

March 12, 2024

Hon. Josh Shapiro, Governor  
Commonwealth of Pennsylvania  
508 Main Capitol Building  
Harrisburg, PA 17120

Dear Governor Shapiro:

We are writing to call your urgent attention to a matter of great concern to the security and wellbeing of the citizens of Pennsylvania. Our concern is with respect to the proposal by Chinese nationals, through a front company named “72 Steel LLC”, to construct a 500,000 ton-per-year steelmaking – specifically reinforcing bar (rebar) – facility in the city of Aliquippa. For the reasons outlined below, we ask that you strongly consider investigating whether this project – with its ties to the Chinese Communist Party - is harmful to the economic and security interests of Pennsylvania and its citizens. The federal government has already deemed the People’s Republic of China as a foreign adversary and deemed the Chinese Communist Party as a threat to U.S. national security.

The Chinese nationals behind 72 Steel, a New York pop-up company based in Brooklyn, apparently initiated the project to benefit from US taxpayer dollars available through the Bipartisan Infrastructure Law, and chose the Aliquippa site after considering options in Ohio and West Virginia. 72 Steel has already acquired the land and is seeking permits as if it were a normal company. It is not a normal company. The attached document reveals why we make this conclusion.

The top officers of 72 Steel include a husband-and-wife team of Chinese nationals with experience primarily in operating a catering business in China. Though they did engage in a small steel business in the United States which imported steel from China, that business not only failed, but was found liable for \$278,000 in workers compensation claims related to allowing insurance to lapse. The LLC president, Lin Huabin, is originally from Fuqing City in China’s Fujian Province where he owned a food processing and catering business prior to his immigration to the United States. Lin’s wife, Lin Bingfang, is the Finance Director despite having no significant steel experience, though she has been a shareholder in her husband’s catering business.

Other principals in the Chinese-national controlled 72 Steel similarly have no apparent experience in the steel industry or financial ability to make such an investment in new facility, as the attached filing demonstrates.

Our research indicates that 72 Steel has no technical or financial capability to build and operate a steelmaking plant. This disconnect between the company’s capabilities and the project’s scope leads to concerns that 72 Steel is merely a front for Chinese companies seeking entry into the U.S. steelmaking industry by Chinese companies and serving as a vehicle for influence on U.S. political institutions by the Chinese Communist Party, as we have detailed in the attached.

Chinese language reports indicate that 72 Steel is cooperating with at least two Chinese partners in planning the Aliquippa mill. One partner in the Aliquippa project is a steel company called Sichuan

Shengquan Steel Group Co., Ltd. Shengquan Steel began operations in 2022 following a government-directed “capacity-swap” merger of two other Sichuan-based steel companies. The other partner in the Aliquippa project is a state-owned design institute, Fujian Metallurgical Industry Design Institute Co., Ltd. (“Fujian Metallurgical”). 72 Steel reportedly contracted with Fujian Metallurgical to design the proposed Aliquippa mill. Fujian Metallurgical specializes in electric arc furnace micro mill design. It is these Chinese government-supported enterprises that are the likely investors in 72 Steel, and there may be others. These CCP-related investors may be looking to leverage the presence of 72 Steel in the United States to undermine U.S. economic and national security interests.

An archived version of 72 Steel’s website from 2017 suggests that the company may be a vector of CCP influence in the United States. The website describes 72 Steel in typical CCP propaganda-type language:

Founded in 2016, the company and the nation, the fate of the nation are closely linked, after pain and suffering, rapid development, reform takeoff, the historical state of adjustment to move, and write a steel to serve the country.

This is the type of language that Chinese entities commonly use to signal ties with the CCP. Furthermore, 72 Steel’s American website is hosted and operated out of China, belying the company’s claim that it is purely an American company comprised of Chinese American citizens.

Furthermore, we have serious concerns regarding actual ties to the Chinese Communist Party on the part of 72 Steel’s “Chairman” and “Senior Advisor,” as described in the attached document.

