

AMERICANS FOR FREE ★ TRADE

November 27, 2018

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 urge you to resolve the ongoing trade dispute with China during your meeting with President Xi this month. Resolution of this dispute is essential to keeping America competitive on the global stage while growing our economy and the millions of jobs supported by trade here at home.

Our diverse 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 trading partners should abide by the global trade rules. Accordingly, we believe that targeted trade actions are effective measures for proven trade violations. Broadly applied tariffs, however, are not.

At a time when our economy is booming, unemployment is at record lows and consumer confidence is at its highest level in nearly two decades, we are united in our concern over the harmful consequences of tariffs for American businesses, workers, and families. Since our coalition launched in September, we have held townhall events across the country where Americans, including owners of local businesses large and small, detailed how tariffs hurt businesses, consumers and communities. Here are a few examples of what they've been saying at our town halls.

- **Columbus, Ohio:** President and CEO of the Ohio Council of Retail Merchants Gordon Gough said, "Retailers in Ohio have limited resources, so they won't be able to simply absorb the cost of these new taxes. Instead, these costs will show up in the form of fewer jobs and higher prices for Ohioans."
- **Dallas, Texas:** South Texas farmer and rancher Scott Frazier warned that "agriculture is bearing the brunt of these retaliations at a time when we can least afford it."
- **Milwaukee, Wisconsin:** President and CEO of the Marquis-Larson Boat group called the tariff impact on the boat building industry "catastrophic," adding that the "little guys are just getting crushed."
- **Philadelphia, Pennsylvania:** Not only are these tariffs costing consumers more for everyday products, but they are impeding access to new markets for Pennsylvanian farmers and business owners. "America's farmers produce enough food to meet the needs of consumers within our borders and worldwide who desire our high-quality products," said Juniata County hog and

chicken farmer Chris Hoffman. “Tariffs threaten our ability to market our products and directly affect our profitability. It is critically important for U.S. farmers to have access to free markets to remain economically viable.”

- **Rutherford County, Tennessee:** Hog farmer Brandon Whitt expressed his concern that if the trade war doesn’t end soon, markets could be lost and the trade war could cause “permanent damage to farming and agriculture in Tennessee and across the country.”

These stories of economic hardship are unfolding nationwide. The harm will be exacerbated when the tariffs on \$200 billion worth of goods increase to 25 percent on January 1, 2019. Further, the additional threat of tariffs on the remaining \$267 billion worth of trade with China is causing even greater concern for job creators across the country.

The impacts are supported by real numbers. According to data released by the joint Tariffs Hurt the Heartland campaign in October 2018, American businesses paid over \$5.6 billion in tariffs – more than a 70 percent increase from the same month last year. In September 2018, U.S. exports subject to retaliatory tariffs declined by \$2.5 billion, or 26 percent, from the previous year, having an immediate and severe impact on U.S. products sent abroad.

Tariffs are leading to fewer opportunities for America’s farmers and ranchers to compete in overseas markets and less income to provide for their families. For U.S. companies importing manufacturing inputs or finished products, these significant costs will result in higher prices, fewer jobs, slower wage growth and reduced investment. We will continue to see the cost of the trade war ripple through the U.S. economy and reverse this year’s economic progress.

Mr. President, we urge you to capitalize on your upcoming meeting with President Xi to reach an agreement that addresses China’s unfair trade practices and policies in order to remove the 2018 tariff increases, forgo the January 2019 tariff increase and avoid an additional round of tariffs on the remaining \$267 billion worth of everyday consumer products and manufacturing inputs. Millions of American farmers, business owners, companies, workers, and families are counting on you to make a deal.

Sincerely,

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| Accessories Council | Arkansas Grocers and Retail Merchants Association |
| Agriculture Transportation Coalition (AgTC) | Association For Creative Industries |
| American Apparel & Footwear Association (AAFA) | Association for PRINT Technologies |
| American Association of Exporters and Importers (AAEI) | Association of Equipment Manufacturers (AEM) |
| American Association of Port Authorities | Association of Home Appliance Manufacturers |
| American Bakers Association | Auto Care Association |
| American Chemistry Council | BSA The Software Alliance |
| American Coatings Association, Inc. (ACA) | Business & Institutional Furniture Manufacturers Association (BIFMA) |
| American Down and Feather Council | California Retailers Association |
| American Home Furnishings Alliance | Coalition of New England Companies for Trade (CONNECT) |
| American Lighting Association | Coalition of Services Industries (CSI) |
| American Petroleum Institute | Colorado Retail Council |
| American Pyrotechnics Association | Columbia River Customs Brokers and Forwarders Assn. |
| American Rental Association | Computer & Communications Industry Association (CCIA) |
| American Specialty Toy Retailing Association | Computing Technology Industry Association (CompTIA) |
| Arizona Technology Council | |

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
 Gemini Shippers Association
 Georgia Retailers
 Global Chamber®
 Global Cold Chain Alliance
 Grocery Manufacturers Association
 Halloween Industry 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 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.
 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 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
 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
 Organizaiton for International Investment
 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
 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
The Vinyl Institute
Travel Goods Association (TGA)

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)