

September 21, 2004

The Honorable James E. McGreevey
Governor
State of New Jersey
125 W. State Street
Trenton, NJ 08625

Subject: Request for repeal of Executive Order 129

Dear Governor McGreevey,

On behalf of the more than 2,500 corporate members of the Electronic Industries Alliance (EIA), the Consumer Electronics Association (CEA), the Telecommunications Industry Association (TIA) and the Government Electronics & Information Technology Association (GEIA), which represent the full spectrum of U.S. technology manufacturers, we strongly urge you to repeal Executive Order 129, which we believe will seriously harm the business conditions and long-term economy of New Jersey, impacting employees at all levels.

Executive Order 129, which significantly restricts state agencies from contracting out services to a vendor if the vendor or its subcontractors will perform the services in a foreign country, goes against the very principle of liberalizing global markets that has been at the heart of positive business policy for years. Such an initiative will certainly lead to sharply increased costs in products and services, while at the same time limiting state agencies' choices. New Jersey's taxpayers deserve to reap the benefits of and have access to the best resources in the world and the highest quality of service available, but the higher costs likely to be imposed by this Order will be passed along to them.

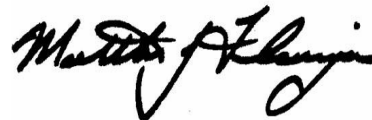
Furthermore, we urge you to consider the potential retaliatory effect: companies in New Jersey do a significant amount of business with foreign governments, and your Executive Order could harm those relationships. We are greatly concerned that such protectionist measures will encourage governments in other countries to prohibit U.S. employees from performing work for them.

If the U.S. wants to be the leader among innovation nations, we need to adopt positive public policy solutions, rather than isolationist or protectionist measures. Among these solutions are those that help to improve our own business landscape and encourage job creation. Executive Order 129 will not further your goal of doing so in New Jersey, and for this reason, we urge that you repeal it.

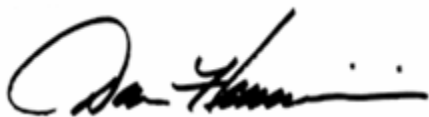
Sincerely,



Dave McCurdy
President
Electronic Industries Alliance



Matthew Flanigan
President
Telecommunications Industry Association



Dan Heinemeier
President
Government Electronics & Information Technology Association



Gary Shapiro
President
Consumer Electronics Association