

The Honorable Jeffrey Kessler
Under Secretary of Commerce for Industry and Security
Department of Commerce
1401 Constitution Avenue Northwest
Washington, D.C. 20230

Dear Under Secretary Kessler:

As representatives of some of America's largest manufacturers, retailers and supply chain stakeholders, we recognize the need to protect key domestic industries that support national security.

Unfortunately, overly broad and opportunistic requests threaten the Trump administration's efforts to promote national security through a derivative inclusion process for steel and aluminum products. Specifically, the undersigned organizations write to express our significant concern with the scope of recently filed inclusion requests from the Can Manufacturers Institute (CMI). If fully granted, the requests threaten to limit the on-shelf availability of critical consumable products like specialty baby formula, increase grocery costs for the most vulnerable consumers, and undermine the efficacy of 232 tariffs due to CMI's inclusion of products that its members do not even make, like ready-to-brew coffee pods.

American food, beverage, household and personal care product companies are proud of their role as the country's largest domestic manufacturing sector by employment, supporting more than 22 million jobs. The vast majority of food, beverage, household and personal care products are manufactured in the United States, from American farm ingredients, for domestic consumption. In the canned product space, U.S. consumer packaged goods companies and private label retail brands have long-standing relationships with domestic can-making suppliers and have consistently sought solutions to the current inability of can manufacturers to adequately source domestically produced tin mill steel and aluminum in needed specifications.

With this in mind, we understand why CMI and its can-making members may seek protection from imports of canned products that threaten U.S. producers and farmers. Certain imports of canned fruit, vegetable and legumes cross a clear threshold that may substantiate inclusion as steel and aluminum derivative products.

However, other aspects of CMI's requests seek inclusion of products for which there is no domestic capacity or supply, and that will therefore harm U.S. manufacturers, retailers and consumers. For example, U.S. seafood distributors and processors, as well as the U.S. pet food industry, rely on globally sourced seafood and seafood processing, without which there is not enough seafood supply of specific products to meet consumer demand. Similarly due to lack of domestic capacity, we are concerned that granting CMI's full request could lead to a lack of on-shelf availability for products like specialty baby formula.

This formula is produced in limited quantities, in adherence with specific regulations, to meet babies' nutritional requirements. It is also already subject to tariffs and trade protections; putting this specialty product further out of reach for families in need seems to miss the mark.

To this end, canned food products are also essential pantry staples. Consumers that rely on assistance programs like SNAP and WIC depend on canned goods to meet basic everyday needs, and any increase in the cost of canned goods will disproportionately impact America's most vulnerable consumers while raising government program costs. CMI's broad and far-reaching request is not in keeping with President Trump's efforts to lower grocery prices and inflation that spiked during the previous administration. Instead, it is an overly scoped request that will cause cascading impacts in the grocery supply chain.

Billions of dollars in irreparable economic harm could materialize simply because of CMI's sweeping request and the breadth of Harmonized Tariff Schedule headings. For example, entirely distinct products like ready-to-brew coffee pods would now be subject to the 232 tariffs – despite CMI's own admission that the intent was only to cover products in *cans*. Other parts of the request seem incongruous with the seriousness of the 232 statute's objectives; Danish butter cookies and Italian sparkling water do not threaten national security.

Accordingly, the Trump administration should take pains to protect the efficacy and durability of its own inclusion process, rejecting CMI's requests that exceed on scope and intent. Doing so will maintain protections for U.S. can manufacturing and food production, while simultaneously protecting consumers' access to other essential products that are imported with a clear rationale. This thoughtful approach will better achieve intended national security aims while avoiding irreparable harm to U.S. manufacturers, retailers and America's most vulnerable consumers.

Thank you,

American Beverage Association
American Pet Products Association
Consumer Brands Association
FMI – the Food Industry Association
National Coffee Association, USA
National Confectioners Association
National Fisheries Institute
National Animal Supplement Council
National Retail Federation
Pet Food Institute
Retail Industry Leaders Association