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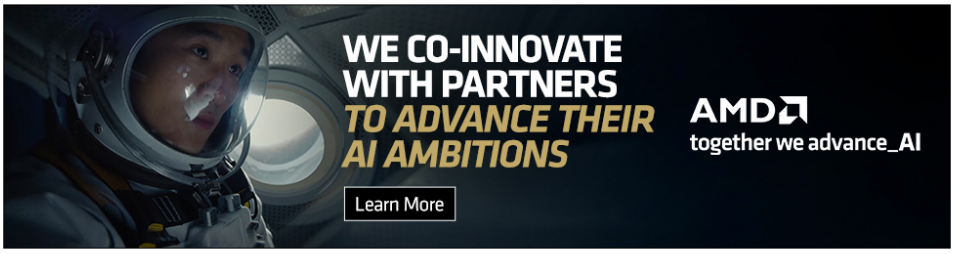


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# CNBC Transcript: United States Commerce Secretary Howard Lutnick Speaks with CNBC's Brian Sullivan on "The Exchange" Today

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WHEN: Today, Tuesday, April 29, 2025

WHERE: CNBC's "The Exchange"

Following is the unofficial transcript of a CNBC interview with United States Commerce Secretary Howard Lutnick on CNBC's "The Exchange" (M-F, 1PM-2PM ET) today, Tuesday, April 29. Following are links to video on CNBC.com: https://www.cnbc.com/video/2025/04/29/lutnick-community-colleges-are-one-place-we-will-find-workers-for-factories.html, https://www.cnbc.com/video/2025/04/29/lutnick-one-trade-deal-is-done-but-waiting-on-approval-from-unnamed-countrys-leaders.html and https://www.cnbc.com/video/2025/04/29/watch-cnbcs-full-interview-with-u-s-commerce-secretary-howard-lutnick.html.

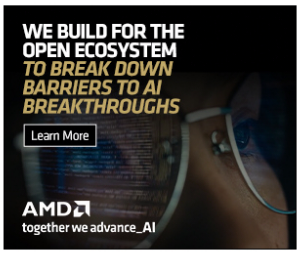
**All references must be sourced to CNBC.**

BRIAN SULLIVAN: We're going to kick off the top of Power Lunch at 2pm ET with the Secretary of Commerce of the United States, Howard Lutnick. But he was early, so we're going to go because we're here because of you. And we appreciate it, Mr. Secretary. Thank you very much.

HOWARD LUTNICK: It's really great to be here.

SULLIVAN: I mean, well, what's amazing. So here's one of the reasons that we're here. This TSMC factory north of Phoenix is amazing. We're in what they call Fab 1, Fab 2, where they're going to build semiconductors is under construction. This company got effectively the permit they would need this morning. They're already, I don't know if you guys can see out there, there's construction equipment behind us. So in a couple of hours, they've already started construction after receiving the permit to begin construction. Is this kind of part of that investment accelerator idea that you and the White House are talking about?

LUTNICK: That's exactly it. So it's a whole of government approach. So a company commits to building in America, but it takes too long to get permits,

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to get regulations, to get everything done. So we're going to move it. We're going to move it forward. And what you saw today is they needed a couple of permits. We got those permits super fast. And here we go. They're building it. So that's the idea. Get people to work, get these factories being built now.

SULLIVAN: Now, obviously, this is semiconductors, right? TSMC. So there's going to be people that say, well, how is this any different than the Biden White House Chips Act?

LUTNICK: Oh, well, the difference was the Biden White House Chips Act gave this company, which is a trillion-dollar company, $6 billion to build $60 billion worth of factories right here.

SULLIVAN: It was matching funds effectively.

LUTNICK: Well, 10 percent.

SULLIVAN: Well, 10 percent.

LUTNICK: And we convinced the company, the Taiwan Semiconductor Manufacturing Corporation, TSMC, to build another $100 billion. So three more plants, plus two, basically packaging, you know, advanced packaging, where they build up the chips.

SULLIVAN: This is going to get a lot bigger.

LUTNICK: Oh my gosh. So it's going to employ 40,000 people just to do the construction over the next four years, 40,000 people doing the construction, 165 billion of construction. You know what the Trump administration paid for that? Zero. It's tariffs that brought that in. So 40,000 construction employees and then 20,000 full-time employees here for the far distant future as we bring semiconductors here. This is the point of the Trump tariff model, which is bringing advanced construction to America.

