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LOUISE M. SLAUGHTER
CONGRESS OF THE UNITED STATES
28TH DISTRICT, NEW YORK

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May 19, 2011

Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
Room 2111
1401 Constitution Avenue, NW
Washington, DC 20230

RECEIVED
FOREIGN-TRADE ZONES BOARD
2011 MAY 23 PM 5:05
OFFICE OF THE
EXECUTIVE SECRETARY

Dear Mr. McGilvray,

I understand that the Foreign-Trade Zones Board has published proposed new regulations that require advance Board approval for any production activity in an FTZ using imports that are subject to an antidumping or countervailing duty order. This requirement will apply to both new FTZs and existing zones.

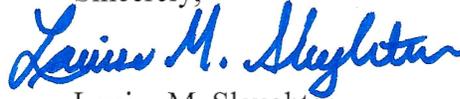
I was pleased to learn that the preamble to the new regulations recognizes that the advance approval requirement is needed to address public interest concerns that are raised by the use of FTZs to avoid paying antidumping or countervailing duties.

I commend the Board for taking this important step to ensure that FTZs are not used in a manner that is contrary to the public interest. A company and its employees in my own district have felt the damaging effects of permitting an FTZ to be used to avoid paying antidumping duties on dumped Chinese silicon metal imports. Globe Metallurgical, which operates a manufacturing facility in Niagara Falls, NY, was an important domestic supplier of MPM Silicones, and the approval of a subzone request from MPM resulted in the near complete loss of MPM business for Globe. Because of the subzone approval, MPM was able to acquire cheap Chinese imports that were previously subject to anti-dumping duties, and the lost business resulted in significant job losses in the midst of the economic downturn.

Allowing companies to use dumped or subsidized inputs from China and other countries for manufacturing in FTZs without paying antidumping or countervailing duties results in lost sales and price declines for domestic suppliers that must compete with the unfair imports, and is contrary to the public interest. As U.S. suppliers' lose critical sales and revenues, production is curtailed, and U.S. workers lose their jobs.

I urge the Board to retain the advance approval requirement in the final version of the regulations and to include in the final version reporting obligations and other procedures that will ensure compliance with the approval requirement.

Sincerely,

A handwritten signature in blue ink that reads "Louise M. Slaughter". The signature is written in a cursive style with a large initial "L".

Louise M. Slaughter
Member of Congress