



**United States Council for International Business (USCIB) Comments on
Proposed Modification of Action Pursuant to Section 301:
China's Acts, Policies, and Practices Related to Technology Transfer,
Intellectual Property, and Innovation**

Docket No. USTR-2019-0004

June 17, 2019

The United States Council for International Business (USCIB) welcomes the opportunity to provide comments and recommendations on the Proposed Modification of Action Pursuant to Section 301 on China's acts, policies, and practices related to technology transfer, intellectual property, and innovation. USCIB promotes open markets, competitiveness and innovation, sustainable development and corporate responsibility, supported by international engagement and regulatory coherence. Its members include top U.S.-based global companies and professional services firms from every sector of our economy, with operations in every region of the world.

As the U.S. affiliate of the International Chamber of Commerce, the International Organization of Employers and the Business and Industry Advisory Committee to the OECD, USCIB has a unique global network through which it provides business views to policy makers and regulatory authorities worldwide, and works to facilitate international trade and investment. USCIB submitted comments on the proposed tariffs of 25 percent on \$50 billion worth of Chinese imports on May 11, 2018 for Docket No. USTR-2018-0005, on the list of \$16 billion worth of Chinese imports on July 23, 2018 for Docket No. USTR-2018-0018, as well as on the list of \$200 billion worth of Chinese imports on September 6, 2018 for Docket No. USTR-2018-0026.

USCIB members are very concerned that these proposed tariffs, effectively imposing tariffs on all Chinese imports, will stifle the U.S. economy, and will not achieve the Administration's goal of changing China's behavior. Rather than creating more opportunities for U.S. business, sweeping tariffs will restrict U.S. agriculture, goods, and services exports and raise costs for businesses and consumers. China's retaliation and threats of future retaliation further exacerbate uncertainties caused by this proposed action.

China's forced technology transfer requirements, state interventions, and other unfair trade practices harm many U.S. companies, workers and consumers, as well as U.S. competitiveness. However, these tariffs can also similarly endanger the U.S. economy. Specifically, this proposed list now includes categories of products that only impact U.S. companies, and not their global competitors. Ceding market share to competitors is not weakening the Chinese economy, it is merely weakening the U.S. market. The Administration has indicated that the goal of imposing tariffs on Chinese imports is to provide leverage in its negotiations with China on its unfair trade practices. If that is the goal, then we strongly urge the Administration to continue engaging in a dialogue with China to negotiate an outcome. This should include developing a strategy with clearly defined objectives, a direct negotiating mechanism with the Chinese, targeted deliverables, and deadlines with measurable results. The Administration should also coordinate in various



available forums with like-minded trading partners who are similarly afflicted by China's actions on intellectual property rights, forced technology transfer, and discriminatory industrial policies.

Given the close relationship of the U.S. and Chinese markets, the imposition of yet another set of tariffs would affect many sectors vital to the U.S. economy and jobs, severely impacting consumers and U.S. competitiveness. The negative impact of such tariffs to U.S. consumers and industry appears disproportionate to the intended purpose of the 301 action. The impact on USCIB members spans several chapters of the Harmonized Tariff Schedule of the United States (HTSUS), including Chapters 29, 39, 48, 61, 62, 63, 64, 66, 67, 69, 71, 73, 76, 84, 85, 87, 90, 91, 92, 94, 95 and 96. Goods affected include, but are not limited to, certain toys and boardgames, apparel, footwear, towels, blankets, jewelry, ornaments, home electronics and other items, sucralose, airbeds, microwaves, smartphones and smartphone parts, laptops and other computers and accessories, tablets, e-readers, music players, mobile wireless devices, batteries, set top boxes, smart speakers, computer monitors, keyboards, ink and toner cartridges, cameras, wall clocks, wired headphones, batteries, plastic cases/covers for phones/tablets, watch bands, wired speakers, solid state drives, integrated circuits, gaming consoles and accessories, gaming headsets, wireless gaming controller, gaming remote control, televisions, power mops, electric odor fresheners, wax melt warmers, electric shaves, and printed circuit assemblies. The proposed tariffs on these and other goods will negatively affect the competitiveness of U.S. goods and impede American leadership in the development of innovative technologies.

