International Association of Machinists and Aerospace Workers



9000 Machinists Place Upper Marlboro, Maryland 20772-2687

Area Code 301 967-4500



OFFICE OF THE INTERNATIONAL PRESIDENT

April 30, 2020

President Donald Trump The White House 1600 Pennsylvania Ave, NW Washington, DC 20500

Dear Mr. President:

I am writing on behalf of more than 600,000 active and retired members of the International Association of Machinists and Aerospace Workers ("IAM"), to request your assistance in preserving U.S. domestic aluminum production capability and saving 700 aluminum smelting jobs at Alcoa Intalco Works in Ferndale, Washington. On April 22<sup>nd</sup>, Alcoa leadership made public their plan to shut down this strategically important aluminum smelter, one of only seven primary aluminum smelters remaining in the United States. Allowing this facility to close would do significant and irreversible damage to our nation's capacity to produce aluminum, severely weaken our domestic supply chain and jeopardize our national security, particularly in times of national emergency or foreign conflict. Furthermore, this closure would leave 700 hard-working men and women jobless and devastate the local economy and surrounding communities.

For generations the IAM-represented workforce at Alcoa Intalco has harnessed their peerless skill and dedication to produce high-quality aluminum ingots, a vital strategic metal used in nearly every sector of manufacturing, from aerospace and shipbuilding to transportation, infrastructure and medical equipment manufacturing. Despite the obvious strategic importance of producing aluminum domestically, the U.S. aluminum industry has been decimated in recent decades, as the heavily subsidized Chinese aluminum industry has come to dominate and control the world market.

In 1979, there were more than 10 aluminum smelters in the Pacific Northwest. This facility is the last one remaining in the region, and there are now only seven primary aluminum smelters in operation nationwide. All of the other producers have been forced out of business, unable to compete with cheap Chinese steel produced with severely deficient labor and environmental standards and dumped on the world market without regard for international trade laws. China boasts approximately 150 aluminum smelters and produces 44 million tons per year. The U.S. produces only 1.8 million tons per year per year, which is less than half of our domestic demand. This discrepancy jeopardizes our national security by leaving the United States at the mercy of foreign producers, and in particular Chinese producers, for one of the most critical inputs to nearly all sectors of manufacturing. This reliance on foreign aluminum has once again become noticeably apparent during the current COVID-19 epidemic, where high-quality

aluminum is needed quickly and seamlessly to manufacture ventilators, hospital beds, and other vital medical equipment.

The aluminum smelting operation at Alcoa Intalco Works is of particular strategic importance as it is the largest producer by volume in the United States. It is also the last remaining primary aluminum smelter in the Western United States, and is the only U.S. aluminum smelter with proximity to a deep water port and dedicated rail spur. Most importantly, the 700 person workforce at Alcoa Intalco possesses a level of skill, experience and dedication to their craft that would be impossible to replicate if this workforce were to be disassembled. If this strategic facility is allowed to close, another nail will be driven into the coffin of the U.S. aluminum industry along with our ability to domestically manufacture strategically important goods as a sovereign nation.

If Alcoa Intalco closes its doors, 700 working families will instantly lose their livelihood in a city of only 15,000 people. The facility is one of the largest employers in Whatcom County, and it is estimated that every job at the plant supports 4.2 indirect and induced jobs in the region. It is clear; the effect of this plant closure on these workers, their families, and the surrounding community would be devastating.

The IAM is ready and willing to work with all parties to save these jobs, keep this facility running, and resurrect this vital industry before it is too late. We know from your administration's record that you rightly prioritize increasing strategic domestic production and strengthening U.S. manufacturing. We seek to work with you and your administration to preserve our nation's capacity to produce aluminum and bolster our domestic supply chain. We believe that existing federal authorities such as the Defense Production Act Title III, the National Defense Stockpile Act, and an expansion of Buy American requirements to include aluminum could be used to keep this facility in business and viable for the future.

Mr. President, we respectfully request your assistance and ask that you help us to save this facility, this industry and most importantly our IAM jobs. Thank you for your attention to this critical matter.

Sincerely,

Robert Martinez, Jr. International President