

THE BEEF GOES ON

Fight Against 100 Percent Tariff Continues



By Rob Dingman

In mid-June, I got a call from U.S. Trade Representative General Counsel Stephen Vaughn. Prior to Ambassador Robert Lighthizer's confirmation as the U.S. Trade Representative, Vaughn served as the acting trade representative. Vaughn was calling in response to a letter I sent to Ambassador Lighthizer on his first day on the job.

I was not the only one to write to Lighthizer. Thousands of you did the same thing.

During the first week after Lighthizer was confirmed by the U.S. Senate, motorcyclists sent nearly 2,500 emails to his office demanding that motorcycles be removed from a list of products slated for a huge tariff under a USTR proposal currently under consideration. I had previously made the same demand in person at a USTR hearing in February.

At issue is a proposed 100 percent tariff on 51cc to 500cc motorcycles imported to the United States from manufacturers in E.U. countries. The bikes are included in a long list of products that would be the subject of tariffs as part of a long-running dispute over U.S. beef imports into Europe.

Vaughn told me that while the AMA and our members have provided helpful and substantive information regarding the negative impact the proposed tariff will have on the motorcycle industry and American motorcyclists and their families, the European Union was cheating the U.S. beef industry and the World Trade Organization authorized the United States to retaliate.

Essentially, Vaughn said that while the European Union had agreed to purchase a specific amount of beef from U.S. sources as part of a settlement agreed to the last time this issue came up, it has fallen short and is getting its beef from other sources. It is my understanding that E.U. countries are getting a significant amount of beef from Australia and Uruguay rather than from the United States.

Shortly after my conversation with Mr. Vaughn, Lighthizer appeared before the House Ways and Means Committee to testify regarding U.S. trade policy. In response to a question from U. S. Rep. Jim Renacci (R-Ohio) about the issue, Lighthizer said he had heard from motorcyclists and from the motorcycle industry and that he was "sympathetic" to American motorcyclists, dealerships and others. He said, however, that he cannot remove small-displacement European motorcycles from the proposed import tariff while

negotiations continue in the dispute with the European Union over U.S. beef imports.

Another USTR attorney stated publicly in February that motorcycles were placed on the list because officials hoped the outrage of motorcyclists and the motorcycle industry would provide leverage for the U.S. beef industry. The problem with this approach is that the European Union isn't a representative government that can be influenced by citizens. It isn't even particularly responsive to its member countries, let alone the citizens of those countries. It is certainly not responsive to the citizens of a non-E.U. country such as the United States.

None of the American dealerships, nor any of their employees or customers, has any greater ability than the U.S. beef industry to get the European Union to buy more U.S. beef.

We appreciate Ambassador Lighthizer's sympathy, but we want action, not sympathy. Simply put, our U.S. Trade Representative has chosen the U.S. beef industry over American motorcyclists and Americans who own and operate motorcycle dealerships.

The Trade Representative is toying with the livelihoods of American families whose businesses haven't fully recovered from the 2008 Great Recession. The fact is that the U.S. beef industry doesn't need this tariff as much as these American motorcycle dealers need to stay in business and their employees need to keep their jobs. These dealerships will go under if this tariff is implemented.

Vaughn told me that the proposed tariff on motorcycles from the European Union is still very much in play and Lighthizer confirmed this with his recent testimony.

While I find it hard to believe that the U.S. government would take an action that would have such a detrimental effect on an industry that is still recovering from a devastating recession, the USTR seems determined to use our constituency to get the European Union to adhere to their agreement.

Make your voice heard on this issue by visiting www.americanmotorcyclist.com. Let the U.S. Trade Representative and your members of Congress know that motorcyclists demand action, not sympathy.

I don't know about you, but until this issue is resolved, I plan to eat more chicken.

Rob Dingman is AMA president and CEO.

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