MEMORANDUM

TO: AMERICAN IRON AND STEEL INSTITUTE

RE: KEY FINDINGS FROM A NATIONAL SURVEY OF VOTER ATTITUDES

These key findings are based on telephone interviews with N=1,001 “likely” registered voters throughout the country. Responses to this survey were gathered January 19-24, 2016 and the margin of error associated with a sample of this type is ± 3.1% in 95 out of 100 cases.

TRADE AND MANUFACTURING

Prevailing Views:

➢ Respondents were exposed to statements about trade and manufacturing in the United States and asked if they agree or disagree with each statement. Highlights are below:

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree</th>
<th>Unsure</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our elected officials in both parties have let the United States “fall behind” other countries that don’t play by the rules, because they won’t stand up and do anything about it.</td>
<td>72%</td>
<td>3%</td>
<td>25%</td>
</tr>
</tbody>
</table>

➢ There is broad agreement with the contention that American elected officials have let the United States fall behind other countries that don’t play by the rules, and forty-seven percent (47%) of voters indicate they “strongly” agree.

➢ There is strong agreement with this contention across the board, but is significantly higher among men (78% agree) than it is among women voters (66% agree.) Agreement with this statement stands at eighty percent (80%) among Republicans, seventy-two percent (72%) among Independents, and sixty percent (60%) among Democrats.

Importance of Key Factors:

➢ Respondents were exposed to a series of factors related to manufacturing and trade issues and asked to indicate how important each of these factors is to them, personally. Highlights are below:
<table>
<thead>
<tr>
<th>Issue</th>
<th>Extremely Important (10)</th>
<th>Very Important (7-9)</th>
<th>Somewhat Important (4-6)</th>
<th>Not at all Important (0-3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of U.S. manufacturing jobs to overseas countries</td>
<td>47%</td>
<td>35%</td>
<td>14%</td>
<td>4%</td>
</tr>
<tr>
<td>U.S. falling behind other countries in manufacturing</td>
<td>37%</td>
<td>33%</td>
<td>22%</td>
<td>8%</td>
</tr>
<tr>
<td>China’s attempt to dominate the global economy</td>
<td>39%</td>
<td>33%</td>
<td>18%</td>
<td>5%</td>
</tr>
<tr>
<td>Growing U.S. trade deficit with China</td>
<td>35%</td>
<td>33%</td>
<td>22%</td>
<td>8%</td>
</tr>
</tbody>
</table>

There are very high levels of concern about the issues of jobs being lost overseas and the United States falling behind in manufacturing. Even among voters who indicate that they believe that the decline of U.S. steel is only a “somewhat important” issue, fully sixty-nine percent (69%) indicate that the issue of the loss of manufacturing jobs to overseas countries is a very important issue to them.

**AMERICAN STEEL INDUSTRY**

*Economic State of Steel Industry:*

- Only twelve percent (12%) of American voters would characterize the economic state of the American steel industry as “strong” while, at the other end of the spectrum, twenty-five percent (25%) of voters would characterize the economic state of the steel industry as being “in crisis.”

*Prevailing Views:*

- Respondents were exposed to a series of statements about the current state of the American and international steel industry and asked if they agree or disagree with each statement. Highlights are profiled in the chart below:

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree</th>
<th>Unsure</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The American steel industry is critical to national security and it is vital that we maintain a strong domestic steel production capability</td>
<td>86%</td>
<td>3%</td>
<td>12%</td>
</tr>
<tr>
<td>Foreign countries whose governments own and operate their own steel production are devastating the American steel manufacturing industry and its workers.</td>
<td>65%</td>
<td>8%</td>
<td>28%</td>
</tr>
<tr>
<td>Unfair trade practices by other countries like China are mostly to blame for the decline in American steel manufacturing and the loss of good wage jobs.</td>
<td>65%</td>
<td>5%</td>
<td>30%</td>
</tr>
</tbody>
</table>

- Additional crosstabs: the contention that the American steel industry is critical to national security is fundamentally a “universal truth.” Fifty-six percent (56%) of voters “strongly” agree with this statement, and fully eighty-seven (87%) of those who have a negative view of the industry and
sixty-five percent (65%) who believe that the issue of the decline of American steel manufacturing is “not important” indicate they agree with this statement.

