

The Honorable Rhonda K. Schmidlein
Chairman
U.S. International Trade Commission
500 E Street SW
Washington, DC 20436

The Honorable Wilbur Ross
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, DC 20230

Re: ITC Inv. Nos. 701-TA-584, 731-TA-1382; DOC Case Nos. A-122-861, C-122-862

Dear Madame Chairman and Secretary Ross:

We write today to express our concern regarding the above-referenced investigations involving imports of uncoated groundwood paper from Canada, which includes newsprint that is used by newspapers, large and small, across the country. As you complete these investigations, we urge you to consider the irreversible harm that would be done to the American newspaper industry if antidumping and countervailing duties were to be imposed.

The Wisconsin congressional delegation represents more than 230 daily and weekly newspapers many of which serve small, rural communities. The newspaper industry is at an important juncture right now and the role of community newspapers to provide their readers with vital local news matters now more than ever.

A credible news source with a vested interest in community-based news is the bedrock of our principles as a free nation. We do not believe that it is a reach to predict that the newspaper industry as we know it could be dealt a death blow should the tariffs on Canadian newsprint be imposed.

We understand that printers and publishers of Wisconsin's newspapers cannot absorb increased costs that come with these tariffs and will take cost cutting measures that will use less newsprint, such as reducing pages in the printed newspapers, cutting back on days of distribution, and reducing news coverage in their community. Some small and rural newspapers – operating on thin margins – will go out of business. We do not see how that would benefit the newsprint-making industry that is requesting these tariffs.

The following are some of the reasons why we are so concerned for the future of the Wisconsin newspaper industry should tariffs be imposed on Canadian imports of newsprint, and why we also believe such tariffs would only harm the domestic newsprint industry bringing this case:

1. The newsprint industry is in a secular decline as more news and information goes from print to digital platforms. Since 2000, the demand for newsprint in North America has declined by 75 percent and continues to decline by roughly 10 percent annually. In this environment, U.S. newsprint producers aren't looking to grow or improve their production, while any number of tariffs will force Canadian mills to leave the U.S. market entirely. When the supply of newsprint shrinks as a result of tariffs, the hardest hit will be small newspapers such as those serving rural communities in Wisconsin, who may no longer be able to find supply to print their product.
2. The impact won't be limited to small and rural newspapers, however. Increased newsprint costs resulting from any tariffs will force newspapers across the country to cut costs, which will include reduction in page counts; reduction in delivery days and smaller newspaper formats. That will result in permanent reductions in demand for newsprint, to the detriment of the industry this case is supposed to help.
3. To be clear, the reduction in demand for newsprint will be permanent and irreversible. If the newspaper business takes a hit, particularly small market and rural newspapers, there is no hope for its revival in this digital era. That cannot be the consequence intended by the petitioner who brought this case. This is not a case where increased prices resulting from duties might help domestic producers to increase production and increase profits. To the contrary, any amount of tariffs on newsprint will accelerate the demise of newspapers, so that American producers of newsprint will have no American customers left to sell their product to.

Newspapers have an important and vital impact on the communities they serve. Research studies show that seventy-eight percent of readers said that they rely on community newspapers for local news and information, and newspapers are consistently rated as the most trusted source of news and information.

A free press is more important than ever, and it is for this reason that the members of the Wisconsin Congressional delegation support Wisconsin's local newspapers by requesting that the International Trade Commission and the Department of Commerce reach a negative final determination in their respective antidumping and countervailing duty investigations on uncoated groundwood paper.

Sincerely,