



U.S./Colombia Trade - Textiles & Apparel

Just the Facts, June 4, 2008

U.S. apparel imports from and, in turn, U.S. cotton and textile (yarn and fabric) exports to Colombia have thrived since Congressional passage in 2002 of the Andean Trade Preference Act (ATPA). However, in response to continued uncertainty over Congressional approval of the U.S./Colombia Trade Promotion Agreement (TPA), combined with continuing expirations of the ATPA (*ATPA was renewed on February 29, 2008, only hours before it was set to expire*), a number of U.S. apparel firms have pulled business from Colombia and moved that business to Asia. This decline in U.S. apparel imports from Colombia has, in turn, jeopardized U.S. cotton and textile exports to Colombia. Over 300,000 jobs (100,000 direct workers and another 200,000 indirect workers) in Colombia and thousands of jobs in the United States are at risk.

The TPA will make the current relationship: 1) permanent; 2) reciprocal (duty-free for U.S. cotton, yarn, fabric and apparel exports); and 3) comprehensive (include all textiles and apparel, not just apparel).

The entire U.S. textile and apparel supply chain – from cotton growers and fiber/yarn producers to importers and retailers – sent a letter to Congress December 4, 2007 **STRONGLY SUPPORTING** the U.S./Colombia TPA.

The Apparel & Textile Provisions in the U.S./Colombia TPA

The U.S./Colombia TPA contains **ALL** of the provisions requested by the U.S. textile industry:

1. The TPA contains a **strict yarn-forward rule of origin for all apparel and textiles.**
2. The TPA contains **no exceptions** to the yarn-forward rule, except for bras (single transformation).

U.S. Apparel Imports from Colombia

1. U.S. apparel imports from Colombia **totaled over \$500 million in 2007.**
2. Regrettably, those numbers represented, in volume terms, a **29.2 percent drop from 2006.** This slide has continued in the first quarter of 2008, **with a further 20.3 percent drop** in U.S. apparel imports.

U.S. Cotton & Textile Exports to Colombia

1. **U.S. cotton exports** to Colombia **reached a record \$67 million in 2006,** doubling since 2002.
2. Because of continued uncertainty, those U.S. cotton exports **fell 11.7 percent in 2007 to \$59 million** and continued falling in the first quarter of 2008, **dropping a precipitous 34.9 percent.**
3. **U.S. yarn and fabric exports** to Colombia **more than doubled** between 2002 and 2006, **equaling \$135 million in 2006.**
4. Regrettably, U.S. yarn and fabric exports to Colombia **slid 25.3 percent in 2007 to \$101 million.** Those exports continued to drop in 2008, **falling another 10.8 percent in the first quarter alone.**



December 4, 2007

The Hon. Max Baucus
Chairman
Committee on Finance
U.S. Senate
Washington, DC 20510

The Hon. Charles Grassley
Ranking Member
Committee on Finance
U.S. Senate
Washington, DC 20510

Dear Chairman Baucus and Senator Grassley:

Our organizations have communicated with you several times in the past year to indicate the strong support of the entire U.S. textile and apparel supply chain for the Andean trade partnership. We are writing to you today to restate the support.

Specifically, we are asking your assistance in ensuring that the U.S./Peru Trade Promotion Agreement and U.S./Colombia Trade Promotion Agreements are quickly considered and approved by the U.S. Congress. In addition, we urge that the Andean Trade Preference program, which is currently set to expire in less than three months on February 29, 2008, is quickly extended for at least a year so that there is no break in duty free coverage.

As you may know, the textile and apparel sector is one of the largest manufacturing and wholesale employers in the United States - and still employs more than 500,000 U.S. workers.

Increasingly, those jobs are dependent upon exports. About \$16.7 billion worth of textile and apparel products were exported in 2006. About 50 percent of those exports are destined for Mexico, Central America, and the Andean region, where many of these products are incorporated into finished garments and brought back to the United States.

These export markets function primarily because we provide duty free access for their textile and apparel products that incorporate U.S. yarns, fabrics, fibers, and other textile inputs.

The Andean region remains an important and growing market for U.S. textile exports. Unfortunately, the overall prospects of this market remain troubled. Because of recurring threats over the loss of duty free access for that region, many U.S. apparel importers have begun to shift their business elsewhere. Over the last 12 months, U.S. apparel imports from the region have dropped by more than 11 percent.

This has translated into a 17 percent drop in U.S. textile and apparel exports to the region – the first decline in more than 3 years.

The long term solution lies in the U.S./Peru and U.S./Colombia TPAs, which provide a permanent two-way duty free partnership between the U.S. and Andean textile and apparel producers. But this long term stability cannot be realized if the U.S. does not quickly approve these agreements. Moreover, we face a short term crisis with the imminent expiration of the existing preference programs, on which much of the current partnership is presently based.

