

NAM Manufacturers' Washington News Line

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China and You

We've been hearing a lot from you on China . At NAM , we have been very involved on a number of fronts to see that the playing field is leveled for American manufacturers.

Full WTO compliance - There must be vigorous enforcement of China 's WTO obligations. They are the rules that the rest of the world plays by, and China must too. The NAM started a China WTO Compliance Program to work with our government to see that this happens.

End currency manipulation - The Chinese currency is undervalued by 15-40%, making their goods that much cheaper. The NAM founded and leads the Sound Dollar Coalition which has been very successful in making this an important issue with Congress and the Administration.

End subsidies/dumping - When the price of a Chinese product is less than the cost of raw materials, there is something wrong. We are working with the head of China enforcement at the Commerce Department to gather data they can use to investigate this situation. We have worked with Congress for additional funding and called for a comprehensive study of possible Chinese dumping and subsidization.

End intellectual property theft and end counterfeiting - Many countries talk of their products being illegally reproduced in China. NAM started a counterfeiting working group with over 40 companies currently participating.

Export promotion - China imported 40% more from the EU than from the United States in 2002. We are working with the Commerce Department on a massive export promotion program to assist small and medium-sized American companies.

You will be hearing a lot more from us in the coming weeks and months on China. We encourage your participation in these efforts. Contact Pat Mears at (202) 637-3141 or pmears@nam.org.

Medicare Reform

House and Senate conferees are meeting now to resolve the differences on two NAM-supported Medicare reform/prescription drug coverage bills, S. 1 and H.R. 1.

These bills lay a solid foundation for the private market competition that we believe will help ensure Medicare's fiscally responsible future. In addition, these bills provide for flexible drug coverage that will allow those NAM members who provide retiree health and drug coverage to continue to supplement the Medicare benefit. Encourage your lawmakers to support the Medicare conference and the eventual conference report.

Talking Points:

a.. Medicare reform is a top priority for manufacturers. Please support the Medicare conference and eventual conference report.

b.. Both the House and Senate-passed bills encourage private market competition that will be the key to Medicare's future and lay a foundation for more extensive future reforms.

c.. Both bills provide flexible drug coverage assistance to retirees, allowing willing employers to supplement the Medicare benefit.

To contact your Sen. and Rep., call the (202) 224-3121, ask for your Sen. or Rep. office Contact NAM's Neil Trautwein at ntrautwein@nam.org.

Chile-Singapore Trade Agreements

The House has passed and the Senate is planning to vote prior to the August recess on the U.S. free trade agreements with Chile and Singapore. These are the first two trade agreements negotiated under the Trade Promotion Authority, and it is important that they are approved with strong majorities to demonstrate restored bipartisan support for trade and to set the stage for tougher battles over more controversial agreements in the future. The NAM estimates the Chile agreement can help recover as many as 20,000 U.S. manufacturing jobs.

More than 150 free trade agreements have been concluded around the world since 1994, and the United States is party to only four. The United States must get back in the game, and the pacts with Chile and Singapore – which were begun under President Clinton and concluded by President Bush - are the first steps toward doing that.

Urge your Senators to support the Chile and Singapore free trade agreements, H.R. 2738 and H.R. 2739. You may do so by telephoning the Capitol switchboard at (202) 224-3121 and asking for your Senator's office. Or you may send a personalized e-mail to your Senator by using the NAM Contact Congress function at www.nam.org/chilesingapore. For more information, please contact Scott Otteman at (202) 637-3078 or sotteman@nam.org.

Energy Policy Vote In the Senate

The Senate is currently debating proposed amendments to S. 14, the Energy Policy Act of 2003, which will hurt your business's bottom line and undermine economic recovery. The amendments will drive up energy costs and threaten serious power shortages. We need an effective national energy plan that will increase the use of abundant domestic energy sources, enhance energy conservation and efficiency, improve energy infrastructure, and promote advanced energy technologies. These harmful amendments, though, will hurt the economy, push up energy and natural gas prices, and threaten energy supplies.

Contact your senators at www.nam.org/energybill, or by calling the Capitol switchboard at (202) 224-3121, and ask them to VOTE NO on:

? Mandatory federal regulation of green- house gases or carbon dioxide emissions and reporting;

? Mandatory use of renewable energy sources to generate electricity, the Renewable Portfolio Standard (RPS);

Congressional Town Hall Meetings

During the Congressional August recess, many Members of Congress (MOC) will be hosting town hall meetings. Please attend your MOC's town hall meeting and express your concerns, particularly about the crisis in

manufacturing. For a partial listing of MOCs having a town hall meeting, click <http://www.nam.org/tertiary.asp?TrackID=&CategoryID=164&DocumentID=26841>. If you'd like to give your MOC a copy of the Popkin Report, which makes the case for a strong manufacturing base, go to www.nam.org/future.

Contact the Department of Commerce (DoC)

The DoC has held a series of roundtables around the country to meet with manufacturers, assess the "real world" problems they are dealing with, and develop recommendations for policies that will strengthen manufacturing. The DoC is still accepting your comments. To contact the DoC with your concerns about the state of manufacturing, go to www.nam.org/doccomments.