



GSP = American Jobs ***April 4, 2011***

The GSP program was created in 1974 and received strong bipartisan support from Congress. The program aimed to expand the choices of American consumers while creating export opportunities for developing countries. Since its inception in 1974, the program has attained its goals and is now an integral part of the American marketplace and American supply chains.

What does GSP mean for America?

- USTR stated that GSP **creates** American jobs and **keeps** U.S. companies competitive.
- The Coalition for GSP calculated that direct and indirect jobs associated with moving GSP imports from the docks to farmers, manufacturers and ultimately to retail shelves totaled nearly 82,000 in 2005; that number has only gone up since then.
- The majority of GSP imports are raw materials that are processed in the U.S., adding value and **creating U.S. jobs**. Expiration of GSP will increase the prices of raw materials from developing countries — undermining the competitiveness of U.S. manufacturers — while making imported products more competitive.

How have U.S. businesses been impacted by the expiration of GSP?

- A company in Florida says: *“We import chamois leather from Turkey and the duty now being charged significantly impacts our margins, which **directly affects our ability to maintain our level of employee benefits and/or hire additional personnel.**”*
- A company in Las Vegas, Nevada says: *“We are a small importer of frozen foods (edamame, vegetable mixes) from Thailand and Indonesia. **We are currently losing money on all products imported and have been experiencing this since Jan 1st.** We were initially told we would get this back, but it is now mid March. **We will be forced out of business if this continues.** I have notified my representative in Congress, but nothing is happening. Help.”*
- A company in New Jersey says: *“We have contracts with customers in the U.S.A for material from India: the prices were based on GSP status being renewed. We are consequently paying duties in excess of 15k per month.”*
- Finally, a company in Hyde Park, Massachusetts says: *“Our business is importing food products in bulk and repacking them in the USA. Without GSP we are no longer competitive with our products from Turkey and Argentina. We add value by using US workers to repack with US manufactured packaging materials. We can’t compete without GSP and we will have to walk away from the business and let more American jobs go overseas.”*

For Small Businesses, GSP = U.S. Jobs

The Trade and American Competitiveness Coalition is made up of U.S. business enterprises that support policies and legislation that will enhance U.S. competitiveness in the international economy to promote growth and prosperity for America's businesses, workers and consumers.

For more information about the impacts of GSP on U.S. companies please visit: <http://renewgsptoday.com/>