



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Electromechanical household blenders each with self-contained electric motor and with dispensing spout attached to the blending jar to deliver blended material without removal of the blending jar (provided for in subheading 8509.40.00)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same
- Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

The subject product is an electromechanical household blender that has a built-in dispensing spout or tap which is attached to the jar and permits the user to dispense directly into a cup or other container. The particular dispensing household blender imported by the interested entity makes use of a "wave-action" system designed to pull ingredients down to the metal blades, creating smoothies and and milkshakes without chunks of ice or fruit. This product is imported from China. Opposition to this bill is noted below in the Contacts table.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8509.40.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	4.2	4.2	4.2	4.2	4.2
Estimated value of <i>dutiable</i> imports (\$)	9,000,000	9,000,000	9,200,000	9,500,000	10,020,000
Customs revenue loss (\$)	378,000	378,000	386,400	399,000	420,840

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
- Provided by industry sources
- Industry information
- Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
- This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Percentage point reduction (%)

V. Technical comments

The article description set forth above was modified for greater clarity and for consistency with other HTS provisions.

VI. Continuation

VII. Contacts with domestic firms/organizations

	# Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	Hamilton Beach Brands, Inc. (Interested entity) Tripp Dillard	804-418-7759	No	No	No
2	Conair Corp. John Mayorek	609-426-1300	No	No	No
3	Focus Products Group, LLC Brian Beesley	866-290-1851	No	No	No
4	Jarden Corp. Vic Michaels	561-912-4397	No	No	No
5	National Presto Industries Maryjo Cohen	715-839-2121	No	Yes	Yes
6	Spectrum Brands, Inc. Tracy Wrycha	608-275-4404	No	No	No
7	Whirlpool Corp. Luke M. Harms	202-639-9420	Yes	Yes	Yes



701 Pennsylvania Avenue, NW ▪ Suite 750 ▪ Washington, DC 20004

LUKE M. HARMS

Manager, Government Relations

June 22, 2012

Mr. Ruben Mata
International Trade Analyst
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

RE: H.B. 4809 – Opposition to legislation to suspend temporarily the duty on certain electric dispensing blenders

VIA ELECTRONIC MAIL

Dear Mr. Mata:

Whirlpool Corporation produces conventional household blenders at its manufacturing facility located at 1701 KitchenAid Way in Greenville, Ohio. Blenders, as defined within H.B. 4809, compete directly with blenders produced by Whirlpool Corporation in the United States. As such, we believe H.B. 4809 fails to meet the criteria outlined in guidance¹ established by the Ways and Means Committee of the U.S. House of Representatives.

Whirlpool Corporation is the world's leading manufacturer and marketer of major home appliances, with annual sales of approximately \$19 billion in 2011, 68,000 employees, and 66 manufacturing and technology research centers around the world. The company markets *Whirlpool, Maytag, KitchenAid, Jenn-Air, Amana, Brastemp, Consul, Bauknecht* and other major brand names to consumers in nearly every country around the world.

The House guidance specifically states that bills should be non-controversial and that the Miscellaneous Tariffs Bill is "designed to boost the competitiveness of U.S. manufacturers by lowering the cost of imported inputs without harming domestic firms that produce competing products."

The guidance further states that a "bill will be considered controversial if, for instance, another Member objects to the bill or if a domestic producer objects to the bill."

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink that reads "Luke M. Harms".

Luke M. Harms
Manager, Government Relations

¹ See http://waysandmeans.house.gov/UploadedFiles/MTB_Procedures_FINAL.pdf

Fravel, Dennis

From: Anderson, Michael G.
Sent: Monday, June 11, 2012 10:49 AM
To: Parcan, Alexander (Intern)
Cc: Fravel, Dennis
Subject: Fw: Bill Reports (HR.4812 -HR.4815)

Hi Alex,

A response/opposition for four bills you're working on.

Michael-

----- Original Message -----

From: Maryjo Cohen - National Presto <mjc@gopresto.com>
To: Anderson, Michael G.
Sent: Mon Jun 11 10:26:27 2012
Subject: Re: Bill Reports (HR.4812 -HR.4815)

Dear Mr. Anderson:

Thank you the opportunity to comment on each of the bills referenced in your email.

