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MARK BEGICH
ALASKA

United States Senate
WASHINGTON, DC 20510

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
CHAIRMAN, SUBCOMMITTEE ON OCEANS, ATMOSPHERE, FISHERIES AND COAST GUARD
COMMITTEE ON VETERANS' AFFAIRS

October 3, 2012

Mr. David Cote
Chairman and Chief Executive Officer
Honeywell
101 Columbia Road
Morristown, NJ 07962

Dear Mr. Cote:

I write to register concern about Honeywell's decision to outsource the manufacture of XTRATUF boots to China. This has caused job losses in Illinois and resulted in a significant decline in the quality of the boots relied upon by so many Alaskans.

The XTRATUF boot initially became popular in Alaska for the superior grip, protection and durability it provided commercial fishermen. Use of the XTRATUF has since expanded beyond fishermen, and the boots have become a beloved Alaskan cultural icon. The "Southeast Sneakers" have been widely used in everyday life, and have even been spotted as formal footwear on fashion-forward Alaskan brides. At least a third of the 100,000 pairs of boots produced every year end up in Alaska.

Because of the place XTRATUFs hold in Alaskans' hearts, I am concerned to hear about a widespread and noticeable decline in their quality. People replacing boots that used to last for years found the new pairs leaked and the soles separated from the uppers after just a few weeks wear. These were not the durable boots Alaskans were used to, earning the new name: "SORT-OF-TUFs."

This precipitous decline in quality was apparently linked with moving manufacture of the boots from Rock Island to China. Almost 300 good manufacturing jobs left Rock Island, and the Chinese have simply not been producing the same quality U.S. workers delivered.

I understand Honeywell is in the business of returning a profit to its shareholders, and there is intense pressure to reduce manufacturing costs. I'm sure Honeywell would be happy to move the manufacturing back to Rock Island to get the high quality American workers can deliver, if it made financial sense to do so. My concern, however, is the decision to relocate manufacturing was not made solely on the basis of basic business sense, but may have been influenced by incentives in our convoluted tax code that encourage moving jobs offshore and out-sourcing businesses.

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In the Senate I have supported legislation to encourage American companies to bring jobs back home. By reforming our tax code, we can keep cities like Rock Island vibrant and sustain high-quality American-made boots that keep the feet of Alaskan fishermen (and brides) dry.

I would appreciate your insight into how we can fix the U.S. tax code to prevent competitive pressures from forcing Honeywell and other manufacturers to outsource jobs. I hope that we can work together to find common-sense solutions that work for both manufacturers and American workers.

Sincerely,

Mark Begich
United States Senator

P.S.: It would be great if you could start making those XTRATUF beer koozies again too.