



Press Statement

NCTO Outlines Key Priorities for the Incoming Biden Administration and Congress to Strengthen the U.S. Supply Chain for Essential Products

December 3, 2020

WASHINGTON — National Council of Textile Organizations (NCTO) President and CEO Kim Glas issued a statement today outlining immediate steps President-elect Joe Biden's administration and a new Congress can take to bolster the U.S. manufacturing sector. As President-elect Biden has named several key members of his economic team in recent days, the U.S. textile industry stands ready to work with this critical team. NCTO is also eager to work with the new Congress on advancing these bipartisan priorities.

The U.S. textile industry looks forward to working with President-elect Joe Biden's transition team and his administration to provide input on key policies outlined in the campaign to prioritize investing in American manufacturing and its workforce, onshoring critical supply chains, and cracking down on the predatory trade practices that have harmed the manufacturing sector and U.S. jobs. We agree with the President-elect that we must not revert to status quo trade policies that have undermined our nation's resilience and exacerbated income inequality by impacting the manufacturing sector and promoting a race to the bottom that have especially hurt the nearly two-thirds of the American workforce without college degrees.

As domestic manufacturers, the U.S. textile industry fully supports the President-elect's campaign pledge to strengthen 'Buy American' rules and invest in government purchases of American-made products. It is imperative that we strengthen the domestic personal protective equipment (PPE) supply chain to achieve a long-term goal of ending our over-reliance on China and begin onshoring the production of critical medical textiles. We look forward to working with the President-elect and his team to strengthen and maintain these supply chains, which is a paramount national and healthcare security issue. Further, we are prepared to engage with leaders in Congress to enact bipartisan legislation to ensure we can make the long-term investments needed to fully bring critical PPE production back to the United States.

The COVID-19 crisis has made clear to Democrats and Republicans alike that our past trade policies have left the United States too reliant on imports of essential goods. Our national trade and economic agenda must put American manufacturing workers at the center. President-elect Biden has committed to taking on China and other countries that utilize predatory trade and economic tactics that have hurt domestic manufacturers and we welcome that call.

There are four immediate steps the Biden administration can take in the first months in office to help boost investment in the U.S. textile industry and onshore critical PPE supply chains.

Expand Investment in American-Made PPE: We strongly endorse President-elect Biden's plan to bolster the industrial base through strong Buy American proposals. The Berry Amendment, a domestic procurement law that governs purchases by the Defense Department, has been an essential tool of national security policy to ensure our warfighters and military personnel are wearing 100% Made-in-America product and that we are not relying on foreign supply chains from China and elsewhere to supply critical military materials. Our healthcare workers are on the front lines and we need to ensure that the products they are wearing are made in America and that they meet the critical performance requirements of the healthcare setting. Regrettably, our overreliance on China for these essential products failed to meet our needs during a time of crisis. That can never happen again; we must onshore and diversify these critical supply chains moving forward.

Expanding the Berry Amendment to federal purchases of PPE is a central element of pending bipartisan [legislation](#) known as **The American PPE Supply Chain Integrity Act**, which should be adopted. In addition, we urge the federal government to deploy long-term federal contracts for PPE to spur investment and create jobs in the U.S., a key element of separate pending bipartisan [legislation](#) named the **Make PPE in America Act**. Lastly, we believe we must utilize tax incentives to help promote the domestic manufacturing industrial base and U.S. manufacturing jobs.

Appoint a High-Level COVID-19 Coordinating Supply Chain Team: In order to help ensure industry is meeting federal government needs and priorities, it is critical that the U.S. textile industry and PPE producers have a high level of communication and coordination with key officials across all the government agencies procuring medical PPE. Establishing a key point person and team is critical to ensure the necessary collaboration to help industry and government respond quickly and effectively to national, state and local PPE needs. A high-level team comprised of experts committed to U.S. manufacturing is vitally important in advancing both short-term needs and long-term supply chain efforts. As such, we are prepared to do our part in developing a streamlined, high-level coordination structure that ensures that the contracting process yields timely acquisition of quality U.S.-made PPE and other medical items.

Continue to Support Tariffs and Strong Trade Enforcement: We also appreciate President-elect Biden's pledge to continue aggressive trade enforcement actions against China, along with his willingness to work long-term with international coalitions to comprehensively address systemic predatory trade practices. For far too long, our industry, like so many others in the manufacturing sector, has been hindered by predatory trade practices. The U.S. textile industry is highly automated and is proud to compete with anyone in the world on a level and fair playing field. But the rules of the road are not always abided by or fair – and, regrettably, the U.S. textile industry has far too often faced that sobering reality. This is why aggressive enforcement actions, including continuing punitive tariffs on finished products, is critical to getting the Chinese to address systemic unfair trade advantages, such as government subsidies, state-owned enterprises, forced labor practices, weak environmental standards, intellectual property theft and currency manipulation that non-market economies use to manipulate global markets and hurt U.S. producers. Punitive tariffs coupled with other enforcement mechanisms are also necessary to increase negotiating leverage to address these larger systemic issues. We need to appropriately punish countries that engage in unfair and illegal practices while rewarding companies that invest in the United States for critical materials like PPE, and work to further strengthen our alliances with our existing free trade agreement and trade

preference partner countries.

Provide Targeted Stimulus to U.S. Manufacturers and Workers: The unprecedented reduction in consumer demand since the onset of COVID-19 has significantly hurt the U.S. textile industry and other key manufacturing sectors of the economy. It is critical that the textile industry and other impacted manufacturing sectors and their workforce have access to critical support like the Paycheck Protection Program. Additionally, this program should be expanded to ensure more medium-sized manufacturers that have made PPE have the opportunity to participate. A robust manufacturing stimulus will help stabilize the industry and lead to critical domestic job growth in this important sector and we urge Congress and the administration to come together to implement a plan as soon as possible.

We look forward to working with President-elect Biden and the new Congress and their teams on implementing these key immediate priorities in the days ahead.

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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 585,240 in 2019.
- The value of shipments for U.S. textiles and apparel was \$75.8 billion in 2019.
- U.S. exports of fiber, textiles and apparel were \$29.1 billion in 2019.
- Capital expenditures for textile and apparel production totaled \$2.5 billion in 2018, the last year for which data is available.

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