UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: August 26, 2008]²

Bill No. and sponsor: H.R. 5199 (Mrs. Ellen O. Tauscher of California).

Proponent name, location: Applied Materials, Inc., Santa Clara, CA.

Other bills on product (110th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Vacuum feed-through apparatus designed for optical sensors, the foregoing of stainless steel and having a diameter of approximately 41 mm (provided for in subheading 8536.90.80).

Check one: ___ Same as that in bill as introduced.

X Different from that in bill as introduced (see Technical comments section).

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

According to the proponent, a vacuum feed-through is a fitting that acts as an interface between a sub-atmospheric area inside a product and the atmosphere outside of the product. Through this fitting, an optical cable can pass, and the fitting keeps the pass-through vacuum tight. The subject vacuum feed-through components are imported primarily from the United Kingdom. Dutiable U.S. imports under HTS subheading 8536.90.80 (a broader category than is covered by this bill) totaled \$445.7 million in 2007, of which China accounted for about \$124.2 million; total imports from the United Kingdom were about \$18.6 million.

¹ Industry analyst preparing report: Falan Yinug (202-205-2160); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue:

HTS subheading: <u>8536.90.80</u>						
\searrow	2009	2010	2011	2012	2013	
Col. 1-General rate of duty	2.7%	2.7%	2.7%	2.7%	2.7%	
Estimated value <i>dutiable</i> imports	\$445,700,000	\$445,700,000	\$445,700,000	\$445,700,000	\$445,700,000	
Customs revenue loss	\$12,033,900	\$12,033,900	\$12,033,900	\$12,033,900	\$12,033,900	

Source of estimated dutiable import data: Official U.S. Government statistics.⁴

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

Name of firm/organization	Date	Claim US	Submission attached?	Opposition noted?
	contacted	makes same or competing	attached?	notea:
		product(s)?		
			(Yes/No)	
Applied Materials (Proponent)	04/30/2008	No	No	No
Joe Pasetti, 202-638-4434, ext. 6				
Alcatel Vacuum Products	06/05/2008	No	No	No
Pat Byrnes, pat.byrnes@adixen-usa.com				
Conax Buffalo Technologies, LLC	06/05/2008	No	No	No
M. Vedella, mvedella@conaxtechnologies.com				
Corning, Inc.	06/06/2008	No	No	No
Debbie Waggoner, waggonerdl@corning.com				
Daitron, Inc.	06/05/2008	No	No	No
Bill Laraway, 503-682-7560				
Edwards	06/05/2008	No	No	No
Wendy Finnen, 1-800-848-9800, ext. 1516				
Excel Technology, Inc.	06/06/2008	No	No	No
Alice Varisano, 631-784-6175				
InTEST Corp.	06/05/2008	No	No	No
Mary Jane Boguski, m.boguski@intest.com				
KLA-Tencor Corp.	06/05/2008	No	No	No
Meggan Powers, 408-875-3000				
Kurt J. Lesker Co.	06/10/2008	No	No	No
Bill Zinn, billz@lesker.com				
McBain Instruments	06/06/2008	No	No	No
Patrice Burton, pburton@mcbainsystems.com				

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⁴ Estimated import data based on the proposed revised product description were not provided by the proponent for its imports. It is likely that the figures shown for imports and customs revenue loss overstate the potential actual imports and revenue loss for the products concerned, but more precise information is unavailable.

