



FOR IMMEDIATE RELEASE
July 17, 2014

CONTACT: [Aaron Fobes](#) , [Julia Lawless](#)

Hatch Statement at Finance Hearing on the Role of Trade and Technology in 21st Century Manufacturing

WASHINGTON – U.S. Senator Orrin Hatch (R-Utah), Ranking Member of the Senate Finance Committee, today issued the following statement regarding the Finance Committee hearing on the role of trade and technology in the 21st century manufacturing:

Thank you, Mr. Chairman, for holding this hearing on the role of trade and technology in 21st century manufacturing.

The success of our manufacturing sector is vital.

Nearly 12 million Americans are directly employed in manufacturing – that’s nearly one out of ten American jobs. This is true in my state, where nearly 10 percent of working Utahns are employed in manufacturing.

That’s 120,000 jobs in Utah alone.

That’s one reason I’m happy Ray Kimber is here with us today.

I often talk about the small, innovative company that begins in a garage and grows to become a driver of economic growth and a source of jobs.

That’s Kimber Kable.

Twenty five years ago, Mr. Kimber figured out a way to weave audio cables to reduce unwanted noise and improve fidelity. He founded Kimber Kable to manufacture those cables, and now he employs 30 people in Ogden, Utah.

He sells his cables to the world.

Today, two-thirds of Kimber cables are shipped to customers overseas.

Ray is not only a friend, he is also an outstanding example of a larger truth that the U.S. manufacturing sector is the most innovative in the world, and American workers are unsurpassed in manufacturing productivity.

Because of U.S. innovation and productivity, in those areas where U.S. manufacturing competes on an equal footing, it succeeds.

Our manufacturers maintain a trade surplus of \$60 billion per year with the 20 countries where we have a free trade agreement in place. And, per capita, the consumers from those countries purchase nearly 13 times more U.S. goods than consumers from the rest of the world.

Where you find a market that is open and secured by strong international trade rules, you will find goods, like Mr. Kimber's, that are manufactured in America.

Put simply, U.S. trade agreements are good for U.S. manufacturers.

But we need to do a better job opening overseas markets and making sure our manufacturers don't face discrimination and other trade barriers.

There are several negotiations underway with our partners in the Pacific region, in Europe, and at the World Trade Organization that will help address the challenges faced by U.S. manufacturers.

But I don't think any of these efforts are going to succeed without Trade Promotion Authority, or TPA.

Without TPA, the administration is severely handicapped in negotiating high-quality agreements that will benefit American manufacturers and achieve the goals of Congress.

That is why, in January, former Senator Baucus and I introduced the Bipartisan Congressional Trade Priorities Act, which would renew TPA, and empower our trade negotiators to bring home trade agreements that meet the high standards set by Congress and to see those agreements passed into law.

Importantly, the bill sets negotiating objectives for our agreements. I want to highlight two of those today.

We have witnesses with us here today representing companies that have created and taken advantage of advances in technology. Part of getting their products around the world is digital trade. That is why the TPA bill we introduced requires U.S. trade agreements to ensure that electronically delivered goods and services are classified with the most liberal trade treatment possible, and that our trading partners allow the free flow of data across borders.

But using the Internet to market, sell, and transmit digital products is only part of the story.

These companies are also innovators, and their innovations must be protected.

Our witnesses today have experienced firsthand the destructive impact of intellectual property theft. Mr. Kimber, for example, has had to contend with counterfeiters stealing his company's name to sell inferior products.

Our TPA bill also requires that U.S. trade agreements reflect a standard of intellectual property rights protection similar to that found in U.S. law. And, it calls for an end to the theft of U.S. intellectual property by foreign governments, including piracy and the theft of trade secrets, and for the elimination of measures that require U.S. companies to locate their intellectual property abroad in return for market access.

For our manufacturers to continue to succeed overseas, we must also ensure our companies are able to exploit global supply chains so they can access the best inputs, add the most value to products, and ship their goods around the world as efficiently as possible.

That's why, last year, former Senator Baucus and I introduced the Trade Facilitation and Trade Enforcement Reauthorization Act to make trade facilitation a top priority at U.S. Customs and Border Protection, and to improve intellectual property rights enforcement at the border.

Trade is good for U.S. manufacturing.

Like I said, where our manufacturers operate in markets secured by free trade agreements, they succeed.

But the challenges they face around the world are only growing, and we in Congress need to do our part to help achieve the conditions overseas under which American manufacturers can thrive.

That being the case, I hope the Committee will soon be able to consider some of these pending trade bills.

We really cannot afford to wait.

Thank you, once again, Mr. Chairman. I look forward to hearing from our witnesses.

###