USCIB members have worked hard to review the impact of these proposed tariffs on their own operations. Most U.S. businesses continue to hope these important issues can be resolved without having to resort to tariffs. Particularly where U.S. businesses can demonstrate that the imposition of a tariff on a particular product from China would disproportionately harm U.S. manufacturing competitiveness, and jobs and exports in the United States, the Administration must be prepared to amend its proposed tariff list, or delay the imposition of that tariff, to reflect that information. The following outlines specific tariff lines and concerns our members have with their inclusion on the tariff list. USCIB therefore recommends these products be taken off the tariff list:

Consumer Electronics (HTSUS subheadings 3926.90.99, 8471.30.01, 8471.41.01, 8471.49.00, 8471.60.20, 8507.60.00, 8509.80.50, 8510.10.00, 8516.79.00, 8517.12.00, 8517.18.00, 8517.62.00.90, 8517.70.00, 8518.10.80, 8518.22.00, 8518.30.20, 8523.51.00, 8525.50.10, 8525.80.40, 8526.92.10, 8528.52.00, 8528.59.23, 8528.59.25, 8528.72.64, 8543.70.87, 8528.72.64, 9013.80.90, 9105.21.80, 9113.20.40, 9113.90.40, 9113.90.80, and 9504.50.00)

Consumer products generally and electronics specifically are heavily impacted by this proposed list of goods. USTR specifically broke out certain products from List 4 for the reason of disproportionate impact on consumers. This list adds them back in.

Making consumer electronics more expensive is going to make it harder to achieve the Administration's policy regarding closing the digital divide and ensuring equal access to technology – these products are intended for individuals to use at home, students in public schools/colleges, and small business. These new proposed tariffs would make all of those products more expensive. In addition, using these products drives the digitalization that makes all U.S. business more globally competitive. The reason the United States joined the WTO Information



Technology Agreement (ITA) was precisely to lower tariffs and increase competitiveness in those types of goods. In addition to increased trade and global diffusion of information technology, the primary goals of the agreement included enhanced global economic growth and welfare through trade liberalization for information technology (IT) products. The agreement has been successful, in that it has helped reduce prices for IT products and increased competition as a result of the lowered tariffs.¹

Moreover, U.S. sales in these categories are largely dominated by innovative U.S. companies, so these proposed tariffs would disproportionately burden these U.S. companies rather than foreign companies that make more of their revenues from sales outside the U.S. The effect is to make it harder for the U.S. companies to compete for global sales against those other companies. U.S. companies are incredibly competitive in the mobile device space specifically and these new proposed tariffs threaten that global leadership.

A 25 percent tariff on many of these goods is too severe for U.S. companies to absorb. When combined with the present unavailability of other sourcing options in many cases, the inevitable result is that the cost of the tariffs will have been passed down to the consumer. Higher prices will result in either less disposable income for Americans or decreased consumption, either of which may negatively affect individuals, companies and their employees, and the U.S. economy.

Laptops and other Computers, Tablets, Mobile Phones, E-Readers, and Connected Devices (HTSUS subheadings 8471.30.01, 8517.12.00, 8543.70.87, and 8517.62.00.90)

U.S. companies in these sectors are competing to drive down prices for American consumers, enabling lower-income Americans to gain access to the internet through cutting edge mobile devices and smart tools. Mobile phones in particular are a daily necessity for all Americans, and an increasing number of U.S. households are buying connected devices.

Products in these sectors have become critical productivity tools for a wide range of traditional U.S. industries – agriculture, financial services, healthcare, manufacturing, and other key parts of the U.S. economy. Putting 25 percent tariffs on U.S. mobile phones, connected devices, and laptops would give a leg up to competitors in Korea, China, and elsewhere, raising prices for U.S. devices while making it harder for traditional U.S. industries to leverage these innovative U.S. technologies.

Tariffs on laptops and tablets are a drag on innovation: U.S. laptop makers are focusing their engineering energies on mitigating tariffs rather than innovating, potentially leaving others to take the next steps forward in device innovation. And supply chain disruptions also make it harder to bring great new ideas to fruition. In addition, a broad tariff on laptops from China would hurt U.S. companies more than foreign competitors, which are less reliant on the U.S. market. Raising the cost of laptops and tablets will also harm productivity of small businesses, as they may delay

¹ Michael Anderson and Jacob Mohs, “The Information Technology Agreement: An Assessment of World Trade in Information Technology Products,” U.S. International Trade Commission, *Journal of International Trade and Economics*, January 2010, https://www.usitc.gov/publications/332/journals/05_andersonmohs_itagreement.pdf



upgrading to newer machines. In 2018, SMEs represented 21.2 percent² of U.S. laptop sales; over half the national SME workforce, or 33 million employees, use laptops on a daily basis.³ In 2018, consumers generated 48.6 percent of U.S. laptop sales, or \$19.7 billion. The impact of more expensive laptops is also acute for schools and students who depend on them for enhancing educational outcomes. The education sector (K-12 and Higher Education) spent \$5.5 billion on 11.6 million notebook units in 2018. For students today, a laptop is more a necessity than a luxury good, and higher prices are hardest to bear for lower income students. Faced with these steep price increases, many SMEs, consumers, and schools would likely forgo new laptop purchases altogether. In this way, tariffs on laptop and tablets exacerbate the digital divide. Therefore, HTSUS 8471.30.01 should be removed from List 4.

