



August 3, 2007

Secretary
United States International Trade Commission
500 E Street SW
Washington, DC 20436

Subject: **Investigation No. AGOA-07**
Commercial Availability of Fabric and Yarns in AGOA Countries

To Whom It May Concern:

On behalf of the American Apparel & Footwear Association – the national trade association of the apparel and footwear industries, and their suppliers – I am writing to comment on the subject investigation.

As you know, Section 112(c)(2)(C) of Africa Growth and Opportunity Act (AGOA) states that denim provided for in subheading 5209.42.00 of the Harmonized Tariff Schedule of the United States shall be deemed to be available in commercial quantities and specifies a 30 million SME quantity available for the 1-year period beginning October 1, 2006.

Accordingly, pursuant to section 112(c)(2)(B)(ii) of the AGOA, the Commission must determine before September 30, 2007, whether such denim produced in beneficiary sub-Saharan African countries will be available in commercial quantities in the succeeding 1-year period and, if so, the quantity that will be so available in that succeeding 1-year period

We represent several apparel companies that produce apparel in, or import apparel from, Africa under the AGOA. As a result, we have very keen interest in making sure the AGOA operates effectively in such a way as to maximize textile and apparel trade.

We are particularly interested in the AGOA abundant supply provision. We commented in response to the Commission's request for comments earlier this year and are pleased to provide comments with respect to the specific denim commercial availability level.

We note that the 30 million SME level was set by Congress without the benefit of a fact based investigation, such as the one currently being conducted by the Commission. We welcome the current Commission review so that apparel companies and textile providers can rely upon a more accurate estimate of African denim production.

Our members report that the level of denim statutorily set for the 1-year period beginning October 1, 2006 has created disruption for sourcing from Africa. They believe the 30 million SME level is greatly overstated, and that it doesn't accurately represent the level of denim that is commercially available at the quality levels needed by our members. Because of concerns and uncertainty over how this provision will operate, several members have put their denim business on "hold."

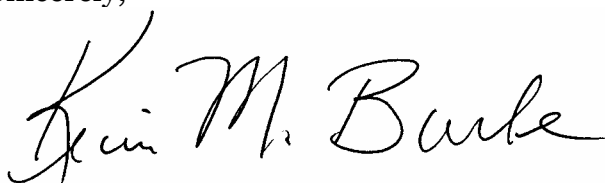
Our members have argued that maintaining a commercial availability level of 30 million SMEs would be a significant mistake. Not only does this level **not** reflect the realities of the commercial marketplace but it also does **not** promote the development of a healthy textile and apparel partnership with Africa.

Developing a vertical industry in Africa is a goal that we share with the authors of the AGOA. We believe the best way to ensure this is to foster a predictable, market based environment that is conducive to long-term trade relations. If apparel companies believe they can source products from Africa, they will maintain and/or increase their orders. This business will create an incentive for African textile mills, including those that already produce denim, to produce the quality and quantity of fabric needed by apparel companies and their retail customers. Thus, a more liberal regime is likely to encourage greater use of local textile resources by facilitating the development of a healthy local apparel customer.

Our expectation is that, at the conclusion of its investigation, the Commission will significantly reduce, or preferably eliminate the 30 million SME level. We encourage such a finding because it will remove much of the uncertainty that currently surrounds the sourcing of denim apparel in AGOA countries.

Thank you for your consideration in this important matter.

Sincerely,

A handwritten signature in black ink that reads "Kevin M. Burke". The signature is written in a cursive, flowing style.

Kevin M. Burke
President & CEO