

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: March 25, 2010]²

Bill No. and sponsor: S. 2335 (Mr. John Kerry of Massachusetts et al.).

Proponent name,³ location: Sporting Goods Manufacturers Association, Silver Spring, MD.

Other bills on product (111th Congress only): None.

Nature of bill: Extension of temporary duty reduction through December 31, 2011.⁴

Retroactive effect: None.

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

Basketballs, having an external surface other than leather or rubber (provided for in subheading 9506.62.80)

Check one: 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:

Basketballs have covers made of different materials—namely, leather, rubber, or various man-made materials. All basketballs have a core composed of a butyl, natural, or combination rubber bladder (with molded inflation valve) that is subsequently wound with a polyester or nylon material to protect it and maintain its shape. A partially cured rubber carcass consisting of two half shells is placed over the wound core and cured under pressure in a hot mold. The carcasses for the subject basketballs, those not made of leather or rubber, are formed in molds that produce a smooth, black, round surface with raised ridges that provide channels for the cover material. Die-cut “synthetic leather” (polyurethane or polyvinyl chloride (PVC)) panels are then affixed with glue and hand-assembled into the channels so that a high pressure molding process ensures a tight bond of the cover materials to the carcass. Basketballs with covers made from synthetic leather are designed for either indoor or outdoor use. Basketballs are typically produced in “youth,” “intermediate,” and “official” sizes.

China is the dominant import source and accounted for 85 percent of total U.S. imports of basketballs in 2008, followed by Thailand (9 percent). Imports entering free of duty under the Generalized System of Preferences (GSP) accounted for 4 percent of total U.S. imports in 2008, with nearly all GSP imports

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/tariff_affairs/congress_reports/.

³ The proponent identified 22 additional beneficiaries of this bill. The USITC sent inquiries to the additional beneficiaries and received responses from 6. Four submitted a written representation that they would benefit from this bill.

⁴ Heading 9902.13.07, which expired at the end of 2009, had afforded a duty reduction to the subject goods.

entering from Thailand. Separate data are not available for imports of basketballs by type of cover material.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 9506.62.80:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	4.8%	4.8%	4.8%	4.8%	4.8%
Estimated value <i>dutiable</i> imports ^a	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000	\$18,000,000
Customs revenue loss ^b	\$702,000	\$702,000	\$702,000	\$702,000	\$702,000

a/ Dutiable import estimates were based on official U.S. Government statistics.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. The revenue loss figure shown above reflects the proposed renewal of the duty reduction from 4.8% to 0.9% ad valorem, a reduction of 3.9 percentage points.

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)		
Sporting Goods Manufacturers Assn. (Proponent) Bill Sells, 301-495-6321 ext. 417	11/30/2009	No	No	No
Antioch Sporting Goods Steve Pipoly, 623-341-1221	12/1/2009	No	No	No
Baden Sports Michael Schindler, 253-925-0500	12/1/2009	No	No	No
Franklin Sports Larry Franklin, 781-344-1111	12/1/2009	No	No	No
GameMaster Athletics Garrett Kamstra, 859-746-9800 ext. 107	12/2/2009	No	No	No
K Concepts Kurt Kay, 717-843-3873	12/1/2009	No	No	No
Markwort Sporting Goods Co. Herbert W. Markwort, 314-652-8935	12/1/2009	No	No	No
Mikasa Sports USA Richard McCoy, 949-863-1588	12/1/2009	No	No	No
Molten USA Inc. Leigh Ann Davis, 775-353-4000 ext. 217	12/1/2009	No	No	No
NBA Properties Lauren Hendricks, 212-407-8000	12/1/2009	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Olympia Sports Bill Mulka, 734-761-5173	12/1/2009	No	No	No
Park & Sun Ron Padilla, 303-935-8449	12/1/2009	No	No	No
Rawlings Sporting Goods Robert Parish, 314-819-2801	12/1/2009	No	No	No
Reebok International Ltd. Erik Bodenhofer, 781-401-7288	12/1/2009	No	No	No
Regent Sports Corp. Ian Sandman, isandman@regent-halex.com	12/2/2009	No	No	No
Spalding Robert Adikes, radikes@aol.com	12/1/2009	No	No	No
Sportcraft, Ltd. Mike May, mmay@sportcraft.com	12/1/2009	No	No	No
Sportime International Peter Savitz, psavitz@sportime.com	12/1/2009	No	No	No
Tachikara USA, Inc. Roger Revelle, 913-498-1881	12/1/2009	No	No	No
UniSource Global Solutions Carl Ferraro, 516-606-0605	12/1/2009	No	No	No
Wilson Sporting Goods Co, Kevin McTernan, 773-714-6860	12/2/2009	No	No	No

Technical comments:⁵

None.

⁵ 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.

111TH CONGRESS
1ST SESSION

S. 2335

To extend the temporary reduction of duty on basketballs other than leather or rubber.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. KERRY (for himself, Mr. KIRK, Mr. BUNNING, and Mr. ENSIGN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To extend the temporary reduction of duty on basketballs other than leather or rubber.

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. BASKETBALLS OTHER THAN LEATHER OR RUB-**

4 **BER.**

5 (a) IN GENERAL.—Heading 9902.13.07 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 basketballs other than leather or rubber) is amended by
8 striking the date in the effective period column and insert-
9 ing “12/31/2011”.

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

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