

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 110<sup>th</sup> Congress<sup>1</sup>**

[Date approved: March 26, 2008]<sup>2</sup>

**Bill No. and sponsor:** H.R. 4319 (Mr. John J. Duncan of Tennessee).

**Proponent name, location:** Panasonic Electronic Devices Corporation of America, Knoxville, TN.

**Other bills on product (110<sup>th</sup> Congress only):** None.

**Nature of bill:** Extend the existing temporary duty suspension through December 31, 2011.

**Retroactive effect:** None.

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

Parts (provided for in subheading 8518.90.80) certified by the importer as for use exclusively in the manufacture of loudspeakers which (when not mounted in their enclosures) meet a performance standard of not more than 1.5 dB for the average level of 3 or more octave bands when tested in a reverberant chamber.

**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:**

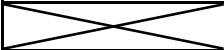
The subject loudspeaker parts consist primarily of back plates, front plates, baskets, cones, spiders, and coil wire. Once assembled with parts of general use not covered by HTS subheading 8518.90.80 (fabric, fasteners, or other inputs), these parts form a high performance loudspeaker. The importer certification required by the article description is intended to facilitate administration of the provision by Customs officials, given that it would be extremely difficult or impossible to distinguish parts destined for the named loudspeakers from other imported parts.

These products were imported from China, Japan, Indonesia, Taiwan, Malaysia, and Thailand in 2007.

<sup>1</sup> Industry analyst preparing report: John Kitzmiller (202-205-3387); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

**Estimated effect on customs revenue:**

| <b>HTS subheading: 8518.90.80</b>   |             |             |             |             |             |
|---|-------------|-------------|-------------|-------------|-------------|
|  | 2009        | 2010        | 2011        | 2012        | 2013        |
| Col. 1-General rate of duty   | 4.9%        | 4.9%        | 4.9%        | 4.9%        | 4.9%        |
| Estimated value <i>dutiable</i> imports   | \$4,344,000 | \$4,200,000 | \$3,287,000 | \$3,000,000 | \$3,000,000 |
| Customs revenue loss <sup>1/</sup>  | \$212,856   | \$205,800   | \$161,063   | \$147,000   | \$147,000   |

<sup>1/</sup> The estimated customs revenue loss for 2009 reflects the existing duty suspension under heading 9902.23.28 that expires on December 31, 2009.

Source of estimated dutiable import data: Industry and Commission estimates.

**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)                                     |                      |                   |
| Panasonic Electronic Devices Corporation of America (Proponent)<br>Mary Alexander, 202-912-3800 | 01/03/2008     | No   | No                   | No                |
| Bose<br>508-879-7330  | 02/01/2008     | No   | No                   | No                |
| Harman International<br>Don Crawford, 248-994-2400  | 01/31/2008     | No   | No                   | No                |
| Rockford Corp.<br>480-967-3565  | 02/04/2008     | No   | No                   | No                |
| Sony Co.<br>Christina Mulvihill, 202-429-3653   | 01/23/2008     | No   | No                   | No                |

**Technical comments:<sup>3</sup>**

We know of no difficulties encountered to date by Customs officials in administering the existing article description and, accordingly, suggest no changes in it.

<sup>3</sup> 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  
1ST SESSION

# H. R. 4319

To extend the temporary suspension of duty on parts for use in the  
manufacture of certain high-performance loudspeakers.

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2007

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

---

## A BILL

To extend the temporary suspension of duty on parts for  
use in the manufacture of certain high-performance loud-  
speakers.

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. EQUIPMENT PARTS FOR USE IN THE MANUFAC-**  
4 **TURE OF CERTAIN HIGH-PERFORMANCE**  
5 **LOUDSPEAKERS.**

6 (a) IN GENERAL.—Heading 9902.23.28 of the Har-  
7 monized Tariff Schedule of the United States (relating to  
8 parts for use in the manufacture of certain high-perform-  
9 ance loudspeakers) is amended by striking “12/31/2009”  
10 and inserting “12/31/2011”.

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 enactment of this Act.

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