

United States International Trade Commission

**Woven Cotton Boxer Shorts:  
Probable Effect of  
Modification of NAFTA  
Rules of Origin for Goods of  
Canada and Mexico**

Investigation No. NAFTA-103-13  
USITC Publication 3847  
March 2006



# U.S. International Trade Commission

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**Washington, DC 20436**

# U.S. International Trade Commission

Washington, DC 20436

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## **Woven Cotton Boxer Shorts: Probable Effect of Modification of NAFTA Rules of Origin for Goods of Canada and Mexico**

Investigation No. NAFTA-103-13



**Publication 3847**

**March 2006**

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**NOTICE**

**THIS REPORT IS A PUBLIC VERSION OF THE REPORT SUBMITTED TO USTR  
ON MARCH 23, 2006. ALL CONFIDENTIAL INFORMATION HAS BEEN  
REMOVED AND REPLACED WITH ASTERISKS (\*\*\*)**



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# Introduction and Summary

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This report responds to a request from the United States Trade Representative (USTR) for advice concerning the probable effect of a proposed modification of the NAFTA rule of origin for boxer shorts classified in subheading 6207.1100 of the Harmonized Tariff Schedule of the United States (HTS).<sup>1</sup> The Commission's analysis indicates that the proposed NAFTA rule of origin change for woven boxer shorts made from the specified fabrics, regardless of the source of the fabrics would likely have no effect on U.S. fabric producers or their workers because the subject fabrics are not currently produced in the United States. Also, any increase in U.S. trade in the affected products under NAFTA would likely be small in value terms and, thus, have no effect on overall U.S. trade in the affected goods or on U.S. apparel production. The proposed NAFTA rule change would likely benefit U.S. consumers of apparel to the extent that the woven boxer shorts made of the specified fabrics become more available in the U.S. market and that importers pass on some of the duty savings to retail customers. For a summary of the impact of the proposed NAFTA rule change see table 1.

The proposed change would apply to goods of the United States, Canada, and Mexico and would allow boxer shorts to be made from non-originating cotton fabrics of HTS subheadings 5208.4140, 5208.4240, 5208.5140, 5208.5230, 5210.1160, 5210.4160, 5210.4180, 5210.5140, and 5210.5160, and still qualify for NAFTA trade preferences. USTR states that the proposed modification is the result of a determination that North American producers are not able to produce the subject fabrics in commercial quantities in a timely manner.<sup>2</sup> The Commission conducted a qualitative analysis to assess the effect the changes to the rule of origin on boxer shorts might have, if implemented, on trade and production for the subject products. The Commission's qualitative assessment is based on the best available information, including available data and information on trade and production, information pertaining to the market conditions for the subject products (e.g., industry structure, production, product uses, and trade flows), information obtained from interested parties, including producers of the affected articles, and the Commission's own expertise. The Commission is unaware of any current domestic production of the subject fabrics in commercial quantities.

The proposed modification to the NAFTA rule of origin for woven cotton boxer shorts is in response to a petition received by the Committee for the Implementation of Textile Agreements (CITA) on March 1, 2005, from Alston & Bird, LLP, on behalf of Robinson Manufacturing Company, Inc. (Dayton, TN). The petition alleged that certain woven fabrics classified in the indicated subheadings of the HTS cannot be supplied by the NAFTA region in commercial quantities in a timely manner (see CITA, *Federal Register*, Mar. 25, 2005 (70 F.R. 16226)).

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<sup>1</sup> The Commission received the request on January 4, 2006, and the USTR asked that the Commission provide its advice by April 3, 2006.

<sup>2</sup> See the USTR letter of request to the Commission in appendix A of this report.

**Table 1**

**Summary of advice concerning modification of the NAFTA rules of origin for woven cotton boxer shorts of the United States, Canada, and Mexico**

HTS No.	Existing rule <sup>1</sup>	Proposed rule	Probable effect advice	Nature of modification and effect explanation
6207.11	A change to headings 6206 through 6210 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308 or 5310 through 5311, chapter 54, or headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the NAFTA parties.	<p>A change to subheading 6207.11 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308, or 5310 through 5311, chapter 54, or headings 5508 through 5516, 5801 through 5802, or 6001 through 6006, <u>provided</u> that the good is both cut and sewn or otherwise assembled in the territory of one or more of the NAFTA parties. <b>(Change in formatting only - no change in content)</b></p> <p><b>Subheading rule:</b> Men's or boys' boxer shorts of cotton (subheading 6207.11) shall be considered to originate if they are both cut and sewn or otherwise assembled in the territory of one or more of the NAFTA parties and if the plain weave fabric of the outer shell, exclusive of waistbands, is wholly of one or more of the specified cotton fabrics.<sup>2</sup></p>	<p>U.S. total trade: Imports: None Exports: None</p> <p>U.S. trade under NAFTA: Imports: Minor Exports: None</p> <p>U.S. production: None</p>	<p><i>Modification:</i> The proposed rule change is liberalizing because it would allow woven boxer shorts to be made from fabrics formed outside North America to qualify as originating goods.</p> <p><i>Effect:</i> There would be no effect on domestic production of the specified fabrics, as there are no known U.S. producers. Nor would there be an effect on U.S. producers of woven boxer shorts; there is very limited domestic production of woven boxer shorts and no U.S. producers of boxer shorts voiced any concerns. The rule change would enhance the competitiveness of U.S. apparel producers that have assembly operations in Mexico by providing greater production flexibility and lowering their production costs. These producers could also compete on a similar basis with producers of woven boxer shorts in the CAFTA-DR countries once CAFTA-DR goes into effect.</p>
<p><sup>1</sup> The current NAFTA rules of origin applicable to U.S. imports of goods of Canada and Mexico were taken from general note 12 of the 2006 HTS. General note 12 reflects the rules of origin as specified in Annex 401 of the NAFTA. The proposed rule would, if incorporated in general note 12, have slight, non-substantive modifications and formatting changes; the existing rule covers a group of headings whose rules would be substantively unchanged.</p> <p><sup>2</sup> These cotton fabrics are classified in HTS subheadings 5208.4140, 5208.4240, 5208.5140, 5208.5230, 5210.1160, 5210.4160, 5210.4180, 5210.5140, and 5210.5160.</p>				

