Public comments of Newman Flange & Fitting Co.
As to the Introduction of the
Markings Harmonization Act of 2002 (HR 4128/S.2235)
107th Congress

Background

Newman Flange & Fitting Co. Corporation is a fully integrated manufacturer of stainless steel flanges. This means that we fulfill substantial transformation of the product by performing both the forging and machining processes from a raw piece of material to obtain the finished flange part. Newman Flange & Fitting Co. started in 1974 and now employees 45 workers.

Newman Flange & Fitting Co. has strongly supported the U.S. unfair trade laws and has supported the efforts of the U.S. trade agencies, including the Department of Treasury and the U.S. Customs Service; the Office of the U.S. Trade Representative; the Department of Commerce and the U.S. Trade Representative; the Department of Commerce and the U.S. International Trade Commission in the administration and enforcement of the trade laws.

These comments address the "Markings Harmonization Act of 2002" (H.R. 4128 and S.2235) which was introduced in April 2002 in the House and Senate and is currently pending in the respective Committees in Congress. Newman Flange & Fitting Co. is aware of the importance of the existing markings rules and regulations as prescribed by the U.S. Customs Service. The industry has advocated "strict markings definitions" to ensure that the country of origin along with other entry information is obtained when pipe, tube, flange, and fittings products enter the U.S.

The provisions included in H.R. 4128/S 2235 would change the existing markings law as it applies to these products. Specifically, as described in the bill, the ultimate purchaser of flanges or butt welding fittings would be allowed to perform minimal changes to imported products which would result in the purchaser being able to mark the product as their own, perceived as being U.S. domestically made, instead of marking the product form the original country origin. As detailed in the bill, many of these changes are minimal at least and would not other wise represent a substantial transformation to the product under normal Customs application of the law. Thus, the end user of the product would not know the actual country of origin of the product and would instead be under the impression that the company selling the finished product had manufactured the fitting or flange, when most of the value, character, and origin of the fitting or flange came from a foreign country.

Newman Flange & Fitting Co. believes that the provisions as outlined in H.R. 4128/S. 2235 weakened the existing marking and country of origin requirements in the law. Furthermore, this legislation deviates from the purpose of the labeling and markings rules, which apply to this industry and prevents the end user or customer from knowing the true country of origin of the product. Newman Flange & Fitting Co. opposes this legislation and would not support this bill to move forward in this session of Congress.

• Page 2 June 27, 2002

Please call me at 209-862-2977 if you have any questions or need more information. You can also e-mail me at newmanflange.com

Respectfully,

Steve Bissett President