



161 N. Clark St., Ste. 2020
Chicago, IL 60601 USA
+1.312.821.0201
info@nafem.org | nafem.org

Board of Directors

President

Joe Carlson, CFSP
Lakeside Manufacturing, Inc.

President-Elect

Rob Connelly, CFSP
Henny Penny Corporation

Secretary/Treasurer

Richard Packer, CFSP
American Metalcraft, Inc.

Directors

Greg Baggott, CFSP
Cres Cor

Teri Brewer, CFSP
THERMO-KOOL/Mid-South
Industries, Inc.

Glenn Bullock, CFSP
Antunes

Steve Dowling, CFSP
Sani-Serv

Kurt Eickmeyer, CFSP
Wood Stone Corporation

Eva-Marie Fox, CFSP
T&S Brass & Bronze Works, Inc.

Debra Hanson, CFSP
Vulcan Food Equipment Group

Deron Lichte, CFSP
FWE Food Warming Equipment
Company, Inc.

Danielle McMiller, CFSP
Structural Concepts Corporation

Cathy O'Shia, CFSP
New Age Industrial Corporation

David Rolston, CFSP
Hatco Corporation

Steve Spittle, CFSP
Pitco Frialator, Inc.

Ex-Officio Member

Kevin Fink, CFSP
Master-Bilt and Nor-Lake,
Standex Foodservice Equipment
Group Companies

Headquarters

Executive Vice President
Deirdre Flynn, CFSP

October 29, 2018

Sen. Ron Johnson
340 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Johnson,

It's been more than six months since the U.S. instituted tariffs on steel and aluminum imports and the results continue to have major, negative consequences for all manufacturers including our company, Lakeside Manufacturing, which employs 170 people in Milwaukee and elsewhere in the US.

The tariffs have resulted in double digit raw material price increases, supply shortages, longer lead times, and decreased company profits from customer pushback to higher prices or reduced demand for products. All of this has the potential to reduce high-quality high wage manufacturing jobs for our American workforce.

I serve as President of both Lakeside Manufacturing and the North American Association of Food Equipment Manufacturers (NAFEM), a trade association of more than 550 foodservice equipment and supplies manufacturers. The millions of meals enjoyed away from home every day – at restaurants, schools, military bases, hospitals, and around the world– are prepared and served on products manufactured by NAFEM members.

Unfortunately, Section 232 tariffs on imported steel and aluminum, combined with Section 301 duties on Chinese material inputs and finished goods have made it more expensive to produce the equipment and supplies that sustain our troops, create family memories, feed school children, and nourish the sick in hospitals or long term care communities.

The latest round of double digit duties has resulted in another round of price increases by many of our Mfg members just to manage the sudden double digit cost increase. Many of the products affected are not available domestically at any price.

The tariffs are beginning to negatively impact good-paying skilled U.S. manufacturing jobs and household disposable spending due to the inflation in prices, neither outcome bodes well for a strong U.S. economy. Wall Street has confirmed our concern as evidenced by the high volatility and declines in stock market values that support the 401k retirement plan investments for our workforce.

November 27, 2018

Page 2 of 2

We urge the administration to quickly work to negotiate other methods for free trade solutions that do not include tariffs or provide arbitrary subsidies and exemptions to select industries. Government actions that tax and disrupt supply chains hurt finished goods manufacturers creating many unintended consequences that are just starting to be felt and ultimately hurt American workers, our families, and our country.

Sincerely,

Joseph A. Carlson, CFSP
President, NAFEM
President, Lakeside Manufacturing

JC:cs

cc: NAFEM Board of Directors