



October 22, 2021

Katherine Tai
United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Ambassador Tai,

On behalf of the Pharmaceutical Industry Labor-Management Association (PILMA), which advances the dual goals of fostering innovation of life-saving cures and securing high-quality union construction jobs, I write to reiterate concerns we raised in March regarding ongoing discussions of a waiver of longstanding IP protections at the World Trade Organization. Since that time, workers around the country have stepped up to build vaccine and therapy manufacturing and distribution facilities for the world to fight the COVID-19 pandemic – all while developing treatments and cures for scores of other deadly diseases. There remains no evidence that IP has hindered vaccine distribution – rather, the past seven months have demonstrated that the proposed waiver of IP rights would do nothing but undermine American jobs and reliable, safe manufacturing when they are most needed.

As our Chairman, SMART Union General President Joseph Sellers wrote in his letter:

“Thanks to strong intellectual property incentives, American companies have invested billions in research and development, including the construction of high-quality research and manufacturing facilities that can be built only by the most highly-skilled workers. When the pandemic hit our country, the United States drew upon this extraordinary research capacity to find solutions at an incredible speed. Our members are proud to have played our part in constructing the advanced facilities that will help end this health crisis.” *

PILMA-affiliated skilled union workers and their families depend on the jobs that are provided by America’s biopharmaceutical companies. Eroding IP protections here in the U.S. and around the world would directly result in a loss of jobs for our union members. According to a recent PILMA study, from 2015-2020, the biopharmaceutical industry invested nearly \$29 billion in capital development and construction across 14 states, resulting in \$774 million in union wages during that time frame. This is important work for our members.

Allowing governments to appropriate decades of research and development investment will only deter future innovation and fundamentally alter biopharmaceutical companies’ ability to discover future cures for deadly disease here in America. The U.S.’ strong intellectual property incentives have resulted in American companies’ investment of billions of dollars in research and development, including the construction of high-quality research and manufacturing facilities that are built by the most highly-skilled union workers. The WTO TRIPS waiver would likely permanently ship these jobs overseas to countries that do not have the quality that we enjoy in the U.S. There is widespread evidence that lax oversight results in counterfeit production and cross contamination of medicines, further threatening global health. We have welcomed USTR’s interest in developing a “worker-centered” trade policy;

however, agreeing to weaken protections for US intellectual property in such circumstances could create a situation where USTR policy is benefiting foreign manufacturers over American workers and the health of American patients.

As you consider these concerns, it is equally important that USTR fulfill its obligations under U.S. law and its Consultation and Engagement Guidelines to meaningfully consult with Congress and stakeholders on any proposal the U.S. is considering supporting. During your confirmation hearing, you committed to robust consultations with Congress on the TRIPS waiver. It is vital that all affected stakeholders are given an opportunity to review and provide input on specific proposals the US is considering supporting that affect the operation of trade agreements. With less than six weeks before the WTO Ministerial, it is unclear how USTR intends to fulfill these commitments.

We stand ready to review any specific proposal that the United States may consider supporting and welcome the opportunity to discuss these matters further with you at your convenience.

Yours sincerely,



Timothy Dickson
Executive Director
Pharmaceutical Industry Labor-Management Association

cc: Hon. Ron Wyden, Chairman, Senate Committee on Finance
Hon. Mike Crapo, Ranking Member, Senate Committee on Finance
Hon. Richard Neal, Chairman, House Committee on Ways and Means
Hon. Kevin Brady, Ranking Member, House Committee on Ways and Means
Hon. Ron Klain, White House Chief of Staff

**Sellers letter to Maria L. Pagan, Acting United States Trade Representative
March 1, 2021*