

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: April 23, 2010]²

Bill No. and sponsor: S. 2598 (Mrs. Kay Bailey Hutchison of Texas).

Proponent name,³ location: Shure, Inc., Niles, IL.

Other bills on product (111th 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)):

Single-element unidirectional (cardioid) dynamic microphones, each with a frequency response of 60 Hz or more but not more than 15 kHz and less than 10 dB deviation across the frequency range, the foregoing each incorporating a copper coil and neodymium magnet and having a steel mesh grille and a die-cast handle of zinc alloy (provided for in subheading 8518.10.80).

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:

A microphone is a transducer that converts sound into an electrical signal. Microphones are used to record sound, sending the electrical signal to a recording device; to amplify sound by sending the electrical signal to an amplifier and then to loudspeakers; or to convert the sound to radiobroadcast signals. Dynamic microphones like those covered by this bill work like a loudspeaker, but in reverse. Sound causes a diaphragm in the microphone to vibrate; the diaphragm is connected to a coil of wire that wraps around a permanent magnet without touching the magnet. The coil of wire moving around a magnet generates an electrical signal that is sent to an amplifier or recording device.

A unidirectional cardioid microphone collects sound from a single source or direction while rejecting ambient sounds from surrounding sources. This type of microphone can be found in a wide array of commercial applications and consumer products.

The principal import sources of microphones are China, Japan, and Germany, from which the United States imported \$62.5 million, \$34.7 million, and \$16.8 million, respectively, of \$168.0 million in total dutiable imports under HTS subheading 8518.10.80 in 2008. Separate data on the subject goods are not available under the HTS.

¹ Industry analyst preparing report: John Kitzmiller (202-205-3387); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8518.10.80:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	4.9%	4.9%	4.9%	4.9%	4.9%
Estimated value <i>dutiable</i> imports ^a	\$5,400,000	\$5,400,000	\$5,400,000	\$5,400,000	\$5,400,000
Customs revenue loss ^b	\$264,600	\$264,600	\$264,600	\$264,600	\$264,600

a/ Dutiable import estimates were provided by proponent and Commission estimates.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

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)		
Shure, Inc. (Proponent) Mark Brunner, Brunner_mark@shure.com	11/13/2009	No	No	No
Audio-Technica U.S., Inc. Philip Cajka, 330-686-2600	11/25/2009	No	No	No
Audiovox Corp. Pat Moffett, 631-436-6499	11/23/2009	No	No	No
Consumer Electronics Association Sage Chandler, schandler@ce.org	11/24/2009	No	No	No
Panasonic Corp. Madeline Kuflik, 201-392-4649	11/16/2009	No	No	No
Sennheiser Electronic Corp. 860-464-9190	11/24/2009	No	No	No
Sony Electronics, Inc. Christina Tellalian, 202-429-3653	11/19/2009	No	No	No
Yamaha Electronics Corp. Doan Hoff, dhoff@yamaha.com	11/25/2009	No	No	No

Technical comments:⁴

It is suggested that the article description of the proposed heading be amended to read as shown on page 1. The tariff reference was changed from "provided for in subheading 8518.10.8030" to "provided for in subheading 8518.10.80" to conform to HTS practice, referencing the legal provision rather than a non-legal statistical reporting number.

⁴ 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.

111TH CONGRESS
1ST SESSION

S. 2598

To suspend temporarily the duty on imports of certain handheld moving coil dynamic microphones.

IN THE SENATE OF THE UNITED STATES

OCTOBER 30, 2009

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

A BILL

To suspend temporarily the duty on imports of certain handheld moving coil dynamic microphones.

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. IMPORTS OF CERTAIN HANDHELD MOVING**
4 **COIL DYNAMIC MICROPHONE.**

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	Self-contained, single-element unidirectional (cardioid) dynamic microphone incorporating a copper coil, neodymium magnet, steel mesh grille, zinc die-cast handle (zamak 3 or equivalent), a frequency response between 60 Hz and 15 kHz and less than 10 dB deviation across frequency range (provided for in subheading 8518.10.8030)	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 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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