



PRESS STATEMENT

NCTO Applauds Senate Passage of the National Defense Authorization Act of Fiscal Year 2020

June 27, 2019

WASHINGTON, DC – The National Council of Textile Organizations (NCTO) commends the Senate for passing the National Defense Authorization Act of Fiscal Year 2020, which strengthens the Berry Amendment and safeguards our national security, by setting compliance requirements to all Department of Defense acquisitions at or above \$150,000.

The Senate bill rolls back the threshold for Berry compliance requirements to 2017 levels and adjusts future increases for inflation, which the U.S. textile industry supports.

The Fiscal Year 2018 NDAA bill raised the Simplified Acquisition Threshold to \$250,000. The higher threshold put more than \$50 million worth of Berry contracts annually at risk of being outsourced to China and other foreign countries.

"We are really pleased the Senate passed the NDAA, which strengthens the Berry Amendment, a provision that is critical to the U.S. textile industry," said NCTO President and CEO Kim Glas.

"Berry provides the U.S. military with high-quality textile and apparel products that are produced with 100% U.S. materials and labor. It also helps keep the industrial base strong and provides the best R&D, materials, and equipment for our warfighters," Glas said. "We also urge the House to follow the Senate's lead and take similar action to strengthen our national industrial base."

"Without the Berry Amendment in place, defense-related activities are at risk if supply chains are filled with imports of undocumented origin," said Kathie Leonard, President and CEO of Auburn Manufacturing Inc., a small manufacturer of fire-resistant fabrics based in Mechanic Falls, Maine.

"Our ability to continue supplying 100% domestically produced products to the military is contingent upon a reasonable Berry threshold. The minimum was raised from \$50K to \$150K several years ago. Last year it jumped to \$250K, leaving us with only 15% of the defense market we serve," Leonard said.

Ashley Bullock, Government Contract Sales Manager for Raeford Uniforms, a division of Burlington Industries, said: "Passage of the NDAA along with the continued support of the Berry Amendment are critical for Burlington and our ongoing support to the U.S. military and our men and women in uniform. As a proud part of the military's clothing and textile supply chain, Burlington Industries, an Elevate Textiles Company, relies on the Berry Amendment to maintain our current operations in North and South Carolina and our ability to make continual investment to ensure the U.S. warfighter has the most innovative, highest-quality, and technologically advanced clothing and equipment possible. Correcting the Berry Amendment's threshold level is a major and positive step in protecting this important law from being watered down. "

NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers, including artificial and synthetic filament and fiber producers.

- U.S. employment in the textile supply chain was 594,147 in 2018.
- The value of shipments for U.S. textiles and apparel was \$76.8 billion in 2018.
- U.S. exports of fiber, textiles and apparel were \$30.1 billion in 2018.
- Capital expenditures for textile and apparel production totaled \$2.0 billion in 2017, the last year for which data is available.

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