



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

II. Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Woven fabrics suitable for use as window shade material, impregnated, coated, covered or laminated with plastics (other than fabrics of heading 5902), the foregoing composed entirely of filament polyester yarns, plain weave, such fabric weighing approximately 480 g/m², with a foam backing of which 58 percent by weight is a dispersion of polyurethane, acrylic and fluoropolymer, 40 percent is a white dispersion consisting of titanium dioxide dispersed in water and 2 percent is other materials (provided for in subheading 5903.90.25)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same
 Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

The subject product is a fabric used in the production of window shades. It is a blackout fabric with a foam backing that provides insulation and UV protection. Such fabric is primarily imported from Australia. Opposition to this bill is noted below in the Contacts table.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	5903.90.25				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	7.5	7.5	7.5	7.5	7.5
Estimated value of <i>dutiable</i> imports (\$)	2,265,000	2,431,000	2,611,000	2,794,000	2,800,000
Customs revenue loss (\$)	169,875	182,325	195,825	209,550	210,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
 Provided by industry sources
 Industry information
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Percentage point reduction (%)

V. Technical comments

Although the article description shown above has been revised for greater clarity, the criteria are highly technical and might require laboratory testing on the part of Customs officials to verify each shipment's eligibility. Moreover, the phrase "suitable for use" is subject to interpretation, and importers may claim that many fabrics could be put to the stated use (even if rarely so used in reality). A possible way to facilitate administration might be to require importer certification that each shipment

meets the specifications--perhaps by inserting "certified by the importer" after "480 g/m²," (we note as well that each "m²" should be reflected as "m" with the superscript 2, which is not possible to reflect in the software used to prepare this report).

VI. Continuation

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VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	Hunter Douglas (Interested entity) Daniel Rodil	770-995-2212	No	No	No
2	American Manufacturing Trade Action Coalition Sara Beatty	202-452-0866	Yes	Yes	Yes
3	BDG International Lisa Waller	847-760-0014	No	No	No
4	BGF Industries Mary Causey	336-545-0011	Yes	Yes	Yes
5	B&W Window Fashions David Perkwitz	847-596-6631	No	Yes	Yes
6	Copland Industries Jason Copland	336-226-0272	No	Yes	Yes
7	DuPont Elaine M. Olsen	302-992-2263	No	No	No
8	Glen Raven Patti Bates	336-227-6211	No	No	No
9	National Council of Textile Organizations Sarah Pierce	202-822-8026	Yes	Yes	Yes
10	Newell Levolor Andrew Rudd	770-418-7760	No	No	No
11	Phifer Incorporated Charles Morgan	205-345-2120	Yes	No	No
12	Rockland Industries Mark Berman	803-245-2486	Yes	Yes	Yes
13	U.S. Industrial Fabrics Institute Ruth Stephens	651-225-6920	Yes	Yes	Yes

From: Sara Beatty [mailto:sbeatty@amtacdc.org]
Sent: Monday, June 25, 2012 4:30 PM
To: Colby, Heidi
Cc: TX.CH.ID; atantillo@amtacdc.org; lwood@amtacdc.org
Subject: Re: Current MTBs on textiles and apparel

Heidi,

Out of batch 5, AMTAC opposes HR 5199 and HR 5201 on window shade fabric. Copland Industries makes these fabrics. I think you've heard from Jason Copland confirming this - let me know if not. Also, I have heard that Phifer (not an AMTAC member) makes all of the window shade fabrics in question - (H.R. 5199, 5201, 5203, 5206, 5209) . Contact there is Charles Morgan - Charles.Morgan@phifer.com.

AMTAC also opposes H.R. 5036 - knit fabric containing elastomeric. Milliken makes this fabric.

We have no position on the remainder in batch 5.

Thanks! Sara

Hi Heidi,

We would be opposed to this legislation because it is designed to benefit one company in the industry, to the exclusion of others, like B&W. If the legislation was rewritten to benefit all it would be supported by us.

If you would like to discuss my number is 847-596-6631.