Furthermore, for devices with particularly complex production processes and timelines, such as mobile phones, laptops and tablets, e-readers, and connected devices, the lack of lead time on these new tariffs would significantly compound the negative impact to U.S. companies from shifting production, establishing new supply lines, re-engineering production facilities, and other mitigation steps.

Many U.S. consumer hardware firms – and almost all U.S. phone, tablet, connected device, and e-reader producers – are already heavily invested in current production cycles for the critical fall sales season. Shifting production for this cycle to a new location is no longer feasible. In addition, in the low-margin and high-risk consumer hardware business, few if any U.S. firms would be able to swallow a 25 percent surcharge on products without losing significant market share to foreign competitors. The reality is that many smaller U.S. firms in these sectors would simply go out of business, while larger firms would become less competitive globally in the fast-moving tech sector.

Removing the 8517.12.00, 8517.62.0090 and 8543.70.87 tariff lines from List 4 would have a meaningful impact on American tech competitiveness as well as American consumers who might otherwise buy their phones and connected devices from foreign competitors.

Gaming Consoles and Accessories (HTSUS 9504.50.00)

Electronic gaming is an integral part of life for millions of Americans – for leisure, educational, and therapeutic purposes. Tariffs will put these benefits out of reach for those with lower incomes. A decline in demand for games will have significant negative impact across an ecosystem of independent developers that supports tens of thousands of jobs across the United States, and a broader video gaming industry that supports hundreds of thousands of U.S. jobs.

Televisions (HTSUS 8528.59.23 and 8528.72.64)

USTR wisely removed televisions from the original \$50 billion retaliation list because of the undue impact on consumers. For example, the Consumer Technology Association estimates that tariffs will result in consumer prices for televisions imported from China to increase 23 percent and all television prices to increase more than four percent. And tariffs will force U.S. consumers to pay \$711 million more than they otherwise would for the televisions they continue to buy.

² IDC, WW Quarterly Personal Computing Device Tracker, May 2019.

³ Forrester, Business Technographics Survey, 2019, U.S. Small Business Administration, 2018.



Power mops (HTSUS 8509.80.50)

Power mops are battery-operated floor mops with a cleaning solution compartment, a button operated nozzle sprayer, and a disposable cleaning pad attachment that provides for an all-in-one powerful mopping system. Products in this HTS are generally low-cost household products that do not require high labor skills or technology for its production. For rudimentary manufactured goods such as power mops, the cost of production in China can be almost ten times lower than the cost of production in the U.S.⁴ Thus, although U.S. companies are significantly involved in the research and development, logistics, financing, marketing and sales of these electric domestic appliances, sourcing is largely done from suppliers in China.

The United States has no present large-scale manufacturing capability for these products and is unlikely to develop one soon. As mentioned, the production cost difference between the U.S. and China for low-end goods such as these is so significant that even a 25 percent tariff advantage is insufficient incentive to establish assembly of power mops and related goods in the U.S. At best, sourcing may be able to move from China to other countries overseas, but such move would take years and also millions of dollars in new investments in order to satisfy the quantity, quality, and regulatory demands of the U.S. market.

Electric Shaver (HTSUS 8510.10.00)

Electric shavers (shavers) are battery-powered or rechargeable hand-held electrical shavers designed for shaving or grooming hair in men. The shavers may include various sizes and styles with corresponding attachments designed to assist the user in shaving and/or trimming head or facial hair.

U.S. companies are involved in the research and development, logistics, financing, marketing and sales of shavers, but sourcing is largely done from suppliers in China. Some production is also currently taking place in Europe. There is no current production of shavers in the U.S. Shavers are considered consumer goods with a low profit margin. Therefore, future production in the U.S. is highly unlikely because production costs in the U.S. for these types of goods is too high when compared to other sourcing options overseas.

Switching suppliers and developing increased manufacturing of shavers in another country will take between one to two years. A new manufacturing site needs to be appropriately staffed and equipped to produce additional volume with different regulatory requirements globally. Introducing the manufacturing capability elsewhere would require significant capital investments; equipment qualification, tests and crew training to achieve same output process reliability and speed; and regulatory approvals and product development. Even with new manufacturing sites, production costs are expected to be higher than current production costs in China.