**Presidential Candidate Attention:**

- Respondents were asked to indicate how important it is to them, personally, that “the candidates running for President specifically offer a plan to increase steel production and stop the loss of U.S. steel manufacturing jobs.”

- In total, fifty-seven percent (57%) of voters across the country indicate it is “very important” that the candidates running for President specifically offer a plan to increase steel production and stop the jobs loss. There are twenty-two percent (22%) who believe that this is “extremely important.” There are thirty-two percent (32%) who indicate that it is somewhat important to them, and only ten percent (10%) indicate this is not at all important to them.

- Views on the importance of this are quite stable across the geography of the country, and there is no difference in the views of voters in Presidential Battleground States* and those in the rest of the country. There is also no gender gap in the level of importance placed on this action, but the perceived level of importance rises with age, from a low of forty-two percent (42%) very important among 18-34 year old voters to a high of sixty-nine percent (69%) very important among seniors.

- It is also important to note that partisanship does not play a role in views on this issue. There are sixty-one percent (61%) of Republicans and approximately fifty-six percent (56%) of both Democrats and Independents who believe it is very important.

**Importance of Key Factors:**

- Voters were presented with eight issues related to steel manufacturing and international trade and then asked their level of concern about these issues. Responses are summarized in the chart on the next page:
The United States is one of the few countries that imports more steel than it exports – a trade deficit in steel. The U.S. is importing foreign steel that we could make here ourselves. As a result, we have lost tens of thousands of U.S. jobs in the steel industry.

38% 34% 22% 5%

America’s national security could be compromised if foreign imports continue to cripple the American steel industry. Key defense and homeland security organizations would then have to rely on foreign steel. We could be at risk of losing our country’s ability to manufacture the steel we need to build ships, tanks, and other military technology we need to protect ourselves.

38% 32% 22% 8%

Due to China and other countries dumping cheap steel throughout the world below market value, American steel makers have been forced to lay off over twelve thousand workers in states such as Ohio, Alabama, Texas, Pennsylvania, Indiana and Michigan.

37% 33% 23% 6%

Unfair dumping of cheap foreign steel by China and other countries has cut demands for American steel, idling plants, causing mass layoffs, and decimating local economies throughout the United States.

32% 33% 28% 7%

Fifteen years ago, China produced about the same amount of steel as the United States. Today, the Chinese now control half of the world’s steel market.

33% 33% 26% 8%

The Chinese government owns and controls its steel industry. China subsidizes its steel production with financial support, and then floods the world market with cheap Chinese steel.

31% 30% 30% 8%

China’s government-owned steel mills produce more steel than the rest of the world combined, and are violating trade laws by flooding the U.S. market with cheap steel that is sold below the cost it takes to produce it.

27% 30% 34% 8%

Many of the other developing countries in the world insist on government ownership and control of their steel industries in the interests of their own national security and developing their infrastructure.

18% 24% 41% 17%

➢ Of these eight different potential concerns, there were three (3) of them that rose to the top among every single key voter group of interest:
• The U.S. imports more steel than it exports – importing steel we could make here – resulting in having lost tens of thousands of jobs in the American steel industry.

• American national security could be compromised – at risk of losing our country’s ability to manufacture steel we need to build ships, tanks, and military technology.

• Due to China dumping cheap steel, American steel makers have been forced to lay off over 12,000 workers.

➢ These three areas were of the greatest concern to every key voter group– Presidential Battleground State voters and both men and women. These three concerns were also the top concerns across partisanship – with Republicans, Democrats, and Independents.

*2016 battleground states are considered to be Ohio, Colorado, Iowa, Nevada, New Hampshire, Virginia, and Florida.

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