

The Honorable Barack Obama  
The White House  
Washington, DC 20500

Dear Mr. President:

The undersigned organizations and businesses, representing the vast majority of America's manufacturing, agricultural and services base, wish to communicate to you their strong support of U.S. efforts to join the Trans-Pacific Strategic Economic Partnership (more simply known as the TPP) negotiations.

The negotiations present the opportunity to create a new type of trade agreement that will, among other things, facilitate trade and investment, promote the interests of the participating countries in the areas of intellectual property rights, lower technical barriers to trade, reduce sanitary and phytosanitary barriers to trade, provide improved transparency in trade regulations, and create opportunities for U.S. consumers.

Mr. President, you have made it clear that your administration will attach a high priority to enforcing existing trade agreements. This is, without question, an essential undertaking. However, unless the United States continues to pursue its leadership role in trade negotiations, these enforcement efforts will not achieve the benefits for U.S. trade interests that we might otherwise expect.

This is so because our trading partners, and particularly those in the Asia-Pacific area, have been negotiating bilateral and regional trade deals that will, individually and collectively, put our products at a debilitating competitive disadvantage around the world. Some 421 bilateral and regional trade agreements have been notified to the World Trade Organization (WTO) through the end of 2008. Another 400 or so are scheduled to be notified and implemented by 2010, according to that organization. By our count, the United States is a party to just 20 of those 800-plus deals. Fifteen of our agreements are in force and three, as you know, are awaiting congressional approval.

In the Asia-Pacific area, by itself, there are 152 agreements in force, 21 are completed and awaiting implementation, 72 are being negotiated and 81 are in an exploratory phase. By way of example, while the U.S. continues to debate approval of its FTA with South Korea, that country has already concluded, is currently negotiating, or is planning FTAs with the following nations or blocs: Chile, Singapore, Indonesia, Malaysia, the Philippines, Thailand, Brunei Darussalam, Vietnam, Lao PDR, Cambodia, Australia, New Zealand, Canada, China, the European Union (27 countries), India, Japan, Mexico, Brazil, Argentina, Uruguay, Paraguay, Peru, Pakistan and Russia. We are losing by standing still.

Nonetheless, U.S. exports have been making significant contributions to our GDP in recent months. Between the second quarter of 2007 and the second quarter of 2008, trade accounted for almost 60 percent of U.S. GDP growth. But these contributions will not be

sustained if we turn our backs on opportunities to negotiate lower foreign tariffs on our products.

The TPP is such an opportunity. These negotiations present the opportunity to strengthen the existing P-4 agreement into a high-standard TPP agreement that can potentially serve as a vehicle for advancing trade and investment liberalization and integration across the Trans-Pacific region and perhaps beyond. By joining a high-standard TPP, the United States will demonstrate its intention to remain engaged in the Asia-Pacific region and to steer efforts to liberalize trade in the region toward market expansion, not discrimination, and toward comprehensive arrangements that include high quality provisions on intellectual property and investment protection, competition and e-commerce and other key issues.

The hope that our participation in the TPP will encourage other nations to join Brunei Darussalam, Chile, New Zealand, and Singapore in the Agreement has already been realized, with Australia, Peru and Vietnam announcing their intention to join. While we already have agreements in place with Australia and Peru, the opportunity to engage with Vietnam will be a benefit to many U.S. sectors including U.S. agriculture, high-tech and manufacturing.

Mr. President, what we do or fail to do with respect to trade agreements with countries in the Asia-Pacific area could well determine whether the United States will remain the driving force in how future trade agreements are negotiated and whether they will serve both our interests and the broader global interest. We therefore urge you to proceed with negotiations toward U.S. membership in the Trans-Pacific Strategic Economic Partnership.

Sincerely,

American Apparel & Footwear Association (AAFA)  
American Chemistry Council  
American Cotton Shippers Association  
American Feed Industry Association  
American Frozen Food Institute  
American Meat Institute  
American Potato Trade Alliance  
American Soybean Association  
Amway  
ANSAC  
Association of Equipment Manufacturers  
Blue Diamond Growers  
The Boeing Company  
Business Roundtable  
Cargill, Incorporated

Caterpillar  
Coalition of Service Industries  
ConAgra Foods, Inc.  
Consumer Electronics Association  
Corn Refiners Association  
Distilled Spirits Council of the U.S.  
The Dow Chemical Company  
Emergency Committee for American Trade (ECAT)  
Fashion Accessories Shippers Association (FASA)  
Free Trade Alliance  
General Electric  
Grocery Manufacturers Association  
Herbalife International of America, Inc.  
Hormel Foods  
Information Technology Industry Council  
Intel Corporation  
JC Penney Company, Inc.  
Kraft Foods  
Mars Incorporated  
Michaels Stores, Inc.  
Microsoft Corporation  
National Association of Manufacturers  
National Association of Wheat Growers  
National Barley Growers Association  
The National Center for APEC  
National Electrical Manufacturers Association (NEMA)  
National Foreign Trade Council  
National Grange  
National Oilseed Processors Association  
National Pork Producers Council  
National Potato Council  
National Renderers Association  
National Retail Federation  
National Turkey Federation  
The Neiman Marcus Group, Inc.  
North American Equipment Dealers Association  
The North American Export Grain Association  
Ohio Alliance for International Trade  
Oracle Corporation  
PepsiCo  
Pet Food Institute

Philip Morris International, Inc.  
Retail Industry Leaders Association (RILA)  
Sweetener Users Association  
Travel Goods Association (TGA)  
U. S. Grains Council  
U.S. Apple Association  
U.S. Association of Importers of Textiles and Apparel  
U.S. Chamber of Commerce  
U.S. Hides, Skins and Leather Association  
U.S. Wheat Associates  
US-ASEAN Business Council  
US-NZ Council  
Wal-Mart Stores, Inc.  
Western Growers Association

Cc: Ambassador Ron Kirk, U.S. Trade Representative