

March 10, 2025

The Honorable Donald J. Trump President of the United States of America The White House 1600 Pennsylvania Avenue, N.W. Washington, DC 20500

CC:

The Honorable Howard Lutnick Secretary United States Department of Commerce 1401 Constitution Ave N.W. Washington, DC 20230

The Honorable Brooke Rollins Secretary United States Department of Agriculture 1400 Independence Ave S.W. Washington, DC 20250

Dear President Trump,

Under your leadership, the United States is pursuing a bold, ambitious trade policy agenda that is already showing results. Your leadership and willingness to take tough stances is critical to restoring America as a land of opportunity and industrial power. As your administration takes action to strengthen U.S. manufacturing, we encourage you to continue fine-tuning your approach to tariffs to support an America First agenda and ensure that manufacturers already making products in the U.S. can ensure the availability and affordability of food, beverage, household and personal care products.

To this end, we respectfully urge you to grant targeted agricultural tariff exemptions to protect American manufacturers who rely on domestic farmers and sources but must still use imports for certain key ingredients and inputs that are otherwise impossible to obtain. As you consider next steps in combatting unfair trade practices and seeking the best deal possible for American manufacturing, the Consumer Brands Association and its member company executives would welcome the opportunity to discuss our perspective with you and your team to help achieve your administration's trade and economic goals.

The consumer packaged goods industry is America's largest domestic manufacturing sector by employment, supporting more than 22 million American jobs and contributing \$2.5 trillion to the U.S. GDP. America's food, beverage, household and personal care manufacturers are particularly proud of the role we play in rural, agricultural communities across the country, sourcing the vast majority of ingredients and inputs from U.S. farmers and sources. Our iconic

Consumer Brands Association 1001 19th Street North, 7th Floor Arlington, VA 22209



products are known around the world thanks to American innovation, ingenuity and growth fueled by policies that support U.S. manufacturing.

In playing such an outsized role in U.S. manufacturing, we strongly support a strategic "America First Trade Policy" to protect American jobs and ensure product availability and affordability. Your administration inherited overwhelming inflation and persistent supply chain challenges, which have contributed to rising costs and hurt U.S. consumers and manufacturers. As you pursue your trade policy agenda, we believe there's a path to elevate your approach on tariffs to ensure that they deliver maximal impact without undue consequences on prominent U.S. manufacturers and the compounding nature of price increases that consumers could see at the grocery store.

While CPG companies make every effort to source ingredients and inputs from U.S. farms and suppliers, some key ingredients and products simply are not available in the U.S. Products like coffee, oats, cocoa, spices, tropical fruits and even tin mill steel (used to manufacture specialty food and household product cans) are some of the more obvious examples of where lack of domestic supply necessitates imports. These sourcing arrangements are dictated by agricultural growing conditions and other factors that make U.S. production impossible or extremely limited. Similar issues impact household and personal care manufacturers, in terms of specialty component parts that go into making products like diapers, cleaners, lotions and more.

To this end, we believe targeted and carefully calibrated removal of these ingredients and inputs from tariffs is appropriate to best protect U.S. manufacturers and support your efforts to lower consumer inflation. Accounting for the diverse sourcing needs of the CPG industry and recognizing the complexity of practically implementing tariffs with some level of exclusions, this might be best done at the sectoral level, highlighting the need to protect food, beverage, household and personal care ingredients, inputs and some finished products.

As prominent U.S. manufacturers, we adamantly endorse strong trade enforcement and protection mechanisms. Our hope is that the current one-size-fits-all approach for protecting domestic manufacturers can be adjusted to reflect supply chain constraints, informed by commodity and import data.

We appreciate your consideration of this request and share your vision of protecting U.S. manufacturers and consumers. Please let us know if there is an opportunity to further dialogue on these critical issues and help to ensure the success of your America First Trade Policy agenda. Continuing to fine-tune and dial in the approach to tariffs stands to make negotiations more impactful while helping to address lingering inflation and grocery price concerns.

Sincerely,

Melissa Hockstad President and CEO

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