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September 13, 2012

The Honorable Dave Camp  
Chairman  
House Ways and Means Committee  
1102 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Max Baucus  
Chairman  
Senate Finance Committee  
219 Dirksen Senate Office Building  
Washington, DC 20510

Attention: MTB

Re: Objection to H.R. 5601 and S. 2640: Encapsulated Potassium Persulfate

Dear Chairmen Camp and Baucus:

This is to inform the House Ways and Means and Senate Finance Committees that FMC Corporation ("FMC"), which manufactures persulfate chemicals at a facility in Tonawanda New York, opposes H.R. 5601 and S. 2640, which propose to suspend temporarily the rate of duty on imports of encapsulated potassium persulfate.

As the sole commercial producer of persulfates in the United States, FMC believes a duty suspension on these products would materially harm our business operations and jobs in New York. Ammonium persulfate, the active ingredient in these encapsulated products, is made at FMC Tonawanda. Our material is subsequently coated (encapsulated) in the U.S at Fritz Industries (Houston, Texas). Thus, to allow duty free treatment for similar or identical encapsulated material (the encapsulation material is secondary to the active ingredient, and simply a form of packaging or delivery), will harm both FMC and Fritz Industries of Houston.

Moreover, there has been an antidumping order in place against imports of persulfates from China since July 7, 1997. This order remains in effect and will be subject to a sunset review again next year (2013). Therefore, to allow persulfate chemicals which are merely encapsulated to enter the United States

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duty free from any source, including China, runs counter to the Department of Commerce and International Trade Commission's determination on persulfate dumping, and would prejudice the next sunset review.

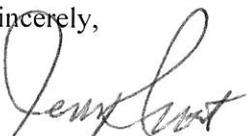
Furthermore, as you are likely aware, the United States' enforcement of antidumping and countervailing duty orders and evasion of such orders by US importers is a subject of great concern right now. Earlier this week, S. 3524, the ENFORCE ACT of 2012, introduced by Senator Wyden was placed on the Senate calendar for consideration. Clearly, there are companies out there seeking to evade current antidumping orders. We believe allowing bills such as H.R. 5601 and S. 2640 to move forward would create a potential vehicle for evading the current antidumping order on persulfates from China.

The bill requirements set forth by the House Ways and Means Committee for the Miscellaneous Tariff Bill (MTB) Process are straightforward and clearly provide that "[a] bill will be considered controversial if, for instance, another Member objects to the bill or *if a domestic producer objects to the bill (A domestic producer is a person or firm who demonstrates production, or imminent production, of the article or a like or directly competitive article)*. The Committee will consider concerns raised by relevant parties." *Miscellaneous Tariff Bill Process Requirements*, Section II, ¶ 8. Therefore, the Committee shall give weight to objections filed by valid domestic producers. FMC produces a like product in the United States and at least one encapsulator produces a like product in the United States. Since the bill is thus "controversial," we believe it should be dropped from consideration by both Committees.

While FMC supports the general purpose of the Miscellaneous Tariff Bill to make lower cost inputs available for US manufacturers, we must express our opposition to these specific bills, which we believe run counter to the purpose for which the MTB process is intended and possibly undermine US antidumping law.

Please let me know if you have any questions or require additional information. Our Tonawanda New York facility employees approximately 200 people and is represented by Local 76C of the Chemical Workers Union. Thank you in advance for your consideration

Sincerely,



Jerry Prout