

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. 2612 (Mr. Charles E. Schumer of New York).

Proponent name,³ location: Nikon Corp., Mellville, NY.

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)):

Lenses designed for digital cameras, the foregoing with a focal length measuring approximately 70 mm or more but not over 200 mm and weighing between 1,535 and 1,545 grams (provided for in subheading 9002.11.90).

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:

The subject lenses are optical camera lenses optimized for use with digital single lens reflex (DSLR) cameras, which can accept a variety of interchangeable lenses with differing lengths, widths, weights, or other characteristics to enable the user to perform different photographic functions. The subject lenses are normally referred to as zoom lenses, which permit the user to enlarge the image by bringing it in closer (zooming in) or to minimize the image by moving out farther (zooming out), and to frame the image as desired by extending or retracting the focal length of the lens. The subject lenses enable the user to extend the focal length of the lens, expressed in terms of equivalent focal lengths of traditional optical single lens reflex (SLR) cameras, up to a maximum of 200 mm and reduce the focal length to as low as 70 mm. Other similar lenses can reduce the focal length to as little as 10 mm. These capabilities provide flexibility to meet various demands of the user in framing the desired picture.

The subject lenses are imported primarily from Japan and China.

¹ Industry analyst preparing report: Mihir Torsekar (202-205-3350); 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 identified one additional beneficiary of this bill. USITC staff sent inquiries to the additional beneficiary and received no response.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 9002.11.90:

| | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|-------------|-------------|-------------|-------------|-------------|
| Col. 1-General rate of duty | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% |
| Estimated value <i>dutiable</i> imports ^a | \$8,654,300 | \$8,654,300 | \$8,654,300 | \$8,654,300 | \$8,654,300 |
| Customs revenue loss ^b | \$199,049 | \$199,049 | \$199,049 | \$199,049 | \$199,049 |

a/ Dutiable import estimates were provided by industry sources.

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) | | |
| Nikon Corp. (Proponent) Jay L. Eizenstat, Esq., jeizenstat@milchev.com | 12/01/2009 | No | No | No |
| Canon U.S.A., Inc. Danny Wong, dwong@cusa.canon.com | 12/01/2009 | No | No | No |
| Pentax U.S.A., Inc. Susie Jordan, 800-877-0155, ext. 1225 | 12/01/2009 | No | No | No |
| Sigma Corp. of America Mark Amir-Hamzeh, mamirhamzeh@sigmaphoto.com | 12/01/2009 | No | Yes | Yes |
| Tamron Eugene Dyas, dyas@tamron.com | 12/01/2009 | No | No | No |

Technical comments:⁴

We note only that, should a lens weigh exactly 1,535 or 1,545 grams, Customs might read the provision as not covering it, given the wording of the standard as “between” those two weights. Whether this might have an impact with respect to the proponent’s imports is not known.

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.

Sigma Corp. of America

-----Original Message-----

From: Mark Amir [mailto:mamirhamzeh@sigmaphoto.com]

Sent: Tuesday, December 01, 2009 4:26 PM

To: Johnson, Christopher

Subject: RE: Proposed Senate bills on digital camera lenses, S. 2610, S. 2611, S. 2612

Importance: High

Dear Mr. Johnson:

thank you for your call and email. I have reviewed the proposed legislation and believe the purpose of this is solely to the benefit of this particular manufacturer (Nikon) by providing such a limited inclusion in these tariff suspension.

This will give an unfair pricing and final cost advantage to them and will strongly be disadvantageous to Sigma. Please let me know if you have any further questions.

We appreciate your attention to this matter.

Best Regards,

Mark Amir-Hamzeh

General Manager

Sigma Corporation of America

NEW 70-300mm F4-5.6 DG OS

www.sigmaphoto.com

Tel 631.585.1144 Ext. 1019

Fax 631.585.1895

111TH CONGRESS
1ST SESSION

S. 2612

To suspend temporarily the duty on lightweight digital camera lenses measuring approximately 70 mm or more.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 2, 2009

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

A BILL

To suspend temporarily the duty on lightweight digital camera lenses measuring approximately 70 mm or more.

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. LIGHTWEIGHT DIGITAL CAMERA LENSES MEAS-**
4 **URING APPROXIMATELY 70 MM OR MORE.**

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 | Lenses designed for digital cameras, the foregoing with a focal length measuring approximately 70 mm or more but not over 200 mm and weighing between 1,535 and 1,545 grams (provided for in subheading 9002.11.90) | Free | No change | No change | On or before 12/31/2011 | ”. |
|---|------------|---|------|-----------|-----------|----------------------------|----|

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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