



## MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

### I. Background

Bill number:

Sponsor name:

Sponsor state:

#### Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

#### Note:

1. Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Polyvinyl butyral (CAS No. 27360-07-2) sheet for use in high penetration resistance aircraft applications (provided for in subheading 3920.91.00)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same  
 Different (see Technical Comments section)

**III. Other product information, including uses/applications and source(s) of imports**

Polyvinyl butyral (PVB) is a reaction product of polyvinyl alcohol and butyraldehyde. Its major use is for the manufacture of plasticized (PVB) sheet that is used as an interlayer in laminated safety glass for automotive and architectural applications. PVB sheet has a number of distinguishing properties that make it particularly useful in the production of safety glass, such as high tensile strength, impact resistance, transparency, and elasticity. Aircraft grade PVB sheet reportedly has a higher impact resistance and is tougher than standard grades, and may contain a different set of plasticizers at lower levels of concentration. Belgium, Japan, and Germany are the principle import sources of PVB sheet.

The United States does not distinguish between different grades of polyvinyl butyral under HTS subheading 3920.91.00 (the subheading is comprised solely of sheets and other products of polyvinyl butyral). As such, given all of the possible grades of this product that could be imported, the estimated annual customs revenue loss could actually be as high as \$2.2 million; additionally, this legislation may not be administrable by U.S. Customs and Border Protection (CBP). (Commission staff correspondence with the appropriate National Import Specialist, CBP, June 18, 2012.)

Opposition to this bill is noted below in the Contacts table.

**IV. Estimated effect on customs revenue**

Subject product HTS subheading(s)	3920.91.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	4.2	4.2	4.2	4.2	4.2
Estimated value of <i>dutiable</i> imports (\$)	6,000,000	6,500,000	7,000,000	7,500,000	8,000,000
Customs revenue loss (\$)	252,000	273,000	294,000	315,000	336,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce  
 Provided by industry sources  
 Industry information  
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction  
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%)  Temporary rate (%)  Percentage point reduction (%)

**V. Technical comments**

Commission staff recommends that the suggested article description be revised as shown in Section II of this report in order to more precisely identify the type of subject product under consideration.

**VI. Continuation**

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## VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	Solutia (Interested entity) Kassie Wooton	314-674-3297	No	No	No
2	3M Greg Walters	202-414-3008	No	No	No
3	AGC Chemicals Americas Winn Darden	805-583-5917	No	No	No
4	Air Products Richard F. Goodstein	202-639-0840	No	No	No
5	AkzoNobel Polymer Chemicals LLC Matt West	202-639-7729	No	No	No
6	Albaugh Stuart Feldstein	515-964-9444	No	No	No
7	Arkema David Kunz	202-263-3491	No	No	No
8	Ashland Frank Fusiak	973-628-4123	No	No	No
9	BASF Richard J. Salamone	973-895-8316	No	No	No
10	Bayer Steve Johnson	412-777-5616	No	No	No
11	Bayer CropScience Jean Reimers	202-756-3779	No	No	No
12	Bolloré' Steve Brunetti	860-774-7431, x138	No	No	No
13	Cargill Tim Bodine	952-742-6434	No	No	No
14	Celanese Samuel Ramirez	972-443-4689	No	No	No
15	Chemtura Elizabeth J. Thomasino	203-573-2644	No	No	No
16	Clariant Andrew Zamoyski	202-415-9159	No	No	No
17	ColorChem Steven Printz	770-993-5500, x18	No	No	No
18	Command Packaging Albert Halimi	323-260-4800	No	No	No

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
19	CropLife America Beau Greenwood	202-872-3871	No	No	No
20	Crowell & Moring, LLP Mike Gill	202-508-8843	No	No	No
21	Daikin America Mark Stokes	845-365-9566	No	No	No
22	DSM Sheetal Bhadekar	973-257-8323	No	No	No
23	Dixie Chemical Mal Johnson	281-291-2659	No	No	No
24	Dow Chemical Co. Lisa Schroeter	202-429-3407	No	No	No
25	Drexel Chemical Stanley Bernard	901-774-4370	No	No	No
26	DuPont Elaine M. Olsen	302-992-2263	Yes	Yes	Yes
27	Dyneon John Scanlon	651-733-1519	No	No	No
28	DyStar L.P. Megan Malone	202-344-4621	No	No	No
29	Eastman Brent Perry	202-347-9547	No	No	No
30	Efficient Global Trade Henry P. Stoebenau	215-628-4919	No	No	No
31	Emerald Performance Materials Thomas Dirmyer	330-916-6706	No	No	No
32	Evonik Russell Mait	804-452-5711	No	No	No
33	ExxonMobil Chemical Chad Haughton	281-834-5516	No	No	No
34	FMC Jerry Prout	202-956-5209	No	No	No
35	Fanwood Chemical V. M. (Jim) DeLisi	908-322-8440	No	No	No
36	GE Digital Energy John McNie	727-867-4632	No	No	No
37	Hexion Specialty Chemicals Paul W. Langemeier	832-366-2385	No	No	No