⁴ According to the 2016 Global Manufacturing Competitiveness Index, average manufacturing labor costs per hour in China were \$3.3, while in the U.S. the costs were \$38. Furthermore, as the report indicates: “China’s one-third exports are those manufactured goods that require low skill and technology intensity or labor-intensive and resource-based manufactured goods unlike the United States where these types of goods constituted just 14 percent in total US exports in 2013.” <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/manufacturing/us-gmci.pdf>, pages 43-45.



Electric Air Fresheners (Fresheners) (HTSUS 8516.79.00)

Fresheners generally plug into a regular electrical outlet, which generates the heat that then transforms solid or liquid scented preparations into vapor for a refreshing smell in closed spaces. They are generally low-cost household products that do not require high labor skills or technology for its production. For rudimentary manufactured goods such as these, the cost of production in China can be almost ten times lower than the cost of production in the United States.⁵ Thus, although U.S. companies are significantly involved in the research and development, logistics, financing, marketing and sales of fresheners, sourcing is largely done from suppliers in China. Furthermore, the supply chain for the critical components of fresheners, such as the electronics and the printed circuit board assembly, are generally also located in China.

The United States has no present large-scale manufacturing capability for fresheners and is unlikely to develop one soon. As mentioned, the production costs differences between the United States and China for low-end goods such as these is so significant that even a 25 percent tariff advantage is insufficient incentive to establish assembly of fresheners in the United States. At best, sourcing may be able to move from China to other countries overseas, but such move would take years and also millions of dollars in new investments in order to satisfy the quantity, quality, and regulatory demands of the U.S. market.

Ink and Toner Cartridges (HTSUS 8443.99.25 and 8443.99.50)

Imposing Section 301 tariffs on certain ink and toner cartridges would harm the technology leadership and investment of U.S. companies and have the unintended consequence of promoting IP theft. An across-the-board tariff of up to 25 percent could actually increase the commercial attractiveness of low-cost infringing goods. Customers – consumers, small and medium businesses and large enterprises – would be affected by paying higher prices for cartridges for printers they already own and rely on every day. Such an outcome would run counter to the Administration’s objective of minimizing “economic harm to U.S. interests, including ... consumers,” by making illegitimate and lower quality products more commercially attractive in the short term than the innovative products that consumers might otherwise purchase absent a tariff, which would deliver better results at a lower cost over the long term.

Small Appliances (coffee makers, pressure cookers etc.) (HTSUS subheadings 8509.40.00, 8516.50.00, 8516.60.60, 8516.71.00, 8516.72.00, and 8516.79.00)

The home appliance industry is an extremely competitive market requiring high efficiency and low costs for success. Manufacturers often use global supply chain management as a method to efficiently build and distribute home appliances across the United States. These complex supply chains can take years to establish. Successful global supply chain networks touch all functions of business operations and coordinate with outside suppliers and service providers from various countries. In some instances, supply chain networks rely on suppliers that bring irreplaceable unique capabilities. It is not simple to change suppliers – companies have detailed, thorough, and

⁵ According to the 2016 Global Manufacturing Competitiveness Index, average manufacturing labor costs per hour in China were \$3.3, while in the U.S. the costs were \$38. Furthermore, as the report indicates: “China’s one-third exports are those manufactured goods that require low skill and technology intensity or labor-intensive and resource-based manufactured goods unlike the United States where these types of goods constituted just 14 percent in total US exports in 2013.” <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/manufacturing/us-gmci.pdf>, pages 43-45.



lengthy processes for certifying suppliers to ensure product quality and safety. Safety for the industry is the top priority. People who use these products in their homes every day rightly expect nothing less.

Sucralose (HTSUS 2932.14.00)

Increased costs due to tariffs on sucralose would have significant adverse effects on many food and beverage companies. These additional costs could increase costs of, and reduce demand for, American products. These costs could also affect the development of new and continued sourcing of existing products that include these specific food preservatives and artificial sweeteners.

Consumers Items⁶

Many of the articles covered by List 4 are consumer items for which production in China is there for market-based reasons. It is simply not feasible for U.S. companies to quickly switch production out of China for these products, as sourcing decisions involve complex determinations and evaluations of price, quality, and compliance with technical standards, consumer product standards, ethical sourcing commitments, etc. Shifting sourcing out of China would also not be a market-based outcome. In the short and medium term, the only impact of these tariffs would be higher costs for U.S. companies and consumers. Additionally, these products uniformly have no relation to the underlying Section 301 investigation as they involve low-technology, often even low-skilled labor in their production. China's production of these products poses no threat to the U.S. economy, jobs or innovation.

