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March 9, 2011

The Honorable Kevin Brady
U.S. House of Representatives
301 Cannon House Office Building
Washington, DC 20515

The Honorable John Larson
U.S. House of Representatives
1501 Longworth House Office Building
Washington, DC 20515

The Honorable Erik Paulsen
U.S. House of Representatives
127 Cannon House Office Building
Washington, DC 20515

The Honorable Anna Eshoo
U.S. House of Representatives
205 Cannon House Office Building
Washington, DC 20515

The Honorable Michael McCaul
U.S. House of Representatives
131 Cannon House Office Building
Washington, DC 20515

The Honorable Doris Matsui
U.S. House of Representatives
222 Cannon House Office Building
Washington, DC 20515

Dear Representatives Brady, Larson, Paulsen, Eshoo, McCaul and Matsui;

On behalf of the Telecommunications Industry Association (TIA), I am writing to applaud your leadership in introducing H.R. 942, the "American Research and Competitiveness Act of 2011".

TIA is a leading trade association for the information and communications technology industry, with over 500 member companies that manufacture or supply the products and services used in global communications. Research is the backbone of the communications industry, a building block for the development of advanced communications products and services, thus, the enactment of a permanent and expanded R&D credit is essential to the future competitiveness of our industry.

As you know, the development of leading-edge communications applications is complex, requiring time, capital resources and a long-term vision -- which is why a permanent credit, is so critical for companies' ability to plan. As our nation struggles to recover from the recent recession, further delay in making this credit permanent will add additional uncertainty and will continue to mitigate the incentive value of the credit, especially as compared to the generous credits that can be received for doing research abroad. Despite the temporary extension of the R&D credit at the end of last year, companies today must make critical R&D investment decisions under a cloud of uncertainty that affects current projects and future plans. Strengthening and expanding the R&D credit now will help to lower the cost of those very investments that will continue to foster growth in the overall economy.

Again, on behalf of our companies, TIA appreciates your strong bipartisan commitment to and leadership on this legislation and we look forward to working with you to enact this legislation this year.

Sincerely,

A handwritten signature in black ink that reads "Grant E. Seiffert". The signature is written in a cursive, flowing style.

Grant Seiffert
President