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April 25, 2007

TO THE MEMBERS OF THE UNITED STATES SENATE:

The undersigned members of the U.S.-Korea FTA Business Coalition write to begin the process of consultation with the Congress on the recently completed U.S.-Korea Free Trade Agreement (FTA). The members of the Coalition, a broad-based and cross-sectoral group of American companies, business organizations, and trade associations, worked with the Congress and U.S. negotiators to achieve the successful conclusion of the negotiations.

Korea is a very substantial market for the United States, with U.S. goods exports to Korea totaling \$32.5 billion in 2006 and U.S. cross-border services exports to Korea reaching \$10.2 billion in 2005. The United States is the largest source of foreign direct investment in Korea, and it is Korea's second-largest market. While we look forward to reviewing the text of the agreement once it becomes available, we have been briefed on its substance and believe that the agreement achieves most of the business community's key objectives.

The U.S.-Korea FTA will greatly expand market access in Korea for U.S. farmers, manufacturers, service providers, and financial services firms. Under the FTA, more than half of current U.S. agricultural exports to Korea—with a value of \$1.6 billion—will become duty-free immediately. Almost 95 percent of all bilateral trade in consumer and industrial products will become duty-free within three years under the agreement, and virtually all remaining tariffs on consumer and industrial goods will be eliminated in ten years. Moreover, this agreement will eliminate significant non-tariff market access barriers in Korea to U.S. goods, services, and investment. Consumers in both countries stand to gain from the broad benefits of this agreement.

This agreement includes robust provisions on transparency, intellectual property rights, competition, investment, and other rules, particularly in the area of services, that will protect U.S. interests. It also has important implications beyond bilateral trade and investment. By giving U.S. exporters and investors a preferential position in the world's tenth-largest economy, an FTA with Korea will enhance U.S. businesses' ability to compete in the dynamic Northeast Asia regional economy. From a strategic vantage point, the FTA will reinforce the critical partnership and alliance between our two countries.

The reopening of Korea's market to U.S. beef imports remains an outstanding issue for Coalition members. We urge Korea to reopen its market to U.S. beef consistent with the World

Organization for Animal Health (OIE) guidelines so that this agreement can move forward. In that regard, we welcome the Korean government's public commitment to uphold the recommendations of the OIE, and we strongly urge Korea to move immediately upon the OIE decision.

The U.S.-Korea FTA stands to bring real benefits for U.S. workers and businesses, and will promote our two countries' economic leadership in the region by demonstrating that America is ready to embrace new opportunities in an increasingly competitive global environment. The members of the Coalition look forward to working with you to obtain passage of this historic agreement, and then with the Administration to ensure Korea's full and faithful implementation of all of the commitments contained in it.

Sincerely,

Secretariat  
U.S.-Korea Business Council

3M	CCI, LLC
Abbott Laboratories	Chevron
ACE Group	The Chubb Corporation
Advanced Medical Technology Association	Citigroup, Inc.
Alticor, Inc.	Cleary Gottlieb Steen & Hamilton LLP
American Chamber of Commerce in Korea	Coalition of Service Industries
American Council of Life Insurers	The Coca-Cola Company
American Electronics Association	Computer & Communications Industry Association
American Insurance Association	Computing Technology Industry Association
American International Automobile Dealers Association	Consumer Electronics Association
American International Group, Inc.	The Cosmetic, Toiletry, and Fragrance Association
American Soybean Association	Diageo North America
American Standard Companies	Deloitte & Touche
ANSAC	Direct Marketing Association
APL, Ltd.	Direct Selling Association
Applied Materials, Inc.	Discovery Communications, Inc.
Association of American Publishers	Distilled Spirits Council of the United States, Inc.
Association of Equipment Manufacturers	Dow Corning Corporation
AT&T	Eastman Kodak Company
Bankers Association for Finance and Trade	eBay, Inc.
Barclays Global Investors	Elanco
The Boeing Company	Electronic Industries Alliance
Bradley Arant Rose & White LLP	Eli Lilly and Company
The Business Roundtable	Emergency Committee for American Trade
C & M International	Entertainment Industry Coalition for Free Trade
California Chamber of Commerce	
Cargo Transport, Inc.	
Caterpillar	

Entertainment Software Association  
Estee Lauder  
Exxon Mobil Corporation  
Fashion Institute of Technology  
FedEx Express  
Financial Services Roundtable  
Florida Chamber of Commerce  
Food Products Association  
FormFactor, Inc.  
GCT Services  
Gale International  
General Electric  
General Mills  
GlaxoSmithKline  
Gordley Associates  
Greater Dallas Chamber of Commerce  
Grocery Manufacturers Association  
Halliburton  
Herbalife International of America, Inc.  
Hewlett-Packard Company  
Horizon Law Group  
IBM  
Impartia  
Indiana Chamber of Commerce  
Information Technology Association of  
America  
Information Technology Industry Council  
Intel Corporation  
International Business-Government  
Counselors  
International Communications Resources  
International Dairy Foods Association  
International Intellectual Property  
Alliance  
International Paper Korea  
International Trade Alliance  
Johnson & Johnson  
Johnson City / Jonesborough /  
Washington County Chamber  
JPMorgan Chase & Co.  
Kissinger McLarty Associates  
Korea-U.S. Consulting, Inc.  
Louis Dreyfus Corporation  
Manhattan Chamber of Commerce  
Mannatech, Inc.  
The McGraw-Hill Companies  
McGuire Woods Consulting  
Mehlman Vogel Castagnetti  
Melaleuca, Inc.  
Merck & Company, Inc.  
MetLife  
Microsoft  
Miller & Chevalier  
Mobile Area Chamber of Commerce  
Motion Picture Association of America  
Motorola, Inc.  
MWW Group  
National Association of Manufacturers  
National Electrical Manufacturers  
Association  
National Oilseed Processors Association  
National Pork Producers Council  
National Potato Council  
NETWORKS - Sullivan Partnership  
New York Life International  
North American Export Grain  
Association  
Ohio Alliance for International Trade  
Old Dominion Home Health Services  
Oracle Corporation  
Oregon Potato Commission  
Oklahoma State Chamber of Commerce  
PMMI  
PepsiCo  
Pet Food Institute  
Pfizer, Inc.  
Pharmaceutical Research & Manufacturers  
of America  
Prosperity Consulting Group  
Prudential Financial, Inc.  
Quaker Fabric Corporation  
QUALCOMM, Inc.  
Recording Industry Association of  
America  
Retail Industry Leaders Association  
Roche Korea  
Round Table Group  
Schering-Plough Corporation

Sidley Austin LLP  
Smithfield  
Steptoe and Johnson LLP  
St. John Knits, Inc.  
Sunrider International  
Sybase  
TASER international  
Telecommunications Industry Association  
Time Warner  
Travel Goods Association  
Tyco International (U.S.) Inc.  
United Airlines  
U.S. Association of Importers of Textiles and Apparel  
U.S. Chamber of Commerce  
United States Council for International Business  
United Technologies Corporation  
UPS  
USA Poultry & Egg Export Council  
Wal-Mart Stores, Inc.  
Washington State Potato Commission  
Wexler & Walker Public Policy Associates  
Williamson & Co., Inc.  
W.L. Gore & Associates, Ltd.  
Zapata Enterprises