



**Steve Lamar**

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Threading the Needle:  
“Policy Pressure, Sourcing Shifts,  
and What Comes Next”



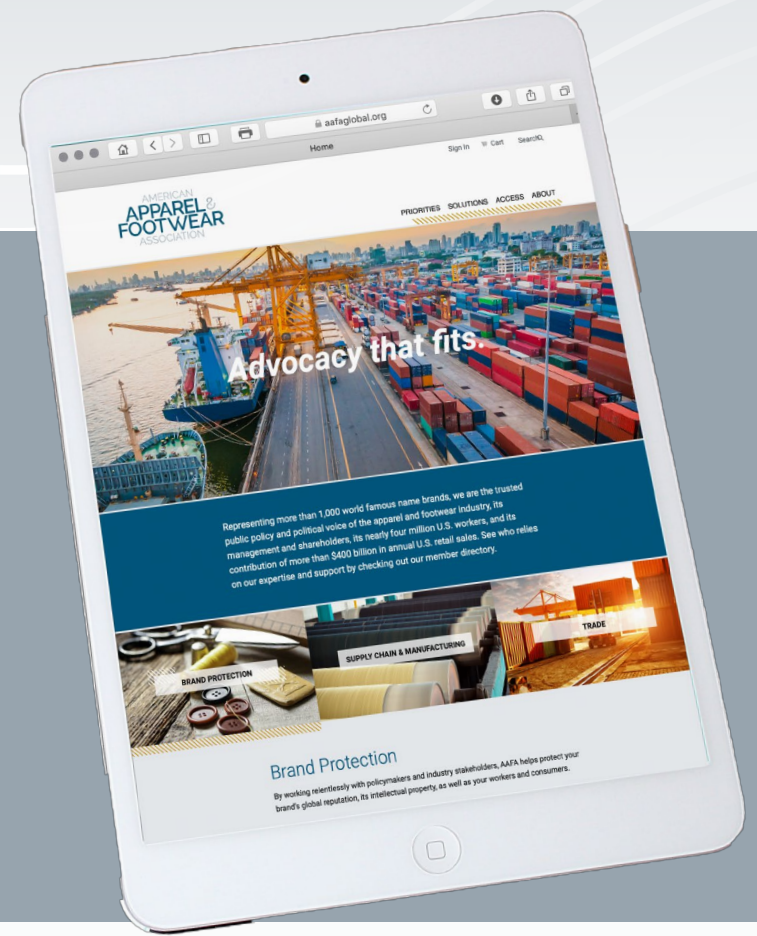
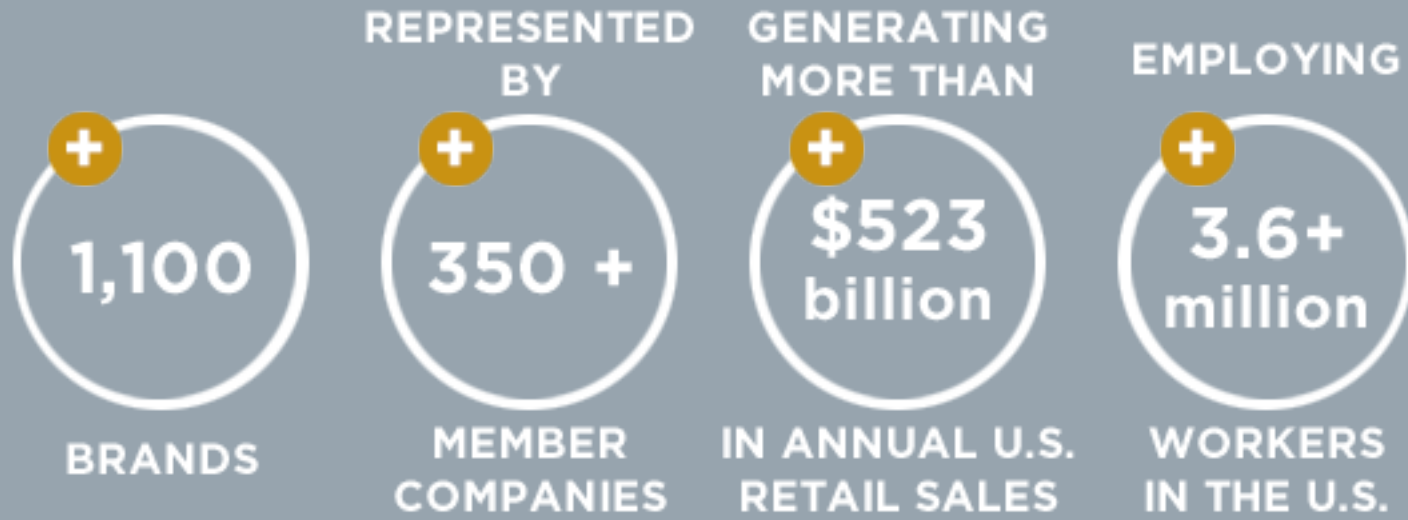


