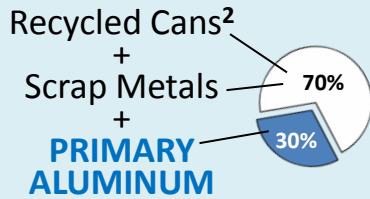


Aluminum CANSHEET Facts

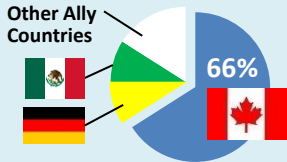
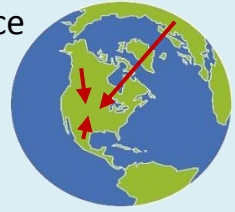
The Impact of Tariffs Under Section 232 of the Trade Expansion Act¹



CANSHEET is made from:

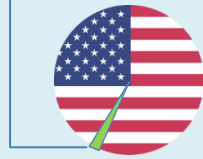


The U.S. depends **ENTIRELY** on imported bauxite to produce **PRIMARY ALUMINUM**. It is **NOT** available in the U.S. in commercially viable quantities or quality.³



66% of **PRIMARY ALUMINUM** imported into the US, comes from Canada. No other country accounts for more than 10%. The U.S. does **NOT** import primary aluminum from China.

Even though **98%** of the **CANSHEET** used to make beverage cans in the U.S. is produced domestically, a modest, targeted tariff on the 2% of imported **CANSHEET** would incentivize a broad-based rise in aluminum prices.



The U.S exports **CANSHEET** to Mexico and Canada. A tariff or import restriction on **PRIMARY ALUMINUM** would increase the cost of American **CANSHEET** and harm American exports.



Even a 1¢ increase per can -- as a result of a tariff -- will cost the can industry \$960 million which could lead to lost U.S. jobs and increased costs to consumers.

The following should be exempt⁴ from any import adjustments under Section 232:

Cansheet | Body Stock | Aluminum Used Beverage Container Scrap | Aluminum Slugs | Low Purity Ingot

¹ On April 27, 2017 President Trump prioritized an investigation previously initiated by the Secretary of Commerce into whether aluminum imports threaten the economic and national security of the United States. The investigation is being conducted under Section 232 of the Trade Expansion Act of 1962. The military, however, relies on high purity aluminum grades, which account for only 2% of overall U.S. primary aluminum product consumption. This is a different material than what is used to make aluminum beverage cans.

² Cans are the most sustainable packaging. They are infinitely recyclable and remade into new cans within 60 days.

³ **Why does the U.S. depend on imported PRIMARY ALUMINUM?** The aluminum production process starts with the mining of bauxite. The U.S. has been in a deficit position with respect to primary aluminum since the end of WWII. As domestic production has *decreased* over the years, consumption has *increased*. The U.S. aluminum smelting industry is not competitive globally due to higher energy costs, old technology, ample domestic scrap availability and a strong U.S. dollar. Despite decreased production, U.S. smelters are cash positive at current aluminum prices. Today, even if all available smelters were running at full capacity, the U.S. would still have to import 83% of the total primary aluminum to meet demand.

⁴ **Products in these Codes should be exempt from import adjustments:** 7606.12.3045, 7606.12.3055, 7606.12.3090, 7602.00.0030, 7602.00.0090, 7606.92.3090, 7601.10.6000, 7616.99 and 7606.91.