Textile, Apparel, Footwear & Headwear Articles

Recorded July 24, 2019

This presentation is provided for your consideration in preparing for the 2019 MTB cycle. Any information furnished to you in this presentation, by email, or otherwise by Commission staff in the course of reviewing your petition should not be regarded as a staff opinion or an indication that the Commission will consider the article description you provide to be one that is administrable by U.S. Customs and Border Protection or that otherwise meets the requirements of the American Manufacturing Competitiveness Act of 2016.

Step One — Be sure that you know where Customs classifies your product.

Tip: When in doubt, seek a ruling! (Surprise--CBP might not agree with your broker.) Link here to request an e-ruling: https://erulings.cbp.gov/home

Step Two — Go into the current HTS chapter, and **look at that tariff line's coverage and descriptive language**. See how this line fits into the structure of the heading and of surrounding provisions.

Tip: Your goods probably won't be the only product classified there! And remember that everyone can use your tariff line if it passes. The tariff provisions can give you "tried and true" language to use in a stand-alone chapter 99 heading.

Step Three — Plan to **create a verbal snapshot that distinguishes your product** at the dock from others in the same tariff provision—not its downstream features or use.

Tip: Focus on visible physical characteristics first, then on listing necessary additional criteria that do not require lab tests or new legal interpretations.

Step Four -- Remember the Goldilocks principle in drafting—"just enough" product detail is best.

Tip: Don't include what you don't need—you'd need to prove your goods comply!

Step Five — Yes, you can cover an entire tariff category.

Tip: Don't use "other" as your article description, even if that is in the HTS, but beware the revenue loss cap! Covering an entire line avoids new terms that require interpretation, but may mean you only qualify for a duty reduction.

Step Six -- Think about your U.S. competitors—so you can avoid domestic producer objections!

Tip: Think about what makes your product different from theirs, and include (or exclude) that feature in writing your article description.

Step Seven — Go metric, and be careful with your "tariff grammar."

Tip: Descriptions should be plural in coverage, but did you say how many of each named characteristic each article must have at the time of entry, and cover endpoints in a range? Take a look at the 9902 headings already in place for guidance.



Step Eight — Be complete. If the right words are not in the "article description" box, we probably cannot add them.

Tip: You know what makes your product unique better than anyone else!

Step Nine — **Do not give us a Customs ruling that covers a different product** in support of the classification you reference in the article description.

Tip: If you have *any* customs document that shows the HTS line where CBP liquidated the good, you can upload a confidential copy—we'd love to know how CBP has classified it, officially.

Step Ten — **Do not commit overlap**, especially not with another petition you have filed or later file!

Tip: Keep track of what is being filed by other firms for goods in the 8-digit HTS subheading covering your product, and check out our guidance on avoiding overlapping article descriptions. [You may not realize it, but "Widgets" and "Widgets, green" overlap when used as article descriptions in separate petitions.]

Do you need more help? Watch our web site for additional guidance, see what Congress passed after our first report and what failed, and send questions to MTBinfo@usitc.gov!



General Considerations:

- Use current 8 digit HTS subheading number, not 10 digit statistical reporting number
- Use HTS nomenclature, not Dataweb abbreviations—e.g., M/B wov jackts >36% wt wool, <mid-thigh length, lg slves, w/full/part frnt opening (in 6201.93.55)
- If ITC staff has contacted you to point out deficiencies of AD, do not refile the exact same AD
- Use metric measurements: e.g., decitex, not denier; cm, not inches
- Put (provided for in subheading xxxx.xx.xx) at end of AD
- Unisex garments are classified as women's/girls'



- Fibers HTS chapters 50 to 58
- Yarns HTS chapters 50 to 58
- Woven Fabrics HTS chapters 50 to 59
- Knit Fabrics HTS chapter 60
- Knit Apparel HTS chapter 61
- Woven Apparel HTS chapter 62
- Made-ups HTS chapter 63
- Footwear HTS chapter 64
- Headwear HTS chapter 65



Fibers, e.g. cotton, nylon, polyester, etc.