# Threading The Needle: Policy Pressures, Sourcing Shifts, and What Comes Next

*SEAMS Spring Networking Conference  
April 30, 2026*

*Stephen Lamar  
President and CEO  
American Apparel & Footwear Association (AAFA)*

# AAFA BY THE NUMBERS



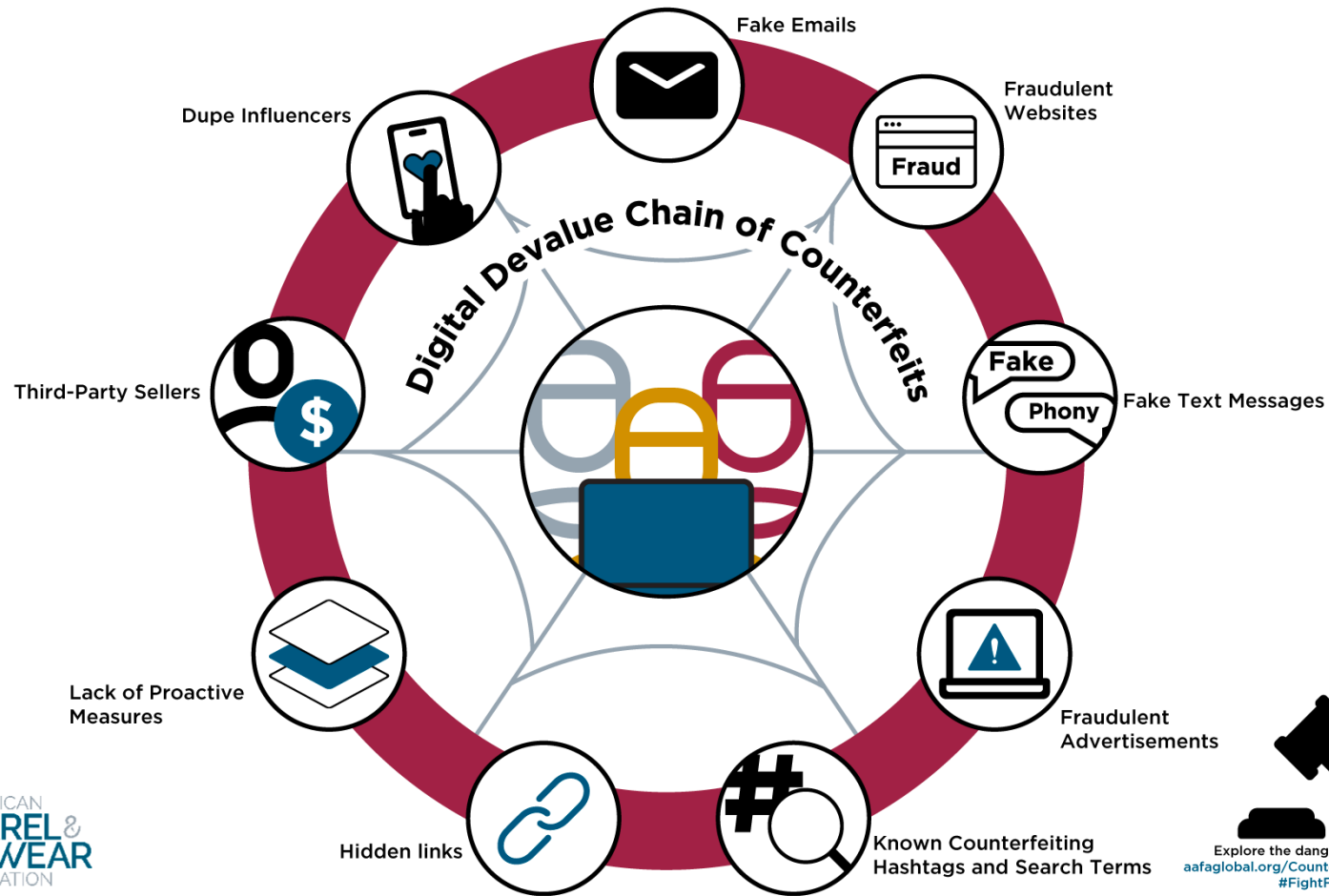
The **American Apparel & Footwear Association (AAFA)** is the national trade association representing apparel, footwear and other sewn products companies, and their suppliers, which compete in the global market. AAFA drives progress on three key priorities: Brand Protection; Supply Chain & Sourcing; and Trade, Logistics, & Manufacturing. AAFA approaches this work through the lens of purpose-driven leadership in a manner that supports each member’s ability to build and sustain inclusive and diverse cultures, meet and advance ESG goals, and draw upon the latest technology.



