

AEC Joins Coalition to Fight Appeals Court Ruling on China Imports

The hard-won countervailing duty tariff on imported extrusions from China into the U.S. is being threatened by a December 19 decision by the U.S. Court of Appeals for the Federal Circuit (CAFC). To universal surprise and widespread outrage, the Court ruled that the United States cannot apply countervailing duties to non-market economies (NME) and, further, that China was deemed to be an NME. This means that the 375% duty that helped level the playing field last year could be lifted as early as mid-February. (Important notes: This does not affect the 34% Anti-Dumping duty that the AEC and its members also won. This also does not affect the tariffs in Canada.) A [two-page white paper](#) authored by AEC's legal team at King & Spalding explains the details and our approach to fixing this.

There are 25 industries for which CVD duties have been ordered. All are in jeopardy. That means we (AEC) have plenty of allies, and those allies have formed an informal coalition in order to fix this situation. The coalition believes both judicial (appeal) and legislative (new, clarified CVD law) are avenues should be pursued. As a result, AEC members across the country are being asked to contact their Congressional representatives to ask them to support new legislation that would retain fair trade and domestic customers and jobs.

Duties on Chinese Extrusions are Making a Real Difference

Editor's note: what follows are excerpts from the full article by AEC staff writer Nancy Klein that appeared in the February 2012 issue of Light Metal Age.

Many AEC members are already experiencing a major boost to their extrusion business with increased orders and new projects anticipated for 2012 and beyond as a result of the game-changing duties and penalties imposed by the International Trade Commission on Chinese extrusion imports beginning in May of 2011. In just a few short months, canvassing only a handful of extruders, AEC has been able to identify an estimated total of 24 million pounds of business that has been recaptured by domestic extruders, now that the playing field has been equalized.

"Extrusion customers are rediscovering the value of sourcing locally in order to manufacture the most globally competitive products right here in the U.S.," explained AEC President Rand Baldwin. "Every Council member has a stake in the North American extrusion industry's comeback. With our members' support, AEC will do what it takes to retain our gains and shape this entire industry forward."

Steve Schabel, Director of Sales and Marketing Integration for Alexandria Extrusion Company, asserts that there are many companies now seeking out domestic extrusion suppliers, which is welcome news for AEC members. "All of our new business is being generated by U.S.-based companies, with a current one million pound increase, which we're projecting to rise to two million pounds," says Schabel. Alexandria Extrusion has been hiring for several months, and is aggressively seeking qualified personnel to employ for 24/7 production at its Alexandria, MN facility.

Steve Mahan, OEM Rod and Bar, and Rob Swartz, Sales VP for HA, Wire & Billet at Kaiser Aluminum, cite the benefits of one OEM customer who moved their purchases of aluminum alloy 6262 extrusion rod from China to Kaiser's 6042 rod, which is produced in Sherman, Texas. "We estimate this increased

volume on an annual basis is in the area of 350,000 to 500,000 pounds of new business,” says Swartz. In addition, the Loxcreen Company’s Talley Chism cites an opportunity their extrusion plant received, “An account that buys fabricated kits and sells to big box retailers had been importing those parts for competitive reasons. This represents about \$400,000 in new business for us.”

View the February issue of *Light Metal Age* to read the full article.

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