We have requested the federal government’s Committee on Foreign Investment in the United States (CFIUS) to determine whether it has jurisdiction to investigate the Aliquippa project for its national security implications. Whether or not jurisdiction ultimately exists through CFIUS, it is also incumbent on your state to conduct the appropriate assessments to determine if 72 Steel’s operations in Pennsylvania pose national security risks, economic risks, and risks to the local communities. The attached document demonstrates that those risks exist. As this project will require numerous permits and approvals at the local and state level, it is there that its economic and political effects will be mostly realized.

We therefore request that your office conduct a thorough investigation into the facts and circumstances of this project and its potential impact on the security and wellbeing of the citizens of Pennsylvania as well as the integrity independence of its political institutions.

Sincerely,



Michael J. Stumo, CEO  
Coalition for a Prosperous America

cc: Dana Fritz, Chief of Staff

Attachment: 72 Steel Report

**“72 STEEL”**  
**AN ENTITY LINKED WITH THE CHINESE GOVERNMENT**  
**INFILTRATING THE U.S. STEEL SECTOR**

**January 2024**

**I. OVERVIEW**

This report sets forth the basis for probing the proposed \$218 million U.S. investment by 72 Steel LLC to construct a 500,000 ton-per-year steelmaking – specifically reinforcing bar (rebar) – facility in Aliquippa, Pennsylvania, approximately twenty miles northwest of Pittsburgh.<sup>1</sup> According to news reports, 72 Steel executives decided to expand into the steel manufacturing sector to reap the economic benefits of the Bipartisan Infrastructure Law.<sup>2</sup> 72 Steel has already acquired that land and is awaiting permits.<sup>3</sup>

The \$218 million investment represents only a fraction of the investment level typically required to build a 500,000 ton-per-year rebar facility in the United States, which calls into question 72 Steel’s true intent.<sup>4</sup> Preliminary research into the operations of 72 Steel and its executives suggest close affiliations with the Chinese government/the Chinese Communist Party (“CCP”) that likely give rise to significant national security risks.

72 Steel’s attempt to enter the domestic rebar supply chain is particularly worrisome. Rebar is a product of major importance to America’s infrastructure: roads, bridges, airports, power transmission lines, and all other facilities nationwide. Consequently, the United States needs to maintain the integrity of the domestic industrial base by ensuring that U.S. rebar producers have a level playing field on which to compete in order to continue supporting the nation’s critical capabilities. In this context, the rise of 72 Steel’s Pennsylvania plant may pose serious national security risks by disrupting the domestic supply chain through predatory market behavior. Given the facts exposed in this report, it is imperative that federal, state, and local governments and NGOs move quickly to determine the true facts in this matter, and, if the concerns in this report are borne out, to utilize every available legal authority to prevent 72 Steel from expanding into the U.S. market and undermining essential U.S. interests.

---

<sup>1</sup> Chrissy Suttles, “Company to Build \$218 Million Steel Plant on Former J&L Land in Aliquippa,” *The Times*, May 16, 2023 (hereinafter “Company to Build \$218 Million Steel Plant”).

<sup>2</sup> *Ibid.*

<sup>3</sup> Curtis Walsh, “72 Steel closes land deal for new Steel Mill in Aliquippa,” *Beaver County Radio*, Oct. 2, 2023.

<sup>4</sup> Company to Build \$218 Million Steel Plant.

## **II. 72 STEEL'S DUBIOUS BUSINESS ACTIVITIES AND CCP LINKS**

The circumstances surrounding 72 Steel's operations and intent to expand in the United States are extremely suspicious. The company's U.S. activities are not typical of a startup steelmaking business, and 72 Steel has not previously had any significant presence in the U.S. steel or aluminum market. Furthermore, the company has not yet made significant progress in developing its steel manufacturing plant in Aliquippa and, in fact, 72 Steel has already defaulted on rent payments, calling into question the viability of its entire business plan.