Time is of the essence if we hope to retain a strong and economically vibrant textile and apparel industry in this country by ensuring a strong trade relationship with our partners in Peru and Colombia. Please help us by ensuring approval of the U.S./Peru and the U.S./Colombia Trade Promotion Agreements soon and by taking action this year to extend the Andean Trade Preferences Act.

Thank you for your time and consideration in this matter.

Sincerely,

American Apparel & Footwear Association (AAFA)
American Fiber Manufacturers Association (AFMA)
Carpet and Rug Institute (CRI)
Georgia Traditional Manufacturers Association (GTMA)
INDA, Association of the Nonwoven Fabrics Industry
National Cotton Council (NCC)
National Council of Textile Organizations (NCTO)
National Retail Federation (NRF)
North Carolina Manufacturers Association (NCMA)
Retail Industry Leaders Association (RILA)
Sewn Products Equipment & Suppliers of the Americas (SPESA)
South Carolina Manufacturers Alliance (SCMA)



U.S. Apparel Imports - 1998 - 2008

Square Meter Equivalents (SMEs), % Change & Share of Total are Based on January-March 2008 Data

Top 32 Based on January-March 2008, May 9, 2008

Rank	Country	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Jan-Mar 2007	Jan-Mar 2008	% Change 07-08	Share of Total Imports
	World	12,885,669,450	14,102,856,500	16,035,348,460	16,103,471,620	17,255,657,433	18,863,746,194	19,950,995,982	22,009,812,085	22,539,239,195	23,335,263,346	5,437,984,118	5,191,983,810	-4.5%	100.0%
		<i>Actual Square Meter Equivalents (SMEs)</i>													
1	China	910,255,799	910,406,523	929,159,283	975,979,534	1,564,963,032	2,289,847,415	2,972,522,846	5,883,430,984	6,506,084,528	8,033,702,715	1,656,382,380	1,528,150,618	-7.7%	29.4%
2	Vietnam	16,970,607	21,065,084	29,991,310	28,099,535	315,377,465	739,175,252	777,054,816	801,367,936	947,367,649	1,273,657,406	262,898,070	349,817,681	33.1%	6.7%
3	Bangladesh	743,515,540	773,077,067	966,611,942	965,941,956	927,717,083	913,029,078	941,684,939	1,124,829,783	1,306,918,705	1,354,100,700	343,099,118	347,872,538	1.4%	6.7%
4	Indonesia	433,681,795	440,891,787	522,025,689	593,735,961	594,644,591	617,983,872	703,399,436	823,451,411	1,013,154,780	1,064,281,234	290,053,534	291,397,623	0.5%	5.6%
5	Honduras	798,962,416	942,795,094	1,028,083,905	1,020,660,968	1,090,164,635	1,151,897,618	1,198,533,425	1,246,809,494	1,136,133,232	1,222,699,844	261,204,716	288,044,081	10.3%	5.5%
6	India	364,260,332	376,091,235	399,231,728	402,810,945	508,714,904	532,069,010	609,338,476	790,197,924	840,297,501	867,880,995	248,671,333	252,960,773	1.7%	4.9%
7	Mexico	1,984,577,189	2,306,887,791	2,526,814,253	2,290,141,584	2,157,195,994	1,977,284,850	1,896,210,937	1,703,425,351	1,477,174,058	1,210,480,535	310,074,864	251,626,219	-18.8%	4.8%
8	Cambodia	104,579,770	172,696,135	253,681,573	358,609,486	439,861,528	527,682,909	634,682,820	709,992,680	842,722,557	866,625,111	216,849,717	223,601,580	3.1%	4.3%
9	El Salvador	482,602,557	601,720,003	719,248,492	723,830,548	777,179,609	856,333,590	852,624,499	865,968,921	721,653,173	810,062,619	177,100,207	192,086,915	8.5%	3.7%
10	Pakistan	214,782,978	237,014,117	330,205,868	347,009,367	382,066,741	443,627,117	519,282,124	577,841,672	672,741,372	695,544,484	158,846,307	153,683,578	-3.3%	3.0%
11	Thailand	334,889,778	385,769,444	469,685,674	452,593,892	490,258,180	496,144,796	533,100,230	536,764,972	566,392,692	522,969,702	135,292,160	125,446,508	-7.3%	2.4%
12	Philippines	474,931,509	505,892,007	529,911,730	553,268,591	550,532,151	545,572,036	513,572,368	518,712,943	589,011,275	457,930,705	119,916,759	110,603,468	-7.8%	2.1%
13	Sri Lanka	332,451,126	337,096,614	408,625,293	403,391,776	393,888,473	395,020,706	415,047,998	453,750,896	450,522,302	408,937,927	123,488,280	106,677,004	-13.6%	2.1%
