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Organization(s): FINESSE US INC.

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Comment Text:

As a fashion & tech company with a global manufacturing footprint, we rely on suppliers all around the world. Foreign relations and trade policies can have severe impacts on our supply chain. Trade barriers can have a significant impact on our business model – tariffs can raise costs for importing and exporting, disruptions at ports can add time between design, production and reimportation, changes in inspection laws can add further to delay, etc. These delays don't just have the potential to increase customer dissatisfaction, but also raise logistical costs.

A specific policy product (such as a product regarding trade tensions, etc.) cannot sufficiently meet our needs - the risk is not about a specific policy per se but rather the general approach of a government towards trade. A contract that pays out, e.g. if tariffs on China hit 25%, would not be sufficient since we would be harmed if tariffs hit 24%, or non-tariff barriers rose, or any other similar barrier. As a result, an election contract far more specifically meets our needs than any specific policy product. I am writing to support the proposal to allow contracts to hedge the risk that a specific Congress may enter government and adversely affect international and trade logistics.