

Testimony of Senator Sherrod Brown before the United States International Trade Commission's
Hearing on Large Residential Washers from Korea and Mexico
Tuesday, December 11, 2012

Mr. Chairman and members of the Commission, I would like to thank you for the opportunity to appear before you this morning in an important case for workers, manufacturers, and communities in my home state of Ohio.

This case is critical to businesses across this country that must decide how to keep their doors open in the face of fierce competition from often unfairly traded imports.

This morning, the Commerce Department reported that the trade deficit climbed again, reminding us that, while American exports are slowly growing, we continue to face challenges from unfairly traded imports, particularly from China.

The case before you today does not involve China, but it speaks to the larger issue of competing against unfairly traded imports, particularly in consumer goods, like washers.

Before talking about the case, I would like to welcome several workers from Whirlpool's Clyde, Ohio plant who make the washers under consideration today.

Too often, we think of trade in the abstract. In reality, trade is about workers, their families, and our communities.

These workers from the Clyde plant know that. They traveled more than 10 hours on a bus to be here today.

My colleagues from the Ohio delegation and I have received more than 16,000 letters from Whirlpool employees, families, and neighbors reminding us of how important their jobs and the success of the Clyde plant are to them.

A proud Whirlpool worker from Ottawa, Ohio, sent a letter to me, explaining that: "*the behavior of these foreign companies threatens my job and the jobs of my 10,000 colleagues in the State of Ohio [...] our communities are adversely impacted with our families economic security at stake.*"

He isn't asking for a hand out he just wants "*other companies [to] play by the rules.*"

He's absolutely right.

That's why we need to get this right and support U.S. manufacturers from trade partners who cheat.

This is not a partisan issue.

My colleagues, Senator Rob Portman and Representative Pat Tiberi, have also submitted written testimony today.

Rep. Tiberi and I both serve on the President's Export Council, where we have been working to increase our exports.

Sen. Portman and I have worked together on a number of trade enforcement issues, including a letter we sent yesterday to the Commerce Department on tubular steel made in Ohio.

Again, trade enforcement and defending American companies and workers are not partisan issues.

Rigorous enforcement of U.S. trade laws is critical to the viability of domestic manufacturing and the economic security of American workers.

Simply put, we have an industry that has been struggling for more than five years to compete in the face of a flood of dumped and subsidized washers from Korea and Mexico.

As you know, two of the companies making washers in this country have already closed their doors and let their workers go. Two others—Whirlpool and GE – have decided to stay in America and fight.

They have invested more than \$250 million to build modern, efficient, and competitive manufacturing facilities for washers here in the United States.

Let me tell you why these companies are important to Ohioans. There are about 10,000 Ohioans currently working for Whirlpool in Ohio.

In 2008, Whirlpool made the decision to make substantial investments in its Clyde facility, which significantly increases the plant's capacity and secures more than 500 jobs on new manufacturing lines.

This was welcome news, and Whirlpool's commitment to Ohio is part of what I hope will become a growing trend of companies willing to move production back to the United States – repatriating jobs to America.

I toured the state-of-the-art plant in Clyde and met many of the women and men, who produce these consumer award-winning Whirlpool washers.

The company has also been recognized by *Fortune*, *Forbes*, *Newsweek*, *Corporate Responsibility* and others for its innovation and leadership.

Whirlpool and Ohio workers are asking for nothing more than to be given the opportunity to compete against *fairly traded* imports.

Unfairly traded washers imported from Korea and Mexico harm American workers and companies. I know that neither the workers here from Clyde, nor Whirlpool or GE are afraid of foreign competition. Americans will compete with anyone who plays by the rules.

Yet, when production of these washers is unfairly subsidized and dumped on the U.S. marketplace U.S. companies and workers are harmed.

These unfairly traded imports cause market distorting losses that undermine businesses that have remained here.

Repatriation, which we must encourage if we are to grow our manufacturing sector, means increased U.S. production and a decrease in imports.

Unfair trade actions can persist, or even accelerate, in the face of repatriation of manufacturing.

In fact, as the business case for making products in the U.S. grows, the impetus by others to engage in unfair trade only increases.

Congress would not have written the trade laws or intended that they be applied in a manner that would discourage American companies from bringing their production and their jobs home.

Thank you again for allowing me the opportunity to speak today.

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