

September 21, 2021

The Honorable Ron Wyden
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Richard Neal
Chairman
Committee on Ways & Means Committee
United States House of Representatives
Washington DC 20515

The Honorable Michael Crapo
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Kevin Brady
Ranking Member
Committee on Ways & Means
United States House of Representatives
Washington, DC 20515

Dear Chairmen Wyden and Neal and Ranking Members Crapo and Brady:

On behalf of the 308 undersigned companies and trade associations, we are writing to urge immediate passage of legislation to renew and improve the Generalized System of Preferences (GSP) program and refund tariffs paid to date. Congressional authorization of GSP expired on December 31, 2020. As a result, American companies have paid about \$750 million in extra taxes while dealing with ongoing COVID-19 impacts and spiraling freight costs in both the United States and beneficiary countries.

GSP supports American workers and manufacturers by reducing costs of imported inputs and equipment and helps American families make ends meet by lowering the costs of consumer goods imported duty free. A new report shows that expiration has forced companies to raise prices, lose sales, and lay off American workers. GSP's lapse not only hurts workers but contributes to rising costs for American families and producers. Many companies report reducing orders from suppliers in GSP countries that are the hardest hit by COVID-19 and continued lack of access to vaccines.

In June, the Senate included a 6-year, retroactive GSP reauthorization as part of the "United States Innovation and Competition Act of 2021" (S.1260) with a bipartisan 91-4 vote in favor of the "Trade Act of 2021" amendment. However, companies have paid an estimated \$250 million in extra tariffs while awaiting next steps and will continue paying about \$3 million a day until GSP is restored. Congress must reach a bipartisan, bicameral compromise to renew GSP as soon as possible.

Furthermore, we are concerned about the "sticks only" approach in both the Senate and House bills that add many new eligibility criteria but no new incentives or assistance to help countries actually meet the updated criteria. Already, GSP's share of U.S. imports has declined from 1.8% in 2006 to less than 0.7% in 2021. If GSP covers less trade each year, it cannot meet its original development goals, let alone create new leverage in areas such as rule of law, the environment, and women's rights. Similarly, if changes lead foreign governments to conclude GSP's compliance burdens outweigh its economic benefits, it would undermine GSP's viability as a tool to foster trade-based growth in developing countries while also failing to advance the new criteria's goals.

To address these concerns, Congress should consider broader changes to improve the GSP program as part of renewal. Like eligibility criteria, Congress has not updated program rules such as “competitive need limitations” (CNLs) in decades. As much as one-third of all potential GSP imports are excluded under these rules. Similarly, eligibility criteria aim to raise standards, but there are no processes to exempt good actors in the event of punitive tariffs. Commonsense changes in areas such as these would benefit workers in the United States and GSP countries and increase the effectiveness of any new eligibility criteria.

As the oldest and largest U.S. preference program, GSP always has enjoyed strong bipartisan support in Congress based on a track record of creating jobs in the United States and developing countries. It is not enough for Congress to renew GSP; it must renew it in a way that ensures its continued relevance and support in the 2020s and beyond. We urge you to make this a top priority for Congress.

Sincerely,

American Apparel & Footwear Association
American Frozen Food Institute
American Spice Trade Association
Association of Floral Importers of Florida
Association of Food Industries
California Chamber of Commerce
Coalition for GSP
Consumer Technology Association
Express Association of America
International Bottled Water Association
International Wood Products Association
National Association of Chemical Distributors
National Confectioners Association
National Retail Federation
Oriental Rug Importers Association
Promotional Products Association International
Retail Industry Leaders Association
Sports & Fitness Industry Association
The Flavor and Extract Manufacturers
Association of the United States
Travel Goods Association
U.S. Chamber of Commerce
United Luggage Dealers Associates
United States Fashion Industry Association

3V Sigma USA (Georgetown, SC)
A & J Distributors, Inc. (Itasca, IL)
A Simpler Time Inc. (Morrisville, NC)
A&S Distributors (Salida, CA)
AAW Products Inc. (Miami, FL)