72 Steel, established in 2016, purports to be a Brooklyn-based steel company providing "steel processing, sales, and steel constructions" to American customers.<sup>5</sup> It currently operates from two locations in New York City – in Queens (dba 72 Steel Group LLC) and Brooklyn (dba 72 Steel and Aluminum Work Inc.) – and from one location in South Plainfield, New Jersey (72 Steel LLC). As noted in a complaint filed June 2023 by the owner of the South Plainfield premises regarding non-payment of rents, "upon information and belief, the three entities are alter egos of one another, do not observe corporate formalities, do not maintain separate books and records, and otherwise

---

stand in for one another." 72 Steel had been, from 2018 to 2020, importing roughly \$4.3 million of miscellaneous and largely undefined construction materials into the United States from China.

72 Steel is also closely affiliated with a company called H.B. Iron Work, Inc., formed in 2020. H.B. Iron Work is located in Brooklyn, and its address (5114 4<sup>th</sup> Ave, Brooklyn NY 11220) happens to be the site of a very small discount convenience shop. Yet, despite its small-scale commercial retail business, H.B. Iron Work has been receiving from 2020 to 2023 millions of dollars in steel shipments from China described as "material of construction." These shipments began just as records of similar imports from some of the same Chinese suppliers by 72 Steel came to a complete halt. The aggregate value to date of imports by H.B. Iron Work now exceeds \$40 million, while there are no records of imports by 72 Steel since July 2020. It is unclear where these products are being stored – obviously not at a convenience shop in Brooklyn.

Extensive searches of online and archived media, social media, corporate database and consumer records yield very little additional information about the size, operations, or customers of 72 Steel, and much of what can be gleaned confirms that the company is struggling financially. The June 2023 landlord/tenant complaint filed in Middlesex County, NJ (noted above) states that while 72 Steel leases the 57,000 SF warehouse for the "cutting and warehousing of steel and other metals and associated office use," the company "acknowledged owing the monies claimed by Landlord (about \$50,000) but denied the ability to pay those monies."

---

<sup>5</sup> 72 Steel's website (<https://www.72steel.com/intro/1.html>).

Scant records maintained by corporate information providers estimated the company’s employees at 13 or 14<sup>6</sup> and annual revenue estimates varied so widely—from a few hundred thousand to almost 9 million—as to make clear the lack of reliable credit, business, or financial records that would make these meaningful. The sole evidence identified of an actual contract—for a \$200,000 private residential construction project on Long Island—came from a negligence lawsuit filed by the relatives of one of the two workers 72 Steel had onsite after the man fell thirty feet from a steel beam. That lawsuit remains open in Kings County (Brooklyn) Superior Court.

The fact that the company has such a scant business presence and the owners (identified below) appear to have neither the capital nor the business acumen to fund these imports raises serious questions as to how they are being financed. The source of financing enabling these import volumes is unknown and may very well be traced to assistance from China. Media reports about the Aliquippa project point vaguely to “private investors from New York and New Jersey,” with the only ones identified by name subsequently found to be a Chinese American family appearing to own a modest home and a few laundry and construction businesses.

The answer here may lie in mainland China. Chinese language reports indicate that 72 Steel is cooperating with at least two Chinese partners in planning the Aliquippa mill. One partner in the Aliquippa project is a steel company called Sichuan Shengquan Steel Group Co., Ltd.<sup>7</sup> Shengquan Steel began operations in 2022 following a government-directed “capacity-swap” merger of two

---

other Sichuan-based steel companies.<sup>8</sup> The other partner in the Aliquippa project is a state-owned design institute, Fujian Metallurgical Industry Design Institute Co., Ltd. (“Fujian Metallurgical”).<sup>9</sup> 72 Steel reportedly contracted with Fujian Metallurgical to design the proposed Aliquippa mill.<sup>10</sup> Fujian Metallurgical specializes in electric arc furnace micro mill design. It is these Chinese government-supported enterprises that are the likely investors in 72 Steel, and there may be others. These CCP-related investors may be looking to leverage the presence of 72 Steel in the United States to undermine U.S. economic and national security interests.

