



ALLAN ZAREMBERG  
President and Chief Executive Officer

VIA FACSIMILE: (202) 22X-XXXX  
To the CA Congressional Delegation

January 10, 2008

The Honorable [FULL NAME]  
United States House of Representatives OR Senate  
Washington, D.C., 20515 [FOR HOUSE]/20510 [FOR SENATE]

Dear Representative/Senator [LAST NAME]:

Re: Support of US Free Trade Agreements with Colombia, Panama and Korea

On behalf of the California Chamber of Commerce, I am writing to urge Congressional approval of the pending Free Trade Agreements with Colombia, Panama, and Korea. Congressional leaders of both parties have indicated their intent to bring these agreements up for a vote in the months ahead, and it is critical to companies, workers, farmers, and ranchers in our state that you support these job creating trade agreements.

The California Chamber of Commerce, established in 1890, is the largest, broad-based business advocate that works at both state and federal levels to influence government actions affecting all California businesses. Our members include more than 16,000 firms of all kinds and sizes, as well as 450 affiliated local chambers of commerce and 200 trade associations. Our members employ one-fourth of the private sector workforce in California. Through its grassroots action program, the California Chamber reaches out to a statewide network of 430,000 small business owners.

The Latin American agreements will be on the Congressional agenda first. Colombia and Panama are dynamic economies with pro-U.S. governments, and U.S. trade with these countries has nearly doubled over the past four years. More than 19,500 U.S. companies export their products to Colombia and Panama, and more than 80% of these are small and medium-sized companies. U.S. farmers and ranchers sell over a billion dollars worth of agricultural products to these markets, and U.S. manufacturers are enjoying double-digit sales growth and that will only grow when the tariffs are removed.

A U.S.-Colombia Free Trade Agreement will increase momentum toward lowering trade barriers and set a positive example for other small economies in the Western Hemisphere. In 2006, California exported over \$200 million to Colombia, making it our state's 43rd largest export market.

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Panama has the highest GDP per capita in Central America. Its economy is based largely on the services sector, which accounts for nearly 80 percent of the GDP. Services include the Panama Canal, banking, insurance, container ports, and medical and health. Panama has been hailed for the strong growth in its economy and its commitment to fighting corruption, combating narco-trafficking and promoting democracy. In 2006, the United States had a trade surplus with Panama, with exports totaling \$2.7 billion and imports slightly under \$400 million. California exports to Panama totaled \$221 million, making it our 42nd largest export market.

The trade agreement with Korea is another big win for the California and U.S. economies for many of the same reasons. Korea is the seventh-largest U.S. export market in the world (and our sixth-largest market for farm exports). In 2006, U.S. exports to Korea reached \$43 billion, with U.S. small and medium-sized companies accounting for a third of this impressive total. By giving U.S. exporters a leg up in the world's tenth-largest economy, the agreement with Korea will enhance the ability of U.S. companies to compete in the dynamic Asian economy. Korea is California's 5th largest exporting partner. In 2006, California exported goods worth \$7 billion to Korea.

The CalChamber, in keeping with long-standing policy, enthusiastically supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for California products abroad, and elimination of disincentives that impede the international competitiveness of California business.

America's standing as world leader depends directly upon our competitive success in the global economy. For the past half century, the United States has led the world in breaking down barriers to trade and in creating a fairer and freer international trading system based on market economics and the rule of law. Increased market access achieved through trade agreements has played a major role in our nation's success as the world's leading exporter.

California is one of the ten largest economies in the world with a gross state product of approximately \$1.7 trillion. As one of the largest exporting states, with exports to 225 countries around the world, international-related commerce accounts for approximately one-quarter of California's economy.

These Free Trade Agreements will ensure that the United States may continue to gain access to world markets, which will result in an improved economy and additional employment of Americans. The California Chamber of Commerce urges your support of these FTAs that will continue to keep American and Californian businesses competitive. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Allan Zaremberg', with a stylized flourish extending to the right.

Allan Zaremberg

AZ:alb