



July 20, 2012

The Honorable Dave Camp
Chairman
House Committee on Ways & Means
1102 Longworth House Office Building
Washington, D.C. 20515

The Honorable Sander Levin
Ranking Member
House Committee on Ways & Means
1102 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Camp and Ranking Member Levin:

It is our understanding that both the House Ways & Means Committee and the Senate Finance Committee will soon consider a Miscellaneous Tariff Bill (MTB) legislation that extend duty suspensions on a wide variety of products.

On behalf of the American Foundry Society (AFS), we are writing to express our opposition to ***HR 5220 - To suspend temporarily the duty on stop valves each designed to be actuated by steam turbine hydraulic control systems and thermostatically controlled by an electrohydraulic actuator, and parts thereof***, which is part of the Miscellaneous Tariff Bill. The specific product covered in this bill would compete directly with castings that can be readily produced at competitive prices in the U.S. by a number of domestic foundries. The suspensions of duties and subsequent importation of these castings, will not only hurt the competitiveness of American foundries, but will result in lost jobs. For these reasons, we would object to the adoption of this measure, as a stand-alone bill or its inclusion in any larger Miscellaneous Tariff Bills package compiled by Congress.

AFS is the major trade and technical association for the North American metalcasting industry, with over 7,000 members, representing 2,100 metalcasters in America. U.S. foundries provide employment for over 200,000 men and women directly and support thousands of other jobs indirectly. Metal castings (iron, steel, and aluminum) are the foundation for all other manufacturing, and have been a vital building block in every sector that relies on castings. In fact, 90 % of all manufactured goods incorporate engineered castings into their makeup. Foundries are predominantly small businesses, with 80% having less than 100 employees.

Imported castings now comprise nearly 25 percent of the market, with more than a quarter of these imports coming from China where energy, labor, tax and material costs are substantially lower partly due to government subsidies.

Thank you for your consideration of our views in this matter. Please feel free to contact me if you have any specific questions related to our position on this provision.

Sincerely,

A handwritten signature in black ink that reads 'Jerry Call'.

Jerry Call
Executive Vice President
American Foundry Society