

AMERICANS FOR FREE ★ TRADE

February 27, 2019

President Donald J. Trump
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President,

On behalf of the Americans for Free Trade coalition, we are writing to commend your commitment to achieving a fair trade deal with China and for recent progress that has been made during negotiations. We are encouraged by your decision to avoid a tariff increase on March 2 and allow negotiations to continue ahead of a planned summit with Chinese President Xi Jinping. We urge you to publish a Federal Register notice immediately confirming and detailing your decision in order to provide certainty to the business community, making clear to all stakeholders that tariffs do not automatically increase on March 2. Further, it is our hope that this momentum will build in the weeks ahead and lead to a final deal that addresses structural issues in China, removes tariffs on both sides, and eliminates trade uncertainty facing American businesses and farmers.

Our coalition represents every part of the U.S. economy, including manufacturers, farmers and agribusinesses, retailers, technology companies, service suppliers, natural gas and oil companies, importers, exporters, and other supply chain stakeholders. Collectively, we support tens of millions of American jobs through our vast supply chains. We agree that China and other trading partners must be held accountable for trade violations. However, broadly applied tariffs do more harm than good and force American companies to foot the bill for China's misbehavior.

According to data released by our coalition, American businesses paid an additional \$2.7 billion in tariffs in November 2018 alone, the most recent month data is available from the U.S. Census Bureau. This represents a \$2.7 billion tax increase and a massive year-over-year increase from \$375 million in tariffs on the same products in November 2017. The data also shows that U.S. export growth hit its lowest level of 2018, thanks in part to a 37 percent decline in exports of products facing China's retaliatory tariffs. This data highlights that tariffs as a negotiating tactic will always be a losing proposition because Americans — not foreign countries — are the ones paying the price.

Due to these costs, American employers are eager to see trade negotiations conclude as soon as possible and for all tariffs to be lifted. Although we are encouraged by the latest signs of progress, it is important to note that existing tariffs and shifting deadlines are hanging over American businesses and farmers and undermining their ability to grow, invest, and plan for the future.

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Mr. President, we applaud the hard work of your administration to achieve better trade deals for the American people, and we are encouraged by the progress that has been made. As negotiations continue, we urge you to continue to listen to the concerns of American businesses faced with significant uncertainty. We are eager to see a trade deal with China that addresses structural issues such as intellectual property theft and technology transfer while removing existing tariffs and the threat of tariffs in the future. Millions of American farmers, businesses, workers, and families are counting on you to achieve a positive resolution that keeps America competitive on the global stage while growing our economy and protecting the millions of U.S. jobs supported by trade.

Sincerely,

Accessories Council	Coalition of Services Industries (CSI)
Agriculture Transportation Coalition (AgTC)	Colorado Retail Council
ALMA, International (Association of Loudspeaker Manufacturing and Acoustics)	Columbia River Customs Brokers and Forwarders Assn.
American Apparel & Footwear Association (AAFA)	Computer & Communications Industry Association (CCIA)
American Association of Exporters and Importers (AAEI)	Computing Technology Industry Association (CompTIA)
American Association of Port Authorities	Consumer Technology Association
American Bakers Association	Council of Fashion Designers of America (CFDA)
American Chemistry Council	CropLife America
American Coatings Association, Inc. (ACA)	Customs Brokers & Freight Forwarders Assn. of Washington State
American Down and Feather Council	Customs Brokers & Freight Forwarders of Northern California
American Home Furnishings Alliance	Distilled Spirits Council of the United States
American Lighting Association	Electronic Transactions Association
American Petroleum Institute	Fashion Accessories Shippers Association (FASA)
American Pyrotechnics Association	Fashion Jewelry & Accessories Trade Association
American Rental Association	Flexible Packaging Association
American Specialty Toy Retailing Association	Florida Ports Council
Arizona Technology Council	Florida Retail Federation
Arkansas Grocers and Retail Merchants Association	Footwear Distributors and Retailers of America (FDRA)
Association For Creative Industries	Fragrance Creators Association
Association for PRINT Technologies	Game Manufacturers Association
Association of Equipment Manufacturers (AEM)	Gemini Shippers Association
Association of Home Appliance Manufacturers	Georgia Retailers
Auto Care Association	Global Chamber®
Beer Institute	Global Cold Chain Alliance
BSA The Software Alliance	Grocery Manufacturers Association
Business & Institutional Furniture Manufacturers Association (BIFMA)	Halloween Industry Association
California Retailers Association	Home Fashion Products Association
Coalition of New England Companies for Trade (CONNECT)	Home Furnishings Association
	Household and Commercial Products Association
	Idaho Retailers Association
	Illinois Retail Merchants Association