## Brand Protection

AAFA advocates for the protection of intellectual property rights (IPR), builds awareness of the dangers of counterfeits to businesses, consumers, workers, and the environment, and educates the industry on how to overcome shared challenges that cause lost sales and irreparable damage to brand reputation.

# Digital Devalue Chain of Counterfeits



Explore the dangers & solutions  
[aafaglobal.org/CounterfeitDevalueChain](https://aafaglobal.org/CounterfeitDevalueChain)  
#FightFakes

# 41% of counterfeit products tested failed to comply with product safety standards





## Supply Chain & Sourcing

AAFA galvanizes the industry to build upon strong supply chain and sourcing commitments – including the highest ethical and responsible standards – so that members, consumers, workers, and the environment will thrive.

# If Our Wardrobe Could Speak.....



How did you dispose of my **dyestuffs**?

Was I made in a **safe factory**?

Any intentionally added **PFAS** in me?

Will I shed **plastic microfibers**?

Does the leather come from cows grazing in **former rain forests**?

Where were my **fabric scraps burned**?

Did you look for and stop **forced labor**?

Did this wool come from sheep that was **mulesed**?

Do I have a nexus to **Xinjiang**?

Any **recruitment fees** paid?

Have the factories workers been **fully paid**?

What is my **carbon Footprint**?

Am I **recyclable**?

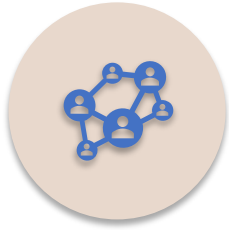
Am I made from **recycled materials**?



# Key Regulatory Interest Areas



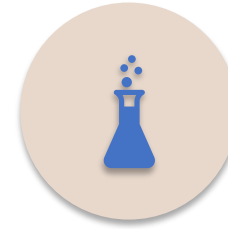
TRANSPARENCY & DUE  
DILIGENCE



TRACEABILITY



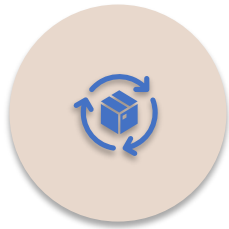
PRODUCT SAFETY



CHEMICAL  
MANAGEMENT



SUSTAINABILITY  
CLAIMS



EXTENDED PRODUCER  
RESPONSIBILITY



CLIMATE CHANGE &  
GHG EMISSIONS



WORKER  
RIGHTS

# CA SB 707 -Responsible Textile Recovery Act of 2024

- Requires sellers of “textile articles” in CA to establish and fund a **Producer Responsibility Organization (PRO)**.
- The PRO is responsible for:
  - Setting up collection sites for unwanted textiles throughout the state
  - Educating brands and consumers about program
  - Directing collected items to appropriate channels (resale, recycling, disposal, etc.)
  - Setting and collecting producer fees, eco-modulation/malus policies
  - Reporting on program operations to CalRecycle
- **Next Date: July 1, 2026 – Deadline for Producers to Join PRO.**





