	Inter	United States RNATIONAL TRADE COMMISSION	ton
		MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress	
		Date approved July 19, 2012	
I. Background	d		
Bill number:	H.R. 49	983	
Sponsor name: Sponsor state:	Mr. Ea OR	Irl Blumenauer	
Interested entity	v:		
ŗ	•	America Inc.	
City	Portland	I	
State	OR		
Other bills on p	roduct (1	112th Congress only): S. 3061 (Mr. Ron Wyden, OR)	
Nature of bill:	Temp	porary duty suspension	
Expiration date	: Decei	mber 31, 2015	
Current or prev	ious chap	pter 99 heading: None	
Retroactive date	e:	None	
CAS number (if	applicab	ole): None	
1	.		
Industry analyst Telephone:	L.	Jackie Jones	
Telephone:	וומכו.	Dan Shepherdson 202-205-2598	
receptione.			

Note:

1. Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tariff\_affairs/congress\_reports/.</u>

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)):

Women's sports bras of stretch fabric, whether assembled or knitted in the piece, with textile or polymer-based electrodes knit into or attached to the fabric and that incorporate connectors designed to secure an electronic transmitter that transmits physiological information from the electrodes to a compatible monitor (provided for in subheading 6212.10.90).

(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

The subject product monitors the wearer's heart rate with the use of electrodes incorporated into the garment that will transmit such data to a display unit. The product is designed for athletic and fitness uses. It is likely that for the first few years, the product will be imported mostly from China and then Turkey and Sri Lanka by 2017.

### IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	6212.10.90				
ltem	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	16.9	16.9	16.9	16.9	16.9
Estimated value of <i>dutiable</i> imports (\$)	7,000	14,000	28,000	28,000	28,000
Customs revenue loss (\$)	1,183	2,366	4,732	4,732	4,732

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:

 $\boxtimes$  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

The phrase "whether assembled or knitted in the piece" was added after "of stretch fabric" in the product description to allow for the eligible sports bras to be cut and sewn from knitted fabric or to be knitted into the shape of sports bras without cutting and sewing.

## **VI.** Continuation

## VII. Contacts with domestic firms/organizations

			Claims same or competing product made in the United	Submission	Opposition
#	Firm/organization and contact name	Telephone number	States	attached	noted
1	Adidas America, Inc. (Interested entity) Kurt Tandan	971-234-4173	No	No	No
2	American Manufacturing Trade Action Coalition Sara Beatty	202-452-0866	No	Yes	Yes
3	McMurray Fabrics, Inc. Doug Knowton	910-944-2128	No	No	No
4	Milliken & Company Kathi Dutilh	202-775-0084	No	Yes	Yes
5	National Council of Textile Organizations Mike Hubbard	704-215-4540	No	Yes	Yes
6	National Textile Association David Trumbull	617-542-8220	No	No	No
7	Unifi Manufacturing, Inc. Jane L. Johnson	336-316-5278	No	Yes	Yes

From: Sara Beatty [mailto:sbeatty@amtacdc.org] Sent: Monday, June 18, 2012 4:08 PM To: Colby, Heidi; Jones, Jackie; Boron, Andrea; Gaffney, Shannon Cc: Auggie Tantillo; Lloyd Wood Subject: Batch 4 - AMTAC Comments

Of the Batch 4 bills, AMTAC is opposed to HR 4822, HR 4823, HR 4824, HR 4983, HR4984, and HR 4985. We object to the shopping bag bills (H.R. 4822-4824) as UNIFI produces recycled yarns for use in shopping bags. We oppose the sports garments bills (HR 4983-4985) as U.S. companies including Milliken & Co and UNIFI produce yarns and fabrics that are incorporated into garments in the NAFTA/CAFTA region that compete with these products.

AMTAC supports HR 4947 - certain viscose rayon staple fibers.

We have no position on HR 4830 - glass fiber rovings.

Thanks for considering our input, and let us know if you have any questions.

Sara Ormand Beatty Vice President of International Trade American Manufacturing Trade Action Coalition (AMTAC) 910 16th Street, NW, Suite 402 Washington, DC 20007 (202) 452-0866 <<u>tel:%28202%29%20452-0866</u>> From: Kathi Dutilh <kdutilh@millikendc.com>
Sent: Friday, June 15, 2012 4:03 PM
To: Jones, Jackie
Cc: Sara Beatty
Subject: Re: FW: Request for comment on selected MTBs

Hi Jackie,

Milliken & Company opposes three of the bills for which you requested comments: HR 4983-4985; Milliken's Specialty Fabrics Division manufactures performance knits, including t-shirts, tank tops, sport shorts and sports bras. We do not at this time incorporate electrodes, but have concerns that our like knit products made in Central America could be displaced by similarly priced knit products entering dutyfree from Asia.

Still waiting for some info on HR 5036 back to you soon

#### Kathi Dutilh

Manager, Government Relations Milliken & Company 202-775-0084 kdutilh@millikendc.com Right-click

From:	Mike Hubbard
To:	Jones, Jackie
Cc:	Sarah Pierce
Subject:	MTB batches 2-4
Date:	Monday, June 18, 2012 5:04:25 PM
Attachments:	Batches 2-4 bill reports - textiles.xls

Jackie,

Attached are NCTO's positions on MTB batches 2-4.

