

Motor & Equipment Manufacturers Association

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February 28, 2017

The Honorable Wilbur L. Ross, Jr.
Secretary
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, D.C. 20230

Dear Secretary Ross,

Congratulations on your nomination and confirmation as Secretary of Commerce. Your distinguished business career and experience working with manufacturing companies make you uniquely qualified to lead in the new administration.

The Motor & Equipment Manufacturers Association (MEMA) is the leading international trade association representing motor vehicle parts, components, and systems manufacturers.¹ The member companies of MEMA and its divisions, many of whom have signed this letter, would appreciate the opportunity to meet with you in an effort to maximize the industry's growth potential through the updating of the North American Free Trade Agreement (NAFTA) and future free trade agreements.

We thank you for the comments you made during your confirmation hearing recognizing the high percentage of supplier jobs within the motor vehicle industry. This industry manufactures and remanufactures parts, components, and systems for use in passenger cars and heavy duty vehicles and represents the largest manufacturing sector in the U.S., directly employing more than 871,000 Americans. Furthermore, the industry has seen a 19 percent increase in domestic employment since 2012, representing a growth rate three times that of other major sectors of the economy. Motor vehicle parts suppliers contribute more than 77 percent of the value in today's vehicles and, in 2016, suppliers announced approximately \$6.5 billion in investments in the United States.

According to a recent internal MEMA survey, during the last four years MEMA member companies have invested more in the U.S. than in any other NAFTA country. NAFTA has been a key contributor to this investment and U.S. growth. As such, any changes to NAFTA should not risk disrupting motor vehicle supply chains, radically increasing production costs, or decreasing the availability of capital necessary for product development and asset expansion, which would affect job growth.

MEMA stands ready to actively participate in discussions about NAFTA and to share with you our perspective on such topics including accepting U.S. vehicle safety standards across the region, streamlining customs procedures, and improving border infrastructure. As you recognized in your confirmation hearing, suppliers play a leading role in job creation and investment growth and contribute to the overall national economy. Our

¹ MEMA represents its members through four divisions: Automotive Aftermarket Suppliers Association (AASA), Heavy Duty Manufacturers Association (HDMA), Motor & Equipment Remanufacturers Association (MERA), and Original Equipment Suppliers Association (OESA).



industry's participation in discussions regarding free trade agreements is critical and we are hopeful you will include MEMA as you prepare for NAFTA negotiations.

Our point of contact is Ann Wilson, MEMA senior vice president of government affairs, at awilson@mema.org or at (202) 312-9246. Thank you again for your recognition of our industry and we look forward to working with you and the Trump Administration to address the priorities, opportunities, and challenges facing all Americans as well as our industry.

Sincerely,

Accuride Corporation
ADAC Automotive
American Axle & Manufacturing
Arconic, Inc.
Auto Air Export, Inc.
Automotive Aftermarket Suppliers Association
Axletech
Bendix Commercial Vehicle Systems
Bergstrom, Inc.
BEX (Lubricants) International
Böllhoff, Inc.
BorgWarner
Bosch
Brembo North America, Inc.
Bridgestone Americas, Inc.
Consolidated Metal Products, Inc.
Continental Automotive Systems
D&V Electronics Ltd.
Dana Incorporated
Dayco Products
Delphi Automotive
DENSO International America, Inc.
Freudenberg Sealing Technologies
Global Parts Distributors LLC
Grote
Heavy Duty Manufacturers Association
Hella Corporate Center USA, Inc.
Hendrickson International
Honeywell International

IAC
Inteva Products
Kongsberg Automotive, Inc.
Lear Corporation
Linamar Corporation
Link
Magna International, Inc.
MAHLE Industries Incorporated
Martinrea International Inc.
MEI Corporation LLC
Meritor, Inc.
MGM Brakes/Indian Head Industries, Inc.
Motor & Equipment Manufacturers Association
Motor & Equipment Remanufacturers Association
MPG
Mubea
Neapco
Omega Environmental Technologies
OptiCat LLC
Original Equipment Suppliers Association
Panasonic Automotive
Plastic Omnium
Plastomer Corporation
Rheinmetall Automotive
Santech Industries LLC
Shiloh Industries, Inc.
Toyota Boshoku America, Inc.
Valeo North America, Inc.
ZF North America