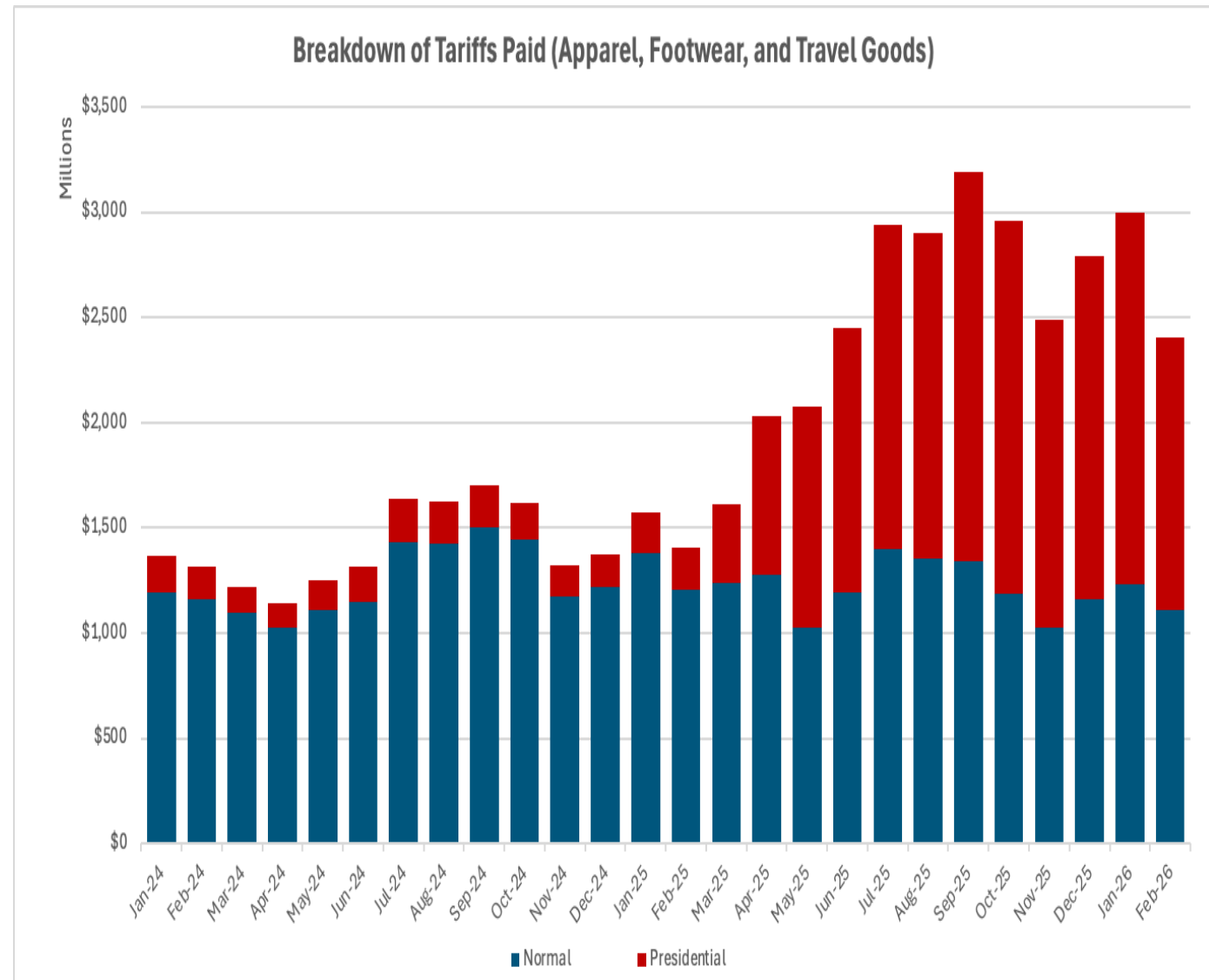
## **TRADE, LOGISTICS, & MANUFACTURING**

# Trade, Logistics, & Manufacturing

AAFA advocates for clearly defined and transparent trade, logistics, customs, and manufacturing policies that benefit our industry while raising awareness of the industry's impactful contributions to the American and global economy.

# Tariffs and Trade

- USMCA
  - 7-Year Review: July 1, 2026
- MFN – Most Favored Nation
  - AGOA/Haiti Expire 12/31/2026
- IEEPA – Disallowed by SCOTUS
  - Refunds
- Section 122 – Balance of payments.
  - Currently at 10 percent
  - Expires around July 23
- Section 232 – National Security.
  - Industry focused
  - Derivative products
- Section 301 – Unfair trade practices.
  - Structural Excess Capacity (SExC)
  - Forced Labor



Source: The Trade Partnership



# IEEPA, Section 122, De Minimis, and Section 301 Lawsuits

**IEEPA Refunds:** (CIT): *Euro-Notions Florida, Inc. v. United States*.

- Proxy case for IEEPA refunds.

