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Hearing on the Operation of the Agreement between the United States of America, the United Mexican States, and Canada

Oral Testimony of Ed Brzytwa

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Thank you for the opportunity to testify today. My name is Ed Brzytwa, and I serve as Vice President of International Trade at the Consumer Technology Association. CTA represents the \$537 billion U.S. consumer technology industry and over 1200 U.S. companies, the vast majority small businesses and startups. We own and produce CES, the world's most powerful technology event.

Across our membership, we hear a clear and consistent message: USMCA is indispensable. It allows American businesses to operate efficient supply chains, lower costs, and compete globally. Duty-free imports and predictable trading rules help companies build and launch the innovative technology products Americans love and rely on, at affordable prices. As an example, one of our U.S.-headquartered members employs thousands of Americans across many states. That's enabled in part by manufacturing capacity in Mexico and research and development in Canada. Another member that manufactures in the U.S. told us they rely on both Canada and Mexico for components that are less available in the U.S. The access to these components under the USMCA allows their products to remain cost competitive with Asian and European imports.

USMCA is an agreement that works for American businesses and American consumers, and CTA strongly recommends extending the term of this Agreement for a 16-year period.

CTA's written comments, submitted in early November, provide more detail, but today I want to emphasize three core points.

First, USMCA strengthens U.S. global competitiveness. The Agreement enhances North America's ability to compete with China by removing barriers to the trade that integrates our markets. As CTA members diversify supply chains and reduce their exposure to China – following guidance from both President Trump and President Biden – Mexico is a primary destination. Maintaining and strengthening the USMCA will

accelerate this trend. Withdrawing from the Agreement may cause companies to reconsider their North American investments altogether.

USMCA-compliant products should also remain exempt from IEEPA and Section 232 tariffs. This would ensure the predictability and stability American businesses need to invest and create jobs. It also matter for American exporters. Based on data published just a few weeks ago from the Census Bureau, Mexico and Canada are the #1 and #2 buyers of American goods, including tech products. Tariff uncertainty hurts the workers and small businesses that depend on cross-border commerce.

Second, the Joint Review should be a collaborative process, driven by stakeholder input. This review should not be a renegotiation. It's an opportunity to identify areas to further reduce trade barriers and next steps to implement the agreement in full. All three countries should double down on outreach and engagement with industry and other stakeholder, even beyond this comment period and hearing. CTA members and other technology businesses rely on USMCA every single day. They can share on-the-ground perspectives on keeping the Agreement modern, effective, and responsive to global competition dynamics.

Third, maintain the chapters and provisions that work.

Chapter 19 on Digital Trade must be preserved as-is. It includes the highest-standard digital trade rules of any U.S. trade agreement. That makes it especially valuable for tech companies – or really any company using technology – especially small businesses and start-ups. These rules give companies the certainty they need to trade and invest in North America. Maintaining this chapter also sends an important signal to U.S. competitors that their discriminatory and burdensome digital trade practices are not acceptable.

Further, tightening Rules of Origin would create unnecessary burdens for technology manufacturers. We urge the parties to make any rules of origin changes through the Free Trade Commission under the agreement and avoid changes that would impose higher tariffs or burden technology supply chains.

The provisions in Chapter 11 on Technical Barriers to Trade and the ICT Sectoral Annex are not yet fully implemented. During the Joint Review, the parties should ensure alignment of technical regulations and conformity assessment procedures to reduce friction and lower costs. Regulatory cooperation between the parties will ensure greater alignment.

Over the past two days of hearings, I'm sure you have heard concerns raised about labor, environmental impact, and other supply chain issues. Those concerns deserve

¹ https://www.nytimes.com/2025/11/19/world/americas/us-mexico-trade.html.

attention. Luckily, there is a built-in solution. USMCA includes adaptive tools, such as the Free Trade Commission, to address evolving challenges. The parties should lean in to the agreement they negotiated, not use these challenges as justification to withdraw.

The United States is stronger, more competitive, and better positioned to lead the world with USMCA in place. Six years ago this month, the House of Representatives passed the implementing bill of this Agreement with an overwhelming bipartisan vote of 385 to 41 and the U.S. Senate 89-10. Today, USMCA still delivers for the United States and millions of Americans.

CTA strongly urges extending the term of this Agreement for a 16-year period. Thank you for the opportunity to testify.