



November 21, 2019

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

Dear Ambassador Lighthizer:

I am writing today on behalf of the National Demolition Association (NDA) to respectfully urge the Trump Administration to consider the effects of trade practices, especially tariffs on equipment used in demolition work, on the construction and demolition industry. Trade and tariff policies enacted to provide stability in international markets must be balanced and not negatively impact America's small businesses.

NDA represents nearly 500 U.S. and Canadian companies that offer standard demolition services as well as a full range of demolition-related services and products. NDA educates members on the latest advances in equipment and services, provides educational programs and tools to stay abreast of regulatory and safety matters and keeps regulators informed about issues in our industry. NDA also increases public awareness of the economic and societal benefits of demolition.

We are particularly concerned about tariffs levied on imports with the Harmonized Tariff Schedule of the United States (HTSUS) subheading 8429.52.50, "Self-propelled machinery with a 360 degree revolving superstructure, other than backhoes, shovels, clamshells and draglines" and subheading 8429.52.10, "Self-propelled backhoes, shovels, clamshells and draglines with a 360 degree revolving superstructure." These products, if imported from the United Kingdom and Germany, are now subject to a 25 percent tariff.

Businesses affected by these tariffs, including NDA member companies, will not pay an additional 25 percent for the equipment, but will simply not make any new purchases and continue to run older equipment, which is less productive and efficient than newer machinery. Additionally, these tariffs will directly counteract the positive impacts of President Trump's Tax Cuts and Jobs Act, including the 100 percent bonus depreciation provision, which was designed to incentivize the purchase newer, more efficient equipment. The resulting decline in customer purchases will force decreases in investments and possibly affect the workforce.

In NDA's view, the decision to impose 25 percent tariffs on these products, which are often used in demolition activity, made in the United Kingdom and Germany will create enormous uncertainty and endangers growth in our marketplace. NDA is not aware of any evidence that German or U.K. companies are engaging in unfair trading practices or other inappropriate trade activities related to construction and demolition equipment or machinery, and these products are completely unrelated to the underlying issue in the WTO case—the aerospace sector.

NDA urges the Trump Administration to consider the effects of these trade policies on NDA member companies and their business partners. Thank you for the opportunity to provide comment on this issue. Please contact Kevin McKenney at kmckenney@demolitionassociation.com or 202-367-2480 with questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Lambert", is written over a light blue horizontal line.

Jeff Lambert
Chief Executive Officer