Best Regards,

David Perowitz
B&W Window Fashions

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On Jun 15, 2012, at 2:03 PM, <Heidi.Colby@usitc.gov> <Heidi.Colby@usitc.gov> wrote:

Hi Dave,

I am contacting you regarding proposed legislation (H.R. bills 5199, H.R. 5201, H.R. 5203, H.R. 5206, and H.R. 5209) that would provide duty-free treatment to certain window shade materials of polyester or woven fiberglass. Complete descriptions of the fabrics can be found in the table below. The USITC prepares a report on each of the bills introduced and canvasses industry to determine whether there are domestic producers of the subject products or companies that would like to oppose the legislation. You may also submit statements of support directly to the House Ways and Means Committee at <https://waysandmeansforms.house.gov/Contact/mtbform.htm>. It is my understanding that your company manufactures shades and may have an interest in this legislation.

Please let me know if you need further information, if you are aware of domestic production of the specified fabrics, or if you know of companies that would like to oppose the legislation. Again, statements of support should be filed directly with the Committee.

Thanks and best regards.
Heidi

Heidi Colby-Oizumi
U.S. International Trade Commission
202-205-3391

From: Jason Copland [<mailto:jason.copland@coplandfabrics.com>]
Sent: Friday, June 22, 2012 8:53 AM
To: Freund, Kimberlie; sara beatty; rebecca.gudicello@trade.gov
Subject: Re: Fabric MTBs

Here is my list that we object to at Copland Fabrics:

HR 5199
HR 5201
HR 3972
HR 5529
HR 5530
HR 5531
HR 5532
HR 5534
HR 5536
HR 5199
HR 5201
HR 5209

Many of these bills are very broad and need to be rejected without my input. Please be sure and listen to AMTAC and NCTO on more rejections. It is a little disturbing that someone has filed all of these requests. It appears to just be a blanket blast of codes to see what they can get away with.

Please call me with any questions or concerns.

Jason Copland
President and CEO
Copland Fabrics, Inc.
Burlington, NC
336-226-0272
www.coplandfabrics.com

Rockland Industries, Inc.



June 21, 2012

via pdf email to jackie.jones@usitc.gov
cc: via pdf email to heidi.colby@usitc.gov

Re: Opposition to H.R. 5199, H.R.
5201, H.R. 5203, H.R. 5206 and H.R.
5209

Ms. Jackie Jones
United States International Trade Commission
500 E St., SW
Washington, DC 20436

Dear Ms. Jones:

The referenced House Resolutions were introduced by Representative Mulvaney of South Carolina. These resolutions, if they became law, would amend the Harmonized Tariff Schedule of the United States by removing import duties on various window shade fabrics containing some or all of the following ingredients, constructions and processes: foam backing, acrylic coating, ammonium stearate, aeration, 3 pass process, white first and third passes and black second pass, cotton flocking, titanium dioxide dispersed in water, polyester woven fabric, and flame resistant fire ratings.

We strongly oppose these resolutions. Rockland is a textile manufacturer operating a finishing plant in Bamberg, South Carolina. Among the products we make are window shade fabrics containing foam backing, acrylic coating, cotton flocking, titanium dioxide, and polyester plain weave fabric. We obtain the polyester fabric from another U.S. manufacturer. In addition, we manufacture window shade fabrics of other descriptions.

At present Rockland employs approximately 200 people. A reduction in the cost of imported window shade fabrics by removing the import duties on them would have a negative impact on our ability to sell our U.S. made products, which in turn would have a negative effect on our ability to maintain our current levels of employment.

For these reasons we urge that these three resolutions not be passed or included in the Miscellaneous Tariff Bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark R. Berman", written over a horizontal line.

Mark R. Berman, President

From: Ruth A. Stephens [mailto:rastephens@ifai.com]
Sent: Monday, June 18, 2012 12:38 PM
To: Colby, Heidi
Cc: Jean Lineberger ; Sara Beatty
Subject: RE: MTBs on specialty fabrics

Of the list you sent (copied below), USIFI can identify domestic manufacturers (members of the association) of all items; therefore we register our opposition to each. Is there more that we should do on this Tranche?