## Description of the subject product

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The subject woven cotton boxer shorts are classified in HTS subheading 6207.1100, a provision covering men's and boys' underpants and briefs of cotton. The outer shell of a pair of boxer shorts comprises the essence of the garment and is made, cut, and sewn from the subject fabrics. The elastic fabric and thread that form the waistband make up the rest of the garment.<sup>3</sup>

Imports of woven cotton boxer shorts are subject to a 2006 normal trade relations (NTR) rate of duty of 6.1 percent ad valorem in the United States. Canada and Mexico maintain most-favored-nation (MFN) duty rates of 17 percent and 35 percent ad valorem, respectively. The fabrics used to make the boxer shorts are subsets of cotton fabrics classified in HTS subheadings 5208.4140, 5208.4240, 5208.5140, 5208.5230, 5210.1160, 5210.4160, 5210.4180, 5210.5140, and 5210.5160. The 2006 NTR rates of duty on the fabrics range from 6 percent to 15.5 percent ad valorem for imports into the United States. Canada maintains MFN duty rates on the subject fabrics of free to 14 percent ad valorem; Mexico maintains MFN duty rates on the subject fabrics ranging from 10 percent to 20 percent ad valorem.

The proponent of the proposed modification of the NAFTA rule of origin for woven cotton boxer shorts, Robinson Manufacturing Company, Inc., (Robinson) stated that it sources fabrics used in the boxer shorts \*\*\*.<sup>4</sup> \*\*\* Another U.S. producer of boxer shorts, Jockey International, indicated that it produces boxer shorts from yarn-dyed fabrics sourced from \*\*\* and printed fabrics imported from \*\*\*.<sup>5</sup>

## Discussion of U.S. trade and industry and market conditions for the subject product

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U.S. production data for the subject fabrics are not publicly available because they are grouped with other broadwoven cotton fabrics. However, overall U.S. production of broadwoven cotton fabrics has declined in recent years, falling by 43 percent from 4.4 billion yards to 2.5 billion yards during 2000-2004.<sup>6</sup> Much of the decline likely can be attributed to the steady increase in imported apparel in recent years, which has reduced demand for apparel fabrics produced in the United States.

Individual import data for each of the indicated fabrics are not available because these fabrics are grouped with other woven fabrics under the identified HTS subheadings. However, total U.S. imports of all the subject cotton woven fabrics entering under the indicated HTS subheadings combined rose by 12 percent during 2000-2004, from \$151

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<sup>3</sup> Fred Senseman, Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Jan. 24, 2006.

<sup>4</sup> Fred Senseman, Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Jan. 24, 2006.

<sup>5</sup> Ellen Smith, Compliance Counsel, Jockey International, Inc., e-mail to Commission staff, Feb. 10, 2006.

<sup>6</sup> Based on data in "Broadwoven Fabrics (Gray): 2004 - Summary," *Current Industrial Reports*, issued June 2005. This was the last summary report for broadwoven fabrics - publication of this report has been discontinued. Selected broadwoven fabrics production data will be included with the quarterly report, MQ313A, "Textiles."

million to \$169 million.<sup>7</sup> A U.S. manufacturer of boxer shorts indicated that the subject fabrics used in imported cotton woven boxer shorts are "standard."<sup>8</sup> A representative of the National Council of Textile Organizations (NCTO) also stated that the subject indicated fabrics "tend to be low margin commodity fabrics which producers in other parts of the world (especially Asia) have become skilled in producing inexpensively." Consequently, U.S. producers of boxer shorts have reportedly shifted their focus to making boxer shorts of higher-end, specialty fabrics.<sup>9</sup>

There are no known producers currently manufacturing the subject cotton fabrics in the United States.<sup>10</sup> An NCTO representative reported that the last two U.S. textile firms capable of producing the subject cotton fabrics were Ramtex, Inc. (Ramseur, NC)<sup>11</sup> and Dan River Inc. (Danville, VA).<sup>12</sup> Dan River ceased production of apparel fabrics in 2005.<sup>13</sup> A representative of Ramtex Inc. stated that the company has had the capacity to produce the subject fabrics, but is not producing them currently.<sup>14</sup>

