



November 6, 2018

The Honorable Robert E. Lighthizer
United States Trade Representative
600 17th Street NW
Washington, DC 20006

Dear Ambassador Lighthizer:

We commend the administration on its strong commitment to digital trade and welcome the announcement that you intend to enter into trade negotiations with the European Union (EU), Japan, and the United Kingdom (UK). The undersigned associations urge USTR to make digital trade a priority in each of these negotiations, drawing from provisions of the recently announced United States-Mexico-Canada Agreement (USMCA).

American companies in nearly every industry benefit from strong digital trade rules. Today more than 75 percent of economic value created by the internet is captured by companies in a wide range of industries, from manufacturing to services to agriculture, and many of them are small businesses located in every state.

The importance of robust digital trade rules has never been stronger. Nearly \$8 trillion is exchanged through global e-commerce annually. Digital trade accounts for more than half of U.S. service exports. The United States runs a \$159 billion trade surplus in digitally-deliverable services and these services are responsible for 7.1 percent of U.S. gross domestic product and nearly 6.7 million American jobs.

At the same time, an increasing number of governments around the world are seeking to erect trade barriers to the digital economy in ways that will hurt U.S. businesses and workers.

Strong digital trade outcomes in the EU, Japan, and UK negotiations will help counter these growing restrictions on U.S. trade and set examples for other countries developing their own digital trade rules. The administration would miss an opportunity with three of our most important trading partners if it omitted digital trade from the negotiations.

We look forward to working with you on these important issues.

Sincerely,

ACT- The App Association
American Apparel & Footwear Association (AAFA)
American Association of Exporters and Importers
American Coatings Association, Inc.
Auto Care Association
BSA | The Software Alliance
Computer and Communications Industry Association: CCIA
Computing Technology Industry Association (CompTIA)
Consumer Technology Association
Electronic Transactions Association
Engine
Entertainment Software Association
i2Coalition
Information Technology Industry Council (ITI)
Internet Association
National Association of Foreign-Trade Zones (NAFTZ)
National Foreign Trade Council
National Retail Federation
Outdoor Industry Association (OIA)
Retail Industry Leaders Association (RILA)
SEMI
Semiconductor Industry Association
Specialty Equipment Market Association
TechNet
Telecommunications Industry Association (TIA)
The Coalition of Services Industries
The Software & Information Industry Association (SIIA)
U.S. Chamber of Commerce
U.S. Fashion Industry Association
United States Council for International Business (USCIB)