



CONGRESS BLOG

THE HILL'S FORUM FOR LAWMAKERS AND POLICY PROFESSIONALS

March 04, 2015, 12:00 pm

Don't forget the real faces of U.S. trade

By Howard Ice

In the debate over trade and Trade Promotion Authority (TPA), the real faces of trade can sometimes get lost. Opponents claim that big-name corporations are pushing new trade deals that will benefit them but hurt U.S. workers. The problem with that talking point: it's wrong.

Opponents conveniently forget to say, 98 percent of all U.S. exporters are small and medium-sized businesses like mine. They also fail to mention that trade-related jobs have grown three and a half times faster than total employment since 2004, and those jobs pay on average 13 to 18 percent higher wages than non-trade related jobs. Considering the recession our country recently suffered through, it's clear that trade has been a bright light for U.S. workers and businesses of all sizes.

Trade has also been a boon for Ice Industries. When I founded the company in 1999 with our first acquisition, my goal was to create a positive work environment that fostered respect and empowered employees in a way that would make them eager to come to work and give their all. I'm proud to say, that with hard work and dedication over the past 15 years, that goal has become a reality. Today, Ice Industries employs 450 workers throughout its four U.S. facilities, who work hard to deliver complex metal stampings, weldments, machined parts, and assemblies for a multitude of markets including HVAC, appliance, automotive, heavy truck, and alternative energy.

At Ice Industries, we not only export our products directly to other countries, we also supply six Fortune 50 companies who also export. All this exporting allows us to reach new consumers in markets around the globe, and it enables us to reinvest in our employees and grow our operations right here at home.

But, I'm concerned about a situation in Mexico. I bought our Monterrey plant in 2007, and it had 30 workers and 30,000 square feet. Today, it has over 250 employees and has expanded to 160,000 square feet, and it's full. Over the past five years, automotive companies have made nearly \$22 billion in new capital investment in the automotive market, creating nearly 150,000 jobs. These factories, some running with 72 percent automation, aren't there because of low wages. They are there because Mexico has some of the best trade policies in the world. With the ability to ship to nearly 44 countries duty free from Mexico, versus 20 in the United States, it's not hard to figure out the incentive. Ice Industries sells products in 12 different product markets, with automotive being 15 percent of our business. Other markets have followed automotive, and the reason is the same: Trade policy in Mexico, not wages. The United States does not have the luxury of time. We are five years behind and losing significant new opportunities every year, opportunities that have long term ramifications.

My company is just one of many thousands of smaller companies with similar stories. To us, the potential for lower tariffs and barriers to entry in new markets means the potential for increased exports, expanded business operations, and new employees. This potential is exactly what President Obama is working to unleash through new trade agreements with countries in the Asia Pacific and Europe. These trade agreements represent a tremendous opportunity, not just for U.S. exports, but for U.S. leadership globally.

We live in a globalized world, and the U.S. can either take the lead or stand on the sidelines as the trade agenda for the 21st century is set. As an Army Veteran, and a business owner, there is really only one option for America: lead.

In order to lead however, Congress must pass TPA. This legislation empowers Congress to give the President marching orders in the form of negotiating objectives, and it also provides assurance to our negotiating partners that the trade deal they agree to will be considered in its entirety by Congress, without amendments. TPA doesn't ensure trade agreements will pass, but it does ensure that our negotiating partners will come forward with their best offers on areas that are important to the United States.

Without TPA, the new markets and lower barriers may very well not be realized for businesses such as Ice Industries. That's because TPA is critical to getting trade agreements done. For some perspective, consider this: just one trade agreement in the past 40 years has been completed without TPA.

As Congress continues to debate trade, I hope members will think about Ice Industries, one of the nearly 300,000 small and medium-sized businesses that export, and the nearly 40 million Americans whose jobs are supported by trade. The real faces of trade are in communities across the United States, and Congress has the opportunity to create new opportunities and well-paying jobs in these communities. I for one hope it will take the opportunity and pass bipartisan TPA legislation as soon as possible.

Ice is the Founder, Chairman, and Chief Executive Officer of Ice Industries, headquartered in Sylvania, Ohio.