Toys (HTSUS 9503.00.00 and 9504.90.60)

Toys and toy-related products are far outside the scope of the Administration's focus on the technologies and industries included in "Made in China 2025" initiative that is central to the Section 301 investigation. With 85 percent of all toys sold in the United States imported from China, imposing a tariff on toys manufactured in China would have a major immediate impact on the U.S. toy market generally and on U.S. consumers including higher prices and a reduced selection of toys.

Production by U.S. toy companies is well entrenched in China, having developed over decades while companies have maintained product design and other key functions here in the United States. The efficiencies of this manufacturing arrangement have allowed U.S. toy companies to be among the most competitive in the world, providing consumers with a broad array of safe toys at highly competitive prices. The labor, capacity and infrastructure does not exist anywhere else in the world available to supply the estimated 3 billion toys sold in the United States every year.

⁶ In addition to several items addressed specifically in the text of the submission, other consumer items negatively impacted by these proposed tariffs include the following HTSUS subheadings: 3924.10.40, 3924.90.10, 3926.40.00, 3926.90.75, 4818.90.00, 6101.20.00, 6101.30.20, 6102.20.00, 6107.21.00, 6107.22.00, 6108.31.00, 6108.32.00, 6108.91.00, 6110.30.30, 6111.30.50, 6112.41.00, 6114.30.30, 6201.93.60, 6202.93.48, 6204.42.30, 6204.43.40, 6208.22.00, 6210.20.30, 6210.30.30, 6210.50.35, 6301.40.00, 6302.32.20, 6302.60.00, 6303.92.20, 6307.90.75, 6307.90.98, 6402.91.40, 6402.99.31, 6403.40.60, 6403.99.60, 6404.11.75, 6404.11.85, 6601.10.00, 6702.90.35, 6912.00.41, 6912.00.44, 7117.19.90, 7321.19.00, 7323.93.00, 7615.10.30, 8414.51.90, 8467.21.00, 8513.10.20, 8517.11.00, 8518.21.00, 8519.81.40, 8521.90.00, 8539.50.00, 8715.00.00, 9404.90.85, 9505.10.10, 9505.10.25, 9505.90.60, 9506.91.00, 9506.99.55, 9506.99.60, 9608.10.00, 9615.11.50



Given this high degree of integration, U.S. toy companies could not switch to non-Chinese sources quickly or easily. One reason is that Chinese factories have adapted to the seasonal nature of the toy industry, often producing toys only six months of the year and other products during the other half of the year.

Although low-level toy assembly typically occurs in China, the U.S. toy industry maintains essential corporate, design, marketing and distribution operations in the United States that would be significantly and negatively affected by tariffs on toys. About \$27 billion worth of toys are purchased by consumers in the United States each year – nearly a third of total global toy sales. Over 80 percent of those retail dollars remain in the country because of U.S. domestic operations (e.g., production plus wholesale and retail). The most important aspects of creating a toy – research and development, design (including safety considerations), as well as some component manufacturing – occur domestically. On average, about 65 percent of the more than \$14.7 billion that toy companies invest annually in production (e.g., salaries, benefits and material costs) remains in the United States. These are high-paying jobs that fuel the consumer-driven U.S. economy – exactly the ones we want to keep here.

The U.S. toy industry supports over 680,000 American workers and accounts for approximately \$110 billion in economic value. The viability of these American jobs would be significantly undermined by the imposition of tariffs. In fact, economic analysis has determined that a 25 percent tariff applied to toys and games would result in the loss of 68,014 U.S. jobs and \$3.4 billion in lost wages. Overall, tariffs on the toy industry would reduce the economic impact of the toy industry on the U.S. economy by approximately 10 percent, or \$10.8 billion.⁷

We note that at this point, we are not aware of any toy company that has indicated that the tariffs would result in U.S. manufacturing becoming a feasible option. First and foremost, the infrastructure and capacity to manufacture thousands of different types of toys that are often seasonal, is not available. Furthermore, consumers expect toys to be affordable. Toy manufacturing is too labor intensive to be a cost-effective option in the United States.

Footwear and Apparel (HTSUS subheadings 6205.20.20, 6110.20.20, 6110.11.00, and 6111.20.60)

The Footwear Distributors & Retailers of America (FDRA), estimates the proposed actions will add \$7 billion in additional costs to American consumers, every single year. This dramatic increase would be on top of the billion Americans already pay as a result of the current tariff burden on footwear imports that was started in 1930.

High footwear tariff rates fall disproportionately on working class individuals and families. While U.S. tariffs on all consumer goods average just 1.9 percent, they average 11.3 percent for footwear and reach rates as high as 67.5 percent. Adding a 25 percent tax increase on top of these tariffs would mean some working American families could pay a nearly 100 percent duty on their shoes.

