

we wear jobs

December 11, 2012

The Honorable Barack Obama President The White House 1600 Pennsylvania Avenue, NW Washington, DC 20500

Dear Mr. President,

On behalf of the American Apparel & Footwear Association (AAFA), I am writing to express our thanks for your administration's critical role in ending the work stoppage which had crippled the Ports of Los Angeles and Long Beach. The intervention by Federal Mediators was critical to reaching an agreement and ending the strike. However, we now urge you to immediately focus on the looming crisis in the East and Gulf Coast ports as the current union contract extension expires December 29.

AAFA is the national trade association for apparel, footwear, and other sewn product companies, and their suppliers, which compete in the global and domestic market. The apparel and footwear industry overall represents \$350 billion in annual domestic sales and sustains more than four million American jobs.

The eight days of the West Coast port strike were incredibly damaging to both our industry, which imports 98% of the apparel and 99% of the footwear sold in the United States, and also those American businesses that deal in imported and exported product throughout the supply chain. Companies had to implement expensive contingency plans, delay shipments, and/or face chargebacks from their customers. As a result, AAFA member companies incurred significant costs from the strike, with some early estimates exceeding more than \$1 million for those eight days alone. A labor strike of this magnitude only takes days to affect the supply chain for weeks. Similarly, any injury to U.S. businesses causes a ripple that harms American jobs and consumers.

As such, we again urge you to immediately address the rapidly approaching deadline for a new contract between the International Longshoremen Association (ILA) and United States Maritime Alliance (USMX). Failure by the parties reach an agreement before December 29 will result in a complete work stoppage in ports stretching from Texas to Maine. If a strike occurs, we will witness damage much greater than what we saw last week, which will hurt U.S. businesses, American workers, and hardworking American families, all at a time when the U.S. economy can least afford it.

Again, thank you for your administration's work in ending the work stoppage in the Ports of Los Angeles and Long Beach. While the effects of the strike were damaging to our industry and the U.S. economy, your administration's quick action prevented the impact from being much worse. With a similar situation threatening the East and Gulf Coast ports, we strongly urge you as President of the United States to take any action necessary, including the possible invoking of Taft-Hartley, to ensure continued full operations at the ports.

Sincerely.

Kevin M. Burke President and CEO

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