



May 6th, 2025

Eric Longnecker
Deputy Assistant Secretary, Technology Security
Bureau of Industry and Security
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, DC 20230

Stephen Astle
Director, Defense Industrial Base Division
Bureau of Industry and Security
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Request for Comments: Section 232 National Security Investigation of Imports of Pharmaceuticals and Pharmaceutical Ingredients

Dear Deputy Assistant Secretary Longnecker:

On behalf of Incubate, a coalition of early-stage life sciences investors focused on educating policymakers about the vital role of venture capital in advancing scientific and medical breakthroughs, I write to strongly oppose any effort to impose Section 232 tariffs on pharmaceutical imports from our allies. While strengthening domestic resilience and reducing strategic dependencies on adversaries like China are worthy goals, targeting imports from trusted partners like Europe and Japan would undermine, not enhance, our national and economic security.

Incubate represents investors in hundreds of early-stage life sciences companies working on the frontiers of medicine -- curing cancer, reversing genetic disease, and preparing for the next public health crisis. These firms rely on a highly complex global supply chain to conduct research, manufacture therapies, and navigate regulatory approval. Imposing tariffs on pharmaceutical ingredients and finished medicines from allies like Germany, Ireland, Japan, and Switzerland would drive up costs, delay innovation, and prevent American patients from accessing treatments.

Unlike pharmaceutical inputs from China, those from Europe and Japan are not a national security threat -- they are a vital part of the innovation pipeline that underpins American leadership in biomedicine. Disrupting these supply lines would hinder clinical trials, raise barriers to market entry for new developers, and chill investment in the next generation of cures.

In 2023 alone, the U.S. imported [nearly \\$130 billion](#) in pharmaceutical goods from Europe and [over \\$6 billion](#) from Japan. Many of the startups backed by U.S. venture capital firms rely on these imports for specialized ingredients, biologics, and packaging materials that cannot be easily replaced or produced domestically in the near term. Indeed, [33%](#) of the ingredients used in drugs taken by Americans are sourced from Europe.



Applying tariffs to these imports would impose significant financial and operational burdens on the very companies that anchor America's global leadership in life sciences innovation.

Every dollar a life sciences startup spends complying with tariff-related cost increases is a dollar not spent on research, trials, hiring, or scale-up. Tariffs would shift capital from science to paperwork, from drug development to legal navigation. That's not how we deliver new treatments to patients in need or protect national security. It's how we fall behind.

From the venture capital perspective, tariffs introduce uncertainty and costs that chill investment. Reduced capital for emerging startups and research programs means fewer treatment options down the line as promising drug candidates struggle to secure the funding needed to move from the seed stage through clinical trials.

Investing in life sciences is inherently high-risk and long-term. Bringing a single new medicine to market often takes [over 10 years](#) and requires [billions of dollars](#) across initial research and development, preclinical studies, clinical trials, and FDA approval. Approximately [90% of drugs](#) that enter clinical trials never reach patients. Broad tariffs that disrupt supply chains and trigger price volatility threaten the flow of private capital that's essential for translating scientific breakthroughs into real-world treatments.

We urge the Department of Commerce to exempt pharmaceutical imports from allies from any Section 232 action. These imports are not a threat; they're integral to the continued success of the U.S. life sciences sector. America's leadership in biomedicine depends on capital, talent, and trust. Tariffs on allied pharmaceutical imports would erode all three. Section 232 efforts should instead focus squarely on countries like China, where genuine supply chain risks and national security concerns remain.

Thank you for considering this perspective. Our members remain committed to strengthening America's leadership in life sciences, and we stand ready to work with the administration to achieve that goal through smart, collaborative policy.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Stanford", written over a horizontal line.

John Stanford
Executive Director
Incubate