SULLIVAN: Fair enough. But this building is already exists. I mean, that building is almost done. Yes, they're starting this one. So the cynics would say, well, what does this have to do with tariffs when clearly the work has already begun and the tariffs are still relatively new?

LUTNICK: Oh, because they didn't commit to the extra $100 billion, which is basically six more plants here without the tariffs. They never would have done it. This was their model. They got paid six billion by Biden to build 65 billion worth of plants. And they were done and dusted. And we came in and said more, much bigger, much bigger, much bigger. And they went an extra 100 billion, which is the largest foreign direct investment ever made in the United States of America. So that's why I was sitting here because this is what we need. We need for national security to bring semiconductors home. And just to remind everybody what semiconductors do, every button you press has a little chip. Means when you adjust your seat in your car and you push the button or you press the air conditioning or you press drive and park, each one of those have a little semiconductor in them. Some of them are old ones. Obviously, your iPhone's got the new chip and they are going to be made right here. And we've got to bring this kind of production to America. That's national security. That's what Donald Trump is all about.

SULLIVAN: How big is national security a part of this? How big is the national security risk, a part of not just TSMC because we're here, but this is reflective of a broader strategy. How much is national security, not just tariff revenue fall into the thinking?

LUTNICK: Oh, it's the key, right? If we don't produce semiconductors, we can't make drones to protect ourselves. We can't make fighter jets to protect ourselves. We can't do anything unless we've got sufficient chips, medicine, pharmaceuticals, right? We can't have all our medicines made overseas. And we saw that with remember the COVID supply chain.

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SULLIVAN: Yes.

LUTNICK: We couldn't really get things. So you need to make autos. Why do you need to make autos? Because if you decide you want to make tanks and you want to make trucks and in military, if you don't have steel, if you don't have aluminum, if you don't have cars, you know what you are? You're nowhere. So it's time for America to take care of itself. And that's what we're here to do.

SULLIVAN: I don't disagree. I was stuck at Newark Airport last night. I'm glad to be here. And I bring that up because there were some technical problems, but there was also labor. There was a staffing problem that caused massive delays. I'm lucky, honestly, to be here. And I bring that up not to talk about myself, but because companies that we talk to all across the board on CNBC will say their biggest issue is labor. So we want to bring that stuff back to America. I get it. But if we can't do it, if we don't have the people. So how do we match up finding the labor, immigration reform and advanced jobs in manufacturing? That's the triangle I think you guys have to solve.

LUTNICK: So the key is where are you going to find the people to work here? Right. You're north of Phoenix, where are they coming.

SULLIVAN: That's right.

LUTNICK: You go to the community colleges and you train people. So all the community colleges around here, Arizona State or the Grand Canyon. All these community colleges here are training people right now, technicians. And these are really good paying jobs. They start at 70s, 80s, 90 thousand dollars. These are trade craft. It's time to train people not to do the jobs of the past, but to do the great jobs of the future. You know, this is the new model where you work in these kind of plants for the rest of your life and your kids work here and your grandkids work here. You know, we let the auto plants go overseas. Right now, you should see an auto plant. It's highly automated. But the people, the four or five thousand people who work there, they are trained to take care of those robotic arms. They're trained to keep the air conditioning—

SULLIVAN: You're taking a lot of guff about a robot comment.

LUTNICK: You know what? I don't mind—

SULLIVAN: Will the robots take the jobs? Will the robot, I mean, it's a serious question.

LUTNICK: We're going to go look through this plant and what you're going to see is a highly automated plant that employs three thousand people per plant. Right? You got to remember these plants, all these automated arms and stuff. They need to be fixed. They all need a technician to fix them. They need the air conditioning system—

SULLIVAN: They need the engineer to build whatever.

LUTNICK: Right. All of these things. This is tradecraft. This is high school educated, great jobs that start in 80s and 90 thousands and go up to one hundred and fifty to two hundred thousand dollars. This is the future of American manufacturing. It is not as the joke online, you know, make Americans work in the sewing machine. Oh, come on. We are going to drive the high value, high performance jobs to America. And of course, the rest of the world is going to make the low value things and sell it to us inexpensively. Of course, that's the model. People just don't want to listen to the truth, no matter how many times we say it.

