

TESTIMONY OF HEIDI BROCK

U.S. International Trade Commission Certain Aluminum Foil from the People's Republic of China Final Phase Injury Hearing February 8, 2018

Good morning Chairman Schmittlein, members of the Commission, and staff. My name is Heidi Brock, and I am President and Chief Executive Officer of The Aluminum Association. I appreciate the opportunity to appear before you today.

The Aluminum Association represents the more than 700,000 men and women who work directly and indirectly in the aluminum industry across 170 plants in 35 states nationwide. With a significant footprint in states like Ohio, Pennsylvania, Indiana, Kentucky, Missouri, and Wisconsin, the domestic aluminum industry is a driving force for advanced manufacturing in the United States.

Representing 80 percent of North American production of all forms of aluminum – from primary producers, producers of semi-fabricated products, aluminum recyclers and industry suppliers – the Aluminum

Association is the voice for the plants and the people employed in the North American aluminum industry.

Aluminum foil is a key market for us. In 2016, aluminum foil demand totaled about 1.5 billion pounds out of an industry total of 26.4 billion pounds. So, foil products account for about 5.5 percent of the total domestic aluminum market. Aluminum foil production is an important contributor to our nation's economy – accounting directly and indirectly for 20,000 American jobs and \$6.8 billion in economic activity.

And that's why the unfair trade cases on imports of certain aluminum foil from China are so important.

The decision to proceed with these cases was a significant action for our Association and our industry. In its 85-year history, the Aluminum Association has never sought trade enforcement relief on behalf of our members for any segment of the aluminum value chain. Further, the aluminum industry historically has not been a significant user of the U.S. unfair trade laws.

But when you consider that China has produced more primary aluminum in the last seven years, than the U.S. industry has produced in

its 124 year history, the request for trade relief by domestic aluminum foil producers is not only timely, it is urgent, and long overdue.

The relief we seek will help ensure that the U.S. aluminum foil industry can compete fairly in the U.S. market. This action is part of the Aluminum Association's larger efforts to address the acute and persistent problems created by China's massive overcapacity to produce aluminum and aluminum products – a point I addressed in testifying before the Commission in late September 2016, in connection with the agency's section 332 investigation on aluminum.

The increased volumes of low-priced aluminum foil imports from China have devastated domestic producers – both during the three-year period on which the Commission will focus its analysis, as well as before that time.

The Aluminum Association is committed to combating unfair trade practices that impact our industry while we strive for a level playing field. The U.S. government must enforce its trade rules so that companies can continue to innovate, invest and grow with confidence in the United States.

Other witnesses today will provide the details of the impact of Chinese foil on U.S. producers. These witnesses are our members, and I am here today in support of their efforts. We thank the Commission for its attention to this urgent issue.

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