**Section 122:** (CIT): *Burlap and Barrel, Inc. v. Trump*; *State of Oregon v. Trump*

- Small business and state AGs on applicability of Section 122.

**De Minimis:** (CIT): *Axle of Dearborn, Inc. v. Department of Commerce*

- How will IEEPA SCOTUS decision affect *de minimis*?

**Section 301:** (SCOTUS): *HMTX Industries v. United States*.

- How will *Learning Resources v Trump* affect Trump/Biden Section 301 tariffs?
- Does not apply (yet) to new Section 301 investigations.

# Consolidated Administration and Processing of Entries (CAPE) Court Ordered IEEPA Refund Process



**+330,000**  
importers  
of record



**+55**  
million  
entries



**\$166 billion**  
in IEEPA tariffs



**\$23**  
million  
in interest  
accrues daily

## What's Covered:

- IEEPA Tariffs (except *de minimis*)
- Refunds in Phases
  - Phase 1 - about 63% of entries

## What's **NOT** Covered:

- MFN Tariffs
- Other Penalty Tariffs



IEEPA Duty  
Refunds website

# Consolidated Administration and Processing of Entries (CAPE) Court Ordered IEEPA Refund Process (cont'd)

- Be an Importer of Record**
- Set up an ACE Account**
- Set up ACH on that Account**
- Ask for your refunds via CAPE**
- Correct any submissions**
- Monitor your submissions**



