		United States Ional Trade Commission	/
	ME	EMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress	
		Date approved August 13, 2012	
I. Background			
Bill number:	H.R. 5483		
Sponsor name: Sponsor state:	Mr. Tom Ree	ed	
Interested entity:			
	hilips Electro	onics North America Corp.	
	ath		
State N	Y		
Other bills on pro	oduct (112th	Congress only): None	
Nature of bill:	Temporary	y duty suspension	
Expiration date:	December	31, 2015	
Current or previo	us chapter 9	99 heading: None	
Retroactive date:		None	
CAS number (if ap	pplicable):	None	
Industry analyst:		rew David	
Telephone:		205-3368	
Tariff Affairs conta		Summers	
Telephone:	202-2	205-2605	

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)):

Light emitting diode (LED) lamp spot light modules (provided for in subheading 9405.40.80)

(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 products are light emitting diode (LED) spot light modules. These devices are lamps that use LEDs as the light source, as discussed below, and contain one or more LEDS mounted on a circular carrier board. They generate a narrow beam of light to highlight a particular item. They are generally used in the retail environment. The principal sources of imports of the subject products are likely China and the European Union. Information was found on at least one internet site that suggests there may be domestic production of the subject goods (see continuation). Opposition to this bill is noted below in the Contacts table.

An LED module is a self-contained device that can function on its own or be plugged into a compatible fixture or device. LED modules may be used in a variety of energy-efficient LED lights. They include book lights, night lights, outdoor lighting, headlamps, and flashlights, as well as the multiple LED bulb units used in LED lighting fixtures. These units usually have at least one LED bulb (known as lamps for tariff purposes). Traditional light bulbs make light by using electricity to heat a thin piece of wire until it glows. This piece of wire is called a filament. Filament light bulbs blow out and cease function when the filament breaks, which can happen if a bump or blow is dealt to the bulb or its fixture. By contrast, LED bulbs have no filament, so they are more resistant to jostling, making LED a better bulb option for portable lighting fixtures. An LED module generally uses an electrified semiconductor as its light-emitting source, and may be designed to generate little or no heat.

# IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	9405.40.80										
Item	2013	2014	2015	2016	2017						
Col.1-general rate of duty or percentage point reduction (%)	3.9	3.9	3.9	3.9	3.9						
Estimated value of <i>dutiable</i> imports (\$)	22,000,000	28,200,000	38,700,000	47,700,000	54,400,000						
Customs revenue loss (\$)	858,000	1,099,800	1,509,300	1,860,300	2,121,600						

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

 $\boxtimes$  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 (%)	
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## **V. Technical comments**

The article description set forth above was revised for greater clarity and to begin to limit the product scope suggested in the bill as drafted. However, because of the variety of goods involved, no additional technical characteristics are proposed here, apart from the dimensional criteria. Thus, further information from importers might be demanded by Customs officials in order for them to ascertain which modules might be "designed for" the specified products. Customs could be consulted in order to ascertain whether an "actual use" provision would be better suited to limiting the scope to particular imports, with awareness of the potential administrative burdens.

# **VI. Continuation**

# 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	Philips Electronics North America Corp. (Interested entity) Randall B. Moorhead	202-962-8555	No	No	No
2	Acuity Brands Neil Egan	770-860-2957	No	No	No
3	Cree, Inc. Diana Allen	919-407-5300	No	No	No
4	General Electric Co. Tim Richards	202-637-4407	No	No	No
5	Independence LED Charlie Szoradi	484-588-5401	No	No	No
6	Keystone Technologies Ira Greenberg	215-283-2600	No	No	No
7	LEDtronics Pervaiz Lodhie	310-534-1424	No	No	No
8	Lighting Science Group Brad Knight	321-779-5520	No	No	No
9	Lutron Electronics Co., Inc. Pekka Hakkarainen	610-282-6766	No	No	No
10	OSRAM SYLVANIA Pamela Horner	978-750-2563	No	No	No
11	Soraa Wilfred Martis	510-456-2200	No	Yes	Yes
12	Venture Lighting International Thomas Harding	440-836-7250	No	No	No



All Series under this Category:

PAR20-8W\_001x Adjusting Voltage PAR20-Style (90–290VAC), E26, E27

#### PAR20-8W\_-001x Series 90VoltAC to 290VoltAC; E26 / E27 Medium Base

Note: These models are for use with standard ON/OFF switches only, not with a dimmer. Use with any type of dimmer, relay or other current/voltage control circuit device will void warranty.

