



September 23, 2010

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

The Alliance to Keep U.S. Jobs is a broad-based coalition of over 140 national and state agriculture, business and manufacturing organizations, and companies that represents U.S. workers from all 50 states. We believe the time has come to resolve the trucking dispute with Mexico. Producers of goods that have been hit by Mexico's retaliatory tariffs are losing sales in Mexico to competitors in other countries and U.S. jobs are being lost.

Despite occasional optimistic remarks by Secretary LaHood suggesting that his 18-month effort to craft a cross-border trucking program would soon end this trade dispute, no progress has been made. Surprisingly, the Mexican Embassy recently stated that no proposal has yet to be presented to the Mexican government for consideration.

On August 18, Mexico published a revised list of U.S. exports against which tariffs ranging from 5 to 25 percent are now being imposed in retaliation for the failure of the United States to fulfill its NAFTA obligations on trucking. The list now comprises 99 items, up from the 89 that had been on the original retaliation list implemented in March 2009. The total export value of the products on the revised list is \$2.02 billion, based on calendar 2009 data. Unfortunately, the value of these exports will likely be much lower in the future as a result of these tariffs.

Producers of both manufactured goods and agricultural products on the list are caught in the cross-fire of a trade dispute in which they are innocent bystanders. And nearly any producer in the U.S. might at some point be hit. In announcing the revised list in August, Mexican Minister of the Economy Bruno Ferrari told reporters that Mexico will keep revising the list, as necessary, to affect a broader spectrum of goods. The aim, he said, is to add an element of uncertainty for U.S. exporters not yet directly affected by the retaliatory tariffs.

Producers of pork, cheeses, sweet corn, pistachios, apples, certain adhesives, gloves, floor coverings, containers, trench diggers and other products that were added to the list in August can attest to the negative impact the action will have on their exports if the tariffs are not soon lifted.

They only have to look at the damage inflicted on producers of the goods on the original list, most of which remain on the new list, to understand how much they stand to lose from this retaliation. If the trucking dispute is allowed to persist, even more American producers are likely to be harmed.

Mr. President, the signatories to this letter applauded when you announced in your State of the Union Message the Administration's objective of doubling U.S. exports in five years. We want this objective to be realized and will do all we can to help you achieve it. As you have rightly pointed out, increased exports create jobs. By the same token, lost exports cost jobs. And, as many of us have learned the hard way, exports that are lost are very hard to recapture once new supply chains are established with third-country competitors.

U.S. Trade Representative Kirk has frequently stated that enforcement of trade agreements is a key pillar of the Administration's trade agenda. He has said, and we certainly agree, that trade agreements are of little value and will not be supported by the public if they are not enforced. Our insistence that other nations abide by their trade agreement obligations is only credible if we practice what we preach.

You have said that you want a solution to the trucking issue that is consistent with our NAFTA obligations. We urge you to renew the Administration's efforts to do just that, and to do it without delay. Otherwise, we stand to lose thousands of jobs involved in the production, processing and transportation of the goods that are subject to Mexico's retaliation.

Respectfully,

The Alliance to Keep U.S. Jobs

American Apparel & Footwear Association
American Association of Exporters & Importers
American Chamber of Commerce of Mexico, A.C.
American Chemistry Council
American Cotton Shippers Association
American Farm Bureau Federation
American Feed Industry Association
American Forest & Paper Association
American Frozen Food Institute
American Institute for International Steel
American Meat Institute
American Nursery & Landscape Association
American Peanut Council
American Peanut Product Manufacturers, Inc.
American Renderers Association
American Seed Trade Association
American Soybean Association
American Trucking Associations
Amway
Appleton Paper
Apricot Producers of California
Archer Daniels Midland Company (ADM)
Association of Equipment Manufacturers
Blue Diamond Growers
Business Roundtable
California Agriculture Issues Forum
California Cherry Export Association
California Dried Plum Board
California Farm Bureau Federation
California Fig Advisory Board
California Grain & Feed Association
California Grape and Tree Fruit League
California League of Food Processors
California Pear Advisory Board
California Seed Association
California Strawberry Commission
California Table Grape Commission
California Tomato Growers Association
California Walnut Commission
Campbell Soup Company
Cargill, Incorporated
Caterpillar
Chiquita Brands

Commodity Markets Council
ConAgra Foods, Inc.
Consumer Electronics Association
Continental Express Inc.
Corn Refiners Association
CropLife America
Dallas Regional Chamber
Dart Container Corporation
DHL Express USA
Distilled Spirits Council of the United States
Emergency Committee for American Trade
Fashion Accessories Shippers Association
Free Trade Alliance
Frozen Potato Products Institute
General Electric Company
Georgia Fruit and Vegetable Growers Association
Glatfelter
Glanbia Foods
Grocery Manufacturers Association
Grower-Shipper Association of Central California
Grower-Shipper Association of Santa Barbara and San Luis Obispo Counties
Herbalife International of America, Inc.
Hormel Foods Corporation
International Dairy Foods Association
Jefferson Waterman International
JR Simplot Company
Kraft Foods
Louis Dreyfus Commodities
Magination Consulting International
Manatt Phillips
Mars Incorporated
Mary Kay, Inc.
NASDA
National Association of Wheat Growers
National Barley Grower's Association
National Beef Packing Company
National Cattlemen's Beef Association
National Chicken Council
National Christmas Tree Association
National Council of Farmer Cooperatives
National Electrical Manufacturers Association
National Foreign Trade Council

National Grain and Feed Association
National Grange
National Milk Producers Federation
National Oilseed Processors Association
National Pork Producers Council
National Potato Council
National Renderers Association
National Sorghum Producers
National Sunflower Association
National Turkey Federation
National Watermelon Association
Nestle Purina PetCare Company
Nestle USA
Nisei Farmers League
North American Equipment Dealers
Association
North American Export Grain Association
North American Millers' Association
Northwest Horticultural Council
Ocean Spray Cranberries, Inc.
Ohio Alliance for International Trade
Oregon Association of Nurseries
Pacific Egg & Poultry Association
Panasonic Corporation of North America
PepsiCo, Inc.
Personal Care Products Council
Pet Food Institute
Plastic Express
Proctor & Gamble
Produce Marketing Association
RR Donnelley
Retail Industry Leaders Association
Schering-Plough
Seaboard Foods, LLC
Smithfield Foods
Snack Food Association
STR
Sunsweet Growers, Inc.
Sweetener Users Association
TBM Carriers, Inc
TechAmerica
Texas Vegetable Association
The Fertilizer Institute
The Hershey Company
The Popcorn Institute
Travel Goods Association

Truss World, Inc.
Tyson Foods
U.S. Apple Association
U.S. Canola Association
U.S. Chamber of Commerce
U.S. Dairy Export Council
U.S. Grains Council
U.S. Hides, Skins, and Leather Association
U.S. Meat Export Federation
U.S. Premium Beef
U.S. Rice Producers Association
U.S. Wheat Associates, Inc.
Unilever United States, Inc.
United Egg Association
United Egg Producers
United Fresh Produce Association
United States - Mexico Chamber of
Commerce
United States Association of Importers of
Textiles and Apparel
United States Council for International
Business
United States Dry Bean Council
USA Dry Pea & Lentil Council
USA Poultry & Egg Export Council
USA Rice Federation
Ventura County Agricultural Association
Viagen
Wal-Mart Stores, Inc.
Washington State Council for International
Trade
Western Growers Association
Western Pistachio Association
Western United Dairymen
Wine Institute
Yum Brands