



June 18, 2018

The Honorable Wilbur L. Ross, Jr.
U.S. Department of Commerce
1401 Constitution Ave NW
Washington, DC 20230

RE: Docket No. DOC-2018-0002 – Notice of Request for Public Comments and Public Hearing on Section 232 National Security Investigation of Imports of Automobiles, including Cars, SUVs, Vans and Light Trucks, and Automotive Parts

Dear Secretary Ross:

Thank you for the opportunity to submit comments regarding the Section 232 investigation into the imports of automobiles and automotive parts. We are writing to express our concerns about the potential impact of increased tariffs or other trade barriers on these products, and to urge your consideration of how such actions might negatively impact our regional and national economy, workers and consumers.

The Port of Seattle is a special purpose government representing King County, Washington residents; among its responsibilities is the operation of Seattle-Tacoma International Airport's (Sea-Tac) substantial air cargo business. The Northwest Seaport Alliance (NWSA) is a marine cargo operating partnership of the ports of Seattle and Tacoma (a special purpose government representing Pierce County, Washington residents), which together represent the fourth-largest container gateway in the United States. The Port of Vancouver USA is a multi-purpose port authority on the Columbia River representing the greater Vancouver, Washington area. The Port of Portland owns three airports, four marine terminals, and five business parks in Oregon, and is focused on providing efficient cargo and air passenger access to national and global markets, and promoting industrial development.

As large gateways for two-way trade, our ports are deeply invested in U.S. trade policy discussions because they impact our core business, the success of our customers and the lives of our local residents – all in direct and tangible ways. The most recent economic impact study found that the marine cargo operations in our Seattle and Tacoma harbors supported more than 48,000 jobs, generated nearly \$4.3 billion in economic activity. Similarly, Sea-Tac's air cargo operations now support over 5,200 jobs and over \$1.2 billion in business revenues. The Port of Vancouver USA directly and indirectly employs over 20,000 people and generates \$2.9 billion in economic activity. The Port of Portland's activity supports 26,500 jobs, and generates \$5.7 billion in business revenue.

Automobiles and automotive parts are a substantial part of the trade that flows through our gateways. In 2017, the NWSA handled 146,885 imported cars, and the value of the combined auto and auto parts imports through the NWSA exceeded \$7 billion; the Port of Portland handled a total of 314,000 autos in 2017, both imports and exports; the Port of Vancouver USA imported over \$1.7 billion in vehicles and associated parts in 2017; and another \$30 million in parts came into the country through Sea-Tac as air cargo last year. This import business creates not only jobs and economic

activity, but also infrastructure investment. For example, the Port of Vancouver USA's floating auto dock and auto-processing facility is a fully modern operation capable of high-volume loading and unloading of Roll On/Roll Off cargo, and the growth of the auto export business led the Port of Portland and partners in 2016 to invest in a \$7 million auto handling facility.

Importantly, our ports are not only part of a global supply chain used by local businesses and consumers, but also are truly national assets that benefit stakeholders throughout the country. For example, most of the NWSA's \$3.5 billion worth of imported auto parts supply our country's major automotive manufacturers in the Midwest with the materials they need to assemble cars and trucks for American consumers. Additionally, 80 percent of the cars that travel through the NWSA are bound for customers outside of Washington state, and a majority of Subarus coming through the Port of Vancouver are destined for Midwestern markets as far east as Ohio. For the Port of Portland, most of these imported autos travel by rail to over 30 states in the U.S.

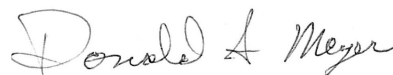
Our concerns over these tariffs are not limited to our own operations, but also the impacts on the businesses throughout our region and states that depend on trade for their success. Washington state is the most trade driven economy in the country, with 40% of all jobs tied to international trade, and Oregon's economy is similarly globally-dependent. We know that these kinds of unilateral trade actions by the United States inevitably result in retaliation by our trading partners – as we have seen with the Section 232 steel and aluminum tariffs and the Section 301 China tariffs – which can further harm our states' trade economy by reducing exports from our farmers, ranchers, manufacturers and retailers. We export \$19 billion in goods through our gateways to Japan, Korea, China and Taiwan – which are the top importers of autos and auto parts through our gateways – including 70% of Port of Tacoma exports, 70% of exports from Portland Harbor and 75% of Port of Vancouver exports. For example, the Port of Portland is the leading exporter of autos on the west coast, with 87,000 Fords bound for Asia last year. The potential impact of retaliation from these trading partners is significant and must be considered before you make a final determination on any Section 232 action.

Thank you again for the chance to comment, and please do not hesitate to contact us if you would like additional information. We look forward to continuing to work with you on this issue and other trade policies.

Sincerely,



Hon. Courtney Gregoire
Commission President
Port of Seattle



Hon. Donald G. Meyer
Commission President
Port of Tacoma



Curtis Robinhold
Executive Director
Port of Portland



Hon. Eric LaBrant
Commission President
Port of Vancouver USA