

# **Forging Industry Can Meet Defense Demand, Group Says**



A Rock Island Arsenal-Joint Manufacturing and Technology Center artisan transfers a metal component during the forging process as part of a demonstration at the U.S. Army Tank-automotive and Armaments Command Casting & Forging Summit in 2022. The event gathered experts and officials across the government, military, industry and academia to discuss how to best modernize and sustain manufacturing operations critical to national security. *U.S. ARMY U.S. Army | Hayley Smith, Rock Island Arsenal-Joint Manufacturing and Technology Center*

The forging industry has a message for the Department of Defense and the country's defense contractors: it has tremendous capacity and is ready to work.

That message is being spread by a new education campaign from the Forging Industry Association. The group's CEO, Jim Warren, told reporters on Oct. 9 there is a perception within the DoD that the forging industry lacks capacity, but that's not the case.

"We have no problem with capacity on anything," he said. If there is a problem in the future, it will be with an expected surge in construction of commercial aircraft, but until then, "we can do it all," including making forged and cast components for ships and submarines.

The real issue, he said, is with an uncertain demand signal that makes it hard to predict when forged and cast products will be needed. The Forging Industry Association's message to the DoD and the prime contractors is, "can we please run more like a commercial industry?" Warren said.

The FIA is promoting a new survey from the auditing firm Wipfli, which concluded that 63% of forging companies do work within the defense industry and members, on average, are using 51% of their available capacity.

Companies that do primarily defense work have an even lower capacity use, at 41%. The FIA concluded these companies have ample capacity to do additional defense work if it was

available. The study also showed that 76% of forgers have invested in robotics, so they are working to boost their efficiency.

“Washington is making historic investments in our technological edge to compete in this new era of great power competition. But the North American forging industry is at risk of being neglected – by a combination of inattention from government authorities, a stubborn myth that it lacks sufficient capacity to meet demand, and trade policies that hobble us and aid our adversaries,” Warren said in a statement.

### **Helpful Steps**

The FIA wants the government to take several steps, including streamlining the process for adding forging companies to approved vendor lists; adding more varied types of materials; extending contract periods to allow companies to make better use of their capacity; and make additional investments in new technology, infrastructure and workforce development programs.

The Defense Production Act Title III and the Industrial Base Analysis and Sustainment programs could help fund new technology to help improve the quality of hot forged parts, FIA said.

There are also trade issues. As is the case with other industries, the FIA says government-subsidized Chinese companies are unfairly competing in the market.

“What’s needed are higher tariffs on Chinese forgings – more than the current 25% tariffs currently in place – to help bring back some of that lost business,” Warren said in a statement. “More aggressive efforts are also called for to prevent China, India, and others from dumping into the market forgings such as gears and connecting rods that are far below fair market. That means considering outright bans on certain countries from importing forgings.”