Details required to properly classify fibers:

- Fiber content by percent (by weight) for each fiber
- Degree of processing: whether the fiber is carded, combed or otherwise processed for spinning
- Measurement per filament; total measurement of tow
- In some instances, twists per meter



Original AD

Acrylic fiber tow containing 85 percent or more by weight of acrylonitrile units and 2 percent or more but not over 3 percent of water, raw white (undyed), crimped, with an average decitex of 3.3 (plus or minus 10 percent) and an aggregate filament measure in the tow bundle between 660,000 and 1,200,000 decitex, with a length greater than 2 meters (provided for in subheading 5501.30.00)

This description did not need to be amended. It fell within the description of the HTS provision: "Synthetic filament tow; acrylic or modacrylic".

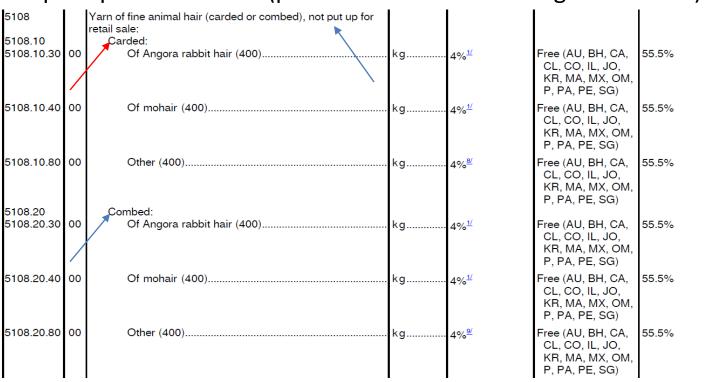


- Yarns HTS chapters 50 to 58
- Yarns are made from fibers
 - Spun from natural fibers
 - Extruded from man-made fibers
- Used to make fabric (knit or woven), knit-to-shape apparel, made-ups
- Details required to properly classify yarns:
 - Fiber content by percent (by weight) for each fiber
 - Construction:
 - Single or monofilament
 - Plied or multiple or folded (two or more single ply yarns twisted)
 - Cabled (two or more plied yarns twisted)
 - Other (decitex, "yarn number," tenacity)
 - For retail sale or not for retail sale?



Yarn Example 1 (9902.12.77): Yarn of carded camel hair (provided for in subheading 5108.10.80)

Yarn Example 2 (9902.12.78): Yarn of combed cashmere or yarn of camel hair, not put up for retail sale (provided for in subheading 5108.20.80)





What Every Member of the Trade Community Should Know About:
Classification of Fibers and Yarns under the HTSUS



AN INFORMED COMPLIANCE PUBLICATION SEPTEMBER 2011

J.S. CUSTOMS and BORDER PROTECTI



- Woven Fabrics (not knit/crochet)

 HTS Ch 50-59
- Woven fabrics are constructed from warp and weft yarns processed on a loom
- Woven fabrics are used to make apparel or made-ups
- Details required to properly classify woven fabrics:
 - Fiber content by percent (by weight) of each yarn
 - Weight per square meter
 - Width
 - Method: plain weave; poplin; Jacquard
 - Finishing operations: bleached, dyed, printed, from yarns of different colors



Original AD:

"Bleached woven fabrics, wholly of cotton, of yarn numbers 43 to 68, put up in continuous rolls with widths of not less than 74 cm or more but not over 184 cm of varying lengths ranging from 1640 to 6500 meters (provided for in subheading 5208.21.40). Also called "Production Roll Bleached Cotton Gauze".

Amended AD:

"Woven fabrics of cotton, bleached, of yarn numbers 43 to 68, put up in continuous rolls measuring 74 cm or more but not over 184 cm in width and 1640 m or more but not over 6500 m in length (provided for in subheading 5208.21.40)"



- Knitted or Crocheted Fabrics HTS chapter 60
- Knit fabrics are constructed from looped yarns
- Knit fabrics are used to make apparel or made-ups
- Details required to properly classify knit fabrics:
 - Fiber content by percent (by weight) of each yarn
 - Construction:
 - Pile or terry fabrics
 - Containing 5 percent or more by weight elastomeric yarn
 - Open-work or warp knit fabrics or circular knit
 - Finishing operations: bleached, dyed, printed, from yarns of different colors



Knit Fabric Example (9902.13.43): Polyethylene Terephthalate (PET) heat exchange capillary material consisting of parallel PET tubes arranged and secured in a knitted fabric of PET threads (provided for in subheading 6003.30.60)

