

*Representing The Wiping Materials, Recycled Clothing, New Textile By Products and Fiber Industries*

**In My Opinion**



**Government Relations and SMART**

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I have often said, if SMART was nothing more than a government relations association, I would gladly pay my

dues and expect no other benefits.

In this week's issue of *Parade* Magazine which comes with the Sunday edition of my newspaper, there was a half page article entitled: "Smuggling Scheme Costs the Economy Millions." Underneath the headline, and next to a photo of an employee cutting and sewing, is this interesting statement: "The textile industry, which annually contributes more than \$20 billion dollars a year to the U.S. economy, says smuggling has been a major contribution to the loss of more than 250,000 jobs and the closure of 630 textile plants in the U.S."

What textile entity, I asked myself, is being quoted here? What textile industry is making this statement?

The article continues, stating that U.S. Customs and Border Protection (CBP) insists it works very hard to stop textile smuggling and has seized more than \$100 million in goods since 2006, including close to 50 million dollars in Chinese products alone. Rep. Heath Shuler (D., NC) chairman of a House Small Business subcommittee then states that CBP should step up their patrols or the U.S. will lose even more textile manufacturing jobs.

As a counter, the National Retail Federation (NRF) goes on record opposing increased border and overseas inspections on the grounds they cause shipping delays, do little to improve enforcement, and disrupt legitimate textile and apparel trade.

All of us are against textile smuggling of course, but as I read the *Parade* article, I started to consider which position would be the one that most SMART members would support.

I thought back to the meeting I attended five years ago with attorneys working on behalf of SMART at the U.S. Customs Office in Washington, DC. SMART had spent considerable time and money to get CBP to reverse its flawed interpretation of the

duty-free heading 6309 "worn clothing" which Customs insists must be interpreted to mean "worn out." I will never forget when Custom's officials seemed to cavalierly dismiss the importance of the used clothing industry and to lecture us about how difficult their job was to keep smuggled textiles out of the United States. SMART, we were told, did not make a compelling argument to reverse their interpretation of "worn clothing." Interesting to note, customs provided no proof at all that a significant amount of textiles were being smuggled under the duty free heading 6309.

Regarding SMART's Custom's issue, it seemed apparent to me then that U.S. textile manufacturing interests had more than trumped the interests of our association's position by using the rationale that textile smuggling was damaging our U.S. textile industry.

On another front, some of our members are involved in importing textiles (both finished goods and wiping products) from mills and graders in Pakistan. Many of these SMART members would be in favor of the National Retail Federation's position against "an overly heavy hand by CBP that only disrupts legitimate textile and apparel trade." To bolster our position, Pietra Rivoli, author of *Travels of a Tee Shirt in the Global Economy* would argue that market fundamentals, and not smuggling, are what caused the decline of textile manufacturing in this country.

The *Parade* article did more than stimulate me to think about how the "textile smuggling" rationale affects SMART members on our Customs issue and on increased inspections of imports. It also strengthened my conviction as to how important SMART's government relations department is to our members. When the 20 billion dollar textile industry speaks, SMART's interests should be represented, especially when the textile industry does not speak for us. From the chairman of small business subcommittees to those who make policy in Customs, our voice should be heard.

I do know that SMART has formed a government relations subcommittee to formulate recommendations to the board as to how SMART, in conjunction with our government relations associate Jessica Franken, can best influence government policy as it relates to our industry.

The article in *Parade* confirmed what I already knew. Government relations is an essential mission of our Association, and needs the attention and support of all our members.