

June 7, 2002

Hon. Philip M. Crane, Chairman  
Subcommittee on Trade  
Committee on Ways and Means  
U.S. House of Representatives  
1102 Longworth House Office Building  
Washington, D.C. 20515

Re: H.R. 4541, Reliquidation of Certain Entries  
Prematurely Liquidated by the U.S. Customs Service

Dear Chairman Crane:

Teijin Twaron USA Inc., located in Conyers, Georgia, since 1987, is the U.S. supplier of man-made aramid fiber products sold under the brand name Twaron®. Teijin Twaron supports enactment of H.R. 4541, as the requested reliquidation of certain entries will result in the proper assessment of duties on its entries of aramid fiber.

H.R. 4541 provides for the reliquidation of certain entries subject to antidumping duties at the final antidumping rates determined by the U.S. Department of Commerce ("Commerce") for aramid fiber from the Netherlands produced by Aramide Maatschappij V.O.F. and its successor companies and entered into the U.S. by Akzo Fibers Inc. and its successor companies (collectively referred to as "Akzo" by Commerce). These entries were prematurely liquidated by the U.S. Customs Service ("Customs") at incorrect rates, which significantly reduced the refunds owed to Teijin Twaron.

Teijin Twaron is a successor company to Akzo Fibers Inc., the original company involved in importation of the aramid fibers subject to the antidumping order. The company has undergone several name changes resulting primarily from business consolidations and a decision to include the product name in the company name. Those names include Akzo Nobel Inc., Fortafil Fibers Inc. and Fortafil Fibers Inc. dba Twaron Products Inc. The company's product—aramid fiber sold under the brand name Twaron®—is used in important U.S. industries for applications involving ballistics, friction, mechanical rubber goods and in optical fiber cables.

From 1994 through 2001, Teijin Twaron's entries of aramid fiber were subject to an antidumping order. Under the terms of this order, Teijin Twaron was required to deposit antidumping duties on all entries of aramid fiber. These deposits were subject to refund after completion of annual administrative reviews conducted by Commerce. Commerce undertook administrative reviews of aramid fiber manufactured or exported from the Netherlands by Akzo

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for the periods from December 1993 through December 31, 1999. (Pursuant to a sunset review conducted by the U.S. International Trade Commission, in March 2001, the antidumping order was revoked retroactively to Jan. 1, 2000.) Teijin Twaron cooperated fully with Commerce and participated in all six administrative review proceedings, in each instance successfully lowering the duties to be assessed on the entries. Upon completion of each review, Commerce published its findings in the Federal Register and indicated that it would instruct Customs to liquidate entries covered by each review period at the final rate determined for the specified period.

Participating in these administrative reviews required a significant commitment of financial and human resources by Teijin Twaron. Detailed submissions of sales and cost data were filed with Commerce on a regular basis, which Commerce subsequently audited. In accordance with Commerce rules, the liquidation of the subject entries should have been suspended until final antidumping rates for the affected manufacturer and its successor companies were provided to Customs. In those instances identified in this legislation, however, Customs did not continue to suspend liquidation and erroneously assessed antidumping duties based on the deposit rates in effect at the time of entry rather than the lower actual rates finally determined by Commerce.

The proposed legislation would restore the amount of antidumping duty improperly assessed by Customs. The requested refunds amount to overpayments of antidumping duty deposits that are rightfully due to Teijin Twaron based on Commerce's analysis and recalculation of duty. Unintended and unnecessary costs such as the involved overpayments of antidumping duty have a cumulative negative effect on Teijin Twaron USA Inc., which is a growing business with significant commitments to the Conyers, Georgia, area. Teijin Twaron had counted on receiving these refunds as part of its long-term business plans, which include expansion into new product areas and construction of new facilities.

Teijin Twaron urges the passage of H.R. 4541 to provide authority to Customs to recalculate and reassess antidumping duty according to the accurate final rates determined by Commerce and to issue refunds of overpaid antidumping duties. The duties involved were erroneously collected and the action will result in accurate antidumping duty based on the final determinations of the U.S. Department of Commerce.

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For additional information, the undersigned may be contacted at 770-388-5093.

Sincerely,

Stuart M. Flaxman  
Controller/Treasurer  
Teijin Twaron USA Inc.