The U.S. market for men's underwear has expanded in recent years, offering a growing variety of choices in garment styles, colors, prints, and materials.<sup>15</sup> Comfort is reportedly paramount for underwear consumers, but fabric technologies associated with stretch, moisture wicking, and odor control have also been driving sales.<sup>16</sup> Underwear "technology" has advanced by using microfibers for moisture management and cooling. Boxer shorts tend to be more popular among younger men.<sup>17</sup> According to one manufacturer of boxer shorts, the U.S. market for men's woven boxer shorts made from the subject fabrics accounts for about 15 to 20 percent of the total U.S. men's underwear market.<sup>18</sup> Since May 2003, however, boxer shorts have been losing sales to other types of men's underwear, including boxer briefs.<sup>19</sup>

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<sup>7</sup> U.S. imports of cotton fabrics entering under HTS subheading 5208.5230 (plain weave cotton fabrics, weighing more than 100 g/m<sup>2</sup>, of number 42 or lower) grew the most during 2000-2004. U.S. imports of some of the other subject fabrics declined during the period.

<sup>8</sup> Ellen Smith, Compliance Counsel, Jockey International, Inc., e-mail to Commission staff, Feb. 10, 2006.

<sup>9</sup> Michael Hubbard, Vice President, NCTO, (a Washington, DC-based lobbying group representing the fiber, fabric, supplier, and yarn industries), e-mail to Commission staff, Jan. 23, 2006.

<sup>10</sup> Spokespersons for the National Textile Association and the NCTO indicated that they have no objection to the proposed change in the NAFTA rule of origin. David Trumbell, Director of Member Services, National Textile Association, e-mail to Commission staff, Feb. 2, 2006, and Michael Hubbard, Vice President, NCTO, e-mail to Commission staff, Jan 23, 2006.

<sup>11</sup> Ramtex's yarn spinning and weaving operations serve the home furnishing, apparel, and institutional markets. See, [www.ramtex.com/press\\_tw052001.html](http://www.ramtex.com/press_tw052001.html), retrieved Feb. 7, 2006, and "Against the Odds," found at [www.textileworld.com](http://www.textileworld.com), retrieved Feb. 7, 2006.

<sup>12</sup> Michael Hubbard, Vice President, NCTO, e-mail to Commission staff, Jan 23, 2006.

<sup>13</sup> Michael Hubbard, Vice President, NCTO, e-mail to Commission staff, Jan. 23, 2006.

<sup>14</sup> Tom Seiler, President, Ramtex, telephone interview by Commission staff, Feb. 15, 2006.

<sup>15</sup> "Boxers, briefs, or nothing at all-Man Style," *Ebony*, April 2004, found at <http://findarticles.com>, retrieved Dec. 22, 2005, and "Underwear," *DSN Retailing Today*, May 22, 2000, Vol. 39, Issue 10, p. 25, found at <http://web2.epnet.com>, retrieved Dec. 22, 2005.

<sup>16</sup> "What's Next in Next-to-Skin," *SGB*, Aug. 2005, Vol. 38, Issue 8, p. 26, found at <http://web22.epnet.com>, retrieved Dec. 22, 2005.

<sup>17</sup> Fred Senseman, Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Jan. 24, 2006, and several trade articles report that boxer shorts tend to be more popular among younger men.

<sup>18</sup> Fred Senseman, Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Jan. 24, 2006.

<sup>19</sup> Fred Senseman, Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Jan. 24, 2006, and "Boxer Briefs become a Basic - Apparel and Accessories," *DNR Retailing Today*, May 5, 2003, found at <http://findarticles.com>, retrieved Dec. 22, 2005.

A U.S. producer of boxer shorts states that, because of downward price pressure resulting from low-cost imported garments and fabrics, price competition in the boxer shorts market has reportedly become intense.<sup>20</sup> The firm reports that minimizing production costs is vital for staying competitive.<sup>21</sup> Men's boxer shorts are currently priced at \$6-\$10 less per dozen than they were 10 years ago.<sup>22</sup> Inexpensive boxer shorts typically sell for about \$1.75 per garment at retail and are sold in packs of 2-4.<sup>23</sup> High-end, fashion boxer shorts generally have a retail price of about \$17.00/package (2 boxers shorts per package). Boxer shorts made of the subject fabrics are sold in discount chains such as Wal-mart and Target, retailers such as JC Penney and Kohls, major department stores, by catalog, and online.

Leading boxer short producers include Robinson Manufacturing Company, Fruit of the Loom, Hanes, and Jockey.<sup>24</sup> Calvin Klein and other designers also produce smaller lots of higher-end boxer shorts. U.S. production data for the subject boxer shorts are not available because they are grouped with various men's undergarments, including thermal underwear, undershirts, and knit undershorts.<sup>25</sup> However, domestic production of all men's undergarments, including woven boxer shorts, contracted during 2001-04, falling by 38 percent from \$571 million to \$355 million.<sup>26</sup> According to one industry source, domestic production of woven cotton boxer shorts is limited to the production of some high-end, fashion items mentioned above.<sup>27</sup> Another industry representative stated he was unaware of domestic production of any types of boxer shorts.<sup>28</sup> Most U.S. producers of boxer shorts have moved their sewing operations offshore to Mexico and the Caribbean Basin and Central American countries.

