

United States Senate

WASHINGTON, DC 20510-4705

April 29, 2010

President Barack Obama
The White House
Washington, D.C. 20500

Dear Mr. President,

As a Senator representing the nation's fourth largest exporting state, I am encouraged by the emphasis you have placed on exports as a means to grow our economy and create more American jobs. The National Export Initiative is the most comprehensive attempt to increase exports in decades, and I want to express my enthusiastic support for this endeavor.

To meet such an ambitious goal of doubling U.S. exports over the next five there needs to be not only government-wide participation, but commitment at the highest level of each Department and Agency. I applaud your establishment of an Export Promotion Council.

In assembling the Export Promotion Council, though, one critical element that appears to have been overlooked is the role that domestic transportation policy has in ensuring that the majority of the products our nation exports arrives at- and departs our seaports quickly, efficiently, and at the lowest cost possible. For that reason, I urge you to make the Secretary of Transportation a permanent member of your Export Promotion Cabinet.

With that in mind, the Administration should also develop a comprehensive and integrated national freight strategy that address how to efficiently move goods from our farms and factories over various transportations modes through our ports and to consumers overseas. The reason for a national approach is that freight-related improvements in transportation infrastructure necessary for removing the bottlenecks that slows down the shipment of products to its port of exit may well be more important to an exporter in a faraway state than to the local people who must approve taxing themselves to pay for these projects.

Secondly, the US needs a national goods movement program to help guide new federal, state, local and private investments. The program should include dedicated funding for projects of national significance, and effort should be taken to ensure that formula dollars passed to the state departments of transportation and metropolitan planning organizations are used in a way that recognizes and prioritizes the needs of our freight system. Additionally, the federal government should also provide incentives for states local governments, and ports districts to make the necessary local investments through instruments such as the Build America Bonds.

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The ongoing discussions to create and pass new surface transportation reauthorization legislation provide Congress and your Administration an excellent opportunity to address some of these long standing challenges in our national transportation policy and to ensure that American exporters continue to have access to the world-leading infrastructure on which our prosperity has relied so heavily for many years.

The third point I want to raise is that we need to policies to ensure that U.S. ports remain competitive, which in turn, helps to keep out exporters competitive. The time and cost to potential exporters for sending U.S. goods overseas through a given port is impacted by the ports volume of imports. The greater the volume of imports handled by a port, the greater the number of ships available to transport our exports to overseas markets on more frequent schedules, shortening time to market. It also ensures a greater availability of containers to fill with exports. More overall business at port allows fixed costs to be spread out over more customers, lowering transportation costs for exporters. That is why it is essential that we maintain the competitiveness of our ports for imports, because when our ports lose market share, it erodes the relative advantages our exporters have traditionally enjoyed. West Coast ports are being challenged by the expansion of new and growing competitors in Canada and Mexico that benefit from highly coordinated host government efforts to gain market share at our expense. The Administration needs to look into these arrangements in Canada and Mexico and ensure that they are consistent with obligations under NAFTA.

I look forward to working with the Administration on this and other issues to increase our nation's exports.

Respectfully yours,



Maria Cantwell
U.S. Senator