

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: June 12, 2008]²

Bill No. and sponsor: H.R. 4938 (Mr. Earl Blumenauer of Oregon).

Proponent name,³ location: Bicycle Product Suppliers Association, Montgomeryville, PA.

Other bills on product (110th Congress only): None.

Nature of bill: Extension of temporary duty reduction through December 31, 2011.

Retroactive effect: None.

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

Child carriers, chain tension adjustors, chain covers, mechanical grips with 2.223 cm internal diameter, air horns, wide-angle reflectors, saddle covers of plastics, chain tensioners, toe clips, head sets or seat posts, all the foregoing designed for use on bicycles (provided for in subheading 8714.99.80).

Check one: X 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:

A **child carrier** sits directly on the bicycle frame. This device transports children weighing under forty pounds, and typically has straps to secure the child.

A **chain tension adjustor** is made of base metal or alloy metal and is used to align or adjust a bicycle chain.

A **bicycle chain cover** is made of metal or plastic and protects the rider from the wheel and chain.

Mechanical grips with 2.223 cm internal diameter are mechanical bolt binders used on a bicycle handle bar to clamp hard plastic handgrips.

An **air horn** is a device which operates in conjunction with a pressurized air container to create sound.

¹ Industry analyst preparing report: Ralph Watkins (202-205-3492); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill. USITC staff identified fourteen additional beneficiaries of this bill that were not identified by the sponsor/proponent. Fourteen beneficiaries submitted written representations that they would benefit from this bill.

A **wide angle reflector** is made of convex-shaped, molded plastic panels (typically three). The outer surface of the face plate is smooth, and the inner surface is formed by hundreds of small cube-corner hexagonal cell shapes used to reflect light.

A **plastic saddle cover** made of vinyl or other plastics is used to cover a bicycle saddle (seat). Saddle covers are also made of leather, imitation leather, or nylon and may have foam or gel inserts for comfort.

A **chain tensioner** is an idler pulley used to adjust the chain tension of a tandem synchronizing chain by pulling on the rear axle with a screw thread.

Toe clips are used to secure a biker’s feet on the pedals and may be either clips and straps. A common toe clip resembles a stirrup and generally comprises a leather or fabric strap.

Head sets are the bicycle bearing assemblies that connect the front fork to the frame or permit the fork to turn for steering and balancing.

A **seat post** is a frame component to which the saddle is attached. It is inserted into the seat tube.

Taiwan is the leading supplier of these products, followed by China and Italy.

Estimated effect on customs revenue:

HTS subheading: 8714.99.80					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	10%	10%	10%	10%	10%
Estimated value <i>dutiable</i> imports	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000
Customs revenue loss ^{1/}	\$0	\$64,000	\$64,000	\$64,000	\$64,000

^{1/} There is an existing duty reduction under HTS heading 9902.24.66 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill for 2009. The estimated revenue loss in subsequent years is based on a temporary reduction of the general rate of duty from 10.0 percent ad valorem to 9.2 percent ad valorem. Subheading 8714.99.80 covers a wider range of parts than does the bill; total dutiable imports under this category totaled to about \$78 million in 2007.

Source of estimated dutiable import data: Commission estimates based on official U.S. Government statistics and industry estimates of short term growth in domestic consumption.