Data on U.S. imports and exports of woven cotton boxer shorts of the subject fabrics are not available because they are grouped with other related articles in HTS subheading 6207.1100. However, in 2005, the CBERA countries accounted for the largest share (39 percent) of imports entering the United States under HTS subheading 6207.1100, followed by Thailand (12 percent), Indonesia (10 percent), and Mexico (6 percent). Thirty-three percent of U.S. imports from Mexico in 2005 entered free of duty under NAFTA. In 2005, total U.S. exports to Mexico under subheading 6207.11 amounted to \$3.1 million, up from \$2.3 million in 2004.

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<sup>20</sup> Fred Senseman, Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Jan. 24, 2006.

<sup>21</sup> Ibid.

<sup>22</sup> Fred Senseman, Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Jan. 24, 2006

<sup>23</sup> Fred Senseman, Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Jan. 24, 2006.

<sup>24</sup> Ellen Smith, Compliance Counsel, Jockey International, Inc., e-mail to Commission staff, Feb. 10, 2006 and Fred Senseman Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Jan. 24, 2006.

<sup>25</sup> See "Apparel: 2004 - Summary," *Current Industrial Reports*, issued June 2005.

<sup>26</sup> Based on data in "Apparel: 2004 - Summary," *Current Industrial Reports*, issued June 2005 and earlier issues.

<sup>27</sup> \*\*\*

<sup>28</sup> Fred Senseman, Vice President, Robinson Manufacturing Company, Inc., telephone interview by Commission staff, Mar. 6, 2006.

## **Views of interested parties**

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The Commission received a written submission supporting the proposed rule change from the American Apparel & Footwear Association (AAFA), which represents apparel, footwear, and other sewn products companies, and their suppliers. AAFA indicated that it is not aware of any domestic production of commercial quantities of the subject fabrics used in woven cotton boxer shorts and that it does not expect the proposed rule change to adversely affect U.S. textile and apparel companies. AAFA noted that it was unaware of any opposition to the rule change from other producers of boxer shorts. AAFA stated the proposed rule change will make U.S. and Mexican-based operations of companies producing boxer shorts in Mexico more competitive. AAFA also noted that boxer shorts will receive duty-free access under a flexible rule of origin in the CAFTA-DR agreement.

## **Probable effect of the proposed action on U.S. trade under the NAFTA, total U.S. trade, and on domestic producers of the affected product**<sup>29</sup>

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The Commission's analysis indicates that the proposed modification of the NAFTA rule of origin for woven cotton boxer shorts would likely have no effect on U.S. fabric producers or their workers, because currently there is no known domestic production of the subject fabrics. Nor would there likely be an effect on U.S. producers of boxer shorts because domestic production of such garments is small and limited to boxer shorts of higher-end fabrics. The proposed rule change would likely benefit U.S., Canadian, and Mexican manufacturers of woven cotton boxer shorts because it would increase their production flexibility by allowing them to use non-originating inputs and still qualify for NAFTA preferences. It also would likely enhance the competitiveness of U.S. apparel producers with assembly operations in Mexico by lowering their production costs. This is likely to be especially important because competition with Asian suppliers (especially China) has intensified since the elimination of quotas on apparel on January 1, 2005. The proposed rule change may allow U.S. producers of boxer shorts to maintain or slightly increase their trade with Mexico, and would allow U.S. producers with sewing operations in Mexico to compete on a similar basis with companies having assembly operations in the CAFTA-DR countries once the CAFTA-DR goes into effect.<sup>30</sup> U.S. consumers would likely benefit from additional duty savings on U.S. imports of boxer shorts made from the subject fabrics.

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<sup>29</sup> The Commission's advice is based on information currently available to the Commission.

<sup>30</sup> The CAFTA-DR grants duty-free preferences to boxer shorts cut and sewn or otherwise assembled in the region regardless of the source of the fabrics. The CAFTA-DR is scheduled to go into effect for El Salvador on March 1, 2006.

**APPENDIX A  
REQUEST LETTER FROM THE  
UNITED STATES TRADE  
REPRESENTATIVE**

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EXECUTIVE OFFICE OF THE PRESIDENT  
THE UNITED STATES TRADE REPRESENTATIVE  
WASHINGTON, D.C. 20508

DEC 21 2005

The Honorable Stephen Koplan  
Chairman  
U.S. International Trade Commission  
500 E St., SW  
Washington, DC 20436

DOCKET NUMBER  2460 <hr/> Office of the Secretary Int'l Trade Commission
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OFFICE OF THE SECRETARY  
U.S. INTERNATIONAL TRADE COMMISSION  
200 E ST. SW  
WASHINGTON, DC 20436

Dear Chairman Koplan:

Annex 300-B, Chapter Four and Annex 401 of the North American Free Trade Agreement (NAFTA) set out rules of origin for textiles and apparel for applying the tariff provisions of the NAFTA. These rules are reflected in General Note 12 of the Harmonized Tariff Schedule of the United States (HTS).

