



we wear[®]logistics

March 6, 2015

The Honorable Barack Obama
President of the United States
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President:

On behalf of the \$361 billion U.S. apparel and footwear industry and the four million Americans this industry employs, we are pleased the West Coast port labor dispute has resulted in a tentative agreement. Thank you for sending members of your cabinet to urge the parties to reach a deal.

While we are encouraged by this announcement, we know the issue is not yet fully resolved. There remain a number of outstanding issues, including the ratification of the contract and the return to full terminal productivity. We ask that you continue to stay engaged to ensure recovery occurs in an efficient manner and without disruption.

This situation over the last nine months has been devastating for U.S. importers and exporters. Our companies missed deadlines for holiday and spring retail delivery, which resulted in significant cargo costs and millions of dollars in lost sales.

Now, hundreds of thousands of containers worth of products are tied up in ship and yard cargo backlogs created directly by the dispute. The slightest misstep in ratifying the agreement, or in returning to full productivity, will result in more canceled orders and extreme contingency costs.

Finally, as we look forward, we know the West Coast port labor contract is set to expire in July 2019, while the East Coast port labor contract expires in September 2018. The proximity of these negotiations, and thus, the risk of the U.S. economy being held hostage on both coasts at the same time, concerns us. The fact is that the devastating economic harm is borne by the industry, not by the PMA nor the ILWU.

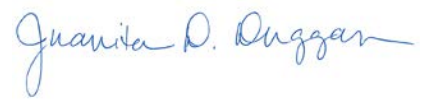
We urge your continued attention to ensure contract ratification and to avoid the unthinkable situation of a dual labor dispute occurring in a few short years.

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Thank you for your action on this extremely important issue.

Sincerely,

A handwritten signature in blue ink that reads "Juanita D. Duggan". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Juanita D. Duggan
President and CEO
American Apparel & Footwear Association