

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: April 2, 2010]²

Bill No. and sponsor: S. 2668 (Mr. Richard Burr of North Carolina).

Proponent name,³ location: Jerry's Artarama, Raleigh, NC.

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

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

Retroactive effect: None.

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

Erasers of vulcanized rubber other than hard rubber or cellular rubber (provided for in subheading 4016.92.00).

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:

The products covered by this bill are vulcanized (cured) rubber eraser compounds of various colors, shapes and sizes used principally to remove or alter pencil and certain ink pen markings on papers of correspondence and reports, outlines, spreadsheets, diagrams, and artwork. The subject erasers are used extensively in a multitude of societal settings in the public and private sectors, and at home. Erasers consist of complex mixtures of natural and synthetic rubbers compounded with mineral fillers, pigments, factice (vulcanized vegetable oil), curing agents, and other components that provide for the levels of abrasion and wear necessary for efficient mark removal. The most common types of erasers are the familiar plug-types attached to the ends of pencils at the time of manufacture, cap-types that slip over the ends of pencils as a replacement for worn plug erasers, and rectangular block-types designed for hand use to remove various pencil and pen markings, and to assist artwork. The subject products are imported from several countries, with China, Malaysia, Taiwan, and Japan predominant.

¹ Industry analyst preparing report: Ray Cantrell (202-205-3362); 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 sponsor/proponent did not identify any additional beneficiaries of this bill. USITC staff identified multiple (more than ten) beneficiaries to this legislation, and several were contacted. Two firms submitted written statements to the USITC staff that they would benefit from the bill.

⁴ Heading 9902.25.51 expired on December 31, 2009.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 4016.92.00:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	4.2%	4.2%	4.2%	4.2%	4.2%
Estimated value <i>dutiable</i> imports ^a	\$14,500,000	\$15,500,000	\$16,500,000	\$17,500,000	\$18,000,000
Customs revenue loss ^b	\$609,000	\$651,000	\$693,000	\$735,000	\$756,000

a/ Dutiable import estimates were based on 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)		
Jerry's Artarama, Inc. (Proponent) Bob Marcus, bob@jerrysartarama.com	11/30/2009	No	No	No
Dixon Ticonderoga Company Timothy M. Gomez, 407-829-9000; tgomez@dixonusa.com Sherry Austin	12/09/2009	No	No	No
General Pencil Company Jim Weissenborn, jim@generalpencil.com 650-369-4889	12/09/2009	No	No	No
Musgrave Pencil Company, Inc. Henry Hulan III, henry@pencils.net	12/02/2009	No	No	No
NewellRubbermaid (Sanford LP), David Doolittle, 770-418-7519, david.doolittle@newellco.com Bradford R. Turner, brad.turner@newellco.com Susan Wassel, 1-800-346-3278	12/09/2009	No	No	No
Pentel of America Ltd. Mike Cappadocia, custserv@pentel.com 310-320-3831	12/09/2009	No	No	No
Rose Moon, Inc. Michael White, mwhite@moonproducts.com	12/02/2009	No	No	No
Shelbyville Pencil Co., Inc./Shepenco Vicky Elmore, vicky@shepenco.com	11/30/2009	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Wal-Mart Stores, Inc. Tres Bailey, 202-434-0999	12/01/2009	No	No	No
Wiser Consulting Verlon E. Wiser, 931-684-3075	12/09/2009	No	No	No
Writing Instrument Manufacturers Ass'n (WIMA) David H. Baker, dhbakerlaw@aol.com 202-349-4190	12/02/2009	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. 2668

To extend temporarily the suspension of duty on erasers of vulcanized rubber other than hard rubber or cellular rubber.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 2, 2009

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

A BILL

To extend temporarily the suspension of duty on erasers of vulcanized rubber other than hard rubber or cellular 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. ERASERS OF VULCANIZED RUBBER OTHER**
4 **THAN HARD RUBBER OR CELLULAR RUBBER.**

5 (a) IN GENERAL.—Heading 9902.25.51 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 erasers of vulcanized rubber other than hard rubber or
8 cellular rubber) is amended by striking the date in the
9 effective period column and inserting “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.

○