



AMERICAN
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BUSINESS
COUNCIL

Small Business Leaders to Trump: End Advantage for Multinationals Over U.S. Small Businesses in NAFTA

100 small businesses: NAFTA currently privileges multinational corporations over U.S. small business unfairly under “Investor-State Dispute Settlement” preferential treatment.

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Washington, DC; July 12, 2017 — Today, more than 100 small business leaders sent a letter to President Donald J. Trump urging the President to ensure that the re-negotiation of the North American Free Trade Agreement (NAFTA) and other global trade pacts does not allow foreign multinational corporations to attack U.S. laws that protect U.S. communities and the environment. Right now, foreign-owned companies are allowed to challenge such laws before tribunals of three private lawyers, which is bad for our communities and the environment and also puts U.S.-based small firms -- that comply with our laws and use our courts -- at a competitive disadvantage.

In May, Trump notified Congress of his Administration’s plans to renegotiate NAFTA, setting in motion a 90-day period before negotiations with Canada and Mexico can begin in August. According to trade legislation, the Trump Administration must make public its more detailed plans for the negotiations next week, 30 days before negotiations begin.

Small business leaders are weighing-in at this crucial time on the need to ensure that multinational corporations are no longer given more favorable treatment than U.S. small business and special rights to attack our laws. The business leaders’ letter and signatories are at: <http://greenam.org/trade-letter>

Of particular concern to small business is Investor-State Dispute Settlement (ISDS) – a provision that in NAFTA and other trade deals that enables multinational corporations to sue the U.S. government over laws at the local, state, and federal levels that they claim violate their broad “investor” rights under NAFTA. These laws, which US small businesses must abide by, are intended to protect the health, environmental, and financial well-being of our nation. As the business leaders’ letter to the President notes, in addition to threatening U.S. laws, the special

treatment for foreign investors that the ISDS system allows also incentivizes the off-shoring of jobs by removing many of the costs and risks associated with re-locating to low-wage countries.

Corporations do not need these special privileges. Jerry Greenfield, co-founder of Ben and Jerry's ice Cream stated: "We started with one store in Vermont, and now Ben & Jerry's ice cream is sold around the world. This success required a good product and hard work from lots of folks, but not special rights to attack other countries' laws. It is unacceptable that agreements like NAFTA provide vast powers for corporations to sue governments before tribunals of three corporate lawyers. Those corporate lawyers can award unlimited sums to be paid by taxpayers, including for the loss of expected future profits, simply when corporations claim a health or environmental law violates special privileges granted by these agreements."

Fran Teplitz, Director, Green America's Green Business Network, Washington, DC said, "Trade should have broad-based benefits for all partners. Trade that enriches and privileges foreign multinational corporations at the expense of US businesses, communities, labor, and the environment is a bad deal. The Investor-State Dispute Settlement that allows multinationals to attack US protections for people and the planet should not be part of any trade agreement our nation joins."

Richard Eidlin, Vice President, American Sustainable Business Council, Washington, DC said: "While there's no doubt that trade agreements between nations are important to economic development, the key question is whether the rules are fair to small and mid-sized businesses and to local communities. We're concerned that the Investor State Dispute Settlement (ISDS) mechanism embedded in current NAFTA and other trade negotiations, tilts the playing field against smaller companies and communities. Allowing multinationals to have special procedural rights to challenge environmental, labor and land use policies is bad for the majority of businesses."

Small business leaders recognize the value of U.S. laws and courts and demand that multinational corporations abide by them as well:

Elliot Hoffman, CEO, REV, San Francisco, CA said: "As a businessperson with broad experience in the field of corporate sustainability, I believe we must not allow multinational corporations to attack U.S. laws that protect U.S. workers, communities, the environment, and the long-term health of our economy and society. U.S. and foreign companies of all sizes, large and small that do business in the U.S should be held to the same standard"

Jim Epstein, Co-founder, Blue Ridge Produce, Elkwood, VA, said: “In addition to all businesses, large and small, abiding by the law and doing good while preserving the environment, I am concerned that far too many of the laws and trade policies (and indeed the whole issue of repatriating profit) creates an unlevel playing field that unfairly favors large corporate interests that have been parking their profits overseas and not the small businesses that have always complied with both the letter and the spirit of the law. If America truly represents the land of equal opportunity for all, then a level playing field for all businesses is essential.”

