



## AMERICANS *for* TAX REFORM

April 15, 2019

Ambassador Jeffrey D. Gerrish  
Deputy U.S. Trade Representative  
Office of the United States Trade Representative  
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Dear Ambassador Gerrish:

Americans for Tax Reform and Property Rights Alliance are wholly supportive of president Trump's leadership in opening a new era of international competitiveness for the American economy.

The new USMCA agreement was completed in record time and by including chapters on digital trade, state-owned enterprises, and exchange rate matters it is a truly comprehensive agreement that promises American businesses will continue to flourish in the in the 21<sup>st</sup> century global economy.

As negotiations begin with Japan, we encourage you and your team to continue increasing market access and strengthening IP protections with one of our closest trade partners. We hope the ongoing discussions with the Japanese can bring specific outcomes to the U.S. – Japan relationship similar to the landmark standards set in the U.S. Mexico Canada Agreement.

ATR and PRA hope you will work to make the deal comprehensive, and in any early stages, include major innovative sectors like the U.S. biopharmaceutical sector - one of the most research intensive, investment intensive, and risky enterprises in the world. The U.S. would not be the leader in global biotechnology R&D if it were not for policies that enable and enhance innovation.

Other countries, especially modern economies like Japan, must respect property rights and play their role in advancing pharmaceutical breakthroughs. Creating loopholes or other exceptions that weaken property rights is simply unacceptable.

Currently, U.S. biopharmaceutical companies in Japan account for 20 percent of the market and are under attack. Recent policy reforms in Japan work to redefine what products, or even companies, are deemed innovative, with the outcome of discriminating against U.S. products and companies and other research oriented enterprises. These changes are opposite to what we should expect of a trading partner.

A comprehensive U.S.-Japan trade deal that includes U.S. innovators and high standards similar to USMCA would benefit U.S. industries and taxpayers.

Thank you for your consideration, ATR and PRA look forward to assisting in any way possible.

Sincerely,

Grover G. Norquist  
President  
Americans for Tax Reform



Lorenzo Montanari  
Executive Director  
Property Rights Alliance



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