An archived version of 72 Steel’s website from 2017 further suggests that the company may be a vector of CCP influence in the United States. The website describes 72 Steel in typical CCP propaganda-type language: “Founded in 2016, the company and the nation, the fate of the nation are closely linked, after pain and suffering, rapid development, reform takeoff, the historical state

---

<sup>6</sup> CI Technology Database, May 2023 and D&B Worldbase, March 2023, respectively.

<sup>7</sup> “Mr. Lin Huabin, Chairman of the Board of Directors of 72 Steel and Iron Group in the United States Was Invited to Visit and Inspect Sichuan Shengquan Iron and Steel Group,” Weibo World Wide Web site, February 18, 2023 ([https://k.sina.com.cn/article\\_1635106672\\_6175bf70027010q7g.html](https://k.sina.com.cn/article_1635106672_6175bf70027010q7g.html)).

<sup>8</sup> *Ibid.*

<sup>9</sup> *Ibid.*

<sup>10</sup> *Ibid.*

of adjustment to move, and write a steel to serve the country.”<sup>11</sup> This is the type of language that Chinese entities commonly use to signal ties with the CCP. Furthermore, 72 Steel’s American website is hosted and operated out of China, belying the company’s claim that it is purely an American company comprised of Chinese American citizens.<sup>12</sup>

### **III. 72 STEEL OFFICERS’ LINKS TO THE CCP**

72 Steel’s President, founder and owner Lin Huabin and other reported company officers have very little or no experience in the steel or aluminum industry, while several key officials appear to be agents of the CCP.

**President, Lin:** Lin Huabin is originally from Fuqing City in China’s Fujian Province where he owned a food processing and catering business prior to his immigration to the United States in or around December 2006. Lin continues to be involved in a family-owned fast food franchising business in China as the registrant in 2016 of Quyu District Dekeji Restaurant (屈原区德克基餐厅) and of 13 trademarks related to “Dekeji (德克基)” between 8 March 2018 and 2 April 2020 in mainland China. He frequently returns to China to tend to his catering business.

Lin owned a series of low profile and ultimately failed metals businesses in Brooklyn, NY prior to his incorporation of 72 Steel in 2016. Lin registered a company called G & B Iron Work Inc. in Brooklyn in 2012; according to a 2016 inspection report listing multiple “serious” violations, the company was engaged in steel forging and had four employees. It was shuttered in 2017, and Lin was subsequently found liable for approximately \$278,000 related to workers’ compensation claims against G & B after he knowingly allowed the entity’s insurance to lapse. This oversight and numerous anomalies related to the registration of the entities may suggest an overall lack of familiarity or expertise with business ownership in the United States. Perhaps tellingly, media

---

coverage of the groundbreaking ceremony for the Aliquippa project noted Lin’s reliance on an interpreter to convey his thoughts to the English-speaking members of the audience.<sup>13</sup>

Lin may additionally have been associated with a company called H & L Iron and Steel that previously operated out of the same address; it was incorporated in 2008 by “Cun En Lin” and sold “Aluminum, Iron, Steel/Stainless Steel Banisters, Rolling Gates, Fences, Railing, Security Door, Window Security Guards, Gates.” It dissolved in 2013.

**Finance Director, Lin (wife):** Lin’s wife, Lin Bingfang is the registered CEO of H.B. Iron Work. She is also identified in a January 2023 article on the 72 Steel website as the company’s Finance

---

<sup>11</sup> *Ibid.*

<sup>12</sup> 72 Steel World Wide Web site, archived July 9, 2017 (<https://web.archive.org/web/20170709105657/http://www.72steel.com>).

<sup>13</sup> Stephanie Ritenbaugh, “Brooklyn Steel Company Hopes to Move Forward with \$218 M Project in Aliquippa,” Trib Live, May 16, 2023.

Director.<sup>14</sup> Curiously, she is otherwise only ever identified in media reports or on the company’s website as Lin’s wife, without any name or company title. Lin Bingfang was also a shareholder in the earlier catering business.