The three apparel lines from Adidas are unusual. NCTO – and the overall US textile industry – typically oppose any type of finished apparel MTB on principle. Some apparel is still made in the US, and any imports that displace our co-production partners in the Western Hemisphere are detrimental to US textile production. Adidas is talking about a very limited number of imports, but at the targeted price points, this type of specialty apparel would be eagerly sought out by fitness enthusiasts and health professionals. The fiber would come from the US as well, and from the description of the product we gained from a conference call with Rep. Blumenauer's office and Adidas, it doesn't sound like fabric production and assembly require anything unique. I don't see why this can't be made in the US or the region. Further, we have been told by NCTO member Unifi that they have provided yarn samples to the petitioner for the body component.

If you have any follow up questions or need more detailed information, please let me know. Mike

Mike Hubbard National Council of Textile Organizations 469 Hospital Drive, Ste. C Gastonia, NC 28054 Tel: +1-704-215-4540 Fax: +1-704-671-2366

From:	Johnson, Jane - GSO
To:	Jones, Jackie
Cc:	Sara Beatty; spierce@ncto.org; mhubbard@ncto.org
Subject:	FW: Objection to MTBs HR 4983, HR 4984 and HR 4985
Date:	Monday, June 18, 2012 4:39:49 PM

Jackie, Unifi objects to the MTBs for the following products:

H.R. 4983- Women's sports bras of stretch fabric with textile or polymer-based electrodes knit into or attached to the fabric and that incorporate connectors designed to secure an electronic transmitter that transmits physiological information from the electrodes to a compatible monitor (provided for subheading 6212.10.90)

6212.10.90 covers "Brassieres, not containing lace, net or embroidery, containing under 70% by wt of silk or silk waste, whether or not knitted or crocheted" 16.9% tariff / U.S. imports of 6212.10.90 from NAFTA and DR-CAFTA were about \$190 million in 2011.

H.R. 4984 - Knit tank tops of stretch fabric with textile or polymer based electrodes knit into or attached to the fabric and that incorporate connectors designed to secure an electronic transmitter that transmits physiological information from the electrodes to a compatible monitor (provided for in subheading 6109.90.10)

6109.90.10 covers "T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers" / 32% tariff / \$465 million in U.S. imports from NAFTA/CAFTA in 2011

H.R. 4985 - Knit garments of stretch fabric with textile or polymer based electrodes knit into or attached to the fabric and that incorporate connectors designed to secure an electronic transmitter that transmits physiological information from the electrodes to a compatible monitor (provided for in subheading 6110.30.30)

6110.30.30 covers "Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, nesoi" / 32% tariff / \$708 million in U.S. imports from NAFTA/CAFTA in 2011

One of the primary end uses for Unifi polyester and nylon yarns is knit fabric that goes into sports bras, knit tank tops or knit garments using similar stretch fabric. We also provide elastomeric covered yarns for these stretch fabrics. The elastomeric yarns are available from Invista in the US. We have actually sampled the petitioning company with the yarns for the body component, and we do compete in this market with our 4t7 product.

Please call me if you have any questions. Jane

Jane L. Johnson Government Relations Manager Unifi Manufacturing, Inc. Phone: 336-316-5278 Fax: 336-316-5205 jjohnson@unifi.com Web: www.unifi.com

Email Disclaimer: www.unifi.com/disclaimer.htm

# <sup>112TH CONGRESS</sup> 2D SESSION H.R.4983

To suspend temporarily the duty on women's sports bras of stretch fabric with textile or polymer-based electrodes knit into or attached to the fabric and that incorporate connectors designed to secure an electronic transmitter that transmits physiological information from the electrodes to compatible monitor.

## IN THE HOUSE OF REPRESENTATIVES

April 27, 2012

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

## A BILL

- To suspend temporarily the duty on women's sports bras of stretch fabric with textile or polymer-based electrodes knit into or attached to the fabric and that incorporate connectors designed to secure an electronic transmitter that transmits physiological information from the electrodes to compatible monitor.
  - 1 Be it enacted by the Senate and House of Representa-
  - 2 tives of the United States of America in Congress assembled,

1 SECTION 1. WOMEN'S SPORTS BRAS OF STRETCH FABRIC 2 WITH TEXTILE OR POLYMER-BASED ELEC-3 TRODES KNIT INTO OR ATTACHED TO THE 4 FABRIC AND THAT INCORPORATE CONNEC-5 TORS DESIGNED TO SECURE AN ELECTRONIC 6 TRANSMITTER THAT TRANSMITS PHYSIO-7 LOGICAL INFORMATION FROM THE ELEC-8 TRODES TO A COMPATIBLE MONITOR. 9 (a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is 10

11 amended by inserting in numerical sequence the following12 new heading:

 9902.01.00	Women's sports bras of stretch fabric with textile or polymer-based electrodes knit into or attached to the fabric and that incorporate connectors designed to se- cure an electronic trans- mitter that transmits phys-					
	iological information from the electrodes to a compat-					
	ible monitor (provided for subheading 6212.10.90)	Free	No change	No change	On or before 12/31/2015	".

(b) EFFECTIVE DATE.—The amendment made by
subsection (a) applies to goods entered, or withdrawn from
warehouse for consumption, on or after the 15th day after
the date of the enactment of this Act.

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