

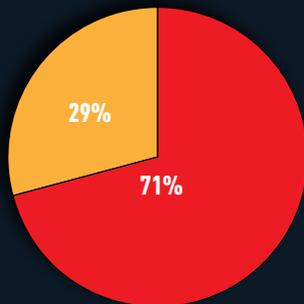
Tariffs are taking a toll on the door industry

New D+AS poll reveals specific effects from tariffs

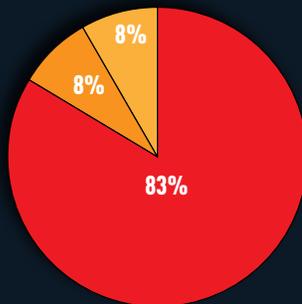
By Tom Wadsworth, CDDC
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The effects of the 2018 U.S. trade tariffs have had a negative effect on our industry, at least for the short term.

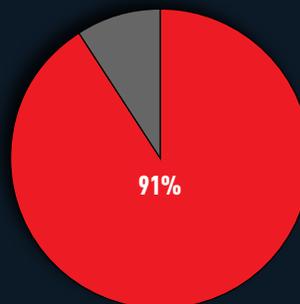
According to a new survey by Door + Access Systems magazine, 71 percent of DASMA door manufacturers say that the tariffs have affected their business, and 83 percent of these manufacturers say the effect has been negative. Based on the survey responses, there appears to be legitimate concern that the costs involved with the tariffs may be passed through the chain of commerce ending with the U.S. consumer.



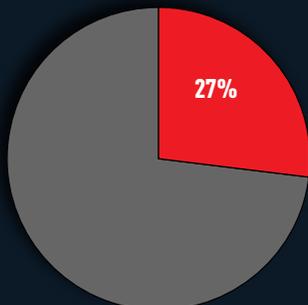
Have the 2018 tariffs on international trade affected your business?
71% Yes
29% It's too early to tell.



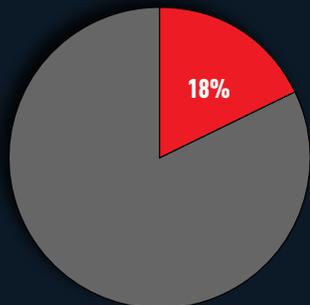
If yes, has the effect on your company been positive, negative, or both?
83% Negative
8% Both positive and negative
8% I'm not sure.



How have these tariffs affected your business?
91% We have experienced tariff-related cost increases on some materials/components that are used in our products.



How have these tariffs affected your business?
27% We have lost some sales to customers in certain countries.



How have these tariffs affected your business?
18% We have seen some projects delayed because of uncertainties related to tariffs.

Comments from survey respondents

- "The tariffs have made it difficult to bid anything with the confidence that our cost will be the same when/if we get the bid."
- "Since we do a lot of cross-border business, the tariffs have affected our bottom line, and it is hard to recoup all of the additional costs."
- "Rising material pricing can theoretically be passed on (to customers), but future pricing is uncertain, which creates a challenge to bidding future work."
- "We have had some material cost increases but nothing substantial."
- "For the short term, the tariff politics have created a lot of market confusion. If the tariffs result in better, more balanced trade deals for the USA, then they will lead to a net positive long-term outcome. If these measures only lead a worldwide 'tariff war,' then they will slow the U.S. and global economies. The proof will be in how longer-term trade deals pan out."

About the tariffs

In March and July 2018, the Trump administration imposed hefty tariffs on imports of many products from several other countries. For our industry, the most significant tariffs were on steel and aluminum from China, Canada, Mexico, Europe, and elsewhere. Other countries have since retaliated with tariffs against billions of dollars of American exports. The U.S. argues that tariffs are necessary to reduce a trade imbalance and to combat unfair trade practices.

About the survey

The online survey was sent in mid-August to 36 DASMA members who manufacture sectional doors, rolling doors, or high performance doors. Of these 36, 17 (47%) completed the survey. Most respondents were U.S.-based manufacturers, although a few were based in Canada. The respondents represented many manufacturers of sectional garage doors, rolling doors, and high performance doors. ■