

18-061233

LAMAR SMITH

21ST DISTRICT, TEXAS

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Barcode: 3736895-01 A-122-861 INV - Investigation -



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Congress of the United States

House of Representatives

May 8, 2018

A-122-861;
C-122-862
Investigations
Public Document
ADCVD OpsII: AS

Secretary Wilbur Ross
United States Department of Commerce
1401 Constitution Avenue NW
Washington DC 20230

Dear Secretary Ross,

This is to call your attention to the potential harm the newsprint tariff poses to the newspaper industry. The negative effects of this tariff are particularly noticeable among smaller newspapers often found in rural areas, such as the rural counties of Texas' 21st Congressional District.

Attached are two constituent letters from local newspapers impacted by the tariff. Their letters cite this tariff and its effects on their businesses. I hope that you will give their letters your full consideration. Thank you for your attention.

Sincerely,

Lamar Smith
Member of Congress

2018 MAY 14 AM 11:22
U.S. EXECUTIVE SECRETARIAT

Attached: (2) letters from constituents in TX-21

PLEASE REPLY TO:

AUSTIN DISTRICT OFFICE
2211 SOUTH IH-35, SUITE 106
AUSTIN, TX 78741
(512) 912-7508
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Filed By: Adam Simons, Filed Date: 7/27/2018 1:51 PM, Submission Status: Approved

Fredericksburg Standard-Radio

Post

PUBLISHED BY THE FREDERICKSBURG PUBLISHING CO., INC.

May 2, 2018

Honorable Representative Lamar Smith
San Antonio District Office
1100 NE Loop 410, Suite 640
San Antonio, TX 78209

Representative Smith,

I hope you are looking forward to your impending retirement from Congress after a remarkable three-decade career. Perhaps I will see you on a tennis court in the near future.

I am writing to ask you to help stop a request for a newsprint tariff which is threatening our industry. This tariff was requested by one company, North Pacific Paper Company (NORPAC), which is owned by a financier who reportedly seeks to improve his financial position through this tariff, and which the rest of the industry opposes.

These duties could range up to 32 percent, which will impact our industry greatly and likely result in layoffs. Our small newspapers play an anchor role in our community – indeed, the Fredericksburg Standard is one of the oldest businesses in Gillespie County, a statistic that is mirrored by other newspapers in small communities all around the state and nation. This tariff also will affect book publishers, literacy programs and more.

I am asking you to write to Secretary Wilbur Ross at the Department of Commerce and ask him to deny the request for this tariff. I plan to forward this request to him as well.

A few related facts:

- Behind payroll, printing is the second-largest expense for small newspapers.
- Driving up costs of print will result in a less-informed citizenry, as many will have to rely on the inconsistencies of digital offerings.
- The company requesting this tariff is considered an outlier. Officers at both Resolute Forest Products and Printing Industries of America pointed out the havoc this tariff will bring to the marketplace.

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- In addition to the Texas Press Association, of which I am a member, this tariff is opposed by a coalition that includes: American Society of News Editors, Association of Alternative Newsmedia, Association of American Publishers, Association for Print Technologies, Book Manufacturer's Institute, Catalyst Paper, Inland Press Association, Kruger, Local Search Association, National Newspaper Association, News Media Alliance, Printing Industries of America, Quad Graphics, Rayonier Advance Materials, Resolute Forest Products, Southern Newspaper Publishers Association, Trusted Media Brands (formerly Readers Digest Association), Valassis Communications, and Worzalla.

I thank you for your consideration of this matter, and also for your career as District 21 Congressman. Your legacy will be one of honorable service, and we thank you.

Ken Esten Cooke
Publisher & Editor
ken@fredericksburgstandard.com

I am asking for help on an issue that is very dear to my heart. Not only do I represent my own two newspapers (Hays Free Press and the News-Dispatch), but I am on the board of the South Texas Press Association, representing dozens more newspapers.

The issue: A single newsprint mill in upstate Washington petitioned the Department of Commerce regarding newsprint coming in from Canada. North Pacific Paper Company, NORPAC, was recently acquired by a NY hedge fund, One Rock Capital Partners. When that purchase went through, the board alleged that Canada subsidizes newsprint, and asked for duties up to 50%.

Here are the facts:

- Canada provides about 2.3 metric tons of newsprint to the US, about 75% of the market. There are FEW US print mills and it is unlikely that producers would even enter this market for several reasons – the demand for newsprint is down, and siting and constructing a new print mill would be years in the making and is not a good long-term risk for investors.
- The few newsprint mills in the US have either closed their mills or converted them to produce paper of a different type because of declining newsprint demands.
- Newspaper right now are paying about \$700/metric ton today. If the tariff were to go into effect to more than \$1,000/ton, then it would affect jobs all over the US. Newspapers are already hit with a decline in advertising dollars, and then if we re hit with a tariff, there is no where to go except cut staff.
- One newspaper mill in Washington CANNOT supply all of American's newsprint. They are just greedy bastards. Sorry, I can't help it.
- Not only would staff be affected, but also other jobs – ink supplies, fuel producers, equipment manufacturers, and office suppliers. If a newspaper page count is reduced advertising prices would be effectively higher for small businesses in our market.
- In most small towns, the printed newspaper is usually the ONLY effective advertising medium. There are no locally-owned broadcast medium. There is no other way to reach citizens, and that means the mom and pop shops get hit with an increase.
- Norpac says that approximately 250 jobs are at risk at their plant. I believe that this tariff would have a much larger effect on other jobs, as mentioned above.

I respectfully request, if you can see your way to my side, that you send a letter to Secretary Wilbur Ross of the Department of Commerce regarding this issue.

I am enclosing a letter already sent by Bill Flores to the secretary of commerce and to Ambassador Lighthizer.

Please help.

Cyndy Slovak-Barton

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Publisher

Barton Publications, Inc.

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