



STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

November 8, 2011

The Honorable Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

As one of North America's top producer states, Michigan benefits greatly by opening new doors to global markets. I commend your efforts in working with Congress to pass the Free Trade Agreements with South Korea, Panama and Colombia, and look forward to monitoring negotiations on the horizon between the United States and eight Asia-Pacific countries via the Trans-Pacific Partnership (TPP). It is my understanding that Japan is also expected to request participation in those negotiations. In light of Michigan's role as home to the domestic automotive industry, I urge that heightened scrutiny be applied to potential TPP participants regarding their sustained commitment to opening closed auto markets.

Today, thanks to open trade, investment and distribution policies, America's automotive industry is a competitive mix of both domestic and foreign automakers. The automotive industry is currently adding billions of dollars in American manufacturing investment, exporting more than any other industrial sector, and creating tens of thousands of American jobs. In fact, investments made by Japanese automakers, in particular, are now an integral part of the U.S. economy.

As you know, Japan has been a long-time U.S. friend and ally in Asia. During my recent trade mission to Asia, one common theme expressed by senior government officials and top corporate executives was the need for more free trade between our nations. Michigan is in a great position to be a more active trading partner; however, a factor that must be considered is that some markets have a history of limiting access to imported autos.

Allowing markets to join the TPP and gain preferential treatment for one-way trade could potentially put current and future auto investments and jobs in Michigan and the U.S. at a disadvantage. Investments in component suppliers and other indirect jobs supported by all automakers operating in the United States, including Japanese automakers, would also be impacted negatively. Special care must be taken to avoid sanctioning the very behavior a free trade agreement is supposed to rectify.

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The TPP free trade agreement, focused on nine emerging and growing economies, is a critical template to increase U.S. exports and market access. No party to the TPP should undermine securing a high-standard TPP agreement, and directly threaten U.S. automotive jobs in both foreign and domestic automaker plants. As negotiations proceed, decisions concerning participants must demonstrate a sustained commitment to markets truly open to U.S. auto exports.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Snyder". The signature is fluid and cursive, with the first name "Rick" and last name "Snyder" clearly distinguishable.

Rick Snyder
Governor