**Deputy General Manager, Liye:** 72 Steel’s purported Deputy General Manager, Zhu “David” Liye, studied Commercial Accounting in Fuzhou, China, and has been “successfully engaged in catering, insurance, real estate, publication, stock, auction, media, and other industries” since his immigration to the United States, according to a biography published by the American Chinese Commerce Association. No mention of the steel industry is listed.

**CCP Connection, Senior Advisor, Zheng:** The Senior Advisor of 72 Steel is an individual named Dr. Xiaoyan Zheng, a computer engineer and a data scientist. Dr. Zheng Xiaoyan has lived in the Pittsburgh area for over 40 years, where he successively obtained his Bachelor, Master, and Doctoral degrees in sociology. Dr. Zhang currently serves as the Visiting Professor at the University of Pittsburgh and an Honorary President of the American Chinese United Association, but he has no known past or current connections to the steel industry. It is unclear why a computer engineer would be involved in the currently small-scale steel operation in the United States.

Aside from the affiliation with 72 Steel, Dr. Zheng has been collaborating with a number of Chinese research institutions and Chinese government/CCP agencies involved in health and education including the Chinese CDC, Collaborative Innovation Center for Diagnosis and Treatment of Infectious Diseases (an important laboratory at Zhenjiang University), and the Chinese National Institute of Educational Services which is affiliated with the Chinese Ministry of Education and potentially the sponsor of Confucius Institutes in the United States.

In the United States, Mr. Zheng holds a leadership position in a U.S. information technology (“IT”) company called Mosaic Software, Inc., which provides contractor services to the U.S. Government, specifically the General Services Administration. Mr. Zheng’s simultaneous work for the CCP and the U.S. Government poses a significant national security risk, especially as Chinese national security and surveillance laws demand that information collected within the United States be transferred to the CCP.

---

Interestingly, Zheng Xiaoyan’s father is Zheng Yan (张彦), famous for being the *People’s Daily* (人民日报) (the official newspaper of the Central Committee of the CCP) first correspondent in the United States. Zheng Yan graduated from National Southwestern Associated University in 1945 and engaged in news propaganda since then. He joined the Communist Party of China in 1946. Zheng Yan once worked as a journalist for *Chongqing Business Daily* (重庆商务日报) and an editor of the English Bimonthly of Hong Kong *China Digest* (中国文摘). After the founding of

---

<sup>14</sup> 72 Steel Holds 2023 Annual Ceremony, Full House, Jan. 30, 2023 (<https://www.sinovision.net/home/space/do/blog/uid/3128/id/442181.html>) (hereinafter “SinoVision”).

the PRC, Zheng Yan successively served as Director of the Editorial Office and Deputy Editor in Chief of *People's China* (人民中国).

Zheng Xiaoyan's brother is Zhang Jing (张晶), his real name is reportedly Zheng Dalong (张大龙). Zheng Jing graduated from Peking University and worked at the Department of International Politics of Peking University from 1986 to 1988. Zheng Jing joined the Voice of America ("VOA") in 1992, where he successively worked as the Journalist, Editor, TV/Radio Anchor, and Managing Editor of the East Asia and Pacific Division. Zheng Jing holds a Master's Degree in Political Science from the University of Chicago.<sup>15</sup> In May 2017, Guo Wengui (郭文贵), an exiled Chinese billionaire, disclosed in an exclusive interview that many VOA employees have close relationships with the CCP before his live stream interview was suddenly cut. Guo Wengui especially mentioned that he learned from a senior Chinese official in Beijing that Zheng Jing is under the control of the central government. Leaks also revealed that Zheng Jing is the one who caused the abrupt termination of the live stream at the behest of the Chinese government. Zheng Jing's LinkedIn profile indicates that he left VOA in January 2023.<sup>16</sup>