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Independent Office Products & Furniture Dealers Association (IOPFDA)
Indiana Retail Council
Information Technology Industry Council (ITI)
International Bottled Water Association (IBWA)
International Foodservice Distributors Association
International Housewares Association
International Warehouse and Logistics Association
International Wood Products Association
Internet Association
Juice Products Association (JPA)
Juvenile Products Manufacturers Association
Los Angeles Customs Brokers and Freight Forwarders Assn.
Louisiana Retailers Association
Maine Grocers & Food Producers Association
Maine Lobster Dealers' Association
Maritime Exchange for the Delaware River and Bay
Maryland Retailers Association
Methanol Institute
Michigan Chemistry Council
Minnesota Retailers Association
Missouri Retailers Association
Motor & Equipment Manufacturers Association
Motorcycle Industry Council
NAPIM (National Association of Printing Ink Manufacturers)
National Association of Chain Drug Stores (NACDS)
National Association of Chemical Distributors (NACD)
National Association of Foreign-Trade Zones (NAFTZ)
National Association of Home Builders
National Association of Music Merchants
National Association of Trailer Manufacturers (NATM)
National Confectioners Association
National Council of Chain Restaurants
National Customs Brokers and Freight Forwarders Association of America
National Electrical Equipment Manufacturers Association (NEMA)
National Fisheries Institute
National Foreign Trade Council
National Grocers Association
National Lumber and Building Material Dealers Association
National Marine Manufacturers Association
National Restaurant Association
National Retail Federation
National Sporting Goods Association
Natural Products Association
New Jersey Retail Merchants Association
North American Association of Uniform Manufacturers and Distributors (NAUMD)
North Carolina Retail Merchants Association
Ohio Council of Retail Merchants
Organization for International Investment
Outdoor Industry Association
Pacific Coast Council of Customs Brokers and Freight Forwarders Assns. Inc.
Pennsylvania Retailers' Association
PeopleforBikes
Personal Care Products Council
Pet Industry Joint Advisory Council
Petroleum Equipment & Services Association
Plumbing Manufacturers International
Power Tool Institute (PTI)
Precious Metals Association of North America (PMANA)
Promotional Products Association International
Recreational Off-Highway Vehicle Association
Retail Association of Maine
Retail Council of New York State
Retail Industry Leaders Association
Retailers Association of Massachusetts
RISE (Responsible Industry for a Sound Environment)
RV Industry Association
San Diego Customs Brokers and Forwarders Assn.
SEMI
Snowsports Industries America
Society of Chemical Manufacturers & Affiliates
Software & Information Industry Association (SIIA)
South Dakota Retailers Association
Specialty Equipment Market Association
Specialty Vehicle Institute of America
Sports & Fitness Industry Association
Telecommunications Industry Association (TIA)
Texas Retailers Association
Texas Water Infrastructure Network
The Airforwarders Association
The Fertilizer Institute
The Hardwood Federation
The Toy Association

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The Vinyl Institute

Travel Goods Association

Truck & Engine Manufacturers Association (EMA)

U.S. Hide, Skin and Leather Association

United States Council for International Business

United States Fashion Industry Association

US Global Value Chain Coalition

US-China Business Council

Virginia Retail Merchants Association

Virginia-DC District Export Council (VA-DC DEC)

Washington Retail Association

Window and Door Manufacturers Association

World Pet Association, Inc. (WPA)

CC Ambassador Robert Lighthizer, United States Trade Representative
 Secretary Steven Mnuchin, Department of the Treasury
 Secretary Wilbur Ross, Department of Commerce
 Secretary Sonny Perdue, Department of Agriculture