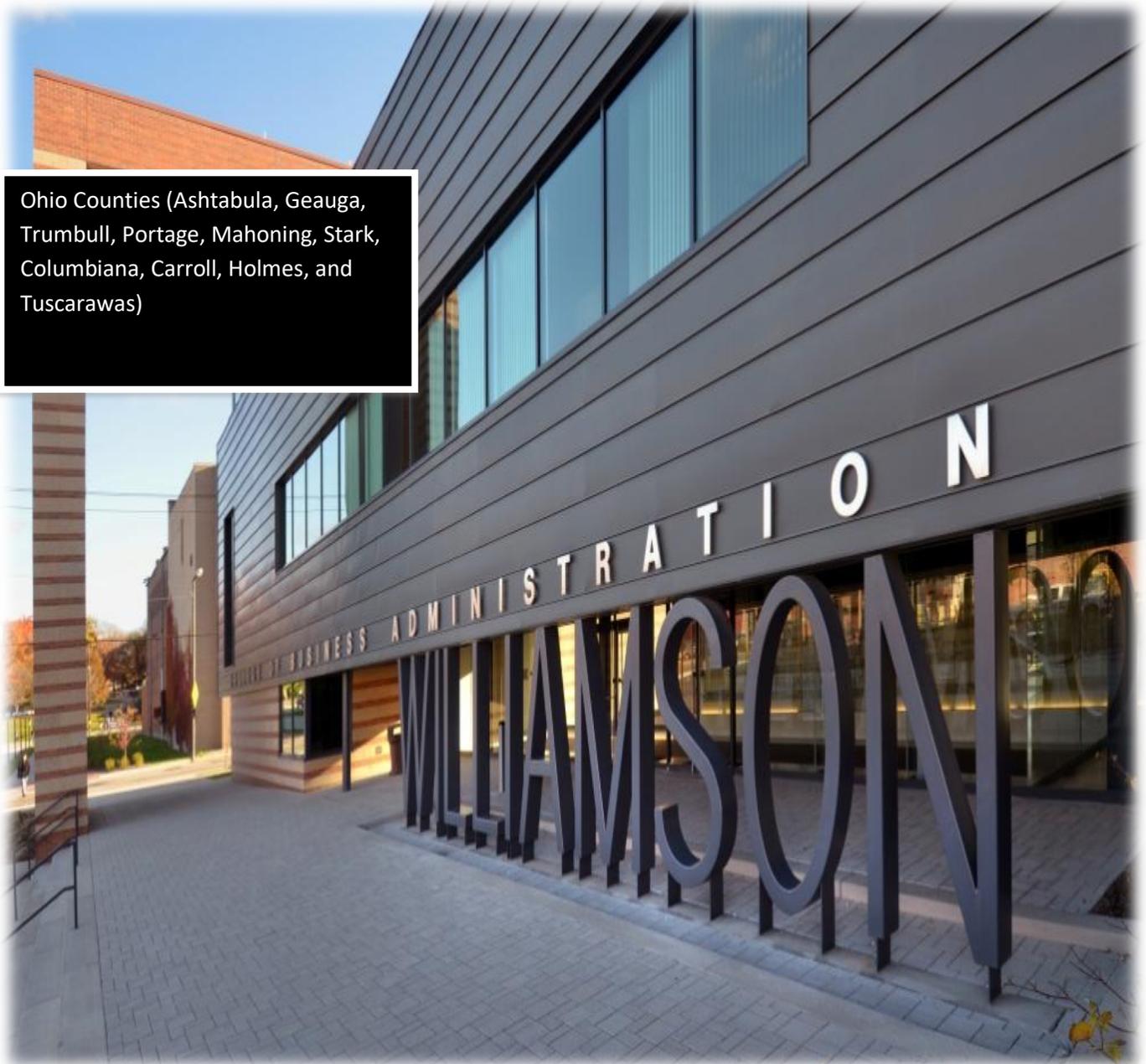


Ohio Counties (Ashtabula, Geauga, Trumbull, Portage, Mahoning, Stark, Columbiana, Carroll, Holmes, and Tuscarawas)



In the last few months, during visits to our clients in the 10 counties in N.E Ohio (Ashtabula, Geauga, Trumbull, Portage, Mahoning, Columbiana, Stark, Carroll, Holmes, and Tuscarawas), we observed there were a growing concern among business owners & leaders that ranges from; complaining about increase in prices (e.g. domestic steel 25%) to a significant drop in export sales mainly to China (e.g. 80%)

During that same time, our EAN office at YSU conducted four seminars about the trade war in the same region mentioned above (Tuscarawas, Kent at ACE 1, Kent at ACE 2, Chillicothe). We observed the same concerns from the audience; which mainly included business owners, economic development organizations, and bankers.

