

Congresswoman Louise Slaughter (NY-28) said that a key provision of a jobs bill released by House and Senate leaders will directly benefit Hickey Freeman - allowing the company to be competitive against foreign wool manufacturers.

Slaughter received confirmation that her provision which would increase funding to the Wool Trust Fund, will be included as part of The American Jobs and Closing Tax Loopholes Act of 2010. The bill is being considered early next week in the House.

"Hickey Freeman is a world-renowned brand and I am delighted to see that with this important provision, they will be able to fairly compete on the world's stage," said Slaughter. "Unfair trade practices have hurt too many industries in Western New York. By ensuring that the Wool Trust Fund is properly funded, Hickey Freeman will be provided the opportunity they need."

The provision would ensure that thousands of textile and apparel workers can compete on a level playing field directly benefiting 486 employees at Hickey Freeman's Rochester plant.

"We greatly appreciate Congresswoman Slaughter's leadership in making certain that our company, and others in our industry, can operate on a more level playing field against foreign manufacturers," said Doug Williams, CEO of HMX Group, Hickey Freeman's parent company. "This legislation will help save hundreds of jobs in Rochester, New York at our Hickey Freeman facility."

"Congresswoman Slaughter is once again coming through to protect the jobs of the working men and women at Hickey Freeman. We thank her for ensuring that the wool tariff relief program is sufficiently funded so that U.S. manufacturers like Hickey Freeman can compete on an even playing field and grow jobs in Rochester" said Gary Bonadonna Jr. of Workers United which represents about 350 union employees at the Hickey Freeman plant in Rochester.

As Chairwoman of the House Rules Committee, Slaughter will bring The American Jobs and Closing Tax Loopholes Act of 2010 to the House floor.

Slaughter has worked tirelessly to keep the Hickey Freeman's operations in Rochester. Over the past several years she has successfully enacted tariff relief for the high-quality fabrics required by Hickey Freeman. This work has been instrumental in ensuring that Hickey Freeman has adequate supplies and maintains competitive prices, and remains one of the profitable components of Hartmarx.

She was also instrumental working with Hickey Freeman's former parent company Hartmax, their creditors and the Chairman of the House Financial Services Committee Barney Frank to avoid liquidation of the company. Nearly a year ago, HMX Group purchased Hickey Freeman allowing operations to remain in Rochester.

Background on the Wool Trust Fund

In 2000, Congress enacted a grant and tariff relief program for the U.S. wool industry. The legislation created a "wool trust fund," which provides payments to U.S. suit makers to compensate for the competitive damage to the U.S. suit industry caused by an inverted tariff. (Inverted tariffs occur when the duty on a finished product (e.g., a suit) is lower than the duty on the inputs (e.g., fabric) used to make the finished product.) The wool trust fund also makes payments to U.S. wool fabric and yarn producers, as well as sheep growers, to encourage more U.S. production of wool fabrics.

The trust fund is funded through the revenue collected from tariffs on wool textile imports, primarily yarns and fabrics. The wool trust fund and tariff relief package was reauthorized in 2008. In 2008 and 2009, the revenue generated through wool fabric/yarn tariffs shrank considerably, resulting in much lower payments to U.S. wool suit producers and other recipients under the program. To address the immediate shortfall, the provision in the bill would use revenue generated from tariffs on other apparel products to fund the wool trust fund at the level authorized in 2004.