14	Guatemala	280,453,927	303,030,075	359,769,363	388,103,227	415,324,088	444,536,405	499,368,901	466,515,855	424,937,765	376,063,300	99,175,553	93,191,037	-6.0%	1.8%
15	Dominican Rep	831,569,516	857,517,165	836,581,704	753,006,400	730,029,554	750,160,921	761,412,771	715,453,370	583,909,322	382,313,301	101,772,756	80,104,531	-21.3%	1.5%
16	Nicaragua	55,781,690	66,129,199	82,595,926	95,676,722	120,137,149	150,234,693	175,237,105	203,857,449	252,306,793	285,244,583	66,724,695	76,909,463	15.3%	1.5%
17	Hong Kong	862,468,676	840,948,392	916,305,779	916,931,192	821,260,564	785,439,971	738,962,752	596,581,581	523,340,607	358,180,763	67,485,082	63,791,893	-5.5%	1.2%
18	Malaysia	162,380,814	178,261,257	201,347,035	192,838,245	192,574,845	191,285,046	210,578,653	211,343,190	243,089,921	236,655,208	55,642,702	62,050,400	11.5%	1.2%
19	Taiwan	620,651,651	637,434,528	670,736,694	614,130,293	575,759,273	590,776,687	571,980,560	391,478,281	359,186,101	302,789,094	69,328,243	58,460,226	-15.7%	1.1%
20	Jordan	1,708,999	906,479	9,340,484	43,712,722	87,677,668	135,645,195	227,373,671	260,932,483	292,527,338	250,450,866	61,682,878	55,947,817	-9.3%	1.1%
21	Egypt	108,716,449	114,364,444	132,402,734	126,367,224	129,070,490	138,546,251	156,028,635	164,687,894	202,042,789	208,494,461	54,490,191	54,160,618	-0.6%	1.0%
22	Costa Rica	306,986,346	345,713,288	350,387,476	349,965,650	361,595,178	331,993,075	303,657,275	288,708,818	288,042,636	265,394,189	63,520,141	50,534,005	-20.4%	1.0%
23	Macau	207,231,572	210,897,963	256,474,685	267,863,014	318,918,659	375,773,193	447,111,996	291,849,466	277,129,374	237,644,085	57,320,350	48,788,593	-14.9%	0.9%
24	Haiti	112,876,689	126,737,353	124,783,683	109,001,436	108,984,497	136,659,018	153,573,062	204,959,884	251,576,045	247,099,548	65,010,033	41,012,331	-36.9%	0.8%
25	South Korea	460,074,548	537,369,866	587,193,235	631,956,831	649,953,607	575,584,376	624,399,744	359,384,504	309,434,470	205,265,308	50,328,352	36,826,326	-26.8%	0.7%
26	Turkey	202,582,071	229,945,127	297,708,150	305,709,082	346,880,694	373,931,698	307,402,614	239,339,532	182,697,594	122,977,665	36,171,193	24,353,548	-32.7%	0.5%
27	Peru	28,124,735	43,972,812	53,141,716	50,529,391	56,648,058	65,180,346	88,179,918	94,551,993	95,217,170	92,735,518	22,783,332	22,273,532	-2.2%	0.4%
28	Canada	232,776,052	268,489,374	300,072,466	281,195,542	291,656,439	262,082,666	244,552,689	189,626,502	158,750,478	116,784,707	32,488,540	20,821,680	-35.9%	0.4%
29	Lesotho	23,954,569	25,803,509	34,365,207	50,899,933	84,147,017	103,864,872	111,162,852	95,260,964	95,163,634	95,143,283	24,865,971	19,733,498	-20.6%	0.4%
30	Madagascar	5,279,554	9,244,099	20,495,114	37,479,216	22,161,428	45,634,852	69,407,905	62,565,044	55,199,868	74,292,105	16,017,624	18,499,762	15.5%	0.4%
31	Kenya	10,200,562	12,467,190	12,555,644	18,520,906	35,184,223	52,213,612	73,313,118	73,898,577	65,461,003	68,790,580	16,517,393	17,682,561	7.1%	0.3%
32	Colombia	83,068,649	94,217,378	92,804,316	75,972,753	82,909,903	120,993,830	138,453,741	125,289,346	107,186,919	75,919,257	20,137,634	16,039,754	-20.3%	0.3%
	CAFTA	2,756,356,451	3,118,904,823	3,376,666,866	3,331,243,515	3,494,430,213	3,685,156,302	3,790,833,977	3,787,313,907	3,406,982,921	3,341,777,836	769,498,068	780,870,033	1.5%	15.0%
	AGOA	117,091,023	128,203,251	164,161,071	218,417,191	277,231,630	398,786,978	440,300,460	376,768,698	325,964,642	332,309,865	85,496,358	72,344,439	-15.4%	1.4%
	Andean	121,565,852	148,209,696	159,198,891	141,565,998	152,850,743	205,137,249	252,744,864	238,173,824	218,324,758	187,197,765	47,301,805	42,249,227	-10.7%	0.8%

CAFTA = The six countries of the U.S./Central America-Dominican Republic Free Trade Agreement - Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua.