As I stated on the phone, unless Congress removes the duty on ALL electric appliances coming from China, we are opposed to all of these bills, regardless of whether we make the product or not. Please understand that the categories listed are very narrow, yet they compete with other items - some of which are in the same class (e.g., grills with floating locks compete with our electric grills, griddles and skillets) and in some cases against the entire class of small appliances, e.g., a customer like Sam's or Costco does not carry a full line of electrical appliances, so that each appliance effectively competes with the other for limited shelf space devoted to kitchen appliances. If one is dutiable while another is not, that provides an unfair advantage to the dutiable item. At this point, all of these products are being manufactured in China - no one makes them in the U.S.

Accordingly, I'd recommend that the duties either be maintained or all duties on Chinese-made kitchen appliances be dropped.

Per your request, I will leave a comment to the above effect on each bill using the HR web site prior to the June 22, comment deadline period.

Mj

On Mon, 4 Jun 2012 11:36:26 -0400

<Michael.Anderson@usitc.gov> wrote:

> Dear Ms. Cohen,

>

> As per our phone conversation, I am with the U.S. International Trade Commission (the Commission), an independent agency in the U.S. Government, which, among other things, provides advice to the President and Congress on all matters

of international trade. I am writing to request your input on Congressional legislation related to tariff suspensions or reductions for certain vehicle parts.

>
> I have included more details on the bills in the following table and specific question on the legislation below the table.

>
> Bill

>
> Product

>
> Link to bill

>
> HR. 4812

>
> Open-top electric grills designed for indoor use

>
> <http://www.gpo.gov/fdsys/pkg/BILLS-110hr4812ih/pdf/BILLS-110hr4812ih.pdf>

>
> HR. 4813

>
> Electromechanical juice extractors, each with a self-contained 2-speed electric motor rated at 800 W or higher

>
> <http://www.gpo.gov/fdsys/pkg/BILLS-112hr4813ih/pdf/BILLS-112hr4813ih.pdf>

>
> HR. 4814

>
> Electromechanical juice extractors, each with a self-contained 2-speed electric motor rated over 300 W but not over 400 W

>
> <http://www.gpo.gov/fdsys/pkg/BILLS-112hr4814ih/pdf/BILLS-112hr4814ih.pdf>

>
> HR. 4815

>
> Dual-grid electric sandwich grillers, each with lock and floating upper lid

>
> <http://www.gpo.gov/fdsys/pkg/BILLS-112hr4815ih/pdf/BILLS-112hr4815ih.pdf>

>
>
> The Commission prepares reports on legislation concerning duty suspensions for the Ways and Means and Senate Finance Committees. As a part of this process, the Commission attempts to identify and contact domestic firms and associations that may have an interest in the subject legislation.

>
> We would appreciate it very much if you could please advise us in regard to:

>
> * Do you have an interest in the proposed duty suspension legislation and, if so, do you support, oppose, or are you neutral to each of the bills?

>
> * Do you make any of the products described in the bills or competing products in the United States? Is there other U.S. manufacturing of the products described in the bills or competing products? If so, could you provide the names of the firms that make these products?

- >
- > * Do you import the products described in these bills? If so, what countries are the major sources of imports for each of these products?
- >
- > * Will you benefit from this bill? If so, can you provide me an estimate of the value of imports that will benefit from this bill in each of the next five years?
- >
- >
- > Please provide separate responses for each Bill noted above
- >
- > If you are opposed to the bill please submit comments to the House Ways and Means Committee (see <http://waysandmeans.house.gov/mtb/>) and send us a copy of the submission.
- >
- > Please provide us with any input on this legislation by Monday, June 11. Thank you for your time.
- >
- >
- > Thank you,
- > Michael Anderson
- > 202-205-3249

112TH CONGRESS
2D SESSION

H. R. 4809

To suspend temporarily the duty on certain electric dispensing blenders.

IN THE HOUSE OF REPRESENTATIVES

APRIL 25, 2012

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

A BILL

To suspend temporarily the duty on certain electric dispensing blenders.

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. ELECTRIC DISPENSING BLENDERS.**

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:

“	9902.01.00	Self-contained, electromechanical household blenders with a built-in dispensing spout (provided for in subheading 8509.40.00)	Free	No change	No change	On or before 12/31/2015	”.
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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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