Based on those observations, we decided to conduct our own survey in an attempt to capture these legitimate concerns. Client responses is the only accurate way to measure the impact of the unfolding trade war between U.S and China.

Survey Notes:

1. 50 out of 132 clients responded to our survey
2. We made sure that all responses were anonymous
3. The results of this survey are the actual response from the clients, and does not represent in any way the opinions of EAN staff at YSU

Note: Due to the rapid speed of the unfolding trade war policies and actions, we realized that the results of this survey might change as quickly as we publish it. (e.g. question #9, which there was hope for a deal when we asked that question Vs. the present situation)

Mousa Kassis

Director, SBDC Export Assistance Network at YSU

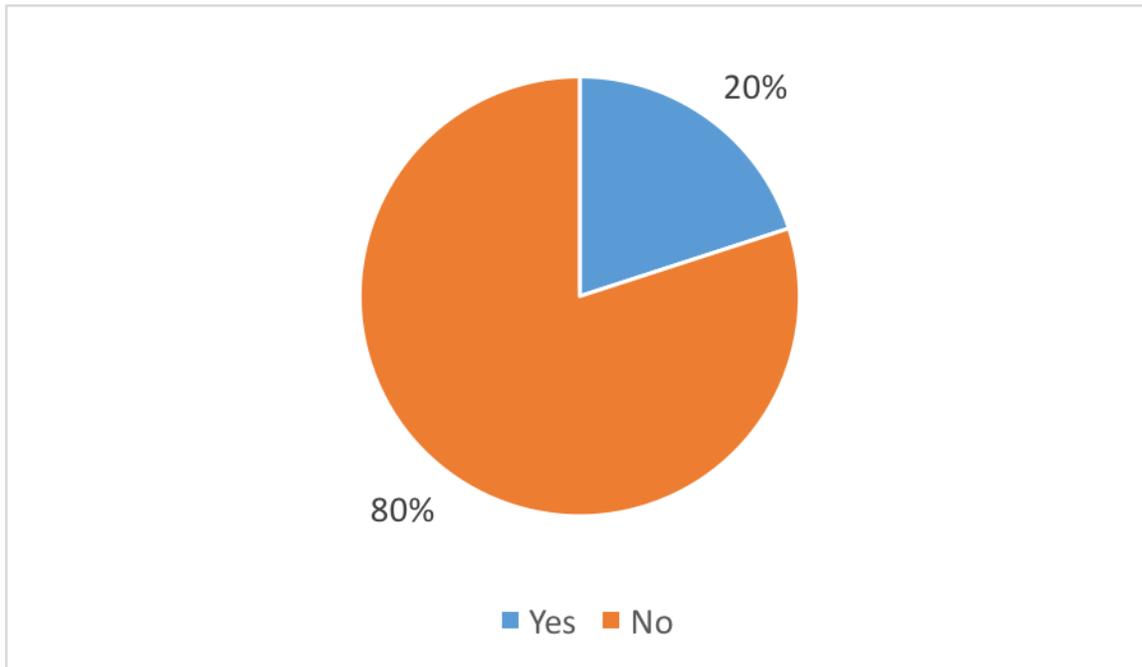
Director, Ohio Export Internship Program at YSU