	Stat. Suf- fix	Article Description	Unit of Quantity	Rates of Duty			
				General	1 Special	2	
6003	111.	Knitted or crocheted fabrics of a width not exceeding 30 cm, other than those of heading 6001 or 6002:	Quality	General	Оресіаі		
6003.10 6003.10.10	00	Of wool or fine animal hair: Open-work fabrics, warp knit (229)	kg	· 14.1% ^{1/}	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P. PA. PE, SG)	90%	
6003.10.90	00	Other (899)	kg	· 6.6% ^{1/}		59%	
6003.20 6003.20.10	00	Of cotton: Open-work fabrics, warp knit (229)	kg	14.1% ^{1/}	, , , , , , , , , , , , , , , , , , , ,	90%	
6003.20.30	00		kg	- 8% ^{1/}	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	35%	
6003.30 6003.30.10	00	Of synthetic fibers: Open-work fabrics, warp knit (229)	kg	14.1% ^{1/}	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	
6003.30.60	00	Other (222)	kg	· 7.6% ²	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	



- Knit Apparel HTS chapter 61
- Knit apparel is made from knit fabric or knit-to-shape from yarn
- Details required to properly classify knit apparel:
 - Gender: Men's/Boys' or Women's/Girls'
 - Type of garment, i.e., coat, trousers, skirt, top, etc.
 - Fiber content by percent (by weight) for the fabric of the component that determines tariff classification (if in doubt, seek a ruling from CBP)
- Consult HTS chapter 61 verbiage for important characteristics for:
 - Socks and hosiery (heading 6115);
 - Gloves and mitts (heading 6116)

Original Article Description: Men's or boys' <u>linen fiber</u> knit sweater, <u>with stitch count of 9/2 cm or less</u> (provided for in subheading 6110.90.90<u>23</u>)

Knit Apparel Example (9902.13.49): Men's or boys' knitted or crocheted sweaters of linen, each with 9 or fewer stitches per 2 centimeters measured in the direction the stitches were formed (provided for in subheading 6110.90.90)



- Woven Apparel Ch 62
- Made from woven fabric (other than knit/crocheted)
- Details required to properly classify woven apparel:
 - Gender: Men's/Boys' or Women's/Girls'
 - Type of garment, i.e., coat, trousers, skirt, top, etc.
 - Fiber content by percent (by weight) for the fabric of the component that determines tariff classification (if in doubt, seek a ruling from CBP)
- Consult additional U.S. Note 3(a) to HTS chapter 62 for unique properties of Recreational Performance Outerwear (RPO).



Original AD:

"Babies' linen woven garments, such as but not limited to dresses, skirts, divided skirts, blouses, shirts, trousers, breeches, shorts, onesies, sunsuits, etc... (provided for in subheading 6209.90.9000)"

Amended AD:

"Babies' woven apparel of linen (provided for in subheading 6209.90.90)"



What Every Member of the Trade Community Should Know About:

Classification: Apparel Terminology under the HTSUS



AN INFORMED COMPLIANCE PUBLICATION

JUNE 2008

J.S. CUSTOMS and BORDER PROTECTION

What Every Member of the Trade Community Should Know About: Classification of Knit to Shape Garments under HTSUS Heading 6110



AN INFORMED COMPLIANCE PUBLICATION

MAY 2008

U.S. CUSTOMS and BORDER PROTECTION



- Made-ups HTS chapter 63
- Made-up articles include: blankets, bed linen (sheets, pillowcases), table linen, towels, curtains, bedspreads,
 - Generally, articles are classified by the construction of the fabric
 - Need fiber content (by weight) for fabric
 - May need information on finishing operations or whether or not articles include embroidery, etc.
- HTS chapter 63 also includes certain bags, awnings, tents, labels, and flags (list not exhaustive, see HTS chapter 63)



Examples of Approved Petitions for Made-up Articles:

- Certain sleeping bag shells
- Bins of laminated woven fabric of polypropylene
- Certain smartphone cases
- Agricultural control nets
- Chest harnesses of textile materials for attaching cameras



