U.S. Aluminum Extruders Are Fighting to Protect U.S. Industry Against Foreign Dumping, Especially from China



A coalition of 14 U.S. aluminum extruders across 19 states and the United Steelworkers (USW) union prompted the U.S. International Trade Commission (USITC) and the U.S. Department of Commerce to launch an investigation into the dumping of aluminum extrusions into the U.S. market from 14 countries, including China. We were forced to take this action to defend our workers and our industry.

Millions of tons of underpriced aluminum extrusions are flooding our market and harming our domestic industry, which has plenty of unused capacity that could meet U.S. demand for extruded aluminum products. This is causing significant harm for the <u>\$7 billion-a-year</u> U.S. extrusion industry, threatening <u>37,000 direct</u> and <u>160,000 indirect</u> American jobs, and endangering hundreds of family-owned companies.

Foreign producers are selling aluminum extrusions in the U.S. at prices far below what is fair or even possible for American manufacturers. This practice violates trade laws, has caused thousands of Americans to lose their jobs, and threatens the jobs of thousands of others, many of whom are members of the United Steelworkers union.

Unfair Competition

China's dumping margins are as high as 376.85%, which means they are selling their products in the U.S. at prices drastically lower than what it costs to produce them. Margins range from over 33% to over 179% in the 13 other countries, often influenced by the growing presence of Chinese extruders in their markets. From 2019 to 2022, U.S. extruders lost at least \$788.5 million in sales due to underpriced imported products.

National Security

Dependence on foreign aluminum extrusions, particularly from a strategic competitor like China, poses national security risks. Aluminum extrusions are crucial for critical infrastructure and defense, including military applications. Relying on imports for such a vital resource can leave the U.S. vulnerable to intentional or inadvertent supply chain shocks.

Job Losses

The continued dumping of aluminum extrusions threatens the livelihoods of employees and their families throughout the U.S. If domestic companies cannot compete with dumped or subsidized extrusions, they will be forced to downsize or worse, close.

Economic Impact

Beyond the most critical impacts on jobs and U.S. production, due to increased dumping from the 14 named countries, coalition member Bonnell Corporation, traded under TG, has experienced a decline in its stock price from over \$20 per share in 2019 to below \$5 per share today. The coalition of U.S. extruders want to ensure that foreign manufacturers play by the rules so they can sustain their businesses and workers' livelihoods, not receive special treatment.

Investigation Underway

The investigations by Commerce and the ITC are heading toward preliminary findings in the coming months, with final determinations expected in late 2024.