

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: November 10, 2005]<sup>2</sup>

**Bill No. and sponsor:** H.R. 2546 (Mr. James R. Langevin of Rhode Island).

**Proponent name, location:** Clariant Corporation, Coventry, RI.

**Other bills on product (109<sup>th</sup> Congress only):** None.

**Nature of bill:** Extension of temporary duty suspension through December 31, 2008.

**Retroactive effect:** None.

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

Pigment Red 185 (CAS No. 51920-12-8) (provided for in subheading 3204.17.04)

**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:**

This product is a synthetic organic pigment. It is a blue shade, red pigment used for the coloration of inks, coatings and plastics. The product is imported from Germany and China.

**Estimated effect on customs revenue:**

HTS subheading: <b>3204.17.04</b>					
	2005	2006	2007	2008	2009
<del>Col. 1-General rate of duty</del>	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$818,000	\$800,000	\$800,000	\$750,000	\$750,000
Customs revenue loss <sup>1/</sup>	\$53,170	\$52,000	\$52,000	\$48,750	\$48,750

<sup>1/</sup> The estimated revenue loss for 2005 and 2006 results from an existing temporary duty suspension under HTS heading 9902.32.26 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

<sup>1</sup> Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to 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).

**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)		
Clariant Corporation (Proponent) Mr. Andy Zamoyski, 401-823-2230	09/30/05	No	No	No
Allegheny Color Corp., Mr. Jon Gallisdorfer, 815-741-2588	09/30/05	No	No	No
Apollo Color, Inc., Mr. Tom Rogers, 815-722-3965	09/30/05	No	No	No
BASF Corp., Mr. Phil Webb, 704-398-25888	09/30/05	No	No	No
CDR Pigments & Dispersions, Rucker Wickline, 270-737-1700	09/30/05	No	No	No
Ciba Specialty Chemical Corp., Mr. John Demming, Fax 302-479-5152	09/30/05	No	No	No
Color Pigments Manufacturing Assn., Mr. Larry Robinson, 703-684-4044	09/30/05	No	No	No
Diacolor-Pope, Mr. Bob Turkos, 973-279-2702	09/30/05	No	No	No
Engelhard Corporation, Roland Valin, 732-205-7144	09/30/05	Yes	Yes	Yes
Fanwood Chemical Co., Mr Jim DeLisi, 908-322-8440	09/30/05	No	No	No
Galaxie Chemical Corp., Mr. Richard Caldwell, 973-279-0558	09/30/05	No	No	No
Magruder Color Co., Inc., Mr. Joel Weissglass, 973-241-1300	09/30/05	No	No	No
Mason Color Works, Inc. Ms. Carol Mason Cronin, 330-385-4400	09/30/05	No	No	No
Max Marx Color Corp., Mr. Walter Sichel, 973-373-7801	09/30/05	No	No	No
Sun Chemical Corp., Mr. Ed Faulkner, 513-681-5950	09/30/05	No	No	No

**Technical comments:**<sup>3</sup>

None.

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<sup>3</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.

July 13, 2005

Mr. Stephen Wanser  
USITC  
Room 513B  
500 E Street, SW  
Washington, DC 20436

**VIA Fax and Mail**

Dear Mr. Wanser:

I am writing on behalf of Engelhard Corporation, headquartered in Iselin, NJ, with manufacturing facilities in Louisville, KY and Elyria, OH, to object to three (3) bills contained within the proposed Trade Laws and Miscellaneous Duty Suspension bill.

Specifically, we object to the proposed duty suspensions called for by the following bills: HR 2546; HR 2550 and HR 2551.

We do not object to HR 2888, HR 2548, HR 2549 or HR 2552.

Furthermore, the Department of Commerce in a December 2004 communication to Congress specifically cited domestic production for HR. 2546 and HR 2551.

Engelhard bases its objections on the fact that we produce in the United States pigments and colorants that compete for the same customers in the same U.S. marketplace as those foreign-manufactured products proposed for duty suspensions. Allowing these foreign-produced pigments and colorants into this country duty-free would have a significant adverse impact on our business and our employees.

While we agree that there are pigments and colorants that do not impact our company, and thus we have raised no objections, we request that the three bills referenced above be stricken from the trade bill. If you have questions, please contact me at 732-205-5000.

Sincerely,

Roland Valin  
Director of Sales & Technical Marketing

cc: Dave Bushnell

109TH CONGRESS  
1ST SESSION

# H. R. 2546

To extend the temporary suspension of duty on Pigment Red 185.

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IN THE HOUSE OF REPRESENTATIVES

MAY 23, 2005

Mr. LANGEVIN introduced the following bill; which was referred to the  
Committee on Ways and Means

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## A BILL

To extend the temporary suspension of duty on Pigment  
Red 185.

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. PIGMENT RED 185.**

4 (a) IN GENERAL.—Heading 9902.32.26 of the Har-  
5 monized Tariff Schedule of the United States (relating to  
6 Pigment Red 185) is amended by striking “12/31/2006”  
7 and inserting “12/31/2008”.

8 (b) EFFECTIVE DATE.—The amendment made by  
9 subsection (a) applies to goods entered, or withdrawn from

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

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