



February 6, 2025

The Honorable John Thune

Majority Leader
United States Senate
United States Senate SD-511
Washington, DC 20510

The Honorable Chuck Schumer

Minority Leader
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Mike Johnson

Speaker of the House
U.S. House of Representatives
568 Cannon House Office Building
Washington, DC 20515

The Honorable Hakeem Jeffries

Minority Leader
U.S. House of Representatives
2267 Rayburn House Office Building
Washington, DC 20515

Dear Congressional Leaders,

On behalf of the Promotional Products Association International (PPAI) and the thousands of American businesses and workers we represent, I write to express our appreciation for the administration's commitment to strengthening America's economic position on the global stage. As an organization with member companies around the world – including a strong presence in Canada and Mexico, as well as key sourcing and supply chain relationships in Asia and Europe – we share the goal of ensuring fair trade practices with key international partners.

While we recognize the need to address illegal immigration and the flow of illicit drugs into our country, and we appreciate the fluid nature of ongoing trade negotiations, we are deeply concerned that the recently announced tariffs on the United States' three largest trading partners will have severe unintended consequences for American businesses and consumers alike.

The promotional products industry comprises an estimated \$27 billion market in the U.S., fueled by companies of every size, from sole proprietorships to billion-dollar corporations. However, more than 97 percent of the over 24,000 promotional products firms in the U.S. are small and mid-sized businesses, and many are family-owned. No matter the size, they all rely on complex supply chains around the world that would be upended by President Trump's tariffs.

Many of our members are already experiencing extreme pressure from rising costs and cannot absorb these increases without passing higher prices on to consumers – or worse, cutting American jobs. At the same time, retaliatory counter-tariffs like those already imposed by China will compound the economic strain, increasing trade tensions and uncertainty in the business environment.

An escalating trade war does not just affect businesses – it harms consumers and particularly the most vulnerable Americans who can least afford rising costs. If these tariffs expand further, many companies in our industry will be forced to make difficult decisions regarding pricing, employment, and long-term viability.



We urge Congress to work toward a balanced trade policy that protects American interests while ensuring that small businesses, such as those in the promotional products sector, are not disproportionately burdened. We would welcome the opportunity to discuss the real-world impact of these tariffs with you and your colleagues and explore alternative approaches that achieve our shared objectives without stifling American enterprise.

Thank you for your leadership and for considering the perspectives of small businesses as you navigate this critical issue.

Sincerely,

Drew Holmgren, Chief Executive Officer
Promotional Products Association International
3125 Skyway Circle North
Irving, TX 75038