

INTERNATIONAL ASSOCIATION OF PLUMBING AND MECHANICAL OFFICIALS

101 Constitution Avenue, NW Suite 825 East Washington, D.C. 20001

> Ph: 202.445.7514 http://www.iapmo.org/GR

December 18, 2017

Ms. Renee Hancher Office of Standards and Investment Policy Industry and Analysis U.S. Department of Commerce Room 28019 14th and Constitution Avenue NW. Washington, DC 20230

Dear Ms. Hancher:

On behalf of the International Association of Plumbing and Mechanical Officials (The IAPMO Group), we are writing to express our interest in participating in the International Trade Administration's summit on trade-related standards issues scheduled for March 6-7, 2018. As an association that has actively partnered with Commerce at various levels and regions around the world, we feel that the perspective that IAPMO can offer would be greatly beneficial. We would welcome the opportunity to work with Commerce to enhance its services and programs in support of an agenda that ensures job growth in our industry, and that propels the growth of U.S. exports.

IAPMO proposes the following speaker to present at ITA's internal summit:

Dain Hansen, Senior Vice President of Government Relations

101 Constitution Ave. NW, Suite 825E, Washington, DC 20001

Email: Dain.Hansen@iapmo.org, Phone: (202) 445-7514

The plumbing sector in the United States is a \$92 billion industry that employs more than 500,000 people through more than 106,000 businesses.¹ The U.S. plumbing-manufacturing sector represents an \$8.4 billion part of the total plumbing industry. More importantly, this is a sector that is maintaining steady growth, with U.S. demand for plumbing products expected to rise 6.3 percent annually to \$12.3 billion in 2019.² U.S. plumbing manufacturers export to 198 markets to help satisfy a \$26 billion world plumbing import market.

The IAPMO Group is a 90-year-old trade association that is a critical voice for the industry by focusing on the technical aspects of the plumbing and mechanical sectors. Our membership includes contractors, engineers, manufacturers, suppliers, plumbing and mechanical inspectors, and building officials. With offices in 11 countries, IAPMO has assisted with the growth of this industry internationally as well by focusing on regulatory reform, educational programs, and/or conformity assessment services in regions around the world. Our association and its members are directly engaged in the construction projects and the manufacturing of products that help to protect our nation's water supply — ensuring the growth of our economy and enhancing our quality of life.

¹ IBISWorld, *Plumbers in the United States: Market Research Report.* October 2015.

² Freedonia, *Plumbing Fixtures & Fittings - Demand and Sales Forecasts, Market Share, Market Size, Market Leaders.* November 2015.



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The International Trade Administration's (ITA) 2015 Top Markets Report identified several key market access challenges that the U.S. plumbing industry faces in growing exports. These challenges include:

- Tariffs
- Regulations, particularly water conservation-related
- Standards and conformity assessment
- Counterfeit issues brand and performance claims
- Access to market intelligence, trade promotion opportunity information
- Information regarding and access to trade finance

The industry recognizes what an important ally the U.S. government is in addressing these precompetitive issues and IAPMO can share a number of successful examples from around the world. The U.S. Department of Commerce's International Trade Administration maintains an important network of Foreign Commercial Service officers. These U.S. government representatives, based in major metropolitan areas around the world, play an important role as a voice for U.S. industry and as a liaison for companies that are seeking to expand into new markets or are facing non-tariff barriers.

Additionally, the industry has come to rely on two important programs as tools to help address the market access challenges listed above: the Market Development Cooperator Program (MDCP) at the U.S. Department of Commerce, and the Standards Alliance at USAID. We hope that Commerce will continue to recognize the valuable tools these programs and the Foreign Commercial Service offer in helping to ensure the competitiveness of U.S. products overseas.

IAPMO is very concerned by the very organized and proactive efforts of other nations to promote the adoption of standards and conformity assessment requirements that favor their manufacturing and exports at the expense of U.S. manufacturers and exports. IAPMO repeatedly comes across this in both our trade and international development work. We also recognize that there are several ways that industry and Commerce can better work together which will improve the efficacy and impact of our efforts. We applaud Commerce for convening a summit to begin examining these issues and for inviting industry to be a part of that discussion.

We appreciate your consideration of IAPMO's request and hope to be able to actively participate in the summit in March. For more information about any of the items raised in this letter, please do not hesitate to contact me at (202) 445-7514 or by email at <u>dain.hansen@iapmo.org</u>.

Sincerely,

Dain Hansen Senior Vice President of Government Relations The IAPMO Group