**CCP Connection, Chairman, Shanzhuang:** Chen Shanzhuang has been identified as the "Chairman" of 72 Steel.<sup>17</sup> From Brooklyn, Chen is described as a pro-CCP overseas Chinese leader, and he may be an important leader of a CCP cell in New York. Publicly available information regarding Mr. Chen, also known as John Chen or John Chan, identify him as the owner of the Golden Imperial Palace restaurant in Brooklyn's Chinatown where a January 2023 72 Steel event was held. He is also the president, founder, chairman, and/or general convener of a long list of Chinese American community organizations, including the American Chinese Commerce Association, (美華總商會), the Fuzhou Lang Qi United Association, Inc. (U.S.A.) (美国福州琅岐联合总会), the American Chinese Commerce Association (HK) (美國(香港)旅美華人總商會), Asian American Community Empowerment (美国亚裔社团联合总会), Coalition of Asian-Americans for Civil Rights (美国亚裔维权大联盟), and others.

Chen is rumored to be an important mouthpiece for the CCP. Chen has allegedly organized anti-American rallies in the United States coordinated by the Chinese Consulate General.<sup>18</sup>

---

Additionally, a YouTube video shows that Chen was a leader at a recent demonstration against the President of the Republic of Taiwan Tsai Ing-Wen (蔡 英文)'s visit to the United States

---

<sup>15</sup> BBC News, June 2, 2011 ([https://www.bbc.com/zhongwen/simp/interactive/2011/06/110602\\_zhang\\_jing](https://www.bbc.com/zhongwen/simp/interactive/2011/06/110602_zhang_jing)).

<sup>16</sup> Jing Zhang, LinkedIn profile (<https://www.linkedin.com/in/jing-zhang-a8831b2a>).

<sup>17</sup> SinoVision, *supra* n. 15.

<sup>18</sup> *Ibid.*



outside the Lotte New York Palace in Brooklyn on March 31, 2023.<sup>19</sup> In this video, Chen told Taiwanese media, “Unlike Taiwan officials, Mainland Chinese government has never greased any politicians’ palm. All the Chinese citizens fully support the re-election of the Chinese President Xi Jinping (习近平), and the Chinese election method is different from other countries due to the policy difference.”<sup>20</sup> Chen also appears to have participated in the Chinese Embassy’s celebration of the 87<sup>th</sup> anniversary of the founding of the CCP’s People’s Liberation Army in the United States.

Also, on 13 August 2023 when the Vice President of the Republic of China Lai Ching-Te (賴清德) passed through New York during his visit to Paraguay, he attended a banquet. Media reported that before the banquet started, hundreds of demonstrators from pro-CCP Chinese groups appeared outside the New York venue. Holding five-star flags, the protesters played the CCP’s red propaganda songs on loudspeakers and shouted slogans such as “One China and Eliminate Taiwan Independence.” Chen and an individual named Chen Heng (陈恒), the President of the Fukien Benevolent Association of America, held megaphones to reprimand the Taiwanese media loudly.<sup>21</sup>

#### **IV. 72 STEEL’S PROPOSED FACILITY THREATENS U.S. NATIONAL SECURITY**

In short, 72 Steel’s murky business operations and its associates’ connections with the Chinese government and the CCP make it very likely that 72 Steel’s U.S. presence will be used to undermine American national security interests – specifically American strength in the critical steel sector. 72 Steel’s presence in the United States and its ability to interface with the U.S. telecommunications and energy infrastructure could additionally introduce substantial cybersecurity threats. To mitigate these risks, the federal and relevant state and local governments must investigate and ultimately restrict 72 Steel’s domestic activities.

---

<sup>19</sup> YouTube channel, “Chen Shanzhuang, Chairman of the Asian Federation, made an angry statement to the Taiwanese media,” 2023 (<https://www.youtube.com/watch?v=vTlz63TW3d8>).

<sup>20</sup> Shu Xinfeng, “Overseas Chinese Leaders Bid Farewell to Tsai Ing-wen,” American Hall of Fame, Mar. 31, 2023 (<https://usfames.com/2023/1318>).

<sup>21</sup> “Lai Qingde made a low-key transit through New York,” RFA, Aug. 13, 2023 (<https://www.rfa.org/mandarin/yataibaodao/gangtai/kw-08132023113421.html>).