UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: June 12, 2008]²

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Bill No. and sponsor: H.R. 4943 (Mr. Earl Blumenauer of Oregon).
Proponent name, location: Bicycle Product Suppliers Association, Montgomeryville, PA.
Other bills on product (110 th Congress only): None.
Nature of bill: Extension of temporary duty suspension through December 31, 2011.
Retroactive effect: None.
Suggested article description(s) for enactment (including appropriate HTS subheading(s)):
Brakes designed for bicycles (other than drum brakes, caliper and cantilever brakes, and coaster brakes) and parts thereof (provided for in subheading 8714.94.90).
Check one: X Same as that in bill as introduced. Different from that in bill as introduced (see Technical comments section)

Product information, including uses/applications and source(s) of imports:

A bicycle brake is a device for slowing or stopping the motion of a bicycle; the tariff provision referred to in the proposed heading, subheading 8714.94.90, covers those brakes not enumerated specifically in other tariff provisions. These products designed for bicycles include disc and hydraulic brakes, with many variations for different bicycle sizes and types. Taiwan is the leading supplier of such brakes, with the United Kingdom and France being secondary U.S. suppliers.

¹ Industry analyst preparing report: Ralph Watkins (202-205-3492); Tariff Affairs contact: Jan Summers (202-205-2605).

² An electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill. USITC staff identified twelve additional beneficiaries of this bill that were not identified by the sponsor/proponent. Twelve beneficiaries submitted written representations that they would benefit from this bill.

Estimated effect on customs revenue:

HTS subheading: <u>8714.94.90</u>							
\searrow	2009	2010	2011	2012	2013		
Col. 1-General rate of duty	10%	10%	10%	10%	10%		
Estimated value <i>dutiable</i> imports	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000		
Customs revenue loss1/	\$0	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000		

^{1/} There is an existing duty suspension under HTS heading 9902.24.71 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009. Source of estimated dutiable import data: Commission estimates based on official U.S. Government statistics.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Bicycle Product Suppliers Association (Proponent) Maureen Waddington, 215-393-3144	4/9/08	No	No	No
American Mentality, Inc. Rachel Rotz, 407-599-7255, ext. 100	4/9/08	No	No	No
Autocraft Industries, Inc. Kathy Walker, 405-350-3805	4/9/08	No	No	No
Bell Sports, Inc. Terry Stern, 800-456-2355	4/9/08	No	No	No
Calfee Design Craig Calfee, 831-728-1859	4/9/08	No	No	No
Cane Creek Cycling Components Lena Warren, 828-684-3551	4/10/08	No	No	No
Cannondale Bicycle Corp. Ron Lombardi, 203-749-7000	4/10/08	No	No	No
Castellano Designs John Castellano, 707-539-2710	4/10/08	No	No	No
Compositech, Inc. Rick Cox, 317-481-1120	4/10/08	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?	
			(Yes/No)		
Crank Brothers Christina Orlandella christina@crankbrothers.com	4/10/08	No	No	No	
DK Products, Inc. Chris Keller, 937-746-9075	4/14/08	No	No	No	
Easton Sports John Harrington jharrington@eastonsports.com	4/10/08	No	No	No	
Elite Bicycles David Greenberg, 215-732-8973	4/10/08	No	No	No	
Fallbrook Technologies E. Barrios, 858-623-9557, ext. 115	4/24/08	No	No	No	
Foes Fabrications Mitch Evans, 626-568-0328	4/11/08	No	No	No	
Full Speed Ahead, Inc. John M. VanEnkevort, 425-488-8653	4/11/08	No	No	No	
Gallop Cycle Corp. Grace Hsiao, 310-885-4300	4/11/08	No	No	No	
Giant Bicycle, Inc. Russ Okawa, 805-267-4600	4/11/08	No	No	No	
Griffen USA Mark Winters, 940-627-0102	4/14/08	No	No	No	
The Hawley Co., Inc. Dave Carson, 803-359-3492	4/15/08	No	No	No	
HB Performance Systems Clayton Goldsmith, 262-242-4300	4/15/08	No	No	No	
Heron Bicycles Todd Kuzma, todd@kuzma.com	4/10/08	No	No	No	
Hope Technology USA, Inc. Philip Dean, 936-756-5004	4/15/08	No	No	No	
J&B Importers Burton Schwartz, 305-238-1866	4/16/08	No	No	No	
Kelly Bike Chris Kelly, chris@kellybike.com	4/10/08	No	No	No	
Kestrel Bicycles, Advanced Sports, Inc. Evan Barnebey, 215-824-3854	4/16/08	No	No	No	

