## Congress of the United States Washington, DC 20515

January 25, 2019

President Donald J. Trump The White House 1600 Pennsylvania Avenue N.W., Washington, D.C. 20500

Dear Mr. President:

We write today regarding the efforts of your administration to secure more free and fair trade for the United States. We are encouraged by the signing of the United States – Mexico – Canada Agreement (USMCA), and look forward to working with your administration and our colleagues in Congress to approve the USMCA as soon as possible. In the meantime, we respectfully request that you consider lifting the Section 232 steel and aluminum tariffs on Canada and Mexico.

Trade between our North American neighbors is critical to businesses across North Dakota. Our state shares a 310 mile border with Canada, and our economies are highly integrated. While we are pleased with the improvements and modernizations made in the USMCA, the existing Section 232 steel and aluminum tariffs have had an impact on businesses both small and large in our state, and these companies would benefit from the removal of the tariffs.

Amber Waves is a small business that engineers and manufactures steel hopper bottom grain bins for use by farmers and many other businesses. The company was started in 2002, after two engineering graduates from North Dakota State University moved back to the area their families farmed for generations and took a leap into entrepreneurship. Today, the company employs 50 people in the rural western North Dakota town of Richardton. Amber Waves uses coil steel imported from Canada as an input to manufacture their grain bins and has been facing a 25 percent tariff since June 1, 2018. Especially challenging is the fact that Amber Waves' largest competitors in the grain bin industry are Canadian companies that are able to export their finished product into the United States tariff free. Amber Waves has been actively looking for a U.S. supplier of coil steel, but notes that many American steel suppliers also import this special steel product from Canada and embed the tariff in their price. Discontinuing the steel tariff on imports from Canada would help Amber Waves remain competitive and ensure that they can continue to produce high-quality, American-made grain bins for farmers and other customers in North Dakota and around the country.

Clark Equipment Company (CEC) d/b/a Bobcat Company is headquartered in West Fargo, North Dakota and manufactures compact equipment for the construction, rental, landscaping, agriculture, mining, and utility industries, among others. The business employs over 3,200 employees in our home state alone, where it has manufactured over one million Bobcat loaders since 1958. In addition to being subject to Section 301 tariffs on several imports from China, CEC is also impacted by the Section 232 tariff on steel from Canada. CEC has informed our offices that they have made serious attempts to source 100 percent of their annual requirements from steel mills in United States. Unfortunately, U.S. steel producers do not have the capacity to meet CEC's demand. Therefore, the company turns to Canada to fill the gap. The current 25 percent tariff puts CEC at a disadvantage when compared to their foreign competitors, who are able to source steel from around the world tariff free.

Not only would lifting the steel and aluminum tariffs on Canada and Mexico greatly benefit Amber Waves, Bobcat, and additional North Dakota manufacturers, but it would also give certainty to our agriculture producers and other American businesses that are facing retaliatory tariffs from these two countries. Again, we thank you for your work to secure better trade deals for our country and appreciate your attention to this matter. We look forward to continuing to work with you on this issue and approval of the USMCA in the future. Thank you for your consideration of our request.

Sincerely,

JOHN HOEVEN

U.S. Senator

KEVIN CRAMER

U.S. Senator

KELLY ARMSTRONG

U.S. Congressman

CC: The Honorable Wilbur Ross
U.S. Department of Commerce