Ellen Chittester

International Trade Advisor, YSU

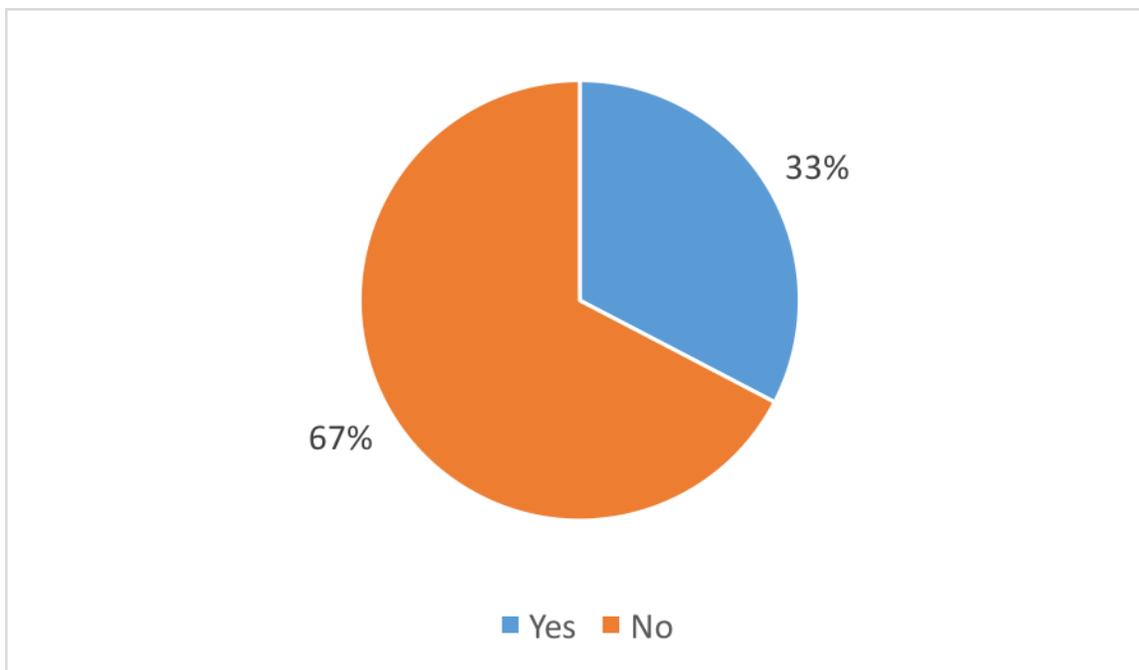
Question #1: Has your company experienced any cancelation of future orders from foreign buyers as a result of the trade war

- 1. 80% - NO
- 2. 20% - Yes



Question #2: Has your company experience any decrease in sales to foreign buyers as a result of the trade war?

- 1. 67% - NO
- 2. 33% - YES



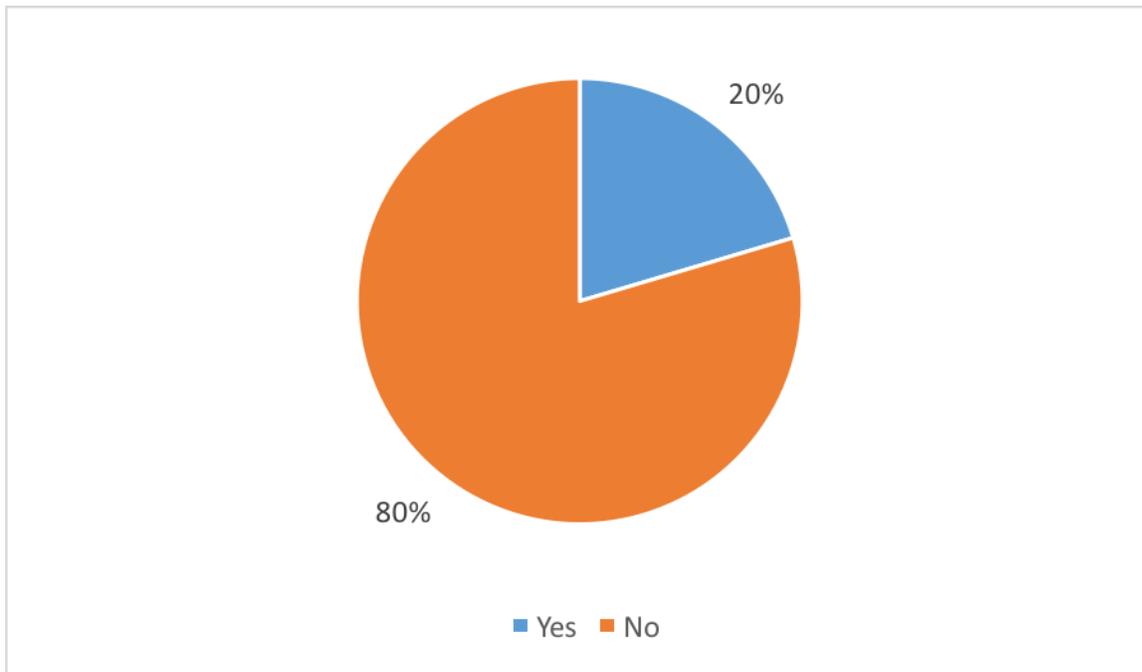
Question #2 follow up

If yes, by what percentage have your foreign sales decreased?

