



Department of City Development
News Release

For Immediate Release
November 10, 2005

MAYOR ASKS PRESIDENT BUSH TO SUPPORT HARLEY-DAVIDSON'S CHINA STRATEGY

Mayor Tom Barrett today asked President George W. Bush to help address the current trade imbalance between the U.S. and China by promoting Harley-Davidson Motor Company's efforts to enter the Chinese market. President Bush plans to meet with Chinese President Hu Jintao during an upcoming trip to Asia next week.

In a letter to the President, Mayor Barrett urged him to advance the cause of Harley-Davidson, by supporting the purchase of Harley-Davidson motorcycles by Chinese police forces. Barrett noted that China has a de facto trade barrier against Harley-Davidson, as numerous motorcycle restrictions are in place throughout the country. During his recent business mission to China, Barrett discussed the situation with several local Chinese officials and noted that law enforcement agencies in 45 nations use Harley-Davidson motorcycles.

"It was clear from my conversations that the Harley-Davidson brand is well known and well regarded in China," Mayor Barrett wrote. "I believe a strategy involving the introduction of Harley-Davidson motorcycles as vehicles for Chinese municipal police forces would be an effective first step in loosening China's restrictions on this product. The use of motorcycles by law enforcement will provide assurances to the Chinese that Harley-Davidson products meet required emissions, noise and safety standards, and provide an excellent vehicle choice for both basic transportation and leisure touring."

Barrett asked his fellow mayors in Kansas City and York, Pennsylvania to join him in his request of President Bush to protect the jobs of workers at the Harley-Davidson plants in their cities.

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Letter attached

November 7, 2005

President George W. Bush
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Bush:

I understand that one of the goals of your visit to China later this month is to address the burgeoning trade deficit with China. To reduce the imbalance, it is imperative that markets be created and opened for products made in the United States. One of the most recognizable American products is the Harley-Davidson motorcycle. Consequently, I am writing to ask that, in the course of your talks with President Hu Jintao, you advance the cause of Harley-Davidson Motor Co. in its efforts to enter the Chinese market, by supporting the purchase of Harley-Davidson motorcycles by local police departments in China.

In previous correspondence to the U.S. Department of Commerce, Harley-Davidson has noted that more than 170 large and medium cities in China have limitations or bans on the usage or ownership of motorcycles. In Beijing, for example, motorcycles may not be operated within the Third Ring Road. Shanghai has designated 80 streets where motorcycle use is prohibited, and Guangzhou is working toward an outright ban of motorcycles in 2007. In some cities, cycles registered in one city or region are not permitted to operate in another city or region. In many Chinese cities, motorcycle ownership has been frozen, with the result that prospective owners must bid for a license tag. In written comments to the Trade Policy Staff Committee, Harley-Davidson officials concluded, "China's arbitrary ban on the use and registration of motorcycles in urban areas - areas which generally are much more affluent and where the most likely purchasers of American-made motorcycles live - amounts to a de facto trade barrier."

Several weeks ago, I led a Milwaukee business mission to China, where I had the opportunity to discuss this situation with several local Chinese officials. I spoke of the fact that law enforcement agencies in 45 nations use Harley-Davidson motorcycles. It was clear from my conversations that the Harley-Davidson brand is well-known and well-regarded in China. I believe a strategy involving the

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I am asking that you use your visit to China as an opportunity to promote the purchase of Harley-Davidson motorcycles by Chinese law enforcement agencies. Your support will help to address the current U.S./China trade imbalance, while protecting the jobs of workers at Harley-Davidson plants in Milwaukee, Kansas City, and York, PA.

Sincerely,

TOM BARRETT
Mayor