Section 202(q) of the North American Free Trade Agreement Implementation Act (the Act) authorizes the President, subject to the consultation and layover requirements of section 103 of the Act, to proclaim such modifications to the rules of origin as are necessary to implement an agreement with one or more of the NAFTA countries pursuant to paragraph 2 of section 7 of Annex 300-B of NAFTA. One of the requirements set out in section 103 of the Act is that the President obtain advice regarding the proposed action from the U.S. International Trade Commission.

Our negotiators have recently reached agreement in principle with representatives of the governments of Canada and Mexico on modifications to the NAFTA rules of origin, which are reflected in the attached document. These changes are the result of determinations that North American producers are not able to produce certain fabrics in commercial quantities in a timely manner.

Under authority delegated by the President, and pursuant to section 103 of the Act, I request that the Commission provide advice on the probable effect of the modifications reflected in the enclosed proposal on U.S. trade under the NAFTA, total U.S. trade, and on domestic producers of the affected articles. I request that the Commission provide this advice at the earliest possible date, but not later than three months following receipt of this letter. The Commission should issue, as soon as possible thereafter, a public version of its report with any business confidential information deleted.

The Commission's assistance in this matter is greatly appreciated.

Sincerely,



Karan Bhatia  
Acting United States Trade Representative

Enclosure

**Enclosure**

**NORTH AMERICAN FREE TRADE AGREEMENT  
Textiles and Apparel Goods - Availability of Supply  
Proposed Modification to Annex 401, Specific Rules of Origin**

**Woven Cotton Boxer Shorts**

Delete heading 6206-6210 (HTSUS General Rule 12(t), Chapter 62, paragraph 32) and replace with the following:

6206                    A change to heading 6206 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308, or 5310 through 5311, chapter 54, or headings 5508 through 5516, 5801 through 5802, or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the NAFTA parties.  
*(Change in formatting only - no change in content)*

**Subheading rule:**    Men's or boys' boxer shorts of cotton (subheading 6207.11) shall be considered to originate if they are both cut and sewn or otherwise assembled in the territory of one or more of the NAFTA parties and if the plain weave fabric of the outer shell, exclusive of waistbands, is wholly of one or more of the following:

- (a)    Fabrics of subheading 5208.41, yarn-dyed, with a fiber content of 100 percent cotton, 95 to 100 grams per square meter, of average yarn number<sup>1</sup> 37 to 42 metric;
- (b)    Fabrics of subheading 5208.42, yarn-dyed, with a fiber content of 100 percent cotton, 100 to 105 grams per square meter, of average yarn number 47 to 53 metric;
- (c)    Fabrics of subheading 5208.51, printed, with a fiber content of 100 percent cotton, 93 to 97 grams per square meter, of average yarn number 38 to 42 metric;
- (d)    Fabrics of subheading 5208.52, printed, with a fiber content of 100 percent cotton, 112 to 118 grams per square meter, of average yarn number 38 to 42 metric;
- (e)    Fabrics of subheading 5210.11, greige, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 100 to 112 grams per square meter, of

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<sup>1</sup> As provided in HTSUS General Note 12(r)(viii), the term "average yarn number" has the meaning provided in section 10 of Annex 300-B of the NAFTA.

average yarn number 55 to 65 metric;

- (f) Fabrics of subheading 5210.41, yarn-dyed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 77 to 82 grams per square meter, of average yarn number 43 to 48 metric;
- (g) Fabrics of subheading 5210.41, yarn-dyed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 85 to 90 grams per square meter, of average yarn number 69 to 75 metric;
- (h) Fabrics of subheading 5210.51, printed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 107 to 113 grams per square meter, of average yarn number 33 to 37 metric;
- (i) Fabrics of subheading 5210.51, printed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 92 to 98 grams per square meter, of average yarn number 43 to 48 metric; or
- (j) Fabrics of subheading 5210.51, printed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 105 to 112 grams per square meter, of average yarn number 50 to 60 metric.

6207.11 A change to subheading 6207.11 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308, or 5310 through 5311, chapter 54, or headings 5508 through 5516, 5801 through 5802, or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the NAFTA parties.  
*(Change in formatting only - no change in content)*

6207.19-6207.99 A change to subheadings 6207.19 through 6207.99 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308, or 5310 through 5311, chapter 54, or headings 5508 through 5516, 5801 through 5802, or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the NAFTA parties.  
*(Change in formatting only - no change in content)*

62.08-62.10 A change to heading 6208 through 6210 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308, or 5310 through 5311, chapter 54, or headings 5508 through 5516, 5801 through 5802, or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the NAFTA parties.  
*(Change in formatting only - no change in content)*



**APPENDIX B**  
***FEDERAL REGISTER* NOTICE**

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**INTERNATIONAL TRADE COMMISSION**

[Investigation No. NAFTA-103-13]

**Woven Cotton Boxer Shorts: Probable Effect of Modification of NAFTA Rules of Origin for Goods of Canada and Mexico**

AGENCY: United States International Trade Commission.

ACTION: Correction of HTS subheading number in original notice.

DATES: *Effective Date:* February 7, 2006.

