



## PRESS STATEMENT

## NCTO Statement on Signing of Phase One Deal on 301 Tariffs

January 15, 2020

WASHINGTON, DC – The National Council of Textile Organizations (NCTO), representing the full spectrum of U.S. textiles from fiber though finished sewn products, released the following statement on the Phase One Deal on 301 tariffs signed today by the U.S. and China.

"While we are still studying the details of the deal signed today, we applaud the administration for finally pressing China for a more rational and equal trade relationship," said NCTO President and CEO Kim Glas. "Our industry has been severely damaged by China's predatory practices over the past 30 years and we are anxious to see a new era of sound trade principles and balanced trade.

At the same time, we question the last-in, first-out approach to the tariff reductions. In our sector, this means that the penalty 301 tariffs on finished apparel and sewn products--the areas where tariffs have the most potential to effect reforms in China while bolstering the Western Hemisphere supply chain-- are cut in half while U.S. manufacturers continue to face full tariffs on certain inputs and equipment not available domestically."

For more information on NCTO's position on the Section 301 China tariffs, please see here:

NCTO Comments on the Administration's Announced Phase One Deal on 301 Tariffs December 13, 2019

NCTO Welcomes Administration's Inclusion of Finished Apparel Textile Products on China Tariff List August 13, 2019

NCTO President CEO Kim Glas Testifies at U.S. Trade Representative's Hearing on Proposed 301 Tariff List June 20, 2019

NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers, including artificial and synthetic filament and fiber producers.

- U.S. employment in the textile supply chain was 594,147 in 2018.
- The value of shipments for U.S. textiles and apparel was \$76.8 billion in 2018.
- U.S. exports of fiber, textiles and apparel were \$30.1 billion in 2018.
- Capital expenditures for textile and apparel production totaled \$2.0 billion in 2017, the last year for which data is available.

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