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Docket Number: BIS-2025-0022

Eric Longnecker
Deputy Assistant Secretary for Technology Security
Office of Strategic Industries and Economic Security
Bureau of Industry and Security
U.S. Department of Commerce
14th Street and Constitution Avenue, NW
Washington, D.C. 20230

Re: Request for Public Comments on Section 232 National Security Investigation of Imports of Pharmaceuticals and Pharmaceutical Ingredients, XRIN 0694-XC120

Dear Deputy Assistant Secretary Longnecker:

Ascensus Specialties LLC ("Ascensus") is pleased to provide comments in response to the April 16, 2025, Federal Register notice regarding an investigation to determine the effects on the national security of imports of pharmaceuticals and pharmaceutical ingredients, including finished drug products, medical countermeasures, critical inputs and derivative products.¹

Ascensus respectfully submits these comments to highlight our critical role as the only US producer of sodium borohydride ("SBH"), an essential input for pharmaceuticals. We urge the administration to refrain from placing tariffs on sodium metals in any Section 232 response, as higher tariffs will risk our domestic production capability and move production overseas.

Ascensus is the Only US Producer of Sodium Borohydride

Ascensus is a leading chemical company and US-based provider of specialty materials used in life sciences and other advanced technology applications. Ascensus, headquartered in Bellevue, Washington, has production plants in Elma, Washington, Evans City, Pennsylvania, and Newburyport, Massachusetts, including a rapidly growing cGMP manufacturing site for the life sciences industry. In 1957, Ascensus set out to use sodium borohydride chemistry as a catalyst to make life better. Over the course of 61 years, we have become one of the world's leading providers of specialty chemicals for a variety of industries.

Ascensus supplies a diversified portfolio of high-quality reagents, cGMP products, lab research chemicals and other specialty materials to customers in the pharmaceutical, microelectronics, and other specialty end markets. **Ascensus is the only Western-based provider of its core chemistries** and has specialized and superior technical capabilities, including 20+ PhDs, to support customers on complex application development.

Ascensus' most important product is its flagship SBH product. SBH is used to manufacture a wide range of pharmaceuticals and other products. Its pharmaceutical applications include antiretroviral drugs like HIV/Aids medications, antibiotics for both humans and livestock, anti-depressants, and cough medicines.

¹ Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Pharmaceuticals and Pharmaceutical Ingredients, 90 FED. REG. 15,951 (April 16, 2025).

Higher Tariffs on Sodium Metal Will Risk Domestic SBH Production Capabilities

Sodium metal is the primary raw material needed to produce SBH. Ascensus imports sodium metal and converts it into both Liquid and Dry SBH at its facility in Elma, Washington. Ascensus further processes SBH into Diborane and Boranes. Specialty borane complexes are used as high value reducing agents in the pharmaceutical industry to produce a wide variety of pharmaceuticals that range from statins (anti-cholesterol medications), to cancer treatments and other daily therapeutic medicines. **Ascensus is the only US producer for its three core chemistry families (SBH, Alcoholates, Boranes), and is the top consumer of sodium metal in the world.**

In addition, Ascensus converts sodium metal into potassium metal at our facility in Evans City, Pennsylvania. We are the world's largest producer of bulk potassium and the only Western supplier. The vast majority of this production is used to produce high value alcoholate materials such as Potassium tert.-butylate ("KTB") that is sold into numerous pharmaceutical applications.

Finally, sodium metal is used in-house to produce Sodium tert.-butylate ("STB"), another valuable alcoholate that is also sold into numerous pharmaceutical applications.

Sodium metal is only produced in commercial quantities in two locations: China and France. [REDACTED]

[REDACTED] Ascensus is working to increase the percentage of our imports from France to the greatest extent possible. However, the French sodium metal supplier is one-third the size of the Chinese supplier, and does not produce enough sodium metal to meet Ascensus' needs. Furthermore, neither France nor China alone can supply the world's sodium metal demand. **There are no US suppliers of sodium metal.**

SBH, KTB, and STB pricing is highly competitive globally. Higher tariffs on sodium metal would make it difficult for Ascensus to sell these materials at a competitive price in most global markets, providing Chinese suppliers of SBH, KTB, and STB, who are not subject to tariffs on sodium metal with a competitive pricing edge. This would harm both Ascensus and our pharmaceutical partners who rely on our SBH, KTB, and STB products to produce essential medicines. **If Ascensus is unable to process sodium metal in the United States, all global production will likely move to China, displacing a highly technological value-add manufacturing process from the United States to China.** US companies will then be forced to purchase SBH from Chinese companies, rather than an American company.

There is no benefit to US manufacturers in imposing tariffs on sodium metal imports, because there are no US manufacturers of sodium metal. Rather, tariffs on sodium metal directly benefit China and Chinese suppliers of SBH. Following the outbreak of COVID-19, Chinese manufacturers increased production of SBH dramatically, due to its use in pharmaceuticals. Today, most of the capacity in the SBH market is in China.

Finally, as one of the largest producers of SBH in the world, Ascensus sells a significant amount of SBH to global markets. [REDACTED]

[REDACTED] In exporting such a significant volume of SBH, Ascensus is contributing to a reduction in the US trade deficit. Without Ascensus, these exports will cease.

The Administration has Already Recognized the Need for Sodium Metal Imports from China Through the 301 Exclusion Process

The Trump Administration has already rightly recognized the necessity of sodium metal imports by excluding sodium metal from tariffs imposed under Section 301 of the US Trade Act of 1974.² [REDACTED]

² Notice of Extension of Certain Exclusions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 89 FED. REG. 46,948 (May 30, 2024).

[REDACTED]

[REDACTED] This would have increased our interest costs, leverage ratios, and forced us to delay/manage investments in our business. It may have also forced us to reduce employment in the United States due to the decreased competitiveness against foreign competition.

Should tariffs on sodium metal be imposed under Section 301 or Section 232, Ascensus will not be able to produce SBH for use in existing and potentially life-saving drugs and products. We are grateful the United States Trade Representative recognized this previously, and we respectfully request that the Department of Commerce do so in this Section 232 investigation.

Conclusion

Ascensus is the United States sodium metal market. Tariffs on sodium metal will significantly harm our ability to produce SBH domestically for use in essential, life-saving pharmaceuticals and beyond. Until there is production of sodium metal in the United States, we urge the Department of Commerce to refrain from imposing tariffs on sodium metal, which would put our company at a competitive disadvantage vis-a-vis foreign suppliers and disrupt the ability of the only domestic company to supply SBH to the US market.

Best Regards,

William Atkins

Global Manager, Product Stewardship
Ascensus Specialties LLC

CC: Paul Burlingame, Chief Executive Officer, Ascensus Specialties LLC
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