



**UNITE!**

**A M T A C**  
American Manufacturing Trade Action Coalition



January 15, 2004

President George W. Bush  
The White House  
Washington, DC 20500

Dear Mr. President:

We the undersigned, representing the entire spectrum of the US textile industry – the fiber, yarn, fabric and apparel sectors, are writing to oppose any increase to textile quotas in 2004 as a result of a practice known as “carryforward.” Carryforward is a provision contained in most of our textile trade agreements that allows an importer to borrow a specific amount from next year’s quota for use in the current year. This borrowing feature is reconciled by a reduction of an equal amount from the future or donor year quota. Carryforward should be strictly forbidden in 2004 due to the fact that there will be no quotas to borrow from or reconcile in 2005.

As you know, all existing textile and apparel quotas with World Trade Organization (WTO) countries are due to expire on January 1, 2005. Despite this fact, several importing and retailing organizations have petitioned the U.S. government to allow for carryforward increases to textile and apparel quotas this year. In essence, although there is no quota to borrow from and no ability to reduce future quotas, importers want to dramatically increase quota amounts during this final year of the textile import restraint program.

Moreover, importer complaints that there will be a quota shortage are completely unfounded. First, the existing quota program guarantees all WTO partners annual growth factors on all remaining textile and apparel quotas. These growth factors have provided significant **increased access** in 2004 to all foreign suppliers. In addition, we have several preferential trading

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partners such as Mexico, Canada, Central America, the Caribbean and Sub-Saharan Africa who enjoy quota free access for the vast portion of their textile and apparel exports to the U.S. The flood of primarily Asian produced textile and apparel exports to the U.S. need not be exacerbated by a false carryforward scheme.

Enforcing existing textile quotas is a fundamental point of fairness for the textile industry and its nearly one million workers. Since January 2001, the U.S. textile and apparel industry has lost 323,000 jobs – more than 30 percent of the entire U.S. textile and apparel workforce. Granting unjustified and damaging carryforward will destroy tens of thousands of U.S. textile and apparel jobs.

Mr. President, in light of the devastating job losses suffered by the U.S. textile and apparel industry, we respectfully request that you deny any carryforward increases of 2004 textile quotas.

Sincerely,

American Manufacturing Trade Action Coalition (AMTAC)

American Textile Manufacturers Institute (ATMI)

National Textile Association (NTA)

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American Yarn Spinners Association (AYSA)

American Fiber Manufacturers Association (AFMA)

National Cotton Council (NCC)

American Sheep Industry Association (ASI)

American Textile Machinery Association (ATMA)

The Carpet and Rug Institute (CRI)

The Association of Georgia's Textile, Carpet & Consumer Products Manufacturers (GTMA)

USA Domestic Manufacturers Committee of the Hosiery Association

Industrial Fabrics Association International (IFAI)

North Carolina Manufacturers Association (NCMA)

Textile Distributors Association (TDA)

South Carolina Manufacturers Alliance (SCMA)

American Flock Association

Manufacture Alabama Textile Council

American Cotton Shippers Association (ACSA)

The National Association for the Sewn Products Industry (SEAMS)

cc: Secretary Donald L. Evans  
Ambassador Robert B. Zoellick