



## 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/](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)):**

Mixtures of 4,4'-o-phenylenebis(3-thioallophanic acid), dimethyl ester (Thiophanate methyl) (CAS No. 23564-05-8) and application adjuvants (provided for in subheading 3808.92.15)

(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 broad-spectrum, systemic fungicide used in both agricultural and specialty crops. It is imported from Japan. Opposition to this bill is noted below in the Contacts table.

**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**

None

**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	United Phosphorus Diane Fago	610-491-2816	No	No	No
2	3M Greg Walters	202-414-3008	No	No	No
3	Air Products Richard F. Goodstein	202-639-0840	No	No	No
4	Albaugh Stuart Feldstein	515-964-9444	No	No	No
5	Arkema David Kunz	202-263-3491	No	No	No
6	Ashland Frank Fusiak	973-628-4123	No	No	No
7	BASF Richard J. Salamone	973-895-8316	No	No	No
8	Bayer Steve Johnsen	412-777-5616	No	No	No
9	Celanese Samuel Ramirez	972-443-4689	No	No	No
10	Chemtura Elizabeth J. Thomasino	203-573-2644	No	No	No
11	Clariant Andrew Zamoyski	202-415-9159	No	No	No
12	Cleary Chemical Bill Bewlay	732-329-8399	No	Yes	Yes
13	ColorChem Steven Printz	770-993-5500, x18	No	No	No
14	Crowell & Moring, LLP Mike Gill	202-508-8843	No	No	No
15	Cytec Industries Thomas Irwin	973-357-3478	No	No	No
16	DSM Sheetal Bhadekar	973-257-8323	No	No	No
17	Dixie Chemical Mal Johnson	281-291-2659	No	No	No
18	Dow Lisa Schroeter	202-429-3407	No	No	No

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
19	Drexel Chemical Stanley Bernard	901-774-4370	No	No	No
20	DuPont Elaine M. Olsen	302-992-2263	No	No	No
21	DyStar L.P. Megan Malone	202-344-4621	No	No	No
22	Eastman Brent Perry	202-347-9547	No	No	No
23	Emerald Performance Materials Thomas Dirmyer	330-916-6706	No	No	No
24	Evonik Russell Mait	804-452-5711	No	No	No
25	FMC Jerry Prout	202-956-5209	No	No	No
26	Fanwood Chemical V. M. (Jim) DeLisi	908-322-8440	No	No	No
27	Honeywell Art Simonetti	202-662-2671	No	No	No
28	Huntsman Robert F. Hurley	202-289-9800	No	No	No
29	Kemira Rajesh Sharma	678-819-4577	No	No	No
30	LANXESS Jamie B. Schaeffer	412-809-3666	No	No	No
31	Lonza Joe Robinson	201-316-9364	No	No	No
32	MANA Crop Protection Kelvin Jordan	912-312-0043	No	No	No
33	Milliken Kathi Dutilh	202-775-0084	No	No	No
34	Monsanto James K. Travis	202-383-2864	No	No	No
35	Nation Ford Chemical Jay Dickson	803-548-3210, x15	No	No	No
36	Nufarm Americas Joel Junker	206-621-7878	No	No	No
37	PPG Industries Bill Ries	412-434-1717	No	No	No

38	Procter & Gamble Matt Mattingley	202-841-5601	No	No	No
39	Purolite Gary Thundercliffe	484-384-2708	No	No	No
40	Rhodia Jackie Guscott	609-860-3379	No	No	No
41	Royce Associates, ALP Terry Scheirer	201-438-5200	No	No	No
42	SOCMA Robert E. Branand	202-345-2717	No	No	No
43	Sensient Technologies Ken Goldacker	314-658-7363	No	No	No
44	Sigma-Aldrich Jared Fenton	314-286-8326	No	No	No
45	Solutia Kassie Wooton	314-674-3297	No	No	No
46	Solvay Andrew K. Jones	856-251-3412	No	No	No
47	Symrise Elizabeth Scharlat	908-429-6821	No	No	No
48	Syngenta Mike Blythe	336-632-2824	No	No	No
49	United Color Manufacturing Tom Nowakowski	215-860-2165	No	No	No
50	Valent Robin Demouth	925-256-2758	No	No	No



July 6, 2012

**The Honorable Max Baucus**

*Chairman*

Committee on Finance

United States Senate

219 Dirksen Senate Office Building

Washington, D.C. 20510

Dear Chairman Baucus:

I am writing to you to object to several bills that will extend the privilege of zero duty on imports of chemicals used in the industries we serve. Those bills are HR 5446, S 2787 and S 2776.

The availability of cheap imported chemicals from China and India has resulted in lower gross revenues for the Turf and Ornamental industries, and very likely lower employee and corporate income taxes being collected by state and federal governments.

While the cost of some of these raw materials to companies such as ourselves may have been reduced by 50% or more, it does not seem that this industry needs the Federal government to help with additional reduction of approximately 5%.

Specifically for Cleary Chemical, these imports have led to increased competition and lowering of end user pricing before those same competitors ultimately self-destruct and exit the industry. In the process we have lost customers, are unable to take advantage of production economies of scale as our customers now have no need to carry inventory of our products having up to ten vendors scrambling for a limited market. And we are left to contend with a customer base that has grown accustomed to continually shrinking prices.

Furthermore, the roll-up effect of lower raw materials is not one of increased profits as a casual observer may conclude, but one of overall lower revenues and margins which have brought to a near halt the development and introduction of new products. Overuse of individual

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pesticides generates resistance to the effect of that pesticide making that pesticide ineffective. Without new products golf courses and ornamental growers will have few options to treat the diseases they encounter during the course of their season. Without new product development Cleary and its industry colleagues will have not be in a position to supply the industry with inputs it needs to provide a healthy playing environment for the golfer and healthy plants for landscapes.

There is simply no need for the continued privilege of zero duty on imports of these chemicals.

Sincerely,

William R. Bewlay  
Chief Operating Officer

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112<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 2765

To suspend temporarily the duty on copoly(dimethyl carbonate/1,6-hexanediol).

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IN THE SENATE OF THE UNITED STATES

MAY 7, 2012

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

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## A BILL

To suspend temporarily the duty on copoly(dimethyl carbonate/1,6-hexanediol).

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. COPOLY(DIMETHYL CARBONATE/1,6-**  
4 **HEXANEDIOL).**

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	Copoly(dimethyl carbonate/1,6-hexanediol) (CAS No. 101325-00-2) (provided for in subheading 3907.99.01) ...	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 with respect to goods entered, or  
3 withdrawn from warehouse for consumption, on or after  
4 the 15th day after the date of the enactment of this Act.

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