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## Loud and clear: Businesses heeding Donald Trump's message

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Despite opposition from his own troops in Congress, President-elect Donald Trump on Wednesday reaffirmed his vow to slap a “border tax” on companies that move jobs outside the U.S. — further putting the business community on notice that things will change when he is in the White House.

He has praised companies that have announced expansions in the U.S., threatened those that are considering moving plants elsewhere and even pitted corporations against each other in government contracting, trying to drive the best deal possible for taxpayers.

Although it is tough to calculate the effect on jobs, there is no question that businesses are listening — and responding.

After one meeting with Lockheed Martin Corp., the lead contractor on the expensive and behind-schedule F-35 fighter jet, Mr. Trump emerged to say no progress had been made on cutting costs. He then posted a Twitter message saying that he had asked Boeing Co., a Lockheed competitor, to offer a plan to update its F-18 and replace the F-35 contract.

The arrow struck its target. Lockheed CEO Marillyn Hewson quickly announced that she had given Mr. Trump her “personal commitment” to drive down the price of the F-35.

“Companies are scared of Trump,” said Daniel Mitchell, a senior fellow at the libertarian-leaning Cato Institute. “He’s getting loads of credit for browbeating the companies.”

The president-elect, in a press conference Wednesday, continued to publicly embarrass the F-35, calling it “way, way behind schedule” and “many, many millions of dollars over budget” and again hinting at using the F-18 as an alternative.

“We’re going to have some competition, and it’s going to be a beautiful thing,” he said.

Mr. Trump has the most power over government contracts, but he also has delved into more nuts-and-bolts business decisions.

Mr. Trump praised recent announcements from Ford Motor Co. and Fiat Chrysler Automobiles about their plans to develop within the U.S. Mr. Trump earlier criticized Ford's reported plans to move its small-car production to Mexico.

"I appreciate that from Ford. I appreciate it very much from Fiat Chrysler," Mr. Trump said Wednesday. "I hope that General Motors will be following, and I think they will be."

Ford CEO Mark Shields told CNBC recently that the company canceled the plans for a plant in Mexico because of market demand and that Ford could use capacity it already has.

The company did, however, acknowledge in November that Mr. Trump supported its decision to keep the manufacturing of a particular utility vehicle model in Kentucky — though Mr. Trump boasted that he had "worked hard" with company Executive Chairman Bill Ford to keep a plant in the state.

Mr. Trump also has threatened to make car companies such as General Motors Co. and even Japan-based Toyota Motor Corp. pay a "big border tax" if they manufactured products in Mexico and sold them in the U.S.

The auto industry is taking notice. Michael Jackson, chairman and CEO of AutoNation Inc., an auto retailer, told CNBC that the Detroit Auto Show this week is awaiting Mr. Trump's next industry-shattering social media statement.

"We can't even get to the vehicles. Everyone's hanging on the next tweet," Mr. Jackson said — though he added that there was a general mood of optimism for Mr. Trump's pro-growth vision for the economy.

Mr. Trump is simultaneously acting like the president and a sort of chief economic officer, said Mark T. Williams, who teaches finance at Boston University.

"His tweets are impacting shareholders," Mr. Williams said, pointing to large fluctuations in the stock values of Boeing and Lockheed after Mr. Trump put their names at the top of the news.

Shares of health care and pharmaceutical stocks dropped Wednesday after Mr. Trump talked about his desire to get a more open bidding process in place for drug prices.

"What they're doing is they're trying to manage perceived risk, and really a political risk they have if they don't appear publicly to kowtow to Donald Trump," Mr. Mitchell said of companies in general. "It has much larger implications — global trade implications."