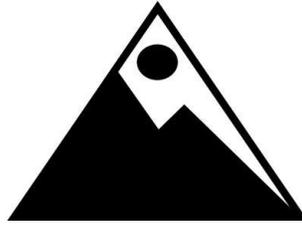


Outdoor



Loyalty

OutdoorLoyalty Looks at TPP's Impact on Outdoor Industry



The T.P.P. (Trans Pacific Partnership) can have very impactful effects on/for the Outdoor Industry from Retail to “Made in America Manufacturing”. It has been an organic process from Politics to Partnerships. We, here at OutdoorLoyalty.com, are in the process of sorting through the issues having an impact on the Outdoor Industry’s Present and Future for all Outdoorists at the intersection of Sustainability, Manufacturing (off-shore and domestic) and Outdoor Gear and Apparel. Clarity of issues, Geopolitical impacts and Growth of the outdoor Industry are the focus here in particular.

A Birdseye View from the perspective of USITC (U.S. International Trade Commission) sourcing Companies (National and Multi National), Labor Unions, Public Interest Groups and Trade Associations with their position on this Agreement whether they are in favor or oppose the Congressional Passage of this Legislation. TPP has its true “intent” by which multinational companies will be able to shift, over time, production from China to Manufacturing within the 12 TPP Countries with the target being to eliminate over 18,000 tariff restrictions for U.S. Manufacturing Exports without quota restrictions and price resistance. The other side of the equation is to eliminate tariff/duties on products imported into the U.S. from the other 11 TPP members.

How does this Agreement directly affect the Outdoor Industry (manufacturing to retail). OIA is actively lobbying in the U.S. Congress and has been since the late 80’s. By the early 90’s over 77% of our Outdoor Manufacturing products moved overseas with 80% of that production going to China. Outdoor Production moving to the TPP Partner Countries will result in significant reduction in “landing costs” and \$100s of millions as the result of reducing U.S. Duties and Tariffs.

The 12 Apostles of the Historic Trans-Pacific Partnership



Source: U.S. Global Investors

There is one “Major” issue in the Importation Category Classification where Outdoor Products are classified under the category defined as “Travel Goods”. This tariff category is a significantly greater percentage rate tariffs at 30%. By defining these products (performance outerwear to active footwear) in a more accurately defined class of merchandise can reduce the rate in half which can reduce the wholesale costs by 35%, thus resulting in less inflated retail pricing. The Outdoor Industry, in 2015, amounted to \$650 billion dollars within the U.S. Economy.

Outdoor Loyalty.com is in favor of this dynamic “Motherload” to the Outdoor Industry. But, there is one caveat that remains; Domestic U.S. Outdoor Manufacturing which has been one of the major



foundations of the “Made in America” movement for the last few decades and impacts our U.S. Gross Domestic Products (GDP). One of the major components of GDP is “JOBS”. Keep in mind the first element of this TPP Agreement is to eliminate restrictive tariffs to all 12 Members, thus opening a huge opportunity for U.S. Made Products being exported to the other 11 countries resulting in a significant increase U.S. Domestic Manufacturing.

As you can see, the Geo-Politics here is the foremost element in the equation. This OutdoorLoyalty Blog hopefully gives you a broad perspective of the complexity within this much politicized issue. There are benefits and barriers on all sides of TPP. It’s not an “overnight band aid” solution. It took 40+ years to generate the state of the World Economy, but there are steps and solutions in our grasp. We are here to listen to all you Outdoorists and collaborate in every way. “Join the Outdoor Movement” TODAY... Be part of the Solution, Not the Problem.

Check out the link below...

<https://outdoorindustry.org/article/the-trans-pacific-partnership-benefits-for-the-outdoor-industry-and-why-oia-supports-it/>

Remember our tagline: Reward...Outdoor...Activities www.outdoorloyalty.com

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