Aberdeen Road Co dba Herculite
(Emigsville, PA)
Acme Food Sales, Inc (Seattle, WA)
Adrienne Designs (Fountain Valley, CA)
AHF Products (Mountville, PA)
Aid Through Trade (Annapolis, MD)
Albaugh, LLC (Ankeny, IA)
Altray Company, Inc. (Stamford, CT)
Altus Brands, LLC (Grawn, MI)
American Metal Fibers, Inc. (Lake Bluff, IL)
American Omni Trading (Katy, TX)
American Trade Sales, Inc. (New York, NY)
American Traveler Inc. (Rancho
Cucamonga, CA)
Ammex Corporation (Kent, WA)
Andre Prost, Inc. (Old Saybrook, CT)
Arizona Tile (Tempe, AZ)
Ark 54 LLC DBA The Wine Check (Sonoma, CA)
Atlapac Trading Co. (Santa Fe Springs, CA)
Axis Chemical (Long Beach, CA)
B&C Technologies LLC (Panama City Beach, FL)
Babco Foods International LLC (Piscataway, NJ)
Bakner Manufacturing (Canton, GA)
Balajee Trade Link, LLC (Taylor, PA)
Barentz (Avon, OH)
BassTech International (Fort Lee, NJ)
Best Flowers (San Bruno, CA)
BFB Enterprises, Inc. (Panama City, FL)
BMF BROS. (New York, NY)
Boombah Inc (Yorkville, IL)
Boundary LLC (Salt Lake City, UT)

Bozel North America LLC (Temperance, MI)
 Braskem America, Inc. (Philadelphia, PA)
 Brenntag North America (Reading, PA)
 Brockway-Smith Company (Wilmington, MA)
 BTR International, Inc. (New York, NY)
 Bueno of California (Fullerton, CA)
 Burris Company, Inc. (Greeley, CO)
 Calflor Enterprises, Inc. (Aventura, FL)
 Capel Rugs (Troy, NC)
 Carroll Companies, Inc. (Boone, NC)
 Carry Gear Solutions, LLC (Seattle, WA)
 Carter's, Inc. (Atlanta, GA)
 Centric Brand LLC (New York, NY)
 Century LLC (Oklahoma City, OK)
 Chantal Corp (Houston, TX)
 ChicoEco, Inc. (Chico, CA)
 CHO America (Houston, TX)
 CME Wire and Cable Inc. (Suwanee, GA)
 COMEQ, Inc. (White Marsh, MD)
 Complete Framer's Supply, Inc. (Fort
 Lauderdale, FL)
 Concannon Lumber Company (Portland, OR)
 Conneaut Leather (Conneaut, OH)
 Continental Foods Inc. (Cerritos, CA)
 Cummins Inc. (Columbus, IN)
 Decotone Surfaces LLC (Garwood, NJ)
 DELSEY Paris (Hanover, MD)
 Dyke Industries, Inc. (Orlando, FL)
 dZi Handmade (Easthampton, MA)
 East West Marketing, Inc. (Honolulu, HI)
 Ebisons Harounian Imports, LLC (New York, NY)
 Electrocables USA (Tamarac, FL)
 Elite Spice, Inc. (Jessup, MD)
 Engineered Components Company (Elgin, IL)
 Eppco Enterprises Inc. (Cleveland, OH)
 Eucatex North America (Alpharetta, GA)
 Everlast Sports Manufacturing (New York, NY)
 EXEDY Globalparts Corp. (Belleville, MI)
 Fab-Line Machinery, LLC (Nashville, TN)
 Faci USA Industrial, Inc. (Lufkin, TX)
 Fahy Leather (Pacific Palisades, CA)
 Famous Gold Inc (Houston, TX)
 Far East American, Inc. (Los Angeles, CA)
 Fast-Pak Trading Inc. (Secaucus, NJ)
 FAZ Marketing (Austin, TX)
 Feizy Import and Export (Dallas, TX)
 Felman Trading Americas, Inc. (Miami, FL)
 First Place Jewelry LLC (Glendale, AZ)
 Fitec International Inc (Memphis, TN)
 Franklin Mfg. Inc. (Jericho, NY)
 Fusion Gourmet, Inc. (Rancho Dominguez, CA)
 Fuzion Creations (Brooklyn, NY)
 G-III Apparel Group, Ltd (New York, NY)
 Galaxy Sports, Inc. (South Bend, IN)
 Gap Inc. (San Francisco, CA)
 General Carbon Corporation (Paterson, NJ)
 Gharda Chemicals International Inc
 (Newtown, PA)
 GJ Chemical (Newark, NJ)
 Global Digital Instruments LLC (Fairport, NY)
 Golden Beach Inc. (Torrance, CA)
 Green Boy Group (Redondo Beach, CA)
 Green Forest Products LLC (Inverness, FL)
 Gulf Chemical Intl Corp (Houston, TX)
 H.C. Starck Inc. (Newton, MA)
 Haddad Brands/The Haddad Apparel Group Ltd
 (Dayton, NJ)
 Halsted Corporation (Cranbury, NJ)
 Hamilton Retail Solutions (Jeffersonville, IN)
 Harcros Chemicals Inc. (Kansas City, KS)
 Hardware Renaissance (Santa Fe, NM)
 Harris Spice Co. (Anaheim, CA)
 Hiblow USA, Inc. (Saline, MI)
 Higeer Design, Inc (Mill Valley, CA)
 Higher Ground Gear (Saline, MI)
 HJR Rugs LLC (Long Island City, NY)
 Hoelscher Weatherstrip (Tomball, TX)
 Holland Southwest International (Houston, TX)
 Hollander Sleep Products (Boca Raton, FL)
 Hunter Chemical (Fort Washington, PA)
 Hutzler Mfg. Co., Inc. (Canaan, CT)
 Hyline International (Valencia, CA)
 In3redients (Chicago, IL)
 India Arts, LLC (Hayward, CA)
 Inplac NA (Charlotte, NC)
 International Frozen Food Corporation
 (Setauket, NY)
 International Imports (New York, NY)
 iTi Tropicals Inc. (Lawrenceville, NJ)
 J&B Importers, Inc. (Miami, FL)
 JAJ Enterprises, LLC (Coburg, OR)
 Jamtown, LLC (Edmonds, WA)