AGOA = The sub-Saharan African countries under the African Growth and Opportunity Act.

Andean = The four countries covered by the Andean Trade Promotion & Drug Eradication Act (ATPDEA) - Bolivia, Colombia, Ecuador, and Peru.

Source: U.S. General Imports, Office of Textiles & Apparel (OTEXA), U.S. Department of Commerce, <http://www.otexa.ita.doc.gov>.



U.S. Apparel Imports - 1998 - 2008

In Actual U.S. Dollars, % Change & Share of Total are Based on January-March 2008 Data

Top 32 Based on January-March 2008 Data, May 9, 2008

Rank	Country	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Jan-Mar 2007	Jan-Mar 2008	% Change 07-08	Share of Total Imports
		<i>Actual U.S. Dollars</i>													
	World	\$48,175,628,481	\$50,795,300,653	\$57,231,655,833	\$56,460,382,965	\$56,962,950,211	\$61,162,077,344	\$64,767,672,904	\$68,713,250,825	\$71,629,828,458	\$73,923,159,078	\$17,466,277,229	\$16,580,673,758	-5.1%	100.0%
1	China	\$4,311,717,242	\$4,370,228,522	\$4,498,968,558	\$4,602,352,784	\$5,593,697,500	\$7,257,593,641	\$8,927,864,344	\$15,142,868,861	\$18,517,641,260	\$22,745,416,692	\$4,896,745,269	\$4,426,089,266	-9.6%	26.7%
2	Vietnam	\$28,413,535	\$36,069,748	\$47,282,801	\$47,895,375	\$895,068,273	\$2,374,554,579	\$2,562,455,884	\$2,724,655,277	\$3,222,054,177	\$4,358,468,654	\$885,732,265	\$1,158,235,299	30.8%	7.0%
3	Indonesia	\$1,658,504,767	\$1,685,816,570	\$2,054,802,087	\$2,214,547,881	\$2,041,504,552	\$2,157,959,512	\$2,402,828,930	\$2,875,418,600	\$3,670,298,445	\$3,981,081,912	\$1,066,700,638	\$1,055,421,664	-1.1%	6.4%
4	India	\$1,516,685,920	\$1,525,091,669	\$1,785,782,428	\$1,717,097,470	\$1,901,510,960	\$2,001,543,553	\$2,217,104,618	\$2,976,174,912	\$3,186,893,788	\$3,169,857,556	\$930,548,844	\$939,899,135	1.0%	5.7%
5	Mexico	\$6,493,642,643	\$7,537,511,564	\$8,412,624,944	\$7,811,241,199	\$7,424,198,370	\$6,903,736,007	\$6,684,839,350	\$6,078,330,175	\$5,297,113,407	\$4,523,396,054	\$1,093,934,658	\$935,301,068	-14.5%	5.6%
6	Bangladesh	\$1,626,554,815	\$1,675,714,933	\$2,115,920,300	\$2,101,219,225	\$1,883,154,951	\$1,848,065,942	\$1,977,557,265	\$2,371,733,893	\$2,914,090,349	\$3,103,404,825	\$788,154,399	\$830,215,776	5.3%	5.0%
7	Cambodia	\$359,478,501	\$584,951,942	\$808,363,361	\$934,630,587	\$1,042,451,481	\$1,239,646,844	\$1,428,987,924	\$1,712,839,393	\$2,135,889,157	\$2,424,930,660	\$608,500,988	\$625,069,399	2.7%	3.8%
8	Honduras	\$1,872,758,507	\$2,158,164,347	\$2,323,074,226	\$2,343,590,654	\$2,439,677,933	\$2,502,673,909	\$2,673,351,432	\$2,622,309,655	\$2,440,262,965	\$2,510,897,862	\$563,095,613	\$558,258,568	-0.9%	3.4%
