

Congress of the United States
Washington, DC 20515

January 10, 2014

The Honorable Michael Froman
Ambassador
U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

The Honorable Thomas J. Vilsack
Secretary
U.S. Department of Agriculture
1400 Independence Ave SW
Washington, DC 20250

Dear Ambassador Froman and Secretary Vilsack,

We write to express our concerns with recent decisions by the Canadian Government that hinder U.S. agricultural exports to Canada. In the past few months, two Canadian trade actions negatively impacted the prospects for U.S. agricultural sales to Canada and it is our understanding that Canada is actively evaluating the near-term imposition of another trade barrier, on ultra-filtered milk.

Although the precise regulatory tool for this action against U.S. ultra-filtered milk exports has not yet been identified, any effort to significantly curtail U.S. exports of this or other dairy products is worrisome. Canada is reportedly evaluating various regulatory avenues that could negatively impact this NAFTA trade. Sales of ultra-filtered milk help support many processing plant jobs in Wisconsin and New York, as well as many additional jobs on American farms that supply milk to those plants. Last year many of us expressed our concerns about the negative impact such an action could have and requested your assistance in working with Canada to avoid such an outcome. Strong and sustained engagement by the U.S. government on this topic remains a priority to us.

We are further concerned about actions taken by Canada immediately prior to Thanksgiving week. While Canada was negotiating with the U.S. and other nations to further expand trade through the Trans-Pacific Partnership (TPP) agreement, Canada made a motion to revise a customs classification for food preparations that contain cheese in order to impose an exceptionally high tariff on those products. This motion, issued on November 22, 2013 was made seven years after the company importing these "pizza food preparations" had obtained an advance ruling (#298173) by Canadian Customs indicating the product was properly classified as duty-free under NAFTA. In two separate Canadian court cases, the Canadian government was in the position of defending that classification as proper. Exports of this food preparation product support dozens of jobs in Illinois, in addition to supporting the many more jobs at the ingredient supply plants and raw material-producing farms. All of the companies involved in this product's supply chain will be negatively impacted should Canada move forward with its announced intention to impose prohibitively high tariffs.

Prior to that decision, in October of this year, Canada announced its intention to impose barriers on U.S. cheese exports in order to permit the European Union to block U.S. competition through the Canada-EU Comprehensive Economic Trade Agreement (CETA). As part of CETA, Canada will be imposing new restrictions on the use of many generic product names. This impacts the U.S. since existing producers

will be grandfathered while those seeking to make inroads to that market, now or under TPP, are required to bear the burden of these new requirements. Moreover, Canada bypassed a transparent review of dozens of geographical indications in order to unilaterally award the EU the rights to use them, thereby impairing critical safeguards in the intellectual property system.

In addition to ongoing bilateral discussions with Canada on these matters, we ask that TPP negotiations not only remove the exorbitant tariff barriers that block the vast majority of U.S. exports of dairy products to Canada, but also ensure that Canada does not continue to erode its market access commitments through regulatory actions, other non-tariff barriers, or by permitting other trading partners to impose trade barriers for our products.

We appreciate the serious and swift attention both USTR and USDA have devoted to each of these concerning actions. We ask that you continue to impress upon Canada the damaging effects these actions will have on the U.S.-Canadian trade relationship. It is our hope that USTR will be evaluating the full range of options for how to deal with any negative impacts to these U.S. exports, including examining their legal compliance with Canada's WTO and NAFTA obligations. Please provide a reply by January 31, 2014 with the specific actions you are taking to address our concerns and drive the necessary responses in Canada.

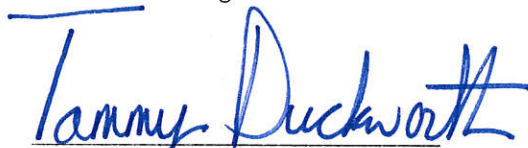
Sincerely,




Sean Duffy
Member of Congress



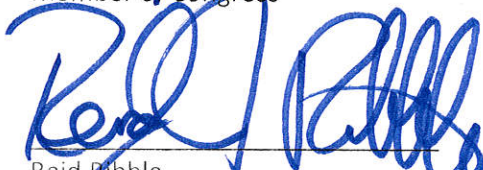
Bill Owens
Member of Congress



Tammy Duckworth
Member of Congress



Richard Hanna
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Reid Ribble
Member of Congress



Ron Kind
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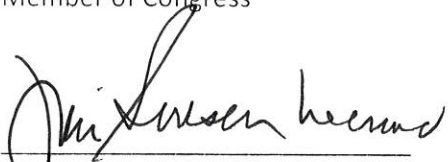
David Valadao
Member of Congress



Louise Slaughter
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Chris Collins
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James Sensenbrenner
Member of Congress



Thomas Petri
Member of Congress



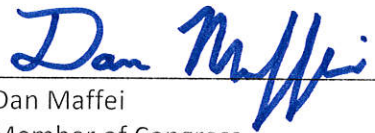
Tom Reed
Member of Congress



Peter Welch
Member of Congress



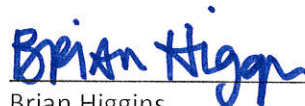
Ann McLane Kuster
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Dan Maffei
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Chris Gibson
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Brian Higgins
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