⁷ The Economic Impact of the Toy Industry in the United States (data cited as of August 2017), and the Economic Impact of a Potential 25% Tariff on Imported Toys from China (data cited as of April 2018), produced by John Dunham & Associates for The Toy Association.



China is the top supplier of these items to the United States – by far. In 2017, China accounted for about 41 percent of all apparel, 72 percent of all footwear, and 84 percent of all travel goods imported into the United States. China’s dominance, plus the fact that every American buys these consumer goods, means that every American will feel the adverse effect of this action. At a 25 percent additional duty rate, AAFA estimates that a family of four will end up paying about \$500 more to buy these basic consumer products every year.



ANNEX

The following are all the products addressed in our submission, as described in the Annex of the Request for Public Comment published in the Federal Register on May 17, 2019 (84 Fed. Reg. 22564).

<u>HTUS Subheading</u>	<u>Product Description</u>
<i>SECTION VI: Products of the Chemical or Allied Industries</i>	
2932.14.00	Sucralose.
<i>SECTION VII: Plastics and Articles Thereof Rubber and Articles Thereof</i>	
3924.10.40	Salt, pepper, mustard and ketchup dispensers and similar dispensers, of plastics.
3924.90.10	Curtains and drapes, incl. panels and valances, napkins, table covers, mats, scarves, runners, doilies, and like furnishings, of plastics.
3926.40.00	Statuettes and other ornamental articles, of plastics.
3926.90.75	Pneumatic mattresses and other inflatable articles, nesoi, of plastics.
3926.90.99	Other articles of plastic, nesoi.
<i>SECTION X: Pulp of Wood or of Other Fibrous Cellulosic Material; Waste and Scrap of Paper or Paperboard; Paper and Paperboard and Articles Thereof</i>	
4818.90.00	Bedsheets and similar household, sanitary or hospital articles of paper, cellulose wadding or webs of cellulose fibers, nesoi.
<i>SECTION XI: Textile and Textile Articles</i>	
6101.20.00	Men's or boys' overcoats, carcoats, capes, cloaks, anoraks, windbreakers and similar articles, knitted or crocheted, of cotton.
6101.30.20	Men's or boy's overcoats, carcoats, capes, cloaks, windbreakers and similar articles, knitted or crocheted, of man-made fibers, nesoi.
6102.20.00	Women's or girls' overcoats, carcoats, capes, cloaks, anoraks, windbreakers and similar articles, knitted or crocheted, of cotton.
6107.21.00	Men's or boys' nightshirts and pajamas, knitted or crocheted, of cotton.
6107.22.00	Men's or boys' nightshirts and pajamas, knitted or crocheted, of man-made fibers.
6108.31.00	Women's or girls' nightdresses and pajamas, knitted or crocheted, of cotton.



6108.32.00	Women's or girls' nightdresses and pajamas, knitted or crocheted, of man-made fibers.
6108.91.00	Women's or girls' negligees, bathrobes, dressing gowns and similar articles, knitted or crocheted, of cotton.
6110.11.00	Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar articles, knitted or crocheted, of wool.
6110.20.20	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, nesoi.
6110.30.30	Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, nesoi.
6111.20.60	Babies' garments and clothing accessories, knitted or crocheted, of cotton, nesoi.
6111.30.50	Babies' garments and clothing accessories, knitted or crocheted, of synthetic fibers, nesoi.
6112.41.00	Women's or girls' knitted or crocheted swimwear of synthetic fibers.
6114.30.30	Garments nesoi, knitted or crocheted, of man-made fibers.
6201.93.60	Men's or boys' anoraks, windbreakers & similar articles, not knitted or crocheted, of manmade fibers, nesoi, water resistant, o/than rec perf outwear.
6202.93.48	Women's/girls' anoraks, windbreakers & similar articles, not knit/crochet, of manmade fibers, nesoi, water resistant, o/than rec perf outwer.
6204.42.30	Women's or girls' dresses, not knitted or crocheted, of cotton, nesoi.
6204.43.40	Women's or girls' dresses, not knitted or crocheted, of synthetic fibers, nesoi.
6205.20.20	Men's or boys' shirts, not knitted or crocheted, of cotton, nesoi.
6208.22.00	Women's or girls' nightdresses and pajamas, not knitted or crocheted, of man-made fibers.
6210.20.30	Men's or boys' garments, sim to 6201.11–6201.19, of mmf, outer surf impreg, coated etc. w/rub/plast, underlying fab completely obsc, not k/c.
6210.30.30	Women's or girls' overcoats/carcoats/capes/etc. of mmf, outer sur. impreg/coated/etc. w/rub/plast completely obscuring fab, n k/c.
6210.50.35	Women's/girls' garm, nesoi, fab of 5903/5906/5907, n k/c, mmf, w/out sur. impreg/coated/etc. w/rub/plast compl obscuring fab, o/than rec perf outwear.
6301.40.00	Blankets (other than electric blankets) and traveling rugs, of synthetic fibers.
6302.32.20	Bed linen, not knitted or crocheted, not printed, of manmade fibers, nesoi.
6302.60.00	Toilet linen and kitchen linen, of terry toweling or similar terry fabrics, of cotton.