SUMMARY: The notice of institution of this investigation published in the Federal Register of February 2, 2006 (71 FR 5687) incorrectly listed one of the HTS subheading numbers. The correct HTS subheading number is 6207.1100, not 6207.1000. All other information in the notice remains the same.

FOR FURTHER INFORMATION CONTACT: Information may be obtained from Laura V. Rodriguez, Office of Industries (202-205-3499, [laura.rodriguez@usitc.gov](mailto:laura.rodriguez@usitc.gov)). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) <http://edis.usitc.gov>. Hearing impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000.*List of Subjects:* NAFTA, rules of origin, fabrics, boxer shorts.

By order of the Commission.

Issued: February 7, 2006.

Marilyn K. Abbott,  
Secretary to the Commission.

[FR Doc. E6-1979 Filed 2-10-06; 8:45 am]

BILLING CODE 7020-02-P

**JUDICIAL CONFERENCE OF THE UNITED STATES****Meeting of the Judicial Conference Advisory Committee on Rules of Civil Procedure**

AGENCY: Advisory Committee on Rules of Civil Procedure, Judicial Conference of the United States.

ACTION: Notice of open meeting.

SUMMARY: The Advisory Committee on Rules of Civil Procedure will hold a two-day meeting. The meeting will be open to public observation but not participation.

DATES: May 22-23, 2006.

TIME: 8:30 a.m. to 5 p.m.

ADDRESSES: Thurgood Marshall Federal Judiciary Building, Judicial Conference Center, One Columbus Circle, NE., Washington, DC.

FOR FURTHER INFORMATION CONTACT: John K. Rabiej, Chief, Rules Committee Support Office, Administrative Office of the United States Courts, Washington, DC 20544, telephone (202) 502-1820.

Dated: February 6, 2006.

John K. Rabiej,  
Chief, Rules Committee Support Office.

[FR Doc. 06-1277 Filed 2-10-06; 8:45 am]

BILLING CODE 2210-55-M

**JUDICIAL CONFERENCE OF THE UNITED STATES****Meeting of the Judicial Conference Advisory Committee on Rules of Evidence**

AGENCY: Advisory Committee on Rules of Evidence, Judicial Conference of the United States.

ACTION: Notice of open meeting on Evidence Rule 502.

SUMMARY: The Advisory Committee on Rules of Evidence will hold a two-day meeting. The meeting will be open to public observation but not participation.

DATES: April 24-25, 2006.

TIME: 8:30 a.m. to 5 p.m.

ADDRESSES: Fordham University Law School, Lowenstein Building, President's Dining Room, 60th Street and Columbus Avenue, New York, NY.

FOR FURTHER INFORMATION CONTACT: John K. Rabiej, Chief, Rules Committee Support Office, Administrative Office of the United States Courts, Washington, DC 20544, telephone (202) 502-1820.

Dated: February 6, 2006.

John K. Rabiej,  
Chief, Rules Committee Support Office.

[FR Doc. 06-1278 Filed 2-10-06; 8:45 am]

BILLING CODE 2210-55-M

**JUDICIAL CONFERENCE OF THE UNITED STATES****Meeting of the Judicial Conference Advisory Committee on Rules of Criminal Procedure**

AGENCY: Advisory Committee on Rules of Criminal Procedure, Judicial Conference of the United States.

ACTION: Notice of open meeting.

SUMMARY: The Advisory Committee on Rules of Criminal Procedure will hold a two-day meeting. The meeting will be

open to public observation but not participation.

DATES: April 3-4, 2006.

TIME: 8:30 a.m. to 5 p.m.

ADDRESSES: Thurgood Marshall Federal Judiciary Building, Judicial Conference Center, One Columbus Circle, NE., Washington, DC.

FOR FURTHER INFORMATION CONTACT: John K. Rabiej, Chief, Rules Committee Support Office, Administrative Office of the United States Courts, Washington, DC 20544, telephone (202) 502-1820.

Dated: February 6, 2006.

John K. Rabiej,  
Chief, Rules Committee Support Office.

[FR Doc. 06-1279 Filed 2-10-06; 8:45 am]

BILLING CODE 2210-55-M

**JUDICIAL CONFERENCE OF THE UNITED STATES****Meeting of the Judicial Conference Committee on Rules of Practice and Procedure**

AGENCY: Committee on Rules of Practice and Procedure, Judicial Conference of the United States.

ACTION: Notice of open meeting.

SUMMARY: The Committee on Rules of Practice and Procedure will hold a two-day meeting. The meeting will be open to public observation but not participation.

DATES: June 22-23, 2006.

TIME: 8:30 a.m. to 5 p.m.

ADDRESSES: Thurgood Marshall Federal Judiciary Building, Judicial Conference Center, One Columbus Circle, NE., Washington, DC.

FOR FURTHER INFORMATION CONTACT: John K. Rabiej, Chief, Rules Committee Support Office, Administrative Office of the United States Courts, Washington, DC 20544, telephone (202) 502-1820.

Dated: February 6, 2006.

John K. Rabiej,  
Chief, Rules Committee Support Office.

