MEMBER ALERT

Hi @@first_name@@,

Please provide us with updated data through the Week 3 Survey for COVID-19 so we can compile data over time to discern trend lines. As we all know too well - everything comes down to logistics and the response to COVID-19 is no different.

Many members have been asking me about rumors that the U.S. will be restricting the export of Personal Protective Equipment (PPE). Initially, I doubted these reports and could not imagine the U.S. adopting export controls for such equipment.

However, in the last few days, the President and Administration officials have made statements in press briefings and taken actions that may portend a change to our free trade policy in PPE.

- **April 2nd Press Briefing:** Advisor Peter Navarro discussed PPE supply issues as follows, in part:
  - "Now, what's going to happen tomorrow is the President is going to sign another order which is in the works. This is interesting: There is a black market springing up, which you have described, where we're having people bid against each other. Brokers come in; they're bidding and bidding on all this different PPE. It's driving the
price up. And guess what? You know where it’s going? The domestic sources here are being exported.”

- “When President Trump heard about that, he said, “That’s not going to happen anymore under my watch.” So tomorrow, we’re bringing that order. And what it’s going to do is it’s going to empower Customs and Border Protection, with the help of people like the Post Office and express mail consigners like UPS, to basically deal with that issue.”

- “So we are going to crack down unmercifully. And I would say to the hoarders out there and the brokers that are trying to make money off of the misery of people in this country, around the world: That’s got to stop. And if you’ve got inventory, what you need to do is pick up a phone and not call somebody out in — around the world. You call FEMA and say, “We got some stuff. We’ll give it to you at a fair price,” and be done with that, because that stuff has absolutely got to stop.”

- “So the “Buy American” order, which — which is going through process, would do a couple things. It would simply say, — not during this crisis, because we don’t want to disrupt anything. I want to be really clear about that. But going forward, after this is over, the VA, DOD, HHS, and this government buys American for essential medicines, our medical countermeasures, and the medical supplies and equipment we need.”

U.S. Customs and Border Protection (CBP) will be the agency charged with stopping exports of PPE.

- **Memoranda issued under Defense Production Act**

- **Executive Order on "Buy American" PPE**: what would an Executive Order on PPE do:
  - Direct federal departments and agencies to procure “essential medicines” and “medical countermeasures” by “using procedures other than competitive procedures to limit competition to items manufactured in the United States”.
  - Direct USTR to terminate all domestic procurement preference waivers granted through Free Trade Agreements and WTO Agreement of Government Procurement.

Remember, you can access all of AAEI’s COVID-19 Member Alerts and information on AAEI’s website.

Please continue to send me any issues that you are experiencing so I can route them to the appropriate officials. Also, forward any ideas about how we can become part of the solution to a changing supply chain as I think the federal government will demand certain domestic production capacity.

Stay safe and be well!

[Signature]