CITY OF LOS ANGELES

ERIC GARCETTI

MAYOR

CALIFORNIA

Office of the CITY CLERK

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JUNE LAGMAY City Clerk

HOLLY L. WOLCOTT **Executive Officer**

When making inquiries relative to this matter, please refer to the Council File No.

August 1, 2013

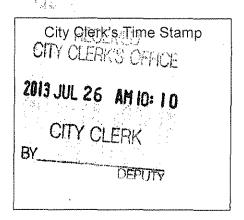
To All Interested Parties:

Chief Legislative Analyst

I HEREBY CERTIFY that the City Council adopted the action(s), as attached, under Council File No. 13-0002-S75, at its meeting held July 23, 2013.

cc: 8 Certified copies sent to Sacramento Representatives cc: 8 Certified copies sent to Washington Representatives Mayor's Time Stamp
SECTIVE
2013 JUL 26 AM 10: 12
CITY OF LOS AMSELLOS

FORTHWITH



SUBJECT TO THE CONCURRENCE OF THE MAYOR

COUNCIL FILE NO.	13-0002-\$75	COUNCIL DISTRICT
COUNCIL APPROVAL E	DATE <u>July 23, 2013</u>	
	REVERSE THE EUROPEAN	LEGISLATION AND/OR ADMINISTRATIVE ACTION UNION'S RECENT DUTY ON U.SMADE WOMEN'S
	nent as per Charter Section 2	31(h)]
De	O NOT WRITE BELOW THIS	LINE - FOR MAYOR USE ONLY
APPROVED		*DISAPPROVED
DATE OF MAYOR APPR C. C. L. L. MAYOR	ROVAL OR DISAPPROVAL	*Transmit objections in writing pursuant to Charter Section 231 (h)

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The City Council ADOPTED the following recommendation(s), contained in a COMMUNICATION FROM THE CHIEF LEGISLATIVE ANALYST which were WAIVED, pursuant to Council Rule 17, by the Chair of the Rules, Elections and Intergovernmental Relations Committee, SUBJECT TO THE CONCURRENCE OF THE MAYOR:

ADOPT the accompanying RESOLUTION to include in the City's Federal Legislative Program, SUPPORT for any legislation and/or administrative action which would reverse the European Union's recent duty on U.S.-made women's denim trousers, which recently was increased from 12 to 38 percent.

Council File No. 13-0002-S75



JUL 23 2013

LOS ANGELES CITY COUNCIL

TO THE MAYOR FORTHWITH

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, Europe has more than tripled a tariff on the high-end denim creations; beginning today, the European Union duty on women's denim trousers manufactured in the United States jumped to 38% from 12%; and

WHEREAS, this increase, if passed along to customers in the form of price increases, could diminish denim exports to Europe, currently a growing market for U.S. denim makers; and

WHEREAS, this action is expected to disproportionately affect California denim makers, who make roughly three-quarters of American high-end denim; low-end jeans are primarily manufactured abroad because of cheaper labor costs; and

WHEREAS, the tariff increase, which was announced April 17, is seen as retaliation by the EU against the U.S. for failing to fully comply with a 2002 World Trade Organization ruling against the Byrd Amendment, which was a law that allowed the U.S. to levy additional duties on "unfairly traded" goods; and

WHEREAS, this trade dispute is expected to slow sales of American jeans brands that are popular in European fashion markets; the women's "premium" jeans business -- involving pants that cost \$75 or more -- accounts for 22% of the global jeans market; and

WHEREAS, premium denim is the fastest-growing segment of the jeans market, with estimated sales of \$1.4 billion for the year that ended February, up 17.3% from a year earlier; and

WHEREAS, the biggest threat from the tariff is that other countries might jump at the opportunity to carve into the U.S.' market share; and

WHEREAS, the California Fashion Association, a Los Angeles-based trade group, in conjunction with local wash and dye houses, sewing contractors and textile fabricators that work with Southern California companies, is urging elected officials to put pressure on Europe to reverse the tariff; and

WHEREAS, this tariff will cause the Los Angeles area to lose jobs at a time when the county's unemployment rate is 10.2%; and

WHEREAS, the City of Los Angeles is considered by many to be the "Denim Capital of the World," with manufacturing by Lucky Brand Jeans, YMI, American Apparel, 7 For All Mankind and many others, bringing critical jobs, commerce and service to the City;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2013 and 2014 Federal Legislative Program support for legislation and administrative action which would reverse the new European Union duty on women's denim trousers manufactured in the United States which has been increased to 38% from 12%.

MAY 8 2013

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PRESENTED BY:

JOSE/HUIZAR

Councilman, 14th District

3 2015 ECONDED BY:

BY A MAJORITY OF ALL ITS MEMBERS.

