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Before the 301 Committee
Proposed Determination of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation

Panel 5
July 24, 2017

Good afternoon. On behalf of the Retail Industry Leaders Association (RILA), thank you for the opportunity to provide the retail perspective on the Administration's proposed 301 Action.

My name is Hun Quach. I serve as vice president for international trade at RILA. RILA represents the world's largest and most innovative retail companies, accounting for more than $1.5 trillion in annual sales and millions of American jobs.

RILA appreciates the opportunity to comment on the proposed HTS list prior to the tariffs being imposed. We welcome the opportunity to request product exemptions from the 301 retaliatory tariffs that went into effect on July 6, 2018.

RILA agrees that China's technology policies and practices have harmed U.S. businesses. Retailers thrive in a rules-based economy where global markets are open, trade rules and obligations are met, and governance is fair and transparent.

We support the Administration's decision to hold China accountable for their intellectual property violations but imposing tariffs on a broad range of products coming from China, most of which have no connection to the identified violations, will simply mean higher prices for consumers.

The 301 retaliatory tariffs will not be effective in eliminating China's discriminatory behavior against U.S. companies. In fact, these tariffs will do greater harm to U.S. economic interests, including the American families we serve every day.

That is why RILA respectfully requests the removal of 45 tariff lines from the proposed list of products subject to a 25 percent tariff. Otherwise, hundreds of consumer products, such as selfie sticks, plastic stickers, straws, rotary tillers, dog kennels, and gazebos, will get slapped with a tax.

If enacted, these proposed tariffs will impact the budget of American families, especially lower and middle-income families who can ill-afford to pay more for every day consumer goods. The Administration must do more to ensure that consumer products remain off the tariff list to prevent harm to American family budgets.

While there is no good time for price increasing tariffs, it is particularly harmful to do so just as American families begin shopping for the holiday. If America's retailers face any increase in the cost of products in the form of a tariff, it will mean higher prices at the checkout for American families this holiday season.

For example, millions of American families purchase Christmas lights (8543.70.99) for home décor, increasingly so during the holiday season. Cling wrap (3920.10.00) protects food while meat thermometers (9025.80.10) keep food safe for consumption.

We are also concerned about the consumer products categorized under 7408.90.95, a catchall HTS line, which applies to dog kennels, gazebos, pergolas, fence panels, gates, scaffold guardrails, elevated hunting platforms and "shed-in-a-box".

8424.89.90 is an another catchall HTS line that includes soap dispensers, fog machines, and showerheads. We are certain that these products are not involved in any Chinese industrial policies, and therefore should not be included in the final 301 list.

Because these products have no link to the Made in China 2025 agenda, we expect USTR to receive hundreds of product exclusions for 8424.89.90 and 7408.90.95 given the quantity and variety of consumer products that are captured in these HTS lines.

And the impact of these tariffs would reverberate throughout the U.S. global value chain, targeting consumers, retailers, and our U.S.-based suppliers who design these products. For several products, there is no alternative other than China to source these consumer products.

We cannot miss the opportunity to also express our significant concerns about the potential for an additional $200 billion imports to be subject to a new tariff. It would be a devastating blow to American families, retailers, farmers, manufacturers and many other U.S. businesses.

We strongly encourage the Administration to not impose any more tariffs while the United States and China are working on a negotiated settlement.

In conclusion, we ask that you think of the millions of American families, our customers, who effectively pay the price of any tariff. We look forward to working with you as you finalize this list. I am happy to answer any questions.

