

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: September 20, 2005]²

Bill No. and sponsor: H.R. 2149 (Mr. Henry E. Brown of South Carolina)

Proponent name, location: LANXESS Corporation
Goose Creek, SC

Other bills on product (109th Congress only): None.

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

Retroactive effect: None.

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

N-Isopropyl-*N'*-phenyl-*p*-phenylenediamine (CAS No. 101-72-4) (provided for in subheading 2921.51.50)

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:

N-Isopropyl-*N'*-phenyl-*p*-phenylenediamine, a synthetic organic chemical, is a staining antioxidant and antiozonant applied to various rubber products, including tires. The proponent, LANXESS, states that:³

A tariff suspension on [this product] would enable domestic rubber chemical manufacturers to compete more effectively in the global rubber market. Foreign competitors do not face tariff costs for component materials as U.S. manufacturers do. LANXESS's customers across the United States would see the benefit of this tariff suspension through cost reductions.


LANXESS further states that the company imports the product from India because it is not produced in the United States. According to another domestic source, however, the product has been imported from China in the past and could still be today. LANXESS also states that competitive products marketed in the United States are either supplied by Uniroyal/Crompton or imported, primarily from Europe.

¹ Industry analyst preparing report: Elizabeth Nesbitt (202-205-3355); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at www.usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

³ According to information provided by LANXESS to Commission staff by e-mail on July 18, 2005.

Estimated effect on customs revenue:

HTS subheadings: <u>2921.51.50</u>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$207,000	\$220,000	\$220,000	\$240,000	\$240,000
Customs revenue loss	\$13,455	\$14,300	\$14,300	\$15,600	\$15,600

Source of estimated dutiable import data: Industry 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)		
LANXESS Corp.(Proponent) Liese Wright E-mail: ewright@ibgc.com	07/17/05	No	No	No
Abbott Elaine Leavenworth Fax:202-783-6631	07/14/05	No	No	No
Albright & Wilson Susan Grenbaum Fax:804-968-6498	07/15/05	No	No	No
Allegheny Color Corp. Mary Gallisdorfer Fax:513-681-0451	07/15/05	No	No	No
American Chemistry Council Jim O'Connor Fax:703-741-6922	07/15/05	No	No	No
Apollo Color Inc. Patty Hines Fax:815-741-2599	07/15/05	No	No	No
Apollo Color Inc. Dave Klebine Fax:815-741-2599	07/15/05	No	No	No
Apollo Color Inc. Tom Rogers Fax:815-741-2599	07/15/05	No	No	No
BASF Corp. Don Hysell Fax:202-662-2675	07/15/05	No	No	No

BF Goodrich Thomas E. Eickhoff Fax:513-841-4919	07/15/05	No	No	No
BF Goodrich Paul Schmidt Fax:513-841-4919	07/15/05	No	No	No
Bayer Corp. Julie van Egmond Fax:202-737-8909	07/15/05	No	No	No
Bayer Corp. Karen L. Niedermeyer Fax:412-777-4740	07/15/05	No	No	No
Biddle Sawyer William Thonack Fax:212-239-1089	07/15/05	No	No	No
Bristol Myers Squibb Co. David Warr Fax:202-783-2308	07/15/05	No	No	No
Chemtura Lloyd Moon Fax:203-573-4430	07/25/05	No	No	No
Ciba Specialty Chemicals Michelle Forte Fax:914-785-4831	07/15/05	No	No	No
Ciba Specialty Chemicals John Demming Fax:410-715-4552	07/15/05	No	No	No
Ciba Specialty Chemicals Eric Finkelman Fax:336-801-2056	07/15/05	No	No	No
Clariant Corp. Andrew Zamoyski Fax:401-823-2700	07/15/05	No	No	No
Diacolor-Pope Norman Russo Fax:973-279-1256	07/15/05	No	No	No
E. I. DuPont Nancy Johnson Fax:202-728-3649	07/15/05	No	No	No
E. I. DuPont Elaine Olsen Fax:302-892-7343	07/15/05	No	No	No
Eastman Chemical Co. Greg Riddle Fax:703-524-7707	07/15/05	No	No	No
Eli Lilly Kathy Karol Fax:202-624-9460	07/15/05	No	No	No
Engelhard Corp. Frank Ardite Fax:732-321-0250	07/15/05	No	No	No
Fabricolor Manufacturing Corp. M. Barry Bochner Fax:973-742-5038	07/15/05	No	No	No
Galaxie Chemical Corp. Michael Santoro, Jr. Fax:973-790-7104	07/15/05	No	No	No