9	Thailand	\$1,451,763,064	\$1,509,058,367	\$1,820,290,610	\$1,817,453,443	\$1,718,528,807	\$1,711,615,361	\$1,799,370,651	\$1,807,786,771	\$1,839,711,260	\$1,766,311,268	\$455,716,527	\$451,491,225	-0.9%	2.7%
10	Hong Kong	\$4,428,432,645	\$4,255,870,579	\$4,486,094,724	\$4,211,398,963	\$3,877,242,051	\$3,701,790,784	\$3,848,981,842	\$3,510,573,186	\$2,810,977,624	\$2,034,777,339	\$379,148,410	\$406,352,119	7.2%	2.5%
11	Sri Lanka	\$1,308,177,637	\$1,268,704,561	\$1,471,826,280	\$1,504,829,437	\$1,413,179,008	\$1,435,793,174	\$1,549,386,868	\$1,650,209,455	\$1,682,424,801	\$1,573,405,800	\$446,435,850	\$402,300,229	-9.9%	2.4%
12	Philippines	\$1,744,603,442	\$1,792,038,672	\$1,894,665,402	\$1,891,052,485	\$1,815,114,740	\$1,853,416,164	\$1,785,563,439	\$1,830,414,063	\$2,002,466,033	\$1,722,210,367	\$449,794,487	\$387,236,228	-13.9%	2.3%
13	Guatemala	\$1,135,852,046	\$1,233,373,765	\$1,486,901,956	\$1,604,158,857	\$1,658,220,768	\$1,761,840,680	\$1,946,694,262	\$1,816,240,047	\$1,666,249,626	\$1,450,581,946	\$374,706,326	\$365,695,382	-2.4%	2.2%
14	El Salvador	\$1,170,626,505	\$1,328,777,512	\$1,583,448,555	\$1,611,719,854	\$1,674,850,921	\$1,719,903,665	\$1,720,256,784	\$1,619,187,654	\$1,407,727,997	\$1,486,209,681	\$326,812,966	\$343,307,097	5.0%	2.1%
15	Italy	\$1,348,490,483	\$1,355,429,122	\$1,399,792,355	\$1,392,891,913	\$1,356,703,284	\$1,421,602,281	\$1,426,593,817	\$1,353,805,874	\$1,309,275,285	\$1,437,180,947	\$334,076,448	\$336,318,822	0.7%	2.0%
16	Pakistan	\$673,596,218	\$733,238,343	\$920,362,548	\$931,534,384	\$878,352,978	\$1,015,452,320	\$1,137,665,659	\$1,258,870,580	\$1,412,007,419	\$1,498,598,434	\$322,194,675	\$316,730,295	-1.7%	1.9%
17	Jordan	\$3,330,231	\$2,205,376	\$42,713,355	\$183,768,761	\$384,215,156	\$582,081,047	\$956,156,152	\$1,082,525,795	\$1,253,230,804	\$1,145,376,636	\$279,499,877	\$250,406,720	-10.4%	1.5%
18	Macau	\$1,018,168,172	\$1,023,964,480	\$1,149,187,347	\$1,126,947,037	\$1,146,422,779	\$1,281,984,887	\$1,436,391,614	\$1,198,290,824	\$1,162,557,461	\$1,027,746,645	\$235,594,487	\$236,924,891	0.6%	1.4%
19	Nicaragua	\$231,959,315	\$277,012,339	\$335,579,913	\$374,304,158	\$432,861,437	\$483,996,217	\$594,712,631	\$715,591,988	\$879,324,329	\$967,809,811	\$222,140,950	\$232,576,849	4.7%	1.4%
20	Peru	\$222,541,677	\$305,773,315	\$382,865,831	\$370,797,990	\$383,610,234	\$504,399,694	\$676,712,134	\$800,142,598	\$843,828,120	\$813,988,999	\$200,999,585	\$219,912,781	9.4%	1.3%
21	Canada	\$1,420,976,459	\$1,598,272,544	\$1,746,786,681	\$1,584,922,081	\$1,610,112,803	\$1,568,624,855	\$1,504,413,865	\$1,273,402,758	\$1,166,733,072	\$960,415,165	\$265,348,528	\$203,791,758	-23.2%	1.2%