- 10%
- 15%
- 50% (sales to China)
- Unsure
- 80%
- Still unsure, seen especially in Latin America and European Countries
- Unsure
- 50% to China
- impossible to guess on an individual basis as we really have not sold much to China in the past but the commodity market has been significantly affected.
- We only have one distributor in China and they have not ordered since last year. 100%
- 10-15%
- Not sure of exact percentage
- 25%
- 40%
- 5%
- 63%
- 40% due to the Chinese manipulating schedules so that the products for USA could not be manufactured outside China.
- 5%
- Not sure since many of our larger customers like GE & Schneider Electric direct shipments to go to many parts of the world as well as domestically

Question #3: Has your company experienced a decrease in sales to domestic buyers as a result of the trade war?

- 1. 80% - NO
- 2. 20% - YES



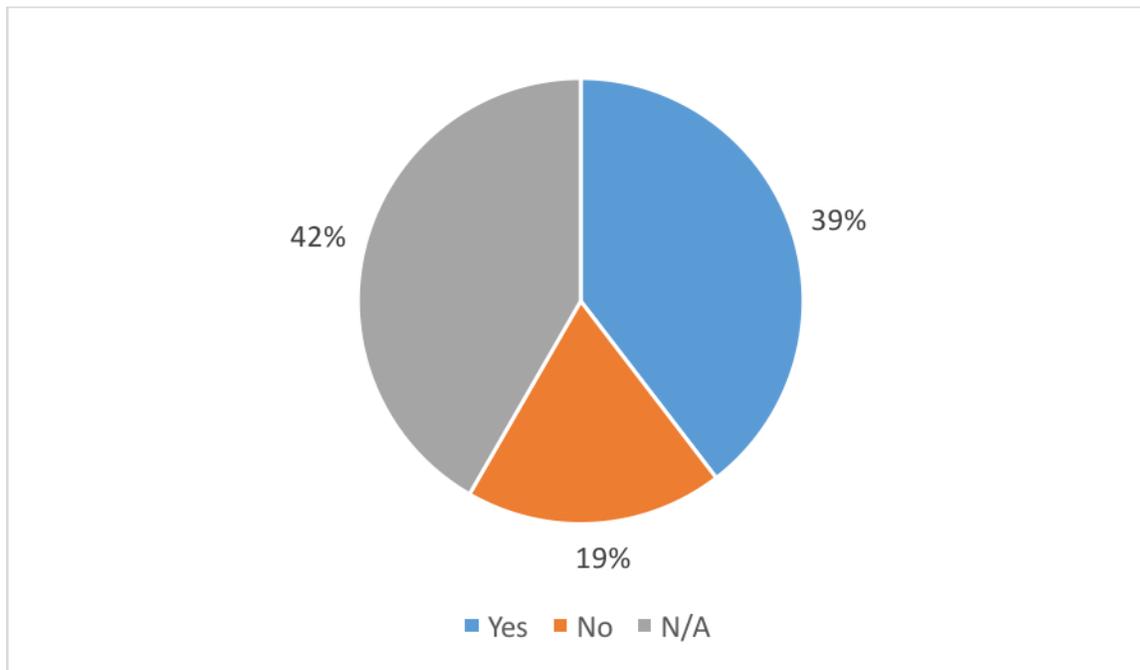
Question #3 follow up

If yes, by what percentage have your domestic sales decreased?

- 5-15% depending on product line
- Effects still unknown, we have seen an increase in our competitors dumping their product as they don't have to pay the increased steel tariff
- 25%
- 8%
- Roughly 10%; appears to be some nervousness with OEM's and demand lagging
- 10-15%
- 30%
- Unsure
- 1%
- 30%

Question #4: If you import products, have you noticed an increase in import costs?

