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Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: Conflict Minerals File S7-40-10

Ladies and Gentlemen:

United States Steel Corporation appreciates the opportunity to comment on the proposed rule. Our comments are limited to cassiterite, the raw material for tin. U. S. Steel produces tin mill products at three facilities in northwest Indiana and one facility in Kosice Slovakia. We also have an equity interest in a tin mill products producer in northern California. Tin mill products include electrolytic tinplate, electrolytic chromium coated steel (also referred to as tin free steel or TFS), tin coated steel and black plate, an uncoated product. Food and beverage packaging is the most prevalent use for tin mill products. The manufacture of tin mill products is highly competitive and we estimate that there are 120 tin plate lines and 30 TFS lines operating around the world. Unlike tin mill product production, tin mill product is purchased by a small group of customers. In the United States three companies comprise over two thirds of the market.

Cassiterite is mined in many parts of the world with producers in China, Indonesia and South America currently producing most of the product. Tin is produced in a smelting process and in most cases the mining and smelting operations are a continuous process owned by the same entity. A smelter can use cassiterite from any source and tin is recyclable so the smelter can reuse existing tin if it chooses. The smelters produce their product to meet ASTM International standards. Industrial tin is sold in 55 pound ingots which in turn are usually bundled into 1 ton pallets. Most tin is sold through distributors, who represent one or more smelters. Also the London Metals Exchange (LME) trades both physical tin and tin futures. We are also aware of other trading markets including one in Shanghai. The tin futures market is supported by a worldwide system of warehouses under license agreements with the LME. Tin is a commodity product and is purchased and sold as such, with purchase orders specifying that the product meet the applicable ASTM standard without reference to producer. The distributor may fill its orders from one of the producers it represents, from an LME warehouse or from another distributor. Therefore U. S. Steel and other tin consumers have no knowledge of and do not control the sourcing of cassiterite. Moreover there are one or more intermediaries between U. S. Steel and the smelter.

You requested comments concerning the need to further define the statutory phrase ‘‘conflict minerals are necessary to the functionality or production of a product manufactured by such person”. In our view the word “manufacture’ has a clear and widely used meaning—the process of producing a tangible product. A purchaser of a manufactured product such as a tin ingot or a radio is not using the conflict mineral in its manufacturing. Concerning your question concerning mining we view mining as a manufacturing process. The one party that unquestionably knows the origin of mined product is the one who takes it from the ground and the miner should have a duty to report the source of its mined materials. The phrase “necessary to functionality or production” is not as widely used and we see benefit from further defining it using the concept “intentionally added” as mentioned in the release. We would stress that when a manufactured product is used or incorporated in another manufactured product the question should be limited to whether a conflict mineral is added to or used in producing the tangible products that the reporting company manufactures. This is particularly true when dealing with a manufactured product such as tin that trades as a commodity product.

We feel that when a recycled material is used in the manufacturing process there is no need or practical way to inquire into the use, if any, of a conflict material in the original production of the recycled material. Indeed a requirement to try to trace the original source of a recycled would have the effect of discouraging recycling which would have the impact of requiring more conflict minerals to be mined, increasing the value of conflict minerals from in Congo region. We also do not feel that the legislation was addressed to trace materials. Once again using steel as an example iron units, whether natural ore or pellets, and steel scrap may contain minute amounts of hundreds if not thousands of elements and there is no way to effectively identity them let alone determine when and how they got into the mix.

We appreciate the opportunity to comment and if you have any questions please contact the undersigned.

Very truly yours,

Robert M. Stanton