JACK BERGMAN

1st District, Michigan

COMMITTEE ON ARMED SERVICES

COMMITTEE ON VETERANS' AFFAIRS

Congress of the United States House of Representatives Washington, DC 20515—2201

WASHINGTON, DC OFFICE
414 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4735

TRAVERSE CITY OFFICE

1396 Douglas Drive, Suite 22B Traverse City, MI 49696 (231) 944-7633

MARQUETTE OFFICE

1500 W. Washington Street, Suite 2 Marquette, MI 49855 (906) 273–2227

February 25, 2020

The Honorable Mark A. Morgan Acting Commissioner U.S. Customs and Border Protection 1300 Pennsylvania Ave, N.W. Washington, DC 20229

Dear Acting Commissioner Morgan:

As Members of the Michigan Congressional Delegation, we urge U.S. Customs and Border Protection (CBP) to provide fair and full consideration to the Cherry Marketing Institute's eallegation (Case Number e973P121202015) regarding tart cherry juice concentrate (TCJC) from Turkey and Brazil.

Michigan is home to our nation's "Cherry Capital" and accounts for 75 percent of U.S. tart cherry production. The wellbeing of local growers and processors is critical to our communities, and the tart cherry industry is working to mitigate a long list of outside threats, including unfair trade practices by Turkey, retaliatory tariffs from China, and a new invasive pest from Asia called Spotted Wing Drosophila. On unfair trade practices from Turkey specifically, many tart cherry growers in our state have closed or face the prospect of closing their businesses as Turkey's government-subsidized cherry products flood the U.S. market and drive grower prices below the cost of production.

In November of 2018, the Trump Administration decided to remove Turkey from the Generalized System of Preferences (GSP), resulting in a half-cent per liter duty on Turkish TCJC. According to U.S. Census Bureau Trade Data, Turkey has typically accounted for more than half of all U.S. TCJC imports, but in the wake of the duty, TCJC imports directly from Turkey drastically declined, making up only 26 percent of U.S. imports. New data presented by the Cherry Marketing Institute in their e-allegation, however, shows Turkey may be taking improper action to evade these duties.

Starting in November 2018 when Turkey lost its GSP status, U.S. imports of TCJC from Brazil abruptly increased despite both the country's apparent lack of a tart cherry industry and no record of TCJC imports from Brazil in the previous two years. Furthermore, from November 2018 to November 2019, U.S. TCJC imports from Brazil nearly doubled those of Turkey. Brazil

suddenly accounted for more U.S. TCJC imports than any other country in 2019. In addition to discrepancies in production and export data from Brazil and Turkey, this suspicious trend suggests serious trade abuses which continue to harm the U.S. tart cherry industry.

We are alarmed by the evidence presented in the Cherry Marketing Institute's e-allegation and ask CBP to appropriately act on the industry's investigation request. On behalf of Michigan's tart cherry growers and producers, we thank you for your attention to this urgent matter.

Sincerely,

Jack Bergman

Member of Congress

TU

Bill Huizenga

Member of Congress

Paul Mitchell

Member of Congress

Fred Upton

Member of Congress

John Moolenaar

Member of Congress

Daniel T. Kildee

Member of Congress

Tim Walberg

Member of Congress