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United States Senate

August 16, 2018

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Offices of the Commissioners
United States International Trade Commission
500 E Street, SW
Washington, D.C. 20436

Dear Commissioners:

I am writing regarding the U.S. International Trade Commission's (ITC) antidumping and countervailing duty investigation into uncoated groundwood paper from Canada (Investigation Numbers 701-TA-584 and 731-TA-1382). With the recently announced determinations that the Department of Commerce will proceed with tariffs on Canadian newsprint, it is imperative that, in making your final determinations in this case, the ITC carefully consider the effects of a permanent tariff on the U.S. newspaper industry.

Allegations of illegal subsidies and dumping made in any case before the ITC must be taken seriously. The enforcement of our trade laws plays a vital role in protecting U.S. industry from the harms of unfair trading practices, and the ITC works to ensure a level playing field for American workers and companies. But the vital role that newspapers and publishers play across the United States and in our local communities requires special consideration by the ITC.

The imposition of tariffs on uncoated groundwood paper from Canada may lead to more negative than positive effects on American companies and jobs, particularly in states like Massachusetts. Although the sole petitioner in this case is a hedge-fund owned, West Coast paper supplier that employs approximately 300 employees, the ITC's decision will significantly affect the entire domestic newspaper industry and the more than 170,000 Americans that it employs. Many of these workers are employed by small, daily and community newspapers that are often the primary – and sometimes only – source of local news. These newspapers have already been battling years of declining readership and revenue.

An important consideration in the ITC's decision-making process is that the buying and selling of newsprint in today's market falls largely along regional boundaries. According to the ITC's preliminary report in this investigation, 54.5 percent of all groundwood imports from Canada to the United States go to the Northeast. Newspapers in Massachusetts and other states in the region import their newsprint from Canada for the simple reason that U.S. mills do not operate there. Without local production capabilities, these tariffs are raising the cost of production for these local newspapers.

These increased costs as a result of these tariffs cannot be absorbed by newspapers and the smallest community publications will be hardest hit. I'm concerned that the ultimate result will be a loss of jobs, local news coverage, and even the shuttering of newspapers in Massachusetts and across the United States.

I urge you to take these considerations into account as you conclude your investigation. Thank you for your attention to this request.

Sincerely,

A handwritten signature in blue ink that reads "Edward J. Markey". The signature is written in a cursive style with a large, prominent "E" at the beginning.

Edward J. Markey
United States Senate