22	Dominican Rep	\$2,341,598,276	\$2,336,694,218	\$2,425,402,245	\$2,251,644,918	\$2,161,876,572	\$2,123,927,597	\$2,058,800,655	\$1,849,162,848	\$1,547,679,309	\$1,056,516,449	\$275,216,787	\$189,878,958	-31.0%	1.1%
23	Taiwan	\$2,115,282,459	\$1,973,599,551	\$2,063,780,875	\$1,811,353,771	\$1,576,224,933	\$1,611,111,974	\$1,548,924,177	\$1,134,431,684	\$1,004,797,358	\$861,452,514	\$205,443,784	\$174,614,100	-15.0%	1.1%
24	Egypt	\$356,362,935	\$332,652,234	\$405,974,443	\$387,182,202	\$348,383,932	\$381,772,147	\$422,291,776	\$444,286,270	\$624,790,891	\$697,298,981	\$174,781,149	\$170,757,039	-2.3%	1.0%
25	Malaysia	\$717,272,465	\$736,664,133	\$780,525,618	\$761,323,087	\$720,066,823	\$685,720,308	\$711,986,388	\$677,866,015	\$686,032,679	\$682,882,839	\$165,035,466	\$156,592,798	-5.1%	0.9%
26	South Korea	\$1,891,104,086	\$2,102,775,391	\$2,264,062,639	\$2,181,921,088	\$2,061,945,356	\$1,806,069,323	\$1,808,823,742	\$1,154,620,342	\$912,776,140	\$627,024,297	\$162,365,974	\$122,773,861	-24.4%	0.7%
27	Turkey	\$781,369,142	\$833,520,351	\$1,047,570,572	\$1,044,852,610	\$1,189,703,576	\$1,257,312,849	\$1,168,602,871	\$943,771,881	\$726,069,470	\$559,190,928	\$158,221,084	\$111,191,881	-29.7%	0.7%
28	Costa Rica	\$820,356,871	\$819,256,092	\$818,573,203	\$748,675,882	\$725,056,379	\$589,160,628	\$515,643,255	\$481,604,499	\$464,968,489	\$422,944,876	\$97,924,628	\$81,436,005	-16.8%	0.5%
29	Colombia	\$360,173,323	\$369,700,277	\$409,451,054	\$342,934,373	\$335,607,527	\$497,536,144	\$589,233,914	\$574,525,353	\$505,437,346	\$382,128,850	\$101,414,099	\$79,672,746	-21.4%	0.5%
30	Lesotho	\$100,072,006	\$110,759,155	\$140,219,043	\$214,812,909	\$320,655,925	\$392,669,527	\$455,753,191	\$390,712,124	\$387,031,425	\$383,525,513	\$98,884,066	\$76,405,165	-22.7%	0.5%
31	Haiti	\$217,503,588	\$248,634,369	\$250,620,802	\$216,371,439	\$216,593,334	\$290,355,183	\$324,216,035	\$406,281,397	\$449,674,413	\$452,196,495	\$109,459,958	\$74,249,859	-32.2%	0.4%
32	Madagascar	\$21,991,918	\$45,665,535	\$109,579,104	\$177,993,318	\$89,337,461	\$196,021,817	\$323,106,749	\$277,065,254	\$238,357,546	\$289,439,437	\$57,874,761	\$58,123,221	0.4%	0.4%
	CAFTA	\$7,573,331,520	\$8,153,278,273	\$8,972,980,098	\$8,934,094,323	\$9,092,544,010	\$9,181,502,696	\$9,509,459,019	\$9,104,096,691	\$8,406,212,715	\$7,894,960,625	\$1,859,897,270	\$1,771,152,859	-4.8%	10.7%
	Andean	\$612,828,804	\$707,689,453	\$831,134,846	\$753,573,515	\$750,957,759	\$1,051,305,937	\$1,323,035,801	\$1,429,222,828	\$1,395,348,702	\$1,232,359,697	\$310,859,004	\$306,221,881	-1.5%	1.8%
	AGOA	\$523,742,800	\$584,332,461	\$748,426,561	\$950,761,577	\$1,097,564,714	\$1,510,853,738	\$1,757,482,362	\$1,464,444,622	\$1,291,790,120	\$1,293,428,710	\$312,203,409	\$258,989,064	-17.0%	1.6%

