

## ***The Office of Advocacy Recommends that the U.S. Trade Representative Consider the Impacts of Adding Motorcycles to the Retaliatory List***

On December 8, 2008, the U.S. Small Business Administration's (SBA's) Office of Advocacy (Advocacy) submitted comments to United States Trade Representative (USTR) on their November 6, 2008, notice entitled "Review of Action Taken in Connection with WTO Dispute Settlement Proceedings on the European Communities' Measures Concerning Meat and Meat Products," 73 Fed. Reg. 66066. The USTR is proposing to place a retaliatory tariff on certain motorcycles.

A complete copy of Advocacy's letter to the USTR is available at:  
[www.sba.gov/advo/laws/comments/](http://www.sba.gov/advo/laws/comments/).

- Nearly all U.S. Motorcycle dealerships are considered small businesses based on SBA size standards.
- A dramatic price increase in one or two of the brands that a dealership carries will significantly affect its revenue stream.
- Advocacy anticipates that as a result of the USTR's action: 177 single-line dealerships will be put out of business; over 1,100 dealerships will face significant economic impacts (about 20% of the industry); and 3,114 jobs will be lost.
- Advocacy takes no position on the validity or legality of placing the retaliatory duties on motorcycles, or on the impacts absorbed by European Union motorcycle manufacturers.

For more information about rule, please visit Advocacy's Web page at [www.sba.gov/advo](http://www.sba.gov/advo) or contact Jennifer Smith, Assistant Chief Counsel, at (202) 205-6943 (or [jennifer.smith@sba.gov](mailto:jennifer.smith@sba.gov)).