Helen Beichel, ChFC, Fat Tail Financial Advisory Group, Brooklyn, NY, said: “Risk management is an important part of putting together a portfolio. From a portfolio building perspective, we want to invest in companies that are law abiding, ethical, transparent in their operations and focused on long term sustainability. There should be no distinction in law, or law enforcement, between a small business and a multinational corporation. Multinationals must abide by the laws of the countries they operate in.”

As a presidential candidate, Trump repeatedly denounced NAFTA, calling it "the worst trade deal maybe ever signed anywhere." There is indeed much that economic, labor, environmental, and other civil society organizations seek to change about NAFTA. Trump is now back-peddling on his earlier pronouncements about eliminating NAFTA and we are entering a period where the voice of sectors not at the negotiating table must be heeded if a reformed-NAFTA is to be an improvement.

The letter signers are members of the [American Sustainable Business Council](#) and [Green America's Green Business Network](#).

Read the full letter below:

Dear President Trump,

We, the undersigned small- and medium-sized business leaders from across the United States, contribute to our communities through job creation and dedication to building a sustainable, just economy. **We write to express our deep concern about provisions in U.S. trade and investment agreements, such as the North American Free Trade Agreement (NAFTA), that enable multinational corporations to bypass domestic courts and directly “sue” our government over our health, environmental and financial protections.**

These provisions, formally known as Investor-State Dispute Settlement (ISDS), grant greater rights to foreign corporations than to domestic businesses such as ours, while exposing important local, state, and federal policies to challenge.

The ISDS allows a panel of three private lawyers to award multinational corporations unlimited sums to be paid by taxpayers, including for the loss of anticipated future profits. They need only convince the lawyers that a domestic law or safety regulation – that we rely on for a clean environment, essential services and healthy communities – violates the new rights and privileges granted to corporations under the trade deals.

Incredibly, more than \$371 million in compensation has already been paid out to corporations in investor-state cases under NAFTA.

As business owners who are dedicated to creating jobs in our communities, we also oppose these special privileges for multinational corporations because they incentivize job offshoring. The special treatment for foreign investors that the ISDS system allows, eliminates many of the costs and risks that make firms think twice about moving to low-wage countries. We are therefore alarmed that your administration has indicated that it might not eliminate the ISDS provisions from NAFTA when you renegotiate the agreement. We are concerned that the China Bilateral Investment Treaty and the Transatlantic Trade and Investment Partnership, will also include ISDS provisions that threaten our health, safety, and economy.

We urge you to eliminate ISDS from past U.S. trade deals – beginning with the NAFTA renegotiation – and to withdraw from any and all negotiations that would expand ISDS, namely the China Bilateral Investment Treaty and the Transatlantic Trade and Investment Partnership.

Thank you for your consideration.

Business Name	Individual
A.K. A Coach and Company	Annie Kirschenmann
American Sustainable Business Council	Richard Eidlin
Amy Brown Associates	Amy Brown

Atcheson Sculpture	Chris Atcheson
Back Country Excursions	Clifford Krolick
Barrett International Technology Incorporated	Carolyn Barrett
BeanCounters Unlimited	Rebecca Casstevens
Ben & Jerry's	Ben Cohen and Jerry Greenfield
Benjamin Visuals, LLC	Barry Benjamin
Bespoken Corporate Communications	Kim Heismann
BetterRide, Inc	Gene Hamilton
Blue Ridge Produce	Jim Epstein
Bright Planning LLC	Catherine Campbell
Case Medical	Marcia Frieze
Chosen Futures	Deborah Frangquist
Citizen Bean	Mal Stearns
Comeback Farm	Mark Canright
Communitas Financial Planning Inc	Jim Frazin
CONTEMPL8 T-SHIRTS LLC	Christopher Loch
Continuum Industries, Inc	Justin Sternberg
Convex Technologies Inc.	Kevin O'Neill
Creative Creek, LLC	Clay Thompson
CRW Inc.	John Coleman
DC Energy Innovations, Inc.	Ben Gordesky
Decent Exposures, Inc.	Patricia Marcus
Dharma Merchant Services	Jeffrey Marcous
Diagnostic Medical Imaging	Sarah Haynes, Ph.D.
Distance Learning Consulting	Louanne Klein
Earth Friendly Finance	Emily Bowen
Ecoplum Business Gifts	Gia Machlin

