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*NOT ADMITTED IN D.C.

June 7, 2002

The Honorable Philip M. Crane
Chairman
Subcommittee on Trade
Committee on Ways and Means
U. S. House of Representatives
1102 Longworth House Office Building
Washington, D.C. 20515

Re: Comments in Support of Duty Suspension Bills; H.R. 4199: Hydrated Hydroxypropyl Methylcellulose

Dear Chairman Crane,

On behalf of our clients, Forest Laboratories ("Forest Labs") of Inwood, New York, and in accordance with the March 3, 2002 press release of the Subcommittee on Trade of the House Ways and Means Committee, we hereby submit the following comments in support of proposed duty suspension bill H.R. 4199, introduced by Representative Carolyn McCarthy, to temporarily suspend the duty on Hydrated Hydroxypropyl Methylcellulose ("HHM") (CAS No. 9004-65-3).

HHM is a patented chemical used in pharmaceutical applications as an excipient which, when added with other excipients to a pharmaceutically active ingredient, functions as a time release agent for the drug. HHM is primarily used in Isosorbide Dinitrate, a sustained release cardiovascular drug, for which only HHM is authorized by the U.S. Food and Drug Administration. HHM is also used in theophylline, an asthma drug.

Forest Labs imports HHM from Ireland. Because HHM is a unique, patented product, there are no U.S. manufacturers and no direct substitute that is commercially available. The current duty on HHM does not protect any domestic producer or industry. Consequently, the

tariff serves only to increase unnecessarily Forest Labs' U.S. manufacturing costs and increase costs to consumers.

HHM is classifiable under subheading 3912.39.00 of the Harmonized Tariff System of the United States, and is currently subject to a duty rate of 4.2% *ad valorem*. The revenue impact of the proposed duty suspension will be less than \$500,000 per year. We are aware of no domestic opposition to this proposal. Therefore, the bill should be treated as non-controversial for purposes of the Committee's consideration of miscellaneous tariff legislation.

Suspension of this tariff will permit Forest Labs to lower its production costs, increase profitability, and maintain its competitiveness in the international market. This, in turn, will help control costs to consumers of cardio-vascular and asthma medications, and support the 3,000 jobs which Forest provides in New York and other states.

For the above reasons, Forest Labs strongly supports the duty suspension proposed in the referenced bill. Please contact the undersigned if you have any questions or require more information.

Sincerely,

Matthew T. McGrath
Jennifer Morgan

Barnes, Richardson & Colburn
Counsel to: Forest Laboratories