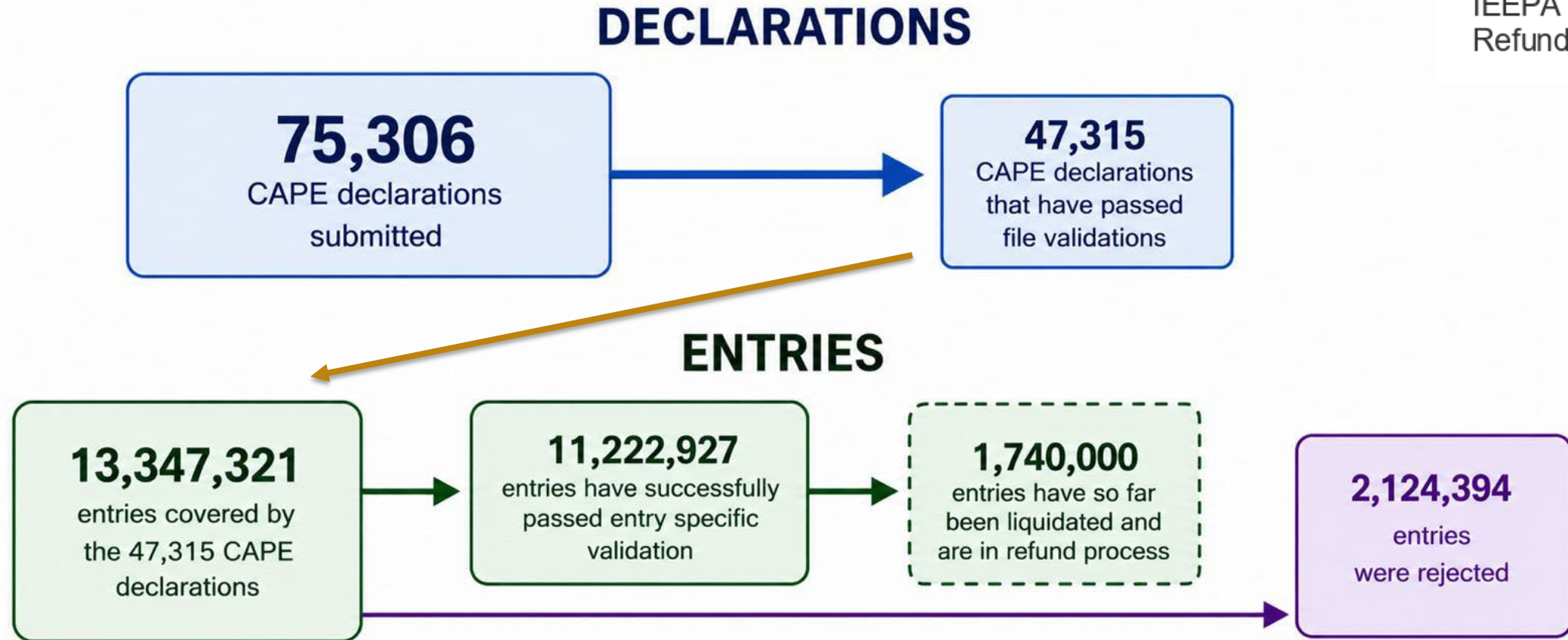
IEEPA Duty  
Refunds website

# CAPE Refund Process

(as of April 26, 2026 at 8pm)



IEEPA Duty  
Refunds website



Source: CBP



# U.S. Imports in January-February 2026 (Quantity)

- Year-over-year comparison with 2025:
  - Apparel: **-15.3%**
  - Footwear: **-14.0%**
  - Travel Goods: **-19.1%**
- China accounted for:
  - 22.0% of all U.S. apparel imports (down from 41.5% in 2016)
  - 44.9% of all U.S. footwear imports (down from 72.6% in 2016)
  - 33.0% of all U.S. travel goods imports (down from 84.7% in 2016) *Vietnam now #1 at 33.6%*
- Top 2/5/10 countries accounted for:
  - Apparel: 43.1% / 67.3% / 82.9%
  - Footwear: 73.8% / 94.1% / 98.0%
  - Travel Goods: 66.6% / 88.5% / 94.5%

U.S. Imports by Volume, U.S. International Trade Commission's Trade Dataweb, [dataweb.usitc.gov](https://dataweb.usitc.gov)



# U.S. Apparel Imports by Quantity (units)

| Rank | Country           | Jan-Feb 2025  | Jan-Feb 2026  | % Change | % of Total 2026 |
|------|-------------------|---------------|---------------|----------|-----------------|
|      | <b>World</b>      | 4,419,019,690 | 3,741,849,349 | -15.32%  | 100.00%         |
|      | <b>CAFTA-DR</b>   | 298,149,176   | 286,349,364   | -3.96%   | 7.65%           |
|      | <b>USMCA</b>      | 94,036,229    | 95,423,817    | 1.48%    | 2.55%           |
|      | <b>AGOA</b>       | 81,064,113    | 86,255,208    | 6.40%    | 2.31%           |
| 1    | <b>China</b>      | 1,524,927,467 | 823,262,014   | -46.01%  | 22.00%          |
| 2    | <b>Vietnam</b>    | 753,734,651   | 790,234,823   | 4.84%    | 21.12%          |
| 3    | <b>Bangladesh</b> | 487,807,924   | 457,454,472   | -6.22%   | 12.23%          |
| 4    | <b>Cambodia</b>   | 197,873,956   | 234,647,123   | 18.58%   | 6.27%           |
| 5    | <b>Indonesia</b>  | 190,176,613   | 211,165,509   | 11.04%   | 5.64%           |
| 6    | <b>India</b>      | 263,889,260   | 211,148,731   | -19.99%  | 5.64%           |
| 7    | <b>Pakistan</b>   | 126,684,486   | 127,174,418   | 0.39%    | 3.40%           |
| 8    | <b>Mexico</b>     | 88,645,696    | 87,788,941    | -0.97%   | 2.35%           |
| 9    | <b>Sri Lanka</b>  | 77,364,581    | 84,238,649    | 8.89%    | 2.25%           |
| 10   | <b>Nicaragua</b>  | 85,132,751    | 75,723,122    | -11.05%  | 2.02%           |

U.S. Imports by Volume, U.S. International Trade Commission's Trade Dataweb, [dataweb.usitc.gov](https://dataweb.usitc.gov)