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
KHS Bicycles, Inc. Greg O'Connell, 310-632-7173, ext. 213	4/15/08	No	No	No
Litespeed Brenda Howard, 800-229-0198	4/16/08	No	No	No
Mavic, Inc. Sean Sullivan, 978-469-8409	4/16/08	No	No	No
Moots Cycles Cathy Weidemer, 970-879-1676	4/10/08	No	No	No
Nobilette Cycles Mark Nobilette, 303-772-8139	4/10/08	No	No	No
Ochsner International, Inc. Othon Henry Ochsner, 847-465-8200	4/13/08	No	No	No
Odyssey/Bear Corp. Louie Pacheco, 562-623-9995	4/9/08	No	No	No
Parlee Cycles Tom Rodi, 978-977-7474	4/16/08	No	No	No
Performance, Inc. Jane Branscome, 919-933-9113	4/16/08	No	No	No
Permobil, Inc. Jennifer Finger, 800-736-0925	4/10/08	No	No	No
Planet Bike Erik Olson, 866-256-8510	4/17/08	No	No	No
Power Cranks Frank Day, fday@powercranks.com	4/12/08	No	No	No
Profile Design Grace Hsiao, 888-800-5999	4/15/08	No	No	No
Quality Bicycle Products, Inc. Matt Moore, 952-941-9391, ext. 1255	4/17/08	No	No	No
Raleigh America, Inc./Diamondback Bikes Bill Carl, 253-395-1100	4/15/08	No	No	No
Rohloff, Inc. Thomas Siemann, 510-232-4833	4/12/08	No	No	No
Saris Cycling Group, Inc. Kevin Fons, 608-274-6550	4/17/08	No	No	No
Scura Speed & Technology Brian Scura, Brian@projectsst.com	4/12/08	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Sharp Sprockets Bill Sharp, Bill@sharpsprockets.com	4/12/08	No	No	No
Shimano American Corp. Allen Johnston, 949-951-5003	4/15/08	No	No	No
Sigma Sport USA, LLC Brian Orloff, 630-761-1107	4/17/08	No	No	No
Sinister Bikes, Freeride Endeavors Bruce Linehan, 978-865-9911	4/12/08	No	No	No
Snafu BMX Mike Collins, mike@revolution-ads.com	4/12/08	No	No	No
SRAM Corp. David Zimberoff, 312-664-8800	4/13/08	No	No	No
Staats Bicycles Jason Halverson, 801-943-8502	4/13/08	No	No	No
Steelman Cycles Brent Steelman, 650-364-3939	4/13/08	No	No	No
Supercross BMX Bill Ryan, 760-240-526	4/15/08	No	No	No
Target Corp. Toni Dembski-Brandl, 612-696-2573	4/13/08	No	No	No
Todson, Inc. Karen Sweeney, 800-213-4561	4/16/08	No	No	No
Trek Bicycle Corp. Roger Gierhart, 920-478-2191	4/18/08	No	No	No
Wald Manufacturing Co., LLC Ralph Pawsat, 606-564-4078	4/18/08	No	No	No
Wal*Mart Stores, Inc. Mark Haney, Sandler Travis & Rosenberg mhaney@strtrade.com	4/13/08	No	No	No
Wanxiang America Corp. Gary Wetzel, 847-622-8838	4/18/08	No	No	No
Woodman Components USA Jim Vincent, 978-282-1146	4/18/08	No	No	No
Worksman Bicycle Brake Corp. International Mark Worksman, mworksman@aol.com	4/13/08	No	No	No
WTB, Inc. Fred Falk, 800-975-2453	4/16/08	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Zinn Cycles Lennard Zinn, zinn@comcast.net	4/13/08	No	No	No

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None.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

110TH CONGRESS 2D SESSION

H. R. 4943

To extend the temporary suspension of duty on brakes designed for bicycles.

IN THE HOUSE OF REPRESENTATIVES

January 15, 2008

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

A BILL

To extend the temporary suspension of duty on brakes designed for bicycles.

- 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. BRAKES DESIGNED FOR BICYCLES.
- 4 (a) In General.—Heading 9902.24.71 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- 6 brakes designed for bicycles) is amended by striking "12/
- 7 31/2009" and inserting "12/31/2011".
- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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