

**Motor & Equipment Manufacturers Association**

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February 13, 2018

The President  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, D.C. 20500

Dear Mr. President,

The Motor & Equipment Manufacturers Association (MEMA) represents more than 1,000 vehicle suppliers<sup>1</sup> that directly employ over 871,000 Americans in all 50 states – the largest sector of U.S. manufacturing jobs. Together with indirect and employment-induced jobs, the total U.S. employment impact of the supplier industry is 4.26 million jobs.<sup>2</sup>

MEMA supports the administration’s agenda to assure free, fair, and reciprocal trade and a level playing field for all Americans. MEMA supports the administration’s efforts to strengthen our nation’s economy. Regarding the pending decisions on the Section 232 investigations on steel and aluminum, national security also depends on the economic security of the country.

MEMA member companies operate in an integrated global supply chain with both suppliers and customers inside and outside of the United States. This model has allowed for continued growth in motor vehicle production as well as U.S. employment in our sector. In comments submitted May 31, 2017<sup>3</sup> and June 20, 2017,<sup>4</sup> MEMA noted that disruptions to supply chains or increases in production costs will not contribute to the national security of the United States.

Many specialty materials and components imported by motor vehicle suppliers are used by hundreds of vehicle parts manufacturers. Our comments included non-exhaustive lists of steel and aluminum products that must be excluded from any import adjustments to keep our industry running smoothly.<sup>5</sup> Suppliers’ access to these specialized products is critical to the industry and our national economy.

If a tariff determination is made, these products should be excluded prior to the tariff going into effect. Individual companies should not have to separately apply for exemptions or exclusion for these specialty products. Such a requirement would place a significant regulatory burden on the industry, particularly smaller manufacturers that lack internal trade and compliance personnel. Therefore, if the administration determines that a tariff is necessary, MEMA urges the administration to take a country- and product-specific approach to this issue rather than imposing

<sup>1</sup> MEMA represents vehicle suppliers through the following four divisions: Automotive Aftermarket Suppliers Association (AASA), Heavy Duty Manufacturers Association (HDMA), Motor & Equipment Remanufacturers Association (MERA) and Original Equipment Suppliers Association (OESA).

<sup>2</sup> “Driving the Future: The Employment and Economic Impact of the Vehicle Supplier Industry in the U.S.” Available here: [https://www.mema.org/sites/default/files/MEMA\\_ImpactBook.pdf](https://www.mema.org/sites/default/files/MEMA_ImpactBook.pdf), released by MEMA in January 2017.

<sup>3</sup> In response to the *Notice Request for Public Comments and Public Hearing on Section 232 National Security Investigation of Imports of Steel*, 82 Fed. Reg. at 19205.

<sup>4</sup> In response to the *Notice Request for Public Comments and Public Hearing on Section 232 National Security Investigation of Imports of Aluminum*, 82 Fed. Reg. 21509 (May 9, 2017); *Change in Comment Deadline for Section 232 National Security Investigation of Aluminum*, 82 Fed. Reg. 11557 (June 2, 2017).

<sup>5</sup> MEMA member companies submitted exclusions requests directly to the U.S. Department of Commerce as well.



blanket quotas or tariffs on all steel and aluminum imports. Alternatively, MEMA would recommend that the administration implement a robust exemption or exclusion process that would allow industry representatives, like trade associations, to apply for exemptions on behalf of multiple member companies, and that those exemptions go into effect before any tariff is imposed.

We applaud your leadership to protect our national interests and to address the need for domestic sources of these two critical raw materials. We believe this can be addressed while providing access to critical raw materials for the entire supply chain.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Handschuh". The signature is fluid and cursive, with a long horizontal stroke at the end.

Steve Handschuh  
President & CEO