

May 24, 2018

**AMERICAN INTERNATIONAL AUTOMOBILE
DEALERS ASSOCIATION
500 MONTGOMERY ST STE 800
ALEXANDRIA VA 22314**



Dear Dealer,

Last week, President Trump directed the Department of Commerce to investigate whether the imported vehicles you sell represent a national security threat. The probe will be conducted under Section 232 of a trade law that dates back to the 1960s, and it is the same law that was used by the President to impose new tariffs on steel and aluminum imports earlier this spring. Reports have surfaced indicating that the results of the investigation, which could take up to a year to complete, will dictate President Trump's decision to impose additional 25 percent tariffs on imported vehicles.

Thankfully for America's 9,600 international nameplate dealers, AIADA is on the ground in Washington, D.C., fighting back on our behalf. Immediately upon news of the investigation, AIADA President and CEO Cody Lusk issued a statement emphasizing the devastating economic consequences this proposal would have on our dealerships, our employees, and perhaps most importantly, our consumers. "It can't be repeated enough: Tariffs are taxes. American families who can least afford a 25 percent price increase on vehicles will bear the burden of this tariff," he said. "America's 9,600 international nameplate auto franchises and their 577,000 American employees rely on competitively priced products to sustain their businesses and jobs. To treat auto imports like a national security threat would be a self-inflicted economic disaster for American consumers, dealers, and dealership employees."

President Trump has demonstrated an ongoing commitment to policies and legislation that are good for our businesses and our industry – as he did in late 2017 with landmark tax reform legislation, or earlier this spring when he signed a repeal of controversial CFPB auto lending guidance. However, in this case, we have no other choice than to stand together and fight back against the idea that the vehicles sitting on our lots – which are bought by millions of Americans each year – represent a national security threat. It falls on us to reach out and make the case for our businesses and customers, and AIADA will need your help in the coming weeks and months to do just that.

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AIADA is on your side and will continue to work in Washington, D.C., but please stay tuned for the latest as this tariff investigation develops. If you're not already, now is a good time to join AIADA's Legislative Action Network by visiting AIADA.org/LAN. It's the best way to stay up-to-date on the issues impacting your business and find out when and how we need you to take action.

Thank you for all you do. I am truly proud to be part of such a vital, thriving American industry.

A handwritten signature in black ink that reads "Brad Strong". The signature is written in a cursive, flowing style with a large, sweeping flourish at the end.

Brad Strong
2018 AIADA Chairman
Strong Auto Group