# U.S. Footwear Imports by Quantity (pairs)

| Rank | Country           | Jan-Feb 2025 | Jan-Feb 2026 | % Change | % of Total 2026 |
|------|-------------------|--------------|--------------|----------|-----------------|
|      | <b>World</b>      | 430,039,370  | 369,940,541  | -13.98%  | 100.00%         |
| 1    | <b>China</b>      | 269,580,962  | 166,167,143  | -38.36%  | 44.92%          |
| 2    | <b>Vietnam</b>    | 89,079,402   | 106,926,143  | 20.03%   | 28.90%          |
| 3    | <b>Indonesia</b>  | 28,909,115   | 37,966,743   | 31.33%   | 10.26%          |
| 4    | <b>Cambodia</b>   | 16,274,486   | 31,514,809   | 93.65%   | 8.52%           |
| 5    | <b>India</b>      | 5,345,116    | 5,488,170    | 2.68%    | 1.48%           |
| 6    | <b>Bangladesh</b> | 2,224,975    | 4,331,075    | 94.66%   | 1.17%           |
| 7    | <b>Mexico</b>     | 3,146,979    | 2,851,939    | -9.38%   | 0.77%           |
| 8    | <b>Italy</b>      | 2,820,147    | 2,676,057    | -5.11%   | 0.72%           |
| 9    | <b>Germany</b>    | 2,746,260    | 2,666,393    | -2.91%   | 0.72%           |
| 10   | <b>Brazil</b>     | 2,050,899    | 2,052,262    | 0.07%    | 0.55%           |

U.S. Imports by Volume, U.S. International Trade Commission's Trade Dataweb, [dataweb.usitc.gov](https://dataweb.usitc.gov)

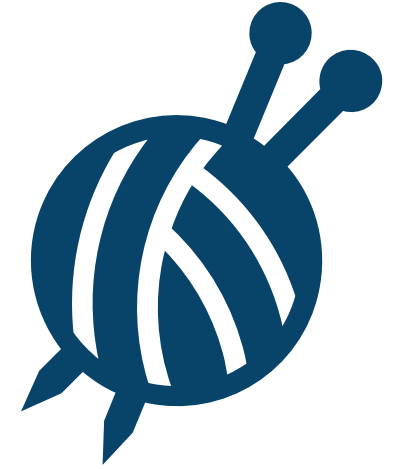


# U.S. Travel Goods Imports by Quantity (# of pieces)

| Rank | Country            | Jan-Feb 2025 | Jan-Feb 2026 | % Change | % of Total 2026 |
|------|--------------------|--------------|--------------|----------|-----------------|
|      | <b>World</b>       | 435,504,220  | 352,479,824  | -19.06%  | 100.00%         |
| 1    | <b>Vietnam</b>     | 136,762,937  | 118,481,120  | -13.37%  | 33.61%          |
| 2    | <b>China</b>       | 185,541,352  | 116,366,235  | -37.28%  | 33.01%          |
| 3    | <b>Cambodia</b>    | 51,233,539   | 49,733,063   | -2.93%   | 14.11%          |
| 4    | <b>India</b>       | 16,856,866   | 15,838,736   | -6.04%   | 4.49%           |
| 5    | <b>Indonesia</b>   | 9,002,974    | 11,512,541   | 27.87%   | 3.27%           |
| 6    | <b>Mexico</b>      | 5,129,945    | 5,277,865    | 2.88%    | 1.50%           |
| 7    | <b>Bangladesh</b>  | 2,681,907    | 4,242,274    | 58.18%   | 1.20%           |
| 8    | <b>Pakistan</b>    | 3,832,113    | 4,152,739    | 8.37%    | 1.18%           |
| 9    | <b>Philippines</b> | 3,781,571    | 4,129,303    | 9.20%    | 1.17%           |
| 10   | <b>Myanmar</b>     | 4,906,317    | 3,425,701    | -30.18%  | 0.97%           |

U.S. Imports by Volume, U.S. International Trade Commission's Trade Dataweb, dataweb.usitc.gov

# Input Prices: Fabrics, Packaging



- Pre-war to late March/early April:
  - India Polyester Melt: ₹84 → ₹118/kg **+40.5%** Polyester Textile Apparel Industry Association
  - India Polysol: ₹46 → ₹115 **+150%** Vapi Industrial Association
  - India Dye Chemicals: ₹150 → ₹250/litre **+66.7%** Vapi Industrial Association
  - MEG: \$600 → \$800/ton **+33.3%** ICIS
  - China Polyethylene: CNY 6,200 → 9,000/tonne **+45%** Trading Economics
  - U.S. Polyethylene: \$0.15 → \$0.30/lb **+100%** UA News
  - U.S. Cotton: \$0.65 → \$0.77/lb **+18%** Trading Economics



# Questions?

Stephen Lamar

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