



**IAAPA, the Global Association for the Attractions Industry's
Comments Concerning Proposed Modification of Action Pursuant to Section 301: China's Acts, Policies,
and Practices Related to Technology Transfer, Intellectual Property, and Innovation**

**Docket Number USTR-2019-0004
June 17, 2019**

IAAPA, the Global Association for the Attractions Industry, appreciates the opportunity to submit comments to the Office of the United States Trade Representative (USTR) on its proposal to impose an additional *ad valorem* duty of up to 25 percent on products of China with an annual trade value of approximately \$300 billion (hereinafter “List 4 products”), pursuant to the Section 301 investigation into China’s actions, policies, and practices related to technology transfer, intellectual property, and innovation (hereinafter the “Section 301 investigation”).

Founded in 1918, IAAPA represents more than 6,000 attraction, supplier, and individual members from more than 100 countries. Members include professionals from amusement parks, theme parks, attractions, water parks, resorts, family entertainment centers, zoos, aquariums, science centers, museums, manufacturers, and suppliers. According to the 2018 IAAPA North America Economic Impact Study, the attractions industry generated \$51 billion in revenue including \$28 billion in direct revenue and employed over half a million people in the United States, with 333 million visitors.

To date, IAAPA has not weighed in on issues relating to the Section 301 investigation, including the various rounds of tariffs. The Section 301 investigation does not generally relate to the business of IAAPA members. IAAPA members do, however, import many items from List 4 (see attached Annex), which are sold directly to guests as part of the overall guest experience. According to a recent benchmark study on the industry, virtually all IAAPA members sell retail merchandise to their guests as part of the customer experience. Between 10 and 20 percent of guest expenditures while visiting an IAAPA member facility is on merchandise. This is a core part of the guest experience offered by IAAPA members. What child, or adult for that matter, does not want to take home an item reminding them of the special vacation or trip to an amusement park, family entertainment center, zoo or aquarium. Family entertainment centers, which are often small family-owned businesses will be particularly hard hit as items they use for prize redemption in addition to items to purchase will be affected.



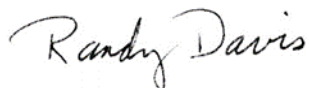
Tariffs of 25% on these products would significantly increase costs on the industry. Further, the products at issue are in no way high technology products that were the subject of the Section 301 investigation. In fact, most of them would be considered low-technology consumer goods.

In the short- and medium-run, the tariffs will likely hit hard. In many cases, orders are already in, contracts already exist. Sourcing decisions are complex, requiring identification of potential partners, confirmation that a product can be produced at the requisite levels of quality, volume, timeliness, and price, while protecting any intellectual property involved. Additionally, it takes time to ensure various product standards and certifications are satisfied. Sourcing decisions cannot be turned on a dime and, in many cases, can take months or even years to change.

Given that over half the IAAPA membership is comprised of seasonal businesses, tariffs imposed during the summer months would have a very disruptive impact, more disruptive than on businesses that have 365 days to generate their annual revenue. IAAPA members are focused on delivering the highest possible experience to their customers, and for the seasonal businesses, they must do this over an extremely short period of time. Sourcing is mostly locked in precisely because we need to ensure demand can be satisfied each and every day and product shelves can be replenished without a hiccup during the all-important high season.

Accordingly, we would strongly encourage the USTR to exclude products identified in the Annex from the final version of List 4. Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in cursive script that reads "Randy Davis".

Randy Davis
Senior Vice President
Safety and Advocacy

IAAPA**Annex****List 4 Proposed Products Imported by
Attractions Industry**

Merch / Non-Merch	
39241020	Tableware/Plastic
39241040	Tableware/Plastic
39249020	Home Dec
39249056	Home Dec
39261000	Stationery
39264000	Home Dec
39269035	Souvenirs
39269048	Stationery
39269099	Souvenirs
40169920	Souvenirs/Pets
44140000	Home Dec
44199090	Tableware/Wood
44201000	Home Dec
49030000	Stationery
49090040	Stationery
49119140	Stationery
49119980	Stationery
61012000	Apparel
61013020	Apparel
61022000	Apparel
61023020	Apparel
61034210	Apparel
61034315	Apparel
61044200	Apparel
61044320	Apparel
61045320	Apparel
61046220	Apparel
61046320	Apparel
61062020	Apparel
61071100	Apparel
61072100	Apparel
61072200	Apparel
61079100	Apparel
61079910	Apparel
61082100	Apparel
61083100	Apparel
61083200	Apparel
61089100	Apparel
61089200	Apparel
61091000	Apparel
61099010	Apparel
61102020	Apparel

61103030	Apparel
61112030	Apparel
61112060	Apparel
61113040	Apparel
61113050	Apparel
61123100	Apparel
61124100	Apparel
61130010	Apparel
61130090	Apparel
61142000	Apparel
61143010	Apparel
61143030	Apparel
61159690	Apparel
61169388	Apparel
61169394	Apparel
61171020	Apparel
62011220	Apparel
62019219	Apparel
62019349	Apparel
62019360	Apparel
62019365	Apparel
62021220	Apparel
62029290	Apparel
62029348	Apparel
62029355	Apparel
62034245	Apparel
62034313	Apparel
62034390	Apparel
62044230	Apparel
62044340	Apparel
62045220	Apparel
62045330	Apparel
62046390	Apparel
62052020	Apparel
62063030	Apparel
62064030	Apparel
62072100	Apparel
62072200	Apparel
62079110	Apparel
62079130	Apparel
62082200	Apparel
62089200	Apparel
62092010	Apparel
62092050	Apparel
62093020	Apparel
62093030	Apparel
62102030	Apparel

62103030	Apparel
62105035	Apparel
62111110	Apparel
62113350	Apparel
62113390	Apparel
62114205	Apparel
62114210	Apparel
62114305	Apparel
62114310	Apparel
62143000	Apparel
62144000	Apparel
62151000	Apparel
62171085	Apparel
62171095	Apparel
63013000	Footwear
63014000	Home Dec
63026000	Beach Towels
63029100	Home Dec
63029320	Home Dec
63029915	Home Dec
63049200	Home Dec
63079075	Souvenirs/Pets
63079098	Home Dec
64019290	Footwear
64022000	Footwear
64029140	Footwear
64029170	Footwear
64029931	Footwear
64029979	Footwear
64041936	Footwear
64041937	Footwear
64041939	Footwear
64041957	Footwear
64041961	Footwear
64041972	Footwear
64041977	Footwear
64041979	Footwear
64041982	Machine Parts
64052090	Footwear
66019100	Souvenirs/Weather
66019900	Souvenirs/Weather
69120041	Home Dec
69120044	Tableware/Ceramic
69120045	Tableware/Ceramic
69120048	Tableware/Ceramic
69131050	Home Dec
69139050	Home Dec

70133720	Tableware/Glass
70139980	Tableware/Glass
70139990	Tableware/Glass
71171990	Jewelry
71179075	Jewelry
73239300	Kitchenware/Metal
83061000	Souvenirs
83062900	Home Dec
85131040	Home Dec
85167900	Non-Merchandise
87150000	Non-Merchandise
90041000	Souvenirs
90049000	Souvenirs
91021145	Watches
91031040	Watches
92081000	Home Dec
94049020	Home Dec
95030000	Toys
95044000	Toys
95049060	Toys
95051010	Festive Articles
95051025	Festive Articles
95051050	Festive Articles
95059060	Festive Articles
96032980	Hair Access
96081000	Stationery
96082000	Stationery
96099080	Stationery
96151150	Hair Access
96151960	Hair Access
96159030	Hair Access