

**TRUCK AND BUS TIRES FROM CHINA
INV. NOS. 701-TA-556 AND 731-TA-1311 (PRELIMINARY)**

**PUBLIC STAFF CONFERENCE BEFORE THE
UNITED STATES INTERNATIONAL TRADE COMMISSION**

FEBRUARY 19, 2016

**STATEMENT OF BILLY WRIGHT
PRESIDENT, USW LOCAL 1155
BRIDGESTONE PLANT IN WARREN COUNTY, TENNESSEE**

Good morning. My name is Billy Wright, and I am the President of USW Local 1155.

We represent workers at Bridgestone's plant in Warren County, Tennessee.

I have worked for more than 21 years at the Warren County plant. I have held positions in the banbury and mixing sections of the plant, and through my union positions I have gained familiarity with other sections of the plant as well. Our plant is dedicated to the production of truck and bus tires, and we are Bridgestone's largest truck and bus tire plant in the United States. Our plant makes the full range of truck and bus tires for all positions, and we produce tires for original equipment manufacturers as well as the replacement market. We make truck and bus tires sold under the Bridgestone brand as well as some Firestone and Dayton tires.

While the recipe and construction of a particular tire may differ depending on its application, all of the truck and bus tires we produce are made through the same basic process, on the same equipment, and by the same employees. And even with variations in the rubber mixture, compounds, chemicals, and construction, many of our truck and bus tires are very similar, and they would be very difficult to distinguish to the naked eye.

Though demand for truck and bus tires has increased significantly in recent years, our plant has not seen any benefit in terms of similar increases in production, employment, or investment. Our daily production ticket was 9,000 tires in 2013, and it stayed at the level through last year. On existing equipment, our plant could make up to 10,000 tires a day if we had sufficient rubber supply.

Because of its inability to make sales, Bridgestone has been building inventories, both at its million-tire warehouse in Lebanon, Tennessee and at the 150,000 tire warehouse at our plant. These inventory build-ups are now forcing Bridgestone to cut production. In December of 2015, management told us we were now going to have to reduce production to 8,900 tires a day in January of this year, and we fell even further to 8,800 tires a day in February of this year. Our sister plant in La Vergne, Tennessee has also been forced to reduce its daily ticket in 2016. When we asked management why they were cutting production, they told us that Chinese tires were killing the market, and that sales simply weren't there for the company.

Last year, management also added two days to our Christmas shutdown, and those days were taken without pay. In addition, there is now less overtime available to our members, which is an important source of additional income for their families. Instead of overtime, we are now in a situation where members who finish work early simply go home.

Unless Bridgestone can increase sales and work down its inventories, we will likely see further reductions to production in the coming months. If these trends do not reverse this year, taking days out of schedule and reducing overtime will not be enough – at some point layoffs will be on the table.

Our plant has also been forced to forego capital investment because of the unfair competition from Chinese imports. Our plant could produce as much as 12,000 tires a day if we

added an additional banbury mixer to increase our internal rubber supply as well as some additional tire building equipment. This is a project we've discussed many times with management, and it was at one point slated to go forward in 2015. In a market where demand rose quickly from 2013 to 2015, it was only logical to make an investment that would let us increase production by about fifteen percent in order to keep up our market share. But in August of 2015, when Bridgestone's CEO came to visit our plant, he told us that the new investment would be put off indefinitely. He told us that the investment will not happen until the company's sales pick up. He told us that we already produce more tires than we can sell when the company is losing market share to cheaper imported tires.

If orders are imposed on dumped and subsidized tires from China, it will have important benefits for our plant. We could easily and quickly increase daily production to 9,200 to 9,300 tires a day on existing equipment and with existing employees. We routinely source rubber from our sister plant in La Vergne, and with additional rubber supply from that plant, we could increase production to 10,000 tires a day on existing equipment – that's an additional 420,000 tires a year with no new equipment. In addition, if the project to add a banbury and other equipment were finally given the go-ahead, we could be making 12,000 tires a day or more within a year, raising our annual production by another 700,000 tires.

Such increases in production would help our members get overtime work and overtime pay again, giving a significant boost to family income. Adding production would also help us add positions and hire new employees, giving more members of our local community what we have been so fortunate to have – high-skilled, high-wage union jobs with good benefits. If Chinese imports are not stopped, we will only see more of the same – more lost hours, additional cuts in production, more opportunities for our plant and our community unrealized and put on the

shelf. Ultimately, if Chinese imports keep increasing at the rate they have, I am afraid the outcome will be even more dire – steeper production cuts, shifts taken out of schedule, and layoffs for our members.

I am here today on behalf of those members to ask the Commission to help give us a fair shot by making an affirmative preliminary determination in this case.

Thank you.