

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