Jane Diaz/New York, Inc. (New York, NY)
Jaunty Co., Inc. (Los Angeles, CA)
JBH Intertrade (Garden City, NY)
JBS USA Leather, Inc. (Hickory, NC)
Jelly Belly Candy Company (Fairfield, CA)
Jubilant Industries Inc. (Flowery Branch, GA)
Julia Knight Inc. (Eden Prairie, MN)
K.G. International, Inc. (Miami, FL)
Kalaty Rug Corp. (Hicksville, NY)
Kamali Group Inc. (Great Neck, NY)
Kanak Exports India, LLC (Fort Wayne, IN)
Keystone Safety (Pennsauken, NJ)
Kheops International Inc. (Colebrook, NH)
Kirkland Associates, Ltd. (McMinnville, OR)
Kishek International (Costa Mesa, CA)
KOUBOO LLC (Laguna Beach, CA)
Lakland Guitars, LLC (Chicago, IL)
Lamex Agrifoods Inc (Miami, FL)
LBB Specialties (South Norwalk, CT)
Leisure Merchandising Corp (Edison, NJ)
Lily Koo LLC (Jamestown, NC)
Linbro Inc. (San Rafael, CA)
Lintech International (Macon, GA)
Logo Brands (Franklin, TN)
LongLat Inc. (Clifton, NJ)
Lowe Chemical Company (Cleveland, OH)
Luggage Shop of Lubbock (Lubbock, TX)
Maanz Traders Inc (Brooklyn, NY)
Mars, Incorporated (McLean, VA)
Marta Howell Inc. (Las Vegas, NV)
Matr Boomie (Austin, TX)
MC Imports, LLC (Medina, MN)
McKlein Company LLC (Chicago, IL)
Metal Exchange Corporation (St. Louis, MO)
Metal Marketplace International
(Philadelphia, PA)
Metalco Corp. (New York, NY)
Mitusha International Corp. (Dover, DE)
Mobile Edge LLC (Anaheim, CA)
Momeni Inc. (Carlstadt, NJ)
Montana Fly Company, LLC (Columbia
Falls, MT)
MS International (Orange, CA)
Muehlstein (Wilton, CT)
Musician's Mall (Berkeley, CA)
Mutual Wheel Company (Moline, IL)
NAECO, LLC (Peachtree City, GA)
Natural Botanicals, Inc (Clive, IA)
Niagara Bottling, LLC (Ontario, CA)
Nina Designs (Emeryville, CA)
Nino Bossi Handbags (Bedford Hills, NY)
Noble House Group, Inc (Destin, FL)
Noonday Collection (Austin, TX)
North American Plastics (Irving, TX)
Northwest Hardwoods Inc. (Tacoma, WA)
Nourison Industries (Saddle Brook, NJ)
Nova Gas Technologies, Inc. (North
Charleston, SC)
NOVICA (Santa Monica, CA)
Novita (Monrovia, CA)
Nutri-Bon Distribution (Torrance, CA)
Obeetee, Inc. (New York, NY)
OMNOVA Solutions Inc., a Synthomer company
(Beachwood, OH)
Oppenheimer Chocolates U.S.A. Inc.
(Hillside, NY)
Panasonic Corporation of North America
(Newark, NJ)
Paradise Golf Equipment (Monument, CO)
Perfetti van Melle (Erlanger, KY)
Pieces of Bali (Austin, TX)
Pirate Pete's Soda Pop LLC (Northfield, NJ)
PolySource, LLC (Independence, MO)
Powertex, Inc. (Rouses Point, NY)
Primetac (Little Ferry, NJ)
Prochimie International, Inc. (Windsor, CT)
PVH Corp. (New York, NY)
Quality Marble & Granite (Ontario, CA)
Raj International Trading (Mount Laurel, NJ)
Randa Apparel & Accessories (Rosemont, IL)
Ravago Chemicals North America (Orlando, FL)
Rawlings Sporting Goods Company, Inc. (St.
Louis, MO)
Red V Foods Corp. (Buford, GA)
Reel-Logix, LLC (Houston, TX)
Relics, Inc. (Asheville, NC)
Ricardo Beverly Hills (Kent, WA)
Rightline Gear (Asheville, NC)
Ritika's Global Grains, LLC (Lexington, MA)
Rockford Corporation (Tempe, AZ)
Rohden Doors and Window Corp. (Hallandale
Beach, FL)