- 1. 19% - NO
- 2. 39% - YES
- 3. 42% - N/A



Question #4 follow up

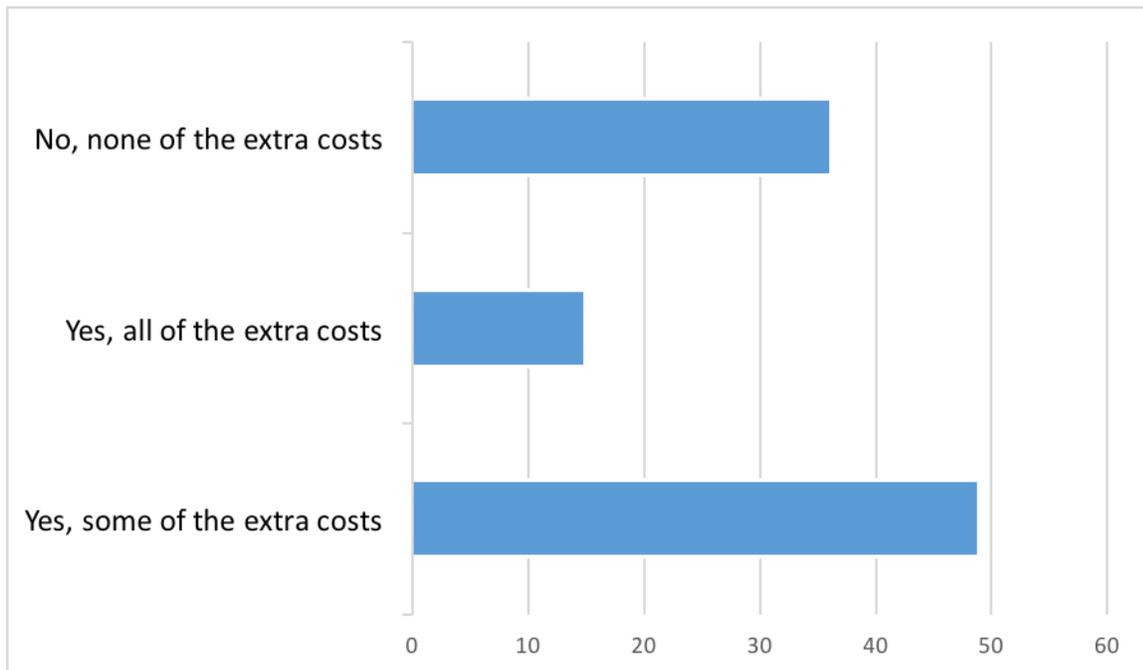
If yes, by what percentage have your import costs increased?

- 25% on steel globally (we import from Canada)
- 70%
- 25%
- 22%
- 5-25%
- We initially experienced around 20-25% increase in costs, but we were able to minimize the costs by reclassifying product import codes.
- 25%
- 25%

- 10-25%
- We are not sure, going through the calculations still.
- 20%
- 40%
- 10% initially, now 25% on future incoming shipments.
- Less than 1%
- Unsure about this at this point
- 5% to 10%
- 25%

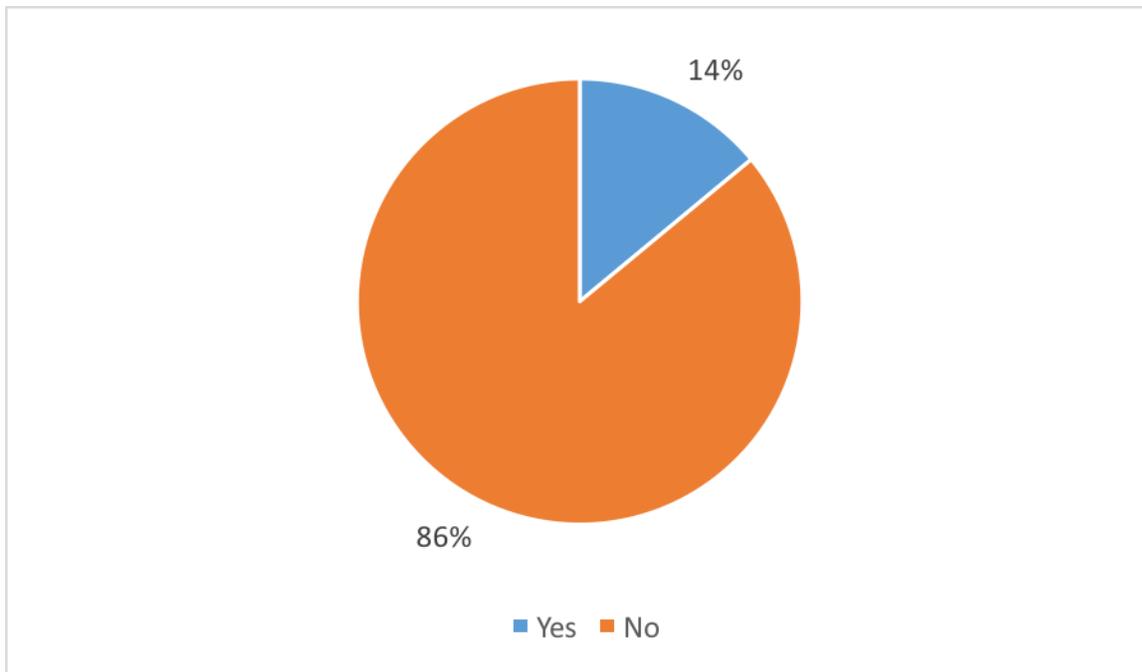
Question #5: If there was an increase in cost due to the trade war, were you able to push that cost to your customers?

