



UNITED STATES CHAMBER OF COMMERCE ♦ INTERNATIONAL DIVISION
1615 H STREET, N.W. ♦ WASHINGTON, D.C. 20062-2000 ♦ 202/463-5479 ♦ 202/463-3114 FAX

September 20, 2001

The Honorable Douglas K. Bereuter
United States House of Representatives
Washington, DC 20515

Dear Representative Bereuter:

On behalf of the Space Enterprise Council, we are writing to you regarding the Export-Import Bank Reauthorization Act of 2001. This legislation is vital in generating U.S. exports and sustaining U.S. commercial competitiveness in the international marketplace. We very much appreciate your attention to this matter, especially during this hectic and trying time.

The Space Enterprise Council strongly opposes a potential amendment to the Export-Import Bank ("Ex-Im" or "Bank") reauthorization scheduled for markup tomorrow in the International Monetary Policy and Trade subcommittee. The "services amendment" seeks to change Section 2(b) of the Ex-Im charter to prohibit financing that could "adversely impact" the competitive position of the U.S. services exporters. We oppose this amendment because it would cause severe harm to the competitiveness of the U.S. manufacturing sector and, in fact, confer no real benefit on our service providers.

This amendment affects any exporter of goods and services who sells to a foreign customer that competes in any way with a U.S. service provider. Included in those that would be negatively affected are U.S. satellite manufacturers, who have already seen their collective market share drop from a historical 75% average to 45% in 2000, as well as U.S. satellite launch providers. First, this amendment is redundant because the Bank already has procedures in place to assess the economic impact of exports on domestic industries. Second, this amendment entails all harm and no good: if Ex-Im Bank financing is denied under this amendment, the foreign customer will simply buy manufactured goods from non-U.S. suppliers, thereby harming U.S. manufacturing competitiveness while providing no advantage to U.S. service providers whatsoever.

The United States Chamber of Commerce is the world's largest business federation, representing more than three million businesses and organizations of every size, sector and region. The Chamber launched the Space Enterprise Council last year to bring industry together with the federal government on commercial space initiatives. The Council's members – representing a broad spectrum of aerospace, telecommunications, finance, advertising and other companies – are working to advance the interests of U.S. businesses in the commercial development of space.

We urge you to oppose the unnecessary "services amendment" to the Ex-Im Bank Reauthorization Act of 2001 because it will harm U.S. exporters and their suppliers while providing no benefit to the domestic services sector. Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Parker".

Bob Parker
Chairman, Space Enterprise Council
President, DynSpace

A handwritten signature in black ink, appearing to read "Dawn Sienicki".

Dawn Sienicki
Executive Director
Space Enterprise Council