

March 20, 2017

Donald J. Trump
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

We are writing to ask your urgent help so our members can create well-paying U.S. jobs in the U.S. travel goods industry and provide relief for U.S. consumers.

In 2015, Congress passed a law authorizing the designation of 28 travel goods no longer made commercially in the U.S. — and which have not been made here for decades — to be imported duty-free under the Generalized System of Preferences (GSP) program. Most of these items are currently imported from China. Such a change would create new and important U.S. jobs, adding to the more than 100,000 current U.S. jobs in the travel goods industry, including those jobs that further process these imported articles. It would also relieve financial burdens faced by U.S. consumers for items they use every day — backpacks, handbags, wallets, luggage, etc. — through price reductions and innovation.

It was the articulated bipartisan will of Congress to designate **all** travel goods products duty-free when imported from **all** GSP countries. The situation and facts have been thoroughly vetted by Congress, the U.S. International Trade Commission, and the inter-agency Trade Policy Staff Committee (TPSC). The conclusion was unanimous: GSP benefits should apply to all eligible countries for all travel goods in question. This would spur real relocation of U.S. sourcing from China, which is not eligible for the GSP. It would also give the U.S. more enforcement leverage over the GSP countries' trade policies and actions, which is a key aspect of the GSP program.

In June 2016, the previous Administration made a partial change in line with the 2015 law, that gave travel goods duty-free market entry when imported from a handful of least-developed countries, but delayed making that opportunity available to all GSP countries. These least-developed nations provide less than one percent of the total U.S. market. Although the previous Administration agreed that expanding duty-free treatment of travel goods to all GSP countries was the right decision, per the 2015 law, it failed to issue the proclamation that would enable that decision to enter into effect.

Unfortunately, every day the Administration postpones duty-free sourcing from GSP countries costs the travel goods industry *more than \$200,000 in duties paid*. That means **every passing day without action delays the ability of U.S. companies to hire workers or to pass along duty savings to American consumers.**

We urge you to immediately issue a proclamation designating all statutorily eligible travel goods products for all GSP-eligible countries in the GSP program. This will complete the work that was started in 2015 and authorized by Congress, and enable travel goods companies to expand U.S. employment and pass savings to U.S. consumers.

Sincerely,

American Apparel & Footwear Association (AAFA)
Coalition of New England Companies for Trade (CONNECT)
Columbia River Customs Brokers & Forwarders Association
Customs Brokers & International Freight Forwarders of Washington State
Customs Brokers and Forwarders Association of Northern California
Fashion Accessories Shippers Association (FASA)
Gemini Shippers Association
Los Angeles Customs Brokers and Freight Forwarders Association
National Retail Federation (NRF)
Outdoor Industry Association (OIA)
Pacific Coast Council of Customs Brokers and Freight Forwarders Association
Promotional Products Association International (PPAI)
Retail Industry Leaders Association (RILA)
San Diego Customs Brokers Association
Sports & Fitness Industry Association (SFIA)
Toy Industry Association (TIA)
Travel Goods Association (TGA)
U.S. Fashion Industry Association (USFIA)

Cc:

The Hon. Wilbur Ross, Secretary of Commerce
Mr. Steve Vaughan, Acting U.S. Trade Representative