6303.92.20	Curtains (including drapes), interior blinds and valances, nesoi, of synthetic fibers, not knitted or crocheted.
6307.90.75	Toys for pets, of textile materials.
6307.90.98	National flags and other made-up articles of textile materials, nesoi.
<i>SECTION XII: Footwear, Headgear, Umbrellas, Sun Umbrellas, Walking Sticks, Seatsticks, Whips, Riding-Crops and Parts Thereof; Prepared Feathers and Articles Made Therewith; Artificial Flowers; Articles of Human Hair</i>	
6402.91.40	Footwear w/outer soles & uppers of rubber or plastics, nesoi, covering ankle, w/ext. surf. of uppers o/90% rubber or plastics.
6402.99.31	Footwear w/outer soles & uppers of rubber or plastics, nesoi, n/cov. ankle, w/ext. surf. of uppers o/90% rubber or plastics, nesoi.
6403.40.60	Footwear w/outer soles of rubber/plastics/leather/comp. leather & uppers of leather, w/protective metal toe-cap, n/welt.
6403.99.60	Footwear w/outer soles of rubber/plastics/comp. leather & uppers of leather, n/cov. ankle, n/welt, for men, youths and boys, nesoi.
6404.11.75	Sports ftwear w/outer soles rubber/plastic & uppers textile, val. >\$3 but <\$6.50/pr, not subj note 5 ch 64.
6404.11.85	Sports ftwear w/outer soles rubber/plastic & uppers textile, val. >\$6.50 but <\$12/pr, not subj to note 5 ch 64.
6601.10.00	Garden or similar umbrellas.
6702.90.35	Artificial flowers/foilage/fruit & pts thereof; articles of artif. flowers, etc.; all the foregoing of man-made fibers.
6912.00.41	Ceramic (o/than porcelain or china) hsehld steins w/pewter lids, decanters, punch bowls, spoons & rests, salt/pepper sets, etc.
6912.00.44	Ceramic (o/than porcelain or china) household mugs and steins w/o attached pewter lids.
<i>SECTION XVI: Natural or Cultured Pearls, Precious or Semiprecious Stones, Precious Metals, Metals Clad With Precious Metal, and Articles Thereof; Imitation Jewelry; Coin</i>	
7117.19.90	Imitation jewelry (o/than toy jewelry & rope, curb, cable, chain, etc.), of base metal (wheth. or n/plated w/prec.metal), nesoi.
<i>SECTION XV: Base Metals and Articles of Base Metal</i>	
7321.19.00	Iron or steel, non-electric domestic cooking appliances and plate warmers, o/than for gas or liquid fuels.
7323.93.00	Stainless steel, table, kitchen or o/household arts. and parts thereof.
7615.10.30	Aluminum, cooking and kitchen ware (o/than cast), enameled or glazed or containing nonstick interior finishes.



<i>SECTION XVI: Machinery and Mechanical Appliances; Electrical Equipment; Parts Thereof; Sound Recorders and Reproducers, Television Image and Sound Recorders and Reproducers, and Parts and Accessories of Such Articles</i>	
8414.51.90	Table, floor, wall, window or roof fans, with a self-contained electric motor of an output not exceeding 125 W.
8443.99.25	Parts and accessories of printers, nesoi.
8443.99.50	Parts and accessories of other printing, copying or facsimile machines; nesoi.
8467.21.00	Electromechanical drills of all kinds for working in the hand, with self-contained electric motor.
8471.30.01	Portable automatic data processing machines, not over 10 kg, consisting at least a central processing unit, keyboard and display.
8471.41.01	ADP machines, nonportable or over 10 kg, comprise in the same housing least central processing unit and input & output unit.
8471.49.00	ADP machines, nesoi, entered as a system (consisting of a central processing unit, an input unit, and an output unit).
8471.60.20	Keyboards for automatic data processing machines not entered with the rest of a system.
8507.60.00	Lithium-ion batteries.
8509.40.00	Electromechanical food grinders, processors, mixers, fruit or vegetable juice extractors, w self-contained electric motor, for domestic uses.
8509.80.50	Electromechanical domestic appliances nesoi, with self-contained electric motor.
8510.10.00	Shavers, with self-contained electric motor.
8513.10.20	Flashlights.
8516.50.00	Microwave ovens of a kind used for domestic purposes.
8516.60.60	Electrothermic cookers, cooking plates, boiling rings, grillers and roasters, nesoi, of a kind used for domestic purposes.
8516.71.00	Electrothermic coffee or tea makers, for domestic purposes.
8516.72.00	Electrothermic toasters, for domestic purposes.
8516.79.00	Electrothermic appliances nesoi, of a kind used for domestic purposes.
8517.11.00	Line telephone sets with cordless handsets.
8517.12.00	Telephones for cellular networks or for other wireless networks.
8517.18.00	Telephone sets, nesoi.
8517.62.00.90	Machines for the reception, conversion and transmission or regeneration of voice, images or other data, nesoi.