#### 3000K Warm White

Electrical-Optical Characteristics (Ta = 25°C)														
CLICK TO ORDER	PART NO. (DESCRIPTION)	PRICE	MIN BUY	Input Voltage, V (typ)	Power (W)	Current (A)	Power Factor		Maximum Candela	Efficacy lm/W	CRI	Color Temp. (Kelvin)	LED Emitting Color	Viewing Angle <sup>‡‡</sup>
Call For Factory Assistance 800-579-4875	PAR20-8W-XIW-001M (90~290Vac,White,3000K 7R)	Discou	<u>Volume</u> Int Thru stributor	90-290VAC Tested @ 120VAC	7.0 typ, 8.0 max	0.089 A	0.65	333 lm	640cd	48	82	3000K	Warm White	40° -45°

#### 5500K Pure White

									E	Electrical	-Opti	cal Charact	eristics (Ta	= 25°C)
CLICK TO ORDER	PART NO. (DESCRIPTION)	PRICE	MIN BUY	Input Voltage, V (typ)	Power (W)	Current (A)	Power Factor	Total Lumens	Maximum Candela	Efficacy lm/W	CRI	Color Temp. (Kelvin)	LED Emitting Color	Viewing Angle <sup>‡‡</sup>
Call For Factory Assistance 800-579-4875	PAR20-8W-XPW-001M (90~290Vac,White,5500K 7R)	Price & Volume Discount Thru Your Distributor		90-290VAC Tested @ 120VAC	7.6 W typ	0.099 A	0.63	366 lm	967cd	48	75	5500K to 6500K	Pure White	36°

#Full Beam Width at 50% Intensity

All specifications and pricing subject to change without notice. Features:

- Three Year Lamp Warranty
- Major Power Savings
- Constant Light Output
- Solid-State, Fast Turn-On, No Power Surge
- White LED Operating Life: 50,000+ hrs

- No Ultra-Violet or Infra-Red Emission
- · High Shock / Vibration Resistant, Both Electrical and Mechanical
- · Easy Installation, Using Existing PAR20 Fixture
- UV Stabilized Plastic Lens, Aluminum body
- ROHS • High CRI
- Ambient Operating Temperature Range: ~-4°F to ~+104°F [~-20°C to ~+40°C]

Suitable for use in open luminaries. To prevent overheating of the lamp which may cause premature failure, do not install in totally enclosed recessed fixtures. Recessed fixtures with some type of venting is more desirable for use with these lamps. LED PAR Bulbs **must not exceed Ambient Operating Temperature** Range

#### Applications:

- Track Lighting
- Spot Lighting
- Display / Cabinet Lighting
- Architectural Lighting
  Art Gallery and Museum Lighting

#### Caution:

• Risk of electrical shock. Do not use where directly exposed to water. This product is intended for indoor use or in a weather protected fixture only · Intense LED light source. Do not stare directly into the beam

#### Warning:

- · Make sure that power is switched off before connecting or disconnecting fixture
- · Avoid use of sharp tools near reflector or lens. Do not use this product if lens and/or reflector are cracked or damaged



#### LEDtronics, Inc.

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# David, Andrew

From: Sent: To: Subject: Wilfred Martis Monday, June 25, 2012 1:59 PM David, Andrew Re: Temporary duty suspensions on LED and HID lamp components

Hi Andy,

Thanks a lot for the guidance last week.

I responded online to the House Ways & Means Committee on Friday with the Soraa position.

Below is what I sent them. Pls incorporate this position in any material your organization will be submitting.

Soraa opposes the selective removal of tariffs in Bills 5477, 5478, 5479, 5480, 5481, 5482, 5483 & 5484, because they seem preferential to certain LED/Lighting industry players, and could adversely affect Soraa's products & business if implemented as is. To help promote the US-based and funded research and development on Violet LED based products & subsystems and to ensure a leveled playing field, we recommend that tariffs be removed for these products & subsystems too.

Soraa, based in Fremont, California, is the world's leading developer of solid-state lighting technology built on pure gallium nitride substrates, commonly referred to as GaN on GaN<sup>™</sup>. Only Soraa uses a pure GaN crystal to create simply perfect light. Soraa's flagship product is the highest-performance LED MR16 halogenreplacement lamp on the market.

Pls let me know if you need additional info from me. I will also be sending this response to our local House member, Pete Stark (D), who happens to be a member of the Ways & Means Committee.

Thanks for all your help, Wilfred

# <sup>112TH CONGRESS</sup> 2D SESSION H.R. 5483

To suspend temporarily the duty on light emitting diode (LED) spot light modules (SLM).

### IN THE HOUSE OF REPRESENTATIVES

May 7, 2012

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

# A BILL

To suspend temporarily the duty on light emitting diode (LED) spot light modules (SLM).

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. LIGHT EMITTING DIODE (LED) SPOT LIGHT 4 MODULES (SLM).

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



(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.