ALLIANCE FOR AUTOMOTIVE INNOVATION

October 17, 2025

Julia Khersonsky
Deputy Assistant Secretary for Strategic Trade
Bureau of Industry and Security
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, D.C. 20230

RE: Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Robotics and Industrial Machinery

Dear Deputy Assistant Secretary Khersonsky:

Alliance for Automotive Innovation ("Auto Innovators") submits these comments in response to the Request for Public Comments from the Bureau of Industry and Security ("BIS") on its investigation to determine the effects on the national security of imports of robotics and industrial machinery. We appreciate the opportunity to provide the auto industry's perspective on this investigation.

Auto Innovators represents the full auto industry, including the manufacturers producing most vehicles sold in the U.S., equipment suppliers, battery producers, semiconductor makers, technology companies, and autonomous vehicle developers. Our mission is to work with policymakers to realize a cleaner, safer, and smarter transportation future and to ensure a healthy and competitive auto industry that supports U.S. economic and national security. Representing over 5 percent of the country's GDP, responsible for supporting nearly 11 million jobs, and driving $1.5 trillion in annual economic activity, the automotive industry is the nation's largest manufacturing sector.

For more than half of a century, the auto industry has been a leader in the use of robotics and industrial machinery. Robotics and industrial machinery are used in automotive manufacturing facilities to support workers with tasks such as painting, welding, high-speed fastening, and material handling. Today, robotics and industrial machinery are used throughout production lines in vehicle assembly plants and automotive component plants to help speed up production, improve quality, promote ergonomics, and – most importantly – protect workers from harm. Going forward, effective scaling and deployment of robotics and industrial machinery – including collaborative robots and autonomous mobile robots – will be critical to preserving and expanding America's global competitiveness in the automotive sector.

The full extent of the auto industry's use of robotics and industrial machinery is difficult to quantify. However, according to the International Federation of Robotics, about 40% of all robotics and industrial machinery installations in the U.S. in 2024 were in automotive production facilities. Due in part to growing automotive production in the U.S., total installations of industrial robots in the auto industry increased by 10.7% in 2024. Since robotics and industrial machinery are crucial inputs into today's automotive production, there is no doubt that the auto industry would be significantly impacted by a trade action in this area.

Auto Innovators is aligned with the Administration in seeking to ensure that the importation of robotics and industrial machinery does not threaten our national security. However, at present, there are few robotics and industrial machinery producers in the U.S. As a result, the auto industry is heavily reliant on international sources for these items. By some accounts, 70% of robotics and industrial machinery are currently produced by Japan, Germany, South Korea, and China.

Robotics and industrial machinery supply chains are also complex, deeply integrated, and globally dispersed. Critical components – including advanced chipsets, Printed Circuit Boards, precision parts, optics and sensors, as well as simpler mechanical parts - are sourced from a relatively small number of specialized suppliers worldwide. In addition, this equipment often relies on customized or proprietary components built to company-specific standards that are frequently global in scope, making supplier substitution particularly difficult and costly. Any redesign of the equipment that would be necessitated by new or inexperienced suppliers would require extensive retraining of operators, engineers, and maintenance teams, leading to additional costs and potential delays in U.S.-based manufacturing. These factors, combined with the fact that auto companies often contract with suppliers several years before equipment is installed in an automotive manufacturing facility, make robotics and industrial machinery particularly susceptible to supply chain disruption risk.

The Administration has encouraged and prioritized U.S.-based automotive production. The industry has responded by announcing significant new manufacturing-related investments in the U.S. These new and expanded manufacturing facilities will require new robotics and industrial machinery. Any action that increases costs or constrains supply of this machinery will raise the costs for these new facilities and may force auto manufacturers to delay or reconsider these expansions. Cost increases and supply constraints are also likely to reduce the competitiveness of U.S.-based automotive manufacturing operations relative to foreign producers in markets around the world, especially China.

In addition, when producing new vehicle models and new vehicle components, auto manufacturers must often retool and upgrade existing robotics and industrial machinery as part of their normal operations. Increasing the cost of equipment at existing facilities will raise overall production costs for automotive manufacturers, could cause production delays, and may result in vehicle shortages and higher vehicle prices on American consumers at a time when new vehicle prices are already at historic highs.

The impact of potential tariffs or restrictions on robotics and industrial machinery could be particularly profound for automotive suppliers in the U.S. According to recent survey data, at least 20 percent of automotive suppliers are already in financial distress. In recent weeks, several suppliers have detailed plans to cut jobs, close plants, or scale back or cancel investment plans. The imposition of additional tariffs, including tariffs on robotics and industrial machinery needed for component manufacturing, is likely to place additional and unnecessary stress on these businesses.

We strongly support the development and implementation of focused policies that can promote and maintain a secure and resilient supply of robotics and industrial machinery required for U.S.-based automotive production. This includes potential incentives for the onshoring of robotics and industrial machinery production, robust workforce development programs that can train and upskill the

workforce to support domestic production, and investments in advanced manufacturing infrastructure. It also includes working with key allies (e.g., Japan, Germany, and South Korea) to help relieve existing workforce shortages and the current lack of a robust domestic supplier ecosystem in the U.S. We strongly urge the Administration to instead prioritize these supportive policies.

If tariffs or other restrictions are imposed on robotics and industrial machinery, we urge the Administration to provide options for relief for robotics and industrial machinery that are used to enable, enhance, or maintain automotive manufacturing, assembly, or production facilities. Such an offset would be consistent and compatible with the Administration's commitment to the health and competitiveness of the auto industry and the construction of new U.S.-based automotive plants. In furtherance of this broader goal, the Administration should also consider a pause on tariffs imposed under Executive Order 14257 on equipment that is in the scope of this investigation while the investigation is underway.

We also reiterate our request for close policy alignment – including clear goals and policy sequencing – on trade-related actions impacting the auto industry in the U.S. Any action related to robots or industrial machinery should be closely assessed in the context of existing tariffs on steel and aluminum and potential actions related to semiconductors, critical minerals, and polysilicon.

Finally, we urge BIS to clarify the scope of the existing investigation. For purposes of these comments, we assume that BIS is investigating robotics that are used in manufacturing, rather than robotics generally. If the scope of the investigation is broader than that, there may be further implications for and impacts on the auto industry that are not reflected in these comments.

At this crucial time in the auto industry's transformation amid strong global competition and uncertainty, we strongly encourage BIS and other agencies within the federal government to focus on policies that can reduce uncertainty, avoid adding unnecessary costs, and position the industry for near- and long-term success.

Auto Innovators welcomes the opportunity to work with BIS on this and other matters critical to the auto industry.

Sincerely,

Hilary M. Cain
Senior Vice President of Policy