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)		
Bicycle Product Suppliers Association (Proponent) Maureen Waddington, 215-393-3144	4/9/08	No	No	No
American Mentality, Inc. Rachel Rotz, 407-599-7255, ext. 100	4/9/08	No	No	No
Autocraft Industries, Inc. Kathy Walker, 405-350-3805	4/9/08	No	No	No
Bell Sports, Inc. Terry Stern, 800 456 2355	4/9/08	No	No	No
Calfee Design Craig Calfee, 831-728-1859	4/9/08	No	No	No
Cane Creek Cycling Components Lena Warren, 828-684-3551	4/10/08	No	No	No
Cannondale Bicycle Corp. Ron Lombardi, 203-749-7000	4/10/08	No	No	No
Castellano Designs John Castellano, 707-539-2710	4/10/08	No	No	No
Compositech, Inc. Rick Cox, 317-481-1120	4/10/08	No	No	No
Crank Brothers Christina Orlandella christina@crankbrothers.com	4/10/08	No	No	No
DK Products, Inc. Chris Keller, 937-746-9075	4/14/08	No	No	No
Easton Sports John Harrington jharrington@eastonsports.com	4/10/08	No	No	No
Elite Bicycles David Greenberg, 215-732-8973	4/10/08	No	No	No
Fallbrook Technologies E. Barrios, 858-623-9557, ext. 115	4/24/08	No	No	No
Foes Fabrications Mitch Evans, 626-568-0328	4/11/08	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Full Speed Ahead, Inc. John M. VanEnkevort, 425-488-8653	4/11/08	No	No	No
Gallop Cycle Corp. Grace Hsiao, 310-885-4300	4/11/08	No	No	No
Giant Bicycle, Inc. Russ Okawa, 805-267-4600	4/11/08	No	No	No
Griffen USA Mark Winters, 940-627-0102	4/14/08	No	No	No
The Hawley Co., Inc. Dave Carson, 803-359-3492	4/15/08	No	No	No
HB Performance Systems Clayton Goldsmith, 262-242-4300	4/15/08	No	No	No
Heron Bicycles Todd Kuzma, todd@kuzma.com	4/10/08	No	No	No
Hope Technology USA, Inc. Philip Dean, 936-756-5004	4/15/08	No	No	No
J&B Importers Burton Schwartz, 305-238-1866	4/16/08	No	No	No
Kelly Bike Chris Kelly, chris@kellybike.com	4/10/08	No	No	No
Kestrel Bicycles, Advanced Sports, Inc. Evan Barnebey, 215-824-3854	4/16/08	No	No	No
KHS Bicycles, Inc. Greg O'Connell, 310-632-7173, ext. 213	4/15/08	No	No	No
Litespeed Brenda Howard, 800-229-0198	4/16/08	No	No	No
Mavic, Inc. Sean Sullivan, 978-469-8409	4/16/08	No	No	No
Moots Cycles Cathy Weidemer, 970-879-1676	4/10/08	No	No	No
Nobilette Cycles Mark Nobilette, 303-772-8139	4/10/08	No	No	No
Ochsner International, Inc. Othon Henry Ochsner, 847-465-8200	4/13/08	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Odyssey/Bear Corp. Louie Pacheco, 562-623-9995	4/9/08	No	No	No
Parlee Cycles Tom Rodi, 978-977-7474	4/16/08	No	No	No
Performance Inc. Jane Branscome, 919-933-9113	4/16/08	No	No	No
Permobil, Inc. Jennifer Finger, 800-736-0925	4/10/08	No	No	No
Planet Bike Erik Olson, 866-256-8510	4/17/08	No	No	No
Power Cranks Frank Day, fday@powercranks.com	4/12/08	No	No	No
Profile Design Grace Hsiao, 888-800-5999	4/15/08	No	No	No
Quality Bicycle Products, Inc. Matt Moore, 952-941-9391, ext. 1255	4/17/08	No	No	No
Raleigh America, Inc./Diamondback Bikes Bill Carl, 253-395-1100	4/15/08	No	No	No
Rohloff, Inc. Thomas Siemann, 510-232-4833	4/12/08	No	No	No
Saris Cycling Group, Inc. Kevin Fons, 608-274-6550	4/17/08	No	No	No
Scura Speed & Technology Brian Scura, Brian@projectsst.com	4/12/08	No	No	No
Sharp Sprockets Bill Sharp, Bill@sharpsprockets.com	4/12/08	No	No	No
Shimano American Corp. Allen Johnston, 949-951-5003	4/15/08	No	No	No
Sigma Sport USA, LLC Brian Orloff, 630-761-1107	4/17/08	No	No	No
Sinister Bikes, Freeride Endeavors Bruce Linehan, 978-865-9911	4/12/08	No	No	No
Snafu BMX Mike Collins, mike@revolution-ads.com	4/12/08	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
SRAM Corp. David Zimmeroff, 312-664-8800	4/13/08	No	No	No
Staats Bicycles Jason Halverson, 801-943-8502	4/13/08	No	No	No
Steelman Cycles Brent Steelman, 650-364-3939	4/13/08	No	No	No
Supercross BMX Bill Ryan, 760-240-526	4/15/08	No	No	No
Target Corp. Toni Dembski-Brandl, 612-696-2573	4/13/08	No	No	No
Todson, Inc. Karen Sweeney, 800-213-4561	4/16/08	No	No	No
Trek Bicycle Corp. Roger Gierhart, 920-478-2191	4/18/08	No	No	No
Wald Manufacturing Co., LLC Ralph Pawsat, 606-564-4078	4/18/08	Yes	Yes	Yes
Wal*Mart Stores, Inc. Mark Haney, Sandler Travis & Rosenberg mhaney@strtrade.com	4/13/08	No	No	No
Wanxiang America Corp. Gary Wetzel, 847-622-8838	4/18/08	No	No	No
Woodman Components USA Jim Vincent, 978-282-1146	4/18/08	No	No	No
Workman Bicycle Brake Corp. International Mark Workman, mworkman@aol.com	4/13/08	No	No	No
WTB, Inc. Fred Falk, 800-975-2453	4/16/08	No	No	No
Zinn Cycles Lennard Zinn, zinn@comcast.net	4/13/08	No	No	No

Technical comments:⁴

H.R. 4938 states that it is a bill to “extend the temporary suspension of duty” for HTS subheading 9902.24.66. While the title of the bill has no legal significance, it could be confusing to suggest that the bill would extend a duty suspension rather than a duty reduction.

⁴ 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
2D SESSION

H. R. 4938

To extend the temporary suspension of duty on child carriers, chain tension adjustors, chain covers, and certain other articles designed for use on bicycles.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2008

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

A BILL

To extend the temporary suspension of duty on child carriers, chain tension adjustors, chain covers, and certain other articles designed for use on bicycles.

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. CHILD CARRIERS, CHAIN TENSION ADJUSTORS,**
4 **CHAIN COVERS, AND CERTAIN OTHER ARTI-**
5 **CLES DESIGNED FOR USE ON BICYCLES.**

6 (a) IN GENERAL.—Heading 9902.24.66 of the Har-
7 monized Tariff Schedule of the United States (relating to
8 child carriers, chain tension adjustors, chain covers, and
9 certain other articles designed for use on bicycles) is

1 amended by striking “12/31/2009” and inserting “12/31/
2 2011”.

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

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