Royal Chain Group (New York, NY)
Royale Pigments and Chemicals Inc (Bear, DE)
S.N.K. Enterprises, Inc. (St. Louis, MO)
SAL Chemical (Weirton, WV)
Samad Brothers, Inc. (East Rutherford, NJ)
Samick Music Corp. (Gallatin, TN)
Samsonite (Mansfield, MA)
Schreiber Foods International, Inc. (Upper Saddle River, NJ)
Scrimco Inc. (Fresno, CA)
SIGMA Corporation (Cream Ridge, NJ)
Sintex Minerals and Services, Inc. (Rosenberg, TX)
Snavelly International (Westminster, MD)
Sophia Foods, Inc. (Brooklyn, NY)
Source Direct Inc (Cinnaminson, NJ)
Soyventis North America LLC (Fairfield, NJ)
Spanish Food Solutions (Great Neck, NY)
Specialized Bicycle Components (Morgan Hill, CA)
Specialty Chemical Sales, Inc. (Cleveland, OH)
Starz Jewelry (Dallas, TX)
Stoeger Industries Inc. (Accokeek, MD)
Strategic Sales Partners, LLC (Fort Mill, SC)
Sugarpod Naturals (Hillsboro, OR)
Sumitomo Electric Wintec America, Inc (Edmonton, KY)
Sumitomo Electric Wiring Systems, Inc. (Bowling Green, KY)
Summit Specialty International (Atlanta, GA)
Sunflex Packagers, Inc. (Cranford, NJ)
Superior Foods (Watsonville, CA)
SupplyOne Inc. (Newtown Square, PA)
Talus Corp. (Portland, ME)
Tamarian (Baltimore, MD)
Tapestry (New York, NY)
Target Corporation (Minneapolis, MN)
Tarr LLC (Portland, OR)
Tesoros Trading Company (Las Vegas, NV)
The Cannon Group Inc. (Westerville, OH)
The Coconut Cooperative (Princeton, NJ)
The Home Depot (Atlanta, GA)
The Plaza Group (Houston, TX)
The Sak Brand Group (Glen Rock, NJ)
The Topps Company (New York, NY)
The WoodHub LLC (Wellesley, MA)
Thompson Traders, Inc. (Greensboro, NC)
Tomoe USA Inc. (Kingwood, TX)
Torter Corporation (Montville, NJ)
Touchstone Crystal (Cranston, RI)
TR International Trading Company Inc. (Edmonds, WA)
Triad Magnetics (Perris, CA)
Trimaco, LLC (Morrisville, NC)
Trinidad/Benham Corp. (Denver, CO)
U.S. Electrofused Minerals, Inc. (Aliquippa, PA)
United States Luggage (Hauppauge, NY)
Unix Industries, inc. (Santa Monica, CA)
US Asian Marketing and Manufacturing Inc. (Prescott Valley, AZ)
Vail International Corporation (New York, NY)
Van Horn, Metz & Co., Inc. (Conshohocken, PA)
Vera Bradley Designs (Roanoke, IN)
Veto Pro Pac (Norwalk, CT)
VF Corporation (Denver, CO)
Vipal Rubber Corporation (Miami, FL)
Vogt Power, International, Inc. (Louisville, KY)
Vortex Optics (Barneveld, WI)
Vtronix LLC (Weston, FL)
Walmart (Bentonville, AR)
Warehouse Associates (Indianapolis, IN)
Wearwell, Inc. (Smyrna, TN)
Wego Chemical Group (Great Neck, NY)
West Coast Trading (Hayward, CA)
Western Plastics, Inc. (Calhoun, GA)
Wholesale Millwork, Inc. (Baltimore, MD)
Willert Home Products, Inc. (St. Louis, MO)
Wixon, Inc. (Saint Francis, WI)
World and Main, LLC (Cranbury, NJ)
WorldFinds (Westmont, IL)
Xena International Inc. (St. Charles, IL)
Xpres LLC (Winston-Salem, NC)
Yamaha Corporation of America (Buena Park, CA)
YETI Coolers (Austin, TX)
YGI Group (New York, NY)
Zebra Pen Corp. (Edison, NJ)