



January 6, 2016

Joshua Teitelbaum, Chairman
Committee for the Implementation of Textile Agreements
Room 3001
U.S. Department of Commerce
14th and Constitution Avenue NW
Washington, DC 20230

Re: Short Supply Petitions under U.S.-Morocco Free Trade Agreement for 100% Rayon Woven Fabric and Certain Printed and Piece-Dyed Warp Knit Fabrics of Polyester or Nylon Fibers

Dear Mr. Teitelbaum:

This letter is transmitted in response to the Federal Register notices dated December 7, 2015, in which CITA invited public comments on two commercial availability requests under the U.S.-Morocco Free Trade Agreement. The first petition covers 100% rayon woven fabric and the second pertains to certain printed and piece-dyed warp knit fabrics of polyester or nylon fibers. The National Council of Textile Organizations (NCTO) and American Fiber Manufacturers Association (AFMA) strongly oppose these two petitions as we represent member companies that produce the subject fabrics domestically as well as their component suppliers. It is our contention that both fabrics can be provided in commercial quantities in a timely manner by U.S. producers, and thus the U.S.-Morocco FTA should not be amended.

Further, our members report that they were not approached by either of the petitioners inquiring about domestic availability of such fabrics, and further, NCTO was not contacted as we often are with any requests to circulate due diligence inquiries to our members. While the due diligence step may not be specifically prescribed under the Morocco FTA as it is under the CAFTA process, it is possible additional companies would have responded if a more exhaustive due diligence process had been undertaken.

Finally, both petitions cite the inclusion of similar fabrics on the Trans-Pacific Partnership short supply list as sufficient evidence that the subject fabrics are not available domestically. As an initial point, TPP is not current law, and, in the case of the warp knit fabric, the petition does not precisely match the TPP list.¹ More importantly, NCTO and AFMA never viewed the TPP list as a definitive statement that the products included are in short supply.

Certain items on the TPP list were objected to by our members, and it is only logical to conclude that the final TPP listing is the result of a negotiated compromise with the other countries involved in the agreement. There are certainly domestic producers that would argue that they have production capabilities that overlap with various products on the TPP list. For these reasons, we object to any

¹ There also appears to be an inconsistency in the fabric description in the warp knit petition as it specifies certain fabrics classified in 6004.10 "containing between 3% and 41% elastomeric yarns." However, 6004.10 is defined in the tariff schedule as "containing by weight 5 percent or more of elastomeric yarn."

predetermination that the inclusion of a product on the TPP list is grounds for granting short supply status to that product under other U.S. free trade agreements.

Based on the evidence of domestic production by established U.S. producers and the harm that approval of these petitions would inflict on U.S. producers and their suppliers, we respectfully urge CITA to reject this petition.

We appreciate the opportunity comment, and please let us know if we can provide any further information.

Sincerely,



Auggie Tantillo
President and CEO
National Council of Textile Organizations



Paul O'Day
President and Counsel
American Fiber Manufacturers Association