

Testimony of Charles W. Schmitt, President, SSAB Americas
Congressional Steel Caucus “State of Steel” Hearing
Thursday, April 14, 2016

Chairman Murphy, Vice Chairman Visclosky, Members of the Caucus:

My name is Chuck Schmitt, and I serve as president of SSAB Americas and current board chairman of the American Iron and Steel Institute. SSAB Americas is a major North American steel plate producer and processor operating in five states in the U.S and three locations in Canada. Our steel can be found in the infrastructure that builds and supports North America—in heavy machinery, military and commercial ships, wind and transmission towers, rail cars and more— playing a vital role in people’s daily lives.

Thank you for convening today’s hearing and thank you for the bipartisan work you have done to pass critical trade remedy laws and additional enforcement provisions since we last gathered for a State of Steel panel. The Congressional Steel Caucus represents “what works” in Washington—you listen to your constituents, understand our challenges, and serve as our voice in this iconic building.

Our industry recently commissioned a survey of registered voters throughout the country to measure public concern about the steel industry’s plight and to assess recommendations for action. The results of that poll confirm clear support for our shared mission here today as corporate, labor and congressional representatives of steel. According to 82% of voters, the loss of U.S. manufacturing jobs overseas and the damage to the American steel industry due to unfair foreign imports are very important issues facing our country.

Many presidential candidates are also realizing that global overcapacity of steel – in part due to massive subsidization by foreign governments – is a huge problem and a chief contributor to the crisis we face in the American steel industry.

For 150 years, our industry has played a central and indispensable role in building this nation and supporting a strong middle class. We are constantly working to improve the way we do business to ensure we make a positive impact on our employees, our communities and the customers we serve.

American steel companies not only provide quality, high-paying jobs with outstanding benefits and opportunities for education and career development, we give back to our communities with both our time and financial support. In locations where SSAB operates, we play a significant role in the local and regional community as an employer, tax payer, buyer of regional goods and services, and charitable benefactor. SSAB is also an important partner for local educational institutions and research. Contributing to the communities in which we operate is an integral part of the way we do business.

As responsible partners in the ongoing duty to protect our planet, American steel producers are helping the U.S. reach national and global energy efficiency and environmental sustainability goals. Today’s advanced high-strength steels allow for cars and trucks to be

produced with improved performance and fuel efficiency. New steels are used in modern wind turbines, and in energy-efficient applications for buildings, machinery and equipment.

If we ignore the global challenges before us and fail to restore fair market competition, not only will we be failing in our environmental goals, but more importantly, we will be failing the thousands of steel families and communities across our nation who count on our industry for their prosperity. If we ignore the voters' call for a stronger US manufacturing base, we may be ignoring our last opportunity to restore balance to an economy that is racing in a perilous direction.

The industry's future requires our leadership. We know that with your help, our domestic industry can continue to provide the finest steel that our country demands, doing the work we love, and building the American dreams our families hold dear.

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SSAB

SSAB is a Nordic and US-based steel company. SSAB offers value added products and services developed in close cooperation with its customers to create a stronger, lighter and more sustainable world. SSAB has employees in more than 50 countries, with production facilities in Sweden, Finland and the US. SSAB is listed on the NASDAQ OMX Nordic Exchange in Stockholm and has a secondary listing on the NASDAQ OMX in Helsinki. For more information, please visit www.ssab.com.