CAFTA = The six countries of the U.S./Dominican Republic-Central America Free Trade Agreement - Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua.

AGOA = The sub-Saharan African countries under the African Growth and Opportunity Act.

Andean = The four countries covered by the Andean Trade Promotion & Drug Eradication Act (ATPDEA) - Bolivia, Colombia, Ecuador, and Peru.

Source: U.S. General Imports, Office of Textiles & Apparel (OTEXA), U.S. Department of Commerce, <http://www.otexa.ita.doc.gov>.



U.S. Cotton, Yarn & Fabric Exports to Colombia, 2001-2007

Actual Dollar Value, June 4, 2008

US COTTON EXPORTS TO WORLD & COLOMBIA

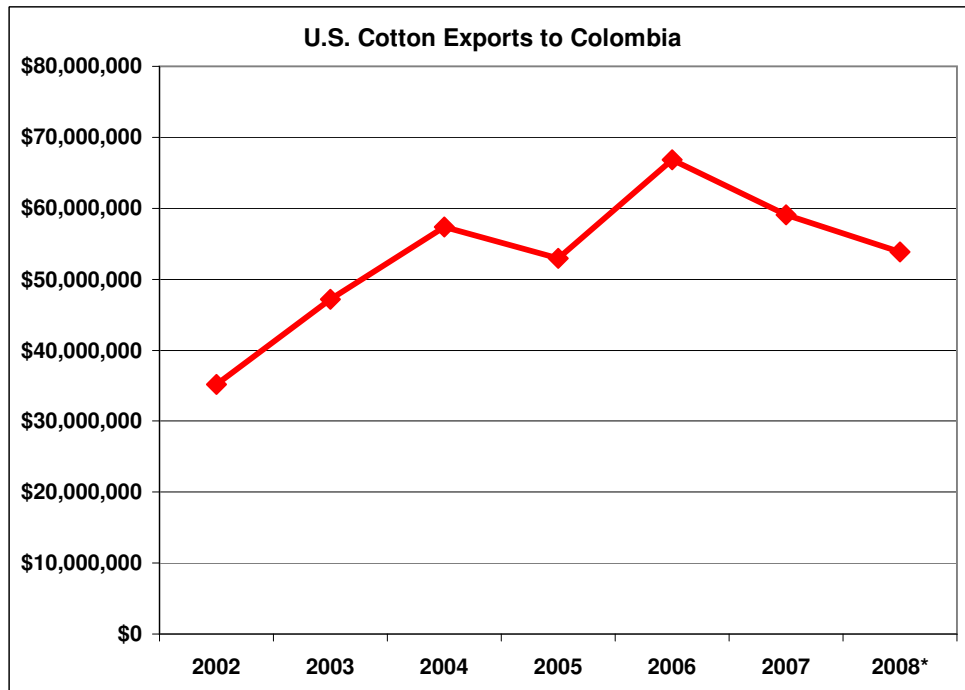
Country	2002	2003	2004	2005	2006	2007	Jan - Mar 2007	Jan - Mar 2008	% Change 07-08	Year Ending Mar 2008
	Actual U.S. Dollars (\$)									
World	\$2,030,863,000	\$3,376,469,000	\$4,251,073,000	\$3,929,420,000	\$4,514,432,000	\$4,589,153,000	\$883,166,000	\$1,156,554,000	31.0%	\$4,862,541,000
Colombia	\$35,139,000	\$47,130,000	\$57,363,000	\$52,970,000	\$66,859,000	\$59,061,000	\$14,823,000	\$9,651,000	-34.9%	\$53,889,000
Share of Total Exports	1.73%	1.40%	1.35%	1.35%	1.48%	1.29%	1.68%	0.83%	-50.3%	

Note: Colombia is now the 18TH LARGEST BUYER of U.S. cotton.

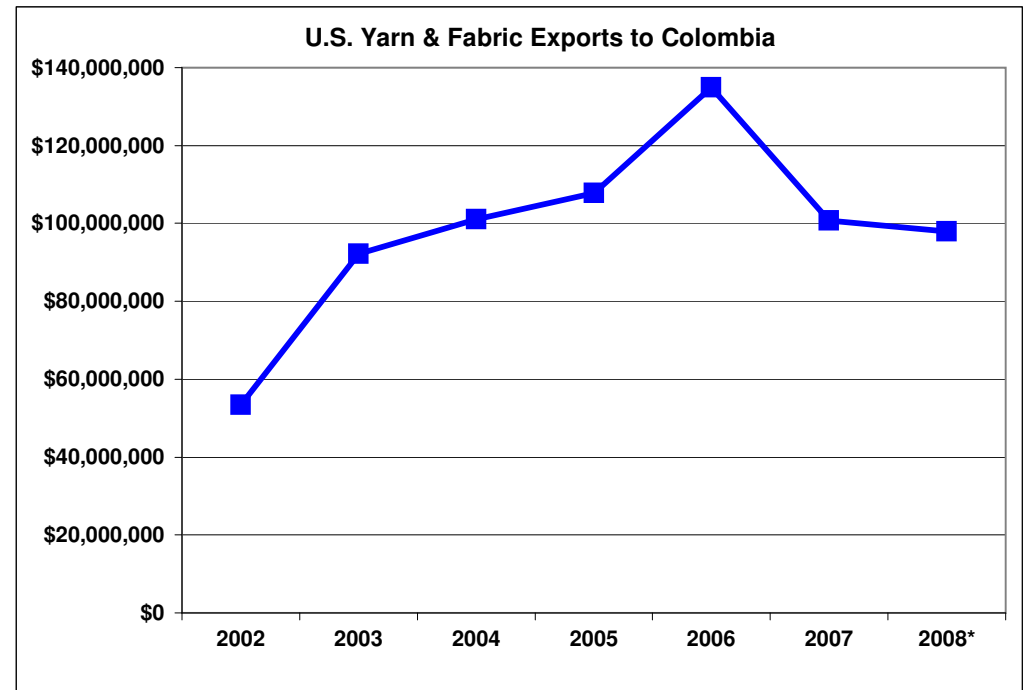
US YARN & FABRIC EXPORTS TO WORLD & COLOMBIA

Country	2002	2003	2004	2005	2006	2007	Jan - Mar 2007	Jan - Mar 2008	% Change 07-08	Year Ending Mar 2008
	Actual U.S. Dollars (\$)									
World	\$8,332,366,000	\$8,583,111,000	\$9,489,701,000	\$9,678,177,000	\$9,732,505,000	\$9,462,029,000	\$2,340,092,000	\$2,367,986,000	1.2%	\$9,489,923,000
Colombia	\$53,395,000	\$92,251,000	\$101,079,000	\$107,715,000	\$134,924,000	\$100,757,000	\$25,351,000	\$22,606,000	-10.8%	\$98,012,000
Share of Total Exports	N/A	1.07%	1.07%	1.11%	1.39%	1.06%	1.08%	0.95%	-11.9%	

Note: Colombia is now the 17TH LARGEST BUYER of U.S. yarn & fabric.



