

September 4, 2012

The Honorable Rebecca M. Blank
Acting Secretary
U.S. Department of Commerce
1401 Constitution Ave., NW
Washington, D.C. 20230

Dear Madam Secretary:

The undersigned industry groups write to share our concerns related to recent developments in the sixteen-year-old anti-dumping duty case and related suspension agreement on imports of fresh tomatoes from Mexico, a matter with implications for the broader U.S.-Mexico economic relationship.

Following the initiation of an anti-dumping investigation into fresh tomatoes from Mexico, the U.S. Department of Commerce (the “Department”), reached a suspension agreement with U.S. and Mexican producers of fresh tomatoes that has set a reference price for their importation from Mexico since 1996. In June 2012, U.S. producers abruptly requested to withdraw the underlying anti-dumping petition and sought an immediate termination of the suspension agreement, notwithstanding its imminent expiration at the end of 2012. The unavoidable inference is that petitioners wish to file a new anti-dumping petition to seek the initiation of a new investigation unencumbered by the suspension agreement.

We are concerned that the Department, which has initiated a changed circumstances review and consideration of the termination of the investigation, may unwittingly move forward in a way that would undermine U.S.-Mexican economic relations by issuing an expedited decision. Our requests for a meeting with appropriate Department officials have not been granted. We hereby urge administration officials to use their discretion under the statute to follow standard – not expedited – timelines in conducting the changed circumstances review that has been initiated.

Due to the sensitivity of the affected industries in both countries, we believe that to do otherwise would unnecessarily threaten the U.S. trading relationship with the United States’ second-largest export market, just as a new Mexican administration is on the verge of taking office, potentially subjecting U.S. industries to harmful retaliation.

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The suspension agreement reached in 1996 has been renewed several times since. It ended a costly trade war between Mexico and the United States and has been an effective tool in addressing this issue and improving trade relations. The proposed termination of the underlying anti-dumping investigation would also terminate this successful agreement and should be considered carefully and not subject to an expedited review process.

A potential trade disruption with Mexico could have a devastating impact on U.S. farmers, manufacturers, and service providers, and their employees, who collectively export hundreds of billions of dollars in goods and services annually to Mexico. Many of these parties have recently suffered significant losses in market share in Mexico as a result of the U.S.-Mexico cross-border trucking dispute, which the administration, to its credit, was able to bring to a successful resolution last year. We have reason to fear that termination of the tomatoes suspension agreement in a process that appears to deny anything short of full due process would lead us back into the same untenable situation.

We appreciate your consideration of these views and urge you to work with your colleagues at the Department to ensure a fair, open, and deliberate process in this matter.

Sincerely,

Emergency Committee for American Trade
Food Marketing Institute
Fresh Produce Association of the Americas
'Magination Consulting International
National Council of Farmer Cooperatives
National Foreign Trade Council

National Pork Producers Council
National Turkey Federation
Retail Industry Leaders Association
USA Rice Federation
U.S. Dairy Export Council
U.S. Chamber of Commerce

cc: The Honorable Michael Froman