



PRESS STATEMENT

NCTO, Textile Executives Back July 1 Implementation of USMCA

April 28, 2020

WASHINGTON, DC-- The National Council of Textile Organizations (NCTO), representing the full spectrum of U.S. textiles from fiber through finished sewn products, issued a statement today with textile executives stressing the critical importance of moving ahead with the U.S.-Mexico-Canada Agreement (USMCA) and lauding U.S. Trade Representative Robert Lighthizer for setting July 1 as the implementation date now that the U.S. has taken the necessary final procedural steps.

“We commend Ambassador Lighthizer for moving forward with USMCA, a critical trade deal that will greatly benefit the U.S. textile industry at a time when domestic producers--facing significant challenges due to the impact of the COVID-19 pandemic--have mobilized to convert their production lines to manufacturing personal protective equipment (PPE) for frontline workers during this crisis,” said NCTO President and CEO Kim Glas.

“Sustaining the \$20 billion in apparel and textile trilateral trade between the U.S., Mexico and Canada is absolutely critical at this time. USMCA, which makes several key improvements over the former North American Free Trade Agreement (NAFTA) will go a long way to increasing the textile industry’s exports, as well as investments and capacity in the U.S. We need to maintain and expand a Western Hemisphere supply chain to meet national emergencies head on in the future,” Glas added.

Mexico and Canada are the two largest export markets for the U.S. textile and apparel industry, totaling nearly \$11.3 billion in 2019.

“I think USMCA is vitally important. It provides this hemisphere with production capabilities to counter Asia and other developing areas,” said Jay Self, president and CEO of Greenwood Mills. “The improved trade agreement offers speed to market and that is such a critical factor not only for our traditional fabric business, but also for our

production of face masks and gowns for frontline workers battling the coronavirus. Anything we do to make this hemisphere more competitive is to our advantage.”

Greenwood Mills, a family-owned textile company in Greenwood, S.C., has converted its denim jeans production at a factory in Mexico to PPE production of non-medical face masks and hospital gowns.

“USMCA creates more certainty in the Western Hemisphere and allows us to have a vision of how to continue to build the domestic textile platform and supply chain, while giving us the confidence to re-invest,” said Cameron Hamrick, president of Hamrick Mills. “This trade agreement makes several improvements, and our hope is it will spur more investment in the Western Hemisphere. Now is the time more than ever to have a strong regional supply chain in the Western Hemisphere.”

Hamrick Mills is a 119-year-old company based in Gaffney, S.C. and producer of greige woven fabrics in both polyester/cotton blends as well as 100% cotton. The company has also pivoted to PPE production to help frontline workers.

“Localized cooperation up and down the supply chain is of paramount importance to securing our economy in a predictable manner and as a model for increased investment for all stakeholders,” said James W. McKinnon, CEO of Cotswold Industries, Inc. “The implementation of USMCA is critical to the continued health and growth of the U.S. textile industry and our regional manufacturing partners. It’s times like this that highlight the importance of a robust regional manufacturing base in the Western Hemisphere.”

Cotswold Industries is a vertically-integrated textile engineering and marketing company that manufactures and distributes technical barriers, knitted and woven industrial fabrics and non-woven substrates, many of which the company has utilized for the production of PPE products.

NCTO worked with the administration during negotiations on USMCA and successfully lobbied for several provisions and [improvements](#) that were subsequently incorporated in the trade deal that will close loopholes and strengthen U.S. Customs enforcement.

NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers, including artificial and synthetic filament and fiber producers.

- U.S. employment in the textile supply chain was 585,240 in 2019.
- The value of shipments for U.S. textiles and apparel was \$75.8 billion in 2019.
- U.S. exports of fiber, textiles and apparel were \$29.1 billion in 2019.
- Capital expenditures for textile and apparel production totaled \$2.5 billion in 2018, the last year for which data is available.

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CONTACT: [Kristi Ellis](#)

(202) 684-3091

www.ncto.org