Name of firm/organization	Date contacted	Claim US makes same	Submission attached?	Opposition noted?
	Contacted	or competing	attacheu:	noteu:
		product(s)?	(\$7 /\$1)	
National Electrical Manufacturers Association	06/06/2008	No	(Yes/No) No	No
John Meakem, joh_meakem@nema.org	00/00/2008	NO	NO	NO
Newport Electronics/Omega Engineering	06/05/2008	No	No	No
Rosita Asnaashari, rasnaashari@newportinc.com	00/03/2008	NO	NO	INO
Nor-Cal Products, Inc.	06/05/2008	No	No	No
David Stone, davidstone@n-c.com	00/03/2000	110	140	110
Novellus Systems, Inc.	06/05/2008	No	Yes	No
Pushpita Prasad, pushpita.prasad@novellus.com	00/03/2000	110	103	110
NxEdge, Inc.	06/06/2008	No	No	No
Dan Dahl, ddahl@nxedgeinc.com	00,00,2000	1,0	1,0	110
Oerlikon Leybold Vacuum USA, Inc.	06/06/2008	No	No	No
Diana Cook, 724-327-5700	00,00,2000	1,0	1,0	110
Phoenix Contact, Inc.	06/05/2008	No	No	No
Mary Castle, 717-944-1300			- 1, 5	
Plastronics Socket Co., Inc.	06/05/2008	No	No	No
Kevin Koontz, Kevin@locknest.com				
Qioptiq Imaging Solutions	06/06/2008	No	No	No
John Gebhardt, john.gebhardt@ny.qioptiq.com				
SAES Pure Gas, Inc.	06/05/2008	No	No	No
C. Landoni, cristian_landoni@saes-group.com				
Semiconductor Equipment and Materials, Intl.	06/05/2008	No	No	No
Ken Schramko, kschramko@semi.org				
Sumitomo (SHI) Cryogenics of America, Inc.	06/06/2008	No	No	No
David Dedman, 610-791-6768				
Synergetix	06/06/2008	No	No	No
Karen Bock, 913-342-0404				
3M Co.	06/09/2008	No	No	No
Megan Ivory, mmivory@mmm.com				
T&M Service	06/05/2008	No	No	No
Mike Brooker, mbrooker@tandmservice.com	0.5/0.5/0.00			
TRU Corp.	06/05/2008	No	No	No
Joe Perna, jperna@trucorporation.com	06/05/0000	N.	N.T.	N
TSI Group, Inc.	06/05/2008	No	No	No
Kristy Oliver, koliver@tsigroupinc.com	06/06/2000	NT-	NT -	NI.
Tystar Corp.	06/06/2008	No	No	No
Jim Smith, jsmith@tystar.com	06/06/2000	NT o	N.	N _a
ULVAC Technologies, Inc.	06/06/2008	No	No	No
Diane Hanley, 978-686-7550 W.L. Gore & Associates	06/06/2008	No	No	No
Mike Ratchford, mratchfo@wlgore.com	00/00/2008	INO	100	No
prince Katchioru, mratchiow wigore.com				

Name of firm/organization	Date	Claim US	Submission	Opposition
	contacted	makes same	attached?	noted?
		or competing		
		product(s)?		
		(Yes/No)		
Xandex, Inc.	06/05/2008	No	No	No
N. Manoochehri, nmanoochehri@xandex.com				

Technical comments:⁵

Little specific information was provided by the proponent. At a minimum, the proposed product description should be amended as shown on page 1, to conform with other nomenclature usage in the HTS. The product description may present some enforcement burdens for Customs and Border Protection at the time of importation, given that the permanent tariff category is broader than the product of interest. Because the inclusion of precise physical dimensions may pose a burden to the administration of this provision by Customs and Border Protection and might operate to minimize the range of goods actually afforded the benefit of an enacted provision, the word "approximately" has been inserted in the recommended revision. We are available to work with the proponent and with Customs to try to arrive at a better description of the goods in question.

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. 5199

To suspend temporarily the duty on Stainless steel Vacuum Feed-Through for optical sensor, 41 millimeter diameter, MANSKE part number 43935/2.

IN THE HOUSE OF REPRESENTATIVES

January 29, 2008

Mrs. Tauscher introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on Stainless steel Vacuum Feed-Through for optical sensor, 41 millimeter diameter, MANSKE part number 43935/2.

- 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. STAINLESS STEEL VACUUM FEED-THROUGH
- 4 FOR OPTICAL SENSOR, 41 MILLIMETER DI-
- 5 AMETER, MANSKE PART NUMBER 43935/2.
- 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:

		1		•			
"	9902.01.00	Stainless steel Vacuum Feed-					
		Through for optical sensor,					
		41 millimeter diameter,					
		MANSKE part number					
		43935/2 (provided for in sub-					
		heading 8536.90.80)	Free	No change	No change	On or before	
						19/91/9011	,,

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to articles entered, or withdrawn
- 3 from warehouse for consumption, on or after the 15th day
- 4 after the date of the enactment of this Act.

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