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CORMETECH

Rep. David Price
2162 Rayburn House Office Building
Washington DC 20515

October 10, 2012

Dear Congressman Price:

I am writing to ask for your assistance in supporting duty suspension on a key raw material, anatase titanium dioxide (TiO₂) per H.R. 5200. Anatase TiO₂ makes up a very large percentage (80%-90%) of the material in a catalyst that we manufacture to reduce nitrogen oxides from the exhaust streams of coal and gas-fired power plants as well as other industrial sources and to reduce mercury from coal-fired power plants.

Our process requires the use of a very specific type of TiO₂, known as “anatase ultra-fine”, and also known as “catalyst grade”, manufactured using a sulfate process. Another type of TiO₂, which is not useable in our process, is known as “pigment grade”, used in paper, coatings, plastics, etc, and is typically not anatase, but rutile in form. It is usually manufactured using a chloride process. The current duty classification covers both of these types of TiO₂ at a duty rate of 5.5%.

Pigment grade TiO₂ is manufactured in a number of countries, including the US; however, catalyst grade TiO₂ is not manufactured in the US. Moreover, pigment grade is usually in the rutile form. Dupont has written a letter to the Chairmen Max Baucus and Dave Camp opposing a number of bills, including H.R. 5200. However, our research indicates that DuPont does not offer an anatase TiO₂. All sixteen titanium products that they advertise are rutile. Their titanium dioxide offering is expected, since they state in their technical guide that “Rutile TiO₂ pigments are preferred because they scatter light more efficiently, are more stable and are more durable than anatase pigments.” Therefore, H.R. 5200 would not impact their business, since it refers specifically to anatase TiO₂.

We currently import catalyst grade anatase TiO₂ from Europe and Japan which happens to be where our primary competitors are located. We must pay duty on TiO₂ and our competitors do not, which puts Cormetech at a competitive disadvantage and hampers our ability to export catalyst that we manufacture here in the US. Furthermore, the duty on catalyst grade TiO₂ does not protect US producers of this material, as there are none.

We respectfully request that you assist in “leveling the field” for Cormetech versus our foreign competitors by supporting the suspension of import duties on anatase TiO₂.

Sincerely,



Steven P. Suttle

cc:

Chairman Dave Camp and Ranking Member Sander Levin
House Ways and Means Committee
1102 Longworth House Office Building
Washington D.C. 20515

Chairman Max Baucus and Ranking Member Orin Hatch
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436