

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 111<sup>th</sup> Congress<sup>1</sup>**

[Date approved: March 25, 2010]<sup>2</sup>

**Bill No. and sponsor:** S. 2480 (Mr. Lindsey Graham of South Carolina).

**Proponent name,<sup>3</sup> location:** Michelin North America, Inc., Greenville, SC.

**Other bills on product (111<sup>th</sup> Congress only):** None.

**Nature of bill:** Temporary duty suspension through December 31, 2011.

**Retroactive effect:** None.

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

Hot feed extruding machines, certified by the importer as for building truck and automobile tires, such machines capable of extruding rubber materials measuring 870 mm or more but not over 1200 mm in width, and parts thereof (provided for in subheading 8477.20.00, 8477.90.25, 8477.90.45 or 8477.90.85)

**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:**

Hot feed extruding machines (extruders), classifiable in HTS subheading 8477.20.00, are used to mix and form rubber in the tire manufacturing process. The rubber is inserted into the extruder barrel where it is pre-heated, blended, and pressurized. A large screw called a barrel screw moves the mixture forward through the barrel and continuously presses the material through a die attached to the output end of the barrel. The die imparts a cross-sectional shape to the rubber. Extruders are used to make the rubber tread and tire sidewalls. Several types of parts are provided for by name in HTS subheading 8477.90.25; barrel screws for such machines are separately provided for in subheading 8477.90.45; and other parts are imported under subheading 8477.90.85. The principal import sources of these machines are Italy, Germany, and France. Chief sources of the subject parts are Germany and Austria.

**Total Estimated Revenue Loss for this Bill:**

	2010	2011	2012	2013	2014
Customs revenue loss	\$356,500	\$356,500	\$356,500	\$356,500	\$356,500

<sup>1</sup> Industry analyst preparing report: Dennis Fravel (202-205-3404 ); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).

<sup>3</sup> The sponsor/proponent did not identify any additional beneficiaries of this bill.

**Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8477.20.00:**

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	3.1%	3.1%	3.1%	3.1%	3.1%
Estimated value <i>dutiable</i> imports <sup>a</sup>	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000
Customs revenue loss <sup>b</sup>	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500

a/ Dutiable import estimates were based on official U.S. Government statistics, industry information, and Commission estimates.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

**Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8477.90.25:**

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	3.1%	3.1%	3.1%	3.1%	3.1%
Estimated value <i>dutiable</i> imports <sup>a</sup>	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
Customs revenue loss <sup>b</sup>	\$46,500	\$46,500	\$46,500	\$46,500	\$46,500

a/ Dutiable import estimates were based on official U.S. Government statistics, industry information, and Commission estimates.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

**Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8477.90.45:**

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	3.1%	3.1%	3.1%	3.1%	3.1%
Estimated value <i>dutiable</i> imports <sup>a</sup>	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Customs revenue loss <sup>b</sup>	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000

a/ Dutiable import estimates were based on official U.S. Government statistics, industry information, and Commission estimates.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

**Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8477.90.85:**

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	3.1%	3.1%	3.1%	3.1%	3.1%
Estimated value <i>dutiable</i> imports <sup>a</sup>	\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000
Customs revenue loss <sup>b</sup>	\$170,500	\$170,500	\$170,500	\$170,500	\$170,500

a/ Dutiable import estimates were based on official U.S. Government statistics, industry information, and Commission estimates.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

**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)		
Michelin North America, Inc. (Proponent) Steve Evered, 864-458-5080	11/27/2009	No	No	No
Bartell Machinery, LLC Jerry Eisenhart, Fax: 315-336-0947	11/27/2009	Yes	Yes	Yes
Bridgestone Firestone, Inc. Steve Akey, 202-354-8220	11/27/2009	No	No	No
Carlisle Tire & Wheel Co. Fred Sutter, Fax: 803-643-2919	11/27/2009	No	No	No
Denman Tire Corp. Mike Bicknell, mbicknell@denamantire.com	11/27/2009	No	No	No
Farrel Corp. Bill Flaherty, Fax: 203-736-5580	11/27/2009	No	No	No
Goodyear Tire & Rubber Co. Isabel Jasinowski, 202-682-9250	11/27/2009	No	No	No
Herbert Machine Works, Inc. Matthias Walter, Fax: 330-929-4298	11/27/2009	No	No	No
King Machine of Charlotte Dan Centea, 704-583-0486	11/27/2009	No	No	No
Kobelco Stewart Bolling, Inc. David Sealfon, d.sealfon@kbsi.com	11/27/2009	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Mitsubishi Heavy Industries America, Inc. Eiichi Ishii, Fax: 330-427-8909	11/27/2009	No	No	No
Purcell Tire & Rubber Co. Dennis Flynn, dflynn@purcelltire.com	11/27/2009	No	No	No
Quality Mold, Inc. Steve Zoumberakis, Fax: 330-645-2493	11/27/2009	No	No	No
R & D Mold & Machine, Inc. Ken Owens, Fax: 931-379-0228	11/27/2009	No	No	No
Rogers Industrial Products, Inc. John R. Cole, 330-535-3331	11/27/2009	No	No	No
RJS Corp. Raymond Slezak, Fax: 330-896-3282	11/27/2009	No	No	No
RRR Development Co., Inc. Bob Irwin, 330-966-8855	11/27/2009	No	No	No
Spadone-Hypex, Inc. George Pihonak, Fax: 203-877-1173	11/27/2009	No	No	No
Specialty Tires of America, Inc. Mark Grant, 724-349-9010	11/27/2009	No	No	No
Steelastic LLC Brian Fetzer, Fax: 330-633-0527	11/27/2009	No	No	No
Titan International, Inc. Bill Campbell, Fax: 217-221-4771	11/27/2009	No	No	No
Wyko Tire Technology, Inc. Mike Evans, 865-856-2317	11/27/2009	No	No	No

**Technical comments:<sup>4</sup>**

It is suggested that the comma after the penultimate number, "8477.90.45", in the parenthetical list of HTS subheadings should be deleted, to conform to normal HTS usage.

<sup>4</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.

111TH CONGRESS  
1ST SESSION

# S. 2480

To suspend temporarily the duty on certain hot feed extruding equipment used in the manufacture of extra-wide pneumatic truck and automobile tires, and parts and accessories thereof.

---

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. GRAHAM introduced the following bill; which was read twice and referred to the Committee on Finance

---

## A BILL

To suspend temporarily the duty on certain hot feed extruding equipment used in the manufacture of extra-wide pneumatic truck and automobile tires, and parts and accessories thereof.

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. CERTAIN HOT FEED EXTRUDING EQUIPMENT**  
4 **USED IN THE MANUFACTURE OF EXTRA-WIDE**  
5 **PNEUMATIC TRUCK AND AUTOMOBILE TIRES,**  
6 **AND PARTS AND ACCESSORIES THEREOF.**

7 (a) IN GENERAL.—Subchapter II of chapter 99 of  
8 the Harmonized Tariff Schedule of the United States is

1 amended by inserting in numerical sequence the following  
 2 new heading:

“	9902.01.00	Hot feed extruding machines certified by the importer as for building truck and automobile tires, such machines capable of extruding rubber materials measuring 870 mm or more but not over 1200 mm in width, and parts thereof (provided for in sub-heading 8477.20.00, 8477.90.25, 8477.90.45, or 8477.90.85) .....	Free	No change	No change	On or before 12/31/2011	”.
---	------------	---	------	-----------	-----------	-------------------------	----

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

