June 21, 2012

The Honorable Dave Camp
Chairman
House Committee on Ways & Means

The Honorable Sander M. Levin
Ranking Member
House Committee on Ways & Means

Re: Comments Regarding Miscellaneous Tariff Bill and HR 4973

Dear Congressman Camp and Congressman Levin:

I am writing to express the strong support of Exxel Outdoors for the Miscellaneous Tariff Bill (MTB) in general, and for HR 4973 specifically. I wish to highlight the many benefits of the MTB for our company, whose factory and headquarters are in Alabama and corporate offices are in California.

As Exxel Outdoors is the largest sleeping bag manufacturer in the United States, many of our American raw materials suppliers and customers directly benefit from these temporary duty suspensions and reductions.

We are gravely concerned about the resulting negative impact on Exxel Outdoors and our downstream suppliers, if the MTB is not passed. We urge you to take action to prevent these consequences, as they will hurt our company, our customers and the entire U.S. manufacturing industry.

Additionally, failure to reinstate the duty suspensions already in place will jeopardize not only our employees in Alabama and California, but overall will risk more than 90,000 jobs across the entire United States. Given the fragile state of our economy, America cannot afford to lose these jobs. This is especially true for the region in northern Alabama where our manufacturing facility is located, where the unemployment rate is significantly high.

According to a recent study by the National Association of Manufacturers, U.S. manufacturers are already at a 20% cost disadvantage compared to our largest trading partners. This is before figuring in

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higher U.S. labor costs. These unnecessary and increased costs will be passed up the entire supply chain, and will not only risk our production and jobs, but will negatively affect American consumers.

Moreover, Exxel and other U.S. manufacturers should not have to pay duty on materials they need if such materials are not produced in the United States. Thus, the MTB cannot and will not hurt any domestic industry, because one does not exist.

Instead, the MTB helps level the playing field for U.S. manufacturers. Especially because their foreign competitors operate in free zones and pay absolutely no duties on the materials they use to manufacture sleeping bags.

We strongly encourage you to support the ongoing MTB process and support U.S. manufacturers, distributers, retailers, and consumers.

Warm Regards,

Harry Kazazian, CEO
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