1. 36% - NO
2. 49% - YES, some of the cost
3. 15% - YES, all of the cost



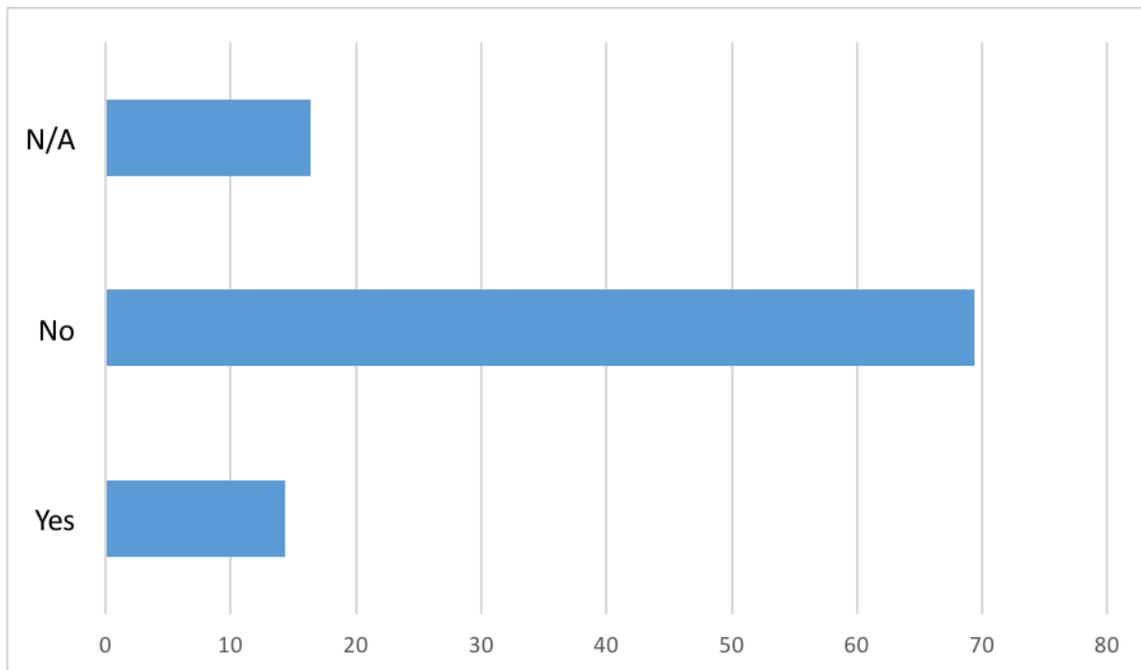
Question #6: Has the trade tariff caused any shortages in goods from foreign suppliers?

- 1. 86% - NO
- 2. 14% - YES



Question #7: Has your company canceled any plans of investment (capital equipment, expansion, etc.)?

