

May 17, 2019

## Automobiles and Automotive Parts and Possible Section 232 Safeguard Tariff

Dear Valued Customer,

In May 2018, President Trump met with Secretary of Commerce, Wilbur Ross (Secretary), and instructed him to consider initiating a Section 232 investigation into imports of automobiles, including trucks, and automotive parts to determine their effects on national security. The Secretary's report was delivered to President Trump on February 17, 2019. The investigation determined that American-owned automotive research and development is critical to national security but that imports over the last three (3) years have given foreign-owned producers a competitive advantage over American-owned producers. The U.S. share of the domestic automobile market has declined from 67% in 1985 to 22% in 2017. Due to that decline and other factors, domestic competition must be improved by reducing imports. American-owned producers must be able to ensure technological leadership by increasing R&D expenditures to meet national defense requirements.

President Trump has instructed the United States Trade Representative (USTR) to negotiate agreements with the European Union, Japan, and any other country, regarding imported automobiles and certain automobile parts. The USTR will update President Trump within one hundred eighty (180) days as to the status of negotiations. Imports of automobiles and certain automobile parts will continue to be monitored by the Secretary and the status of the imports in respect to national security will be reviewed. If necessary, the Secretary shall report if circumstances warrant further action by President Trump under Section 232 of the Trade Expansion Act of 1962, as amended.

The full notice of the White House Press Release (WHPR) can be found [here](#).

The WHPR of the USTR opening negotiations can be found [here](#).

Thank you for being our Valued Customer. If you have any questions, please do not hesitate to contact your C.H. Robinson representative.

Sincerely,  
C.H. Robinson

*Our information is compiled from a number of sources that to the best of our knowledge are accurate and correct. It is always the intent of our company to present accurate information. C.H. Robinson accepts no liability or responsibility for the information published herein.*

