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September 12, 2018

The Honorable Donald J. Trump
President of the United States
1600 Pennsylvania Ave NW
Washington, DC 20500

Dear President Trump,

On behalf of tart cherry farmers across the United States, I urge you to withdraw duty-free benefits under the Generalized System of Preferences (GSP) for tart cherry juice from the Republic of Turkey. Despite strong domestic demand, Turkey's GSP designation and heavy government subsidies jeopardize the survival of the American tart cherry industry.

The GSP was designed to promote opportunities for economically disadvantaged countries by giving their exports a comparative advantage in the U.S. economy. Through eliminated duties, the GSP can help the poorest nations grow their economies and become valuable trading partners with the United States. As recent trade patterns in the tart cherry juice industry have shown, this is not the case with Turkey.

Demand for tart cherry juice in the U.S. has grown significantly since 2008, including a fivefold increase since 2016 alone. This is in large part due to successful marketing campaigns touting the health benefits of tart cherry juice. In 2008, domestic cherry growers accounted for more than half of domestic consumption, while Turkish imports accounted for less than 5%. However, by 2016, imports from Turkey had grown more than 60 times larger, with the country now accounting for the majority of American consumption. Production in the U.S. and imports from other cherry-producing nations have also grown, but the preferential tax treatment received via GSP has given Turkish producers a disproportionate advantage.

Further, the Turkish government provides considerable financial support for its cherry growers. This includes grants to begin and expand cultivation, as well as subsidies for exports of concentrated fruit juice. For instance, in 2017, the price of American tart cherry juice concentrate was \$28/gallon, while imports from Turkey were just \$4.59/gallon. Despite investing significant time and money into the domestic industry, American farmers are simply unable to compete with the artificially low prices of Turkish tart cherries.

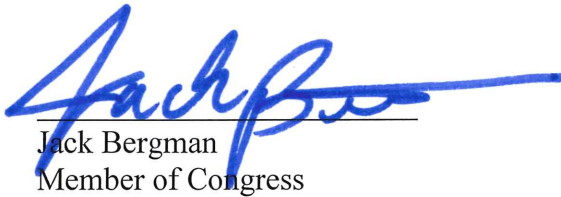
For the last five years, Turkish tart cherry juice imports have fallen within the competitive need limitations (CNL) under the GSP program. However, a necessary reexamination demonstrates Turkey is not a country in need of the preferential tariff treatment the GSP was designed to promote. Instead, current practices have given heavily-subsidized

foreign producers a disproportionate advantage over domestic producers – ultimately leading to an erosion of trust and support that our nation’s farmers deserve. While the overall dollar value of these imports may seem small, the damage they have on the domestic industry cannot be overstated.

With these points in mind, I encourage you to consider the needs of American farmers and immediately address the deteriorating state of the American tart cherry industry. I thank you for your immediate attention to this issue. Should you have any questions or concerns, please do not hesitate to contact my office.

Cc: The Honorable Robert Lighthizer, United States Trade Representative
The Honorable Ted McKinney, USDA Under Secretary for Trade and Foreign Agricultural Affairs

Kind regards,



Jack Bergman
Member of Congress