1. 69% - NO
2. 15% - YES
3. 16% - N/A

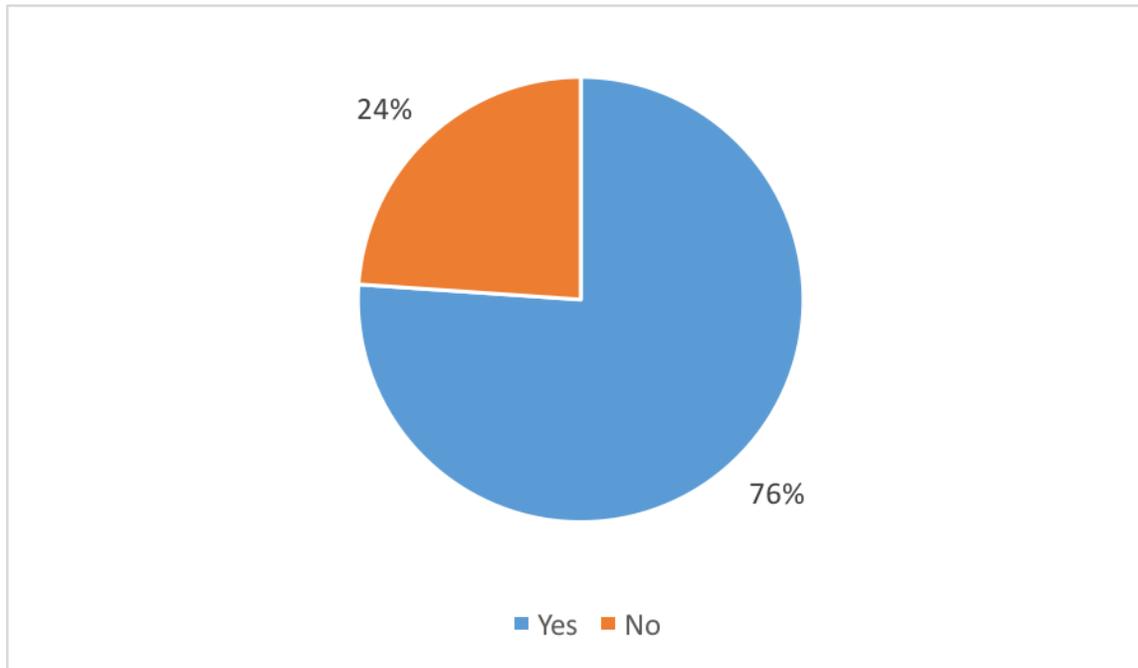


Participating companies' Comments:

- Not canceled, but delayed
- Due to foreign investors not investing in USA companies.
- Capital projects for increasing warehouse space and clean room capabilities.
- We have postponed capital equipment
- Equipment purchases
- All marketing, sales and travel to China.
- If we can justify the domestic cost, we go that way.
- We are delaying some investment purchases at this time.

Question #8: Do you think that this trade war will continue?

