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**Thomas J. Gibson**  
President and Chief Executive Officer

September 23, 2010

Chairman Sander Levin  
House Ways and Means Committee  
1102 Longworth HOB  
Washington, DC 20515

Dear Chairman Levin,

On behalf of the American Iron and Steel Institute (AISI), whose member companies produce more than 75 percent of the steel made in America, including both integrated and electric arc furnace, I write in strong support of your amended version of H.R. 2378, the Currency Reform for Free Trade Act, and for the Committee mark-up and favorable report of this legislation this Friday.

As you know, the steel industry is concerned with China's array of ever-increasing trade and market-distorting industrial policies. The government of China continues to provide massive subsidies -- including the largest subsidy of all, its currency undervaluation -- to build and preserve its manufacturing capacity, limit its imports and promote its exports. The Chinese government's currency subsidy -- along with other efforts to restrict foreign investment, manipulate VAT rebates and restrict exports of vital raw materials -- are a direct and ongoing threat to U.S. economic recovery, U.S. manufacturing and domestic job creation.

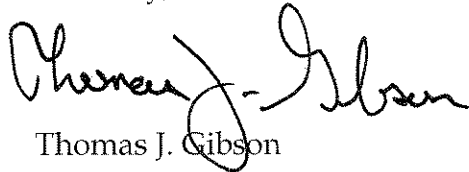
Diplomatic efforts have failed to produce any significant appreciation in the value of the Chinese currency relative to the U.S. dollar and, as Secretary Geithner admitted in front of your committee last week, labeling China a currency manipulator would accomplish little aside from a round of consultations which presumably should be ongoing. Additional measures are clearly necessary to protect American manufacturers and to give the Administration greater leverage to bring the Chinese government to the table to discuss a real, substantive plan for allowing its currency to appreciate.

The modified version of H.R. 2378 is a very measured approach that ensures we live up to our World Trade Organization (WTO) commitments, unlike China, which is in violation of many of its WTO agreements. It will enable U.S. manufacturers to seek a remedy when they are put at a competitive disadvantage, but only if they can successfully prove material harm by imports from a country with an undervalued currency.

We commend you for taking action on this legislation that will stimulate the U.S. economy, create domestic manufacturing jobs, encourage more investment in research and development, and in manufacturing facilities and equipment in the U.S., all without adding to the federal deficit.

Again, we urge strong support of H.R. 2378 in both the Ways and Means Committee and by the full House of Representatives.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas J. Gibson", written over a printed name.

Thomas J. Gibson

cc: Members of the House Ways and Means Committee