SULLIVAN: The biggest story on CNBC.com right now. In fact, the last time I looked was two of the three top stories was about Amazon. You probably saw what happened. Amazon, there was some talk and I don't want to say what Amazon said they were going to do because they've denied thing. And we don't know exactly what occurred. That maybe parts of Amazon would reflect the

pricing increase to certain customers. That was the tariff thing. And Amazon said, no, we're not going to do it or we never were going to do it. Karoline Leavitt at the White House pushed back on it. I'll call it Amazon-gate. Forget about Amazon. If a company were to say we're raising prices because the tariff, is that a hostile act?

LUTNICK: I think if you go out of your way to try to make it seem like your price has changed when it's nonsense. OK, a 10 percent tariff—

SULLIVAN: Why is that nonsense?

LUTNICK: Because a 10 percent tariff is not going to change virtually any price. The only price it would change would be a product that we don't make here, like a mango. You know, if we don't have mangoes here, we charge 10 percent—

SULLIVAN: But nobody's making mangos.

LUTNICK: Right. Correct or cocoa. Right. We don't grow cocoa in America. So but what you're going to see is you're going to see us relentlessly do trade deals everywhere in the world. And when we do a trade deal with that country, we're going to say cocoa does not have a tariff. Right? Because this is the smart way that Donald Trump is doing it. He understands if you make a deal with a country and you give them the parts that they want and they need, they're going to open their market. Let us sell soybeans there. Let us sell, you know, people won't let us sell chicken. They won't let us sell beef. It's all nonsense. So we open their markets. Think about this. We have a 1.2 trillion dollar trade deficit. That means we're buying extra stuff from other people in the world. If we cut that 25 percent, that's 1 percent of GDP growth in America, $300 billion grows America 1 percent for the rest of our lives. This is how you get employment. This is how you get better jobs. Donald Trump understands it. He's on it and he's driving it and no one's ever done it before. And it's I tell you the power of this. You're going to see each country is going to say we're selling an extra 10 billion, 20 billion, 30 billion. It's going to be amazing.

SULLIVAN: When do we get the deals? Right before we went live, there was a segment on about India and your colleague, Treasury, Scott Bessent, was saying we're close to a deal. The Japanese came into DC, kind of left empty handed. When do we get that big headline, Mr. Secretary, where there is a firm deal? Because you're a markets guy. I don't need to tell you this. If we get a headline that we've signed some deal with China and whatever, you know the markets are going to rip. Or actually, I shouldn't say that. Would you say that?

LUTNICK: Well, Treasury Secretary Bessent is focused on China. That's his portfolio. He's got to get something done with China. And my portfolio is the rest of the world's trade deals. So they are coming.

SULLIVAN: That's a big portfolio.

LUTNICK: Oh, it's the greatest thing because we have every country in the world, just like Donald Trump has said, who wants to do a deal with us. Now, here's the point. I have a deal. Done, done, done, done, done. But I need to wait for their prime minister and their parliament to give its approval, which I expect shortly.

SULLIVAN: What country?

LUTNICK: I'm not going to tell you what country. Let the president—

SULLIVAN: Well, you know, it's just you and me here and a couple of million people hopefully watching.

LUTNICK: I'll let the president decide. So and then there are country after country where we're just working through the details. But you have to remember, they have prime ministers. They have parliament. They have to work through their process. But all of these are going to be coming. And what

they're going to be is they're going to be incredibly smart, incredibly thoughtful. They're going to unleash the ability for us to export to them to grow. And they are going to also protect our industry so we can grow. And I think our GDP is going to pop from there. Remember, if we grow our 1 percent GDP here or 2 percent, if we cut our trade deficit in half, that's 2 percent GDP. And then you take the money. Right. And you take the growth in America. And how about this?

