

May 6, 2014

The Honorable Ron Wyden
Chairman
Committee on Finance
United States Senate
Washington, D.C. 20510

The Honorable Dave Camp
Chairman
Committee on Ways and Means
United States House of Representatives
Washington, D.C. 20515

The Honorable Orrin Hatch
Ranking Member
Committee on Finance
United States Senate
Washington, D.C. 20510

The Honorable Sander Levin
Ranking Member
Committee on Ways and Means
United States House of Representatives
Washington, D.C. 20515

Dear Chairmen Wyden and Camp and Ranking Members Hatch and Levin:

On behalf of the U.S. travel goods industry, we are writing to urge you to support legislation improving the U.S. Generalized System of Preferences (GSP) program by allowing American businesses the ability to request GSP eligibility for certain travel goods no longer made in the United States. We believe that this important change to the GSP program would benefit our industry, our U.S. employees, and U.S. consumers, as well as the developing countries the GSP program is intended to assist, with minimal cost.

As CEO's of American companies making and selling travel goods - luggage, backpacks, travel and sports bags, business cases and computer bags, handbags, and personal leather goods – we represent tens of thousands of hard-working Americans directly employed by this vibrant industry. Unfortunately, our collective supply chain has been burdened by an exclusion from the GSP program that Congress enacted nearly 40 years ago when the U.S. marketplace was much different. This outdated exclusion does not reflect the realities of our global business and only serves as a barrier to expansion and the creation of additional high-value American jobs. And because 99 percent of all travel goods are imported, the duties act as a heavy, regressive tax on the luggage Americans buy for their family trips, on the backpacks they buy for their children, and on the travel goods they use in their everyday lives.

The majority of travel goods face a 15-20 percent tariff. If the GSP program were amended to include travel goods items, new production opportunities would open in developing GSP-eligible countries, including the Philippines, Brazil, Cambodia, and Thailand. This would provide alternatives to China for our industry and our consumers, and support U.S. travel goods companies and the tens of thousands of American jobs.

Moreover, providing duty-free benefits for GSP production could spur foreign investment and sourcing from developing countries that are key strategic allies of the United States. This is exactly what the GSP program was designed to accomplish.

The *GSP Update for Production Diversification and Trade Enhancement (UPDATE) Act*, introduced as companion bills in the Senate (S. 1839) by Senator Mark Begich (D-AK) and Senator Roy Blunt (R-MO), and in the House (H.R. 2139) by Congressman Ander Crenshaw (R-FL) and Congressman Adrian Smith (R-NE), offers a long-overdue solution. The legislation would amend the GSP program to allow travel goods to be considered under the annual USTR GSP review process, which provides duty free benefits for those products deemed non-import sensitive. In this manner, the legislation would protect the few remaining domestic manufacturers by excluding certain specific types of travel goods still made in the United States from GSP eligibility, and by requiring the U.S. government to conduct a public review before implementing any duty-benefits for travel goods under GSP.

The GSP UPDATE Act is a win for all involved: for the U.S. travel goods industry, for the tens of thousands of U.S. workers in the industry, for hardworking American families, and for developing countries. With action on U.S. trade policy coming to a head, the time is ripe for this simple change.

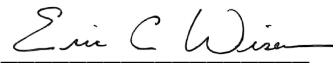
Implementation of this change would provide immeasurable benefits at a negligible cost. Therefore, we urge you to engage in our efforts to amend the current GSP law as soon as possible to eliminate this outdated restriction on travel goods.

Thank you for your time and consideration in this matter.

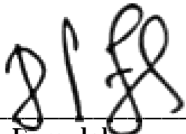
Sincerely,



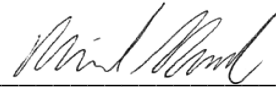
Victor Luis
CEO
Coach



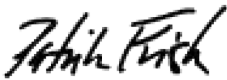
Eric Wiseman
Chairman, President, and CEO
VF Corporation



Dow P. Famulak
CEO
LF USA / LF Europe



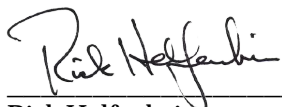
Michael Rempell
COO and EVP
American Eagle Outfitters Inc.



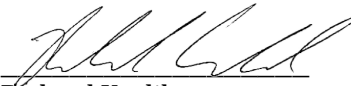
Patrik Frisk
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Timberland LLC



Rob Rankin
CEO
Travelpro International, Inc.



Rick Helfenbein
President
TellaS Ltd. / Luen Thai USA



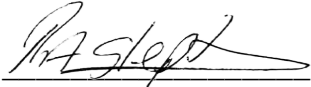
Richard Krulik
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Randy MacKenzie
Owner
Edwards Luggage



Katherine Gold
President and CEO
Goldbug



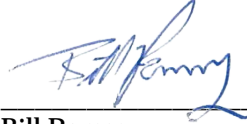
Rachel Stephens
Owner and Marketing Director
TrendyKid LLC



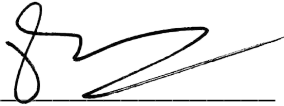
Jerry L. Callman
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Bill Ramsey
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Gear for Sports, a HanesBrands Company



David Lomas
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Walker McCrary
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McCrary International



Jack Holodnicki
President and COO
Olivet International Inc.

CC: United States Trade Representative (USTR), All Members of Congress