



November 6, 2003

Dear Senator,

We are writing today to express the adamant opposition of the Electronic Industries Alliance and the Consumer Electronics Association to any attempt in the Senate to pass S. 1586, as a stand-alone bill or attached to any other piece of legislation, including S. 150, the Internet Tax Nondiscrimination Act. S. 1586 would impose outrageously high tariffs of 27.5% on imports from China in an attempt to force China to float its currency, the yuan. This legislation is a short-sighted measure that violates the spirit of the U.S.' trade philosophy and could negatively impact global economic markets.

Levying high tariffs on Chinese imports would almost certainly violate the U.S. obligations under the World Trade Organization (WTO) and would send a signal to the rest of the world that runs contrary to our free and fair trade traditions. As part of the Zero Tariff Coalition and in our role of representing the U.S. electronics and high-tech industries, EIA and CEA have actively worked for years to advocate and expand the WTO's Information Technology Agreement and to eliminate tariffs across the board. Contrary measures such as S. 1586 are in direct opposition to our position.

While we support the Internet Tax Nondiscrimination Act and believe that it is important to encourage the growth of electronic commerce and the Internet, we are stridently opposed to the language included in S. 1586 and believe it would be a poison pill for this beneficial legislation.

I urge you to oppose S. 1586, in whatever form it may come to the floor, and to uphold the U.S.' strong tradition of free market forces.

Sincerely,

A handwritten signature in black ink that reads "Dave McCurdy".

Dave McCurdy  
President  
Electronic Industries Alliance

A handwritten signature in black ink that reads "Gary Shapiro".

Gary Shapiro  
President  
Consumer Electronics Association