<u>Bill No.</u>	<u>Sponsor</u>	<u>State</u>	<u>HTS number</u>	<u>Product description</u>
hr5199	Mulvaney	SC	5903.90.25	Window shade material composed of 100% filament polyester yarns in a modified basket weave with a fabric weight of 385 grams per square meter, with 30-40 grams per square meter of pigment on the front and an acrylic foam backing stabilized with ammonium stearate and aerated, applied in a 3 pass process in which the first and third passes are applied at 55-65 grams per square meter and are white in color and the second pass is applied at 55-65 grams per square meter and is black in color
hr5201	Mulvaney	SC	5903.90.25	Window shade material composed of 100% filament polyester yarns in a plain weave fabric weight of 480 grams per square meter with a foam backing of which 58% is a dispersion of polyurethane, acrylic and fluoropolymer, 40% is a white dispersion consisting of Titanium Dioxide dispersed in water and 2.0% is other auxiliaries
hr5203	Mulvaney	SC	3926.90.99	Window shade material composed of either 53-59% woven fiberglass and 41-47% acrylic coating with 15 grams per square meter of cotton flocked backing with titanium compound powder, or 43-47% woven fiberglass and 53-57% acrylic coating with 15 grams per square meter of cotton flocked backing with titanium compound powder
hr5206	Mulvaney	SC	7019.59.90	Window shade material composed of woven fiberglass coated with ethyl vinyl acetate
hr5209	Mulvaney	SC	6005.32.00	Window shade material composed of 100% polyester filaments warp knit weighing 160 grams per square meter with a DIN 4107 B1 fire rating
hr5536	Young	IN	5903.20.25	Textile fabrics of man-made fibers impregnated, coated, covered or laminated with polyurethane, of fabrics other than those specified in note 9 to section XI, other than those containing over 70 percent by weight of rubber or plastics
hr5541	Young	IN	5906.99.10	Rubberized textile fabrics of cotton, other than those of heading 5902

Regards,
Ruth Stephens, USIFI Executive Director
a division of IFAI
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Roseville, MN 55113 USA
P: 651 225 6920 or 800 636 4942
M: 651 271 6741
F: 651 631 9334
W: www.usifi.com



July 19, 2012

The Honorable Dave Camp
United States House of Representatives
Chairman, House Ways and Means Committee
1102 Longworth House Office Building
Washington, DC 20515

RE: HR 5201

Dear Chairman Camp:

I am writing to express BGF Industries' opposition to HR 5201 now under consideration in the House. This is one of three of bills granting temporary duty-free status to imported window shade materials. Should this bill become law, it would negatively impact the Window Shade markets BGF has serviced for more than 50 years and further jeopardize the already besieged textile manufacturing base in the United States.

BGF Industries is a textile manufacturer headquartered in Greensboro, NC. We have four manufacturing facilities, one in Cheraw, SC, two in Altavista, VA, and one in South Hill, VA, with approximately 800 employees company-wide. We purchase raw materials in the United States to produce woven fabrics for customers who make window shades. Over the past decade, we have been under siege from a steady influx of imports in the window shade and other markets we serve, which has eroded our market share and created an unfair competitive advantage to foreign imports. Granting tariff-free status for these imports would further penalize our business.

Therefore, I am respectfully submitting BGF Industries' strong opposition to HR 5201 and request that this bill be withdrawn from consideration in any MTB package.

Sincerely,

Mary I. Causey
Marketing Operations Manager
Window Shade/Electrical Markets

Cc: Congressman Howard Coble
Neena Shenai –US House Staff
Pamela Kirkland - US Dept Commerce OTEXA
Maria D'Andrea – US Dept Commerce OTEXA
Andrea Boron - ITC
Kris Bayer - AFMA

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112TH CONGRESS
2D SESSION

H. R. 5201

To suspend temporarily the duty on certain filament polyester, foam-backed window shade material in a plain weave.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2012

Mr. MULVANEY introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on certain filament polyester, foam-backed window shade material in a plain weave.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CERTAIN FILAMENT POLYESTER, FOAM-**
4 **BACKED WINDOW SHADE MATERIAL IN A**
5 **PLAIN WEAVE.**

6 (a) IN GENERAL.—Subchapter II of chapter 99 of
7 the Harmonized Tariff Schedule of the United States is
8 amended by inserting in numerical sequence the following
9 new heading:

“	9902.01.00	Window shade material composed of 100% filament polyester yarns in a plain weave with a fabric weight of 480 grams per square meter with a foam backing of which 58% is a dispersion of polyurethane, acrylic and fluoropolymer, 40% is a white dispersion consisting of Titanium Dioxide dispersed in water and 2.0% is other auxiliaries (provided for in sub-heading 5903.90.25)	Free	No change	No change	On or before 12/31/2015	”.
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1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

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