

Deere Emphasizes Support for Trade Promotion Authority

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Deere & Company today reiterated its support for Trade Promotion Authority legislation passed today by the U.S. Senate after earlier approval by the U.S. House of Representatives. It now moves to U.S. President Barack Obama, who is expected to sign the bill into law.

"We are pleased this important trade bill has moved another step toward enactment," said Samuel R. Allen, Deere & Company chairman and chief executive officer. "Trade Promotion Authority (TPA) strengthens the ability of the U.S. to advance a robust trade agenda that will expand jobs and opportunities for American businesses, farmers, and workers. This benefits our customers, our employees, and Deere's business opportunities."

TPA enables a U.S. President to submit proposed trade agreement legislation to Congress for a yes or no vote, providing assurance to proposed trading partners that the agreement will not be modified after negotiations have been completed.

Estimates state that more than one in five American jobs is supported by international trade. U.S. job growth from 2004 to 2013 was three times higher for trade-related jobs compared with average job growth. In 2013, countries that have free-trade agreements with the U.S. purchased 12 times more goods per capita from the United States than those that don't have such agreements.

"Enhanced global trading relationships benefit our John Deere customers and our business around the world," said Allen. "As living standards and urbanization continue to increase globally, more agricultural productivity is needed and additional construction of infrastructure is required. Pro-trade policies that open economies and foster growth improve the likelihood these challenges can be met."

Passage of TPA paves the way for current trade negotiations such as the Trans-Pacific Partnership and Transatlantic Trade and Investment Partnership. These potential agreements would be beneficial to John Deere customers by offering the opportunity to add billions of dollars in future U.S. farm exports. Last year, the U.S. exported over \$150 billion in agricultural exports and the U.S. Department of Agriculture reports that one in every three acres on U.S. farms is planted for export markets.

Allen said the global marketplace is also important to Deere's U.S. employees who depend on the combined strength of U.S. sales as well as exports to drive production at Deere manufacturing facilities.

In 2014, about 38 percent of Deere's revenues came from sales outside the U.S. and Canada. At Deere's larger factories in Iowa and Illinois, exports of agricultural and construction equipment account for between one-third and one-fourth of all units manufactured.

Source: John Deere GmbH & Co. KG; ASM Public Relations Ltd