

Congress of the United States
Washington, DC 20515

July 16, 2018

The Honorable Wilbur Ross
Secretary
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington D.C. 20230

The Honorable David S. Johanson
Chairman
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

Dear Secretary Ross and Chairman Johanson:

We write to express concern regarding the countervailing duty and anti-dumping investigations into the import of uncoated groundwood paper from Canada, including imported newsprint. As the Commission approaches the final phase of the investigation, we ask that you carefully take into consideration the negative impact a trade remedy will have on the U.S. newspaper industry.

While we support efforts to combat illegal trade practices to level the playing field for U.S. companies, the imposition of up to 32 percent in tariffs on paper from Canada has the potential to cause even greater harm to an already struggling newspaper industry. Of equal importance, the tariffs on uncoated groundwood paper from Canada are not supported by the U.S. paper industry that it is intended to benefit, and has the potential to endanger more than 600,000 jobs across the United States, including jobs in our home state of Michigan.

Consumers of newsprint tend to buy newsprint in their region, close to their printing operations. The lack of available U.S. groundwood paper producers in the Midwest region has led to an increased reliance on Canadian imports in order to meet production capacity. According to the October 2017 preliminary International Trade Commission report (publication 4732), the Midwest received around 35 percent of uncoated groundwood paper from Canada. Producers in our state are concerned that the combination of countervailing and antidumping duties could negatively impact their bottom line and their ability to cover increased costs.

The potential consequences of these actions could lead to supply disruptions, job loss, movement of greater content to digital platforms, and scenarios that would hurt not only the papers but the communities they serve. Local newspapers are essential to our communities, since they are often the primary distributor of regional news and local small business advertisements.

This case could have serious economic implications for print newspapers in Michigan and throughout the country. If these tariffs remain in place, local newspapers will suffer, undermining our nation's commitment to a free and accessible press. As such, we urge you to

weigh the impact a remedy will have on the newspaper industry as you deliberate during your investigation.

Thank you for your attention to this issue.

Sincerely,


Brenda L. Lawrence


John Moolenaar


Daniel T. Kildee


Fred Upton


Sander M. Levin