



Jay Timmons  
Executive Vice President

December 10, 2009

U.S. House of Representatives  
Washington, DC 20515

Dear Representative:

The National Association of Manufacturers (NAM), the nation's largest industrial trade association representing small and large manufacturers in every industrial sector and in all 50 states, urges you to support the end-users amendment offered by Congressmen Murphy, McMahon and Kratovil to H.R. 4173, the Wall Street Reform and Consumer Protection Act of 2009.

While the NAM supports initiatives to prevent excessive speculation and improve transparency and stability in the derivatives market, it is critical that policymakers preserve the ability of responsible companies to access over-the-counter (OTC) derivative products.

Manufacturers of all sizes use customized OTC derivatives to manage the cost of borrowing or other risks of operating their businesses, including fluctuating currency exchange, interest rates and commodity prices. In today's challenging economy, these risk management tools help businesses keep operations going, invest in new technologies, build new plants and retain and expand workforces.

Unless amended, H.R. 4173 could unnecessarily subject some end-users to burdensome margin and collateral requirements aimed primarily at those whose activities present risk to the financial system. The Murphy-McMahon-Kratovil Amendment makes clear that end-users do not pose systemic risk, should not be designated as "Major Swap Participants" under the legislation and, therefore, should not be subject to these additional costly requirements.

NAM members believe strongly that any derivatives "reform" effort should ensure companies' continued access to OTC derivatives, providing them with greater financial certainty and allowing them to allocate resources to core business activities.

The NAM's Key Vote Advisory Committee has indicated that votes on the Murphy-McMahon-Kratovil Amendment, including potential procedural motions, may be considered for designation as Key Manufacturing Votes in the 111<sup>th</sup> Congress. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Timmons".

Jay Timmons

***Manufacturing Makes America Strong***