

By Electronic Submission

The Honorable Robert E. Lighthizer United States Trade Representative 600 17th St NW, Washington, DC 20006

Re: Opposition to Docket ID: USTR-2019-0004

Dear Trade Representative Lighthizer:

The American Society of Interior Designers (ASID) appreciates the opportunity to comment on "Proposed Modification of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation."

The American Society of Interior Designers traces its roots back more than 80 years and serves the full range of the interior design profession and practice through the Society's programs, networks, and advocacy. Our nearly 25,000 worldwide members represent individuals of all specialties, including workplace, healthcare, retail and hospitality, education, institutional, and residential practice, students, and corporate industry partners. We spend approximately 90% of our lives in interior spaces, so our members use evidence-based and human-centric design to affect comfort, accessibility, safety, wellness, and sustainability. Our members showcase the impact of design on the human experience and the value interior designers provide using data, science, building codes, and regulatory standards to construct better spaces for where we live, work, play, and heal.

The interior design industry is an economic force within the United States and globally. The industry has demonstrated strong, continuous growth in economic contribution, the number of jobs, and the number of firms since 2012. The industry reported a 9.87 billion dollar value of sales in 2015. The U.S. Census reported 66,500 interior design jobs in 2016 (13% increase since 2014) and the existence 13,176 firms nationwide. Total 2016 revenue for the interior design sector was estimated to be \$49 billion. The interior design industry is an important part of the engine that keeps the American economy moving.

The additional *ad valorem* duty of up to 25 percent on products from China will increase the cost of construction materials and products specified by interior designers. Per NBC News, ""...[there has been] a price increase of at least 15 percent with anything that involves steel,'...The increased price of nails, screws, metal framing, and reinforcement rods now get passed on to... commercial clients, driving up project costs by hundreds of thousands of dollars." Consequently, concessions throughout the design and construction processes will need to be made to keep projects on budget and to ensure a positive return on investment for the owner. These concessions will either come in the form of reduced fees for work (corporate real estate, architecture and design, contractors, labor, etc.) or the use of inferior



materials. The Docket Annex has the potential to negatively impact hundreds, if not thousands, of construction materials and products putting a \$49 billion dollar industry at economic risk.

Moreover, the furniture industry, which is irrefutably linked to the business and practice of interior design, could suffer as a result of this policy due to the tariffs' effects on China-sourced furniture and components/parts. Per the Business and Institutional Furniture Manufacturer's Association, "62,000 U.S. workers are involved in the manufacturing of commercial furniture and over 1,200 commercial furniture establishments (with nearly \$3 billion in payroll annually) serve both the domestic and international demand for the industry's products. Thousands of U.S. based jobs involved in producing commercial furniture exported to other countries will be at risk." Any downturn in furniture manufacturing will surely harm interior designers' businesses, our partners in industry, and the consumers our members represent.

Therefore, the American Society of Interior Designers opposes Docket ID: USTR-2019-0004.

Thank you for the opportunity to submit these comments in opposition to Docket ID: USTR-2019-0004. The American Society of Interior Designers is honored to partner with the U.S. Trade Representative's Office on issues impacting the business of design and construction of America's interior spaces.

If you have any questions regarding this comment, please contact:

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