



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)):

Insulated cable with connectors for a voltage not exceeding 80 V (provided for in subheading 8544.42.90)

(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 a type of cable insulated by a sheath, with the case typically made of copper or another conducting material such as aluminum. Within the size specification given, these types of insulated cables are often but not always used as signal cables to transmit data, instead of heavier duty cables typically used to move power. The principal source of U.S. dutiable imports is China. Opposition to this bill is noted in the Contacts table below.

IV. Estimated effect on customs revenue

Table with 6 columns: Subject product HTS subheading(s), 2013, 2014, 2015, 2016, 2017. Rows include Col.1-general rate of duty or percentage point reduction (%), Estimated value of dutiable imports (\$), and Customs revenue loss (\$).

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 based on consultations with the Interested entity. The bill as written specified "Insulated cable for a voltage of less than or equal to 1,000 Volts (provided for in subheading 8544.42.90)."

VI. Continuation

[Empty box for continuation text]

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	IBM Corp. (Interested entity) John Adamo	720-395-1427	No	No	No
2	National Electrical Manufacturers Association (NEMA) Craig Updyke Kyle Pitsor	703-841-3274	No	No	No
3	Southwire John C. Stephens	770-832-5702	Yes	Yes	Yes



Legal Department

John C. Stephens, Esq.
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john_stephens@southwire.com

July 26, 2012

VIA E-MAIL

Mr. Patrick Schneider
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

Re: Southwire Company Objection to H.R. 5417

Dear Mr. Schneider:

Southwire Company is a private company headquartered in Carrollton, Georgia. We manufacture electrical and data wire and cable. Our Tappan Wire and Cable Division plant is located in Blauvelt, New York and employs 206 people.

The Tappan facility manufactures low voltage and data cable. This cable is sold to OEM companies which add connectors to make cords for the electronics industry. It is also sold to distributors who, in turn, supply OEM companies. While some of our products would be suitable for more than 80 volts, many of our products are used in applications for less than 80 volts.

Southwire has become aware of certain provisions of H.R. 5417 which, if enacted, will create competitive difficulties for us in the marketplace. Specifically, one of the sections proposes to suspend the tariff protection on insulated cable for a voltage of less than or equal to 80 volts classified under HS 8544.42.90. While this classification covers cable with connectors, and even though we do not attach connectors to our product, we will still suffer competitive harm. Our customers do use our wire to make the products at issue. If they sell fewer cords, we sell less cable. Therefore, Southwire Company objects to the provisions of this bill.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "John C. Stephens", with a long horizontal line extending to the right.

John C. Stephens
Assistant General Counsel

JCS:ds

112TH CONGRESS
2^D SESSION

H. R. 5417

To suspend temporarily the duty on insulated cable for a voltage of less than or equal to 1,000 volts.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2012

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

A BILL

To suspend temporarily the duty on insulated cable for a voltage of less than or equal to 1,000 volts.

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. INSULATED CABLE FOR A VOLTAGE OF LESS**
4 **THAN OR EQUAL TO 1,000 VOLTS.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by inserting in numerical sequence the following
8 new heading:

“	9902.01.00	Insulated cable for a voltage of less than or equal to 1,000 volts (provided for in subheading 8544.42.90)	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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