

Congress of the United States
Washington, DC 20515

September 30, 2008

The Honorable Shara L. Aranoff
Chairman
United States International Trade Commission
500 E Street, S.W. Room 112
Washington, DC 20436

Dear Chairman Aranoff:

We are writing to share our views as the U.S. International Trade Commission holds its final hearing on imports from China and Germany of certain lightweight thermal paper (LWTP) and makes a final determination as to injury to the U.S. industry [Inv. Nos. 701-TA-451 and 731-TA-1126-1127 (Final)].

We regret that the congressional calendar does not permit us to appear in person at this hearing, as we are strongly committed to efforts to impose a fair and balanced solution in this important case. In short, we urge you to remedy the trade imbalance caused by unfair trade practices by making an affirmative ruling and putting a stop to the dumping and illegal subsidy practices that threaten American LWTP companies and the economic interests of communities across the state of Wisconsin.

As members of the House Ways and Means Committee, we support and promote open trade policy between the United States and its trading partners. We do not believe in shutting U.S. borders to imports because we both recognize the global nature of the current economy and value opportunities for U.S., and especially Wisconsin, businesses to enter important overseas markets. Yet where both imports and exports are concerned, we staunchly support rules of fair play. As a government, we can ill afford to allow foreign companies to violate those rules as a way to game the system and gain market share.

We believe this is the case in the LWTP market. Imports of LWTP from China and Germany increased by more than 60 percent from 2000 to 2006 as a result of sharp declines in the prices of those products – price declines that defied economic logic, as energy and other key production costs have risen steeply. These artificially low-priced imports have continued to eat into the market share of domestic producers, and Wisconsin manufacturers cannot stay whole in this market environment.

This industry is vitally important to our home state, where nearly 1,350 employee-owners of Appleton Paper have invested tens of millions of dollars to keep their company competitive and their jobs intact. Nationwide, as you know, the company employs just over 2,400 workers.

Because Appleton is 100 percent employee-owned through an employee stock ownership plan (ESOP), Appleton's employees have an even greater stake in the survival of this company. We

fear all of this could be put at risk should the LWTP industry continue to face unfairly traded imports without relief or remedy.

Indeed, we need hardly remind the Commission of the danger to the broader paper manufacturing sector of allowing aggressive foreign competitors unfettered access to the U.S. market. In the recent coated free sheet paper case, where no ultimate relief was granted, our state has witnessed the shuttering of paper mills and the loss of many good paying jobs. This is not a fate we can allow Wisconsin's LWTP sector to follow, and we urge you to be mindful of this very serious risk.

At this critical time for our national economy, Wisconsin companies and their workers should be allowed to compete fairly and openly on U.S. soil and abroad. This also means we must require foreign competitors to follow the same rules of trade that we impose on our own businesses. Absent fair play, Wisconsin's companies are at very serious risk. That is precisely why we urge you to support the petitioner's clear case for relief and in doing so, ensure that Wisconsin's paper industry can thrive both at home and abroad.

We appreciate your consideration. If you have any questions feel free to contact Erik Olson of Rep. Kind's staff at (202) 225-5506 or Rob Cooper of Rep. Ryan's staff at (202) 225-3031

Sincerely,



Ron Kind
Member of Congress (WI-03)



Paul Ryan
Member of Congress (WI-01)