



we wear® jobs

**Statement by Juanita D. Duggan
President and CEO
American Apparel & Footwear Association
Before the House Ways and Means Committee
On The
2015 U.S. Trade Policy Agenda**

January 27, 2015

On behalf of the members of the American Apparel & Footwear Association (AAFA), and the four million U.S. workers our industry employs, we welcome this hearing and the opportunity to secure quick action on a number of pending trade measures.

Our members make and sell clothes and shoes around the world and in the United States. In order to reach our customers and do business, our products and inputs need to be able to cross those borders easily and seamlessly.

Earlier this month, we submitted a letter to House Ways & Means Committee Chairman Paul Ryan (R-WI) and Senate Finance Committee Chairman Orrin Hatch (R-UT), urging immediate enactment of legislation to renew expired and expiring trade programs. The letter is attached for reference.

A robust trade agenda eliminates barriers that separate our members from their customers and from their suppliers. When we knock down these barriers, we create jobs, reduce costs, and generate consumer opportunities.

Below are some key statistics that highlight the importance of free and open trade for the U.S. apparel and footwear industry:

- 98 percent of U.S. footwear is made offshore;
- 97 percent of U.S. apparel is made offshore; and
- 95 percent of the people on the planet who wear clothes and shoes live offshore.

1601 North Kent Street
Suite 1200
Arlington, VA 22209

(703) 524-1864
(800) 520-2262
(703) 522-6741 fax
www.wewear.org

In 2015, we urge Congress to take immediate action on a number of pending measures, including:

- Renewal and update of the Generalized System of Preferences (GSP) program;
- Renewal of the African Growth and Opportunity Act (AGOA);
- Renewal of the Nicaraguan Tariff Preference Level (TPL) program;
- Renewal of Trade Promotion Authority (TPA) to pave the way for conclusion of trade agreements being negotiated with trading partners in Europe and the Pacific Rim; and
- Renewal and restart of the expired Miscellaneous Tariff Bill (MTB) process.

Early, bipartisan action on these measures will support trade-based U.S. jobs, benefit U.S. consumers, and signal immediate re-engagement to our trading partners.

We thank you for the opportunity to submit our comments, and look forward to working with the Committee toward quick Congressional approval of these critical programs.



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January 7, 2015

The Hon. Paul Ryan
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

The Hon. Orrin Hatch
Chairman
Committee on Finance
U.S. Senate
Washington, DC 20510

Dear Chairman Ryan and Chairman Hatch:

As the new Chairs of the House Ways and Means and Senate Finance Committees, respectively, you now have an historic opportunity to expand US trade. On behalf of the members of the American Apparel and Footwear Association (AAFA), who make and sell clothes and shoes around the world, I welcome your recent remarks and your commitment to trade expansion.

With this in mind, we urge immediate enactment of legislation to renew expired and expiring trade programs, such as the Generalized System of Preferences, the African Growth and Opportunity Act, and the Nicaragua Tariff Preference Level. Not only do lapses in these programs destroy U.S. jobs and impose costs on U.S. businesses, including many AAFA members, but they also cast doubt into U.S. leadership on trade. Indeed, during a review of U.S. trade policy at the World Trade Organization last month, these concerns were cited by a number of our trading partners. AAFA members need these provisions in order to make rational and predictable sourcing decisions on materials and components – a complicated global process that occurs years in advance of actual manufacture.

Early action on this smaller trade package will support trade-based jobs in the United States and will signal immediate re-engagement to our trading partners. Bipartisan support for this trade package will also pave the way for swift action on more far-reaching Trade Promotion Authority (TPA), which is necessary to conclude on-going negotiations with key trade partners in Europe and the Pacific Rim. At a time when other nations are rapidly forging special trade deals with each other or erecting new barriers to keep out U.S.-branded products, we cannot afford to remain without this crucial authority.

We look forward to working with you to help achieve these important wins for the U.S. economy.

Sincerely,

A handwritten signature in blue ink that reads 'Juanita D. Duggan'.

Juanita D. Duggan
President and CEO

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