

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 108<sup>th</sup> Congress <sup>1</sup>**

[Date approved: August 27, 2004]<sup>2</sup>

**Bill No. and sponsor:** H.R. 4405 (Mrs. Myrick)

**Proponent name, location:** Ciba Specialty Chemicals, Tarrytown, NY.

**Other bills on product (108<sup>th</sup> Congress only):** None.

**Nature of bill:** Temporary duty suspension through 12/31/2007.

**Retroactive effect:** None.

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

2,2'-Methylenebis(6-(2H-benzotriazol-2-yl)-4-(1,1,3,3-tetramethylbutyl)phenol (CAS No. 103597-45-1)  
(provided for in subheading 3824.90.28)

**Check one:**  Same as that in bill as introduced  
 Different from that in bill as introduced (explain differences in Technical  
comments section)

**Product information, including uses/applications and source(s) of imports:**

This synthetic organic chemical is intended for use as an ultraviolet-light-absorbing ingredient in formulated sun-screen preparations. The product is not yet approved for such use in the United States, but is approved for use in sun-screen preparations in Europe and other parts of the world. This product is used in preparations formulated to protect users from acute and chronic skin damage from overexposure to the sun. This chemical is expected to be imported from Germany.

<sup>1</sup> Industry analyst preparing report: Rob Randall (202-205-3366); Tariff Affairs contact: Dave Beck (202-205-2603).

<sup>2</sup> Access to an electronic copy of this memorandum is available at <http://www.usitc.gov/billrpts.htm> Access to a paper copy is available at the Commission's Law Library (202-205-3287) or at the Commission's Main Library (202-205-2630).

**Estimated effect on customs revenue:**

<b>HTS subheading: 3824.90.28</b>					
<del> </del>	2004	2005	2006	2007	2008
Col. 1-General rate of duty (AVE) <u>1/</u>	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$1,385,000	\$1,455,000	\$1,525,000	\$1,600,000	\$1,683,000
Customs revenue loss	\$90,025	\$94,575	\$99,125	\$104,000	\$109,395

1/ The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

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

**Contacts with domestic firms/organizations (including the proponent):**

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Ciba Specialty Chemicals John Deming, 302/479-5152	7/8/2004	No	No	No
Alfa Aesar, div. of Johnson Matthey Marketing Mgr. Fax: 978/521-6366	7/22/2004	No	No	No
BASF, Functional Polymers Bus. Group Joseph Breunig, 704/587-7900	7/19/2004	No	No	No
Bayer Corporation, Karen Neidermeyer, 412/777-2058	7/19/2004	No	No	No
Burlington Bio-Medical & Scientific Co. Marketing Mgr. Fax: 631/694-9177	7/22/2004	No	No	No
Clariant Corporation, Ken Golder, 704/331-7086	7/19/2004	No	No	No

ColorChem Steven Printz, 770/993/5500 ext. 18	7/22/2004	Yes	Yes	Yes
Day-Glo Corporation Richard Thornton, 216/391-7070	7/19/2004	No	No	No
Dystar L.P. Van Hawkins; 704/561-3020	7/19/2004	No	No	No
ETAD Tucker Helms, PhD, 202/721-4154	7/19/2004	No	No	No
Everlight, USA, Inc., Scott Chen, 704/558-1004	7/19/2004	No	No	No
Fanwood Chemical Inc. Mr. V.M. (Jim) DiLisi, 908/322-8440	7/19/2004	No	No	No
Milliken Industries, Ray Saunders, 864/503-1618	7/19/2004	No	No	No
National Starch & Chemical Co. Marketing Mgr., Fax: 609/409-5699	7/22/2004	No	No	No
Passaic Color, John Wojciechowski, 973/279-0400	7/19/2004	No	No	No
Penta Manufacturing Co., Marketing Mgr., Fax: 973/740-1839	7/22/2004	No	No	No
Rohm and Haas, Steven Volger, 215/592-3425	7/19/2004	No	No	No
Seltzer Chemicals, Inc. Marketing Mgr., Fax: 760/438-0336	7/22/2004	No	No	No
Sensient Technologies Corp. Dan Victor, 314/286-7167	7/19/2004	No	No	No

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

The Commission recommends that the following chemical name be used in the proposed article description:

<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.

2,2'-Methylenebis(6-(2H-benzotriazol-2-yl)-4-(1,1,3,3-tetramethylbutyl)phenol (CAS No. 103597-45-1)

July 23, 2004

**VIA TELEFAX:**

Trade Subcommittee  
House Ways & Means Committee  
1104 Longworth House Office Building  
Washington, D.C. 20515

RE: H.R. 4403 & H.R. 4405

Dear Members of the Trade Subcommittee:

We have reviewed the text of H.R. 4403 and H.R. 4405. We would like to express our concerns to you regarding the products that are the subject of these proposals.

The proposals, H.R. 4403 & 4405, request duty suspension for several products that absorb in the ultraviolet (UV) light range. ColorChem, a U.S. manufacturer of dyes and additives for plastics and personal care products, is entering the market for UV absorbers. We are commercializing several new products that directly compete with the products that are the subject of H.R. 4403 & 4405. These products are being manufactured in South Carolina.

We need the existing duty protection in order to help us begin the commercialization process and develop these new products. ColorChem is the only US producer of such products. Competition for these products is from two European companies, Ciba and Clariant, as well as numerous Chinese chemical companies.

Please let me know if you need further information or documentation.

Sincerely,

Steven Printz  
Business Manager  
ColorChem

Fax: 212-226-0158  
cc. Congressman Johnny Isakson  
Mr. Robert Randall, USITC (via email)

108TH CONGRESS  
2D SESSION

# H. R. 4405

To suspend temporarily the duty on Methylene Bis-Benzotriazolyl  
Tetramethylbutylphenol.

---

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2004

Mrs. MYRICK introduced the following bill; which was referred to the  
Committee on Ways and Means

---

## A BILL

To suspend temporarily the duty on Methylene Bis-  
Benzotriazolyl Tetramethylbutylphenol.

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. TEMPORARY SUSPENSION OF DUTY.**

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:

“	9902.01.04	Methylene Bis-Benzotriazolyl Tetramethylbutylphenol (CAS No.103597-45-1) (provided for in subheading 3824.90.28) .....	Free	Free	No change	On or before 12/31/07	”.
---	------------	--	------	------	-----------	--------------------------	----

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

○