8517.70.00	Parts of telephone sets; parts of other apparatus for the transmission or reception of voice, images or other data, including apparatus for.
8518.10.80	Microphones and stands therefor, nesoi.
8518.21.00	Single loudspeakers mounted in their enclosures.
8518.22.00	Multiple loudspeakers mounted in the same enclosure.
8518.30.20	Headphones, earphones and combined microphone/speaker sets, other than telephone handsets.
8519.81.40	Sound recording and reproducing apparatus using magnetic tape, optical media, or semiconductor media.
8521.90.00	recording or reproducing apparatus, other than magnetic tape-type.
8523.51.00	Semiconductor media, solid state non-volatile storage devices.
8525.50.10	Television transmission set top boxes which have a communication function.
8525.80.40	Digital still image video cameras.
8526.92.10	Radio remote control apparatus for video game consoles.
8528.52.00	Other monitors capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471.
8528.59.23	Color video monitors w/flat panel screen, video display diagonal > 34.29 cm, incorporating VCR or player, not subject US note 13.
8528.59.25	Color video monitors w/flat panel screen, video display diagonal n/ov 34.29 cm, not incorporate VCR or player.
8528.72.64	Color television reception apparatus w/flat panel screen, video display diagonal over 34.29 cm, incorporating a VCR or player.
8539.50.00	Light-emitting diode (LED) lamps.
8543.70.87	Electrical machines w/translation/dictionary; flatpanel displays except for heading 8528 (except 8528.51/61);infrared video game controller.
<i>SECTION XVII: Vehicles, Aircraft, Vessels and Associated Transport Equipment</i>	
8715.00.00	Baby carriages (including strollers) and parts thereof.
<i>SECTION XVIII: Optical, Photographic, Cinematographic, Measuring, Checking, Precision, Medical or Surgical Instruments and Apparatus; Clocks and Watches; Musical Instruments; Parts and Accessories Thereof</i>	
9013.80.90	Liquid crystal devices nesoi, and optical appliances and instruments, nesoi.
9105.21.80	Wall clocks nesoi, electrically operated, other than with opto-electronic display only.
9113.20.40	Watch straps, watch bands and watch bracelets of base metal, whether or not gold- or silver-plated, valued over \$5 per dozen.



9113.90.40	Watch straps, watch bands and watch bracelets, of textile material, and parts thereof.
9113.90.80	Watch straps, watch bands and watch bracelets, other than of precious metal, base metal or textile material, and parts thereof.
<i>SECTION XX: Miscellaneous Manufactured Articles</i>	
9404.90.85	Quilts, eiderdowns, comforters and similar articles, not of cotton.
9503.00.00	Toys, including riding toys o/than bicycles, puzzles, reduced scale models.
9504.50.00	Video game consoles and machines, other than those of heading 9504.30.
9504.90.60	Chess, checkers, backgammon, darts and o/table and parlor games played on boards of a special design and parts thereof; poker chips and dice.
9505.10.10	Arts. for Christmas festivities, ornaments of glass.
9505.10.25	Arts. for Christmas festivities, ornaments, not of glass or wood.
9505.90.60	Festive, carnival or other entertainment articles nesoi and parts & accessories thereof nesoi.
9506.91.00	Arts. and equip. for general physical exercise, gymnastics or athletics and parts & accessories thereof.
9506.99.55	Swimming pools and wading pools and parts & accessories thereof.
9506.99.60	Athletic and sports articles and equipment nesoi, and parts & accessories thereof nesoi.
9608.10.00	Pens, w/ball point.
9615.11.50	Hair slides and the like, of hard rubber or plastics, set w/imitation pearls or imit. gemstones.