

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: December 30, 2005]<sup>2</sup>

**Bill No. and sponsor:** H.R. 2817 (Mr. Richard Neal of Massachusetts).

**Proponent name, location:** Russell Corp. (Spalding Division), Springfield, MA.

**Other bills on product (109<sup>th</sup> Congress only):** H.R. 2818, H.R. 2819, and H.R. 2821.

**Nature of bill:** Temporary duty suspension through December 31, 2009.

**Retroactive effect:** None.

**Suggested article description for enactment (including appropriate HTS subheading):**

Basketballs, having an external surface other than of leather or of rubber (provided for in subheading 9506.62.80).<sup>3</sup>

**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 sources of imports:**

The four bills noted above deal with basketballs with covers made of different materials—namely, leather, rubber, or various man-made materials. The core of all basketballs is composed of a butyl, natural, or combination rubber bladder (with molded inflation valve) that is subsequently wound with a polyester or nylon material to protect it and maintain its shape. A partially cured rubber carcass consisting of two half shells is placed over the wound core and cured under pressure in a hot mold. The carcasses for the subject basketballs, those not made of leather or rubber, are formed in molds that produce a smooth, black, round surface with raised ridges that provide channels for the cover material. Die-cut “synthetic leather” (polyurethane or polyvinyl chloride (PVC))<sup>4</sup> panels are then affixed with glue and hand-assembled into the channels, so that a high pressure molding process insures a tight bond of the cover materials to the carcass. Basketballs with the cover materials noted above are designed for either indoor or outdoor use.

<sup>1</sup> Industry analyst preparing report: John Cutchin (202-205-3396); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>2</sup> 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> Industry information and consultations with Customs officials suggest that the goods covered by the bill as drafted cannot be separately described and cannot be distinguished at the time of entry from the goods covered by H.R. 2821. Accordingly, it is suggested that the two bills should be combined and one heading with the description shown above should be used.

<sup>4</sup> The original proposed article description—basketballs other than leather, rubber, or synthetic—includes basketballs made from a cover material referred to by the U.S. industry as “composite leather.” However, the distinction between “synthetic” basketballs (covered in H.R. 2821) and the composite leather basketballs in this bill is often very subtle because the same man-made materials are used to make them. In general, composite leather basketballs are produced from synthetic materials that have a finer textured fiber with a softer, more leather-like feel that commands a slightly higher price at retail. Nevertheless, it is reported that the terms are often used interchangeably (see attached statement of Bryan Wolfe, Russell Corp.).

Basketballs are typically produced in “youth,” “intermediate,” and “official” sizes for adolescent, female, and male users. The principal sources of imports of basketballs are China and Thailand.

**Estimated effect on customs revenue:<sup>1</sup>**

<b>HTS subheading: 9506.62.80</b>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	4.8%	4.8%	4.8%	4.8%	4.8%
Estimated value <i>dutiable</i> imports	\$12,500,000	\$12,500,000	\$13,000,000	\$13,000,000	\$13,000,000
Customs revenue loss	\$600,000	\$600,000	\$624,000	\$624,000	\$624,000

<sup>1/</sup> The estimated value of dutiable imports and customs revenue loss presented in this table include only the products originally covered by this bill (i.e., basketballs other than leather, rubber, or synthetic). If this bill is combined with H.R. 2821, the estimated totals for the two bills should be combined. It is believed that import volumes and revenue loss figures reported for this bill would double if the two bills were combined. Source of estimated dutiable import data: Official U.S. Government statistics and U.S. industry and Commission estimates.

**Contacts with domestic firms/organizations (including the proponent):**

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
			(Yes/No)	
Russell Corp. (Proponent) Bryan Wolfe, 678-742-8290	10/05/2005	No	Yes	No
Sandler, Travis, & Rosenberg Stephen Hofmann, 202-216-9307	09/26/2005	No	No	No
Pioneer National Latex Nancy Patterson, 419-289-3300, ext. 517	10/17/2005	No	No	No
Sporting Goods Manufacturers Assoc. Bill Sells, 202-349-9417	09/27/2005	No	No	No
Target Corp. Toni Dembski-Brandl, 612-696-2573	10/10/2005	No	No	No
Wilson Sporting Goods Co. Mike Kuehne, 773-714-6891	10/07/2005	No	No	No

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

The distinction between goods referred to as “synthetic” basketballs of H.R. 2821 and “basketballs other than leather, rubber, and synthetic” (referred to in the trade as “composite leather” and comprising the products named in this bill) reportedly would be difficult to put into words accurately in the HTS or to establish reliably at the time of entry,<sup>6</sup> and having two provisions likely would present classification problems for Customs officials. Unless additional information can be obtained to assist in this regard, it is recommended that these two proposed product categories (and bills) be combined into a single HTS heading with the article description shown on page 1. Last, we suggest that the special subcolumn of the new provision read “No change” rather than “Free” with no special program indicator. All special-rate countries are eligible for general duty rates, and the duty-free general rate treatment would be easier to claim.

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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.

<sup>6</sup> See attached e-mail message from Mr. Bryan Wolfe of the Russell Corp. sent to Commission staff on Oct. 14, 2005.

109TH CONGRESS  
1ST SESSION

# H. R. 2817

To suspend temporarily the duty on certain basketballs.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 2005

Mr. NEAL of Massachusetts 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 basketballs.

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 BASKETBALLS.**

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:

“	9902.95.06	Basketballs other than leather, rubber, or synthetic (provided for in subheading 9506.62.80) .....	Free	Free	No change	On or before 12/31/2009	”.
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8 (b) EFFECTIVE DATE.—The amendment made by  
9 subsection (a) applies to goods entered, or withdrawn from

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- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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