

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 110<sup>th</sup> Congress<sup>1</sup>**

[Date approved: April 10, 2008]<sup>2</sup>

**Bill No. and sponsor:** H. R. 4500 (Mr. Walter William Herger, Jr. of California).

**Proponent name,<sup>3</sup> location:** Wal-Mart Stores, Inc., Bentonville, AR.

**Other bills on product (110<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)):**

Direction finding compasses, the foregoing other than optical instruments, gyroscopic compasses or electrical compasses (provided for in subheading 9014.10.90).

**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:**

This bill covers all types of non-electrical, non-gyroscopic compasses used for navigational purposes. Compasses generally are stand-alone instruments containing a magnetized pointer or dial encased in a fluid-filled capsule to indicate the direction of magnetic north. These compasses are used in recreational, orienteering, automotive after-market, marine, and to a lesser extent aviation applications. Many compasses for use in vehicles are mounted on a base plate containing such features as adjustable declination, map scales, magnifying lens, rotating bezel, sight, and mirror to assist in reading maps coordinates and taking bearings. Other compasses are designed for use as an aftermarket accessory or compass component in other products.

Two companies report they manufacture these compasses in the United States.<sup>4</sup> The majority of compass imports are sourced from China, France, Finland, and Sweden.

<sup>1</sup> Industry analyst preparing report: Michael Anderson (202-205-3249); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

<sup>3</sup> The sponsor/proponent identified more than 10 additional beneficiaries of this bill. USITC staff sent inquiries to the named beneficiaries and received responses from all such firms. Each of the firms submitted a written representation that it would benefit from this bill.

<sup>4</sup> U.S. industry representatives, telephone interviews by USITC staff, January 30 - February 12, 2008.

**Estimated effect on customs revenue:**

<b>HTS subheading: 9014.10.90</b>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	2.9%	2.9%	2.9%	2.9%	2.9%
Estimated value <i>dutiable</i> imports	\$9,400,000	\$9,700,000	\$10,000,000	\$10,300,000	\$10,600,000
Customs revenue loss	\$272,600	\$281,300	\$290,000	\$298,700	\$307,400

Source of estimated dutiable import data: Commission and U.S. industry estimates.

**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)	
Wal-Mart Stores, Inc. (Proponent) Sarah Thorn, 202-434-0999	01/25/2008	No	No	No
The Brunton Co. Cade Maestas, 307-857-4704	02/18/2008	No	No	No
Bell Automotive Pat Ohm, 480-281-2042	01/30/2008	No	No	No
Cammenga Corp. Michael D. Alexander, 616-392-7999, ext. 202	01/31/2008	Yes	Yes	Yes
Honeywell, Inc. Lynn Brumley, 425-885-8509	01/31/2008	Yes	Yes	No
Johnson Outdoor Products Rob Marcello, 607-779-2222, ext . 335	01/31/2008	No	Yes	No
Amer Sports Corp. Blair Patterson, 801-624-7532	01/30/2008	No	Yes	No
Meritex Enterprises, Inc. Greg Johnson, 651-855-9685	02/18/2008	No	No	No
Spirit Airlines 954-442-7965	02/18/2008	No	No	No
Roc Gear, Inc. Jay Buell, 678-318-3660	02/22/2008	No	No	No

**Technical comments:**<sup>5</sup>

It is suggested that the article description be amended to read as shown on page 1. It is not helpful to begin a stand-alone article description with “other.”

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<sup>5</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.

110TH CONGRESS  
1ST SESSION

# H. R. 4500

To suspend temporarily the duty on certain compasses.

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 12, 2007

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

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## A BILL

To suspend temporarily the duty on certain compasses.

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 COMPASSES.**

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.____	Other direction finding compasses, other than gyroscope compasses and other than electrical compasses (provided for in subheading 9014.10.90) .....	Free	No change	No change	On or before 12/31/2011	”.
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1       (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) applies to articles entered, or withdrawn  
3 from warehouse for consumption, on or after the 15th day  
4 after the date of the enactment of this Act.

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