Galaxie Chem Richard Caldwell Fax:973-790-7104	07/15/05	No	No	No
Gilead Sciences Cheryl Myriad Fax:650-522-5853	07/15/05	No	No	No
Glaxo Wellcome Sara Froehlich Fax:202-715-1001	07/15/05	No	No	No
Honeywell International Art Simonetti Fax:202-662-2675	07/15/05	No	No	No
Interferon Sciences, Inc. Samuel Ronel Fax:732-249-6895	07/15/05	No	No	No
Lonza Inc. Ray Esposito Fax:201-794-2744	07/15/05	No	No	No
Magruder Color Co. John G. Cook, Jr. Fax:973-242-4087	07/15/05	No	No	No
Mason Color Works, Inc. Carol Mason Cronin Fax:330-385-4488	07/15/05	No	No	No
Mason Color Works, Inc. Ann Mason Herdmann Fax:330-385-4488	07/15/05	No	No	No
Max Marx Color Corp. Walter Sichel Fax:973-373-9301	07/15/05	No	No	No
Max Marx Color Corp. Tom Doty Fax:973-373-9301	07/15/05	No	No	No
Merck & Co. Thomas Bombelles Fax:202-638-3670	07/15/05	No	No	No
Monsanto Corp. Linda Strachan Fax:202-789-1867	07/15/05	No	No	No
Monsanto Corp. Michael Parrish Fax:202-789-1867	07/15/05	No	No	No
Noveon Inc. Tom Dirmyer Fax:216-447-5580	07/29/05	No	No	No
PMC Inc. Gordon McCullough Fax:513-482-7884	07/15/05	No	No	No
Pfizer Philip Ellsworth Fax:212-309-5317	07/15/05	No	No	No
Pharmacia & Upjohn Kevin Kirby Fax:202-393-6050	07/15/05	No	No	No
Procter & Gamble Jim McCarthy Fax:202-393-4606	07/15/05	No	No	No

Roma Color, Inc. Stuart E. Booth Fax:508-676-9011	07/15/05	No	No	No
Roma Color, Inc. Andrew Blum Fax:508-676-9011	07/15/05	No	No	No
Schering-Plough Rob Lively Fax:202-463-8809	07/15/05	No	No	No
Skymart Enterprises Inc. Mr. Chen 626-286-3742	08/09/05	No	No	No
Solutia Sue Cannon Fax:314-674-1585	07/15/05	No	No	No
Solutia Dan Jenkins Fax:314-674-1585	07/15/05	No	No	No
Sun Chemical Corp. Steve Schmidt Fax:513-681-4960	07/15/05	No	No	No
Uhlich Color Co. Angus Chassels Fax:520-577-0038	07/15/05	No	No	No
Uniroyal Chemical Co. Lloyd Moon 203-573-4430	07/25/05	No	No	No

Technical comments:⁴

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to provide for proper italicization in the chemical name.

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.

109TH CONGRESS
1ST SESSION

H. R. 2149

To suspend temporarily the duty on Vulcanox 4010 NA/LG.

IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2005

Mr. BROWN of South Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on Vulcanox 4010 NA/LG.

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. VULLCANOX 4010 NA/LG.**

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:

“	9902.06.05	<i>N</i> -Isopropyl- <i>N'</i> -phenyl- <i>p</i> -phenylenediamine (CAS No. 101-72-4) (provided for in subheading 2921.51.50)	Free	No change	No change	On or before 12/31/2009	”.
---	------------	---	------	-----------	-----------	-------------------------	----

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.

○