

**Statement by the National Electrical Manufacturers Association
for the November 1, 2007 House Small Business Committee Hearing on
“Evaluating the Impact of Pending Free Trade Agreements Upon U.S. Small Businesses”**

Chairwoman Velazquez, Ranking Member Chabot, and Distinguished Members of the Committee:

The U.S. electrical and medical imaging equipment industry, which includes scores of small, medium and large businesses, strongly urges the Committee and House of Representatives to approve the four pending trade agreements, as well as renew Trade Promotion negotiating Authority (TPA), as soon as possible:

- **The U.S.-South Korea Free Trade Agreement:** Seoul is already one of our largest foreign trading partners, and our industry has returned to running a sectoral trade surplus with it in recent years. The overall FTA package would improve conditions for selling there by featuring the elimination—most of it immediate—of remaining tariffs on goods in NEMA’s product scope. This will both open the door for increased NEMA member exports, and also provide the South Koreans with even better access to top-quality electrical equipment as they strive to take their country’s post-war economic success story to a higher level.
- **The U.S. Free Trade Agreements with Panama, Peru and Colombia:** Our industry already enjoys sectoral trade surpluses with each of these rapidly evolving economies, and the elimination of tariff and non-tariff barriers via these FTAs stands to improve our members’ prospects even further – especially as opportunities such as the Panama Canal widening project come on stream.
- **Trade Promotion Authority Renewal:** Eliminating trade barriers and extending the benefits of free trade are good for both our country and our foreign trading partners. For our industry, electrical and medical imaging equipment exports have steadily grown as a direct result of U.S. trade legislation. Enforcement of such a groundbreaking agreement as an FTA is always an issue, even with our closest allies. But while we must do a better job there, those challenges should not impede our progress in opening new market opportunities for our exports. With the Administration having recently made full concessions on labor and the environment to address the longstanding stated concerns of many Members of Congress, now is the time for the latter to show that they actually do support trade.

The National Electrical Manufacturers Association is the trade association of choice for the electrical manufacturing industry. Founded in 1926 and headquartered in Rosslyn, Virginia, its 430 member companies manufacture products used in the generation, transmission and distribution, control, and use of electricity. These products are used in utility, medical, industrial, commercial, institutional, and residential applications. Domestic production of electrical products sold worldwide exceeds \$120 billion.

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