



United States Steel Corporation

Testimony of

**David B. Burritt
President and Chief Executive Officer
United States Steel Corporation**

**before the Congressional Steel Caucus
hearing on “The State of the Steel Industry”
March 21, 2018**

On behalf of United States Steel Corporation, thank you to Congressmen Bost, Visclosky and Crawford, and all members of the Congressional Steel Caucus, for convening today’s hearing on the “State of the Steel Industry.”

As a result of the bipartisan leadership of this Caucus and President Trump’s strong Section 232 action, the American steel industry is beginning to see a level playing field.

For far too long, steel imports have been allowed to undermine America’s steel strength. For decades, foreign steel producers have targeted America’s open market with a flood of imports. Unfair and illegal practices undercut the U.S. steel industry, jeopardizing our national security and leading to tens of thousands of lost jobs.

National security is only as strong as American steel, and the American steel industry is strongest when we have the ability to manufacture steel from start to finish inside our own borders. A weaker or non-existent American steel industry leaves our nation dependent on countries focused on their economic interests and well-being, not ours. This leaves our country vulnerable, which is a position the United States should never allow or be willing to accept.

America has the capacity to melt and pour the steel it needs for national defense; to build its infrastructure; to produce and transport energy and electricity; and to supply manufacturers of automobiles, machinery, appliances, and other consumer and industrial goods, from tin cans to bulldozers.

United States Steel Corporation is a 100% American integrated steel producer, which means our products are mined, melted and made here in the U.S.A. With iron ore from Minnesota and coal from Appalachia, we melt steel in Pennsylvania, Indiana, Michigan and Illinois, with premium finishing in those four states as well as Ohio, Alabama, Texas, and Arkansas.

Beginning in 2014, our company felt the force of the latest surge of unfair imports. Thousands of workers were laid off, a blast furnace shutdown and demolished, two more blast furnaces idled for over two years, and multiple finishing lines shuttered or operating at bare minimum levels.

Through the skill and sheer will of our workforce, U. S. Steel fought through these unfair trade attacks and is still managing to invest in our people, processes and products to revitalize and innovate for the future. We're committed to providing the advanced solutions our customers need for America to lead the world in manufacturing.

As a result of President Trump's Section 232 action, U. S. Steel has announced the restart of one of two blast furnaces and the steelmaking facilities at our Granite City Works in Illinois. For over two years, since December of 2015, these facilities have sat idle. Our employees and surrounding communities suffered as unending waves of unfairly traded foreign steel flooded into the United States.

U. S. Steel is now in the process of recalling and hiring approximately 500 workers to restart and operate those facilities. We've worked closely and cooperatively with the leadership of the United Steelworkers to develop a plan that will help us work through the restart process in the safest, most efficient manner possible, while enabling collaboration designed to improve the plant's competitiveness. In a full year, this operation can produce 1.5 million tons of raw steel.

The economic impact of renewed steelmaking in Granite City stretches beyond the boundaries of our facility. In a March 11 feature article, The Wall Street Journal highlighted the positive ripple effect that Granite City steelmaking jobs are having on the community and economy. From the shoe store selling protective boots to restaurants, there is a "new level of hope." Additional jobs are also being created by the businesses that supply and service our operations.

President Trump's Section 232 action begins to level the playing field for the security and manufacturing strength of the United States. While no one can predict tomorrow's threats, for the foreseeable future, the geopolitical climate will remain complex and uncertain. When our nation allows foreign producers to seize the lead in manufacturing for the sake of short-term wins, we risk surrendering America's long-term future. We need to have steelmaking here at home during a national security emergency, not awaiting its delivery on a vessel crossing the open oceans. We need American-made steel to rebuild our bridges and transform our infrastructure system. We need American-made steel to harness and transport our abundant energy resources. We cannot truly achieve energy independence and security if we are reliant on foreign steel products to develop these precious resources.

President Trump's Section 232 action recognizes that, for too long, the status quo approaches to steel imports were failing our country's security. America cannot afford to

outsource an industry as vital to security as steel. At United States Steel Corporation, we're already working to do our part. We're restarting steelmaking operations at Granite City Works, calling back workers, and continuing to support our customers with the high-quality products they have come to expect from our company for more than a century.

Thank you for the opportunity to speak with you this morning and thank you to the entire Caucus – Republican and Democrat – for your leadership and advocacy for American-made steel.