

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: September 8, 2008]²

Bill No. and sponsor: H.R. 5357 (Mr. Gary Ackerman of New York).

Proponent name,³ location: Leviton Manufacturing Company, Inc., Little Neck, NY.

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)):

Time switches designed for non-industrial applications to control the operation of electrical lighting instruments, the foregoing containing a clock or watch movement, whether for indoor or outdoor use and whether or not programmable, valued over \$5 each (provided for in subheading 9107.00.80).

Check one: 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:

Electric time switches (timers) manage time control for lights and appliances. Such timers can be used to automatically turn on and off any energy-consuming lighting appliances, reducing energy costs. They also can be used to control lighting in greenhouses or serve as an anti-theft deterrent by giving a home a “lived in” appearance. Lighting control timers can be hardwired into a home or business’s electrical system or be plugged into electrical outlets; some may be operated remotely, through computerized “smart house” software or other means. Timers for industrial applications may have additional programming and safety features, or be designed to carry a heavier electrical load, compared to a typical household timer.

Mexico is the leading supplier of time switches with clock or watch movements or with synchronous motor, accounting for 62 percent (\$41 million) of total U.S. imports of \$66.1 million under HTS subheading 9107.00.80⁴ in 2007. All shipments from Mexico entered free of duty under the North

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 two additional beneficiaries of this bill that were not identified by the sponsor/proponent, and those beneficiaries submitted written representations that they would benefit from this bill.

⁴ Articles classified in HTS subheading 9107.00.80 include all time switches with clock or watch movements or with synchronized motors valued over \$5 each.

American Free Trade Agreement or other customs program. Dutiable U.S. imports totaled \$25.4 million in 2007. China and Japan accounted for 21 percent (\$14 million) and 12 percent (\$8 million) of total imports, respectively, as the second and third leading suppliers. China accounted for 54 percent of dutiable imports and Japan for 31 percent.

Estimated effect on customs revenue:

HTS subheading: 9107.00.80					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty (AVE) <u>1/</u>	10.1%	10.1%	10.1%	10.1%	10.1%
Estimated value <i>dutiable</i> imports	\$4,200,000	\$4,400,000	\$4,650,000	\$4,850,000	\$5,100,000
Customs revenue loss	\$424,200	\$444,400	\$469,650	\$489,850	\$515,100

1/ The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available. The general rate of duty for articles classified in this subheading (time switches with clock or watch movement or with synchronous motor, valued over \$5 each) is 45 cents each, plus 6.4 percent ad valorem, plus 2.5 cents per jewel. These articles are eligible for duty free treatment under GSP only for countries designated as least-developed beneficiary developing countries pursuant to section 502(a)(2) of the Trade Act of 1974, as amended (see HTS general note 4(b)(1)).

Source of estimated dutiable import data: Commission estimates based on discussions with industry representatives.

