

# 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 15<sup>th</sup> 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 Loudspeaker Manufacturing and Acoustics)	Association For Creative Industries
American Apparel & Footwear Association (AAFA)	Association for PRINT Technologies
American Association of Exporters and Importers (AAEI)	Association of American Publishers
American Association of Port Authorities	Association of Equipment Manufacturers (AEM)
American Bakers Association	Association of Home Appliance Manufacturers
American Bridal & Prom Industry Association (ABPIA)	Auto Care Association
American Chemistry Council	Beer Institute
American Down and Feather Council	BSA   The Software Alliance
American Fly Fishing Trade Association	Business & Institutional Furniture Manufacturers Association (BIFMA)
American Home Furnishings Alliance	California Retailers Association
American Lighting Association	Carolina Loggers Association
American Petroleum Institute	Chemical Industry Council of Delaware (CICD)
American Pyrotechnics Association	Coalition of New England Companies for Trade (CONNECT)
American Rental Association	Coalition of Services Industries (CSI)
American Specialty Toy Retailing Association	Colorado Retail Council
	Columbia River Customs Brokers and Forwarders Assn.

Computer & Communications Industry Association (CCIA)  
 Computing Technology Industry Association (CompTIA)  
 Consumer Technology Association  
 Council of Fashion Designers of America (CFDA)  
 CropLife America  
 Customs Brokers & Freight Forwarders Assn. of Washington State  
 Customs Brokers & Freight Forwarders of Northern California  
 Distilled Spirits Council of the United States  
 Electronic Transactions Association  
 Fashion Accessories Shippers Association (FASA)  
 Fashion Jewelry & Accessories Trade Association  
 Flexible Packaging Association  
 Florida Ports Council  
 Florida Retail Federation  
 Footwear Distributors and Retailers of America (FDRA)  
 Fragrance Creators Association  
 Game Manufacturers Association  
 Gemini Shippers Association  
 Georgia Retailers  
 Global Chamber®  
 Global Cold Chain Alliance  
 Greeting Card Association  
 Grocery Manufacturers Association  
 Halloween Industry Association  
 Hobby Manufacturers Association  
 Home Fashion Products Association  
 Home Furnishings Association  
 Household and Commercial Products Association  
 Idaho Retailers Association  
 Illinois Retail Merchants Association  
 Independent Office Products & Furniture Dealers Association (IOPFDA)  
 Indiana Retail Council  
 Information Technology Industry Council (ITI)  
 International Foodservice Distributors Association  
 International Housewares Association  
 International Warehouse and Logistics Association  
 International Wood Products Association  
 Internet Association  
 ISSA - The Worldwide Cleaning Industry Association  
 Juice Products Association (JPA)  
 Juvenile Products Manufacturers Association  
 Licensing Industry Merchandisers' 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  
 Michigan Retailers Association  
 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 Printing Ink Manufacturers  
 National Association of Trailer Manufacturers (NATM)  
 National Confectioners Association  
 National Council of Chain Restaurants  
 National Electrical 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 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