

COALITION FOR GSP
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**AMERICAN BUSINESS APPLAUDS HOUSE ACTION ON GSP, CALLS FOR QUICK
SENATE CONSIDERATION**

Washington, DC – American companies who use the U.S. Generalized System of Preferences (GSP) program applauded action last night by the U.S. House of Representatives to pass legislation extending GSP for one year beyond its December expiration.

“A wide range of American companies, trade associations, and anti-poverty organizations has been urging Congress to renew the GSP program. Timely action by the House recognizes the adverse impact that allowing GSP to expire would have not only on developing countries, but on American families, workers, and farmers,” said Laura Baughman, Executive Director of the Coalition for GSP.

The GSP program is a special trade program that promotes economic growth in more than 130 developing countries by providing duty-free access to the United States for select products. U.S. businesses benefit from the duty savings on imports of raw materials and equipment to manufacture goods in the United States, while American families benefit from the lower costs for finished consumer goods. The provision to extend GSP beyond its December expiration was included in H.R. 6560, introduced by House Ways and Means Committee Chairman Charles Rangel (D-NY) and Ranking Member James McCrery (R-LA).

“This is an encouraging development,” said Richard Martin, President of PBI/Gordon Corporation in Kansas City, MO. “Our employees own 100 percent of our business and the duty savings on chemicals imported to make herbicides in the United States are important to us. Letting GSP expire would make tough economic times that much more difficult.”

“We’re hopeful that the Senate can also quickly pass legislation to extend GSP,” said Brad McMurchie, President of Tumac Lumber in Portland, OR. “GSP saves us duties of 8 percent on plywood used primarily by U.S. RV manufacturers. But we’re already making orders for December, so if GSP isn’t renewed soon, we’ll be forced to either raise prices or assume the financial risk for the orders placed between now and when GSP might be renewed, if at all.”

The Senate must now pass legislation before it adjourns for the year if American companies are to continue to benefit from the GSP program.

The Coalition for GSP is a group of American companies and trade associations organized to educate policy makers and others about the important benefits to American companies, workers, and consumers of the GSP program. More information about the Coalition and GSP can be found at http://tradepartnership.com/site/coalition_gsp.html.