38	Hilex Poly Co., LLC Mark T. Daniels	972-921-1338	No	No	No
39	Honeywell Art Simonetti	202-662-2671	No	No	No
40	Huntsman Robert F. Hurley	202-289-9800	No	No	No
41	International Business-Govt. Counsellors (IBC) Steve Ziehm	202-872-8181	No	No	No
42	Kemira Rajesh Sharma	678-819-4577	No	No	No
43	LANXESS Jamie B. Schaeffer	412-809-3666	No	No	No
44	Lonza Joe Robinson	201-316-9364	No	No	No
45	Lubrizol Joe Eskra	440-347-5955	No	No	No
46	Milliken Kathi Dutilh	202-775-0084	No	No	No
47	MIRWEC Film Kyle Massey	812-331-7194	No	No	No
48	Monsanto James K. Travis	202-383-2864	No	No	No
49	Nation Ford Chemical Jay Dickson	803-548-3210, x15	No	No	No
50	Novamont North America Dan Martens	203-744-8801	No	No	No
51	Nufarm Americas Joel Junker	206-621-7878	No	No	No
52	Pergan Marshall LLC Greg Schramm	678-574-7986	No	No	No
53	PPG Industries Bill Ries	412-434-1717	No	No	No
54	Procter & Gamble Matt Mattingley	202-841-5601	No	No	No
55	Purolite Gary Thundercliffe	484-384-2708	No	No	No
56	Rhodia Jackie Guscott	609-860-3379	No	No	No
57	Royce Associates, ALP Terry Scheirer	201-438-5200	No	No	No
58	SABIC Innovative Plastics Danielle Cannata	202-621-2548	No	No	No

59	SOCMA Robert E. Branand	202-345-2717	No	No	No
60	Sensient Technologies Ken Goldacker	314-658-7363	No	No	No
61	Sigma-Aldrich Jared Fenton	314-286-8326	No	No	No
62	Solvay Andrew K. Jones	856-251-3412	No	No	No
63	Steinerfilm Stan Cichanowski	413-458-9525	No	No	No
64	Superbag Isaac Bazbaz	713-462-1173	No	No	No
65	Symrise Elizabeth Scharlat	908-429-6821	No	No	No
66	Syngenta Mike Blythe	336-632-2824	No	No	No
67	Syrgis Performance Initiators Douglas Hubbard	507-643-7132	No	No	No
68	TOPAS Advanced Polymers Timothy Kneale	859-746-6447	No	No	No
69	Toray Plastics (America) Paul Knollmeyer	401-578-9369	No	No	No
70	United Color Manufacturing Tom Nowakowski	215-860-2165	No	No	No
71	United Initiators Bill Clements	800-231-2702	No	No	No
72	Valent Robin Demouth	925-256-2758	No	No	No
73	Zeon Chemicals L.P. David F. Olave	202-730-1960	No	No	No



DuPont Legal  
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Wilmington, DE 19805  
(302) 992-2263

June 22, 2012

The Honorable Dave Camp  
Chairman  
Committee on Ways and Means  
U.S. House of Representatives  
1102 Longworth House Office Building  
Washington, D.C. 20515

Re: **Miscellaneous Trade and Tariff Legislation**

Dear Chairmen Camp:

I am writing on behalf of E. I. du Pont de Nemours and Company ("DuPont") in regard to legislation pending before the 112<sup>th</sup> Congress which, if enacted, would provide for the temporary suspension of duties for certain products. DuPont is opposed to H.R. 4762 to suspend temporarily the duty on aircraft grade polyvinyl butyral.

DuPont is a science company committed to creating sustainable solutions essential to a better, safer, healthier life for people everywhere. We offer a wide range of innovative products and services for markets including agriculture, nutrition and health, electronics, safety and protection and home and construction.

Polyvinyl butyral thermoplastic sheet materials are safety interlayers used in laminated glass. In the transportation industry, polyvinyl butyral interlayers enhance vehicle safety by helping retain glass fragments in case of glass breakage. In addition, because the interlayer is flexible and resilient, it also helps absorb impact in the event of a crash. Polyvinyl butyral is also used in architectural applications. DuPont is a leading supplier of polyvinyl butyral, and has two US manufacturing facilities located in Fayetteville, North Carolina and Parkersburg, West Virginia and corporate offices in Wilmington, Delaware that are involved in the manufacture, distribution and support of this product. Seikisui and Solutia also have US polyvinyl butyral manufacturing operations.

With the advent of new investment in and production of polyvinyl butyral in Asia, increasing worldwide capacity will result in price pressure that could lead to price erosion at the expense of domestic manufacturing operations. These lower prices coupled with high import tariffs in certain export markets would make it increasingly difficult for domestic producers, like



DuPont, to continue to sustain and support future investment and growth opportunities in the United States.

DuPont remains willing to provide any additional information you may need in support of our opposition to H.R. 4762, and is most appreciative for the opportunity to express our views.

Very truly yours,

*Elaine M. Olsen / gls*

Elaine M. Olsen

Cc: Elizabeth Nesbitt  
US International Trade Commission

Rebecca Gudicello  
US Department of Commerce

112TH CONGRESS  
2D SESSION

# H. R. 4762

To suspend temporarily the duty on aircraft grade polyvinyl butyral.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 25, 2012

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

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## A BILL

To suspend temporarily the duty on aircraft grade polyvinyl butyral.

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. AIRCRAFT GRADE POLYVINLY BUTYRAL.**

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	Poly(vinyl butyral) (CAS No. 27360-07-2) to be used in aircraft (provided for in subheading 3920.91.00) .....	Free	No change	No change	On or before 12/31/2015	”.
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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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