

AEM Supports Fair Trade Practices with India Docket: USTR-2013-0027

The Association of Equipment Manufacturers (AEM) is the U.S.—based international trade group serving the off-road equipment manufacturing industry. Our members number more than 850 companies that manufacture equipment, products and services used worldwide in the agriculture, construction, forestry, mining and utility fields. Collectively our member companies employ hundreds of thousands of workers and produce some of the world's most innovative products and services.

The United States' trade relationship with India is a key economic driver for our industry. India's large and modernizing economy requires quality built heavy-off road machinery in order to construct the transportation and infrastructure necessary for the nation's growing middle class and global economic aspirations. AEM has the pleasure of not only helping to represent U.S. manufacturers but also Indian manufacturers reliant on foreign direct investment, intellectual property rights protections required to build innovative and world class manufactured heavy equipment.

Non-tariff trade barriers to trade and government imposed forced localization laws hurt domestic Indian companies transitioning from domestic manufacturers to companies competing in the global marketplace. Developing cutting edge products and services is dependent upon accessing financial and intellectual capital. Laws that inhibit the free flow and transfer of these two inputs can stunt the research and development needed to launch new products and expand into foreign markets.

U.S. and Indian manufacturers require a trade relationship based on international trade norms that promotes each other's products and services. As both the United States and India continue to evaluate their trade relationship, AEM stands ready to assist both governments work towards improving trade facilitation and removing barriers to trade underpinning international growth and domestic job creation.

Sincerely,

Dennis J. Slater

President

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