



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)):

Frit rings of dysprosium oxide, dysprosium monosilicate and mullite with CAS Nos. 12161-58-9, 235-295-7, 1302-93-8, 215-113-2, 1308-87-8 or 215-164-0 (provided for in subheading 8539.90.00)

(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 products are components of high-intensity discharge (HID) lamps. In HID lamps, light is created by an electric arc between two electrodes. Three common HID lamp types are mercury vapor, metal halide, and high-pressure sodium lamps. They are typically used in outdoor lighting applications (e.g., stadiums and street lights) or to light large indoor areas (e.g., retail space and indoor arenas). The subject products are pressed rings of glass powder with the specified composition, which are used to seal metal leads into the ceramic discharge tube to form a vacuum tight seal. The principal source of imports of the subject products is the European Union. Opposition to this bill is noted below in the Contacts table.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8539.90.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	2.6	2.6	2.6	2.6	2.6
Estimated value of <i>dutiable</i> imports (\$)	400,000	400,000	300,000	300,000	300,000
Customs revenue loss (\$)	10,400	10,400	7,800	7,800	7,800

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 has been revised for greater clarity. We note that Customs might need to undertake laboratory testing to ascertain whether any frit ring presented to Customs actually contains the specified materials; it would be possible to add ", certified by the importer as" after the word "rings" to help shift that burden to importers.

S. 2849 is identical to H.R. 5473.

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	Philips Electronics North America Corp. (Interested entity) Randall B. Moorhead	202-962-8555	No	No	No
2	Acuity Brands Neil Egan	770-860-2957	No	No	No
3	Cree, Inc. Diana Semel Allen	919-407-5300	No	No	No
4	General Electric Co. Tim Richards	202-637-4407	No	No	No
5	LEDtronics Pervaiz Lodhie	310-534-1424	No	No	No
6	Lighting Science Group Brad Knight	321-779-5520	No	No	No
7	Keystone Technologies Ira Greenberg	215-283-2600	No	No	No
8	Lutron Electronics Co., Inc. Pekka Hakkarainen	610-282-6766	No	No	No
9	OSRAM SYLVANIA Pamela Horner	978-750-2563	Yes	Yes	Yes
10	Soraa Wilfred Martis	510-456-2200	No	No	No
11	Venture Lighting Technologies Thomas Harding	440-836-7250	No	No	No

David, Andrew

From: Horner, Pamela K.
Sent: Thursday, June 21, 2012 5:06 PM
To: David, Andrew
Cc: Reed, Christianna; Chipalkatti, Makarand
Subject: RE: Temporary duty suspensions on LED and HID lamp components

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Andrew,

We have had our meeting today, and we prefer that you remove the US locations. So, as they say, our final answer is:

H.R. 5470 We manufacture polycrystalline alumina arc tubes (for high pressure sodium lamps) domestically.

H.R. 5471 We manufacture our brass HID Edison screw bases domestically, and these bases in turn are used in the domestic assembly of our PAR 38 HID lamps.

H.R. 5473 We make our own frit powder domestically and process it into the appropriate shapes for use in HID lamps.

H.R. 5475 We do not import filled ceramic metal halide arc tubes, which are the components described herein; however, domestically we fill and seal tubes that we import for these products.

H.R. 5476 The type of base described (ceramic) does not appear to be the type of base we use on our tubular HID lamps. The base we do use for our tubular lamps is made domestically.

As a result of our meeting, we had two questions that we were wondering if you could answer for us.

1. For these types of tariff suspensions, is there a distinction made between “manufactured” and “assembled,” and if so, what is that distinction?
2. For future reference, do any of the tariff suspension rules take into consideration the NAFTA region as being, essentially, the same as made in the US?

Again, thank you for asking us for our input.

Pamela Horner, Senior Director
Government and Industry Relations
OSRAM SYLVANIA

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From: Andrew.David@usitc.gov [mailto:Andrew.David@usitc.gov]
Sent: Wednesday, June 20, 2012 11:19 AM
To: Horner, Pamela K.
Subject: RE: Temporary duty suspensions on LED and HID lamp components

Thank you. Is this all public information that I can attach to my report?

Andy

From: Horner, Pamela K.
Sent: Tuesday, June 19, 2012 2:15 PM
To: David, Andrew
Cc: Updyke, Craig
Subject: RE: Temporary duty suspensions on LED and HID lamp components

Andrew,

Here is our reply for the HID lamp component portion of your questions below:

H.R. 5470

H.R. 5471

H.R. 5473

H.R. 5475

H.R. 5476

ITC analyst note: This section was removed for confidentiality reasons. For a public version, please see the June 21, 2012 e-mail on the first page of this attachment. Also, please note that OSRAM SYLVANIA's position on H.R. 5475 has changed. See the memorandum on H.R. 5475 for more information.

This input demonstrates that we make products domestically that are covered by the first 3 HID lamp component bills but not by the remaining two. This further implies that we would not support a tariff suspension for the first 3 and would support for the other two. Please let me know if you need further clarification.

I am copying Craig Updyke from NEMA so that he is aware of our direct reply to you.

Pamela Horner, Senior Director
Government and Industry Relations
OSRAM SYLVANIA

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112TH CONGRESS
2D SESSION

H. R. 5473

To suspend temporarily the duty on frit rings composed of dysprosium oxide, dysprosium monosilicate, and mullite.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2012

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

A BILL

To suspend temporarily the duty on frit rings composed of dysprosium oxide, dysprosium monosilicate, and mullite.

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. FRIT RINGS COMPOSED OF DYSPROSIUM**
4 **OXIDE, DYSPROSIUM MONOSILICATE, AND**
5 **MULLITE.**

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	Frit rings composed of dysprosium oxide, dysprosium monosilicate, and mullite (CAS Nos. 12161-58-9, 235-295-7, 1302-93-8, 215-113-2, 1308-87-8, and 215-164-0) (provided for in sub-heading 8539.90.00)	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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