

Northern Textile Association

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May 7, 2002

Committee on Ways and Means Allison Giles, Chief of Staff U.S. House of Representatives 1102 Longworth House Office Building Washington, DC 20515

Dear Ms. Giles,

Please accept our comments in opposition of H.R. 4157 to the Committee on Ways and Means.

Sincerely,

Karl Spilhaus President Northern Textile Association May 7, 2002

Mr. James Leonard
Deputy Assistant Secretary
U.S. Dept. of Commerce
OTEXA
Herbert Hoover Bldg., Room 3100
14th St. & Constitution Ave., NW
Washington, DC 20230

Dear Mr. Leonard:

I write on behalf of the Northern Textile Association a non-profit organization made up of companies who process fiber, make yarn and fabric, and dye, print, and finish fabrics. Our members include domestic U.S. manufacturers of woolen fabric for the apparel market. NTA is opposed to H.R. 4157. This bill slashes the U.S. import duty on certain woolen fabrics that directly compete with the products of NTA members such as Pendleton, Woolrich, and The Forstmann Company.

Currently, hand-woven woolen fabric enters the U.S. at a substantially lower than normal rate of duty, provided the fabric is less than 76 cm in width. These fabrics (HTS 5111.11.30) enter the U.S. with a rate of duty of \$03.5 per kg + 10.5%. The normal rate of duty is 27.2%. We understand that this provision is used to import Harris Tweed at a rate of duty lower than that charged on most other commercial woolen fabric imports. H.R. 4157 would permit wider fabrics to benefit from the substantially lower than normal rate of duty.

NTA opposes this change. We have not opposed the existing favorable tariff treatment afforded hand-loomed woolen fabrics less than 76cm because we have found the width restriction has provided an effective and apparently easily administered way of restricting the benefit to genuinely hand-woven fabrics such as Harris Tweed. We oppose the proposal to allow wider fabrics to enter under this favorable treatment. Absent the width restriction, and considering the technological advances in so-called hand loomed, not only will there be no way to practically determine that the fabric is hand-loomed, but the potential exists for very significant quantities of fabric to enter which directly compete with domestically produced fabrics.

Thank you for your consideration of our comments.

Sincerely yours,

Karl Spilhaus President

Cc: Maria D'Andrea

Kimberly Freund, U.S.I.T.C.