

United States Senate

WASHINGTON, DC 20510

July 9, 2013

The Honorable Michael Froman
United States Trade Representative
Executive Office of the President
600 17th Street, NW
Washington, D.C. 20506

Dear Ambassador Froman:

We write regarding the ongoing negotiations related to the Trans-Pacific Partnership (TPP). If the Obama Administration is going to achieve its objective of obtaining a forward-looking “21st century” agreement, the TPP must contain rules that reflect the modern U.S. economy and disciplines to promote our common values.

As you know, the 21st century economy places U.S. innovators and producers along critical points of global supply chains. While we strongly believe that American manufacturing is a critical element of economic strength and security, we also recognize that the location of manufacturing for any given product will reflect a number of different factors. The current structure of the footwear supply chain reflects those realities and enables American companies to create and sustain good-paying jobs in the U.S., while also promoting value for American consumers.

Unfortunately, recent trade agreements to which the U.S. is a party do not reflect the reality of the footwear industry, its supply chain, and place in the global economy. Today, more than 99 percent of the footwear – by volume – sold in the U.S. is imported. And, although there is little domestic manufacturing of footwear, these imports face some of the highest import tariff rates under law. We believe these tariffs do not benefit consumers or advance important trade objectives.

As you are well aware, eight percent of U.S. footwear imports currently originate in Vietnam, one of the countries with whom the U.S. is negotiating the TPP. We understand that negotiations related to liberalizing trade in footwear are just now beginning and urge you to bear in mind that it is in our nation’s interests to obtain trade rules in these negotiations that promote U.S. employment throughout the supply chain, from innovation to manufacturing to retail sales, as well as to obtain rules that benefit consumers.

There is no policy justification for retaining – for any period of time after TPP’s implementation – high duties on footwear from TPP countries if similar footwear is not wholly manufactured in the U.S. in commercially significant volumes. The trade rules that determine a product’s country-of-origin should also reflect the supply chain that exists in the 21st century.

We look forward to working with you on this and other TPP-related issues.

Sincerely,

Ron Wyder

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Jerry Moran

Jeffrey A. Mackay

Mark Udall

Maria Cantwell

Lamar Alexander

Orin Vitter

John Cornyn

Paul Begala

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