SULLIVAN: But is all—

LUTNICK: These factories. Wait a minute. These factories. Right. Think of it. You have four trillion dollars in people building. And let's say normally people would build a trillion dollars in America anyway. A trillion and a half. You'd say two and a half trillion. Right. That's two points of GDP on these factory workers. No one is adding up the numbers that Donald Trump is going to produce the greatest growth of the domestic economy ever seen. And that's I just want people to take out a calculator. You don't, comes free in your iPhone. Take out your calculator. Take, we do just under 30 trillion—

SULLIVAN: When are we going to make the iPhone here?

LUTNICK: When we're going to make the iPhone.

SULLIVAN: Not designed in California. Made in California. Is that going to happen? And what if Apple said, OK, we're going to build in California, Mr. Sullivan, but now your iPhone, which is 1,100 bucks, is going to be two grand.

LUTNICK: No.

SULLIVAN: Apple's not a hostile company.

LUTNICK: No, no, no, no. So think about it this way. What Apple said is they're going to spend $500 billion building everything that they make except for their consumer small products. Right. They're going to do all their AI, all their supercomputers, everything they do in scale. They're going to build in America for 500 billion. So I talked to Tim Cook the other day. I said, when are you going to bring the iPhone? Right. When are you going to bring the iPhone? He said, I need to have the robotic arms, right, do it at a at a scale and a precision that I could bring it here. And the day I see that available, it's coming here because I don't like to employ all these people foreign. That's my biggest risk. What if in China there was a strike—

SULLIVAN: Or another pandemic?

LUTNICK: Right. And all of a sudden I lose it. So he wants to build it here. He's going to build it here. And Americans are going to be the technicians who drive those factories. They're not going to be the ones screwing it in that people just take my statements out of context. Americans are going to work in factories just like this on great, high paying jobs. They are going to be trained as technicians and they're going to have the new industrial revolution. Let's call it the AI industrial revolution. And this is going to give them great jobs and their children are going to have these great jobs. And we're going to go back to the society we knew. But with factories that look like this, extraordinary factories.

SULLIVAN: You're a markets guy, major billions, Cantor Fitzgerald and markets, also an inventor, by the way, apparently with like 400 patents to your name.

LUTNICK: But that's it.

SULLIVAN: And you actually run the patent office. It's a little bit of a different.

LUTNICK: It's cool.

SULLIVAN: It is. I'd like to get more into patents and maybe we'll talk about whether we should take a slice of that patent fee. I think you've kind of floated that.

LUTNICK: Oh, I agree with that.

SULLIVAN: But let me ask you this as a markets guy, you know what's happened. Wall Street is nervous about this plan—

LUTNICK: It's true.

SULLIVAN: And you talked about pulling out your calculator, running the math. A lot of the numbers are like, well, we're going to cut GDP growth. Right. Goldman Sachs, others raising their recession risk. Markets go down. Are they getting it wrong?

LUTNICK: Yes.

SULLIVAN: Why?

LUTNICK: They're getting it wrong because they're not looking at the big picture.

SULLIVAN: What are we missing? Help us understand what we're missing.

LUTNICK: OK, if you do a trade deal with a country and they say, all right, I'm going to open my market for $15 billion, OK, which is not big at all. It's small. And you do it 20 times. That's $300 billion. That's 1 percent of GDP. Go ask Goldman Sachs if they do 20 deals and they do $300 billion of GDP growth. Right. So instead of having a $1.2 trillion trade deficit, we only have a 900 billion trade deficit. Still terrible. Right. And we have 1 percent GDP growth and they have four trillion in factories built in America. Right. Isn't that another point? The GDP growth, isn't that two points of GDP growth.

SULLIVAN: These are smart people. Some of the smartest people in the world. What are they getting? They're clearly getting something wrong.

LUTNICK: They're going to watch Brian interview Secretary Lutnick and then now they're going to get the joke—

SULLIVAN: They're going to get—

LUTNICK: Finally they're going to understand that the purpose of trade deals is to drive our ability to export. We have been ripped off, as the president says, of our ability to export. They have blocked us at the door. Why does everybody sell us stuff? Why can Japanese sell us cars and Koreans sells us cars and Germans sell us cars and we can't sell cars there? You know what that means? That means our plants here are not exporting the way they should. And when they do, you just want to stay.

SULLIVAN: Because it is true. You sell you an American car to Europe. The tariff is higher than their tariff coming this way.

LUTNICK: They make all these rules that are outrageous. I mean, think of Japan. Ninety-four percent—

SULLIVAN: But we don't want to be like Europe. We want them to be like us.

