November 21, 2013

The Honorable Michael Froman
United States Trade Representative
660 Seventeenth Street, NW
Washington, D.C. 20506

Dear Ambassador Froman:

The Administration is pursuing a “21st century” Trans-Pacific Partnership (TPP) agreement that opens markets for U.S. exporters, protects U.S. intellectual property, upholds labor and environmental standards, and requires state-owned enterprises to compete on a level playing field.

We support these ambitious goals. We also understand that you will be able to achieve them only if the United States is willing to address the interests of our TPP partners. In the case of U.S. footwear tariffs, you have the opportunity not only to bargain for meaningful market access commitments from our TPP partners but also generate significant savings for American companies and consumers, while contributing to U.S. manufacturing jobs.

Of all the shoes sold in the United States, 99 percent are imported while just 1 percent are manufactured domestically. U.S. footwear manufacturing exists not because of the high U.S. tariff but because of sales to the U.S. military, high-end and niche-market production, and the businesses decisions of individual companies. The elimination of the U.S. footwear tariff in TPP, therefore, would produce gains for U.S. exporters and the U.S. economy as a whole, without significantly affecting U.S. footwear production.

Eliminating U.S. footwear duties in TPP, however, would change the composition of U.S. imports, 85 percent of which now come from China. Among the current TPP parties, the largest footwear producer is Vietnam, which holds 7 percent of the U.S. market. If Vietnam were able to gain a tariff advantage over China through TPP, it could cut significantly into China’s overwhelming U.S. market share.

If the United States is willing to address Vietnam’s interest in footwear, it stands to gain significant new market access in Vietnam for American farmers, manufacturers, and service providers. Vietnam is already a top-twenty market for U.S. agricultural commodities, including soybeans, beef, pork and cotton, and a growing consumer of U.S. industrial machinery, semiconductors, telecommunications equipment, and automobiles. With preferential market access, all of these sectors stand to gain an inside track to compete for customers in this dynamic economy of 90 million people.
We therefore urge you to offer to eliminate immediately U.S. footwear duties if Vietnam is willing to undertake equally ambitious commitments of its own. In our view, these market access negotiations between the United States and Vietnam will influence greatly whether TPP fulfills its promise of a 21st century agreement that benefits U.S. businesses, workers, consumers, and farmers.

Sincerely,

Adam Kinzinger  
Member of Congress

Henry Cuellar  
Member of Congress

Trey Radel  
Member of Congress

Adam Smith  
Member of Congress

Earl Blumenauer  
Member of Congress

Mike Pompeo  
Member of Congress

Steve Stivers  
Member of Congress

Greg Walden  
Member of Congress

Dan Benishek, M.D.  
Member of Congress

Justin Amash  
Member of Congress
Marsha Blackburn
Member of Congress

Lou Barletta
Member of Congress