Vista Outdoor Inc.
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Testimony of Dave Allen, President, Vista Outdoor Inc.

Good morning. My name is Dave Allen. I am Group President of the Outdoor Products Segment of Vista Outdoor.

Vista Outdoor is a leading global designer, manufacturer and marketer of consumer products in the outdoor sports and recreation markets. We serve these markets through a diverse portfolio of brands that provide consumers with a range of performance-driven, high-quality and innovative products including sporting ammunition and firearms, sports optics, golf rangefinders, outdoor cooking solutions, hydration systems, performance eyewear, action sports helmets and goggles, and stand up paddle boards.

Our ability to supply quality, affordable outdoors products is threatened by the prospective Section 301 tariff list. Under this proposed initiative, approximately 150 of our Bushnell and Camp Chef products[1], are impacted. These products are covered by six different HTS 8-digit subheadings, and include GPS rangefinder devices for golfers, riflescopes, and other products for hunters and sportsmen, outdoor water heaters used to bathe pets and fill kiddie pools, and hose adapters for outdoor propane grills.

We appreciate and support the Administration's goals. I am not here to argue about the approach of using Section 301 trade actions against China. I understand that you used a broad approach aided by an algorithm in developing the list totaling $50 billion in imports from China. The problem is that the broad-brush approach sweeps up a lot of niche commercial products that, in our judgement, will inflict more harm on the U.S. than China.

I respectfully suggest that imposing punitive tariffs on things like riflescopes and rangefinders, and small outdoor water heaters will only lead to higher costs for hunters and golfers, dirty dogs and cold kids, with no impact on China's IPR and industrial policies. I will elaborate on this and conclude by offering options to avoid harm on these consumer markets.

We employ 4,500 total employees in the United States and are probably best known for our shooting and camping products, sold to consumers under our Bushnell and Camp Chef brands, which are headquartered in Kansas and Utah, respectively.

[1] See Appendix 1 for impacted product details.

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Hunters, target shooters and bird watchers consider Bushnell a reliable, go-to brand. Bushnell also offers high-quality, cost-effective devices to help golfers better navigate golf courses, and who couldn't use help with that?

Our Camp Chef products provide consumers efficient and innovative ways to cook food outside, whether it be in their backyard, on tailgates or backpacking.

If the 25 percent tariff is applied, we estimate our duty costs would increase nearly three-fold. The higher costs would be meaningful and substantial, affecting our future investment plans in the United States. Unfortunately, these costs would be passed on to consumers, causing our retail prices to simultaneously increase. This likely will have a negative effect on sales and our bottom line, especially since all our products on this list are intended for the mass market. This means that ordinary Americans would be affected most.

We do not believe USTR intentionally captured our products, as we understand the methodology used was specifically meant to avoid consumer goods. We think that our products are impacted simply because of their 8-digit HTS classifications, which include a wide-variety of other products that are not consumer goods.

Although considered innovative and technologically advanced within each market segment, the impacted products are not the type of high-technology products China is targeting with its Made in China 2025 Program. These are not military grade riflescopes; they are mass market products for the average hunter or target shooter. The propane adapters are meant for the average backyard barbeque; they are not industrial-grade gas valves. The in-line water heaters are for rinsing off at the beach, washing pets and filling kiddie pools; they are not high-capacity in-line heaters for building infrastructure.

Since our products have been swept into the trade maelstrom inadvertently, I would like to offer options to resolve the problem. One option would be to simply drop the identified 8-digit tariff subheadings from the list. We think this is viable, as the 8-digit HTS subheadings do not seem to contain critical products on the MIC 2025 list. Another option would be to keep the 8-digit subheading but exclude certain unintended products. Our submissions include language based on objective criteria that Customs and Border Protection could easily enforce. I note that antidumping and countervailing duty orders often apply to portions of HTS headings. The third option would be to create additional 10-digit breakouts based on the definition we provide in our submission.

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We recognize that there may be time constraints on this last approach, but we think that it is viable and clear-cut.

Whichever way you choose to better target the Section 301 list, we implore you to do so. The Administration said that it wanted to minimize the impact on American companies and consumers when compiling the list, which is the right thing to do. Failing to remove these products from the 301 tariff list will not have any meaningful impact on China, but as currently constructed, will significantly hurt Vista's ability to provide outdoor recreational products to ordinary American consumers at practical prices.

Thank you for considering our comments and we hope to work with you to ensure American companies and consumers are not hurt by the Administration's 301 trade actions.

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Appendix 1

HTS #	HTS Description	Consumer Product	Duty Rate	Cumulative Proposed Duty Rate
Bushnell Products				
8526.91.00	Radio navigational aid apparatus, other than radar	Golf GPS devices	Free	25%
9013.10.10	Telescopic sights for rifles not designed for use with infrared light	Riflescopes	14.9%	39.9%
9013.10.50	Other telescopic sights for arms other than rifles; periscopes	Other types of scopes	5.3%	30.3%
9031.49.90	Other optical measuring or checking instruments, appliances and machines, nesoi	Long gun accessories	Free	25%
Camp Chef Products				
8419.11.00	Instantaneous gas water heaters, nonelectric	Portable water heater, and showering unit	Free	25%
8481.10.0060	Pressure-reducing valves, nesi	Propane tank adapter	2%	27%