry. This is a cause of great concern to me, and I want to be certain that companies like SSAB and their workers have the ability to compete in the global arena.

On behalf of SSAB and the steel communities in my district and their workers, I urge the Commission to take the appropriate steps to ensure that these antidumping duties are not revoked.

Thank you for the opportunity to appear before you today.