

PUBLIC VERSION

July 13, 2017

Chairman
Committee for the Implementation of Textile Agreements
Room 30003
United States Department of Commerce
Washington, DC 20230.

Submitted via email to
OTEXA_Bahrain_FTA@trade.gov

Also via email to
Terry.Labat@trade.gov and Maria.D'Andrea-Yothers@trade.gov

Subject: Request for Public Comment on a Commercial Availability Request Under the U.S.-Bahrain Free Trade Agreement

To Whom It May Concern:

I write on behalf of **ELASTIC FABRICS OF AMERICA**, a domestic U.S. manufacturer for knitted textiles, to oppose the petition filed by the Government of Bahrain, March 23, 2017, to initiate consultations under Article 3.2.3 of the USBFTA, as it relates to the ruler of origin for apparel of knitted fabric.

Specifically, I object to any modification of the Agreement that would permit the use of non-originating fabric of the following descriptions:

Fabric 27: Knit fabric of polyester (85-97%) and elastomeric (3-15%), classified in subheading 6004.10 of the HTSUS;

Fabric 28: Knit fabric of polyester (45-60%), cotton (35-50%) and elastomeric (5-12%), classified in subheading 6004.10 of the HTSUS;

Fabric 29: Knit fabric of rayon (59-75%), nylon (20-37%), and elastomeric (0-10%), classified in subheading 6006.42 of the HTSUS; and

Fabric 35: Knit fabric of polyester (68-78%), rayon (19-29%), and elastomeric (0-8%), classified in subheading 6006.32 of the HTSUS.

ELASTIC FABRICS OF AMERICA is a domestic U.S. manufacturer of knitted fabrics, the subject of this request. ELASTIC FABRICS OF AMERICA currently produces [REDACTED] square meters of such fabric annually at our U.S. facilities in North Carolina. We have additional capacity to produce [REDACTED] square meters annually. We are currently producing the subject fabric for use in apparel production in our free trade partner nations [REDACTED]. At no time has ELASTIC FABRICS OF AMERICA been approached with an attempt to source

PUBLIC VERSION

the subject fabric from the U.S. Had such a canvassing been done, ELASTIC FABRICS OF AMERICA would have been identified as able and willing to supply the fabric.

ELASTIC FABRICS OF AMERICA strongly objects to this request for the following reasons:

1. ELASTIC FABRICS OF AMERICA is able and willing to supply the subject fabric, and
2. Bahrain agreed to the yarn forward rule and should live up to that agreement.
3. The expiration of the TPL, after ten years, is one of the provisions of the agreement. Bahrain had ten years, during that transition period, to build its own industry to supply these fabrics or establish business relations with U.S. textile manufacturers who made these fabrics. It appears that Bahrain did neither.
4. This list is so broad in scope as to place a huge number of fabrics made in the U.S. on an effective "short supply" list.
5. It would be unfair to the other 17 nations that are free trade partners with the U.S. under the terms of 11 agreements who, with only narrow, carefully carved out exceptions, operate under the yarn forward rule.
6. If granted, this request will prompt other current and future free trade partners to seek short supply status for the same fabrics.
7. Unlike the expired TPL, which was capped at 65 million square meters annually, the request is unlimited as to quantity, and, if approved, would create an incentive for Bahrain to increase production of apparel and home textile articles of third-country fabric.

Thank you for this opportunity to comment on this request which is of importance to ELASTIC FABRICS OF AMERICA.

Yours,



Jack Boyd
EVP, Sales & Product Development
ELASTIC FABRICS OF AMERICA