March 19, 2018

The Honorable Donald J. Trump President of the United States The White House Washington, DC 20500

## Dear Mr. President:

As leading American footwear companies and brands, with hundreds of thousands of employees across the U.S., we write to express our strong concerns over reports that the Administration may consider tariff increases on footwear as a potential Section 301 remedy.

We support efforts to strengthen intellectual property protections around the world, and this has been one of the top priorities of our industry for many years. However, we reject the idea that the solution to this important issue is new hidden taxes on every American who buys and sells shoes.

U.S. footwear imports already face astronomically high tariff rates that fall disproportionately on working class individuals and families. While U.S. tariffs on all consumer goods average just 1.3 percent, they average 11 percent for footwear and reach rates as high as 67.5 percent. In 2017 alone, U.S. footwear companies and U.S. consumers paid nearly \$3 billion in these hidden taxes. This amounts to billions upon billions of dollars paid since these tariffs were first enacted in the 1930s. U.S. footwear tariffs stifle innovation and job creation and raise the cost of shoes for every American.

Adding even more tariffs on top of this heavy burden would mean higher costs for footwear consumers and fewer U.S. jobs. Given the price sensitivity of our products, any additional increases in our costs would strike right at the heart of our ability to keep product competitively priced for our consumers.

In addition, footwear is a very capital-intensive industry, with years of planning required to make sourcing decisions, and companies cannot simply move factories to adjust to these changes. Any action taken to increase duties on Chinese footwear will have an immediate and long-lasting effect on American individuals and families.

Our companies design and develop the most innovative and sought-after footwear in the world and often face challenges in protecting their designs, patents, and trade dress. We want to work with the Administration to address these challenges and ensure adequate protections for the integrity of our brands. However, increasing tariffs on U.S. companies and consumers penalizes those that are seeking relief.

On behalf of our hundreds of millions of consumers, thank you for your consideration of our views. We ask that you keep American families and workers in mind as you contemplate increasing the tax on footwear sold in the United States.

## Sincerely,

Aerosoles FN Platform/UBM Payless ShoeSource
Allen Edmonds Foot Petals R.G. Barry Brands
Bates Franco Sarto Rack Room Shoes

BBC International Genesco Robert Wayne Footwear

Bionica Footwear George Brown Bilt Ryka

BOGS H.H. Brown Shoe Co. Sam Edelman

Børn Handcrafted Footwear Harley Davidson Footwear Saucony

Brooklyn Boot Company Hush Puppies Schwartz & Benjamin

Bzees HyTest SG Companies
Caleres International Seaway Trading Corporation Shoe Carnival

Carolina Footwear Isolá Footwear Snowden Brothers
Cat Footwear J. Reneé Söfft Shoe Company

Chaco Jane and the Shoe Sorel
Chippewa Boots Johnston & Murphy Sperry

Clarks Journeys Stacy Adams
Columbia Sportswear Justin Boots Steve Madden
Converse Keds Stride Rite

Cove Shoe CompanyKork-EaseTony Lama BootsCrocsKorks FootwearTopline Footwear

Dearfoams LifeStride Umi

Deer StagsMerrellUnder ArmourDexter Bowling FootwearMontana FootwearVia Spiga

Dolce Vita Naturalizer Vionic Group

Double H Boots NIKE Walk-Over Footwear

Dr. Scholls Shoes Nocona Boots Weyco Group

Famous Footwear Nunn Bush Wolverine Worldwide

Feiyue Footwear Off Broadway Shoe Warehouse

Florsheim ONO

CC: The Honorable Robert Lighthizer, *United States Trade Representative*The Honorable Wilbur Ross, *Secretary of Commerce*The Honorable Larry Kudlow, *Director, National Economic Council*