

February 25, 2020

Dr. Peter K. Navarro
Special Assistant to the President/Director of Trade and Industry
Office of Trade and Manufacturing Policy
Executive Office of the President
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Dr. Navarro:

Members of the Coalition for Government Procurement (Coalition) share the concerns raised in the announcement of the President's issuance of Executive Order 13904, *Ensuring Safe and Lawful E-Commerce for United States Consumers, Businesses, Government Supply Chains, and Intellectual Property Rights Holders*. Unfortunately, other, contradicting government messages on the subject have left them confused. For this reason, I am writing to seek a clarification of the Government's position.

By way of background, the Coalition is a non-profit association of firms selling commercial services and products to the Federal Government. Its members include small, medium, and large business concerns. Collectively, their government business accounts for \$115 billion in sales annually through General Services Administration (GSA) contracts, including the Multiple Award Schedule (MAS) program, and other government contracts. Generally, these firms employ 5.6 million people in both commercial and government business activity.

The Coalition's recent FAR & Beyond blog ([link attached](#)), addresses your concerns as they apply to GSA's implementation of e-commerce platforms for agency commercial item purchases. This program avoids compliance with the Trade Agreements Act (TAA), the Buy American Act (BAA), and various socioeconomic laws. Because platform providers have minimal, if any, obligation to screen products for authenticity, they are placed at a competitive advantage over companies that undertake the significant expense to comply with Federal procurement laws. Moreover, the impact of GSA's program is significant. Although GSA estimates that it affects \$6 billion in product sales annually to Federal agencies, the reality is that the program's non-compliant platforms have the potential to impact upwards of \$60 billion in government commercial product purchases annually.

Based on the foregoing, I think you can understand our members' confusion. Through GSA's program, the Government effectively is endorsing "e-commerce platforms as a class playing by a different set of rules," the very problem the Executive Order seeks to address. At the same time, it squanders a perfect opportunity to implement the Government's goals by mandating, through contract, platform provider responsibility for product authenticity and legal compliance.

A clear, consistent articulation of government policy here would be of great value to our members, as it would help them in their efforts to address the needs of the Government market. So too, it would rationalize the Government's approach to e-commerce and risk mitigation. Any guidance you could provide here would be very much appreciated.

In closing, the Coalition has addressed many market issues attendant to GSA's program, and, for your convenience, attached are links to these comments and relevant documents. We would be happy to discuss this matter further, if you so desire. Please feel free to contact me at rwaldron@thecgp.org or call me at 202.331.0975. In the meantime, thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Roger Waldron', is written over a light gray rectangular background.

Roger Waldron
President
The Coalition for Government Procurement