

International Textile Group Applauds the House of Representatives for its Passage of CAFTA

July 28, 2005 – International Textile Group (ITG) applauds the House of Representatives for its passage of the Central American Free Trade Agreement (CAFTA-DR). Passed last month by the Senate, many textile state representatives remained unsure of the legislation leading up to the House vote. Passed by a vote of 217 to 215, Representatives Robin Hayes (NC-8) and Sue Myrick (NC -9) voted in support of the legislation.

Joseph L. Gorga, president and CEO for ITG extended his personal thanks to those representatives that voted in support of this key trade legislation. “The passage of CAFTA-DR opens the way for stronger, more competitive trade within this hemisphere in light of increasing competition from Asia-produced products. Central America is an important region not only for the export of our products, but for a vast number of textile products throughout North Carolina. Expanding trade with this region has a direct impact on the future success and viability of our U.S. operations.”

Acknowledging Representative Hayes and his prudence in understanding the trade pact, Gorga praised his decision to support the legislation. “We have been in numerous discussions with Hayes and his office regarding the benefits of CAFTA-DR and the negative impact that our facilities could face if not passed. He asked tough questions, researched beyond the surface and lobbied for changes that ultimately strengthened the agreement for US producers.”

Continuing Gorga highlighted the importance of the negotiated Nicaragua Trade Preference Level (TPL) resolution under the agreement, which requires Nicaraguan trouser manufacturers to increase their use of new US fabric to equal the volume of Asian fabrics used for the same garments. “This new requirement directly impacts the production of trouser fabrics at our Burlington Richmond plant located in Cordova, NC and the Burlington Raeford plant located in Raeford, NC. With the new TPL, Nicaragua would have to double its current use of US trouser fabrics in order to utilize the TPL, a decision that would benefit our Richmond facility and others in North Carolina and Virginia.”

International Textile Group, Inc. was organized in March 2004 by Wilbur L. Ross to combine the assets of Burlington Industries and Cone Mills. ITG is a diverse, innovative provider of global textile solutions and distinguished market brands to apparel and interior furnishing customers worldwide. ITG operates four business units: Cone Denim, Burlington WorldWide (apparel fabrics), Interior Fabrics, Carlisle Finishing, and is affiliated with Nano-Tex.

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