



October 12, 2018

The Honorable Jeffrey D. Gerrish
Deputy United States Trade Representative for Asia, Europe, the Middle East, and
Industrial Competitiveness

The Honorable C.J. Mahoney
Deputy United States Trade Representative for Investment, Services, Labor, Environment,
Africa, China, and the Western Hemisphere

Office of the United States Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Re: Trade Negotiations with Japan

Dear Ambassadors Gerrish and Mahoney,

BSA | The Software Alliance (BSA) welcomes the recent announcement by the Office of the United States Trade Representative (USTR) regarding trade negotiations with Japan. BSA urges USTR to include digital trade priorities among the early achievements that it is seeking in these negotiations.

BSA is the leading trade association representing the global software industry before governments and in the international marketplace. Our members – among the world’s most innovative companies – account for significant US growth and employment.¹ Software is estimated to add more than \$1 trillion to the US economy per year and to support over 10 million jobs nationwide with significant numbers in all 50 states.²

The United States and Japan stand to benefit significantly by achieving an early agreement on core digital trade disciplines modeled on those outlined in the Trade Priorities and Accountability Act, 19 U.S.C. 4201(b)(6). Among other things, an early agreement should ensure the ability of US and Japanese companies to transfer data across borders, should limit data localization requirements, and should preclude forced transfer or, or access to, software source code or algorithms, as outlined in BSA’s Digital Trade Agenda.³

¹ BSA’s members include: Adobe, Akamai, ANSYS, Apple, Autodesk, Bentley Systems, Box, CA Technologies, Cadence, CNC/Mastercam, DataStax, DocuSign, IBM, Informatica, MathWorks, Microsoft, Okta, Oracle, PTC, Salesforce, SAS Institute, Siemens PLM Software, Slack, Splunk, Symantec, Trend Micro, Trimble Solutions Corporation, and Workday.

² Software.org, The Growing \$1 Trillion Economic Impact of Software (Sept. 2017), available at: https://software.org/wp-content/uploads/2017_Software_Economic_Impact_Report.pdf.

³ <http://www.bsa.org/~media/Files/Policy/Trade/2017BSATradeAgendaGlobal.pdf>

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The benefits of such provisions will inure to US and Japanese citizens, as well as service providers and manufacturers in every sector of the economy that rely on data analytics, artificial intelligence and cloud computing services to grow their businesses. Modern digital trade provisions will also serve as an example for other countries actively considering developing their own digital trade rules and for other trade negotiations around the world.

We look forward to working with you on these important issues.

Sincerely,

A handwritten signature in blue ink, appearing to read 'A. Cooper', with a long horizontal flourish extending to the right.

Aaron Cooper
Vice President, Global Policy