



August 2, 2011

The Honorable Ron Wyden
Chairman
U.S. Senate Subcommittee on Public Lands and Forests
U.S. Senate Energy and Natural Resources Committee
304 Dirksen Senate Office Building
Washington, D.C. 20510

Re: Support of S. 1144, the Soda Ash Competition Act

Dear Chairman Wyden:

I represent the Glass Packaging Institute (GPI), which is the trade association for the glass container manufacturers of beverage and food containers, as well as suppliers to our collective industry. Our industry employs tens of thousands of Americans in 48 operating glass container manufacturing plants throughout the country. The U.S. soda ash industry is a critical supplier and partner of the glass container industry, as soda ash is used as part of our manufacturing processes on a daily basis.

We would like to offer our support for your legislation, S. 1144, the Soda Ash Competition Act, under consideration this week in the Subcommittee on Public Lands and Forests.

S. 1144 is a vital piece of legislation that will help to ensure the competitiveness of the U.S. soda ash industry, and to the companies they supply by extending the royalty rate at 2% for an additional five years, for all outputs of sodium compounds, including soda ash, on federal land.

The U.S. soda ash industry relies on the current 2% rate to stay competitive in an export market increasingly distorted by foreign industrial policies. As the majority of the world's naturally occurring soda ash is found in the U.S., the ability to continue to supply glass container domestic markets and more fairly compete in the export market is crucial.

As you are aware, the export of soda ash through this country's ports is economically significant, as it is the number two export headed through the Port of Portland.

The American Natural Soda Ash Corporation (ANSAC) estimates that a five year extension of the current 2% rate would provide soda ash producers certainty and confidence to expand production, while supporting thousands of existing jobs and contributing to \$1 billion annually in exports.

The domestic soda ash market now contends with unfair manipulation in the

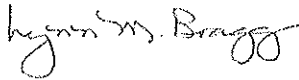


global markets, specifically China, whose has offered their exporters of soda ash a 9% rebate on the 17% value added tax (VAT). This legislation is one step forward in an attempt to create a more level playing field for the domestic soda ash industry. Additionally, the Chinese synthetic soda ash production process is significantly more energy intensive than current domestic production from naturally occurring deposits of trona (soda ash) found in the U.S.

Glass container manufacturers and our domestic soda ash partners depend on each other to ensure continued success of our industries. We hope your Committee will favorably consider this legislation.

Please contact me should you have any questions or concerns regarding our position on this legislation.

Sincerely,

A handwritten signature in black ink that reads "Lynn M. Bragg". The signature is written in a cursive style with a large, looped initial "L".

Lynn M. Bragg
President

CC:

The Honorable Jeff Bingaman, Chairman, U.S. Senate Energy and Natural Resources Committee

Members, U.S. Senate Subcommittee on Public Lands and Forests, U.S. Senate Energy and Natural Resources Committee