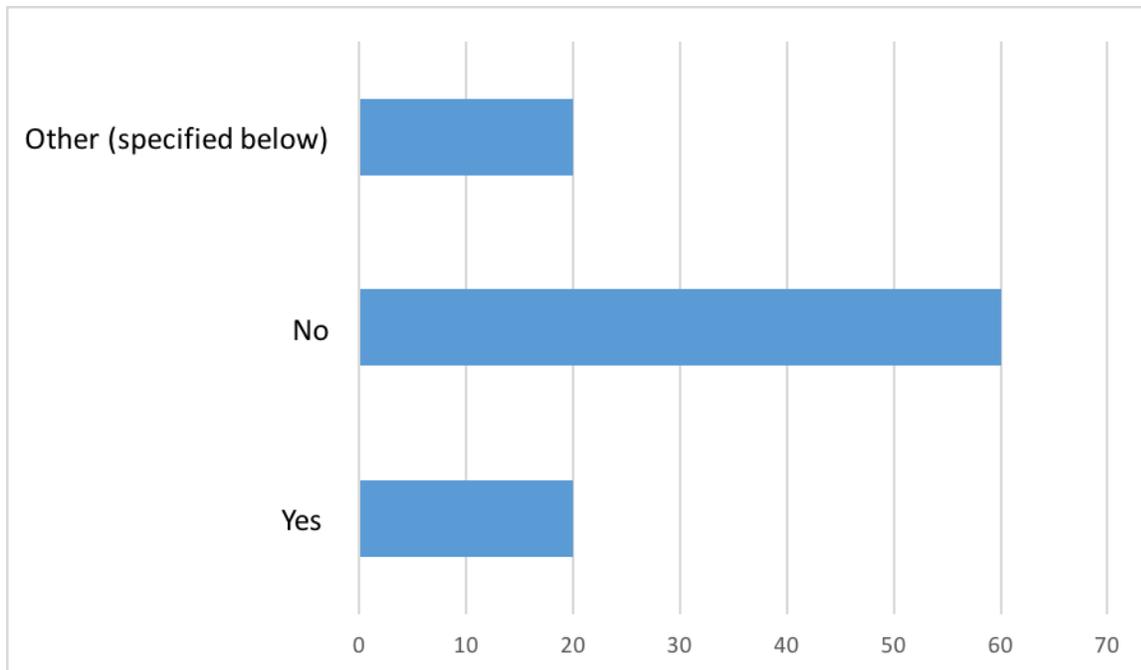
1. 24% - NO
2. 76% - YES

**Participating Companies' Comments:**

- This will not end soon
- Hope not, but it appears it would continue for a while.
- It is too costly for all sides for it to continue on. However, we have suffered this much, we need to resolve it in a manner which is fair to USA companies. It could not continue the way it was going with China. Better to solve it now rather than pushing the problem down the road when it will be harder to solve. Let's resolve the problem now since we already started the trade war.
- Perhaps the world will move more towards genuine free trade. The EU has survived for generations by charging import duties on manufacturers outside the EU. We accepted this as the norm. Perhaps this will go away as well.
- As many of us learned in Macro Economics trade wars are a lose/lose so hopefully cooler heads will prevail in the near future

Question #9: Even with trade agreement between US and China that might be signed soon, do you think that future trade relation will ever be the same?

1. 60% - NO
2. 20% - YES
3. 20% - N/A



Participating Companies' Comments

Other, please specify:

- For a very long time.
- Unsure
- If it is successful, it cannot be the same. The past relationship was doomed because the Chinese trade practices are so unfair to USA companies. If it resumes to be the same, then we failed at negotiating.
- The market has changed and it will find a new and different balance. do not know if it is for better or worse. I think the likely-hood of better is greater than worse
- Don't know
- Possibly
- Hopefully it will improve. A simple look at the trade imbalance over the past 2 decades will show unfair trade. Alibaba an almost 100% rip-off of Yahoo, shows stealing of IP shows unfair trade. Lastly, China's building militarized islands in the South China Sea,

indicates a desire to push its influence/ideology and control in the region. I hope we can change all that.

- Hard to tell at this point
- It will always be a battle as China does not share the philosophy of win-win relationships. They cannot be trusted and use unethical and even illegal business practices on a regular basis. I have very low regard for China's ethics in general. They stole some of our copyrighted materials with no recourse on our part
- Hopefully it will be better

Question #10: Has your business been impacted in any other way regarding the trade war that you would like to share with us? Or is there any way we can assist you further?

- It is unclear what role overall the trade war will affect the rubber market.... there are a lot of effects now ranging from rubber crop blight, automotive sales decreases, etc., never mind the synthetic rubber industry being tied in with everything else!
- My supplies I order have gone up at least 25% and I am a small retailer and cannot pass on this cost to my customers.
- We'll need to resolve the tariff issues before small companies like ours go out of business.
- Our sales to China have suffered tremendously as our customers are not willing to invest with so much uncertainty. The China economy is suffering like ours. Now is a good time to come to a fair agreement.
- as noted above, in certain segments (energy) it has created some nervousness
- We primarily import from China and do not export, so we have little potential to work with your department.
- The effects of the trade war will not be known for some time; therefore, an analysis will need to be reviewed quarterly. In this type of business, our contracts are generally long term in nature.
- Just Business uncertainty as a whole in this trade environment.
- Let Mr. President sign the deal with China as soon as possible.
- The relationships and sales that took years to establish have been taken by other countries and competitors. We may never be able to get the business back.
- We are attempting to source products from countries other than China although we find that certain products can only be sourced from China. As such we are also looking at other designs that can be retro-fit to meet our customer needs.
- Tariffs for us have increased significantly especially if List 4 happens. We have submitted an application for Duty Drawback which will be extremely helpful with the current tariff burden. Just information for you, nothing to further assist us! Thanks!
- As we are a U.S. Veteran owned manufacture of construction related products, we expect an uptick in Domestic business.
- As we are a U.S. Veteran owned manufacture of construction related products, we expect an uptick in Domestic business.
- Have dramatically decreased purchases from China and increased purchases from other foreign suppliers.