



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)):

Refillable, battery-operated fan-motor-driven mosquito repellent dispensing devices designed to be worn on a belt or clipped to a bag to repel mosquitoes from a limited area surrounding the user (provided for in subheading 8414.59.60)

(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 designed to dispense mosquito repellents in the area surrounding a person without spraying the repellent directly onto the skin. The product attaches to or clips onto a belt or bag and is compact, self-contained, and powered by a battery-operated fan motor. The interested entity sells disks containing refills of the repellent product. The principal import source of these devices is China. Opposition to this bill is noted in the Contacts table.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8414.59.60				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	2.3	2.3	2.3	2.3	2.3
Estimated value of <i>dutiable</i> imports (\$)	1,600,000	3,200,000	3,200,000	3,200,000	3,200,000
Customs revenue loss (\$)	36,800	73,600	73,600	73,600	73,600

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

The article description set forth above was modified for greater clarity.

VI. Continuation

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	S.C. Johnson and Sons, Inc. (Interested entity) Nancy Levenson	202-331-1186	No	No	No
2	Henkel Corp. Karen Prior	860-571-5100 ext. 5204	No	No	No
3	The Proctor & Gamble Co. Allison Rankel	513-983-1100	No	No	No
4	Unilever Corp. Scott Williams	202-227-2506	No	No	No
5	United Industries Tim G. Pfefferkorn Marueen E. Thorson	314-683-2499 202-719-7272	Yes	Yes	Yes



1776 K STREET NW
WASHINGTON, DC 20006
PHONE 202.719.7000
FAX 202.719.7049

7925 JONES BRANCH DRIVE
McLEAN, VA 22102
PHONE 703.905.2800
FAX 703.905.2820

www.wileyrein.com

July 13, 2012

Maureen E. Thorson
202.719.7272
mthorson@wileyrein.com

Patrick Schneider
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

Re: *Comments in Opposition to S. 2531 and H.R. 5279, bills to suspend temporarily the duty on certain portable personal area mosquito repellents*

Dear Mr. Schneider:

On behalf United Industries Corporation (“United Industries”), a U.S. supplier of mosquito repelling products, I respectfully write in opposition to S. 2531 and its companion bill, H.R. 5279. Both bills propose to temporarily suspend the 2.3% duty currently applied under provision 8414.59.60 of the Harmonized Tariff Schedule of the United States, with respect to “continuous action, self-contained, refillable, fan-motor driven, battery-operated, portable personal area mosquito repellents.”

United Industries has recently begun marketing a product that fits that description, and that depends on U.S. production operations. Like the product described in S. 2531 and H.R. 5279, the Cutter Backyard Bug Control Mosquito Repellent Lantern is a continuous action, self-contained, refillable, fan-motor driven, battery-operated personal area mosquito repellent. The lantern takes the form of a plastic housing containing a battery-operated fan and replaceable plastic cups filled with a mosquito repellent. When in operation, the fan disperses the repellent through the air, providing consumers with up to 64 square feet of protection from mosquitoes.

While not all of the components of the Cutter Backyard Bug Control Mosquito Repellent Lantern are U.S.-produced, the plastic housing and refillable cup are manufactured in the United States. Furthermore, the filling and sealing of the cup and final assembly of the product are done in the United States. United Industries estimates that 130 U.S. production and assembly workers are involved in the manufacture and assembly of the Cutter Backyard Bug Control Mosquito Repellent Lantern. These U.S. workers’ jobs stand to be adversely affected by S. 2531 and H.R. 5279, which would permit duty-free entry of a competitive, all-import product.

Miscellaneous tariff bills are not meant to encourage importation of goods that would compete with or supplant U.S.-produced merchandise. Because S. 2531 and H.R. 5279 would allow for the duty-free importation of goods commercially

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equivalent to U.S.-produced goods, we respectfully request that these bills not be permitted to advance further in the miscellaneous tariff bill process.

Should you have any questions regarding this letter or the production of the Cutter Backyard Bug Control Mosquito Repellent, please do not hesitate to contact either the undersigned or Michael G. Pfefferkorn, United Industries' Division Vice President, Home & Garden Counsel. He may be reached at 314-683-2499.

Respectfully submitted:



Maureen E. Thorson

WILEY REIN LLP
1776 K Street NW
Washington, DC 20006
202-719-7272

Counsel to United Industries

cc: Michael G. Pfefferkorn

112TH CONGRESS
2D SESSION

H. R. 5279

To suspend temporarily the duty on certain portable personal area mosquito repellents.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2012

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

A BILL

To suspend temporarily the duty on certain portable personal area mosquito repellents.

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 PORTABLE PERSONAL AREA MOS-**
4 **QUITO REPELLENTS.**

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

“	9902.01.00	Continuous action, self-contained, refillable, fan-motor driven, battery-operated, portable personal area mosquito repellents (provided for in subheading 8414.59.60) ...	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 with respect to goods entered, or
3 withdrawn from warehouse for consumption, on or after
4 the 15th day after the date of the enactment of this Act.

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