



UNITED STATES
ASSOCIATION OF
IMPORTERS OF
TEXTILES AND
APPAREL

1140 CONNECTICUT AVENUE, NW
SUITE 950
WASHINGTON, D.C. 20036
TELEPHONE: 202-419-0444
FAX: 202-783-0727
www.usaita.com

January 13, 2012

Mr. Doug Bell
Chair
Trade Policy Staff Committee
Office of the U.S. Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

Re: Japan's Expression of Interest in the Trans-Pacific Partnership Trade Negotiations.
Docket No. USTR-2011-0018

Dear Mr. Bell:

The United States Association of Importers of Textiles and Apparel (USA-ITA), on behalf of its member companies, respectfully submits the following comments in response to the Office of the U.S. Trade Representative's Request for Public Comment on Japan's expression of interest in joining the Trans-Pacific Partnership trade negotiations (TPP). Thank you for the opportunity to provide comments as the Administration works to complete a commercially significant TPP agreement.

USA-ITA represents more than 200 apparel manufacturers and brands, retailers, distributors, importers, and related service providers, such as shipping lines and customs brokers. USA-ITA member companies include large, nationally-recognized brands and smaller companies. Our members represent the most successful, global American companies, accounting for approximately 2.9 million jobs and exporting goods to more than 170 countries.

USA-ITA members not only import apparel into the United States. Our member companies manage supply chains that span the globe, providing our companies with hands-on familiarity with market access barriers -- a familiarity that, perhaps, purely domestic manufacturers lack. We are acutely aware of the need to aggressively challenge foreign trade barriers, both to boost U.S. exports and to facilitate global trade generally.

USA-ITA strongly supports the ongoing TPP negotiations. If the Administration concludes a TPP agreement that represents a concrete and aggressive plan to reduce foreign trade barriers, our companies, our employees, and the American consumer will benefit from new job opportunities and enhanced access to a more affordable and diverse supply of goods.

USA-ITA and its member-companies also strongly support the inclusion of Japan in the TPP negotiations. Japan is the second largest retail market in the world, with an annual value in excess of \$1.1 billion. Just as importantly from an apparel brand and retail perspective, Japanese consumers demonstrate a keen interest in fashion and retail. Japan often serves as a trend-setter for Asia as a whole, making both the size and nature of the Japanese market extremely attractive to American retailers and fashion brands.

Japan's tariffs on imported apparel, meanwhile, commonly range as high as 16%, a remarkably high barrier to entry in a the highly-competitive apparel industry. Inclusion of Japan in the TPP would, of course, permit American brands and retailers to eliminate these peak tariffs, garnering duty-free entry into Japan's lucrative and influential retail market.

Inclusion of Japan in the TPP would also permit the Administration to resolve non-tariff barriers that hinder access of American brands and retailers into Japan. The United States, for example, has long beseeched Japan to improve customs processing in the distribution sector, by, for example, exempting exporters with good compliance records from a 5% consumption tax for cleared cargo, and by allowing customs officers to be co-located in the bonded premises of private companies handling shipments.

For the above-mentioned reason, USA-ITA and its member-companies strongly support the inclusion of Japan in the TPP negotiations. Japan offers significant potential market opportunities and offers attractive sourcing opportunities in support of jobs here in the United States.

USA-ITA appreciates your consideration of the foregoing comments. Should you have any questions or require clarification, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Julia K. Hughes". The signature is written in a cursive, flowing style.

Julia Hughes
President
USA-ITA