2008* Denotes Year-Ending March 31, 2008.



Sources: - Cotton - BICO Reports, Foreign Agricultural Service, U.S. Department of Agriculture, http://www.fas.usda.gov/scriptsw/bico/bico_frm.asp.
 - Yarn & Fabric - Office of Textiles & Apparel (OTEXA), U.S. Department of Commerce, <http://www.otexa.ita.doc.gov>.

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April 14, 2008

GIVEN THE decimation it has endured over the last decade, you'd think the last thing the U.S. textile industry needs is another free trade agreement. But trade pacts — the “good” ones, that is — have enabled some domestic textile producers to survive in a near-impossible environment. Generally speaking, these manufacturers fare better under deals that offer hemispheric trading (i.e. the Dominican Republic-Central America Free Trade Agreement) and much worse under those with Asian countries such as Vietnam.

Which brings us to the U.S-Colombia FTA. The agreement was signed in 2006 and renegotiated last year under Democrat pressure to beef up labor and environmental standards in the legislation. President Bush submitted the agreement to Congress on April 9. Under trade promotion authority rules, Congress was required to vote on the measure within 90 days, without the ability to amend it.

But a funny thing happened on the way to its passage — not funny “ha ha” but funny “wow.” House Speaker Nancy Pelosi and most of the Democrat Congress — and a half dozen Republicans — pulled the rug out from under the agreement, at least for now. In an unprecedented move of partisan angst, the House voted 224-195 to drop a requirement for a final vote within 90 days. Nixing the deadline means the Democrats can now postpone a vote on the deal until after the November elections, if they so choose.

A NUMBER of U.S. textile producers and the cotton trade support the pact, even though Colombia already enjoys duty-free access for nearly all products it ships to the U.S. through the Andean Trade Preference Act. This FTA would provide some degree of reciprocity, giving U.S. exporters equal access to the Colombian market by ending tariffs on U.S. goods sold there. Yarn producers Tuscarora Yarns and Parkdale, just to name two, have established business in the country and no doubt are champing at the bit for this accord to gain approval.

But let's remove our “textile glasses” for a moment and view this from the 100,000-foot level, as Glen Raven CEO Allen Gant Jr. has urged us to do on other issues. Though representing only a fraction of business on the U.S. trading scale, the ramifications of the bill are enormous. Colombia is a key U.S. ally in a region that includes Venezuelan President Hugo Chavez, who rebukes free trade or anything else in the region that would encourage pro-American sentiment. Add Chavez's sabre-rattling in the area, and you have yourself a dangerous tinderbox. Just last month, he ordered tank battalions to the Colombian border and mobilized fighter jets in response Colombian troops killing a Colombian rebel in Ecuador, dealing a strong blow to the Marxist FARC guerrilla insurgency. And with this vote, the threat of war just grew in strength.

U.S. Trade Representative Susan Schwab said the House action will have “profoundly negative consequences for our workers, our relationship with Colombia and the credibility of the United States.” Added President Bush: “The message Democrats sent today is that no matter how steadfastly you stand with us, we will turn our backs on you when it is politically convenient.”

EDITORIAL

Shafting Colombia

AH, POLITICS. That's really what this is all about, isn't it? Isn't everything inside the Beltway? How else can you explain Pelosi's action? Besides as a show of muscle-flexing against the Bush Administration, she used the move to shelve the bill in order to pander to labor unions that play a role in Democrat election efforts.

And how else do you explain Congressman Robin Hayes (R-NC) voting for the measure to remove the TPA timetable? Locked in a tough battle for re-election against a Democrat candidate he lost to by only 329 votes two years ago, Hayes and five fellow Republicans broke ranks to vote with the majority. Ironically, Hayes cast the deciding vote that gave the president TPA in 2001 and switched his vote at the last minute to help pass DR-CAFTA by two votes in 2005. His opponent, not surprisingly, is making Hayes' trade votes the big issue in a district hit hard by job losses.

And who plays the political game better than Hillary Clinton? Siding with Pelosi and the unions, of course, the presidential hopeful staunchly opposes the Colombia agreement — which her husband, the former president, supports. In fact, Bill Clinton made about \$800,000 from Gold Service International, a Colombian development group that supports the deal, for appearances he made to Colombia, Brazil and Mexico in 2005, according to *AP*. And just this month, Mark Penn, Clinton's top strategist, resigned after news emerged that he had met with Colombian officials to promote the trade accord in his capacity as head of his P.R. firm.

For economic and security reasons, passage of the Colombia agreement is a no-brainer. Politically, shooting it down is brainless.