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)	
Leviton Manufacturing Company, Inc. (Proponent) Christopher Schodowski, 619-205-8600	5/6/2008	Yes	Yes	No
Ace Hardware Corp. Carolann Conner, 630-990-6920	5/7/2008	No	No	No
Acuity Brands Lighting, Inc. Lisa Larkins, 404-853-1400	5/7/2008	No	No	No
Altman Lighting Co., Inc. Brian Altman, 914-476-7987	5/8/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
American DJ Supply, Inc. Bill Curry, 323-582-2650	5/8/2008	No	No	No
American Tack & Hardware Mary Anne McCarthy, 201-934-3224	5/8/2008	No	No	No
Appleton Electric LLC Garry Mosebach, 847-268-6000	5/8/2008	No	No	No
Arri, Inc. Jose Baun, 845-353-1400, ext. 261	5/7/2008	No	No	No
Bayco Products, Inc. Eric Wickstrom, 469-326-9400	5/8/2008	No	No	No
Bed Bath & Beyond Angela Leary, 908-0688-0888	5/8/2008	No	No	No
Big Lots Stores, Inc. Wayne Stockton, 614-278-6800	5/8/2008	No	No	No
BJ's Wholesale Club Lou Gefteas, 508-651-6186	5/7/2008	No	No	No
Cooper Lighting LLC Tom Salpietra, 770-487-8571	5/8/2008	No	No	No
Costco Wholesale Corp. Art Jackson, 425-427-7644	5/7/2008	No	No	No
CVS Caremark Corp. Wendy Sussman, 202-772-3517	5/7/2008	No	No	No
Desa LLC Natalie Lowe, 800-858-8501	5/8/2008	No	No	No
The Designer's Edge, Inc. Mashele Giesinger, 425-637-9601	5/8/2008	No	No	No
Electrodepot Joan Teller, 561-362-0844	5/8/2008	No	No	No
Electronic Theatre Controls Fred Foster, 608-831-4116	5/7/2008	No	No	No
Elk Lighting Co. Mark Fludgate, 800-613-3261	5/9/2008	No	No	No
Grand Stage Co. Glennie Hudson, 414-276-2707	5/7/2008	No	No	No
The Home Depot Kevin Pinel, 770-433-8211, ext. 83323	5/9/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Intermatic, Inc. Natalie Scholberg, 815-675-7136	5/9/2008	No	No	No
Kohl's Corp. Beth Stellmacher, 262-703-1927	5/7/2008	No	No	No
The Kroger Co. Dennis Gallacher, 503-797-7944	5/9/2008	No	No	No
Lumination LLC (GE) Kelly Novak, 216-606-6555	5/9/2008	No	No	No
Lutron Electronics Co., Inc. Mark D. Yoder, 610-282-6530	5/9/2008	Yes	Yes	Yes
Lycian Stage Lighting S. Lerman, 845-469-5355	5/7/2008	No	No	No
Martin Professional, Inc. Tony Alhadeff, 954-858-1800, ext. 214	5/9/2008	No	No	No
National Specialty Lighting, Inc. Greg Lafebre, 303-926-1100	5/9/2008	No	No	No
Omron Electronics Components Bob Garvin, 847-882-2288	5/9/2008	No	No	No
Orchard Supply Hardware LLC Michael Peterson, 408-281-3500	5/8/2008	No	No	No
Philips Electronics Michelle DeMoor, 202-962-8551	5/9/2008	Yes	Yes	Yes
The Phoebus Co., Inc. John Tedesco, 415-550-0770	5/7/2008	No	No	No
Ranco North America LP Judy Brady, 614-873-9000	5/12/2008	No	No	No
Rite Aid Corp. John Coster, 703-888-0859	5/9/2008	No	No	No
Robe Lighting, Inc. Marisol Segovia, 954-615-9100	5/12/2008	No	No	No
Robert Shaw Controls Co. Angela Branaman, 865-981-3100	5/12/2008	No	No	No
Rockwell Automation, Inc. Keith Lister, 414-382-4871	5/8/2008	No	No	No
Sacramento Theatrical Lighting Phil Stommel, 916-447-3258	5/8/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Seagull Lighting Products, Inc. Michael Hirsch, 800-347-5483	5/12/2008	No	No	No
Sears Holding Corp. Brad Shorse, 847-286-2757	5/7/2008	No	No	No
SolarLightSource.com, NetShops, Inc. Suzi Hernandez, 866-654-0626	5/9/2008	No	No	No
Strand Lighting, Inc. Peter Rogers, 714-230-8205	5/7/2008	No	No	No
Target Corp. Toni Dembski-Brandl, 612-696-2573	5/7/2008	No	Yes	No
Time Square Lighting Felicia Williams, 845-947-3034, ext. 29	5/8/2008	No	No	No
True Value Co. David Shaddock, 773-695-5000	5/12/2008	No	No	No
Uni-Par Lighting Corp. Wilmetta Wimberly, 270-898-8962	5/12/2008	No	No	No
Walgreen Co. Leslie Higgins, 847-914-2500	5/7/2008	No	No	No
Wal*Mart Stores, Inc. Mark Haney, Sandler Travis Rosenberg mhaney@strtrade.com	5/7/2008	No	No	No

Technical comments:⁵

The proposed article description should be amended as shown on page 1 to cover the goods of interest to the proponent. It should be noted that Customs may have difficulty in differentiating between the residential/commercial timers and industrial timers; however, the proponent has not supplied information on the physical differences between these two broad classes of products.

⁵ 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. 5357

To suspend temporarily the duty on certain lighting control timers.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2008

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

A BILL

To suspend temporarily the duty on certain lighting control
timers.

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. CERTAIN LIGHTING CONTROL TIMERS.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of
5 the Harmonized Tariff Schedule of the United States is
6 amended by inserting in numerical sequence the following
7 new heading:

“	9902.01.00	Residential and commercial indoor/outdoor programmable and countdown lighting con- trol timers (provided for in subheading 9107.00.80)	Free	No change	No change	On or before 12/31/2011	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

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