



# AMERICANS FOR LIMITED GOVERNMENT

---

10332 MAIN STREET, BOX 326 · FAIRFAX, VA 22030 · PHONE: 703.383.0880 · FAX: 703.383.5288 · WWW.GETLIBERTY.ORG

March 25, 2021

President Joe Biden  
The White House  
1600 Pennsylvania Avenue, N.W.  
Washington, DC 20500

Dear President Biden:

We respectfully urge you to disapprove the recent USITC decision in a trade dispute involving the importation and sale of certain lithium-ion batteries, battery cells, battery modules, and battery packs, which would do significant damage to United States interests in growing a domestic battery manufacturing capacity.

As you undoubtedly know, SK Innovation of South Korea is building a vehicle battery manufacturing plant in the state of Georgia which would employ 2,600 Georgians by the beginning of 2024 as they manufacture specially designed electric batteries for the new Ford EV F-150 truck and the Volkswagen's Chattanooga, Tennessee electric vehicle manufacturing plant. They will also manufacture a large percentage of batteries available on the open market, manufacturing capacity that is sorely needed today. When fully complete, SK Innovation's Georgia battery plant is expected to produce as many as 330,000 batteries<sup>1</sup> that can be used for electric vehicles and residential stationary storage (ESS).

Unfortunately, the USITC's decision effectively destroys this promise, creating inevitable delays in the ability to meet your stated goals for domestic EV production.

While the decision purports to allow for a limited transition period for SK Innovation to meet the needs of its clients, the ITC has otherwise banned SK from importing critical components for its batteries for 10 years. It is absurd on its face to assume that any company would continue building and staffing for a massive U.S. manufacturing facility when it will be so drastically limited in its operations, and will effectively be closed before it can even be brought to full capacity. What's more, given the unique nature of the SK Innovation batteries, which are designed specifically for each automaker, it is not feasible to transfer production to another domestic or foreign battery manufacturer and still meet the automakers' production schedule.

On both the national security and international trade levels, it is critical that domestic auto manufacturers have the ability to source their batteries in the US. In the case of foreign based manufacturers like Volkswagen, the United States, Mexico & Canada trade agreement requires a Regional Value Content of 75 percent, which becomes extremely difficult if not impossible to meet should you allow this mistaken decision to stand.

Please understand that Americans for Limited Government does not agree with your administration's underlying rationale behind the push for electric vehicles. However, the business decision made by Ford and Volkswagen to continue their aggressive expansion into this market should not be delayed for years due to what effectively amounts to a trade dispute between two South Korean competitors.

---

<sup>1</sup> <https://allongeorgia.com/georgia-state-politics/kemp-advocates-for-georgia-jobs-asks-biden-to-overturn-trade-commission-ruling/>

One other aspect of this dispute that is important to note is that while SK Innovation adheres to the Clean Content requirements excluding invasive Communist Chinese Party software and hardware from use in their company, complainant LG Chem does not. Given the experience in Anchorage, where the Chinese government demonstrated public contempt for America and our representatives, it would be significant for the administration to put new weight into the Clean Content international agreement as a whole. Striking down the USITC decision in this case would send a powerful, proportional message in that regard.

Mr. President, you have a unique opportunity to stand up for American manufacturing and the jobs it will create, while demonstrating strong leadership in our nation's relationship to China. It is our fervent hope that you will reject this USITC decision.

Sincerely,

A handwritten signature in black ink that reads "Rick Manning". The signature is written in a cursive, slightly slanted style with a prominent loop at the end of the last name.

Rick Manning  
President  
Americans for Limited Government