HTS	Product Description	Common Product Description
3901.90.90	Polymers of ethylene, nesoi, in primary forms, other than elastomeric	Fine flurry, iridescent snowflakes
3903.11.00	Polystyrene, expandable, in primary forms	Expand polys of styrene
3906.90.50	Acrylic polymers (except plastics or elastomers), in primary forms, nesoi	Hydrated aqua beads jar, dry water gems, test tube toys
3907.99.50	Other polyesters nesoi, saturated, in primary forms	Plastic flurry flakes, plastic snow flakes
3916.20.00	Monofilament with cross-section dimension over 1 mm, rods, sticks, profile shapes, at most surface-worked, of polymers of vinyl chloride	Craft cord
3916.90.30	Monafilament nesoi, of plastics, excluding ethylene, vinyl chloride and acrylic polymers	Trimmer line
3917.31.00	Flexible plastic tubes, pipes and hoses, having a minimum burst pressure of 27.6 MPa	Garden hose
3917.32.00	Tubes, pipes and hoses, of plastics, other than rigid, not reinforced or otherwise combined with other materials, without fittings	Plastic straws, flexible straws, coasters, airline tubing, straw dispenser, hose mender, plastic tubing, discharge hoses
3917.40.00	Fittings of plastics, for plastic tubes, pipes and hoses, nesoi	Hose menders, plastic hose couplings, plastic quick connects
3919.10.20	Self-adhesive plates, sheets, other flat shapes, of plastics, in rolls n/o 20 cm wide, not having a light-reflecting glass grain surface	PVC electrical tape, clear and double sided tape, shipping tape, masking tape, decorative tape, foam tape, duct tape, tarp repair tape, blue painters tape, reflective tape, glass screen protectors for iPhones and Samsung Galaxy, nail design set, labels
3919.90.50	Self-adhesive plates, sheets, other flat shapes, of plastics, not having a light-reflecting surface produced by glass grains, nesoi	Stickers, mirror stickers, nail art stickers, glitter stickers, writable tabs, floor/wall décor, office sticker flags, removable dry erase label, non-iron fabric labels, egg decorating kit, perfume roller, labels, signboard, graphics for light board displays
3920.10.00	Nonadhesive plates, sheets, film, foil and strip, noncellular, not reinforced or combined with other materials, of polymers of ethylene	Cling wrap, plastic drop cloths, plastic tablecloths, roller plastic sheeting, paint tray set, vacuum sealer rolls
3920.20.00	Nonadhesive plates, sheets, film, foil and strip, noncellular, not reinforced or combined with other materials, of polymers of propylene	Curling ribbon assortment, metalic wrap, window insulation kit, cello clear roll wrap, fill and wrap kit, ribbon spool
3920.49.00	Nonadhesive plates, sheets, film, foil, strip, noncellular, not combined w/other materials, of polymers of vinyl chloride, < 6% plasticizers	Vinyl repair kit
3920.51.50	Nonadhesive plates, sheets, film, foil and strip, noncellular, not combined with other materials, of polymethyl methacrylate, not flexible	Plastic block acrylic stamp
3920.62.00	Nonadhesive plates, sheets, film, foil and strip, noncellular, not combined with other materials, of polyethylene terephthalate	Tissue foil, ribbon spool, holographic tissue
3920.71.00	Nonadhesive plates, sheets, film, foil and strip, noncellular, not combined with other materials, of regenerated cellulose	Plastic table protectors
3920.99.20	Nonadhesive film, strips and sheets, noncellular, not combined with other materials, of plastics nesoi, flexible	Jewelry cord
3921.12.11	Nonadhesive plates, sheets, film, foil, strip, cellular, of polymers of vinyl chloride, with man-made textile fibers, over 70% plastics	Rug underlay
3921.12.15	Nonadhesive plates, sheets, film, foil, strip, cellular, of polymers of vinyl chloride, with man-made textile fibers, n/o 70% plastics	Rug pads
3921.13.50	Nonadhesive plates, sheets, film, foil and strip, cellular, of polyurethanes, not combined with textile materials, nesoi	Fringe poster border
3921.19.00	Nonadhesive plates, sheets, film, foil and strip, cellular, of plastics nesoi	Foam sheets, window art
3921.90.19	Nonadhesive plates, sheets, film, foil and strip, of noncellular plastics combined with textile materials, nesoi, not over 1.492 kg/sq m	Plastic velvet ribbons
7308.90.95	Iron or steel, structures (excluding prefab structures of 9406) and parts of structures, nesoi	Miscellaneous steel items, dog kennels, fencing, car ports, gazebos, pergolas, elevated hunting platforms, hunting deck, "shed-in-a-box", canopy gazebos, outdoor structures, fence panels, gates, scaffold guardrails, steel racking for store display, parts of drop ceiling structures

HTS	Product Description	Common Product Description
8419.89.95	Industrial machinery, plant or equipment for the treatment of materials, by process involving a change in temperature, nesoi	
8424.82.00	Agricultural or horticultural projecting or dispersing equipment including irrigation equipment	8 pattern sprinkler, Oscillating/Impact sprinklers
8424.89.90	Other mechanical appliances for projecting, dispersing or spraying liquids or powders, nesoi	Soap dispenser, oil mister, spraying apparatus, plastic dispenser, travel bottle, fog machines, foaming cleaning system, mist maker, auto spray foaming wash system, showerhead
8432.29.00	Harrows (other than disc), scarifiers, cultivators, weeders and hoes for soil preparation or cultivation	Rotary tillers, cultivators
8432.42.00	Fertilizer distributors	
8464.10.01	Sawing machines for working stone, ceramics, concrete, asbestos-cement or like mineral materials or for cold working glass	Tile saws (with and without stands)
8465.96.00	Splitting, slicing or paring machines for working wood, cork, bone, hard rubber, hard plastics or similar hard materials	Log splitters
8473.50.90	Parts and accessories, nesoi, suitable for use with machines of two or more of the headings 8469 to 8472	Stylus
8501.31.80	DC generators of an output not exceeding 750 W	Solar back-up power kit, Solar pack power kit
8501.32.60	DC generators of an output exceeding 750 W but not exceeding 75 kW	Generators
8507.80.81	Other storage batteries nesoi, other than of a kind used as the primary source of power for electric vehicles	Power bank, battery back up, compact speaker
8536.30.80	Electrical apparatus for protecting electrical circuits, for a voltage not exceeding 1,000 V, nesoi	GFCI outlets
8536.50.70	Certain specified electronic and electromechanical snap-action switches, for a voltage not exceeding 1,000 V	Lighting dimmers, fans, light switches
8543.70.99	Other machinery in this subheading	Universal remote control, selfie stick, LED strobe light, light-up shoelaces, junction box, crayon melter, pet training collars, strobe lights, animated carousel, sonic pestchaser, wireless fence dog collar, rotisserie kit, outdoor insect trap, carousel music box, kid's smart watch, laser light projector, electronic globe, ceramic oil diffuser
8544.49.10	Insulated electric conductors of a kind used for telecommunications, for a voltage not exceeding 80 V, not fitted with connectors	Speaker cables, sync/charging cables, wire
8544.49.20	Insulated electric conductors nesoi, for a voltage not exceeding 80 V, not fitted with connectors	3.5mm to 3.5mm cable
9025.19.80	Thermometers, for direct reading, not combined with other instruments, other than liquid-filled thermometers	Digital thermometer, meat thermometer, oven thermometer, pulse oximeter, digital multimeter
9025.80.10	Electrical: hydrometers & sim. floating instr., hygrometers, psychometers, & any comb. with or w/o thermometers, pyrometers, & barometers	Thermometer
9029.20.40	Speedometers and tachometers, other than bicycle speedometers	Pulse Oximeters
9030.31.00	Multimeters for measuring or checking electrical voltage, current, resistance or power, without a recording device	