



April 1, 2015

The Honorable Phil Barnhart  
Chairman  
Committee on Revenues  
Oregon House of Representatives  
900 Court St. NE  
Salem, Oregon 97301

Dear Representative Barnhart:

I am writing to express Kering Americas' concern with HB 2099, a bill to modify Oregon's tax haven list to include the Netherlands and potentially Switzerland. We appreciate the Committee's desire to prevent companies from engaging in corporate income tax evasion strategies. Unfortunately, we believe this legislation unfairly punishes international companies with legitimate unitary affiliates based in these jurisdictions, as well as their U.S. employees and customers.

Kering Americas is the U.S. subsidiary of Kering, a world leader in apparel and accessories. The company designs, manufactures and markets products across 23 luxury and sport and lifestyle brands, many of which have affiliates in the Netherlands and Switzerland. Several of our brands, including Puma and Volcom, also have operations in Oregon.

If HB 2099 were to be enacted into law, it would require the inclusion of income from related entities outside of the state and country. As a result, Kering's state income tax obligations would exceed any economic returns the company would derive from our operations in the state. By imposing punitive taxation on unitary firms such as Kering that engage in legitimate business practices in countries that are key trading partners and sources of significant U.S. investment, the legislation jeopardizes our current and future investments in the state.

On behalf of Kering's management, employees and customers in Oregon, I urge you to oppose HB 2099 and other tax haven measures that could potentially undermine economic investment in the state.

Thank you for your consideration.

Sincerely,

Laurent Claquin  
President, Kering Americas