[FR Doc. 06-1280 Filed 2-10-06; 8:45 am]

BILLING CODE 2210-55-M

**JUDICIAL CONFERENCE OF THE UNITED STATES****Meeting of the Judicial Conference Committee on Rules of Practice and Procedure**

AGENCY: Judicial Conference of the United States, Committee on Rules of Practice and Procedure.

ACTION: Notice of open meeting.

available for public review. Individual respondents may request that we withhold their home address from public disclosure, which we will honor to the extent allowable by law. There also may be circumstances in which we would withhold a respondent's identity from public disclosure, as allowable by law. If you wish us to withhold your name and/or address, you must state this prominently at the beginning of your comment. We will make all submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, available for public disclosure in their entirety.

Dated: January 25, 2006.

Roseann Gonzales,  
Director, Office of Program and Policy  
Services, Denver Office.

[FR Doc. E6-1398 Filed 2-1-06; 8:45 am]

BILLING CODE 4310-MN-P

## INTERNATIONAL TRADE COMMISSION

[Investigation No. NAFTA-103-13]

### Woven Cotton Boxer Shorts: Probable Effect of Modification of NAFTA Rules of Origin for Goods of Canada and Mexico

AGENCY: United States International  
Trade Commission.

ACTION: Institution of investigation and  
request for written submissions.

**DATES:** *Effective Date:* January 27, 2006.  
**SUMMARY:** Following receipt of a request on January 4, 2006 from the United States Trade Representative (USTR) under authority delegated by the President and pursuant to section 103 of the North American Free Trade Agreement (NAFTA) Implementation Act (19 U.S.C. 3313), the Commission instituted investigation No. NAFTA-103-13, Woven Cotton Boxer Shorts: Probable Effect of Modification of NAFTA Rules of Origin for Goods of Canada and Mexico.

**FOR FURTHER INFORMATION CONTACT:** Information may be obtained from Laura V. Rodriguez, Office of Industries (202-205-3499, [laura.rodriguez@usitc.gov](mailto:laura.rodriguez@usitc.gov)); for information on legal aspects, contact William Gearhart of the Office of the General Counsel (202-205-3091, [william.gearhart@usitc.gov](mailto:william.gearhart@usitc.gov)). The media should contact Margaret O'Laughlin, Office of Public Affairs (202-205-1819, [margaret.olaughlin@usitc.gov](mailto:margaret.olaughlin@usitc.gov)).

**Background:** Annex 300-B, Chapter 4, and Annex 401 of the NAFTA contain the rules of origin for textiles and

apparel for application of the tariff provisions of the NAFTA. These rules are set forth for the United States in general note 12 to the Harmonized Tariff Schedule (HTS). According to the USTR request letter, U.S. negotiators have recently reached agreement in principle with representatives of the Governments of Canada and Mexico to modify the NAFTA rule of origin for woven cotton boxer shorts classified in HTS subheading 6207.1000 and made from cotton woven fabrics of HTS subheadings 5210.1160, 5210.5160, 5210.4180, 5210.4160, 5210.5140, 5208.4240, 5208.4140, 5208.5230, and 5208.5140. These changes are the result of determinations that North American producers are not able to produce certain fabrics in commercial quantities in a timely manner. If implemented, the proposed rule of origin would apply to U.S. imports from and exports to the NAFTA parties. Section 202(q) of the North American Free Trade Agreement Implementation Act (the Act) authorizes the President, subject to the consultation and layover requirements of section 103 of the Act, to proclaim such modifications to the rules of origin as are necessary to implement an agreement with one or more of the NAFTA countries pursuant to paragraph 2 of section 7 of Annex 300-B of the Agreement. One of the requirements set out in section 103 of the Act is that the President obtain advice from the United States International Trade Commission.

In his letter, the USTR requested that the Commission provide advice on the probable effect of the proposed modification of the NAFTA rule of origin for woven cotton boxer shorts (as described above) on U.S. trade under the NAFTA, on total U.S. trade, and on domestic producers of the affected articles. As requested, the Commission will submit its advice to the USTR by April 3, 2006 and soon thereafter, issue a public version of the report with any confidential business information deleted. Additional information concerning the articles and the proposed modifications can be obtained by accessing the electronic version of this notice at the Commission Internet site (<http://www.usitc.gov>). The current NAFTA rules of origin applicable to U.S. imports can be found in general note 12 of the 2006 HTS (see "General Notes" link at <http://www.usitc.gov/tata/hts/bychapter/index.htm>).

**Written Submissions:** No public hearing is planned. However, interested parties are invited to submit written statements concerning the matters to be addressed by the Commission in this investigation. Submissions should be addressed to the Secretary, United

States International Trade Commission, 500 E Street, SW., Washington, DC 20436. To be assured of consideration by the Commission, written statements related to the Commission's reports should be submitted to the Commission at the earliest practical date and should be received no later than the close of business on February 20, 2006. All written submissions must conform with the provisions of section 201.8 of the Commission's Rules of Practice and Procedure (19 CFR 201.8). Section 201.8 of the rules requires that a signed original (or copy designated as an original) and fourteen (14) copies of each document be filed. In the event that confidential treatment of the document is requested, at least four (4) additional copies must be filed, in which the confidential business information must be deleted (see the following paragraph for further information regarding confidential business information). The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the rules (see Handbook for Electronic Filing Procedures, [http://hotdocs.usitc.gov/pubs/handbook\\_on\\_electronic\\_filing.pdf](http://hotdocs.usitc.gov/pubs/handbook_on_electronic_filing.pdf)).

