



Thomas M. Conway
International President

September 21, 2020

Via Email

Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Ave, NW
Washington, D.C. 20500

RE: United Steelworkers urges action to ensure that the United States does not lose production capacity of titanium sponge

Dear President Trump:

On behalf of the 850,000 members in the United Steelworkers (USW) union, I write regarding the recently announced idling of the last U.S. based titanium sponge facility in Henderson, Nevada operated by USW local 12-4856. Owned by Timet, the facility could produce approximately 13,000 tons of titanium sponge, which is a primary component in the production of titanium metals. Now with the Henderson, NV plant closure, the U.S. has ceded the capability to produce a base subcomponent necessary to make a metal extensively used in military and critical infrastructure. We urge you to take every action necessary to ensure that we do not lose this strategically important production capacity of titanium sponge.

Titanium sponge is an unwrought form of titanium, a metal that is highly valued for its physical characteristics, resistance to corrosion, and the ability to bond with high-strength polymers. Without titanium sponge, titanium alloy cannot be made. The vast array of titanium military applications cannot be overstated, ranging from helicopter blades, tank armor, and aircraft components, to naval applications such as the optical periscopes housed in USW-built Virginia class submarines.

However, the expansion of titanium sponge production in countries such as China, Russia, and Kazakhstan impacted pricing and U.S. employment in a similar manner, as industrial overcapacity occurred in the aluminum and steel sectors. Titanium sponge facilities in the U.S. have closed in Oregon, Utah, and now Nevada as foreign capacity increased and U.S. plants were unable to generate the capital needed for technological improvements.

At this point the Defense, Interior, and Commerce Departments have all published documents highlighting titanium sponge as a potential single point of failure in the titanium supply chain and a critical material. Our members are troubled that this crisis in supply chains continues to be studied without an action plan to ensure the American titanium supply chain production and resilience.

The Administration's Memorandum on "The Effect of Titanium Sponge Imports on the National Security" released on February 27th of this year directed a working group to be established to ensure "access to titanium sponge", which included working with counterparts in Japan. As a significant stakeholder in the titanium industry, we would appreciate an update on the working group and a better understanding of the group's priorities. The union is concerned that the working group will not emphasize domestic titanium sponge production and focus on uncertain and risky overseas sourcing.

The memorandum also directs the Secretary of Defense to take all appropriate action, including the use of the Defense Production Act, and "seeking new appropriations as necessary, to increase access to titanium sponge". With the idling of the Henderson facility, there must be a renewed urgency to the Secretary's actions and we urge you to press the Department of Defense to provide needed infrastructure improvements to the Henderson facility, and work with Timet, or another interested party, to restart titanium sponge production in the United States.

There is urgency in your decision; if the facility loses its qualifications to produce premium quality titanium sponge, it could take years to regain that certification. The now shuttered ATI Rowley facility in Utah did not achieve premium quality titanium sponge certification for almost six years. This is why we ask the administration to consult Timet and, if necessary, halt company actions to decommission the sponge plant and instead keep the facility on care and maintenance.

The workers at Henderson, Nevada produce a vital component to assist in the defense of our nation. With investment and commitment by our government, we can create a more resilient titanium supply chain, ensure domestic titanium production capacity, and maintain good paying union jobs.

Sincerely,


Thomas Conway
International President