





February 3, 2016

Lisa R. Barton Secretary U.S. International Trade Commission 500 E Street SW Washington, D.C. 20436

Re: Pre-Hearing Brief Regarding for USITC Hearing on Investigation No. 332-556, Generalized System of Preferences: Possible Modifications, 2015 Review

Dear Secretary Barton:

On behalf of the American Apparel & Footwear Association (AAFA), the Travel Goods Association (TGA), and the Fashion Accessories Shippers Association (FASA), I am providing this pre-hearing brief in connection with the subject investigation around the possible designation of certain travel goods articles to be eligible for the Generalized System of Preferences (GSP) program.

We strongly support adding travel goods – items like luggage, backpacks, purses, and wallets – to the list of products eligible to be imported duty-free from <u>all</u> Generalized System of Preferences (GSP) beneficiary countries. During my testimony, I will make several basic points.

First, the addition of these products will provide important opportunities for U.S. companies to diversify their sourcing, lower costs, and spur further innovation. Such diversification will benefit GSP beneficiary countries given that most travel goods are currently made in just a handful of countries.

Second, these products are not considered sensitive as there is so little production in the United States.

Third, granting these products GSP eligibility will confer important benefits to the U.S. economy. Among other things, GSP status for these products for all countries will:

• Support the more than 100,000 high-value-added travel goods industry jobs in retail, design, brand management, and distribution here in the United States.

- Reduce duty costs, freeing up resources that can be used to increase employment, spur innovation, or promote competitiveness of our member companies.
- Benefit U.S. consumers through lower prices or more choices on such basic, everyday items as purses or children's backpacks.

Thank you for your time and consideration in this matter. Please feel free to contact me at (202) 853-9347 or slamar@wewear.org if you have any questions or would like additional information.

Sincerely,

Stephen Lamar

Executive Vice President

American Apparel & Footwear Association