

# [***Biden says it's 'vital' US Steel remain American owned and operated***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BJD-VF61-DY7V-G008-00000-00&context=1516831)

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**Body**

(CNN) &#8212; President Joe Biden on Thursday said he believes it's "vital" that US Steel remain American owned and operated, dealing a blow to the iconic company's planned sale to Japan's Nippon Steel.

The announcement marks the strongest opposition yet from the White House to a controversial deal that [*has drawn some bipartisan criticism*](https://www.cnn.com/2023/12/19/business/bipartisan-opposition-japanese-purchase-us-steel/index.html).

"It is important that we maintain strong American steel companies powered by American steel workers. I told our steel workers I have their backs, and I meant it," Biden said in a statement. "US Steel has been an iconic American steel company for more than a century, and it is vital for it to remain an American steel company that is domestically owned and operated."

The Biden administration is concerned about some of Nippon's assets in China, a person familiar with the administration's thinking told CNN.

US Steel was not immediately available to provide comment.

In a statement, Nippon Steel said: "Our aim is to bolster and grow U. S. Steel in the U.S. market in a way that prioritizes its talented employees, and we have provided significant commitments to the USW in our continued efforts to reach a mutually agreeable resolution... Nippon Steel is the right partner to ensure that US Steel is successful for generations to come as an iconic American company."

Previously, the Biden administration voiced support for a thorough review of the [*$14.1 billion deal*](https://www.cnn.com/2023/12/18/business/us-steel-history-before-nippon-deal/index.html) that was announced in December. Lael Brainard, director of the National Economic Council, issued a statement that month saying Biden believes the deal deserves "serious scrutiny" in terms of its impact on national security and supply chains.

Shares of Pittsburgh-based US Steel plunged 13% on Wednesday - its worst day since 2020 - after the [*Washington Post*](https://www.washingtonpost.com/business/2024/03/13/nippon-us-steel-biden-white-house/) and other outlets reported Biden planned to express veiled opposition to the sale ahead of Japanese Prime Minister Fumio Kishida's arrival in Washington for a state visit on April 10.

US Steel shares retreated another 3% on Thursday.

It's noteworthy that Biden is voicing his opposition to the deal before the national security review that is believed to be ongoing by the Committee on Foreign Investment in the United States, or CFIUS. That inter-agency panel is led by the Treasury secretary and is supposed to weigh deals without taking ***politics*** into account.

The Treasury Department declined to comment.

After the Biden statement, the US Chamber of Commerce warned against politicizing the US Steel deal and said the transaction should proceed if the CFIUS review reveals no national security concerns.

"Attempts to politicize the objective" CFIUS review of the sale are "both inappropriate and counterproductive," John Murphy, head of international at the US Chamber of Commerce, said in a statement. "Japanese investment in the US supports nearly one million American jobs, and officials must be careful not to send a chilling signal to international companies that US ***politics*** may put their job-creating investments in the US at risk."

Michael Leiter, head of the CFIUS and national security practices at law firm Skadden, Arps told CNN that Biden's commentary is "highly unusual, although not unprecedented given how increasingly politicized US investment issues have become."

"That the White House has repeatedly commented on this matter while not dictating the outcome certainly signals that the road isn't getting smoother for CFIUS' approval," Leiter said, "and it signals to our allies like the Japanese that protectionism isn't dead."

By Matt Egan, CNN

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