Eco-solutions	Amy Hansen
Eighty2degrees LLC	Mike Englert
Environmental & Public Health Consulting	Ann Blake
Equal Exchange	Rob Everts
Ever Better, PBC	Pete Dignan
Fabricadabra	Donna Halloran
Fattail Financial Advisory Group	Helen Beichel
Fiberactive Organics, L3C	Julie Moore
Final Footprint	Jane Hillhouse
Floral Soil LLC	Mickey Blake
Flour Garden Bakery Inc	Susan Copeland
Freedom Enterprizes	Catherine Bailey
Gaia's Basket	Carol Lee Meinhold
Goherence Collaborative	Ajax Greene
Green America's Green Business Network	Fran Teplitz
Green Heron Tools, LLC	Elizabeth Brensinger
Green Rocket Digital	Francis Battaglia
Ground Floor Partners	Andrew Clarke
Hansen's Advisory Services, Inc.	Susan Hansen
HarborWest Design	Sandra Zylberman
Harper & Hopkins, LLC	Sam Hopkins
Herbaliz LLC	Elizabeth McEwan
Historic Properties	Dominik Eckenstein
HJKessler Associates	Helen Kessler
Horizon Residential Energy Services NH LLC	Kevin Hanlon
Humanity's Team	John Thomas
Ideal Energy Inc	Troy Van Beek

Intermountain Manufacturing	Jamie Yamashiro
Intex Solutions, Inc.	David Rosenstein
Jax Photography	Jacqueline Malonson
Julia L F Goldstein Communications	Julia Goldstein
Just Works Consulting	Jonathan Rosenthal
Kahl Consultants	Alex Kahl
Krishi Technologies Pvt Ltd	Shaik Amanulla
KW Botanicals Inc.	Brian Weissbuch
Lazy Dog Designs	Barbara Frances
Leadership & Strategy for Sustainable Systems	Susan Harris
LineSync Architecture	Julie Lineberger
Living Calmness	Irwin Hoenig
Living Compassion	Rebecca McIlwain
Living Furniture	Paul Troyano
Manaaki Foundation	Bill Gee
Marin Sunshine Realty	Brenda Balanda
McColl Studio Inc	William McColl
Motivity Partnerships	Miriam Senft
Namu Baru Inc	Chris Overholt
Octave Energy Inc.	Doug Macbeth
Ossa Gaia	Kristen Osborne Carroll
Owens Business & Cnsltg. Llc	William Owens
Peaceful Pets Aquamation, Inc.	Jerry Shevick
PeakChange	Jim Davidson
Personal Beast Inc.	Cynthia Wyatt
Poster It	Nancy York
Psychotherapy Partners, LLC	Elizabeth Vitale

PureCurrent Therapeutics	Alexa Williamson
Quality Choices, Inc.	Cynthia Becker
Redmond Construction	Dan Redmond
Responsible Planning & Investing	Stephen Siegel
REV	Elliot Hoffman
RIC	Julie Van Ness
RocknSocks	Misty Reilly
Silk Oak	Jan Rhodes Norman
Solmate Socks	Lisa Flood
The Garden Artist	Karen Frickenhaus
The Sentient Bean	Kristin Russell
Thrive Impact Sourcing	Leslie Peterson
Transpower	Paul Scott
Triple Ethos	Richard Lawton
Turtle Tree Seed	Lia Babitch
West TN Chapter PNHP	Roger LaBonte
Wiltse Kitchen	Susan Wiltse