



VIA ELECTRONIC FILING

The Honorable Robert E. Lighthizer
United States Trade Representative
Office of the United States Trade Representative
600 17th Street NW
Washington, D.C. 20508

Dear Ambassador Lighthizer,

I write as the owner and President of Saris Cycling Group, Inc., a proud American Manufacturer who has dedicated his professional life to manufacturing high quality, best-in-class bicycle products in the United States, more specifically Madison, Wisconsin, since 1989.

I write to strongly support President Trump's proposal of an additional tariff on Chinese bicycles, parts and accessories. My support includes the Harmonized Tariff Schedule (HTS) 8302.30.30 Bicycle car rack components and 8708.29.50 Complete bicycle racks for automobiles. Considering the President's March 8th decision to raise import tariffs on steel and aluminum, I strongly support this measure as it levels the playing field with our foreign and domestic competitors who have intentionally chosen to not invest in American jobs but nonetheless benefited from the March 8th decision.

Saris, a dedicated American employer, currently consists of two production facilities in Madison, Wisconsin and Minneapolis, Minnesota with over 200 employees, four product divisions and sells or distributes our best-in-class products in over 72 countries around the world. We are incredibly proud of the economic impact we make locally and regionally with our local sourcing of 92% of our raw materials from within 120 miles.

Our situation is simple. All our competitors choose to invest in other countries while Saris invests here at home.

We have been abandoned by our bicycle trade and industry groups who have sided with members of the industry who have sent most of their production and manufacturing overseas and outside the United States.

We understand the complexity of the issues surrounding a fair-trade system but the following is a synopsis of the major challenge we face as an American manufacturer and why we support the President's actions.

On March 8th 2018, President Donald Trump announced his intention to impose a 25% tariff on imported steel and 10% on imported aluminum. Immediately following the announcement, domestic steel and aluminum producers began to dramatically raise prices. While benefiting the bottom line of these suppliers, domestic manufacturers further down the supply chain like Saris who rely on domestic steel and aluminum



for their finished products have been faced with difficult decisions around raising consumer prices and reducing investment in jobs and innovation.

- Cold Roll Steel Index has increased 17% since the March 8th announcement
- Hot Roll Steel Black Index has increased 25% since March 8th announcement

Complicating this process is the fact that most of Saris' competitors, both globally and domestically, have chosen to move their production and accompanying jobs overseas. Because the President's tariffs only apply to raw steel and aluminum, these overseas bicycle product manufacturers **are not impacted by either the tariff surcharge or the accompanying increase in material costs and have a gained a competitive advantage with their offshore production** while domestic manufacturers such as Saris are faced with additional material and labor costs.

11 of the 12 top bicycle transport racks sold on Amazon are manufactured in either China or Asia. The lone exception: The Saris Bones Rack we manufacture in Wisconsin. 100% manufactured in Madison from materials sourced within 120 miles.

On August 7th, President Trump proposed an additional tariff of 25% on Chinese bicycles, parts, and accessories. This includes Harmonized Tariff Schedule (HTS) 8302.30.30 Bicycle car rack components, and 8708.29.50 Complete bicycle racks for automobiles.

This initiative proposed by President Trump has the real-world effect of leveling the playing field for American manufacturers like Saris. We don't ask for special treatment- we simply ask for fair treatment that creates a nondiscriminatory business environment and demonstrates that American jobs are worth fighting for. We don't mind competing- we are invigorated by it and the quality and reputation of our American craftsmanship has served us well. However, without this action by the President, we will be at an extreme disadvantage through no fault of our own. Foreign manufacturers will have cost advantages that will be difficult to overcome.

The US Trade Representative has extended the public comment period on this latest proposal until September 6th, 2018. **We ask your assistance in helping us support this measure as it is necessary in our efforts to continue to provide high quality living-wage jobs to our community and add value to our local and domestic economy.**

Thank you for your consideration and support of American and Wisconsin manufacturing.

Sincerely,

Chris Fortune

President

Saris Cycling Group, Inc.