LUTNICK: No, we want to sell there. We want to sell there and we want to have more production here. I'll give you an example. Light trucks like the Ram.

SULLIVAN: Light trucks.

LUTNICK: Which we all know. You ever see why they're all American? Do you ever think about that? You know why? Because in Donald Trump's term, in his first term, he put a 25 percent tariff on light trucks. Boom. There it is. We have domestic production. We're going to do that in cars. You're going to see the greatest resurgence of domestic car manufacturing ever over the next two years. It's going to be so fun. It's going to be so fun. And I'll wear it. I promise it. And I'll wear it.

SULLIVAN: OK, I spent a lot of time in Michigan and Toledo. I got a lot of friends. The UAW, I know they're kind of semi pseudo rooting for this. Last question, OK, and I want to ask about the markets because you're a markets guy. You're probably not going to go into the Jay Powell Trump thing. I get it. Interest rates. No you're not. You're looking at me like, are you insane right now? And yes, I sort of am, but it's fine. But how about this? Over the last month, we've seen drops of magnitudes and rises that we've never seen before. Right. The Nasdaq was up 12 percent one day. It's only happened one other time. Fell 9 percent one day. The volatility has been out of control. And there's like this idea that the Fed or the Treasury is always going to be there to bail out the markets. I've been doing this a long time. All right. Which I think, do you think that that encourages Wall Street hedge funds to take on unnecessary risk? So because they think they've got like the Fed put whatever so that when we do see negative headlines or something, the market perceives as negative that we see these outsized drops, which piss off, frustrate, sorry, our audience of just retail, retail investors, mom and pop, because Wall Street gets bailed out. My answer is this. Do you think that the Treasury and the Fed, not you guys necessarily, encourage excess risk taking in the market?

LUTNICK: No, I think the president is focused not on the markets. OK. He's just not focused on the markets.

SULLIVAN: I think he's a stock market president.

LUTNICK: Well, you know what? That may have been whatever it was in the first term. This term, he's trying to reset global trade. It's hard to do. It takes strength. But he is going to protect the American economy. He is going to be the greatest economic driver. OK, if Scott Bessent can work it out with China, which I hope to gosh he can. Right, the rest of the world—

SULLIVAN: Are you friends with Scott Bessent?

LUTNICK: Of course. Smart and capable person and I'm relying on him as we all are to get a deal done with China. Right. But he's relying on us to get our deals done with the rest of the world and we are going to. We're going to drive economic growth. OK. And that is what's going to drive America. You're going to see us protect and grow American industry. But you're going to watch us export cars that are built in America. And you're going to sit there and go, wow, I guess he was right. And you're going to see it. And you're going to talk to them all on your show.

SULLIVAN: OK, it's on.

LUTNICK: Have them on the show. And they will say it's coming. It's coming. And they're going to build it. They're going to come and they're going to hire the autoworkers. Go ask the UAW how they feel today.

SULLIVAN: I spent actual time with them and we're going to leave it. We're going to wrap it. I'll go. And Jim Farley and Mary Barra, if you're out there, we're happy to come anytime to Detroit. They've got the bulldozers already working a couple of hours after getting the permits, which I think exemplifies—

LUTNICK: 40,000 construction employees, 40,000—

SULLIVAN: Walking around here, by the way.

LUTNICK: People just don't understand the scale of the construction the president talks about. Think about that as GDP. Why don't they add that in? Because they're just fake news. Sorry.

SULLIVAN: I'm here. I'm very, very real, by the way. And so it seemed. And this was live.

LUTNICK: And this is real too.

SULLIVAN: This was live.

LUTNICK: And that's live too. And they're live too. And a hundred billion more is coming as far as the eye can see.

SULLIVAN: As far as you move a mountain I've got to do something about, OK.

LUTNICK: And this, by the way, is America. And we're building high tech manufacturing in America, just like Donald Trump said.

SULLIVAN: We're going to go tour it. We're going to say goodbye. We're going to wrap up now. Mr. Secretary of Commerce, Howard Lutnick, a real pleasure. I appreciate you sitting down with CNBC in real life. Howard Lutnick, Secretary of Commerce for the United States.