- Footwear Chapter 64
- Details required to properly classify footwear:
 - Composition: leather; textile; rubber/plastic
 - Style: slip-on; work footwear; athletic
 - Gender: men/women/youth/other
 - Whether it covers the ankle or knee
 - Whether or not it is waterproof
 - In some instances, the value



Original AD:

"Footwear with outer soles rubber & plastic & uppers of textile materials other than vegetable fibers, with open toes/heels or slip-on, >10% by weight of rubber & plastic, having outer soles with textile materials having the greatest surface area in contact with the ground, but not taken into account under the terms of additional note U.S. note 5 to this chapter, other than house slippers, valued at \$10.00-14.99 (provided for in subheading 6404.19.37)"



Amended AD:

"Footwear with outer soles of rubber or plastics, with uppers of textile material other than vegetable fibers and having outer soles with textile materials having the greatest surface area in contact with the ground, but not taken into account under the terms of additional note U.S. note 5 to chapter 64, with open toes or open heels or of the slip-on type, weighing 10 percent or more of rubber or plastics, valued at \$10 or more but not over \$14.99/pair; the foregoing for women (other than house slippers) (provided for in subheading 6404.19.37)"



What Every Member of the Trade Community Should Know:

Footwear

An Informed Compliance Publication

September 2017





Headwear – Chapter 65

- Details required to properly classify headwear:
 - Composition: fur; wool; cotton; vegetable fibers
 - Style: hat; visor; safety headgear
 - How it is made: sewn or not sewn; knit/crochet; formed from strips; braided
 - Finishing: bleached; colored



Original AD:

"Hats and headgear of veg. fibers or unspun fibrous veg. materials and/or paper yarn, plaited and sewed (provided for in subheading 6504.00.30)."

Amended AD: language changed to align with nomenclature

"Hats and headgear of vegetable fibers, of unspun fibrous vegetable materials, of paper yarn or of any combination thereof, plaited but not of plaited strips, sewed (provided for in subheading 6504.00.30)."



What Every Member of the Trade Community Should Know About:

Classification of Hats and Other Headgear under HTSUS Heading 6505



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JUNE 2008

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- Import Data <u>www.DataWeb.usitc.gov</u>
 - Annual estimates for the value of imports, both total and dutiable (i.e., not duty-free imports under a preference program or Free Trade
 Agreement (FTA)) for the subject product
 - Calendar year that precedes current year, current year, and 5 year projections
 - · Total U.S. Imports preferred
 - Company's own imports (submitted as confidential business information)*
 - * If using own imports, also provide estimate of import market share
- Other Importers
 - Provide company name, name, and contact information for other U.S.
 firms importing the product
- Approved Petitions are Available to All Importers, Not Just the Filer of the Original Petition



U.S. Production Information

- Is an identical, like, or directly competitive product produced in the United States?
- Additional information about the domestically produced product

U.S. Producers

- If there is U.S. production or U.S. production is planned
- Provide U.S. producer or producers company name and location (city and state)



- Article descriptions are critical for success
 - Go to future seminars for examples of various types
 - Check your tariff heading in HTS Search
 - We intend to post some examples from the last cycle of successful article descriptions and tips for drafting
- Check <u>CROSS</u> rulings for your tariff heading
 - Accessible from HTS Search or on CBP website
- Seek an <u>e-ruling from CBP</u> as early as possible and include it with your petition
- Prepare early, file early half of all petitions came in during the last 7 days, leaving little time for assistance



- Harmonized Tariff Schedule of the United States (HTS): https://hts.usitc.gov/current
- U.S. Customs and Border Protection:
 - Customs Rulings Online Search System (CROSS): www.rulings.cbp.gov
 - e-Rulings: <u>www.erulings.cbp.gov</u>
 - Informed Compliance Publications (ICPS):
 https://www.cbp.gov/trade/rulings/informed-compliance-publications
- DataWeb: https://dataweb.usitc.gov/



What's Coming Up

- Finalizing proposed rule amendments
- Summer workshop series
- Updating guidance
- Portal Walk-Through session in October

Where to go

- For 2019 info: www.usitc.gov/mtb landing.htm
- For 2016 petitions and comments: https://mtbps.usitc.gov
- For email updates: https://www.usitc.gov/quicksubscribe.htm

Who to contact

mtbinfo@usitc.gov