



PRESS RELEASE

NCTO Commands President Trump for Preserving USMCA Qualified Goods, a Reciprocal Tariff Plan and Closing the De Minimis Loophole

April 3, 2025

WASHINGTON, D.C. – The National Council of Textile Organizations (NCTO), representing the full spectrum of U.S. textiles from fiber, yarn and fabrics to finished sewn products, issued the following statement from President and CEO Kim Glas regarding President Trump's reciprocal tariff plan.

Statement by NCTO President and CEO Kim Glas:

“We strongly commend President Trump and his administration on their tariff reciprocity plan to finally begin rebalancing America’s trade positioning in markets at home and abroad. We want to thank President Trump on behalf of the U.S. textile industry and the 471,000 workers we employ.

“We are particularly pleased with the administration’s decision to preserve duty-free trade for imports from Mexico and Canada that are compliant with the U.S.-Mexico-Canada Agreement (USMCA) rules of origin.

“The U.S. textile industry ships \$12.3 billion, or 53 percent, of its total global textile exports to Mexico and Canada and those component materials often come back as finished products to the United States under the USMCA. It is by far the largest export region for American textile producers, representing \$20 billion in two-way trade that spurs enormous textile investment and employment in the United States.

“Preserving duty free, qualified trade is absolutely critical to the U.S. textile industry and will provide incentives for more companies to onshore even greater production capacity, giving a boost to American textile manufacturers and their workers.

“We are also grateful to the Trump administration for getting tough on the predatory trade practices of China, Vietnam and other Asian suppliers that have long undermined domestic textile and apparel manufacturing through the rampant use of unfair trade practices, which the U.S. textile industry has been raising concerns about for decades.

“We encourage the administration to keep these penalty tariffs on finished textile and apparel products in place long-term with countries like China and Vietnam to provide the necessary market signals to recalibrate the global textile and apparel supply chain.

”Doing so, will help level the playing field for U.S. textile and apparel producers once and for all, given our industry has been victimized by predatory trade practices that have offshored critical jobs across the United States.

“Additionally, we hope the Trump administration extends the exemption for duty-free qualified trade from other Western Hemisphere free trade partners, such as the countries of the Dominican Republic-Central America Free Trade Agreement (CAFTA-DR). This is a critical supply chain for U.S. textile exports that are essential to the American textile industry and our workers.

“The Western Hemisphere as a whole accounts for nearly 70 percent of all U.S. textile exports, represents \$34 billion in annual two-way trade and supports 2.6 million jobs.

“Equally as important, the USMCA and CAFTA-DR production platforms serve as an alternative and counterweight to the China-led, Asia-based production platform that competes based on illegal tactics, such as the use of forced labor, subsidies and counterfeits, and has largely come to dominate global trade.

“We would also like to commend the Trump administration for its substantial and long overdue reform of the de minimis loophole. This loophole facilitates 4 million shipments a day to the United States that often hide illegal and unethically made products, unsafe goods and illicit fentanyl and other narcotics that reach our doorsteps. Countries such as China currently avoid billions in U.S. duties through the use of de minimis to the United States.

“We applaud the fact that the President’s announcement will essentially close de minimis on a global scale once the Secretary of Commerce puts the mechanism in place to collect duties on these imports. Half of de minimis shipments are estimated to be textile and apparel products, and NCTO has long called for the closure of this destructive loophole. We encourage the full closure as soon as possible and stand ready to help the Administration in any way to formulate plans for its effective implementation.

“Finally, President Trump emphasized the importance of holding trade cheaters accountable in his Rose Garden event on Wednesday. The U.S. textile industry looks forward to working with the administration to develop a robust enforcement plan to

help President Trump achieve the important goals outlined his new tariff plan to ensure fraudulent actors and cheaters are penalized.

“We are grateful to President Trump and his administration for their strong support for our industry. If aggressively enforced coupled with long-term certainty, there is a huge opportunity to reshore production and grow jobs in the United States.”

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NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers.

- U.S. employment in the textile supply chain was 471,046 in 2024.
- The value of shipments for U.S. textiles and apparel was \$63.9 billion in 2024.
- U.S. exports of fiber, textiles and apparel were \$28.0 billion in 2024.
- Capital expenditures for textiles and apparel production totaled \$2.98 billion in 2022, the last year for which data is available.

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