



**Testimony of Patrick M. Bloom  
Executive Vice President, Government Relations  
Cleveland-Cliffs Inc.**

Good morning, Chairman Crawford, Vice Chairman Mrvan and members of the Steel Caucus. I am Patrick Bloom and I serve as Executive Vice President of Government Relations for Cleveland-Cliffs. I've been with the company since 2008, and I was part of Cleveland-Cliffs' transformation from an iron ore mining company to the largest producer of flat-rolled steel in the United States. Cleveland-Cliffs employs 25,000 workers, including 12,000 members of the United Steelworkers union as well as several thousand members of both the United Auto Workers and the International Association of Machinists.

Cleveland-Cliffs' Chairman, President & CEO, Lourenco Goncalves, asked that I convey to you all a very simple and straightforward message. The message is as follows: the Section 232 national security tariff policies of the U.S. Government championed by President Trump's Administration are working exactly as intended. The implementation of 50% across-the-board steel Section 232 tariffs without exclusions or country-specific exemptions, as well as the addition of Section 232 tariffs on steel derivative products, have delivered relief from global steel overcapacity penetrating the U.S. market in the form of dumped imports of steel and imports of steel-intensive goods. This relief was badly needed, and frankly it was just in time.

The steel Section 232 tariffs were first implemented in 2018. At that time, U.S. apparent steel consumption was 116 million short tons. By 2024, that apparent consumption figure had shrunk to approximately 102 million short tons. That's an alarming loss of 12% of steel consumption in the U.S. economy in just six years. At the same time, imports took up nearly 25% of the market in 2024. Shrinking steel consumption and year-on-year increases in steel imports was not a recipe for success of the American steel industry.

Beginning in early 2025, President Trump took steps to strengthen the steel Section 232 tariff program and there is tangible evidence that the tariffs are working to strengthen the steel sector and safeguard U.S. national and economic security:

- U.S. steel industry capacity utilization is over 80%. An 80% capacity utilization figure is considered an important benchmark for our sector that signals stability and profitability.
- Steel imports have been reduced significantly from elevated 2024 levels and now account for 15% of domestic consumption year-to-date.
- A strong steel industry is supporting a resurgent U.S. manufacturing sector. The U.S. Federal Reserve has recorded manufacturing output turning decisively upward in 2025 and 2026. In May 2026, U.S. manufacturing achieved its strongest growth rate in the past four years.

- Other countries have taken note of our steel Section 232 tariffs and, at the urging of U.S. Trade Representative Ambassador Greer, are taking prudent steps to protect their own home markets from global steel overcapacity.
- Cliffs is a major producer of steel for the U.S. automotive sector. Imports of cars and light trucks are down a remarkable 25% in 2026 year-to-date as compared to last year and auto companies are now investing in domestic production and growing their consumption of American-made steel.

Cleveland-Cliffs has responded to these significant improvements in market conditions by bringing back previously underutilized production lines, including a steel shop at Cleveland Works in Cleveland, Ohio, an electrogalvanizing line at New Carlisle Works in Indiana and we are adding jobs and increasing production at two iron ore mines on Minnesota's Mesabi Iron Range. We are also preparing for a transformational investment in a blast furnace rebuild and a new, state-of-the-art cogeneration plant at Middletown Works in Ohio, our flagship mill for the production of advanced automotive steels. In Butler, Pennsylvania, we are investing more than \$170 million in Butler Works with support by the U.S. Department of Energy to expand production of Grain Oriented Electrical Steel for transformers.

In summary, the resurgence of U.S. manufacturing is underway, and it will be supported by a strong and modern American steel industry. We ask that members of the Congressional Steel Caucus continue to vocally support a robust and durable steel Section 232 and steel derivative tariff program. Please speak out against those in Congress who advocate for tariff exclusions, country exemptions and carve outs from these critically important national security tariffs. We count on your continued support.

Thank you.