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**Oral Testimony of Ed Brzytwa  
Vice President, International Trade**

**Re: Initiation of Section 301 Investigation: Brazil's Acts, Policies, and Practices Related to Digital Trade and Electronic Payment Services; Unfair, Preferential Tariffs; Anti-Corruption Enforcement; Intellectual Property Protection; Ethanol Market Access; and Illegal Deforestation; Hearing; and Request for Public Comments (Docket No. USTR-2025-0043)**

Thank you for the opportunity to testify today. I am Ed Brzytwa, Vice President of International Trade at the Consumer Technology Association (CTA)®. The Consumer Technology Association represents the \$537 billion U.S. consumer technology industry, which supports more than 18 million U.S. jobs. CTA's membership is over 1200 American companies – 80% of which are small businesses and startups. We also own and produce CES®, the world's most powerful technology event.

CTA's leaders and members appreciate USTR's leadership in launching this investigation. The United States is locked in a global technology competition with China. The U.S. innovation ecosystem is the envy of the world but winning that competition requires more than domestic innovation.

To ensure that American technology, and American values, can flourish around the globe, we need strategic alignment with our democratic allies. Brazil is one of those allies, and strengthening our relationship with Brazil is in our national interest. To support our foreign policy and national security objectives, American trade policy should bring Brazil closer to the United States, not push the country toward stronger ties with China and other adversaries.

Last week, CTA led a trade mission to Brazil to raise awareness of CES—the most powerful tech event in the world—and encourage Brazilian government officials and industry leaders to attend CES 2026 in Las Vegas. Greater Brazilian presence at CES would be an excellent step forward in our bilateral relationship. It would foster collaboration, showcase innovation, and deepen commercial ties between our countries.

In Brazil, we saw a country rapidly embracing technology. Brazilian startups are leveraging AI, fintech, and hardware to support sustainable growth and expand financial inclusion, rural development and access to education and health care. In the business community and among consumers, there is a clear preference for U.S. technologies—but also an openness to alternatives. That openness is a vulnerability. If we make it harder or more expensive for Brazil to acquire U.S.-made technology, other countries will fill the gap.

At one tech startup conference during the trip, we heard calls to diversify supply chains away from the United States due to a riskier trade environment.

In this environment, USTR plays a vital role. USTR's investigation into Brazil's barriers to trade and investment is a vital first step towards the free, open, and predictable trade that benefits BOTH sides. Removing trade barriers unlocks new opportunities for U.S. exports and investment and, at the same time, strengthens Brazil's economy and accelerates its innovation. This is a win-win scenario.

But let me be clear: tariffs should be precision tools, not sledgehammers. These tools of trade policy should be a last resort, not a first response, and when applied they should be targeted and strategic. More, American businesses and our partners abroad need certainty on tariffs. A volatile and uncertain tariff landscape pushes our partners away, hurting American technology innovation and the American consumers who love and rely on these products.

What we need is meaningful negotiations between the U.S. and Brazilian governments, coupled with public-private dialogue to ensure that stakeholders can share their views. Government-to-government conversations are not enough to ensure progress. More, when allies like Brazil make meaningful reforms, the United States must respond with tariff relief. This approach boosts U.S. innovation, supports U.S. consumers, enhances our soft power, and reinforces our global leadership.

Let's use this moment to build bridges, not barriers, and create change that works for American businesses and American families. This investigation is an opportunity to deliver that change—through smarter trade policy, deeper investment, and shared economic growth. Let's align our policies with our allies. And let's lead the global technology race—together.

Thank you.