

**COALITION FOR GSP**  
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**AMERICAN COMPANIES EXTREMELY DISAPPOINTED IN FAILURE OF  
CONGRESS TO RENEW GENERALIZED SYSTEM OF PREFERENCES  
PROGRAM**

*WASHINGTON, DC (December 23, 2010)* – The Coalition for GSP expressed extreme disappointment that the 111<sup>th</sup> Congress adjourned without extending the Generalized System of Preferences (GSP) program. The GSP program reduces tariffs on imports from more than 130 developing countries and saves American companies hundreds of millions of dollars annually, but is set to expire on December 31, 2010.

“Allowing GSP to expire will cause serious financial burdens for the thousands of American businesses that rely on GSP savings to remain competitive” said Laura Baughman, Executive Director of the Coalition for GSP. “Small businesses in particular will struggle the most, since they typically do not have the cash on hand to cover the costs of the new tariffs.”

This will be the first time Congress has allowed the GSP program to expire in nearly 10 years. Traditionally, GSP has enjoyed strong support and bipartisan legislation extending GSP for 18 months passed the House by voice on December 15. This year as well, GSP renewal was widely supported by virtually all members of the House and Senate. However, renewal ultimately failed because of controversy over its impact on one U.S. producer of one product imported from one GSP beneficiary.

“GSP saves American companies nearly \$2 million per day” added Daniel Anthony, the Research Director of the Coalition for GSP. “Companies will have to find that money somewhere, and with many small businesses already struggling to stay afloat and banks’ reluctance to lend, it is unclear where that ‘somewhere’ might be.”

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