

Written Testimony of Mr. Afzal (Af) Nasser
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Cintas Corporation
House Committee on Ways and Means
Trade Subcommittee
Looking Beyond 2025 for Trade with Sub-Saharan Africa, Haiti and Others
June 12, 2024

Good afternoon, Chairman Smith, Ranking Member Blumenauer and members of the subcommittee. Thank you for holding this hearing and the opportunity to testify on the importance of these trade preference programs. My name is Af Nasser, and I am Vice President of Sourcing, Center of Excellence (COE) and Supplier Diversity for Cintas Corporation.

Cintas helps more than one million businesses of all types and sizes get ready to open their doors with confidence by providing a wide range of products including uniforms, mats, mops, restroom supplies, first aid and safety products, fire extinguishers and testing, and safety training.

Cintas' operations and facilities touch almost every corner of the United States, and our employee-partners are a driving force behind our shared accomplishments. Cintas employs approximately 45,000 individuals – which I will refer to as partners throughout my testimony- in our workforce today.

Before discussing our international supply chain, I'd like to spend a moment highlighting our diverse supply chain here in the United States. In Fiscal Year 2024, Cintas spent more than \$320 million with certified diverse suppliers which we define as a company that is headquartered in the United States or its territories and is owned, operated and controlled by a U.S. citizen who is a minority, woman or veteran.

On a daily basis, I work closely with our global supply chain suppliers – both domestically and internationally-- to ensure they conduct business in the same ethical and moral standard that we do as a company. Each and every supplier must comply with a vendor code of conduct as a condition of doing business with Cintas. We also conduct internal training to ensure that our partners who have direct responsibility for supply chain management are knowledgeable and aware of issues and concerns surrounding our supply chain.

In addition to sourcing from more than 23 countries, Cintas operates four manufacturing facilities that provide for our standard uniform needs. Currently we procure goods and products from a global network of international vendors, including Haiti, Kenya, Ethiopia, and Madagascar, which are being discussed here today.

Renewal of the African Growth Opportunity Act and Haiti HOPE-HELP Acts in advance of next year's expiration is critical to the continued success of Cintas. We strongly support the Committee's efforts to reauthorize these trade preference programs and reduce trade barriers wherever possible.

Cintas's ongoing investment in Africa is critical as we look to diversify our supply chain and minimize imports from China. For this to be successful, preferences which enable us to source from markets on the continent is essential.

I'd like to spend a few moments highlighting a couple of countries, starting with my mother's home country of Kenya. Kenya is a small but important supplier of apparel to the U.S. market and to Cintas. In 2023, U.S. apparel imports from Kenya were \$488 million, accounting for just over half of one percent of total apparel imports. Cintas apparel imports from Kenya accounted for approximately five percent of our total imports.

Long-term renewal of the African Growth and Opportunity Act (AGOA) would provide increased certainty for production and as a result, potentially open increased opportunities in Kenya. Regardless of the legislative vehicle, we urge the Committee to take a close look at the "Rules of Origin" (ROOs) to ensure they remain intact or ideally enhanced so that Kenya's apparel industry can not only remain competitive but expand.

Shifting to Ethiopia, we are hopeful that its AGOA eligibility will be restored once the necessary benchmarks are cleared. We urge Congress and the Administration to continue working with Ethiopia to facilitate the restoration of benefits for Ethiopia under the AGOA trade preference program.

Before I complete my testimony, I would also like to thank the Committee and specifically Congressman Wenstrup and many others on the dais today for their work around the reauthorization of the Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) Act and the Haiti Economic Lift Program (HELP) Act. Renewal of these programs will provide economic hope to Haiti as it struggles through its current political and security challenges.

Haiti is an integral part of our Western Hemisphere supply chain. We first began producing in Haiti in 2002 and have greatly expanded our manufacturing footprint there over the past 20 years. Today we indirectly employ approximately 4,000 Haitians through our dedicated supplier relationships.

Our suppliers' large and dedicated labor pool also sets the industry standard. For example, our primary Haitian supplier operates in a clean, safe environment. A nutritious lunch and chilled filtered water are available to all employees. Once a week, a licensed physician from Port au Prince visits the plant to address any health concerns employees may have. Even with these worker benefits, our Haitian supplier remains the most highly productive and cost competitive source we have globally.

Aside from the duty-free benefits under HOPE-HELP, sourcing from Haiti provides other substantial benefits including a speed-to-market advantage of approximately 21 days for manufacturing and 14 days for transportation to the United States.

This has been especially critical over the past few years as we navigated uncertain inventory needs during the COVID-19 pandemic. Additionally, Haiti's proximity to the United States and utilization of a dedicated cargo fleet has provided a competitive advantage over those who are more reliant on Asia during the ongoing shipping crisis.

Currently a significant portion of our apparel production originates on Haitian soil and is solely dedicated for export to the United States with purchase orders made directly to our suppliers. Unfortunately, the latest security challenges and unrest in country have significantly hindered our ability to ship to the United States. We are cautiously optimistic that Kenya's commitment to assist the Haitians will be instrumental in allowing a return to normalcy for its citizens, the Port au Prince region, and the country.

In closing, reauthorization of these critical trade preference programs will help reinforce the United States' commitment to development in Africa, Haiti and beyond.

Thank you again to the Committee for the opportunity to testify, and I look forward to any questions you have at the appropriate time.

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