Any submissions that contain confidential business information (CBI) must also conform with the requirements of section 201.6 of the Commission's Rules of Practice and Procedure (19 CFR 201.6). Section 201.6 of the rules requires that the cover of the document and the individual pages be clearly marked as to whether they are the "confidential" or "nonconfidential" version, and that the CBI be clearly identified by means of brackets. All written submissions, except for CBI, will be made available in the Office of the Secretary to the Commission for inspection by interested parties.

The Commission may include some or all of the CBI it receives in the report it sends to the President. However, the Commission will not publish CBI in the public version of the report in a manner that would reveal the operations of the firm supplying the information. The public version will be made available to the public on the Commission's Internet site (<http://www.usitc.gov>).

The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) <http://edis.usitc.gov>. Hearing impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the



Commission should contact the Office of the Secretary at 202-205-2000.

#### List of Subjects

NAFTA, Rules of origin, Fabrics, Boxer shorts.

Issued: January 27, 2006.

By order of the Commission.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. E6-1362 Filed 2-1-06; 8:45 am]

BILLING CODE 7020-02-P

### INTERNATIONAL TRADE COMMISSION

[Investigation No. 731-TA-1102 (Preliminary)]

#### Activated Carbon From China

AGENCY: United States International Trade Commission.

ACTION: Institution of antidumping investigation and scheduling of a preliminary phase investigation.

**SUMMARY:** The Commission hereby gives notice of the institution of an investigation and commencement of preliminary phase antidumping investigation No. 731-TA-1102 (Preliminary) under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)) (the Act) to determine whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports from China of activated carbon, provided for in subheading 3802.10.00 of the Harmonized Tariff Schedule of the United States, that are alleged to be sold in the United States at less than fair value. Unless the Department of Commerce extends the time for initiation pursuant to section 732(c)(1)(B) of the Act (19 U.S.C. 1673a(c)(1)(B)), the Commission must reach a preliminary determination in antidumping investigations in 45 days, or in this case by March 13, 2006. The Commission's views are due at Commerce within five business days thereafter, or by March 20, 2006.

For further information concerning the conduct of this investigation and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A and B (19 CFR part 207).

**EFFECTIVE DATE:** January 26, 2006.

**FOR FURTHER INFORMATION CONTACT:** Jim McClure (202-205-3191), Office of Investigations, U.S. International Trade

Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

#### SUPPLEMENTARY INFORMATION:

**Background.** This investigation is being instituted in response to a petition filed on January 26, 2006, by Calgon Carbon Corporation, Pittsburgh, PA, and Norit Americas, Inc., Marshall, TX.

**Participation in the investigation and public service list.** Persons (other than petitioners) wishing to participate in the investigation as parties must file an entry of appearance with the Secretary to the Commission, as provided in sections 201.11 and 207.10 of the Commission's rules, not later than seven days after publication of this notice in the Federal Register. Industrial users and (if the merchandise under investigation is sold at the retail level) representative consumer organizations have the right to appear as parties in Commission antidumping investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives, who are parties to this investigation upon the expiration of the period for filing entries of appearance.

**Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and BPI service list.** Pursuant to § 207.7(a) of the Commission's rules, the Secretary will make BPI gathered in this investigation available to authorized applicants representing interested parties (as defined in 19 U.S.C. 1677(9)) who are parties to the investigation under the APO issued in the investigation, provided that the application is made not later than seven days after the publication of this notice in the Federal Register. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

**Conference.** The Commission's Director of Operations has scheduled a conference in connection with this investigation for 9:30 a.m. on February 16, 2006, at the U.S. International Trade

Commission Building, 500 E Street, SW., Washington, DC. Parties wishing to participate in the conference should contact Jim McClure (202-205-3191) not later than February 13, 2006, to arrange for their appearance. Parties in support of the imposition of antidumping duties in this investigation and parties in opposition to the imposition of such duties will each be collectively allocated one hour within which to make an oral presentation at the conference. A nonparty who has testimony that may aid the Commission's deliberations may request permission to present a short statement at the conference.

**Written submissions.** As provided in §§ 201.8 and 207.15 of the Commission's rules, any person may submit to the Commission on or before February 22, 2006, a written brief containing information and arguments pertinent to the subject matter of the investigation. Parties may file written testimony in connection with their presentation at the conference no later than three days before the conference. If briefs or written testimony contain BPI, they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by § 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002). Even where electronic filing of a document is permitted, certain documents must also be filed in paper form, as specified in II (C) of the Commission's Handbook on Electronic Filing Procedures, 67 FR 68168, 68173 (November 8, 2002).

In accordance with §§ 201.16(c) and 207.3 of the rules, each document filed by a party to the investigation must be served on all other parties to the investigation (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

**Authority:** This investigation is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to § 207.12 of the Commission's rules.

By order of the Commission.

Issued: January 27, 2006.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. E6-1403 Filed 2-1-06; 8:45 am]

BILLING CODE 7020-02-P

