

Template for Personalized Comments on Proposed China Tariffs on Fireworks

Please put on your company letterhead

Date: May XX, 2019 (Must submit on or before June 17, 2019 – please customize as much as possible)

Letters may be filed electronically at www.regulations.gov, please enter the docket Number, USTR-2019-004 to access the correct filing location.

Ambassador Robert E. Lighthizer
U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

Re: Docket No. USTR-2019-0004: Comments Concerning Proposed Modification of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation

Dear Ambassador Lighthizer:

On behalf of (insert your company name) we appreciate the opportunity to submit comments in response to the above-referenced proposed action concerning Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property and Innovation, which would impose additional 25% *ad valorem* tariffs on a proposed list of \$300 billion worth of imports from China.

Our company relies upon (select one or list both)

1.3G Display Fireworks, HTS Subheading 3604.10.10 and/or 1.4G Consumer Fireworks which is part of Fireworks *nesoi* under HTS Subheading 3604.10.90 and we will focus our comments solely with regard to the direct impact an additional tariff on fireworks would have on our business and downstream customers.

(Insert company name) has been in business since (fill in year). We employ XX fulltime employees and XX seasonal employees to help during our peak Fourth of July and Christmas / New Year's season. We are a small (explain further: family, multi-generation) business with strong ties to our community and our business helps support the local economy.

Over XX percent of the fireworks that we (select one, two or all)

retail, wholesale, use in our professional fireworks displays are imported from China.

Our company has developed strong relationships with our China manufacturers over the past (insert number of years) and are committed to product safety, quality and innovation. We travel to China routinely, often _____ or more times per year, to develop fireworks which are (insert one or both) unique to our company brand / signature devices that enhance our shows. Imposing a 25% tariff will cause significant economic harm to our family business as the profit margin on fireworks, even without an additional tariff, is quite (small / narrow). We would be forced to pass along the 25% increase directly to our customers and that would further reduce our bottom line.

(Insert company name) primary customer base is (choose those that pertain):

1) The individual consumer. A 25% increase in the cost of consumer fireworks simply means that the customer will face a tariff surcharge or tax and get less product for their budget. The vast majority of our customers have a defined budget for their backyard fireworks celebrations and will be disappointed by how far that budget will stretch.

2) Nonprofit groups such as Boys & Girls Clubs, Jaycees, Churches, who operate seasonal fireworks stands and tents as their primary fundraiser for the year. These nonprofits are already struggling to generate funds and a 25% hike will severely hurt their fundraising abilities.

3) Small municipal Independence Day fireworks displays. These small municipalities are already budget strapped and struggle year after year for funding to put on their community Fourth of July display. In most cases, a 25% hike in price will force their skies to go dark on the 4th of July).

We support the Administration's efforts to negotiate meaning long-term solutions with the Chinese government; however, the broad scope of the proposed tariffs is harmful to small family businesses, like ours. Fireworks are not high-tech products covered by Chinese industrial policy. China is the global supplier of fireworks and currently, there are no other countries that can manufacture these types of products.

We urge you to exclude (Choose one or list both):

HTS 3604.10.10 Display Fireworks 1.3G and/or HTS 3604.10.90 Fireworks *nesoi* including 1.4G Consumer Fireworks) from the proposed list of products subject to increased tariffs.

Thank you for your consideration.

Sincerely,

Name, Title

Company Name