

AMERICANS FOR FREE★TRADE

December 11, 2019

The Honorable Donald J. Trump
President of the United States of America
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20001

Dear Mr. President:

On behalf of Americans for Free Trade, we urge you to reach a Phase One deal with China and take the necessary steps to resolve the ongoing trade dispute. We certainly hope that this will lead to further negotiations, which ultimately lead to a final deal that not only addresses our key concerns with the U.S.-China trade relationship, but also eliminates the current tariffs imposed on *both* goods sourced from China and our goods exported to the critically important China market

As these negotiations continue, we strongly encourage the Administration to suspend implementation of the Tranche 4B tariffs set to take effect on December 15th if a Phase One deal is not finalized before then. We think it is incredibly important for the ongoing negotiations to be allowed to continue without the specter of new tariffs taking effect before a deal is signed. As you noted when the Tranche 4B tariffs were announced, you delayed implementation of those tariffs specifically to avoid harming American consumers over the holidays. This delay should be extended until a deal is reached.

Further, we strongly support using the Phase One deal to include reciprocal elimination of existing tariffs, as has been reported in the press. Such an action would send an important economic signal while providing immediate relief to job creators throughout the U.S.

Our coalition represents every part of the U.S. economy including manufacturers, farmers and agribusinesses, forest products, retailers, technology companies, service suppliers, natural gas and oil companies, importers, exporters, and other supply chain stakeholders, among them small and family-owned businesses from across the nation. Collectively, we support tens of millions of American jobs through our supply chains. We are united in our concern about the negative impacts that indiscriminate tariffs will continue to have on U.S. businesses, workers and consumers.

As our coalition has made clear since the trade war began, tariffs are taxes that American businesses and consumers pay. To date, Americans have paid over \$42 billion in taxes due to the imposition of tariffs. These taxes and the uncertainty have created – and continue to create – layoffs, deferred investments, and price increases in every corner of the country. Indeed, according to research by Trade Partnership Worldwide LLC, the Section 301 tariffs on goods on

Lists 1-3, along with the ongoing Section 232 tariffs on steel and aluminum and retaliation, have cost the average American family of four nearly \$800 this year and have shaved 0.4 percent off of otherwise robust GDP. Additional tariffs on products on List 4a (not included in this estimate), amplify the negative impacts; if additional tariffs on all of the products on List 4 are applied, the negative impacts to American families will grow to over \$2,300, and the hit to U.S. GDP will be a negative 1 percent.

We have previously provided our thoughts on key issues that need to be included in a final deal. A final agreement resolving this dispute must: 1) address China's unfair trading practices; 2) fully and immediately eliminate all remaining Section 301 tariffs and retaliation that are not already eliminated in the Phase One deal once a final deal is signed; 3) avoid establishing any new enforcement mechanism that would trigger future tariffs and result in long-term economic uncertainty; 4) provide clarity on how the Section 301 exclusion process will be impacted by a U.S.-China final agreement; and 5) trigger a full economic assessment, by the Administration, of the costs of tariffs for American businesses, workers, and consumers.

We want the U.S. to reach a trade deal with China that achieves meaningful change in our trading relationship with China and provides business certainty for the future. We continue to believe that tariffs are the wrong approach, and we believe these tariffs are causing escalating economic harm to American businesses, workers, farmers and families across the country. We urge you to delay the Tranche 4B tariffs to allow for a final Phase One deal to be achieved.

Sincerely,

Accessories Council	American Wind Energy Association
ACT The App Association	Arizona Technology Council
Agriculture Transportation Coalition (AgTC)	Arkansas Grocers and Retail Merchants Association
ALMA, International (Association of	Association For Creative Industries
Loudspeaker Manufacturing and Acoustics)	Association for PRINT Technologies
American Apparel & Footwear Association	Association of American Publishers
(AAFA)	Association of Equipment Manufacturers (AEM)
American Association of Exporters and	Association of Home Appliance Manufacturers
Importers (AAEI)	Auto Care Association
American Association of Port Authorities	Beer Institute
American Bakers Association	BSA The Software Alliance
American Bridal & Prom Industry Association	Business & Institutional Furniture
(ABPIA)	Manufacturers Association (BIFMA)
American Chemistry Council	California Retailers Association
American Down and Feather Council	Carolina Loggers Association
American Fly Fishing Trade Association	Chemical Industry Council of Delaware (CICD)
American Home Furnishings Alliance	Coalition of New England Companies for Trade
American Lighting Association	(CONNECT)
American Petroleum Institute	Coalition of Services Industries (CSI)
American Pyrotechnics Association	Colorado Retail Council
American Rental Association	Columbia River Customs Brokers and
American Specialty Toy Retailing Association	Forwarders Assn.

Computer & Communications Industry Association (CCIA)	International Warehouse and Logistics Association
Computing Technology Industry Association (CompTIA)	International Wood Products Association
Consumer Technology Association	Internet Association
Council of Fashion Designers of America (CFDA)	ISSA - The Worldwide Cleaning Industry Association
CropLife America	Juice Products Association (JPA)
Customs Brokers & Freight Forwarders Assn. of Washington State	Juvenile Products Manufacturers Association
Customs Brokers & Freight Forwarders of Northern California	Licensing Industry Merchandisers' Association
Distilled Spirits Council of the United States	Los Angeles Customs Brokers and Freight Forwarders Assn.
Electronic Transactions Association	Louisiana Retailers Association
Fashion Accessories Shippers Association (FASA)	Maine Grocers & Food Producers Association
Fashion Jewelry & Accessories Trade Association	Maine Lobster Dealers' Association
Flexible Packaging Association	Maritime Exchange for the Delaware River and Bay
Florida Ports Council	Maryland Retailers Association
Florida Retail Federation	Methanol Institute
Footwear Distributors and Retailers of America (FDRA)	Michigan Chemistry Council
Fragrance Creators Association	Michigan Retailers Association
Game Manufacturers Association	Minnesota Retailers Association
Gemini Shippers Association	Missouri Retailers Association
Georgia Retailers	Motor & Equipment Manufacturers Association
Global Chamber®	Motorcycle Industry Council
Global Cold Chain Alliance	NAPIM (National Association of Printing Ink Manufacturers)
Greeting Card Association	National Association of Chain Drug Stores (NACDS)
Grocery Manufacturers Association	National Association of Chemical Distributors (NACD)
Halloween Industry Association	National Association of Foreign-Trade Zones (NAFTZ)
Hobby Manufacturers Association	National Association of Home Builders
Home Fashion Products Association	National Association of Music Merchants
Home Furnishings Association	National Association of Printing Ink Manufacturers
Household and Commercial Products Association	National Association of Trailer Manufacturers (NATM)
Idaho Retailers Association	National Confectioners Association
Illinois Retail Merchants Association	National Council of Chain Restaurants
Independent Office Products & Furniture Dealers Association (IOPFDA)	National Electrical Manufacturers Association (NEMA)
Indiana Retail Council	National Fisheries Institute
Information Technology Industry Council (ITI)	National Foreign Trade Council
International Foodservice Distributors Association	National Grocers Association
International Housewares Association	National Lumber and Building Material Dealers Association
	National Marine Manufacturers Association
	National Restaurant Association
	National Retail Federation
	National Ski & Snowboard Retailers Association
	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
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)
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
TechNet
Telecommunications Industry Association (TIA)
Texas Retailers Association
Texas Water Infrastructure Network
The Airforwarders Association
The Fertilizer Institute
The Hardwood Federation
The Toy Association
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
Acting Administrator Chris Pilkerton, Small Business Administration
Director Larry Kudlow, National Economic Council